

Court File No. CV-22-00688570-00CL

**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:

OWEMANCO MORTGAGE HOLDING CORPORATION

Applicant

- and -

CONCEPT LOFTS LTD. and DONALD DESROCHERS

Respondents

MOTION RECORD

OF THE COURT-APPOINTED RECEIVER ROSEN GOLDBERG INC.

For Sale Approval, Approval of the Activities and Vesting Order

(Motion Returnable on December 9th, 2024, at 11:00 am by Zoom Videoconference)

December 6th 2024

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ONTARIO REPRESENT BY THE MINISTER OF FINANCE**

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**ONTARIO
SUPERIOR COURT OF JUSTICE
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IN THE MATTER OF SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, C. B-3,
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TAB 1

Notice of Motion returnable December 9th, 2024

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:

OWEMANCO MORTGAGE HOLDING CORPORATION

Applicant

- and -

CONCEPT LOFTS LTD. and DONALD DESROCHERS

Respondents

NOTICE OF MOTION

(Sale Approval and Approval of Activities Returnable December 9th, 2024)

Rosen Goldberg Inc., in its capacity as receiver and manager (in such capacities, the “**Receiver**”) of all of the assets, undertakings and properties of the Respondent, Concept Lofts Ltd. (“**CLL**”) acquired for, or used in relation to a business carried on by CLL, including the property municipally known as 1183 Dufferin Street, in Toronto, Ontario (the “**Dufferin Property**”) and the lands and premises owned by Donald Desrochers municipally known as Suites 502 and 503, 1 Balmoral Avenue in Toronto, Ontario (the “**Balmoral Property**”), will make a Motion to a Judge presiding over the Commercial List on December 9th, 2024 at 11:00am by Zoom videoconference.

PROPOSED METHOD OF HEARING: The Motion is to be heard orally by videoconference.

THE MOTION IS FOR:

1. An Order, to the extent necessary, abridging or waiving the time for service and filing of this Notice of Motion, the Motion Record and all materials filed in support thereof, validating the method of service and dispensing with further service so that this motion is properly returnable December 9th, 2024;
2. An approval and vesting order (“**AVO**”) substantially in the form included at Tab 3 of the Receiver’s Motion Record approving;
 - a. the sales transaction (the “**Transaction**”) in respect of Condominium Unit 111 – 1183 Dufferin Street, Toronto, Ontario (“**Real Property**”) as contemplated by the agreement of purchase and sale (the “**Dufferin APS**”) between the Receiver, as vendor, and the purchasers thereunder (the “**Purchasers**”) dated December 4th, 2024;
 - b. authorizing the Receiver to complete the Transaction as contemplated by the Dufferin APS;
 - c. following the delivery of the Receiver’s Certificate substantially, in the form attached as Schedule “A” to the proposed AVO, transferring and vesting in Natalie Maria Greig and Gabriel Levente Pandy-Szekeres (as directed by the Purchaser) all of the Debtors’ right, title and interest in and to the Real Property to the Purchasers, free and clear of all liens, charges, security interests, executions and encumbrances other than permitted encumbrances;

- d. Approving a distribution of the net proceeds from the sale of the Real Property to the Applicant.
3. An ancillary relief Order requesting among other things;
 - a. Approving the Eighth Report of the Receiver dated December 6th, 2024 and the Receiver's activities described therein; and
4. Such further and other relief as to this Honourable Court may seem just.

THE GROUNDS FOR THE MOTION ARE:

1. Owemanco Mortgage Holding Corporation ("**OMHC**") is a secured lender to the Respondent, Concept Lofts Ltd. (the "**CLL**") in connection with a principal loan of \$6.675M (the "**Facility A Loan**");
2. OMHC is also a secured lender to the Respondents, CLL and Donald Desrochers ("**Desrochers**") in connection with a principal loan of \$2.05M (the "**Facility B Loan**");
3. As security for the Facility A Loan, OMHC holds a first-ranking mortgage over the Dufferin Property (the "**Facility A Mortgage**");
4. As security for the Facility B Loan, OMHC holds mortgages blanketed over the Dufferin Property in second position (immediately behind the Facility A Mortgage) and over the Balmoral Property in first position (the "**Facility B Mortgage**");
5. The Facility B Mortgage contains a cross-default provision such that default under the Facility A Mortgage is a default under the Facility B Mortgage;

6. The Respondents defaulted (the “**Default**”) under the Facility A Loan and the Facility B Loan;
7. As a result of the Default OMHC sought and obtained Orders of Justice Cavanagh dated October 21, 2022 and November 7, 2022 (collectively the “**Appointment Order**”) appointing Rosen Goldberg Inc (the “**Receiver**”) as a receiver of:
 - a. all of the assets, undertakings and properties of CLL municipally known as 1183 Dufferin Street, in Toronto, Ontario (the “**Dufferin Property**”) and all the proceeds thereof: and
 - b. the lands and premises owned by Desrochers and municipally known as Suites 502 and 503, 1 Balmoral Avenue in Toronto, Ontario (the “**Balmoral Property**”), and all proceeds thereof.
8. The Appointment Order empowered and authorized the Receiver to market the Dufferin Property and the Balmoral Property, including authorizing and soliciting offers and negotiating such terms and conditions of sale as the Receiver in its discretion deemed appropriate;
9. On April 5th, 2024, the Receiver sought and obtained an Approval and Vesting Order from Justice Wilton-Siegel for the sale of the Balmoral Property;
10. The Receiver successfully completed the sale of the Balmoral Property on April 10th, 2024 and applied the net proceeds from the sale to the Respondents’ outstanding debt obligations;

11. On November 15th, 2024, the Receiver sought and obtained an Approval and Vesting Order from Justice Kimmel for the sale of 4 Condominium units (Unit 104, Unit 107, Unit 110 and Unit 112) of 14 units located at the Dufferin Property;
12. The Receiver successfully completed the sales of Unit 104, Unit 107 and Unit 110 on or about November 19th, 2024 and applied the net proceeds from the sales to the Respondents' outstanding debt obligations;
13. The Sale of the Unit 112 is schedule to close on December 17th, 2024;
14. The Respondents' debt obligations continue notwithstanding payment of the net proceeds from the sale of the Balmoral Property and 3 Units located at the Dufferin Property;
15. The Receiver has continued to market and solicit offers for the Dufferin Property;
16. The Receiver entered into an Agreement of Purchase and Sale dated December 4th, 2024, for the sale of Unit 111 with Natalie Maria Greig and Gabriel Levente Pandy-Szekeres (the "**Unit 111 Purchaser**");
17. The Transaction is subject to and conditional upon an Approval and Vesting Order authorizing the Receiver to complete the Transaction with the Purchasers contemplated by the Dufferin APS;
18. The Receiver has carried out its duties and responsibilities in accordance with the terms of the Appointment Order;
19. The Receiver is of the view that:

- a. Sufficient efforts were made to obtain the highest and best price for the Real Property;
 - b. The length of the marketing process was appropriate;
 - c. The marketing process was appropriate;
 - d. The marketing process was conducted fairly and with integrity;
 - e. The Dufferin APS represents the highest and best offer for the Real Property in the circumstances; and
 - f. The sale price for the Real Property represents nearly the full list price.
 - g. A protracted or alternative marketing process would likely not provide a superior result in the circumstances and the costs of any such process would prejudice the Debtors' creditors; and
 - h. As the Dufferin APS represents the best offer received for the Real Property, the Transaction maximizes the value of the Real Property for the benefit of the Debtors' creditors.
20. In light of and among other things, the Debtors' significant indebtedness, the costs associated with delaying the sale and value maximizing results achieved, the sale of Real Property should be monetized at this time.
21. It is in the best interests of the stakeholders that the Transaction be completed;

Distribution of the Net Sales

22. The Receiver seeks an order authorizing it to distribute the net cash component of the Purchase Price (as defined in the Dufferin APS) to the Applicant.
23. The lien in favour of SDM Construction Inc. was discharged on consent of the lien claimant.
24. A second lien claimant, We Care Community Operating Ltd. takes no position with respect to an order authorizing the Receiver to distribute the net cash component of the Purchase Price (as defined in the Dufferin APS) to the Applicant.
25. Authorizing the proposed distributions at this time will prevent the accrual of additional interest, to the benefit of the Debtors and their creditors, and repay or partially repay as applicable, the creditors with the senior secured interest in the Real Property.
26. The Eighth Report;
27. The Provisions of the *Bankruptcy and Insolvency Act* R.S. C. 1985, c. B-3, as amended, and section 100 of the *Courts of Justice Act* R.S.O. 1990, c. C. 43, as amended and the inherent and equitable jurisdiction of this Court;
28. Rules 1.04(1), 2.03, 3.02, 16, 37.07 and 41.05 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended; and
29. Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the Motion:

1. The Eighth Report;
2. All other pleadings and materials previously filed in these proceedings; and
3. Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

December 6th 2024

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TO: **SERVICE LIST**

OWEMANCO MORTGAGE HOLDING CORPORATION

-and-

CONCEPT LOFTS LTD. et al.

Applicant

Respondents

Court File No. CV-22-00688570-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
PROCEEDING COMMENCED AT
TORONTO**

NOTICE OF MOTION

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TAB 2

Eighth Report of the Receiver dated, December 6th 2024



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:

OWEMANCO MORTGAGE HOLDING CORPORATION

Applicant

- and -

CONCEPT LOFTS LTD. and DONALD DESROCHERS

Respondents

SEVENTH REPORT OF ROSEN GOLDBERG INC.

December 6, 2024

I. INTRODUCTION

1. By Order of Justice Cavanagh dated October 21, 2022 (the “**IR Appointment Order**”), Rosen Goldberg Inc. was appointed interim receiver of certain real property of Concept Lofts Ltd. (the “**Debtor**”) municipally known as 1183 Dufferin St, in Toronto (“**Dufferin**”) pursuant to section 47(1) of the *Bankruptcy and Insolvency Act* (the “**BIA**”). A copy of the IR Appointment Order is attached as **Appendix 1**.



2. By Order of Justice Cavanagh dated November 7, 2022 (the “**Expanded Powers Order**”), the status and mandate of Rosen Goldberg Inc. as interim receiver was varied and amended and, pursuant to section 243(1) of the BIA and section 101 of the *Courts of Justice Act*, it was appointed ‘full blown’ receiver and manager (in such capacities, the “**Receiver**”) of:
 - (a) all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including Dufferin, and all proceeds thereof; and
 - (b) the lands and premises owned by Donald Desrochers (“**Desrochers**”) municipally known as Suites 502 and 503, 1 Balmoral Avenue, in Toronto (“**Balmoral**”), and all proceeds thereof.
3. Copies of the Expanded Powers Order and His Honour’s endorsement are attached, collectively, as **Appendix 2**.

II. TERMS OF REFERENCE

4. In preparing this Eighth Report, the Receiver has relied upon information from third party sources (collectively, the “**Information**”). Certain information contained in this Seventh Report may refer to, or be based on, the Information. As the Information has been provided by other parties, or obtained from documents filed with the Court in this matter, the Receiver has relied on this Information, and to the extent possible reviewed the Information for reasonableness. However, the Receiver has not audited or otherwise attempted to verify the accuracy and completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the CPA Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.



III. PURPOSE OF THIS REPORT

5. This Eighth Report is filed with this Honourable Court for the following purposes:
- (a) to provide appropriate background to enable the Court to properly consider the relief being sought by the Receiver herein;
 - (b) to report on and seek approval of the Receiver's activities since its Seventh Report dated November 7th, 2024 (the "**Seventh Report**"). A copy of the Seventh Report is attached as **Appendix 3**;
 - (c) to recommend that this Honourable Court approve one (1) transaction (the "**Transaction**") contemplated in an agreement of purchase and sale (the "**Agreement of Purchase and Sale**") respecting a residential condominium unit at Dufferin (collectively, the "**Sold Unit**") between the Receiver and the purchasers named therein (collectively, the "**Purchasers**") and vest the Debtor's right, title and interest in the Sold Unit in and to the Purchasers, free and clear of encumbrances (except permitted encumbrances), upon the closing of the Transaction; and
 - (d) to recommend that Honourable Court authorize and direct the Receiver to distribute the net proceeds realized from the Sold Unit to Owemanco Mortgage Holding Corporation ("**OMHC**"), upon completion of the Transaction, with no holdback deficiency distributions in connection with the Liens, as identified in the Seventh Report.

IV. BACKGROUND

6. OMHC is a secured lender to:
- (a) the Debtor in connection with a principal loan of \$6.675M (the "**Facility A Loan**"); and
 - (b) the Debtor and Desrochers in connection with a principal loan of \$2.05M (the "**Facility B Loan**") and, together with the Facility A Loan, collectively, the "**Loans**").



7. As security for the Facility A Loan, OMHC holds a first mortgage over Dufferin (the “**Facility A Mortgage**”).
8. As security for the Facility B Loan, OMHC holds a second mortgage over Dufferin (the “**Facility B Mortgage**”). Before Balmoral was sold by the Receiver, the Facility B Mortgage was also blanketed over Balmoral, in first position.
9. Dufferin is subject to three additional mortgages that rank subordinate in priority to the Facility A Mortgage and the Facility B Mortgage. The three subordinate mortgages secure payment of the principal face amounts of \$1.3M, \$1.152M and \$547.5K, respectively, in favour of other mortgagees.
10. Dufferin is a converted church residential condominium project (the “**Project**”) on the east side of Dufferin St, north of Bloor St West. It consists of 14 residential units and 11 below grade parking stalls.
11. As presented in greater detail, in its Seventh Report, the Receiver has worked to remediate the Project and marketed it for sale since its appointment. The Receiver has successfully sold 4 of the 14 units.
12. By Order of Justice Kimmel, dated November 15th, 2024 the Receiver successfully conveyed title to 3 of the 4 sold units, by way of Approval and Vesting Orders. The 4th unit is scheduled to close on December 17th, 2024.
13. A Copy of Justice Kimmel’s endorsement is attached as **Appendix 4**.



14. The Receiver has disbursed the net proceeds from the 3 completed sales to the Applicant and anticipates disbursing the net proceeds from the 4th sale once it is completed.
15. As presented in greater detail, in its Seventh Report, the Receiver has marketed the Project for sale and has successfully entered into an Agreement of Purchase (the “**APS for Unit 111**”) and Sale for a 5th unit (Unit 111) dated December 4th, 2024 with Natalie Maria Greig and Gabriel Levente Pandy-Szekers with a scheduled closing date of February 14th 2024.
16. A copy of the APS for Unit 111 is attached as **Appendix 5**

V. PROPOSED TRANSACTIONS

17. The sale of Unit 111 is for full list price and the result of a continued marketing process.
18. Unit 111 was viewed by 7 different prospective purchasers, before the Purchasers presented their offer.
19. A copy of the marketing report for Unit 111 is attached as **Appendix 6**
20. The Receiver anticipates that the Purchaser of Unit 111 will waive conditions prior to December 15, 2024.
21. Other than the customary condition requiring court approval, the Agreement of Purchase and Sale is unconditional. The sale of Unit 111 is being sold on an “as is, where is” and “without recourse” basis.
22. The Receiver recommends that the Transaction be approved for the following reasons:



- (a) Unit 111 was widely exposed to the market in a robust listing process which is commonly used to sell condominium unit;
- (b) the purchase prices payable under the Agreement of Purchase and Sale is consistent with the listing prices for the previously Sold Units.
- (c) OMHC, the senior-ranking mortgagee supports the Transaction.
- (d) the completion of the Transactions will allow for a paydown of the Loans; and
- (e) the Receiver does not believe that further marketing of Unit 111 would result in higher offers.

VI. RECEIVER'S ACTIVITIES

- 23. Since its Seventh Report, the Receiver has sought and obtained the consent of one of two lien claimants, SDM Construction Inc., for the discharge of its lien (identified as the SDM Lien in the Seventh Report). The SDM Lien has been discharged, but the underlying action has not been dismissed.
- 24. A copy of the registered discharge of the SDM Lien is attached as **Appendix 7**.
- 25. Additionally the Receiver's activities have included the following:
 - completing the sale of Units 104, 107 and 110;
 - liaising regularly with respect to remedying deficiencies with the Project;
 - communicating with OMHC and its counsel, Dickinson Wright LLP;
 - liaising with Sage on with respect to the marketing and sale of units;
 - communicating with the Receiver's independent counsel Mand Rai LLP;
 - preparing statutory reports;
 - dealing with banking; and



- discharging the lien registered in favour of SDM Contraction Inc.; and
- negotiating with the lien claimant, We Care Community Operating Ltd

VII. PROPOSED INTERIM DISTRIBUTION

26. The Receiver seeks authorization to distribute the net proceeds realized from Units 111 to OMHC similar to the authorization granted by Justice Kimmel on November 15th, 2024.

VIII. CONCLUSION

27. For the reasons set out above, the Receiver recommends that this Honourable Court grant the relief described in paragraph 5.

All of which is respectfully submitted,

Dated at Toronto, Ontario, this 6th day of December, 2024.

**ROSEN GOLDBERG INC., SOLELY IN ITS CAPACITY AS
RECEIVER OF THE DEBTOR AND
BALMORAL, AND NOT IN
ITS PERSONAL OR CORPORATE CAPACITY**

Appendix No. 1

Court File No. CV-22-00688570-00CL

**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**

THE HONOURABLE)	FRIDAY, THE 21 st
)	
JUSTICE CAVANAGH)	DAY OF OCTOBER, 2022

OWEMANCO MORTGAGE HOLDING CORPORATION

Applicant

- and -

CONCEPT LOFTS LTD. and DONALD DESROCHERS

Respondents

**APPOINTMENT ORDER
(Interim Receiver)**

THIS MOTION made by the Applicant for an Order pursuant to section 47(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, (the “BIA”) appointing Rosen Goldberg Inc. as interim receiver (in such capacities, the “Interim Receiver”) of certain property of the Respondent Concept Lofts Ltd. (“CCL”) municipally known as 1183 Dufferin Street, Toronto, Ontario, and legally described in Schedule “A” attached hereto (the “Dufferin Property”), was heard this day by Zoom judicial videoconference.

ON READING the Affidavit of Graham Tobe sworn October 20, 2022 and on hearing the submissions of counsel for the Applicant, Sanjay Gupta on behalf of 2264405 Ontario Inc., and Saneh Bhardwaj on behalf of World Financial Solutions Inc., no one else on the service list appearing, although duly served as appears from the Affidavit of Service of David Seifer sworn October 20, 2022 and on reading the consent of Rosen Goldberg Inc. to act as the Interim Receiver,

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 47(1) of the BIA, Rosen Goldberg Inc. is hereby appointed Interim Receiver, without security, of the Dufferin Property.

INTERIM RECEIVER'S POWERS

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

- (a) to take possession of and exercise control over the Dufferin Property;
- (b) to receive, preserve, and protect the Dufferin Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to cease to perform any contracts of CCL in relation to the Dufferin Property which interfere with the Interim Receiver's exercise of its powers and duties;

- (d) to engage contractors, engineers, architects, consultants, experts and such other persons for the purpose of taking conservatory measures in respect of the Dufferin Property;
- (e) to purchase or lease such machinery, equipment, or other assets to assist with the Interim Receiver's exercise of its powers and duties;
- (f) to execute, assign, issue and endorse documents in relation to the Dufferin Property, whether in the Interim Receiver's name or in the name and on behalf of CCL, for any purpose pursuant to this Order;
- (g) to report to, meet with and discuss with such affected Persons (as defined below) as the Interim Receiver deems appropriate on matters relating to the Dufferin Property and to share information, subject to such terms as to confidentiality as the Interim Receiver deems advisable;
- (h) to register a copy of this Order against title to the Dufferin Property and title to the lands and premises legally described in Schedule "B" attached hereto (the "Balmoral Property"); and
- (i) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Interim 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 CCL, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE INTERIM RECEIVER

4. THIS COURT ORDERS that (i) CCL (ii) its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith grant immediate and continued access to the Dufferin Property to the Interim Receiver upon the Interim Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Interim 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 Dufferin Property, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Interim Receiver or permit the Interim Receiver to make, retain and take away copies thereof and grant to the Interim 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 Interim 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 Interim Receiver for the purpose of allowing the Interim 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 Interim Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Interim Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Interim Receiver with all such assistance in gaining immediate access to the information in the Records as the Interim Receiver may in its discretion require including providing the Interim Receiver with instructions on the use of any computer or other system and providing the Interim 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 INTERIM 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 Interim Receiver except with the written consent of the Interim Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DUFFERIN PROPERTY

8. THIS COURT ORDERS that no Proceeding against or in respect of the Dufferin Property shall be commenced or continued except with the written consent of the Interim Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Dufferin 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 Interim Receiver, or affecting the Dufferin Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any “eligible financial contract” as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Interim Receiver or CCL to carry on any business which CCL is not lawfully entitled to carry on, (ii) exempt the Interim Receiver or CCL 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 INTERIM 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 CCL in relation to the Dufferin Property, without written consent of the Interim Receiver or leave of this Court.

CONTINUATION OF SERVICES

11. THIS COURT ORDERS that all Persons having oral or written agreements with CCL or statutory or regulatory mandates for the supply of goods and/or services, including without

limitation, all computer software, communication and other data services, insurance, utility or other services to CCL in relation to the Dufferin 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 Interim Receiver, and that the Interim Receiver shall be entitled to the continued use of CCL's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Interim Receiver in accordance with normal payment practices of CCL or such other practices as may be agreed upon by the supplier or service provider and the Interim Receiver, or as may be ordered by this Court.

EMPLOYEES

12. THIS COURT ORDERS that the Interim Receiver shall not be liable for any employee-related liabilities of CCL, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Interim 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*.

LIMITATION ON ENVIRONMENTAL LIABILITIES

13. THIS COURT ORDERS that nothing herein contained shall require the Interim Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of the Dufferin 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 Interim Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Interim Receiver shall not, as a result of this Order or anything done in pursuance of the Interim Receiver's duties and powers under this Order, be deemed to be in Possession of the

Dufferin Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE INTERIM RECEIVER'S LIABILITY

14. THIS COURT ORDERS that the Interim 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 Interim Receiver by section 14.06 of the BIA or by any other applicable legislation.

INTERIM RECEIVER'S ACCOUNTS

15. THIS COURT ORDERS that the Interim Receiver and counsel to the Interim 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 Interim Receiver and counsel to the Interim Receiver shall be entitled to and are hereby granted a charge (the "Interim Receiver's Charge") on the Dufferin Property and the Balmoral 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 Interim Receiver's Charge shall form a first charge on the Dufferin Property and the Balmoral 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.

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

17. THIS COURT ORDERS that prior to the passing of its accounts, the Interim 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 Interim 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 INTERIM RECEIVERSHIP

18. THIS COURT ORDERS that the Interim Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$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 Interim Receiver by this Order, including interim expenditures. The whole of the Dufferin Property and the Balmoral Property shall be and are hereby charged by way of a fixed and specific charge (the “Interim Receiver’s Borrowings Charge”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Interim Receiver’s Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

20. THIS COURT ORDERS that the Interim Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule “C” hereto (the “Interim Receiver’s Certificates”) for any amount borrowed by it pursuant to this Order.

21. THIS COURT ORDERS that the monies from time to time borrowed by the Interim Receiver pursuant to this Order or any further order of this Court and any and all Interim 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 Interim Receiver’s Certificates.

22. THIS COURT ORDERS that all monies from time to time borrowed by the Interim Receiver pursuant to this Order or any further order of this Court shall be deposited into one or

more new accounts to be opened by the Interim Receiver (the “Post Interim Receivership Accounts”) and the monies standing to the credit of such Post Interim 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.

SERVICE AND NOTICE

23. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the “Protocol”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: http://www.rosengoldberg.com/company-files.php?company_id=83.

24. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Interim 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 creditors of CCL and the Respondent Donald Desrochers (collectively, the “Debtors”) other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

TERM OF INTERIM RECEIVER’S APPOINTMENT

25. THIS COURT ORDERS that the term of the Interim Receiver’s appointment shall expire on the earliest of:

- (a) the taking of possession by a receiver, within the meaning of subsection 243(2) of the BIA, of the Dufferin Property;
- (b) the taking of possession by a trustee in bankruptcy of the Dufferin Property; and
- (c) November 19, 2022, or such earlier or later date as this Court may order.

GENERAL

26. THIS COURT ORDERS that the Interim 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 Interim Receiver from acting as a trustee in bankruptcy or receiver and manager of the Debtors.

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 Interim 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 Interim Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Interim Receiver and its agents in carrying out the terms of this Order.

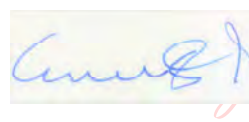
29. THIS COURT ORDERS that the Interim Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Interim 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 Motion up to and including entry and service of this Order, as 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 from the Debtors' estates with such priority, according to such allocation as between Debtors and the Dufferin Property and the Balmoral Property, and at such time as this Court may determine.

31. THIS COURT ORDERS that this Order is strictly without prejudice to the relief sought by the Applicant in its Notice of Application.

32. THIS COURT ORDERS that any interested party (including the Applicant, the Interim Receiver and any of the Debtors) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Interim 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.

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



Digitally signed
by Mr. Justice
Cavanagh

SCHEDULE "A"

**LANDS AND PREMISES OWNED BY THE
RESPONDENT CONCEPT LOFTS LTD.**

<i>PIN</i>	21291 - 0415	LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PART OF LOTS 18, 19 & 20, BLOCK O, PLAN 622, DESIGNATED AS PART 1, PLAN66R26944; CITY OF TORONTO			
<i>Address</i>	1183 DUFFERIN STREET TORONTO			

SCHEDULE "B"**LANDS AND PREMISES OWNED BY THE
RESPONDENT DONALD DESROCHERS**

<i>PIN</i>	12205 - 0069LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	UNIT 2, LEVEL 5, METRO TORONTO CONDOMINIUM PLAN NO. 1205 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS: REM PCL 1-1, SEC A703; LTS 1 & 2 & PT LT 6, PL 703 YORK; PT LTS 1, 2 & 3, PTLANE (CLOSED), PT 6" RES., PL 1207 YORK; PT LT A, PL 1432 YORK; ALL DES ASPTS 1 & 2 ON 66R17690; S/T & T/W AS SET OUT IN SCHEDULE 'A' OF DECLARATION E184380; WLY LIMIT OF YONGE ST CONFIRMED BY BOUNDARIES ACT PL BA1748, INST. CT416761; CITY OF TORONTO. SUBJECT TO A RIGHT FOR 5 YEARS FROM 9809 09 AS IN D621469, CITY OF TORONTO		
<i>Address</i>	502 UNIT 1 BALMORAL AVENUE TORONTO		
<i>PIN</i>	12205 - 0177LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	UNIT 8, LEVEL B, METRO TORONTO CONDOMINIUM PLAN NO. 1205 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS: REM PCL 1-1, SEC A703; LTS 1 & 2 & PT LT 6, PL 703 YORK; PT LTS 1, 2 & 3, PTLANE (CLOSED), PT 6" RES., PL 1207 YORK; PT LT A, PL 1432 YORK; ALL DES ASPTS 1 & 2 ON 66R17690; S/T & T/W AS SET OUT IN SCHEDULE 'A' OF DECLARATION E184380; WLY LIMIT OF YONGE ST CONFIRMED BY BOUNDARIES ACT PL BA1748, INST. CT416761; CITY OF TORONTO. SUBJECT TO A RIGHT FOR 5 YEARS FROM 9809 09 AS IN D621469, CITY OF TORONTO		
<i>Address</i>	8B UNIT 1 BALMORAL AVENUE TORONTO		
<i>PIN</i>	12205 - 0070LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	UNIT 3, LEVEL 5, METRO TORONTO CONDOMINIUM PLAN NO. 1205 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS: REM PCL 1-1, SEC A703; LTS 1 & 2 & PT LT 6, PL 703 YORK; PT LTS 1, 2 & 3, PTLANE (CLOSED), PT 6" RES., PL 1207 YORK; PT LT A, PL 1432 YORK; ALL DES ASPTS 1 & 2 ON 66R17690; S/T & T/W AS SET OUT IN SCHEDULE 'A' OF DECLARATION E184380; WLY LIMIT OF YONGE ST CONFIRMED BY BOUNDARIES ACT PL BA1748, INST. CT416761; CITY OF TORONTO.		
<i>Address</i>	503 UNIT 1 BALMORAL AVENUE TORONTO		

<i>PIN</i>	12205 - 0281LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	UNIT 24, LEVEL C, METRO TORONTO CONDOMINIUM PLAN NO. 1205 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS: REM PCL 1-1, SEC A703; LTS 1 & 2 & PT LT 6, PL 703 YORK; PT LTS 1, 2 & 3, PTLANE (CLOSED), PT 6" RES., PL 1207 YORK; PT LT A, PL 1432 YORK; ALL DES ASPTS 1 & 2 ON 66R17690; S/T & T/W AS SET OUT IN SCHEDULE 'A' OF DECLARATION E184380; WLY LIMIT OF YONGE ST CONFIRMED BY BOUNDARIES ACT PL BA1748, INST. CT416761; CITY OF TORONTO.		
<i>Address</i>	24C UNIT 1 BALMORAL AVENUE TORONTO		

SCHEDULE “C”
INTERIM RECEIVER CERTIFICATE

CERTIFICATE NO. ●

AMOUNT \$●

1. THIS IS TO CERTIFY that Rosen Goldberg Inc., the interim receiver (the “Interim Receiver”) of certain property of the Respondent Concept Lofts Ltd. municipally known as 1183 Dufferin Street, Toronto, Ontario (the “Dufferin Property”) appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the “Court”) dated the 21st day of October, 2022 (the “Order”) made in an application having Court file number CV-22-00688570-00CL, has received as such Interim Receiver from the holder of this certificate (the “Lender”) the principal sum of \$●, being part of the total principal sum of \$● which the Interim 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 Interim Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Dufferin 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 Interim Receiver to indemnify itself out of such Dufferin 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 Interim

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 Interim Receiver to deal with the Dufferin Property as authorized by the Order and as authorized by any further or other order of the Court.

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

DATED the ● day of ●, 20●.

ROSEN GOLDBERG INC., solely in its capacity as Interim Receiver of the Dufferin Property, and not in its personal capacity

Per: _____

Name:

Title:

OWEMANCO MORTGAGE HOLDING CORPORATION
Applicant

-and-

CONCEPT LOFTS LTD. et al.
Respondents

Court File No. CV-22-00688570-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
PROCEEDING COMMENCED AT
TORONTO

ORDER (APPOINTING INTERIM RECEIVER)

DICKINSON WRIGHT LLP

Barristers & Solicitors
199 Bay Street
Suite 2200, P.O. Box 447
Commerce Court Postal Station
Toronto, Ontario, M5L 1G4

DAVID P. PREGGER (36870L)

Email: dpreger@dickinsonwright.com
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DAVID Z. SEIFER (77474F)

Email: dseifer@dickinsonwright.com
Tel: (416) 646-6867
Fax: (844) 670-6009

Lawyers for the Applicant

Appendix No. 2

Court File No. CV-22-00688570-00CL

**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**

THE HONOURABLE)	MONDAY, THE 7th
)	
JUSTICE CAVANAGH)	DAY OF NOVEMBER, 2022

B E T W E E N:

OWEMANCO MORTGAGE HOLDING CORPORATION

Applicant

- and -

CONCEPT LOFTS LTD. and DONALD DESROCHERS

Respondents

**EXPANDED POWERS 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 Rosen Goldberg Inc. as receiver and manager (in such capacities, the “Receiver”) without security, of all of the assets, undertakings and properties of the Respondent Concept Lofts Ltd. acquired for, or used in relation to a business carried on by the Respondent Concept Lofts Ltd. and over certain real property owned by the Respondent Donald Desrochers (and together with the Respondent

Concept Lofts Ltd., collectively, the “Debtors”), was heard this day by Zoom judicial videoconference.

ON READING the Affidavit of Graham Tobe sworn October 19, 2022, the Affidavit of Graham Tobe sworn October 20, 2022, the Affidavit of David Seifer sworn November 4, 2022, and the First Report of Rosen Goldberg Inc. dated November 3, 2022, (the “First Report”) and on hearing the submissions of counsel for the Applicant, counsel for the Debtors, Steve Basille, an occupant of Unit 102 at 1183 Dufferin Street, and Fernando Franco, an occupant of Unit 108 at 1183 Dufferin Street, no one else on the service list appearing, although duly served as appears from the Affidavit of Service of Janet Nairne sworn October 20, 2022, the Affidavit of Service of David Seifer sworn October 20, 2022, and the Affidavit of Service of Janet Nairne sworn November 4, 2022, and on reading the First Report and the consent of Rosen Goldberg Inc. to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Application Record, the Supplementary Application Record and the First Report 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 the status and mandate of Rosen Goldberg Inc. as interim receiver pursuant to the Appointment Order (Interim Receiver) dated October 21, 2022 is hereby varied and amended as hereinafter set out.

3. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, Rosen Goldberg Inc. is hereby appointed Receiver, without security, of:

- (a) all of the assets, undertakings and properties of the Respondent Concept Lofts Ltd. acquired for, or used in relation to a business carried on by the Respondent Concept Lofts Ltd., including the lands and premises described in Schedule “A” attached hereto, and all proceeds thereof; and

- (b) the lands and premises owned by the Respondent Donald Desrochers described in Schedule “B” hereto, and all proceeds thereof

(collectively, the “Property”).

RECEIVER’S POWERS

4. 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, rents, 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 Respondent Concept Lofts Ltd., including the powers to complete any outstanding or remedial construction on the lands and premises described in Schedule “A”, cause a condominium corporation to be created, execute a condominium declaration, enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Respondent Concept Lofts Ltd.;
- (d) to deal with the City of Toronto and any government authority having jurisdiction in respect of any building or other permits or approvals, outstanding or new, required in connection with the lands and premises described in Schedule “A” whether in the Receiver’s name or in the name and on behalf of the Respondent Concept Lofts Ltd., for any purpose pursuant to this Order;

- (e) to engage contractors, project managers, engineers, architects, 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;
- (f) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Respondent Concept Lofts Ltd. or any part or parts thereof;
- (g) to receive and collect all monies, rents and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Respondent Concept Lofts Ltd. in collecting such monies, including, without limitation, to enforce any security held by the Respondent Concept Lofts Ltd.;
- (h) to settle, extend or compromise any indebtedness owing to the Respondent Concept Lofts Ltd.;
- (i) 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 any of the Debtors, for any purpose pursuant to this Order;
- (j) 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 Respondent Concept Lofts Ltd., 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;
- (k) 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;

- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business with the approval of this Court and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required;
- (m) 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;
- (n) 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;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Respondent Concept Lofts Ltd.;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Respondent Concept Lofts Ltd. may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

WRIT OF POSSESSION

5. THIS COURT ORDERS that leave be and is hereby granted to issue a writ of possession in respect of the lands and premises described in Schedule “B” hereto in order that the Sheriff of the City of Toronto give possession of the lands and premises described in Schedule “B” hereto to the Receiver without delay.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

6. THIS COURT ORDERS that (i) the Debtors, (ii) the Respondent Concept Lofts Ltd.’s current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “Persons” and each being a “Person”) shall forthwith advise the Receiver of the existence of any Property in such Person’s possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver’s request.

7. 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 Respondent Concept Lofts Ltd. or in relation to the lands and premises described in Schedule “B” hereto, 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 7 or in paragraph 8 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.

8. 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

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

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

10. THIS COURT ORDERS that no Proceeding against or in respect of the Respondent Concept Lofts Ltd. or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Respondent Concept Lofts Ltd. or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

11. THIS COURT ORDERS that all rights and remedies against the Respondent Concept Lofts Ltd., the Receiver, or affecting the Property, are hereby stayed and suspended except with the

written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any “eligible financial contract” as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Respondent Concept Lofts Ltd. to carry on any business which the Respondent Concept Lofts Ltd. is not lawfully entitled to carry on, (ii) exempt the Receiver or the Respondent Concept Lofts Ltd. 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

12. 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 Respondent Concept Lofts Ltd. or by the Respondent Donald Desrochers in in relation to the lands and premises described in Schedule “B” hereto, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

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

RECEIVER TO HOLD FUNDS

14. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the “Post Receivership Accounts”) 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

15. THIS COURT ORDERS that all employees of the Respondent Concept Lofts Ltd. shall remain the employees of the Respondent Concept Lofts Ltd. until such time as the Receiver, on the Respondent Concept Lofts Ltd.’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

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

identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. 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

18. 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

19. 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.

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

21. 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

22. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

23. 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.

24. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule “C” hereto (the “Receiver’s Certificates”) for any amount borrowed by it pursuant to this Order.

25. 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

26. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: http://www.rosengoldberg.com/company-files.php?company_id=83.

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

GENERAL

28. 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.

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

30. 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.

31. 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.

32. 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 Debtors' estates, according to such allocation as between the Debtors' estates, with such priority and at such time as this Court may determine.

33. 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.

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



Digitally signed by
Mr. Justice Cavanagh

SCHEDULE "A"**LANDS AND PREMISES OWNED BY THE
RESPONDENT CONCEPT LOFTS LTD.**

<i>PIN</i>	21291 - 0415	LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PART OF LOTS 18, 19 & 20, BLOCK O, PLAN 622, DESIGNATED AS PART 1, PLAN66R26944; CITY OF TORONTO			
<i>Address</i>	1183 DUFFERIN STREET TORONTO			

SCHEDULE "B"

**LANDS AND PREMISES OWNED BY THE
RESPONDENT DONALD DESROCHERS**

<i>PIN</i>	12205 - 0069LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	UNIT 2, LEVEL 5, METRO TORONTO CONDOMINIUM PLAN NO. 1205 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS: REM PCL 1-1, SEC A703; LTS 1 & 2 & PT LT 6, PL 703 YORK; PT LTS 1, 2 & 3, PTLANE (CLOSED), PT 6" RES., PL 1207 YORK; PT LT A, PL 1432 YORK; ALL DES ASPTS 1 & 2 ON 66R17690; S/T & T/W AS SET OUT IN SCHEDULE 'A' OF DECLARATION E184380; WLY LIMIT OF YONGE ST CONFIRMED BY BOUNDARIES ACT PL BA1748, INST. CT416761; CITY OF TORONTO. SUBJECT TO A RIGHT FOR 5 YEARS FROM 9809 09 AS IN D621469, CITY OF TORONTO		
<i>Address</i>	502 UNIT 1 BALMORAL AVENUE TORONTO		
<i>PIN</i>	12205 - 0177LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	UNIT 8, LEVEL B, METRO TORONTO CONDOMINIUM PLAN NO. 1205 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS: REM PCL 1-1, SEC A703; LTS 1 & 2 & PT LT 6, PL 703 YORK; PT LTS 1, 2 & 3, PTLANE (CLOSED), PT 6" RES., PL 1207 YORK; PT LT A, PL 1432 YORK; ALL DES ASPTS 1 & 2 ON 66R17690; S/T & T/W AS SET OUT IN SCHEDULE 'A' OF DECLARATION E184380; WLY LIMIT OF YONGE ST CONFIRMED BY BOUNDARIES ACT PL BA1748, INST. CT416761; CITY OF TORONTO. SUBJECT TO A RIGHT FOR 5 YEARS FROM 9809 09 AS IN D621469, CITY OF TORONTO		
<i>Address</i>	8B UNIT 1 BALMORAL AVENUE TORONTO		
<i>PIN</i>	12205 - 0070LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	UNIT 3, LEVEL 5, METRO TORONTO CONDOMINIUM PLAN NO. 1205 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS: REM PCL 1-1, SEC A703; LTS 1 & 2 & PT LT 6, PL 703 YORK; PT LTS 1, 2 & 3, PTLANE (CLOSED), PT 6" RES., PL 1207 YORK; PT LT A, PL 1432 YORK; ALL DES ASPTS 1 & 2 ON 66R17690; S/T & T/W AS SET OUT IN SCHEDULE 'A' OF DECLARATION E184380; WLY LIMIT OF YONGE ST CONFIRMED BY BOUNDARIES ACT PL BA1748, INST. CT416761; CITY OF TORONTO.		
<i>Address</i>	503 UNIT 1 BALMORAL AVENUE TORONTO		

<i>PIN</i>		<i>Interest/Estate</i>	<i>Fee Simple</i>
<i>Description</i>	12205 - 0281LT		
	UNIT 24, LEVEL C, METRO TORONTO CONDOMINIUM PLAN NO. 1205 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS: REM PCL 1-1, SEC A703; LTS 1 & 2 & PT LT 6, PL 703 YORK; PT LTS 1, 2 & 3, PTLANE (CLOSED), PT 6" RES., PL 1207 YORK; PT LT A, PL 1432 YORK; ALL DES ASPTS 1 & 2 ON 66R17690; S/T & T/W AS SET OUT IN SCHEDULE 'A' OF DECLARATIONE184380; WLY LIMIT OF YONGE ST CONFIRMED BY BOUNDARIES ACT PL BA1748, INST. CT416761; CITY OF TORONTO.		
<i>Address</i>	24C UNIT 1 BALMORAL AVENUE TORONTO		

SCHEDULE “C”
RECEIVER CERTIFICATE

CERTIFICATE NO. ●

AMOUNT \$●

1. THIS IS TO CERTIFY that Rosen Goldberg Inc., the receiver (the “Receiver”) of the assets, undertakings and properties of Concept Lofts Ltd. and certain real property owned by the Donald Desrochers (and together with Concept Lofts Ltd., collectively, the “Debtors”), including all proceeds thereof (collectively, the “Property”) appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the “Court”) dated the ● day of ●, 2022 (the “Order”) made in an application having Court file number CV-22-00688570-00CL, has received as such Receiver from the holder of this certificate (the “Lender”) the principal sum of \$●, being part of the total principal sum of \$● which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the ● day of each month] after the date hereof at a notional rate per annum equal to the rate of ● per cent above the prime commercial lending rate of Bank of ● from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

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

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

DATED the ● day of ●, 20●.

ROSEN GOLDBERG INC., solely in its
capacity as Receiver of the Property, and not in
its personal capacity

Per: _____

Name:

Title:

OWEMANCO MORTGAGE HOLDING CORPORATION
Applicant

-and-

CONCEPT LOFTS LTD. et al.
Respondents

Court File No. CV-22-00688570-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
PROCEEDING COMMENCED AT
TORONTO

EXPANDED POWERS ORDER
(APPOINTING RECEIVER)

DICKINSON WRIGHT LLP

Barristers & Solicitors
199 Bay Street
Suite 2200, P.O. Box 447
Commerce Court Postal Station
Toronto, Ontario, M5L 1G4

DAVID P. PREGGER (36870L)

Email: dpreger@dickinsonwright.com

Tel: (416) 646-4606

DAVID Z. SEIFER (77474F)

Email: dseifer@dickinsonwright.com

Tel: (416) 646-6867

Fax: (844) 670-6009

Lawyers for the Applicant

Appendix No. 2

Appendix No. 3

Court File No. CV-22-00688570-00CL

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

B E T W E E N:

OWEMANCO MORTGAGE HOLDING CORPORATION

Applicant

- and -

CONCEPT LOFTS LTD. and DONALD DESROCHERS

Respondents

SEVENTH REPORT OF ROSEN GOLDBERG INC.

November 7, 2024

I. INTRODUCTION

1. By Order of Justice Cavanagh dated October 21, 2022 (the “**IR Appointment Order**”), Rosen Goldberg Inc. was appointed interim receiver of certain real property of Concept Lofts Ltd. (the “**Debtor**”) municipally known as 1183 Dufferin St, in Toronto (“**Dufferin**”) pursuant to section 47(1) of the *Bankruptcy and Insolvency Act* (the “**BIA**”). A copy of the IR Appointment Order is attached as **Appendix 1**.

2. By Order of Justice Cavanagh dated November 7, 2022 (the “**Expanded Powers Order**”), the status and mandate of Rosen Goldberg Inc. as interim receiver was varied and amended and, pursuant to section 243(1) of the BIA and section 101 of the *Courts of Justice Act*, it was appointed ‘full blown’ receiver and manager (in such capacities, the “**Receiver**”) of:
 - (a) all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including Dufferin, and all proceeds thereof; and
 - (b) the lands and premises owned by Donald Desrochers (“**Desrochers**”) municipally known as Suites 502 and 503, 1 Balmoral Avenue, in Toronto (“**Balmoral**”), and all proceeds thereof.
3. Copies of the Expanded Powers Order and His Honour’s endorsement are attached, collectively, as **Appendix 2**.

II. **TERMS OF REFERENCE**

4. In preparing this Seventh Report, the Receiver has relied upon information from third party sources (collectively, the “**Information**”). Certain information contained in this Seventh Report may refer to, or be based on, the Information. As the Information has been provided by other parties, or obtained from documents filed with the Court in this matter, the Receiver has relied on this Information, and to the extent possible reviewed the Information for reasonableness. However, the Receiver has not audited or otherwise attempted to verify the accuracy and completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the CPA Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.

III. PURPOSE OF THIS REPORT

5. This Seventh Report is filed with this Honourable Court for the following purposes:
- (a) to provide appropriate background to enable the Court to properly consider the relief being sought by the Receiver herein;
 - (b) to report on and seek approval of the Receiver's activities since its Sixth Report dated March 23, 2024 (the "**Sixth Report**");
 - (c) to seek approval of the Receiver's interim statement of receipts and disbursements contained herein;
 - (d) to recommend that this Honourable Court approve four (4) transactions (collectively, the "**Transactions**") contemplated in four (4) agreements of purchase and sale (collectively, the "**Agreements of Purchase and Sale**") respecting four (4) residential condominium units at Dufferin (collectively, the "**Sold Units**") between the Receiver and the purchasers named therein (collectively, the "**Purchasers**") and vest the Debtor's right, title and interest in the Sold Units in and to the Purchasers, free and clear of encumbrances (except permitted encumbrances), upon the closing of the Transactions; and
 - (e) to recommend that Honourable Court authorize and direct the Receiver to distribute the net proceeds realized from the Sold Units to Owemanco Mortgage Holding Corporation ("**OMHC**"), upon completion of the Transactions, with no holdback deficiency distributions in connection with the Liens.

IV. BACKGROUND

6. The Debtor is an Ontario company incorporated on November 23, 2010. At the time of the Receiver's appointment, the Debtor's officers and directors were Desrochers, Sunil Bhardwaj ("**Bhardwaj**") and Sanjay Dubey ("**Dubey**"). A copy of a corporate profile report in respect of the Debtor is attached as **Appendix 3**.
7. OMHC is a secured lender to:

- (a) the Debtor in connection with a principal loan of \$6.675M (the “**Facility A Loan**”); and
 - (b) the Debtor and Desrochers in connection with a principal loan of \$2.05M (the “**Facility B Loan**” and, together with the Facility A Loan, collectively, the “**Loans**”).
8. As security for the Facility A Loan, OMHC holds a first mortgage over Dufferin (the “**Facility A Mortgage**”).
 9. As security for the Facility B Loan, OMHC holds a second mortgage over Dufferin (the “**Facility B Mortgage**”). Before Balmoral was sold by the Receiver, the Facility B Mortgage was also blanketed over Balmoral, in first position.
 10. Each of the Loans is guaranteed, jointly and severally, by Desrochers, Bhardwaj and Dubey pursuant to Guarantees and Postponements of Claim (collectively, the “**Guarantees**”). Copies of the Guarantees are attached, collectively, executed as **Appendix 4**.
 11. Dufferin is subject to three additional mortgages that rank subordinate in priority to the Facility A Mortgage and the Facility B Mortgage. The three subordinate mortgages secure payment of the principal face amounts of \$1.3M, \$1.152M and \$547.5K, respectively, in favour of other mortgagees.
 12. Dufferin is a converted church residential condominium project (the “**Project**”) on the east side of Dufferin St, north of Bloor St West. It consists of 14 residential units and 11 below grade parking stalls. Although construction was substantially finished in the summer of 2021, the Project had not progressed significantly, if at all, prior to the IR Appointment Order and the condominium corporation had not yet been created.
 13. The Debtor holds Dufferin and the Project as trustee for three co-owners (individually, a “**Co-Owner**” and, collectively, the “**Co-Owners**” or the “**Co-Ownership**”), pursuant to a Co-Ownership Agreement dated January 11, 2011 (the “**Co-Ownership Agreement**”). The Co-

Ownership Agreement was amended pursuant to an Addendum dated August 25, 2015 (the “**Addendum**”). Copies of the Co-Ownership Agreement and the Addendum are attached as **Appendices 5** and **6**, respectively.

14. The Addendum provides that the Co-Owner and their interests in the Co-Ownership are as follows:

Co-Owner	Percentage Interest Held
We Care Community Operating Ltd. (“ We Care ”)	50%
Bhardwaj	25%
SDM Projects Inc. (“ SDMP ”)	25%

15. The Addendum also provides that the shares in the Debtor are held as follows:

Shareholder	Percentage Interest Held
We Care	50%
Bhardwaj	25%
SDMP	25%

16. Before his passing, We Care was controlled by Desrochers. SDMP is controlled by Dubey. Copies of corporate profile reports respecting We Care and SDMP are attached as **Appendices 7** and **8**, respectively.
17. Pursuant to the Addendum, each of the Co-owners was engaged to perform certain functions and to be paid fees therefor. Among other things, for a fee of \$150,000, We Care was to work with the municipality and other governmental authorities to obtain necessary approvals, prepare and reviews plans, file submissions and represent the Co-Owners

through the planning, financing and construction of the Project. For a fee of \$75,000, SDMP was to review contracts, pay accounts payable, tender and secure trades and suppliers and supervise construction. The Addendum provides that the aforesaid fees were to be paid from construction funding or after construction or upon the sale of condominium units.

18. The Co-Ownership Agreement also contains a “waterfall” provision (the “**Waterfall Provision**”) whereby no distributions of cash surplus are payable to the Co-Owners, before deducting, among other things: (a) sums paid on account of principal and interest in respect of loans owing by the Co-Ownership or the Debtor; and (b) costs and expenses paid for the operation, maintaining, managing, developing, servicing and subdividing Dufferin.
19. On September 15, 2022, the City of Toronto (the “**City**”) caused notice of an Order issued on July 16, 2019 under the *Building Code Act, 1992* to be registered against Dufferin (the “**City Order**”). The City Order prohibited footings, foundations, structural framing, ductwork and piping for heating and air conditioning systems from being covered or enclosed. Contrary to the City Order, the footings, foundations, structural framing, ductwork and piping for heating and air conditioning systems were in fact covered or enclosed before the IR Appointment Order was granted.
20. Due to the City Order, the City would not issue occupancy certificates for the condominium units in Dufferin and the condominium units could not be effectively marketed and sold.
21. The Receiver subsequently completed the required remedial work to discharge the City Order from title. However, as hereinafter described in greater detail, there were other extensive deficiencies with the Project which the Receiver had to resolve to make units saleable.

V. BALMORAL

22. Before they were removed by the Sheriff, Desrochers and his spouse Laura Lawrence (“**Lawrence**”) resided in Balmoral. Balmoral is a 2,208 square foot residential condominium unit with 2 underground parking spaces, on the west side of Yonge St, between Farnham Ave and Balmoral Ave.
23. Pursuant to paragraph 5 of the Expanded Powers Order, leave was granted to issue a Writ of Possession in respect of Balmoral (the “**Writ**”).
24. Lawrence subsequently moved before Justice Cavanagh (the “**First Stay Motion**”) to discharge the Receiver over Balmoral and stay the Writ. On December 30, 2022, Justice Cavanagh dismissed the First Stay Motion. A copy of His Honour’s endorsement is attached as **Appendix 9**.
25. The dismissal of the First Stay Motion led to an arrangement being reached between Desrochers and OMHC on January 13, 2023 (the “**Arrangement**”). The Arrangement was premised upon Desrochers and Lawrence remaining in possession of Balmoral on certain terms and conditions, subject to Court approval.
26. The consideration given by Desrochers for the Arrangement was the assignment of 1.2 million units that he held in Owemanco Mortgage Trust (the “**Investment**”) to OMHC. The net asset value of each unit was approximately \$1.00 (Cdn).
27. Pursuant to the Arrangement:
 - (a) the Investment was irrevocably assigned to OMHC;
 - (b) the Investment was liquidated by OMHC, from time to time, and applied, among other things:

- i. to pay interest arrears and protective expenses that had accrued and been incurred under the Loans; and
 - ii. to pay monthly interest on the Loans, insurance and property taxes on a go forward basis;
 - (c) the proceeds of the Investment, when applied, were added to the indebtedness under the Facility B Loan and secured by a subordinate interest in the security given for the Facility B Loan, including the Facility B Mortgage; and
 - (d) the Sheriff would not execute the Writ unless and until the Investment was exhausted.
28. The Arrangement was approved by Justice Osborne on January 23, 2023 (the “**Approval Order**”). Copies of the Approval Order and His Honour’s endorsement are attached, collectively, as **Appendix 10**.
29. The Investment was exhausted at the end of June, 2023.
30. On August 14, 2023, Desrochers and Lawrence moved before Justice Penny to stay the Writ (the “**Second Stay Motion**”). His Honour dismissed the Second Stay Motion but stayed enforcement of the Writ for 30 days. A copy of His Honour’s endorsement is attached as **Appendix 11**.
31. The Sheriff removed Desrochers and Lawrence from Balmoral, and delivered vacant possession to the Receiver on October 11, 2023.
32. After taking possession of Balmoral, the Receiver requested a status certificate from the building’s condominium corporation, MTCC No. 1205 (“**1205**”). It then became aware that in 2014, Desrochers had removed a non-load bearing wall between Suites 502 and 503, in order to create one living unit, without 1205’s consent.
33. A number of steps were required to obtain a clear status certificate. Copies of permits needed to be delivered to 1205 and evidence that the conversion to a single unit would not

result in additional costs to 1205 had to be provided. A retroactive alteration agreement with 1205 pursuant to section 98 of the *Condominium Act* (the “**Section 98 Agreement**”) needed to be completed, signed and registered on title.

34. The Receiver engaged an architect to review the as-built drawings and inspect Suites 502 and 503 to confirm that no changes were made to the load bearing elements. The architect issued a favourable report.
35. The Receiver engaged counsel to prepare the Section 98 Agreement. A draft was submitted to 1205 on November 21, 2023 and lengthy negotiations with 1205 ensued. Desrochers was kept apprised based on his advice to the Receiver that he would sign the Section 98 Agreement when it was finalized.
36. Numerous attempts were made to have Desrochers sign the Section 98 Agreement but he refused. On February 1, 2024, the Receiver executed the Section 98 Agreement.
37. As set out in greater detail in the Receiver’s Sixth Report, after obtaining an appraisal of Balmoral and marketing and listing it for sale on MLS through a listing agent, the Receiver entered into an agreement of purchase and sale in respect of Balmoral on March 18, 2024, and into an amendment thereto on March 18, 2024. On April 5, 2024, Justice Wilton-Siegel approved the sale. Copies of His Honour’s Approval and Vesting Order and related Administration Order, directing the net sale proceeds to be distributed to OMHC, are attached, collectively, as **Appendix 12**.
38. On April 10, 2024, the sale of Balmoral was completed for \$2,050,000, out of which \$1,820,000 was distributed to OMHC.

VI. PASSING OF DONALD DESROCHERS

39. Desrochers died on May 7, 2024 and Lawrence was appointed his estate trustee. A copy of the Certificate of Appointment of Estate Trustee, issued in the Ontario Superior of Justice on May 19, 2024, is attached as **Appendix 13**.

VII. DUFFERIN

A. Resolution of Deficiencies

40. Following its appointment, the Receiver engaged Landscape Ltd. ("**Landscape**") to assist with resolving the deficiencies with the Project.
41. After receiving a deficiencies report from the City, the Receiver met with the City's building inspector, the Project's mechanical engineer, the Project's architect, Landscape and others at the Project on December 22, 2022. The deficiencies reviewed at the meeting included:
- waterproofing, drainage layer, weeping tile and footings were constructed without inspection;
 - concrete beams in the north wall were constructed contrary to issued plans;
 - structural framing, ductwork and piping for heating and air conditioning systems were constructed without inspection;
 - foam insulation protective material on the garage ceiling was exposed in certain areas;
 - supply air duct to the stairs from the parking garage did not have fire separation;
 - there were gaps at the bottom of fire rated doors;
 - stamped sprinkler shop drawings were required;

- a test certificate for sprinkler piping was required;
 - a sign off by the electrical engineer and a fire alarm installer's ULC certificate were required for the fire alarm;
 - third floor bathroom ceilings in the units were not framed according to permit drawings, which created a mezzanine-like space that was not structurally rated; and
 - smoke alarms were not working.
42. In addition to the above-noted items, Landscape identified missing kitchen appliances, missing central vacuum outlet covers, unterminated wires/cables, broken tiles on the front steps, unsecured metal flashing, cracked drywall joints, improperly installed flooring and millwork, loose handrails and evidence of leakage around windows and doors.
43. In connection with seeking the return of a letter of credit the Debtor had posted with the City for landscaping, a site plan inspection was conducted at the Project by a City site plan technician in late January of 2023. The following additional deficiencies were identified during the inspection:
- rusty lag bolts for deck railings needed to be replaced with galvanized hardware;
 - missing plant material needed to be planted and dead plants needed to be replanted;
 - filter cloth and gravel needed to be installed under the southern stairs from Dufferin St; and
 - Temporary mailboxes mounted to plywood needed to be replaced with a permanent solution.
44. The above-noted work was subsequently completed and the landscaping letter of credit was eventually released in late October of 2023.

45. In March of 2023, Landscape, on behalf of the Receiver, engaged the Project's mechanical engineer to assist in resolving the City's concerns with the network of exposed ductwork in the basement.
46. In April of 2023, Landscape, on behalf of the Receiver, engaged a contractor to perform the required masonry work and metal flashing to address the City's heritage deficiencies. The work proceeded in phases over several months and required the erection of scaffolding in various locations around the building. Upon completion, an architect was engaged, who inspected and certified the work in late August of 2023. A letter of credit that the Debtor had posted with the City heritage department was eventually released in October of 2023.
47. Between January and April of 2023, Landscape worked with Desrochers, Dubey and the Project's structural engineer to compile pertinent records and photographs to address the City's structural concerns. A structural engineering report was issued in April of 2023, certifying the adequacy of the structural matters. The structural deficiencies were then cleared by the City and the City Order was eventually discharged from title to Dufferin.
48. A meeting was held at the Project in early May 2023 between Landscape, the City's building inspector and the mechanical engineer. The mechanical engineer explained that the ductwork was intended to supply pressurized fresh air to the basement vestibules for the residential units on the south side of the parking garage. The City's building inspector, however, noted that the basement ductwork was not provided for in the issued set of plans approved for the building permit, lacked the required fire separation and was suspended in a manner that left inadequate clearance for vehicles in the garage.
49. Due to the time and cost associated with addressing the City's concerns regarding the ductwork, Landscape sought input from Desrochers. Desrochers directed Landscape to a Building Code consultant, whom Landscape engaged to inspect the ductwork and review

the architectural and mechanical drawings. In late June of 2023, a technical review letter was issued by consultant to the City, which opined that the ductwork in the garage was not required and could be removed altogether. The ductwork was, therefore, removed. Revised mechanical drawings were prepared and eventually approved by the City.

50. Landscape, on behalf of the Receiver, applied for a building permit in late July of 2023 to construct pitched ceilings in the spaces above 11 washrooms in the Project. The spaces were not load-bearing and posed a safety risk to future owners who could use them for storage or as habitable gross floor area. A building permit revision was issued in late August of 2023 with respect to the addition of pitched ceilings above the washrooms and construction proceeded thereafter.
51. In November of 2023, Carson Dunlop, a home inspection firm, was engaged by the Receiver to inspect and provide reports on two of the units, before the units were re-listed for sale.
52. Carson Dunlop's reports identified a multitude of deficiencies in the units, including:
 - reversal of hot and cold plumbing lines;
 - pooling of water in the shower stalls;
 - inoperative clothes dryers;
 - drywall flaws and paint splatter;
 - damaged ductwork;
 - faded and uneven wood floor staining;
 - unpainted door edges;
 - uneven gaps between millwork and kitchen appliances;
 - chipped tiles;
 - leaking plumbing fixtures;
 - drafts from certain windows and doors; and

- Improperly routed condensate lines.
53. Landscape, on behalf of the Receiver, engaged a contractor to address the deficiencies identified by Carson Dunlop. The contractor carried out a thorough inspection of each of the 14 units and, over the course of several weeks, corrected the deficiencies.
 54. The contractor discovered certain further deficiencies that were remedied such as inadequate water pressure in the showers, which required installation of booster pumps and replacement of certain plumbing components, inoperative instant hot water heaters and inoperative furnaces. The contractor also adjusted door mechanisms and complete finishing of unfinished drywall in certain closets.
 55. Landscape coordinated a test of the life safety (fire) monitoring systems at the Dufferin Property for November of 2023, with the City and staff from a life safety systems contractor in attendance. The systems did not pass the testing. The life safety systems contractor was engaged to correct the deficiencies, including heat tracing of certain sprinkler lines, installation of isolation devices for the fire pull stations, verification of all systems and issuance of ULC certificates.
 56. The City's plumbing inspector was contacted in November 2023 to inspect the Project and close out the plumbing component of the building permit. The inspector noted that catch basins in the garage floor did not have the proper priming lines installed. A concrete cutting contractor was engaged to open trenches in the floor and a plumber was hired to install the requisite water lines and priming devices, after which concrete was poured to close the trenches. Landscape obtained a compliance letter from the mechanical engineer with respect to the plumbing systems and the plumbing was passed in May of this year.
 57. The City's HVAC inspector was also contacted in November of 2023 to conduct a final

inspection of the HVAC systems at the Project. In the first week of January 2024, the HVAC inspector attended at the Project and found that the ventilation ductwork system in the units was not built in accordance with the approved engineering plans. An engineering firm was engaged to prepare an air balancing report. Landscape then worked with the Project's mechanical engineer to prepare a set of as-built HVAC drawings for submission to the City as part of a revision to the building permit. As the ductwork was enclosed behind walls, multiple site visits were required to compile an accurate set of as-built HVAC drawings. In June of 2024, a revision to the HVAC component of the building permit was issued.

58. Numerous meetings ensued in June and July of 2024 with the City's HVAC inspector. A contractor was engaged to open walls, modify the network of supply and return ductwork, and upgrade return ducts from 4" to 6" in diameter to resolve air balancing issues. Upon completion of the modifications to the ductwork, a compliance letter was issued by the mechanical engineer in July of 2024 and the permit for HVAC was closed.
59. Finally, on August 18, 2024, Landscape obtained confirmation from the City that all permits in respect of the Project were closed.

B. Registration of Condominium Declaration

60. The Receiver worked with the Debtor's condominium lawyers Levy Zavet PC with respect to condominium registration for the Project. On July 19, 2023, the condominium declaration and Toronto Standard Condominium Corporation No. 2987 was created in respect of Dufferin.

C. Receiver's Initial Marketing and Sale Process

61. On May 23, 2023, the Receiver entered into a listing agreement with T.K. Butler, of Frank

Leo & Associates (Re/Max West Realty Inc. Brokerage) (“FLA”), a real estate agent who was proposed by Desrochers.

62. On FLA’s advice, three units were initially listed, advertised and staged at listing prices that were set with input from FLA. Although there were numerous showings and regular reporting was provided by FLA, no offers were generated.
63. On July 10, 2023, with input from FLA, price reductions for all three units were implemented and three further units were listed for sale. Notwithstanding the price reductions and numerous showings that followed, only one offer was received but no agreement of purchase and sale was reached.
64. In view of the poor results, the Receiver re-evaluated the marketing and sale process and formed the view that a rebranding of the Project and relaunching of the marketing and sale process was required.
65. Accordingly, effective September 7, 2023, the units were taken off the market and the listing agreement with Butler was terminated.

D. Change of Name of the Debtor and Rebranding

66. On October 3, 2023, the Receiver moved before Justice Steele for authorization to change the Debtor’s from Concept Lofts Ltd. to Heritage Towns of Hallam Inc. in connection with rebranding the Project, perform further remediation work on the units, prepare new marketing materials and establish an onsite sales office. A copy of Her Honour’s endorsement granting the motion is attached as **Appendix 14**.

E. Receiver's Subsequent Marketing and Sale Process

67. Although the Receiver anticipated that it would take approximately 60 days to relaunch the marketing and sale process, due to the magnitude of the deficiencies and concerns for market reaction if they were not resolved, the relaunch was delayed.
68. The Receiver engaged Mark Savel of Sage Real Estate Limited ("**Sage**") as its new listing agent. Units were listed for sale on February 28, 2024. Sage worked closely with the Receiver in rebranding the units for sale.
69. Although there was significant activity after the commencement of the listing, due to remaining open permits regarding the fire safety and HVAC systems, prospective buyers were reluctant to make offers. On the recommendation of Sage, the listing was suspended pending the resolution of these issues.
70. In August of 2024, when all permits were closed, the listing of the units for sale with Sage resumed.
71. Prior to resuming the listing of the units, the Receiver's template form of offer contained a provision that a minimum number of units must be sold before sales become firm, to preserve the option of selling the Project as an apartment complex if there was insufficient market interest from buyers of individual units.
72. Eight units were listed on a staggered basis commencing August 19, 2024 as set out below:

Unit	Listing Date	Listing Price (\$)
102	September 23, 2024	1,049,000
104	August 23, 2024	775,000
105	August 19, 2024	799,000

107	August 28, 2024	625,000
108	August 19, 2024	649,000
109	September 23, 2024	649,000
110	August 23, 2024	599,000
112	August 19, 2024	699,000

73. Sage's marketing activities included:

- listing the units on MLS;
- installing signage at Dufferin;
- staging several units;
- preparing custom websites for the Project and each individual unit;
- preparing floor plans for each unit;
- conducting open houses on a regular basis;
- online promotions through special media platforms; and
- email blasts to local agents.

74. A copy of Sage's listing activity summary is attached as **Appendix 15**.

VIII. PROPOSED TRANSACTIONS

75. The marketing and sale process generated five (5) offers, which the Receiver accepted. Each offer was conditional for ten days in accordance with the "cooling off" requirements under the *Condominium Act*.

76. Although one of the offers was rescinded, the Purchasers waived conditions under three (3) Agreements of Purchase and Sale, which are summarized below:

Sold Unit	Purchaser	Purchase Price	Deposit	Closing Date	Copy attached as Appendix
104	Burke and Dalrymple	\$775,000	\$38,750	November 15, 2024	16
107	Meghan Boulanger	\$625,000	\$31,250	November 15, 2024	17
110	Shrijin Srinivasan	\$599,000	\$29,950	November 15, 2024	18

77. After conditions were waived under the three (3) Agreements of Purchase and Sale, the Receiver, with input from Sage and OMHC, removed the provision contained in its template from of offer requiring that a minimum number of units must be sold before sales become firm. Thereafter, a fourth (4) Agreement of Purchase and Sale was entered into, which is summarized below:

Sold Unit	Purchaser	Purchase Price	Deposit	Closing Date	Copy attached as Appendix
112	Katherine Gena Wasserman Nicholas Jacob Kiverago	\$699,000	\$35,000	December 17, 2024	19

78. The Receiver anticipates that the Purchaser of Unit 112 will waive conditions prior to November 15, 2024.
79. Other than the customary condition requiring court approval, the Agreements of Purchase and Sale (save for Unit 112) are unconditional. The Sold Units are being sold on an “as is,

where is” and “without recourse” basis.

80. The Receiver recommends that the Transactions be approved for the following reasons:

- (a) the Sold Units were widely exposed to the market in a robust listing process which is commonly used to sell condominium units;
- (b) the purchase prices payable under the Agreements of Purchase and Sale are consistent with the listing prices of the Sold Units;
- (c) OMHC, the senior-ranking mortgagee supports the Transactions;
- (d) the completion of the Transactions will allow for a paydown of the Loans; and
- (e) the Receiver does not believe that further marketing of the Sold Units would result in higher offers.

IX. RECEIVER’S ACTIVITIES

81. Since its Sixth Report, the Receiver’s activities have included the following:

- completing the sale of Balmoral on April 10, 2024;
- liaising regularly with respect to remedying deficiencies with the Project;
- communicating with OMHC and its counsel, Dickinson Wright LLP;
- liaising with Sage on with respect to the marketing and sale of units;
- communicating with the Receiver’s independent counsel Mand Rai LLP;
- preparing statutory reports; and
- dealing with banking.

X. RECEIPTS AND DISBURSEMENTS

82. The Receiver's interim statement of receipts and disbursements for the period of November 7, 2022 to November 6, 2024 is attached **Appendix 20**.
83. Hard and soft costs associated with remedying deficiencies at the Project and making the units saleable have been funded directly by OMHC as protective advances under its security.

XI. ANALYSIS OF CONSTRUCTION LIENS AND PROPOSED INTERIM DISTRIBUTION

A. Security Opinion

84. The Receiver obtained an opinion from its counsel Mand Rai LLP regarding the validity of the Facility A Mortgage and Facility B Mortgage. Subject to the customary qualifications, the opinion confirms that the Facility A Mortgage and the Facility B Mortgage are valid and enforceable in accordance with their terms and rank in priority to the other mortgages registered against Dufferin as first and second mortgages, respectively. A copy of the opinion is attached as **Appendix 21**.

B. The Liens

85. There are two construction liens registered against Dufferin (collectively, the "**Liens**" and individually, a "**Lien**"). The Liens are described in the following table :

Date Registered	Lien Claimant	Amount Claimed	Time within services or materials supplied	Description of services or materials supplied	Contract Price
2022/10/20	SDM Construction Inc.	\$ 189,739	2015/09/01 to 2022/10/12	Site Supervision and project management along with supply of materials and payment for various bills-insurance, materials, utility.	\$1,967,133.13 incl HST
2022/12/19	We Care	\$1,253,265	2012/03/01 to 2022/11/06	As per Management and Labour Contract as between We Care Community Operating Ltd. and Concept Lofts Ltd.	\$1,253,265

86. Copies of the liens registered by SDM Construction Inc. ("**SDMC**") and We Care are attached as **Appendices 22** and **23**, respectively.
87. A copy of a corporate profile report in respect of SDMC is attached as **Appendix 24**. The report lists Dubey as the sole officer and director of SDMC.
88. The Receiver is not aware of any written contract between SDMC and the Debtor or the Co-Ownership. The Receiver is advised by OMHC that OMHC was never provided with any such written contract.
89. The Receiver is not also not aware of a Management and Labour Contract between We Care and the Debtor or the Co-Ownership. None was ever provided to the Receiver by Desrochers. The Receiver was never served with a Statement of Claim in relation to We Care's Lien. The Receiver is advised by OMHC that OMHC was also never served with a Statement of Claim by We Care.
90. Although the Facility A Mortgage and the Facility B Mortgage were registered prior in time to the Liens, both mortgages are "building mortgages" such that by virtue of the priority regime under the *Construction Act*, the Liens on their face have priority over the mortgages

to the extent of any deficiency in the holdbacks required to be maintained by the Debtor. The Receiver understands that no holdbacks were retained by the Debtor.

91. Nonetheless, for the reasons hereinafter described, the Receiver is of the view that both Liens should be vacated and that no distributions from the proceeds of sale from the Transactions, or from any subsequent sales of units in the Project, should be paid to SDMC or We Care.

C. Nexus between Lien Claimants and the Debtor

92. As previously noted, in addition to being an officer and director of SDMC:

- (a) Dubey is the sole officer and director of SDMP, which holds a beneficial 25% Co-Ownership interest in the Property and Project and a 25% shareholding interest in the Debtor;
- (b) for a fee of \$75,000, SDMP was appointed under the Addendum to review contracts, pay accounts payable, tender and secure trades and suppliers and supervise construction;
- (c) Dubey is an officer and director of the Debtor; and
- (d) Dubey is a joint and several guarantor of both Loans.

93. Similarly, prior to his passing:

- (a) Desrochers was the sole officer and director of We Care, which holds a beneficial 50% Co-Ownership interest in the Property and Project and a 50% shareholding interest in the Debtor;
- (b) for a fee of \$150,000, We Care was appointed under the Addendum to work with the municipality and other governmental authorities to obtain necessary approvals, prepare and reviews plans, file submissions and represent the Co-Owners through the planning, financing and construction of the Project;
- (c) Desrochers is an officer and director of the Debtor; and

(d) Desrochers is a joint and several guarantor of both Loans.

94. Given the strong nexus between SDMC, as Co-Owner of the Property and the Project and shareholder of the Debtor, and SDMP, as lien claimant, and the legal principle that it is a contravention of the intent of the *Construction Act* to permit an owner to lien its own property through a related company, the Receiver is of the view that the SDMC's Lien should be vacated. Similarly, given that We Care is a Co-Owner of the Property and the Project and shareholder of the Debtor, the Receiver is of the view that its Lien should be vacated.

D. Documents Inconsistent with the Liens

95. The Receiver's view is fortified by a number of agreements and documents that OMHC obtained in connection with the Loans.
96. On March 16, 2021, in connection with the initial advance of funds under the Facility B Loan, each of Desrochers, Bhardwaj and Dubey executed an Indemnity in favour of OHMC, agreeing to indemnify and hold OMHC harmless from claims against the Property under the *Construction Act* and undertaking to discharge any liens for work and/or supplies that may be registered against the Property immediately upon receipt of such notice from OMHC. A copy of the indemnity is attached as **Appendix 25**.
97. On December 19, 2021, in connection with OMHC agreeing to increase the principal amount of the Facility B Loan from \$1.6M to \$2.05M, an Indemnity in the same form as the one executed on March 16, 2021, was again executed each of the Desrochers, Bhardwaj and Dubey. A copy of the Indemnity is attached as **Appendix 26**.
98. In the Receiver's view, there is no basis to excuse Dubey and Desrochers from complying with their obligation under each Indemnity to discharge the Liens which they themselves

caused to be registered. By the same token, there is no basis to permit the Liens to remain on title to Dufferin, prime the Facility A Mortgage and the Facility B Mortgage and compel holdback deficiency distributions in priority to distributions to OMHC from the sale of units.

99. On April 29, 2020, in connection with the Facility A Loan, each of We Care, SDMC and Bhardwaj executed a Postponement and Subordination of Shareholder Claims in favour of OHMC, whereby they agreed to postpone any claims against the Debtor and that any claims of OMHC under the Facility A Loan would take precedence and be fully paid in priority to such claims. Postponements and Subordinations of Shareholder Claims in the same form were executed in connection with the Facility B Loan by We Care, Bhardwaj and Dubey on March 16, 2021 and on November 9, 2021. Copies of the Postponements and Subordinations of Shareholder Claims are attached, collectively, as **Appendix 27**.
100. In the Receiver's view, there is no basis to excuse SDMC and We Care from having postponed and subordinated their claims against the Debtor under the Liens to the Facility A Loan (in the case of SDMC) and to both Loans (in the case of We Care) by distributing holdback deficiencies to them from the proceeds to be realized from the Sold Units, in priority to OMHC.
101. Additionally, the distribution of a holdback deficiency to We Care from the proceeds of sale of units in priority to the Loans being paid in full is inconsistent with the Waterfall Provision in the Co-Ownership, pursuant to which We Care agreed that no distributions of cash would be payable to the Co-Owners, before deducting sums paid on account of principal and interest in respect of loans owing by the Co-Ownership or the Debtor.
102. The registrations of the Liens is also inconsistent with three statutory declarations that OMHC received in connection with making advances under the Loans on May 6, 2020 (signed by Desrochers), July 8, 2020 (signed by Dubey on behalf of the Debtor) and

November 9, 2021 (signed by Desrochers). Copies of the statutory declarations are attached, collectively, as **Appendix 28**.

103. In the May 6, 2020 and July 8, 2020 statutory declarations, the declarants declared that all accounts for labour and materials with respect to improvements to Dufferin as of the dates thereof had been paid in full, such that no one had a right to register a lien or make a claim against title to Dufferin. The declarants further declared that there were no contracts or agreements in any way relating to improvements other as disclosed to OMHC.
104. Similarly, in the November 9, 2021 statutory declaration, Desrochers declared that all construction trades had been paid to date for construction work completed at Dufferin or would be paid prior to the first advance under the Facility B Loan. Additionally, he declared that there no claims for which construction liens could be registered.
105. SDMC's Lien with respect to services or materials supplied over the period of 2015/09/01 to 2022/10/12 appears to be irreconcilable with the aforesaid statutory declarations. We Care's Lien with respect to services or materials supplied over the period of 2012/03/01 to 2022/11/06 is also irreconcilable with the statutory declarations.
106. Lastly, the Receiver notes that Dubey appears to have executed a Form 9 Certificate of Substantial Performance under section 9 of the *Construction Act* on August 10, 2021, certifying that an unspecified contract with respect to an improvement identified as "Sanctuary Lofts – Townhouse Condominium" was substantially performed on June 30, 2021. A Certificate of Publication was published in respect of the Certificate of Substantial Performance on August 10, 2021. The Certificate of Publication describes the improvement as "Construction of Town House Condominium". Copies of the Certificate of Substantial Completion and the Certificate of Publication are attached, collectively, as **Appendix 29**.
107. The publication of a certificate of substantial performance triggers the date by which a

contractor must preserve its lien with respect to the improvement (within 45 days or 60 days of publication, depending on whether the prime contract was entered into before July 1, 2018).

108. Under the *Construction Act*, a contract is deemed to have been substantially performed “when the improvement to be made under that contract or a substantial part thereof is ready for use or is being used for the purposes intended.” In addition, the improvement must be capable of completion at that time. If there is an identified defect or correction to be made, the contract may still be deemed to have been substantially performed if the defect or correction can be completed for less than:
- three percent of the first \$1,000,000 of the contract price,
 - two percent of the next \$1,000,000 of the contract price (if applicable), and
 - one percent of the balance of the contract price (if applicable)
- (the “**Statutory Formula**”).
109. The general description of the improvement as “Sanctuary Lofts – Townhouse Condominium” in the Certificate of Substantial Completion and as “Construction of Town House Condominium” in the Certificate of Publication, suggest an intention to convey that the Project itself was ready for use for its intended purpose and that any construction liens would have to be preserved within 45 or 60 days of publication on August 10, 2021. Permitting the Liens and their registration in late 2022 to stand, would appear to excuse Dubey from his certification of substantial performance in the summer of 2021.
110. Moreover, the amounts claimed under the Liens far exceed the Statutory Formula for establishing substantial performance. The contract price referenced in We Care’s Lien is \$1,253,265. Therefore, the amount claimed by We Care should be not exceed \$35,065.30, although We Care claims \$1,253,265. Similarly, the contract price referenced in SDMC’s

Lien is \$1,967,133.13. Therefore, the amount claimed by SDMC should be not exceed \$49,342.66, although SDMC claims \$189,739.

E. Proposed Interim Distribution

111. A statement of the amounts due under the Loans, including the outstanding balance owing in respect of protective advances under OMHC's security, is attached as **Appendix 30**.
112. Based on the above-noted analysis with respect to the Liens, the Receiver seeks authorization to distribute the net proceeds realized from the Sold Units to OMHC, without any holdback deficiency being paid in priority to OMHC in connection with the Liens.

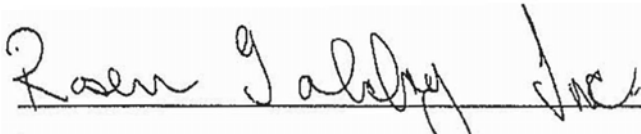
XII. CONCLUSION

113. For the reasons set out above, the Receiver recommends that this Honourable Court grant the relief described in paragraph 5.

All of which is respectfully submitted,

Dated at Toronto, Ontario, this 7th day of November, 2024.

**ROSEN GOLDBERG INC., SOLELY IN ITS CAPACITY AS
RECEIVER OF THE DEBTOR AND
BALMORAL, AND NOT IN
ITS PERSONAL OR CORPORATE CAPACITY**

A handwritten signature in black ink, appearing to read "Raen Galdy", is written over a horizontal line. The signature is cursive and somewhat stylized.

Appendix No. 4



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL SLIP/ENDORSEMENT

COURT FILE NO.: CV-22-00688570-00CL DATE: 15 November 2024

NO. ON LIST: 1

TITLE OF PROCEEDING: **OWEMANCO MORTGAGE HOLDING CORPORATION v. CONCEPT LOFTS LTD. et al**
BEFORE JUSTICE: **KIMMEL**

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing	Name of Party	Contact Info
David Preger	Applicant	dpreger@dickinsonwright.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Paul H. Mand	Rosen Goldberg Inc., Receiver	pmand@mandlaw.com

ENDORSEMENT OF JUSTICE KIMMEL:

1. Rosen Goldberg Inc. ("RGI"), the Court-appointed receiver, moves to approve the sale of four (4) new residential condominium units, 104, 107, 110 and 112 (the "Sold Units") at 1183 Dufferin Street, Toronto ("Property") and to distribute the net sale proceeds to the first mortgagee, Owemanco Mortgage Holding Corporation ("OMHC"), rather to the registered construction lien claimants.
2. The requested approval and vesting orders ("AVOs") grant clear title to the purchasers of the four Sold Units, including the removal of the construction liens registered by two companies affiliated with the

Debtor, Concept Lofts Inc., namely: SDM Construction Inc. and by We Care Community Operating Ltd. (the "Construction Liens").

3. As part of the Ancillary Relief Order, the Receiver seeks approval to distribute the sale proceeds from the four Sold Units immediately after those sales close to the first secured creditor/mortgagee (OMHC), and it also seeks an order that vacates, discharges and deletes the registered Construction Liens from title to all other condominium units in this Property.
4. This motion was scheduled on an urgent basis because of the upcoming closing of three of the four Sold Units, scheduled for Monday November 18, 2024. The fourth closing is scheduled for December 17, 2024. The purchasers have all waived any conditions to closing.
5. In the October 28, 2024 scheduling endorsement, it was contemplated that a future hearing date would be set to deal with distributions from these and other unit sales.
6. The primary legal point that the court would need to be satisfied of in order to granted the relief in the requested Ancillary Order is whether there are deficiency holdbacks associated with the Construction Liens that have priority over the secured mortgage debt. This is addressed in paragraphs 60 to 69 of the Receiver's factum.
7. The motion was short served and only one of the Lien Claimants, SDM Construction, has so far responded and consented to the requested relief (with a reservation of its rights regarding unsecured claims). We Care (which holds the lien of greater value) has not as of yet responded to the motion and did not appear at the hearing. The court expressed concern about dealing with distributions in light of the short service and the scheduling endorsement that contemplated that this issue would not be addressed today.
8. The Receiver would like to apply the net sale proceeds from the four Sold Units to the outstanding mortgage debt to reduce the interest charges.
9. To support the granting of the requested relief today, a further practical point was raised at the hearing, which is that, assuming an average sale price of the remaining units of \$600,000, there will be sufficient future sale proceeds from the remaining unsold units to satisfy the Construction Liens even if there is an approved distribution of the net sale proceeds from the four Sold Units now. That latter point is also a valid consideration in support of the granting of the four AVO's today.
10. I am satisfied that it is appropriate to grant the AVOs approving the purchase transactions for the four Sold Units (the "Transactions") and to authorize the Receiver to complete the Transactions, and vest the Debtor's right, title and interest in the Sold Units in and to the Purchasers, free and clear of encumbrances (except permitted encumbrances but including the Construction Liens), upon the closing of the Transactions.
11. The principles set out in *Royal Bank of Canada v. Soundair Corp.*, 1991 CanLII 2727 (ONCA) have been satisfied in respect of the Transactions for the following reasons outlined by the Receiver: (a) the Sold Units were widely exposed to the market in a robust listing process which is commonly used to sell condominium units; (b) the purchase prices payable under the Agreements of Purchase and Sale are consistent with the listing prices of the Sold Units; (c) OMHC, the senior-ranking mortgagee supports the Transactions; (d) the completion of the Transactions will allow for a paydown of the Loans; and (e) the Receiver does not believe that further marketing of the Sold Units would result in higher offers.
12. The Receiver has recommended the Transactions, while acting properly in the fulfillment of its obligations as an officer of the court.
13. These are arms-length Transactions that resulted from a public marketing and listing of the condominium units with Sage Real Estate Limited following a re-branding of the project that was approved by an earlier order of this court made in October 2023, and after a subsequent pause to allow for the completion of work by the Receiver to close out outstanding permits and complete remediation work that were perceived to be an impediment to sales.
14. In conjunction with these transactions, and in order to begin to reduce the mortgage carrying costs, I am prepared to approve the AVOs and provisional distribution of the net sale proceeds from the sale of the four Sold Units under the Ancillary Order given the estimated value of the remaining units at the Property

is more than sufficient to cover any valid deficiency holdbacks under the Construction Liens and the fact that one of the Lien Claimants is consenting. This approval is granted without any determination having been made regarding the priorities of any competing claims.

15. I am also satisfied that it is appropriate to approve the Receiver's Seventh Report dated November 7, 2024 and the activities and proposed activities of the Receiver described in that report, which are in furtherance of the Receiver's mandate and have been undertaken in good faith: see *Bank of America Canada v. Willann Investments Ltd.*, [1993] O.J. No. 1647 (Gen. Div.), at para. 3.
16. However, I am not prepared to grant the provisions in the Ancillary Order that vacate, discharge and delete the registered Construction Liens from title to all other condominium units in this Property at this time, given the prior scheduling endorsement and that the motion was short served and the second Lien Claimant We Care has not provided its consent or responded to the motion.
17. There is court time that is being held on December 9, 2024 for one hour at which time this issue can be addressed if the Receiver considers that to be an appropriate issue to bring forward on its own for the court's consideration. Alternatively, since an interim distribution is being provisionally approved of the net sale proceeds from the four Sold Units, the Receiver may cancel that court time and deal with this issue the next time an AVO is sought in connection with future condominium unit sales.
18. The Receiver shall advise the Commercial List scheduling office as soon as possible if the December 9, 2024 court time is not needed. If this motion is proceeding, this endorsement and the orders from today should be included in a supplementary motion record with a further notice of return of motion and draft order detailing the remaining relief sought that is served in time, and the Receiver shall endeavor to ascertain We Care's position in advance of that hearing.
19. In the meantime, I have signed the four AVOs and amended Ancillary Order, which shall have immediate effect without the necessity of formal issuance and entry.



KIMMEL J.

Appendix No. 5

AGREEMENT OF PURCHASE AND SALE – HERITAGE TOWNS AT HALLAM

ARTICLE 1 - PURCHASE OF UNIT AND PURCHASE PRICE

1.01 Agreement to Purchase

The undersigned Natalie Maria Greig and Gabriel Levente Pandy-Szekeres (hereinafter the "**Purchaser**"), hereby agrees to purchase Unit No. 12 Level 1 and Parking Unit No. A-10, municipally described as 1183 Dufferin Street, Unit 111, Toronto, Ontario M6H 4B7, shown for identification purposes on the sketch attached hereto as Schedule "A" together with an undivided Interest in the Common Elements and an exclusive use of those parts of the Common Elements appurtenant thereto as set out in the Declaration registered as AT6377944 or as amended from time to time, (hereinafter collectively the "**Unit**"), all in accordance with Condominium Plan registered as TSCP No. 2987 on terms and conditions as hereinafter set out.

1.02 Purchase Price

The purchase price (the "**Purchase Price**") for the Unit shall be six hundred ninety-nine thousand DOLLARS (\$ 699,000) of lawful money of Canada, payable by the Purchaser to the Vendor along with all proper and usual adjustments on Closing Date, 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.

1.03 Deposit

The Purchaser submits herewith thirty-four thousand nine hundred fifty DOLLARS (\$ 34,950) and within 10 days a further thirty-four thousand nine hundred fifty DOLLARS (\$ 34,950) (hereinafter collectively the "**Deposit**") by negotiable cheque payable to Sage Real Estate Ltd. The Deposit shall be held in accordance with the Act, pending completion or other termination of this Agreement and shall be credited on account of the Purchase Price on Closing. The Purchaser acknowledges and agrees that for the purposes of subsection 81(6) of the Act, compliance with the requirement to provide written evidence, in the form prescribed by the Act, of payment of monies by or on behalf of the Purchaser on account of the Purchase Price shall be deemed to have been sufficiently made by delivery of such written evidence to the address of the Purchaser noted below.

1.04 Irrevocability and Vendor's Condition/Acknowledgement of Receipt

The Purchaser acknowledges and agrees that:

- a) the Vendor is Rosen Goldberg Inc., in its capacity as Court Appointed Receiver and Manager of the assets, undertakings and properties of Heritage Towns at Hallam Inc. ("**HERITAGE TOWNS**") pursuant to Orders of the Ontario Superior Court of Justice dated October 21, 2022 and November 7, 2022 and October 3rd, 2023 in Court File Number CV-22-00688570-00CL in Toronto (Collectively the "**Order**") and not in its personal or its corporate capacity (hereinafter called the "**Vendor**");
- b) the agreement for the purchase and sale of the Unit which results from this Agreement is subject to Approval by the court in accordance with the provisions of Section 7.1 hereof; and
- c) this Offer shall be irrevocable by the Purchaser until 5:00 o'clock p.m. (Toronto time) on the 6th day of December, 2024, after which time, if not accepted by the Vendor, this Offer shall be null and void and the deposit shall be returned to the Purchaser.

The Purchaser covenants and agrees to execute and deliver to the Vendor or its sales representative an acknowledgement in the Form provided herein confirming the receipt of the Vendor's disclosure statement and a copy of this Agreement executed by the Vendor and Purchaser not later than two (2) days after the date of the execution of this Agreement by the Purchaser falling which the Vendor may in its sole, absolute and arbitrary discretion terminate this Agreement by delivery of a written notice to the Purchaser at the address set out herein. In the event that this Agreement is terminated by the Vendor, in accordance with the foregoing the Purchaser shall be entitled to the return of all deposit cheques delivered to the Vendor, together with any deposits paid and any applicable interest thereon in accordance with the Act. The Purchaser acknowledges that the executing of this Agreement and its acceptance by the Vendor, whether Approval is obtained or not, shall not give rise to any equitable interest in favour of the Purchaser in the Lands, or the Unit, and the Purchaser covenants not to bring any action or proceeding, or join any existing proceeding advancing the a claim for an equitable interest in the Lands or the Unit.

DATED at Toronto, this 4th day of December, 2024

SIGNED, SEALED AND DELIVERED
In the presence of
(Witness)

Signed by: Natalie Maria Greig 04-Dec-2024
Purchaser Signature YY/MM/DD
Telephone: 647-688-8683

Purchaser's Solicitor
Name: David A. Solomon
Address: 7507 Kennedy Road, L3R 0L8
Telephone: 905-479-1900 ex. 24
Email: das@markhamlaw.ca

Signed by: Gabriel Levente Pandy-Szekeres 04-Dec-2024
Purchaser Signature YY/MM/DD
Telephone: 437-349-1301
Email: pandysgl@gmail.com

The undersigned accepts the above Offer and agrees to complete this transaction in accordance with the terms hereof.

DATED at Toronto this 5th day of December, 2024.

SIGNED, SEALED AND DELIVERED
In the presence of
(Witness)

Rosen Goldberg Inc., in its capacity as Court Appointed Receiver and Manager of Heritage Towns and not in its personal or corporate capacity.

Per: Brahm Rosen
I have the authority to bind the Corporation

Vendor's Solicitor
MAND | RAI LLP 155 Rexdale Blvd., Suite 400 Toronto, Ontario M9W 5Z8
Attention: Paul H. Mand
Tel – 416-740-5653 Email – pmand@mandlaw.com

APPENDIX "A"

ARTICLE 2 - DEFINITIONS

The following definitions shall apply to this Agreement:

- 2.01 **ACT** means the Condominium Act, 1998, S.O. 1998, and any amendments thereto or replacements thereof.
- 2.02 **AGREEMENT** means this agreement of purchase and sale, together with any schedules hereto and includes any amendments to this Agreement.
- 2.03 **APPROVAL** in relation to the Court means the making of an appropriate Order of the Court in respect of the particular matter submitted for approval approving the action or proposed action of the Vendor on the terms satisfactory to the Vendor.
- 2.04 **APPROVAL ORDER** has the meaning ascribed thereto in paragraph 7.02 of this Agreement.
- 2.05 **APPOINTMENT ORDER** means Orders of the Superior Court of Justice dated October 21, 2022, November 7, 2022, and October 3rd, 2023, in Court File Number CV-22-00688570-00CL in Toronto
- 2.06 **BUILDINGS** means the buildings, the improvements, installations and fixtures of every nature and kind situated in, on or over the Lands.
- 2.07 **CLOSING DATE** and **CLOSING** means the date of closing set out in paragraph 9 of this Agreement or any date of closing, whether before or after such date, which may be fixed by the terms of this Agreement.
- 2.08 **COMMON ELEMENTS, COMMON INTERESTS, COMMON EXPENSES, DESCRIPTION, DECLARATION** and **BY-LAW** and other terms used herein, unless the context otherwise requires, shall have ascribed to them the definitions contained in the Act.
- 2.09 **CONDOMINIUM** means the condominium registered as Toronto Standard Condominium Plan No. 2987 against the lands pursuant to the Act and includes all buildings and structures erected upon the Lands.
- 2.10 **CONDOMINIUM DOCUMENTS** means collectively, the Declaration registered as AT6377944 and any amendments thereto and any disclosure statement required to be furnished under the Act, including all amendments thereto.
- 2.11 **CORPORATION** means the condominium corporation created upon registration by the Vendor of the Declaration and Description under the Act.
- 2.12 **COURT** means the Ontario Superior Court of Justice and includes a judge, master or registrar of the Court and any appellate court judge having jurisdiction in any particular matter.
- 2.13 **DECLARATION** means declaration registered AT6377944 and any amendments thereto.
- 2.14 **LANDS** means those certain lands and premises situate at 1183 Dufferin Street, in Toronto, Ontario and legally described as PART OF LOTS 18, 19, & 20, BLOCK O, PLAN 622 DESIGNATED AS PART 1, PLAN 66R26944, CITY OF TORONTO and PIN 21291-0415 LT
- 2.15 **PROPORTION OF INTEREST OF COMMON ELEMENTS** and **PROPORTION OF SHARE OF COMMON EXPENSES** are those shown in the Declaration.
- 2.16 **PURCHASE PRICE** means the purchase price of the Unit as defined in paragraph 1.02 of this Agreement.
- 2.17 **PURCHASER** means the purchaser as defined in paragraph 1.01 of this Agreement.
- 2.18 **RECEIVER** means Rosen Goldberg Inc.
- 2.19 **UNIT** has the meaning ascribed thereto in paragraph 1.01 of this Agreement.
- 2.20 **VENDOR** means the vendor as defined in paragraph 1.04 of this Agreement.
- 2.21 **VESTING ORDER** has the means ascribed thereto in paragraph 7.02 of this Agreement.

ARTICLE 3 - SCHEDULES

3.01 **The Schedules hereinafter enumerated and annexed hereto form part of this Agreement.**

SCHEDULE "A" - Suite Layout and Floorplate Location Plan

SCHEDULE "B" - Registered Condominium Declaration

ARTICLE 4 - ADJUSTMENTS

4.01 Usual Adjustments

Realty taxes (including local improvement charges, if any), assessment rates, hydro, water and gas rates, fuel, estimated common expenses, and insurance premiums, except insofar as the same are included in Common Expenses, shall be apportioned and allowed to the Closing Date, with that date itself apportioned to the Purchaser. With respect to realty taxes, the same may be estimated by the Vendor as if the Unit had been assessed (including any and all supplementary assessments) by the relevant taxing authority, as fully completed by the Vendor for the calendar year in which the transaction is completed, and shall be adjusted as if such sum had been paid by the Vendor notwithstanding that same may not, by the Closing Date, have been levied, assessed or paid, subject however, to readjustment upon the actual amount of such taxes being ascertained. The Purchaser shall, on the Closing Date, pay and/or reimburse the Vendor proportionately for any realty taxes required to be paid by the Vendor to the municipality for the succeeding year after Closing. The payment of realty taxes levied against the entire property, until such time as taxes are levied against each unit, shall be the responsibility of the Purchaser in accordance with the Purchaser's common expense allocation referable to the Condominium, as set forth in Schedule "D" to the Declaration. The

Purchaser shall pay on the Closing an amount to reimburse the Vendor for the cost of the Law Society of Ontario real estate transaction levy surcharge.

4.02 Reserve Fund

An amount equal to three (3) month's common expenses for the Purchaser's Unit to be paid by the Purchaser with respect to a contribution towards the reserve fund on the Condominium Corporation; and

4.03 Further Charges

All other items reasonably capable of and subject to the provisions of this Agreement, properly and usually the subject of adjustment in connection with the ownership, operation, and management of the Unit of whatsoever nature.

ARTICLE 5 - CLOSING PAYMENTS & DELIVERIES

5.01 Post-Dated Cheques

The Purchaser covenants and agrees to deliver to the Vendor, if so requested on Closing, a series of twelve (12) post-dated cheques in amounts estimated by the Corporation to be payable to the Corporation, or any form of payment such as a pre-authorized debt form (PAD) for payments due on account of Common Expenses for the ensuing 12-month period.

5.02 Delivery of Documents

The Purchaser agrees to execute and deliver to the Vendor, on or before the Closing Date, as required by the Vendor, all documents as may be required by the Vendor in order to allow the closing of this transaction and including without limitation the execution and delivery of a form of purchaser's acknowledgement and undertaking as may be required in the discretion of the Vendor and a statutory declaration and other evidence as may be required by the Vendor, confirming that there are no judgements or executions outstanding against the Purchaser.

5.03 Undertaking to Re-Adjust

The Purchaser agrees to execute and deliver an undertaking to re-adjust any item on or omitted from the statement of adjustments.

ARTICLE 6 - TITLE

6.01 Title

The Purchaser agrees to accept title to the Unit and the Condominium subject to the following and the Purchaser further agrees to comply with the following:

- a) the Declaration, Description and By-laws (subject to any amendments that may be required by the Vendor, mortgagee or by the appropriate Land Registry Office, the Municipality or any other authority to permit registration thereof) which are or will be registered in the said Land Registry Office;
- b) any subdivision agreement, condominium agreement, Section 37 municipal agreement, servicing agreement, site plan agreement, cost sharing or reciprocal operating agreement, encroachment agreement and security agreement and any agreement or other instrument containing provisions relating to the use, development, installation of services, and utilities or the erection of a building or other improvements in or on the Lands and which may now or hereafter be registered on title to the Lands, including the acceptance of those warning clauses included in Article 15.00 hereof, which the Purchaser acknowledges having been advised of;
- c) all easements, licenses and rights which may now or hereafter be required by the Municipality or any authority, commission or corporation or by the Vendor, for the installation and maintenance of public and private utilities and other services, including without limitation, telephone lines, hydroelectric lines, gas mains, water mains, sewers and drainage, cable TV, satellite, internet and other services. The Purchaser covenants and agrees:
 - i. to consent to the granting of any such easements, licenses and rights; and
 - ii. to execute all documents and do all other things requisite for this purpose;

After any transfer by the Vendor to the Purchaser, if it shall be necessary or expedient in the opinion of the Vendor, the Purchaser shall execute all documents, without payment by the Vendor, which may be required to convey or confirm such easements, licenses and rights as hereinafter provided and shall extract a similar covenant in any agreement entered into between the Purchaser and any subsequent purchaser;

- d) all easements or rights of way which may be required or granted to any adjacent or other landowner; any easement, right of way, license or agreement for the installation and maintaining of any tieback, underpinning, construction or similar arrangement with an adjoining owner;
- e) any agreements relating to recreational facilities and common areas, party walls, maintenance rights-of-way, and establishment of same, or any agreements which may be necessary for the operation of the Condominium, the administration of the affairs and carrying out of the duties and obligations of the Corporation or any shared cost agreements;
- f) any by-laws, regulations, covenants, restrictions, rights, licenses, rights-of-way and agreements which may now or hereafter be registered against title to the Unit or Lands;
- g) the right of the Vendor, Corporation or the Municipality and its or their servants, agents and employees, to enter, inspect and install services and utilities and to maintain and repair same;
- h) any restrictive covenants or restrictions affecting the Unit and the Condominium, and the Purchaser agrees to comply with same and any such restrictive covenants and building restrictions may be contained in the transfer

to the Purchaser;

- i) any Heritage By-law and any Heritage Easement Agreement relating to the Property and the ongoing preservation of any buildings located thereon;
- j) any conditional sales agreements, notices of security interests or other agreements relating to any rental or leased equipment in the Unit or Condominium;
- k) unregistered or inchoate liens or unpaid utilities in respect of which no formal bill, account or invoice has been issued by the relevant utility authority (or if issued, the time for payment of same has not yet expired) without any claim or request by the Purchaser for any utility holdback(s) or reduction/abatement in the Purchase Price, provided that the Vendor delivers to the Purchaser the Vendor's written undertaking to pay all outstanding utility accounts owing with respect to the Property (including any amounts owing in connection with any final meter reading(s) taken on or immediately prior to the Closing Date, if applicable), as soon as reasonably possible after the completion of this transaction; and
- l) the Appointment Order and any other Court order relating thereto or in contemplation thereof.

6.02 No Compliance Letters

The Vendor shall not be required to provide any letters of compliance, releases or discharges with respect to any item referred to in paragraph 6.01 herein.

6.03 Title Search

Provided that the title is good and free from all encumbrances or is an insurable title, except as herein in this Agreement stated. The Purchaser is not to call for the production of any title deed, survey, abstract or other evidence of title. The Purchaser is to be allowed until ten (10) days before Closing, to examine the title at his own expense. If within that time, any valid objection to title is made in writing to the Vendor which the Vendor shall be unable to remove and which the Purchaser will not waive, this Agreement shall, notwithstanding any intermediate negotiations in respect of such objections, be null and void and the deposits shall be returned to the Purchaser subject to the provisions of this Agreement and with interest, as provided for in the Act, and the Vendor shall not be liable for any costs or damages. Notwithstanding anything herein contained and notwithstanding the provisions of the Act or any successor legislation, or of the *Land Titles Act* of Ontario and any amendments thereto or any successor legislation, where any mortgages, charges or debentures are registered on title and where discharges, cessations, partial discharges or partial cessations thereof are tendered for registration in the appropriate Land Titles or Condominium Office, such mortgages, charges or debentures shall be deemed to be discharged for all purposes once the discharges, cessations, partial discharges or partial cessations have been accepted for registration, notwithstanding that the Parcel Register has not been signed and certified to reflect such registration and notwithstanding any statutory terms to the contrary as contained in the *Land Titles Act* of Ontario, as amended and any successor legislation or the Act or any successor legislation. Save as to any valid objection so made within such time, the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Unit and the Condominium. The Purchaser further acknowledges and agrees that the Vendor shall be entitled to respond to some, or all of the requisitions submitted by or on behalf of the Purchaser through the use of a standard title memorandum or title advice statement prepared by the Vendor's solicitors and that same shall constitute a satisfactory manner of responding to the Purchaser's requisitions. The Purchaser agrees to accept title by way of an Application - Vesting Order in lieu of receiving a Transfer/Deed of Land from the Vendor. The Purchaser's solicitor shall be responsible for the registration of, including all fees associated with same, of the Application - Vesting Order.

6.04 Tender of Documents

- a) The Vendor and the Purchaser waive personal tender and agree that tender of any documents or money may be made upon the solicitor acting for the Vendor or Purchaser. In the event that the Purchaser or his solicitor indicates or expresses to the Vendor or its solicitor, on or before the Closing Date, that the Purchaser is unable or unwilling to complete the sale, the Vendor, at its option, will be relieved of any obligation to make any formal tender upon the Purchaser or his solicitor. Payment must be made or tendered by wire, draft or certified cheque drawn on any Canadian chartered bank. Notwithstanding anything contained to the contrary in this Agreement, as the System (as hereinafter defined) is operative and mandatory for the Lands, it is expressly understood and agreed by the parties hereto that an effective tender shall be deemed to have been validly made by the Vendor upon the Purchaser when the Vendor's solicitor has: (i) delivered all closing documents to the Purchaser's solicitor in accordance with the provisions of this Agreement and the Registration Agreement (as hereinafter defined), if applicable; (ii) advised the Purchaser's solicitor, in writing, that the Vendor is ready, willing and able to complete the transaction in accordance with the terms and provisions of this Agreement; and (iii) completed all steps required by the System in order to complete this transaction that can be performed or undertaken by the Vendor's solicitor without the co-operation or participation of the Purchaser's solicitor, all without the necessity of personally attending upon the Purchaser or the Purchaser's solicitor with the aforementioned documents and without any requirement to have an independent witness evidence the foregoing;
- b) As an electronic registration system (the "**System**") under Part III of the *Land Registration Reform Act*, R.S.O. 1990 C.L. 4, as amended, is operative and mandatory in the applicable Land Titles Office in which the Land is registered, the Purchaser agrees to do all things necessary and as may be requested or required by the Vendor or its solicitor to complete this transaction using the System. The Purchaser acknowledges that: (i) the System is an electronic, paperless land registration system that no longer relies on signatures for such documents as a transfer/deed of land; (ii) the Purchaser and his solicitor will not be entitled to receive the transfer/deed of land unless the balance due on closing in accordance with the Vendor's statement of adjustments is in the hands of the Vendor's solicitors (either by personal delivery or electronic funds transfer) by 4:00 p.m. on the Closing Date; and (iii) the delivery and exchange of documents and money shall not occur contemporaneously with the registration of the transfer/deed of land, as it has in the past, but will be governed by the Registration Agreement (as hereinafter defined) and
- c) As the System is operative, it will therefore be necessary for the Purchaser and the Purchaser agrees: (i) to use a lawyer authorized to use the System and who is in good standing with the Law Society of Ontario; (ii) to authorize and direct such lawyer to enter into the Vendor's solicitor's standard form of escrow closing agreement (the "**Registration Agreement**") which will establish the procedures for closing the transaction; and (iii) that if the Purchaser's lawyer is unwilling or unable to complete this transaction under the System, then the Purchaser's lawyer must attend at the Vendor's solicitor's office or at another location as designated by the Vendor's solicitor, at such time on the Closing Date as directed by the Vendor's solicitor to complete

the transaction under the System utilizing the Vendor's solicitor's (or agent's) computer facilities and in such case to pay to the Vendor's solicitor such reasonable fee as required.

6.05 Manner of Purchaser's Title

- a) The Purchaser agrees to advise the Vendor or its solicitors at least thirty (30) days prior to the Closing Date of the manner in which title is to be taken by the Purchaser, together with the birth dates of the Purchaser.
- b) The Purchaser agrees to provide and execute and deliver on Closing, whatever indemnities, assurances, and other documentation that may be required by the Vendor in order to transfer title to the Unit.

ARTICLE 7 - CONDITIONS

7.01 Conditions

This Agreement and the transaction arising therefrom is conditional upon the Vendor obtaining a Vesting Order (the "**Vesting Order**") of the Court, vesting title of the Unit in the Purchaser's name. The Purchaser hereby acknowledges and agrees that the sale of the Unit is by and subject to the Vesting Order. The Vendor shall diligently pursue such application or applications and shall promptly notify the Purchaser of the disposition thereof. The Purchaser, at its own expense, shall promptly provide to the Vendor all such information and assistance within the Purchaser's power as the Vendor may reasonably require to obtain the Vesting Order. If the Court shall not grant the Vesting Order, the Agreement shall automatically be terminated. If the Agreement is terminated under any provision of this paragraph, the deposit and any interest earned thereon shall be returned to the Purchaser and neither party shall have any further rights or liabilities hereunder.

ARTICLE 8 - DEFAULT & REMEDIES

8.01 Default by Purchaser

The Purchaser shall be deemed to be in default under this Agreement in each and every one of the following events, namely:

- a) upon the non-payment of all or any portion of the Purchase Price, or any other sum due herein, on the date or times that same are required to be paid.
- b) upon a breach of, or failure in the performance or observance of any covenant, restriction, stipulation or provision of this Agreement to be performed and/or observed by the Purchaser.
- c) upon any lien, execution or encumbrance arising from any action or default whatsoever of the Purchaser, being charged against or affecting the Unit or Condominium.

8.02 Evidence of Default

A certificate of an officer of the Vendor that default has been made and the date of default and that notice, if required, of such default has been mailed to the Purchaser, shall be prima facie evidence of the facts therein stated.

8.03 Vendor's Remedies

In the event of a default by the Purchaser, in addition to any other rights or remedies which the Vendor may have, the Vendor, at its option, shall have the right to declare this Agreement null and void and in such event, all monies paid hereunder (including the deposits agreed to be paid by the Purchaser pursuant to this Agreement, which sums shall be accelerated on demand of the Vendor) together with interest thereon and monies paid or payable for extras or upgrades ordered by the Purchaser, whether or not installed in the Unit, shall be forfeited to the Vendor as liquidated damages and not as a penalty, (all without prejudice to any other right or remedy of the Vendor, whether at law or in equity).

8.04 Documents if Transaction Does Not Close

If the within transaction is not completed for any reason whatsoever and notwithstanding refund or forfeiture of the deposits, the Purchaser shall execute and deliver such documents affecting title to the Unit and the Condominium or a release with respect to this Agreement in a form designated by the Vendor, and in the event the Purchaser fails or neglects to execute and deliver such documents, the Purchaser hereby authorizes the Vendor its true and lawful attorney to so execute the said documentation. In the event the Vendor's solicitors or the Escrow Agent is holding any of the deposits in trust pursuant to this Agreement, then in the event of default as aforesaid, the Purchaser hereby releases the said solicitors and Escrow Agent from any obligation to hold the deposit monies in trust and shall not make any claim whatsoever against the said solicitors or Escrow Agent and the Purchaser hereby irrevocably directs and authorizes the said solicitors or Escrow Agent to deliver the said deposit monies and accrued interest, if any, to the Vendor.

8.05 Rights of Vendor

It is understood and agreed that the rights contained in this Article 8.00 on the part of the Vendor are in addition to any other rights which the Vendor may have at law, in equity or under any other provisions of this Agreement, and the Vendor expressly has the right to exercise all or any one or more of the rights contained in this Agreement, at law or in equity, without exercising at such time, the remainder of such right or rights and without prejudice to the subsequent right of the Vendor to exercise any remaining right or rights at law, in equity or in this Agreement. In the event the Purchaser fails to make payment as and when required pursuant to the terms of this Agreement, the payment amount shall bear interest at a rate equal to 5% above the Prime Rate, calculated from the due date to the date of payment. "Prime Rate" for any day means the prime lending rate of interest expressed as a rate per annum (computed on a year of 365 days) which Royal Bank of Canada establishes from time to time as the reference rate of interest in order to determine interest rates it will charge for demand loans made in Canada in Canadian dollars as the same is in effect from time to time.

ARTICLE 9 - CLOSING DATE

9.01 Closing

The Closing shall be February 14th, 2025; but may be extended by the Vendor for a period up to 60 days in the event that the Vesting Order contemplated under Section 7.01 has not been obtained.

9.02 Substantial Completion

On the Closing Date or any extensions thereof, this transaction shall be completed without holdback by the Purchaser (who shall be deemed to be a "home buyer" pursuant to the provisions of the *Construction Act* R.S.O. 1990, as amended) of any amount and the Purchaser will not claim any lien holdback on Closing, notwithstanding that the Vendor has not fully completed the Unit or the Common Elements and the Vendor shall complete such outstanding work within a reasonable time after Closing, having regard to weather conditions and the availability and supply of materials. In any event, the Purchaser acknowledges that failure to complete the Common Elements on or before Closing shall not be deemed to be a failure to complete the Unit.

9.03 Vendor's Lien

The Purchaser agrees that the Vendor shall have a Vendor's lien for unpaid purchase monies and shall be entitled to register a notice of lien against title to the Unit.

ARTICLE 10 - PURCHASER'S OBLIGATIONS

10.01 Purchaser Covenants

The Purchaser covenants and agrees with the Vendor and acknowledges the following:

- a) **No Registration:** That it will at no time register or permit to be registered on title to the Lands, Unit or the Condominium, this Agreement or a notice or assignment or transfer thereof or a caution, purchaser's lien, or certificate of pending litigation or any encumbrance or cloud whatsoever, and that any such registration shall permit the Vendor to exercise its remedies as set forth in this Agreement. The Purchaser agrees that this Agreement shall be deemed not to have created in the Purchaser any interest in the Lands, Condominium or Unit. If any such registration is not removed within the time limit set out in this Agreement, then the Purchaser, by the execution of this Agreement, hereby expressly appoints the Vendor as its lawful attorney to execute any transfers, releases or applications to have the said registration removed, released or deleted from title to the Unit or the Condominium. This clause shall apply notwithstanding any default of the Vendor and shall not merge or be extinguished as a result of the termination of this Agreement, whether by operation of law or otherwise but shall survive the same.
- b) **Right to Re-Enter:** The Vendor, its successors and assigns, or any person authorized by it, including without limitation the Vendor's predecessors in title, their successors, servants, agents or assigns, shall be allowed to enter upon the Lands, Condominium or the Unit at any time or times, on notice to the Purchaser (except in the case of an emergency or perceived emergency, in which event the Vendor need not give any form of notice) and notwithstanding that the Unit has been transferred to the Purchaser for the purpose of or in order to make inspections or to do any work, repairs or rectification therein or thereon which may be deemed necessary by the Vendor in connection with the registration of the Condominium, the completion, rectification, or servicing of any installations in or component of the Unit or any other unit or for the purpose of effecting compliance in any manner with any subdivision, development or servicing agreement.
- c) **No Assignment:** The Purchaser shall in no way, directly or indirectly, whether by himself or by third parties, lease, offer to lease, list for sale, advertise for sale, assign, convey, sell, transfer or otherwise dispose of or agree to any of the foregoing or otherwise dispose of the Unit or any interest the Purchaser may have in the Unit, or any rights or interests the Purchaser may have under this Agreement, without the prior written consent of the Vendor, which consent may be unreasonably and arbitrarily withheld, save and except to a member of the Purchaser's immediate family, in which case the Vendor's consent shall not be unreasonably withheld, provided the assignee enters into an assumption covenant directly with the Vendor and also that the Purchaser is not relieved of any liability herein.
- d) **Condominium Documents:** That the Purchaser's rights, obligations and ownership of the Unit shall be governed by the terms, conditions, provisos, rights and responsibilities contemplated by and contained in the Condominium Documents. It is understood and agreed that after the registration of the Condominium Plan, Declaration and Description, the Vendor reserves the right to make such changes in the Condominium Documents as it deems advisable or as required by any government official, so long as the Vendor complies with the Act.
- e) **No Objection:** The Purchaser will not oppose any application for: (i) registration of a plan of condominium or any severance or minor variance application by the Vendor, or any successors in title to the Vendor, with respect to any part or parts of the Lands or Condominium; or (ii) any rezonings or committee of adjustment

applications (severance or minor variance), whether with respect to the Lands or Condominium or other lands owned by the Vendor or by corporations or other entities associated with or controlled by the Vendor. This covenant may be pleaded by the Vendor as an estoppel to any opposition by the Purchaser or in aid of an injunction restraining such opposition.

- f) **Sales Office:** The Purchaser agrees that it shall not interfere with the completion of other Units in the Condominium, or the Common Elements until the Condominium and Common Elements are completed, have been sold and conveyed. Further, the Vendor may (without any cost or expense whatsoever) make such use of the Condominium of the Common Elements as may be necessary to facilitate such completion and sale, including but not limited to the maintenance of any sales or administration offices, model units, parking spaces and the ability by the Vendor to display signs, and advertise and show the said units for sale.

ARTICLE 11 - AS IS WHERE IS

11.01 As is Where is

There are no representations or warranties in respect of: (i) any aspect of the Lands, Unit, the Unit's appurtenant common interest or the Common Elements; (ii) any chattels forming part of the Unit or included in the Purchase Price; (iii) any aspect of the building in which the Unit is located; or (iv) any item of construction of the Unit, Common Elements or Building. The Purchaser is purchasing the Unit (including any parking and/or locker unit, if applicable), the Unit's appurtenant common interest, and the Common Elements in general, in an "as is-where is" condition and that in particular there is no implied or express warranty as to fitness for habitation, whether with respect to the Unit or Common Elements and there is no implied or express warranty that the Unit or Common Elements have been completed in a workmanlike manner.

11.02 Warranties

Any and all conditions, warranties or representations expressed or implied pursuant to the *Ontario New Home Warranties Plan Act*, R.S.O. 1990, c.)31 or Home Construction Regulatory Authority or The Tarion Warranty Corporation or similar legislation do not apply to this transaction of purchase and sale arising from this agreement.

ARTICLE 12 - FORCE MAJEURE

12.01 Vendor Not Liable for Costs etc.

In the event this Agreement is terminated, the Purchaser shall execute and complete such other documents affecting the title, the Unit and the Condominium as are necessary in the opinion of the solicitors for the Vendor to resell the Unit. Notwithstanding anything contained to the contrary in this Agreement, it is understood and agreed by the parties hereto, that in the event this Agreement is terminated, the Vendor shall not be responsible or liable for reimbursing the Purchaser for any costs, expenses, or damages suffered or incurred by the Purchaser.

ARTICLE 13 - RISKS

13.01 Risks

The Unit shall be and remain at the risk of the Vendor until Closing. In the event of damage to the Condominium or the Common Elements or the Unit prior to the Closing Date the Vendor may, in its sole and absolute discretion, either: (i) terminate this Agreement and return to the Purchaser all deposits theretofore paid by the Purchaser to the Vendor and excluding any monies paid or payable for extras ordered by the Purchaser and whether installed or not, and upon such termination the Vendor shall be relieved of all liability pursuant to this Agreement or to the Purchaser; or (ii) make such repairs as are necessary and complete this transaction, it being understood and agreed that all insurance policies and the proceeds thereof are to be for the benefit of the Vendor alone.

ARTICLE 14 - NOTICE

14.01 Notice

Except as specifically provided for in this Agreement, any notice, statement, document or other communication required to be given to any party or parties pursuant to the provisions of this Agreement or the Act shall be sufficiently given if such notice, statement, document or other communication is in writing and is delivered to such party or parties or sent by ordinary mail addressed to such other party or parties or is sent by facsimile or electronic mail transmission as follows:

To the Vendor:

Rosen Goldberg Inc.
5255 Yonge Street,
Suite 804
Toronto, Ontario M2N 6P4

Attention: Brahm Rosen

Tel: - 416-224-4210
Email - brose@rosengoldberg.com

To the Vendor's Solicitor

Mand | Rai LLP
155 Rexdale Blvd. Suite 400
Toronto, Ontario M9W 5Z8

Attention: Paul H. Mand

Tel – 416-740-5653
Email – pmand@mandlaw.com

To the Purchaser at the address, fax number or other electronic address, indicated at the end of paragraph 1.07 of this Agreement;
or to any solicitor acting on the Purchaser's behalf;

or to such other address for such party or parties as any of them may give to the other in writing from time to time and any such notice, statement, document or other communication shall be deemed to have been received by such other party on the same day if delivered or sent by electronic mail to it or if mailed as aforesaid on the third (3rd) day following the day on which it was mailed, and if sent by facsimile transmission, on the date of the transmission, if the transmission is confirmed as successfully transmitted by a transmission report, provided that in the event that at the time that any notice, statement, document or other communication is desired to be given by any party by mail and the post office is on strike or if postal delivery is interrupted, such notice, statement, document or other communication shall be delivered and the provisions with respect to notice by registered mail shall not be applicable. Where documents are sent by the Vendor by facsimile transmission a facsimile signature or where documents are sent by e-mail transmission, an electronic signature shall be valid and binding on the Purchaser and the Purchaser agrees to accept the said documents in lieu of originals. The Purchaser consents to the use, provision and acceptance of information and documents in an electronic format.

ARTICLE 15 - WARNING CLAUSES

15.01 WARNINGS

Except where otherwise specifically restricted to specific named lands, blocks or lots, the terms of this Agreement apply to all of the Lands. The Purchaser covenants and agrees that it will ensure that all of the notice provisions of this Paragraph shall be included in any agreement of purchase and sale to any subsequent purchaser, ad infinitum.

SCHOOLS

- a) With regard to the Toronto District School Board, all prospective purchasers are advised that schools on sites designated for the Toronto District School Board in the community are not guaranteed. Attendance at schools in the area yet to be constructed is also not guaranteed. Pupils may be accommodated in temporary facilities and/or be directed to schools outside the area.
- b) With regard to the Toronto District Catholic School Board, all prospective purchasers are advised that Catholic school accommodations may not be available for students residing in this area and that all purchasers are notified that students may be accommodated in temporary facilities and/or bused to existing facilities outside the area. The Toronto District Catholic School Board will designate pick up points for the children to meet the bus on roads presently in existence or other pick-up areas convenient to the Toronto District Catholic School Board.

NOISE ABATEMENT

- c) The Purchaser acknowledges that because of the construction of the Condominium, there will be a certain amount of noise inherent in this construction, there will be dust and other debris which may accumulate, and the Purchaser agrees that it will not interfere with construction of the Condominium or the Vendor's trades, as they carry on their work, either with respect to the Condominium or the Unit.
- d) Purchasers are advised that sound levels from neighbouring uses and/or road traffic may continue to be of concern, occasionally interfering with some activities of the dwelling occupants as the sound level exceeds the Ministry of Environment's and the City of Toronto's noise criteria.
- e) In order to achieve an acceptable indoor noise environment, windows may have to remain closed.
- f) The Purchaser is hereby advised that noise levels caused by the Condominium's mechanical equipment, move-in, loading and garbage removal bays and ancillary moving facilities and areas, may occasionally cause noise and inconveniences to the dwelling occupants and as and when other dwelling units in the Condominium are being completed and/or moved into, excessive levels of noise, vibration, dust and/or debris are possible, and same may accordingly temporarily cause noise and inconveniences to the dwelling occupants.

SERVICES AND PUBLIC/PRIVATE UTILITIES

- g) Purchasers are advised that there may be transformers, utilities, service boxes, hydrants, mailboxes or other municipal services constructed adjacent to or upon boulevards in the vicinity of the Condominium. In addition, grading of the subject or neighbouring properties may require the construction of swales, slopes, retaining walls, fencing, or other devices.

GRADING AND LOT DRAINAGE

- h) Residents of the Condominium are absolutely prohibited from altering the grading and/or drainage patterns established by the Vendor (or its predecessor in title) in respect of the Condominium, and subject to the provisions of the Declaration, By-laws and rules of the Condominium in force from time to time, residents shall not place any fence, shrub, bush, hedge or other landscaping treatment on any portion of the Common Elements (including any portion of the unpaved municipal road allowance adjacent to the Condominium).

GENERAL

- i) The Purchaser acknowledges that the wires, cables and fittings comprising the cable television system or any other communication services servicing the Condominium may be owned by the local cable television supplier and that wires, cables, meters, transformer or energizing boxes comprising the hydro system servicing the Condominium may be owned by a utility or private company supplying hydro.
- j) The Purchaser acknowledges and agrees that the Vendor (and any of its authorized agents, representatives and/or contractors), as well as one or more authorized representatives of the Corporation shall be permitted to enter the Unit after Closing, from time to time, in order to enable the Vendor to correct outstanding deficiencies or incomplete work for which the Vendor is responsible, and to enable the Corporation to inspect the condition or state of repair of the Unit and undertake or complete any requisite repairs thereto (which the owner of the Unit has failed to do) in accordance with the Act.

- k) The Purchaser acknowledges that certain requirements may be imposed upon the Vendor by various governmental authorities. Accordingly, the Purchaser covenants and agrees that on written request by the Vendor, the Purchaser shall execute any and all documents required by the Vendor acknowledging, inter alia, that the Purchaser is aware of the requirements of the governmental authorities and that if requested by the Vendor, the said requirements shall be incorporated into and form part of this Agreement and the Purchaser shall accept the same without in any way affecting this transaction.

ARTICLE 16 - MISCELLANEOUS

16.01 Binding Offer

This Offer, when accepted, shall constitute a binding contract of purchase and sale and time shall in all respects be of the essence hereof. **IT IS AGREED THAT THERE IS NO REPRESENTATION, WARRANTY, COLLATERAL AGREEMENT OR CONDITION AFFECTING THIS AGREEMENT OR THE UNIT OR THE COMMON ELEMENTS OR SUPPORTED HEREBY OTHER THAN AS EXPRESSED HEREIN IN WRITING.**

16.02 Capacity of Receiver

The Purchaser acknowledges and agrees that the Vendor, by acceptance of the Agreement, is entering into the Agreement solely in its capacity as the court appointed Receiver and Manager of the Unit and not in its personal, corporate or any other capacity. The Vendor and its officers, directors, shareholders and employees shall have no personal or corporate liability of any kind, whether in contract or in tort or otherwise and the Purchaser hereby indemnifies and saves harmless the Vendor, its officers, directors, shareholders and employees, from and against any claims, demands, actions and causes of action whatsoever which the Purchaser or the Corporation may claim, bring or institute against the Vendor, its officers, directors, shareholders and employees. The term "Vendor" as used in this Agreement shall have no inference or reference to the present registered owner of the Lands or Unit.

16.03 Residency / Planning Act

The Vendor hereby represents that it is not a non-resident as defined by Section 116 of *The Income Tax Act*. The Purchaser hereby represents that the Purchaser is not a non-resident of Canada within the meaning of the *Income Tax Act*. If the Purchaser is not a resident of Canada for the purposes of the *Income Tax Act*, the Vendor shall be entitled to withhold and remit to Canada Customs and Revenue Agency the appropriate amount of interest payable to the Purchaser on account of the deposits paid pursuant to this Agreement. This Agreement is subject to compliance with Section 50 of *the Planning Act* of Ontario and amendments thereto.

16.04 Changes in Gender

This offer to be read with all changes of gender or number required by the context. The Purchaser shall execute and deliver on the Closing, as required by the Vendor, one or more covenants or agreements incorporating the terms of this Agreement or such other terms as the Vendor may require arising out of this Agreement, and the Purchaser consents to same.

16.05 Non-Merger

The Purchaser covenants and agrees that all covenants, terms and agreements made by the Purchaser herein shall not merge on the closing of this transaction but shall survive same and that all covenants, terms and agreements made by the Vendor herein shall merge on the Closing of this transaction and shall not survive the closing of this transaction.

16.06 Successors and Assigns

This Agreement shall ensure to the benefit of and be binding upon the parties hereto, their heirs, estate trustees, administrators, successors and assigns. In the event of the assignment by the Vendor of this Agreement and to the extent that the assignee thereof assumes the covenants and obligations of the Vendor hereunder, the Vendor shall thereupon and without further agreement, be freed and relieved of all liability with respect to this Agreement.

16.07 Costs of Registration and Taxes

- a) The Purchaser agrees to pay the cost of registration of its own documents and any tax in connection therewith. Notwithstanding the generality of the foregoing, the Purchaser agrees to pay the land transfer tax in connection with the registration of its Application - Vesting Order, and undertakes to register the Application - Vesting Order on Closing and the Purchaser shall also pay and be responsible to the complete exoneration of the Vendor of all other taxes imposed on the Unit or the purchase of the Unit, by the federal, provincial or municipal government, or otherwise by statute, regulation or by law.
- b) It is acknowledged and agreed by the parties hereto that, if a Harmonized Sales Tax (the "HST") is payable, the Purchaser Price shall be inclusive of the HST with respect to this purchase and sale transaction based upon a 13% HST rate and net of the Rebate, pursuant to *the Excise Tax Act*, R.S.O. 1985, c. E-15, as amended - Parts V, VI, VII, VIII and IX (the "ETA") and that the actual consideration for the Unit (to be included in any transfer/deed for the Unit), exclusive of any extras, requested changes, or adjustments as herein provided is the amount derived by subtracting the HST payable with respect to the within transaction of the purchase and sale less all refunds, credits and rebates now or hereinafter available to the Purchaser pursuant to the HST Legislation, including without limitation, the Federal New Housing Rebate or New Residential Rental Property Rebate and any transactional rebates now or hereinafter available to the Purchaser (collectively the "Rebate") from the Purchase Price (the "Consideration"). The Purchaser hereby warrants and represents to the Vendor that in those circumstances where the within transaction now or hereinafter qualifies for a Rebate pursuant to the HST Legislation, as may be amended, the Purchaser shall qualify for such Rebate, and the Purchaser further warrants and confirms that the Purchaser is a natural person who is acquiring the Property with the intention of being the sole beneficial owner thereof on the Closing Date (and not as the agent or trustee for or on behalf of any other party or parties), and covenants that upon the Closing Date the Purchaser or one or more of the Purchaser's relations (as such term is defined in the HST Legislation) shall personally occupy the Unit as his or her or their primary place of residence, for such period of time as shall be required by the applicable legislation in order to entitle the Purchaser to the Rebate (and the ultimate assignment thereof to and in favour of the Vendor) in respect of the Purchaser's acquisition of

the Unit. The Purchaser further warrants and represents it has not claimed (and hereby covenants that the Purchaser shall not hereafter claim), for the Purchaser's own account, any part of the Rebate in connection with the Purchaser's acquisition of the Unit, save as otherwise hereinafter expressly provided or contemplated. The Purchaser hereby irrevocably transfers and assigns to the Vendor all of the Purchaser's rights, interests in and to the Rebate, to and in favour of the Vendor) and hereby irrevocably authorizes and directs the CRA to pay or credit the Rebate directly to the Vendor. In addition, the Purchaser shall execute and deliver to the Vendor forthwith upon the Vendor's request for same (and in any event on or before the Closing Date), all requisite documents and assurances that the Vendor may reasonably require in order to confirm that Purchaser's entitlement to the Rebate and/or to enable the Vendor to obtain the benefit of the Rebate (by way of assignment or otherwise) including without limitation, the New Housing Application for Rebate of Harmonized Sales Tax Form as prescribed from time to time, (collectively the "**Rebate Form**"). The Purchaser covenants and agrees to indemnify and save the Vendor harmless from and against any loss cost, damage and/or liability (including an amount equivalent to the Rebate plus penalties and interest thereon) which the Vendor may suffer, incur or be charged with, as a result of the Purchaser's failure to qualify for the Rebate, or as a result of the Purchaser having qualified initially but being subsequently disentitled to the Rebate, or as a result of the inability to assign the benefit of the Rebate to the Vendor (or the ineffectiveness of the documents purporting to assign the benefit of the Rebate to the Vendor). As security for the payment of such amount, the Purchaser does hereby charge and pledge its interest in the Unit with the intention of creating a lien or charge against same. It is further understood and agreed by the parties hereto that:

- i. if the Purchaser does not qualify for the Rebate, or fails to deliver to the Vendor or the Vendor's Solicitor forthwith upon the Vendor's request for same (and in any event on or before the Closing Date) the Rebate Form duly executed by the Purchaser, together with all other requisite documents and assurances that the Vendor may reasonably require from the Purchaser or the Purchaser's Solicitor in order to confirm the Purchaser's eligibility for the Rebate and/or to ensure the Vendor ultimately acquires (or is otherwise assigned) the benefit of the Rebate;
- ii. if the Vendor believes, for whatever reason, that the Purchaser does not qualify for the Rebate, regardless of any documentation provided by or on behalf of the Purchaser (including any statutory declaration sworn by the Purchaser) to the contrary, and the Vendor's belief or position on this matter is communicated to the Purchaser or the Purchaser's solicitor on or before the Closing Date; or
- iii. the Vendor, in its sole and unfettered discretion determines that it would be unable to collect the Rebate from the CRA after Closing for whatever reason;

then notwithstanding anything hereinbefore or hereinafter provided to the contrary, the Purchaser shall be obligated to pay the Vendor by way of credit to the Vendor on the statement of adjustments on the Closing Date, an amount equivalent to the Rebate, in addition to the Purchaser Price.

- c) Notwithstanding any other provision herein contained in this Agreement, the Purchaser acknowledges and agrees that the Purchase Price does not include any HST exigible with respect to any of the adjustments payable by the Purchaser pursuant to his Agreement or any extras or upgrades purchased, ordered or chosen by the Purchaser from the Vendor which are not specifically set forth in this Agreement and the Purchaser covenants and agrees to pay such HST to the Vendor in accordance with the ETA.

16.08 Severable Covenants

If any provision of this Agreement or the application to any circumstances shall be held to be invalid or unenforceable, then the remaining provisions of this Agreement or the application thereof to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

16.09 Applicable Law

This Agreement shall be governed by and construed and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

16.10 Irrevocable

This offer shall be revocable by the Purchaser until the tenth (10th) day after the date of execution by the Purchaser and acceptance by the Vendor of this Agreement after which time, if not accepted, this offer shall be null and void and the deposit(s) returned to the Purchaser without interest, as per the Disclosure statement.

During the rescission period, the buyer, shall have the opportunity to do an inspection of the subject property by a qualified home inspector at the Buyers own expense and the obtaining of a report satisfactory to the Buyer. Unless the Buyer gives notice in writing delivered to the Seller within the rescission period of this offer that this condition if fulfilled, this Offer shall be null and void and the deposit shall be returned to the Buyer in full without deduction. The Seller agrees to co-operate in providing access to the property for the purpose of this inspection. This condition is included for the benefit of the Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller within the time period stated herein.

16.11 Counterparts

This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original and all such counterparts together shall constitute one and the same instrument and shall be effective as of the formal date hereof.

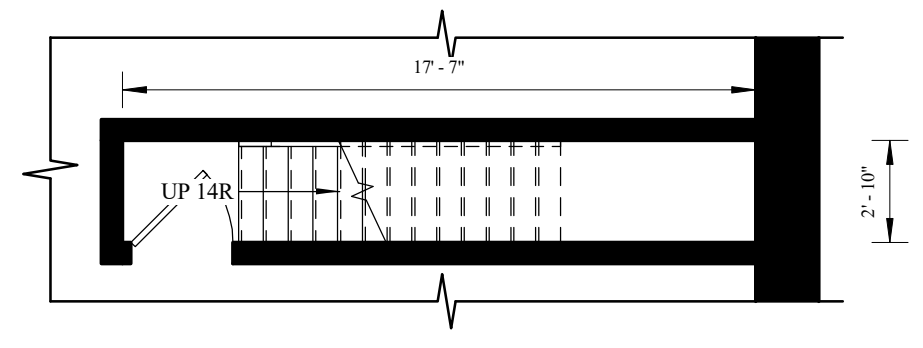
16.12 Facsimile Execution

This Agreement may be executed by one or more of the parties by facsimile transmitted signature and all parties agree that the reproduction of signatures by way of facsimile device will be treated as though such reproductions were executed originals.

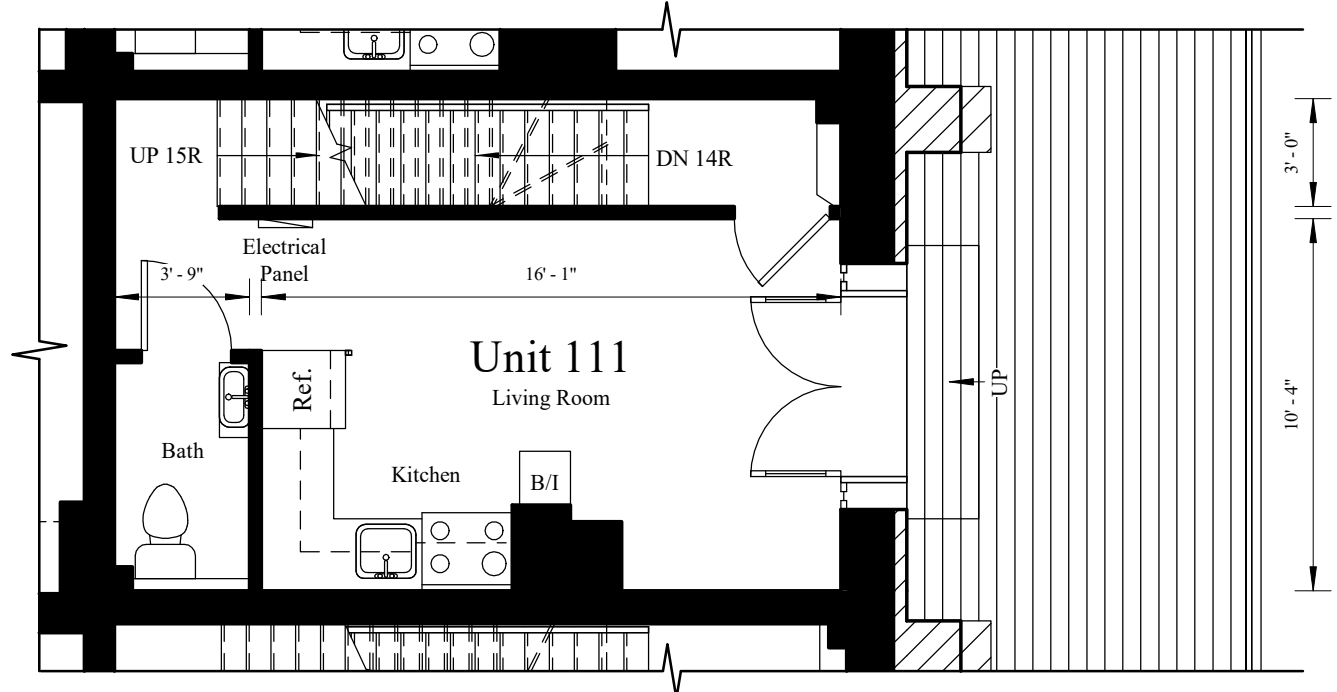
[THE REMAINDER OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK]

SCHEDULE 'A'

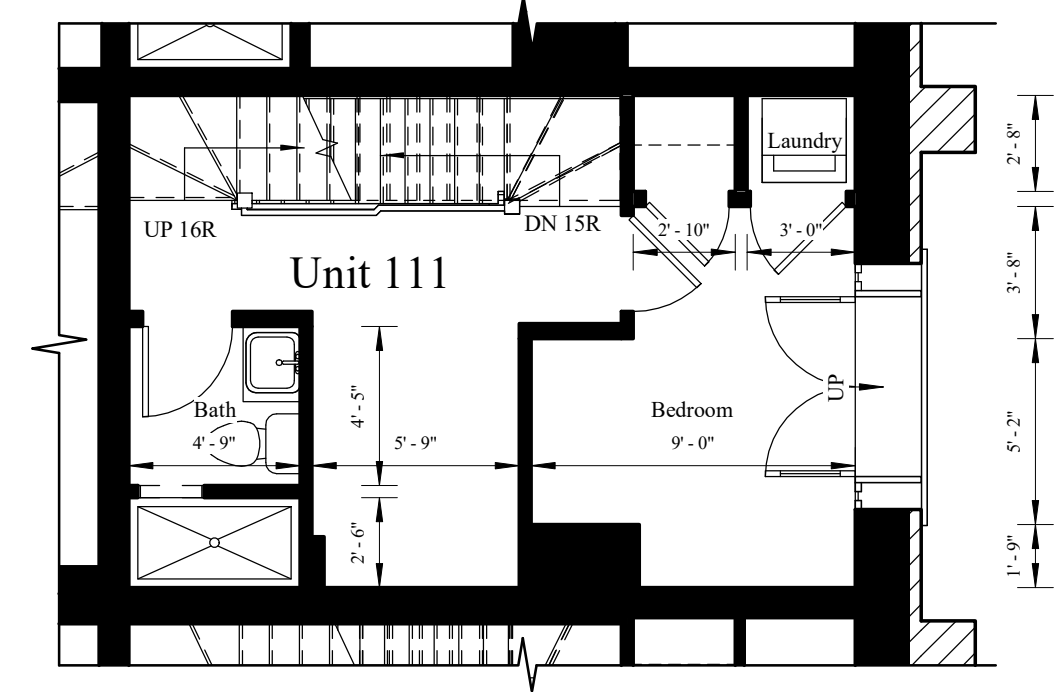
Suite Layout and Floorplate Location Plan



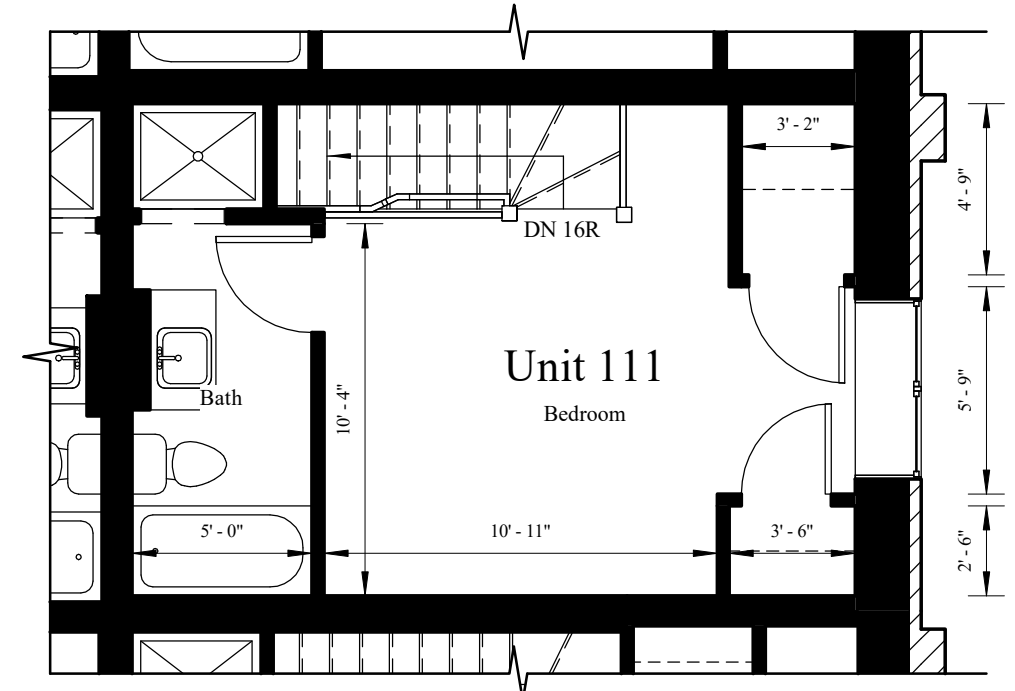
1 A_Basement (EXISTING) Unit 111
3/16" = 1'-0"



2 A_Floor 1 (EXISTING) Unit 111
3/16" = 1'-0"



3 A_Floor 2 (EXISTING) Unit 111
3/16" = 1'-0"



4 A_Floor 3 (EXISTING) Unit 111
3/16" = 1'-0"

Unit 111 = 1032 sq.ft



Title Existing Floor Plans & Data - Unit 111

Client Heritage Towns at Hallam

Project Number	231110
Address	1183 Dufferin St, Toronto, ON
Date	November 23, 2023

A-14

Drawn By	AB / JX	Checked By	JC	Scale	3/16" = 1'-0"
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This work product has been prepared by UNIQ Dimensions pursuant to a contract with the Client For the sole benefit and use by the Client. No third party may rely on this work product without the receipt of a reliance letter from UNIQ Dimensions. Measurements & Structural Noted Components To Be Field Verified.

SCHEDULE 'B'

Condominium Declaration

Office Schedule

Number / Numéro AT 6377944
CERTIFICATE OF RECEIPT
CERTIFICAT DE RÉCÉPISSÉ
 2023/07/19 10:43
Gene Seppiel
 # 66
 Office/Bureau: TORONTO
 Land Registrar
 Registrateur

DECLARATION

CONDOMINIUM
ACT, 1998

TORONTO STANDARD CONDOMINIUM PLAN NO.	2987
NEW PROPERTY IDENTIFIERS BLOCK	76987
RECENTLY :	Part of Pin 21291 - 0415 (LT)
DECLARANT :	<u>CONCEPT LOFTS LTD.</u>
SOLICITOR :	Jeff Levy
FIRM:	Levy Zavet Professional Corporation
ADDRESS:	315 Eglinton Ave W, 2nd Flr Toronto, ON, M5N 1A1
Phone :	416-777-2244
FAX :	416-477-2847
No. OF UNITS	25
FEES :	25 X \$5.00 + \$125.00 + \$80.50. = \$205.50

THIS DECLARATION (hereinafter called the "**Declaration**") is made and executed pursuant to the provisions of the *Condominium Act*, 1998, S.O. 1998, C.19, and the regulations made thereunder, as amended from time to time (all of which are hereinafter collectively referred to as the "**Act**"), by:

CONCEPT LOFTS LTD.
(hereinafter called the "**Declarant**")

WHEREAS:

- A. The Declarant is the owner in fee simple of certain lands and premises situate in the City of Toronto, in the Province of Ontario and being more particularly described in Schedule "A" annexed hereto and in the description submitted herewith by the Declarant (hereinafter called the "**Description**") for registration in accordance with the Act and which lands are sometimes referred to as the "**Lands**" or the "**Property**";
- B. The Declarant has constructed a building upon the Property containing various units as more particularly described in this Declaration; and
- C. The Declarant intends that the Property together with the building constructed thereon shall be governed by the Act and that the registration of this Declaration and the Description will create a freehold condominium corporation that constitutes a standard condominium corporation.

NOW THEREFORE THE DECLARANT HEREBY DECLARES AS FOLLOWS:

ARTICLE I

INTRODUCTORY

1.1 Definitions

The terms used in the Declaration shall have the meanings ascribed to them in the Act unless this Declaration specifies otherwise or unless the context otherwise requires and in particular:

- (a) "**Board**" or "**Board of Directors**" means the Corporation's board of directors;
- (b) "**By-law(s)**" means the by-law(s) of the Corporation enacted from time to time;
- (c) "**City**" shall mean the City of Toronto;
- (d) "**Common Elements**" means all the Property except the Units;
- (e) "**Common Expenses**" means the expenses related to the performance of the objects and duties of the Corporation and all expenses specified as common expenses in the Act or in this Declaration;
- (f) "**Condominium**" means the freehold condominium that is a standard condominium created by the registration of this Declaration and Description;
- (g) "**Corporation**" or "**Condominium Corporation**" means the condominium corporation that is created by the registration of this Declaration and Description;
- (h) "**Insurance Trustee**" means a trust company registered under the Loan and Trust Corporations Act or a chartered bank or other firm qualified to act as an insurance trustee;
- (i) "**Manager**" or "**Property Manager**" means such party appointed by the Board from time to time to manage the Condominium;
- (j) "**Owner**" means the owner or owners of the freehold estate(s) in a Unit and its appurtenant common interest, but does not include a mortgagee unless in possession;
- (k) "**Parking Units**" means the eleven (11) Units legally described as Units 1 to 11, inclusive,

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Level A; and shall be individually referred to as a "**Parking Unit**"; of the Description filed concurrently herewith;

- (l) "**Project**" means the Condominium;
- (m) "**Residential Units**" means the fourteen (14) Units legally described as Units 1 to 12, inclusive Level 1, and Unit 1 and 2, Level 2 of the Description filed concurrently herewith, and shall be individually referred to as a "**Residential Unit**";
- (n) "**Rules**" means the rules passed by the board in accordance with the provisions of the Act; and
- (o) "**Unit(s)**" means a part or parts of the lands included in the Description and designated as a unit by the Description and comprises the space enclosed by its boundaries and all the material parts of the lands within such space, in accordance with the Declaration and Description.

1.2 Act Governs the Lands

The Lands described in Schedule "A" annexed hereto and in the Description together with all interests appurtenant to the Lands are governed by the Act.

1.3 Standard Condominium

The registration of this Declaration and the Description will create a freehold condominium corporation that constitutes a standard condominium corporation.

1.4 Consent of Encumbrancers

The consent of every person having a registered mortgage against the Property or interests appurtenant thereto is contained in Schedule "B" attached hereto.

1.5 Boundaries of Units and Monument

The monuments controlling the extent of the Units are the physical surfaces mentioned in the boundaries of Units in Schedule "C" attached hereto, and notwithstanding anything else provided in this Declaration to the contrary, it is expressly stipulated and declared that the following items, matters or things are included within or excluded from (as the case may be) each of the Units described below, namely:

- (a) Each Residential Unit shall **include**:
 - (i) all pipes, wires, cables, conduits, ducts, and mechanical or similar apparatus that supply any service to that Residential Unit only, and that lie within or beyond the unit boundaries;
 - (ii) the complete individual mechanical heating and cooling system (including the condenser, line set, and mounting components for the condenser, including any brackets) and the branch piping extending to the common pipe risers servicing the said Units;
 - (iii) all electrical receptacles and ventilation fans lying within suspended ceilings and similar apparatus that supply any service to that particular Unit only, regardless of whether same are installed or located within or beyond the boundaries of said Units;
 - (iv) any branch piping extending to the common pipe risers, but excluding only the common pipe risers; and
 - (v) all exterior door and window hardware (such as door and/or window handles, locks, hinges and peep holes.

Each Residential Unit shall **exclude**:

- (i) all concrete, concrete block or masonry portions of load bearing walls or columns located within any of the Residential Units;
- (ii) all pipes, wires, cables, conduits, ducts, flues, and mechanical or similar apparatus that supply any services to more than one Unit, or to the Common Elements, or that may lie within the boundaries of any particular Residential Unit but which do not service that particular Residential Unit; and
- (iii) all exterior doors and door frames, exterior windows and window frames.

(b) Each Parking Unit

- (i) Notwithstanding the boundaries set out in Schedule 'C' attached hereto, each Parking Unit shall exclude, without limiting the aforementioned, all equipment or apparatus, including any fans, pipes, fixtures, wires, cables, conduits, ducts, flues, shafts, fire hoses, sprinklers, lighting or fixtures appurtenant thereto which provide any service or utility to another Unit or the Common Elements which may be located within any such Parking Unit.

1.6 Common Interest and Common Expenses

Each Owner shall have an undivided interest in the Common Elements as a tenant in common with all other Owners in the proportions set forth opposite each unit number in Schedule "D" attached hereto and shall contribute to the Common Expenses in the proportion set forth opposite each unit number in Schedule "D" attached hereto, in the manner hereinafter set out. The total of the proportions of the common interests and proportionate contribution to Common Expenses shall each be one hundred (100%) percent.

1.7 Address for Service, Municipal Address and Mailing Address of the Corporation

The Corporation's address for service shall be c/o Concept Lofts Ltd., 111 Regina Avenue, Unit 2, Woodbridge, Ontario L4L 8N5, or such other address as the Corporation may by resolution of the Board determine, and the Corporation's mailing address shall be c/o Concept Lofts Ltd., 111 Regina Avenue, Unit 2, Woodbridge, Ontario L4L 8N5.

The Corporation's municipal address is 1183 Dufferin Street, Toronto, Ontario M6J 2K5 or such other address as the Corporation may by resolution of the Board determine.

1.8 Approval Authority Requirements

At the current time, there are no conditions imposed by the approval authority to be included in this Declaration which have not been dealt with.

1.9 Architect/Engineer Certificates

The certificate(s) of the Declarant's architect(s) and/or engineer(s) confirming that all buildings on the Property have been constructed in accordance with the regulations made under the Act is/are contained in Schedule "G" attached hereto.

ARTICLE II

COMMON EXPENSES

2.1 Specification of Common Expenses

The common expenses shall comprise the expenses of the performance of the objects and duties of the Corporation and such other expenses, costs and sums of money incurred by or on behalf of the Corporation that are specifically designated as (or collectible as) common expenses pursuant to the provisions of the Act and/or this Declaration and without limiting the generality of the foregoing, shall include the specific expenses set out in Schedule "E" attached hereto.

2.2 Payment of Common Expenses

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Each Owner shall pay to the Corporation his or her proportionate share of the Common Expenses and the assessment and collection of contributions toward Common Expenses may be regulated by the Board pursuant to the By-laws. In addition to the foregoing, any losses, costs or damages incurred by the Corporation by reason of a breach of any provision of this Declaration, or in any By-laws or Rules in force from time to time by any Owner, or by members of his or her family, his or her tenants and/or by their respective tenants, invitees or licensees, including, without limitation, the cost of any increase in insurance premiums caused by such Owner (or by those for whose acts such owner is responsible, at law or in equity) shall be borne and paid for by such Owner and may be recovered by the Corporation against such owner in the same manner as Common Expenses.

2.3 Reserve Fund

- (a) The Corporation shall establish and maintain one or more reserve funds and shall collect from the Owners as part of their contribution towards the Common Expenses, all amounts that are reasonably expected to provide sufficient funds for major repair and replacement of Common Elements and assets of the Corporation all in accordance with provisions of the Act.
- (b) No part of any reserve fund shall be used except for the purpose for which the fund was established. The reserve fund(s) shall constitute an asset of the Corporation and shall not be distributed to any Owner(s) except on termination of the Corporation in accordance with the provisions of the Act.

2.4 Status Certificate

The Corporation shall provide a status certificate to any requesting party who has paid (in advance) the applicable fees charged by the Corporation for providing same, in accordance with the provisions of the Act, together with all accompanying documentation and information prescribed by the Act. The Corporation shall forthwith provide the Declarant and/or any purchaser, transferee or mortgagee of a Unit with a status certificate and all such accompanying documentation and information, as may be requested from time to time by or on behalf of the Declarant and/or any purchaser, transferee or mortgagee of a Unit in connection with the Declarant's and/or any purchaser's, transferee's or mortgagee of a Unit's sale, transfer, or mortgage of any Unit(s), all at no charge or fee to the Declarant or the person requesting same on behalf of the Declarant.

ARTICLE III

COMMON ELEMENTS

3.1 Use of Common Elements

- (a) Subject to the provisions of the Act, this Declaration, the By-Laws, and any Rules, each Owner of a Residential Unit may make reasonable use of, and has the right to occupy and enjoy the whole or any parts of the Common Elements, except as herein otherwise provided.
- (b) Save and except as expressly provided or contemplated in this Declaration to the contrary, no condition shall be permitted to exist, and no activity shall be carried on, within any Unit or upon any portion of the Common Elements that:
 - (i) may result in a contravention of any term or provision set out in the Act, this Declaration, the By-Laws and Rules of the Corporation;
 - (ii) is likely to damage the Property of the Condominium, injure any person, or impair the structural integrity of any Unit or any of the Common Elements;
 - (iii) may unreasonably interfere with the use and enjoyment by the other Owners of Common Elements and/or their respective Unit(s);

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- (iv) may result in the cancellation (or threatened cancellation) of any policy of insurance obtained or maintained by the Corporation, or that may increase any applicable insurance premium(s) with respect thereto, or any deductible portion in respect of such policy;
- (v) may interfere with or impede the ability of the Manager to perform his or her duties;
- (vi) that will result in the removal or destruction of any living tree situated within the Property;
- (vii) that will alter any portion of any Unit or the Common Elements in contravention of the provisions of any existing or future City heritage by-law registered on title to the Condominium, or contravene any of the provisions of any such By-law; or
- (viii) that will alter any portion of any Unit or Common Element in contravention of the provisions of any existing or future City Heritage Easement Agreements registered on title to the Condominium, or contravene any of the provisions of the said Heritage Easement Agreement.

No one shall, by any conduct or activity undertaken in or upon any part of the Common Elements, impede, hinder or obstruct any right, privilege, easement or benefit given to any party, person or other entity pursuant to this Declaration, any By-Law and/or the Rules of the Corporation.

If any Owner (or those for whose acts such Owner is responsible, at law or in equity) contravenes this section, then such Owner shall pay or fully reimburse the Corporation for all costs incurred to rectify such damage, for all increased insurance costs and for all other costs, expenses and liabilities suffered or incurred by the Corporation as a result thereof (and all such costs and expenses shall be deemed to be a Common Expense and shall be borne by and paid for by such Owner, and may be recovered by the Corporation against such Owner in the same manner as Common Expenses).

3.2 Exclusive Use Common Elements

Subject to the provisions of the Act, this Declaration, the By-laws and Rules, the Owners of Unit(s) listed in Schedule "F" attached hereto shall have the exclusive use of those parts of the Common Elements more particularly described in Schedule "F" which are respectively allocated to the Unit(s). The aforesaid right of exclusive use is further subject to the Corporation's right of access over the said exclusive use Common Elements at all reasonable times to perform repairs, additions, alterations, improvements to the Property and ongoing maintenance such as window cleaning.

3.3 Pets

No animal, livestock or fowl, other than those household domestic pets as permitted pursuant to Article V of this Declaration are permitted to be on or about the Common Elements, including the exclusive use Common Elements, except for during ingress and egress from a Unit for those household domestic pets permitted pursuant to Article V of the Declaration. All dogs and cats must be kept under personal supervision and control and held by leash or in a carrier at all times during ingress and egress from a Unit and while on the Common Elements. Notwithstanding the generality of the foregoing, no pet deemed by the Board, in its sole and absolute discretion to be a danger or a nuisance is permitted to be on or about the Common Elements.

3.4 Restricted Access

- (a) Without the consent in writing of the Board, no owner of a Residential Unit shall have the right of access to the service rooms, mechanical rooms, electrical rooms, and to those parts of the Common Elements used from time to time for the care, maintenance, or operation of the Property or any part thereof as designated by the Board, from time to

time.

- (b) This section shall not apply to any first mortgagee holding mortgages on at least thirty percent (30%) of the Units who shall have a right of access for inspection upon 48 hours' notice to the Corporation or its property manager.
- (c) No one shall be entitled to place or affix any matter or thing directly on top of any rooftop structure which encloses or houses the mechanical and chiller room, the stairwells, the catwalks, the cooling tower, the boiler room and/or the fresh air ducts.
- (d) The owners of any Unit shall have a right of access over those parts of the Common Elements necessary for access to and from such Unit.
- (e) Only Owners and/or occupants of Residential Units in this Condominium, and their household and invited guests or their tenants shall have the use of the Common Elements designated for recreational or amenity purposes within the Condominium, if applicable.

3.5 Modifications of Common Elements, Assets and Services

(a) General Prohibition

No Owner shall make any change or alteration to the Common Elements whatsoever, including any installation(s) thereon (including, without limitation, signage, satellite dishes or antennae), nor alter, decorate, renovate, maintain or repair any part of the Common Elements (except for maintaining those parts of the Common Elements which he or she has a duty to maintain in accordance with the provisions of this Declaration) without obtaining the prior written approval of the Board and having entered into an agreement with the Corporation in accordance with section 98 of the Act.

(b) Non-Substantial Additions, Alterations and Improvements by the Corporation

The Corporation may make a non-substantial addition, alteration, or improvement to the Common Elements, a non-substantial change in the assets of the Corporation or a non-substantial change in a service that the Corporation provides to the Owners in accordance with subsections 97(2) and (3) of the Act.

(c) Substantial Additions, Alterations and Improvements by the Corporation

The Corporation may, by a vote of owners who own at sixty-six and two thirds (66 2/3%) percent of the Units, make a substantial addition, alteration or improvement to the Common Elements, a substantial change in the assets of the Corporation or a substantial change in a service the Corporation provides to the Owner in accordance with subsections 97 (4), (5) and (6) of the Act.

3.6 Visitor Parking

None.

No parking whatsoever shall be permitted on any of the ramps, drive aisles and roadways which comprise portions of the Common Elements, as applicable.

3.7 Vehicular Height Restriction

Owners are advised that the ramp clearance for below grade parking is six (6) feet, ten (10) inches. Each Owner shall ensure that the height of every vehicle (inclusive of all roof attachments thereon) of an Owner or an Owner's tenants, visitors or other invitees utilizing the ramp for below grade parking, shall be less than six (6) feet, ten (10) inches.

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ARTICLE IV

DECLARANT RIGHTS

- 4.1 Notwithstanding anything provided in this Declaration to the contrary, and notwithstanding any Rules or By-laws of the Corporation hereafter passed or enacted to the contrary, it is expressly stipulated and declared that:
- (a) the Declarant and its staff, authorized representatives, contractors, agents, successors, assigns, sales personnel, service or maintenance personnel and/or vehicles, loading vehicles, invitees, construction personnel, or tenants (all the foregoing collectively the “**Declarant**” for the purpose of the “Declarant Rights” section of this Declaration) shall have free, unlimited and uninterrupted access to and egress from all parts of the Common Elements until the completion of the sales of and the transfer of title to all Units, for the purposes of gaining access to Units owned by the Declarant, for the purposes of gaining entry to and transporting materials and goods to any Unit for the purposes of completing and finishing the same, for the purposes of administering and implementing any customer service program or otherwise in respect of outstanding construction matters (including effecting repairs to the Common Elements), for the purposes of showing unsold Units to persons interest in the same and for the purposes of administering, implementing or operating the Declarant’s marketing, sales and customer service programs with respect to any other site owned by the Declarant, its related or affiliated entities from time to time;
 - (b) the Declarant and its authorized agents, representatives and/or invitees shall have free unlimited and uninterrupted access to and egress from the Common Elements, for the purposes of implementing, operating and/or administering the Declarant’s marketing, sale, construction and/or customer-service program(s) with respect to any unsold Units in this Condominium and with respect to any other site owned by the Declarant, from time to time;
 - (c) the Declarant, may retain ownership for its own use or may allow its sales and leasing staff, authorized personnel, prospective purchasers, tenants, successors and assigns to use any unsold Unit, including, without limitation, any Residential Units and Common Elements in the Project and for any other lawful purpose, until such time as all Units in the Property are sold and conveyed by the Declarant;
 - (d) the Declarant will be permitted to access the Condominium as required in order to access certain areas of the Condominium;
 - (e) the Declarant shall be entitled to erect and maintain signs and displays for marketing/sale purposes, both with respect to the Condominium and with respect to any other site owned by the Declarant, its related or affiliated entities, as well as model suites and one or more offices for marketing, sales, construction and/or customer-service purposes, upon any portion of the Common Elements, and within or outside any unsold Units, at such locations and having such dimensions as the Declarant may determine in its sole and unfettered discretion, all without any charge to the Declarant for the use of the space(s) so occupied, nor for any utility services (or any other usual or customary services) supplied thereto or consumed thereby, nor shall the Corporation (or anyone else acting on behalf of the Corporation) prevent or interfere with the provision of utility services (or any other usual or customary services) to the Declarant’s marketing/sales/construction/customer-service office(s) and said model suites;
 - (f) the Declarant shall have the right to use any Unit that has not been conveyed without any charge to the Declarant for the use of same, in any manner for a permitted purpose, including, without limitation, for the purposes of implementing, operating and/or administering the Declarant’s and its affiliated or associated entities’ operations including, without limitation, marketing, sales, construction and/or customer service program(s) from time to time, regardless of whether such Declarant’s and its affiliated or associated entities’ operations relate to the Condominium or to another property;

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- (g) the Declarant shall have free unlimited and uninterrupted access to and egress from the laneway(s) and/or public roads adjacent to the Condominium to and from the required Common Elements, for the purposes of permitting unfettered access, in common with others entitled thereto;
 - (h) the Declarant shall have the right make structural alterations to a Residential Unit and/or Common Element(s) so as to create one suite out of two or more Residential Units or portions thereof or portions of the Common Elements as more particularly set out in paragraph 5.2(g);
 - (i) the Declarant shall have free and unimpeded access to and egress and right over any portion of the Property in order to install, construct, complete, erect, affix, repair or maintain on the Property, any equipment, work, product or service pertaining to the Condominium; and
 - (j) the Declarant shall be entitled to redesign any unsold Residential Unit(s) and/or Common Elements without the prior written consent of the Board in such a manner so that they can each be combined (in whole or in part) to create one Unit including the erection, removal or alteration of any vertical party wall between two adjoining Residential Units and/or Common Elements and/or the erection, removal or alteration of any internal walls within a Unit, Common Elements and/or alteration and removal in whole or in part of a boundary wall between two horizontally adjoining Units and/or Common Elements and/or cut a hole in the floor slab between two horizontally adjoining Units and/or Common Elements, including such alterations to the Common Elements as may be necessary for the completion and finishing of any unsold Units.

ARTICLE V

UNITS

5.1 General Use

The occupation and use of the Unit(s) shall be in accordance with the following restrictions and stipulations:

- (a) No Unit shall be occupied or used by an Owner or anyone else, in such a manner as is likely to damage or injure any person or property (including any other Units or any portion of the Common Elements) or in a manner that will impair the structural integrity, either patently or latently, of the Units and/or Common Elements, or in a manner that will unreasonably interfere with the use or enjoyment by other Owners of the Common Elements or their respective Units, or that may result in the cancellation or threat of cancellation of any insurance policy referred to in this Declaration, or that may increase any insurance premiums with respect thereto, or in such a manner as to lead to a breach by an Owner or by the Corporation of any provisions of this Declaration, the By-laws and/or any agreement authorized by By-law. If the use made by an Owner of a Unit (or such persons for whose acts such Owner is responsible), other than the Declarant (except as is contemplated in this Declaration or in the By-laws, or in any agreement authorized by By-law without limitation) causes injury to any person or causes latent or patent damage to any Unit or to any part of the Common Elements, or results in the premiums of any insurance policy obtained or maintained by the Corporation being increased, or results in such policy being canceled, then such Owner shall be personally liable to pay and/or fully reimburse the Corporation for all costs incurred in the rectification of the aforesaid damages, and for such increased portion of the insurance premiums so payable by the Corporation (as a result of such Owner's use) and such Owner shall also be liable to pay and/or fully reimburse the Corporation for all other costs, expenses and liabilities suffered or incurred by the Corporation as a result of such owner's breach of the foregoing provisions and such Owner shall pay with his/her next monthly contribution towards the Common Expenses after receipt of a notice from the Corporation, all increases in premiums in respect of such policy or policies of insurance. All payments pursuant to this clause are deemed to be additional contributions towards Common Expenses and

recoverable as such.

- (b) Each Owner shall comply, and shall require all members of his or her family, occupants, tenants, invitees, servants, agents, contractors and licensees of his or her Unit to comply with the Act, the Declaration, the By-laws and all agreements authorized by by-law and the Rules.
- (c) No change and/or structural change and/or alteration shall be made in the colour or composition of any exterior glass, window, door, or screen of any Unit, including filling in any open areas with glass or any other material not originally provided by the Declarant except with the prior written consent of the Board. Each Owner shall ensure that nothing is affixed, attached to, hung, displayed, or placed on the exterior walls, including awnings and/or storm shutters, doors, or windows of the building, nor shall an Owner grow any type of plant, shrubbery, flower, vine, or grass outside his Unit, except with the prior written consent of the Board, and further, when approved, subject to the Rules. All shades, drapes or other window coverings shall be white or off white when visible from the outside and all draperies shall be lined in white or off white to present a uniform appearance to the exterior of the building and in any event and to the extent required to comply with the requirements of all authorities having jurisdiction, all window coverings shall comply with all relevant environmental requirements, including environmental requirements that have been created to protect against collisions by birds.
- (d) Each Owner shall ensure that nothing is affixed, attached to, hung, displayed or placed on the exterior walls, doors or windows of the Condominium, including awnings and/or storm shutters, except with the prior written consent of the Board, and further, when approved, subject to the Rules.
- (e) No clothesline or similar device shall be allowed within a portion of the Unit or its appurtenant Common Elements visible from the exterior thereof (including from any portion of the Property). No clothes or other laundry be hung anywhere within the Unit or its appurtenant common elements visible from the exterior thereof (including from any portion of the Property).

No exterior aerial, antenna or satellite dish shall be placed on the Property, including Units and Common Elements, unless the Board consents in writing to the said aerial, antenna or satellite dish which consent may be arbitrarily withheld.

5.2 Residential Units

- (a) Each Residential Unit shall be occupied and used only for those purposes permitted in accordance with the applicable zoning by-laws pertaining to the Property and for no other purpose whatsoever. The foregoing shall not prevent the Declarant from completing the building and all improvements to the Property, maintaining Residential Units as models for display and sale purposes, and otherwise maintaining construction/services offices, displays and signs for marketing/sales/leasing purposes upon the Common Elements, and within or outside any unsold Unit, for the marketing of Units in this Condominium or in any other project being developed by the Declarant or its affiliates until registered title to all Residential Units in this Condominium have been transferred by the Declarant.
- (b) No sign, advertisement or notice of any type shall be inscribed, painted, affixed or displayed on any part of the inside or outside of any Residential Unit, except for signs marketing the Property or the Condominium or Units contained therein by the Declarant and/or its related companies.
- (c) No animal, livestock or fowl of any kind other than two (2) general household domestic pets, including, without limitation, cats, dogs, small caged birds, or an aquarium for fish, hamster, gerbil, guinea pig, mouse or a rabbit shall be kept or allowed in any Unit. Anyone who keeps an animal in a Unit contrary this Declaration or the Rules shall within two (2) weeks of receipt of a written notice from the Board or the Manager requesting removal of such animal, permanently remove such animal from such Unit and the Property. No

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breeding of pets for sale or otherwise shall be carried on, in or around any Unit. Notwithstanding the generality of the foregoing, no pet deemed by the Board, in its sole and absolute discretion, to be a danger or a nuisance, shall be permitted in any Unit or the Common Elements.

- (d) In the event the Board determines, in its sole discretion, acting reasonably, that any noise, odour or offensive action is being transmitted to another Unit and that such noise, odour or offensive action is an annoyance and/or a nuisance and/or disruptive (regardless of whether that Unit is adjacent to or wherever situated in relation to the offending Unit), then the Owner of such Unit shall at his or her own expense take such steps as shall be necessary to abate such noise, odour or offensive action to the satisfaction of the Board. In the event the Owner of such Unit fails to abate the noise, odour or offensive action, the Board shall take such steps as shall be necessary to abate the noise, odour or offensive action and the Owner shall be liable to the Corporation for all expenses incurred by the Corporation in abating the noise, odour or offensive action, which expenses are to include reasonable solicitor's fees on full indemnity basis. Exhaust fans should be operated continuously during and after cooking and bathing to maintain appropriate humidity levels to avoid condensation.
- (e) No Owner of a Unit shall make any change, addition, modification or alteration, except for any change, addition modification or alteration which is solely decorative in nature, in or to his/her Residential Unit or make any change, addition, modification or alteration to an installation upon the Common Elements, or maintain, decorate, alter or repair any part of the Common Elements, except for maintenance of those parts of the Common Elements which he/she has the duty to maintain, without the prior written consent of the Board, which consent shall be in the sole and unfettered discretion of the Board and may be subject to such conditions as may be determined by the Board.
- (f) No barbecues may be used within any Residential Unit.
- (g) For the purpose of this subparagraph, "Vertical/Horizontal Party Wall" means a vertical or horizontal wall constructed along the boundary between two (2) Residential Units and/or portions of the Common Elements shown in the Description as a vertical or horizontal plane. Where and to the extent that concrete, concrete block or masonry portions of walls/floors/ceilings or columns located within the Residential Unit are not load-bearing walls or columns, and contain no service conduits that service any other Unit or the Common Elements, an Owner may, with prior written consent of the Board which may attach any reasonable condition to its consent, including obtaining the approval of the insurer of the Property and the Owner's written agreement to indemnify and save the Corporation harmless from and against any and all costs, expenses, damages, claims, and/or liabilities which the Corporation may suffer or incur as a result of or in connection with such work:
 - a. erect, remove or alter any internal walls or partitions within his or her Residential Unit; or
 - b. where he/she is the Owner of two (2) or more adjoining Residential Units, erect, remove or alter along all or part of those portions of the vertical or horizontal boundaries of each of such adjoining Residential Units shown in the Description as a line or plane, any Vertical/Horizontal Party Wall between his or her Residential Unit and such adjoining Residential Unit, or any soundproofing or insulating material on his or her Residential Unit side of such Vertical/Horizontal Party Wall.
- (i) Prior to performing any work which an Owner is entitled to perform pursuant to subparagraph (g) above, the Owner shall lodge with the Board the drawings and specifications detailing the location, materials and method of construction and installation of such work, together with a certificate addressed to the Corporation from a duly qualified architect and/or structural engineer certifying that if the work is carried out in accordance with the drawings and data so lodged with the Board,

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the structural integrity of the Common Elements will not be impaired and such work will not interfere with or impair any structure where there is functioning or operating machinery and equipment which is part of the Common Elements.

- (ii) All work performed under subparagraph (g) above will be carried out in accordance with:
 - 1) the provisions of all relevant municipal and other governmental by-laws, rules, regulations or ordinances;
 - 2) the provisions of the By-Laws of the Corporation and the conditions, if any, of approval by the Board; and
 - 3) the drawings, specifications and data lodged with the Board.
- (iii) Forthwith following the completion of any work which an Owner is entitled to perform pursuant to subparagraph (g), the Owner shall deliver a further certificate from the said architect and/or engineer, or such other architect and/or engineer as may be acceptable to the Board, certifying that the work has in fact been completed in accordance with the drawings and data previously lodged with the Board, the structural integrity of the Common Elements has not been impaired, and that such work has not interfered with or impaired any structure or the functioning or operation of any machinery and equipment which is part of the Common Elements; or failing such certifications, specifying in reasonable detail the reasons why such certification cannot be made.
- (iv) Notwithstanding the removal of the whole or any portion of any demising or partition wall or floor/ceiling as aforesaid, the adjoining Residential Units thereto shall still constitute two separate Residential Units, as illustrated in the Description and all obligations of the Owner(s) of the said two adjoining Residential Units, whether arising under the Act, the Declaration, the By-Laws or the rules of the Corporation, shall remain unchanged.
- (v) If two or more Units had been converted into one dwelling unit, then, at the sole cost of the owner(s) of the said Units, the Unit(s) can be reinstated as two (2) or more separate dwellings subject to compliance with the City by-laws and/or the Corporation's requirements, (including, but not limited to, the re-installation of a demising wall between the two or more Units, the specifications and finish of which wall will be at least the same as the demising walls between other residential unit(s)).
- (h) Notwithstanding anything to the contrary herein, the Declarant may make structural alterations to a Residential Unit and/or Common Element(s) so as to create one suite out of two or more Residential Units (or portions thereof) or portions of the Common Elements. The Declarant shall only be required to lodge with the Corporation the drawings and specifications detailing the location, materials and method of construction and installation of such work.

5.3 Parking Units

- (a) Each Parking Unit shall be used and occupied only for the parking of a motor vehicle as may be from time to time defined in the Rules. It shall be the responsibility of the Unit Owners to ensure that their vehicles can be properly operated and/or parked in this Condominium. The Owners of Parking Units shall not park more than one motor vehicle within the boundaries of such Parking Unit, provided, however, that in no instance shall any portion of any motor vehicle parked within a Parking Unit protrude beyond the boundaries of the Parking Unit and encroach upon any portion of the Common Elements or upon any other Unit. Each Owner shall maintain his/her Parking Unit in a clean and slightly condition, notwithstanding that the Corporation may make provision in its annual budget for the cleaning of Parking Units. All payments pursuant to this clause are deemed to be additional contributions towards Common Expenses and recoverable as such.

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- (b) The Declarant, at its option, shall have the right to use and allow its sales staff, authorized personnel or any prospective purchaser or tenant to use any unsold Parking Unit which right shall continue until such time as all Residential Units and Parking Units in the Project have been conveyed.
- (c) Notwithstanding the provisions of this Section, in the event the Corporation becomes the Owner of any of the Parking Units the Board may, from time to time, designate the said Parking Units for alternate uses, provided that such alternate use is in accordance with the requirements and the by-laws of the City of Toronto and approved by the requisite number of Owners at a meeting duly called for that purpose.
- (d) Subject to the provisions of Section 5.3, any or all of the Parking Units may at any time be sold, leased, charged, transferred or otherwise conveyed, either separately or in combination with any other Units. Parking Units may also be leased to tenants in actual occupation of any Residential Unit, subject to the terms of this Declaration.
- (e) In addition to the foregoing, the Declarant shall have the right at any time to transfer to the Corporation any Parking Unit that the Declarant has retained or subsequently acquires upon payment by the Corporation of the then going purchase price following the sale of the last Parking Unit by the Declarant, plus Harmonized Sales Tax ("HST") for each Parking Unit to be so transferred and the Corporation shall be required to accept each and every such transfer and forthwith provide the Declarant with the full payment therefor.
- (f) Parking Units 2, 3, 4, 5, 7, 8, 9, 10 and 11 located on Level A are subject to a right of access over, along and upon such Units at all times when necessary in favour of Residential Units 3, 4, 5, 6, 9, 10, 11, 12 and 1 located on Level 1 respectively, for the purposes of ingress to and egress from the mechanical room that forms part of these Residential Units.

5.4 Restrictions on Sale and Lease of Parking Unit(s)

Notwithstanding anything hereinbefore or hereinafter provided to the contrary and save and except for any Parking Unit(s) owned by the Declarant or any entity associated or affiliated with the Declarant, the ownership, sale, leasing, charging, assigning, transferring, or otherwise conveying of Parking Unit(s) shall be subject to the following restrictions:

- (a) any sale, transfer, assignment or other conveyance of a Parking Unit shall be made only to the Declarant, the Corporation or to any Owner of a Residential Unit;
- (b) no Owner of a Residential Unit in the Condominium shall retain ownership of any such Parking Unit after he or she has sold and conveyed title to his or her Residential Unit;
- (c) any lease of such Parking Unit shall be made only to the Declarant, the Corporation, to any Owner or tenant of a Residential Unit in the Condominium, provided however, that if any such Parking Unit is leased to a tenant of a Residential Unit in the Condominium, then the term of such lease shall not extend beyond the term of the tenancy in respect of such Residential Unit;
- (d) where any such Parking Unit is leased to an Owner of a Residential Unit in the Condominium, then upon the sale, transfer, assignment or other conveyance of the lessee's Residential Unit, the lease in respect of the Parking Unit shall also be assigned by the said lessee to the transferee or new Owner of such Residential Unit, within thirty (30) days of the registration of the transfer of title to the said Residential Unit, failing which the lease of the Parking Unit shall be automatically terminated and be of no further force or effect and the Parking Unit which is subject to such lease shall thereupon revert to the lessor thereof;
- (e) where the lessee of such Parking Unit is an owner of a Residential Unit in the Condominium and such lessee is deprived of possession and/or ownership of his or her Residential Unit through any legal action, by any party holding a registered mortgage, charge, execution, lien or other encumbrance against the said Residential Unit, then such lease shall be deemed to be in default, and shall thereupon be automatically terminated and of no further force or effect, whereupon the Parking Unit which is subject to such lease shall automatically revert to the lessor thereof; and

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- (f) any instrument or other document purporting to effect a sale, transfer, assignment, lease or other conveyance of any Parking Unit, in contravention of any of the foregoing provisions of this section, shall be null and void and of no force or effect whatsoever and any lease of any Parking Unit shall automatically be deemed and construed to be amended in order to accord with the foregoing provisions.

5.5 Leasing of Units/Notification of Lease:

- (a) Where an Owner leases his or her Unit, the Owner shall within thirty (30) days of entering into a lease or a renewal thereof:
- (i) notify the Corporation that the Unit is leased;
 - (ii) provide the Corporation with the lessee's name, the Owner's address and a copy of the lease or renewal or a summary of it in accordance with Form 5 as prescribed by Section 40 of Regulation 49/01, as amended from time to time; and
 - (iii) provide the lessee with a copy of the Declaration, By-laws and Rules of the Corporation.
- (b) If a lease of the Unit is terminated and not renewed, the Owner shall notify the Corporation in writing.
- (c) No tenant shall be liable for the payment of Common Expenses unless notified by the Corporation that the Owner is in default of payment of Common Expenses, in which case the tenant shall deduct, from the rent payable to the Owner, the Owner's share of the Common Expenses and shall pay the same to the Corporation.
- (d) An Owner leasing his or her Unit shall not be relieved thereby from any of his or her obligations with respect to the Unit, which shall be joint and several with his or her tenant.
- (e) Notwithstanding anything hereinbefore or hereinafter, Residential Units shall not be leased or sub-leased for a period shorter than six (6) months. In addition, no Owner or tenant or sub-tenant of a Residential Unit shall allow any Residential Unit to be leased more than two (2) separate times in any one calendar year.
- (f) The term of any lease of a Parking Unit to a tenant shall terminate immediately upon the tenant ceasing to reside in a Residential Unit in the Condominium.

**ARTICLE VI
MAINTENANCE AND REPAIRS**

6.1 Maintenance and Repairs by Owner

- (a) Each Owner of a Residential Unit shall maintain his/her Residential Unit, and subject to the provisions of the Declaration, each Owner of a Residential Unit shall repair his/her Residential Unit and any part of the Common Elements of which he/she has exclusive use after damage and all improvements and betterments made or acquired by an Owner, all at his/her own expense. Each Owner of a Residential Unit shall be responsible for all damages to any and all other Units and the Common Elements which are caused by the failure of the Owner or those for whom the Owner is responsible to so maintain and repair the Residential Unit. In addition, without limiting the generality of the foregoing, each Owner of a Residential Unit shall maintain and repair:
- (i) the interior surface of doors which provide the means of ingress to and egress from a Residential Unit and repair damage to those doors caused by the negligence of the Owner, residents, family members, guests, tenants, licensees or invitees to his or her Unit; and shall be responsible for the costs incurred by the Corporation to repair damage to those doors caused by the negligence of the Owner, residents, family members, guests, visitors, tenants, licensees or invitees to the Unit;

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- (ii) the interior surface of all windows in Residential Units and interior surfaces of all windows and window sills contiguous to his or her Unit and which are accessible by any patio or terrace or garden area; and shall be responsible for the costs incurred by the Corporation to repair damage to those windows caused by the negligence of the Owner, residents, family members, guests, visitors, tenants, licensees or invitees to the Unit;
 - (iii) all pipes, wires, cables, conduits, ducts and mechanical or similar apparatus, that supply any service to his or her Unit only; and
 - (iv) the heating, air conditioning and ventilation equipment, including thermostatic controls contained within and servicing his or her Unit only (to and including the shut-off valve, whether same is installed or located within or beyond the boundaries of the Unit), provided that in each instance the Owner shall consult with the applicable utility provider prior to making any modifications to the HVAC Equipment to ensure that such proposed modifications are consistent with the parameters of the applicable utility provider's heating and cooling systems. The Owner shall also be responsible to replace any such equipment. Each Owner shall be liable for any damage to the Unit and/or Common Elements due to the malfunction of such equipment caused by the act or omission of an Owner, his servants, agents, tenants, family, licensees, invitees or guests. Except as aforesaid, no Owner shall make any change, alteration or addition in or to such equipment without the prior written consent of the Board. Notwithstanding the foregoing, the Condominium Corporation may make provision in its annual budget for the maintenance and repair of the HVAC System servicing the Residential Units together with the replacement of air filters located in the Residential Units and the cost of same shall be included in the Common Expenses as set out in the Budget; and
 - (v) his/her Parking Unit in a clean and slightly condition, notwithstanding that the Corporation may make provision in its annual budget for the cleaning of the Parking Units.
- (b) Each Residential Unit Owner shall be solely responsible for the cost of repairs, replacements and maintenance in respect of their Residential Unit with respect to any mechanical heating, ventilating and air-conditioning equipment and any appurtenant fixtures attached thereto, including but not limited to the shut-off valve, condensers, motor and controls, all of which provide a service or utility to that particular Unit, regardless of whether same are located within or beyond the boundaries of his or her Unit and/or within any respective exclusive use Common Element area, such maintenance to include regularly scheduled inspections of all electrical systems, plumbing mechanisms and systems, water softener, washing machines, dishwashers, water and air heating and/or air-conditioning mechanisms and systems, ventilation systems, clothes dryers and drying devices, dryer ducts and range hood vents, as applicable, (the foregoing being collectively referred to herein as the "**Unit Systems**") hoses and hose fastening mechanisms (i.e., for dishwashers, water softeners, water heaters and/or washing machines) as well as water sensors, smoke detectors, fire detectors and carbon monoxide detectors, as and where applicable (the foregoing being collectively referred to herein as "**Life Safety Warning Devices**") the Life Safety Warning Devices servicing such Residential Unit, as a prudent and careful owner or occupant would require and, as may be required by the Board, the Corporation's and/or Unit Occupants insurers from time-to-time and/or as may be prescribed by the Board at the cost of the Residential Unit Owner. Each Owner of a Residential Unit shall be responsible for all damages to any and all other Units and the Common Elements which are caused by the failure of the Owner or those for whom the Owner is responsible to so maintain and repair the Residential Unit. No Owner shall make any change, alteration or addition to the Unit Systems or Life Safety Warning Devices without the prior written consent of the Board.

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- (c) Each Owner of a Residential Unit shall also be responsible at his or her sole expense to regularly maintain, in good condition and repair, any area within the Common Elements that has been designated as a "Garden Area" for the exclusive use of such Owner pursuant to Schedule "F" hereof (which regular maintenance shall include without limitation the watering, cutting, pruning and replacement of all landscaping and grass areas located therein, when necessary). No Owner shall remove any landscaping (including without limitation any trees, grass area or shrubbery) installed by the Declarant within any Garden Area. To the extent necessary, the Board shall make the final determination as to when any landscaping or grass areas requires maintenance and/or or replacement by an Owner as aforesaid.
- (d) Each Residential Unit's Unit Systems, Life Safety Warning Devices as well as washers, dryers, water softeners and/or water heaters and all appurtenances and components thereof shall be kept in accordance with all applicable governmental legislation, regulations and building or other codes, all requirements prescribed by the Board and/or applicable law and/or as the Board and the Corporation's and Unit Occupants' insurers may require from time-to-time and the same shall be kept in a good and safe condition at all times by the Residential Unit Owner.
- (e) The Unit Systems and Life Safety Warning Devices in any Residential Unit shall be kept by the Unit Owner in good operating condition and fully powered (as applicable) at all times.
- (f) Notwithstanding anything provided in paragraph 6.1 hereof to the contrary, it is understood and agreed that each Owner shall be responsible for the maintenance of all interior door and window surfaces with respect to his or her Residential Unit.

6.2 Responsibility of Owner for Damage

Each Owner shall be responsible for all damage to any and all other Units and to the Common Elements, which is caused by the failure of the Owner, his or her residents, family members, guests, visitors, tenants, licensees or invitees to his or her Unit, to so maintain and repair his or her Unit and such parts of the Common Elements for which he/she is responsible, or caused by the negligence or wilful misconduct of the Owner, his or her residents, tenants, licensees, or invitees, save and except for any such damage for which the cost of repairing same may be recovered under any policy of insurance held by the Corporation.

6.3 Maintenance and Repairs by the Corporation

- (a) The Corporation shall be responsible for the repair and maintenance of the Common Elements, Parking Units and Exclusive Use Common Elements at its own expense. However, the Corporation shall not be responsible for those parts of the Common Elements (and Exclusive Use Common Elements) which are required to be maintained and repaired by the Owners pursuant to paragraph 6.1 other than as specifically set out in this paragraph. In order to maintain a uniformity of appearance throughout the Condominium, the Corporation's duty to maintain and repair the Common Elements shall extend to all exterior surfaces of doors which provide access to the Residential Units, exterior door frames, exterior window frames and all exterior window surfaces of the Residential Units, and any exterior perimeter fences erected by the Declarant along the boundaries of the Condominium;
- (b) The Corporation shall make any repairs that an Owner is obligated to make and if such Owner does not make such repairs within a reasonable time, such Owner shall be deemed to have consented to having repairs done to its Unit by the Corporation; and such Owner shall reimburse the Corporation in full for the cost of such repairs, including any legal or collection costs incurred by the Corporation in order to collect the costs of such repairs, and all such sums of money shall bear interest at the rate of twenty-four (24 %) percent per annum. The Corporation may collect all such sums of money in such instalments as the Board may decide upon, which instalments shall be added to the monthly contributions

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towards the Common Expenses of such Owner after receipt of a notice from the Corporation thereof. All such payments are deemed to be additional contributions towards the Common Expenses and recoverable as such; and

- (c) Every Owner shall forthwith reimburse the Corporation for repairs to windows and doors serving his or her Unit, following damage to same caused by such Owner's negligence, or the negligence of his or her residents, tenants, invitees or licensees.

ARTICLE VII

INDEMNIFICATION

- 7.1 Each Owner shall indemnify and save the Corporation harmless from and against any loss, cost, damage, injury or liability which the Corporation may suffer or incur resulting from (or caused by) any deliberate act or omission, or any negligent act or omission, of such Owner (or any tenant, occupant, invitee, agent or other person for whom the Owner is responsible in law) affecting the Common Elements and/or any Unit. Without limiting the generality of the foregoing, and notwithstanding anything contained in this Declaration to the contrary, all costs and expenses (including insurance deductible, if applicable, and all legal costs) incurred by the Corporation as a result of any breach of any provision of the Act, this Declaration, any By-law or the Rules of the Corporation or by reason of any damage or injury caused to any Unit or the Common Elements by an Owner (or any tenant, occupant, invitee, agent or other person for whom the Owner is responsible in law) shall be for the account of such Owner and shall be payable forthwith on written demand. All such amounts shall be added to the monthly contribution toward Common Expenses applicable to such Owner and shall be treated as expenses applicable to such Owner only and shall be recoverable in the same manner as Common Expenses from such Owner (with corresponding lien rights in favour of the Corporation).

ARTICLE VIII

INSURANCE

8.1 By the Corporation

The Corporation shall obtain and maintain to the extent obtainable, at reasonable cost, the following insurance, in one or more policies:

(a) "All Risk" Insurance

Insurance against "all risks" (including fire and major perils as defined in the Act) as is generally available from commercial insurers in a standard "all risks" insurance policy and insurance against such other perils or events as the Board may from time to time deem advisable, insuring:

- (i) the Property and building, but excluding improvements made or acquired by an Owner; and
- (ii) all assets of the Corporation, but not including furnishings, furniture, or other personal property supplied or installed by the Owners;

in an amount equal to the full replacement cost of such real and personal property, and of the Units and Common Elements, without deduction for depreciation. This insurance may

(b) Public Liability Insurance

Public liability and property damage insurance, and insurance against the Corporation's liability resulting from breach of duty as occupier of the Common Elements insuring the liability of the Corporation and the Owners from time to time, with limits to be determined by the Board, but not less than five million (\$5,000,000.00) DOLLARS per occurrence and

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without right of subrogation as against the Corporation, its directors, officers, manager, agents, employees and servants, and as against the Owners and any member of the household or guests of any Owner or occupant of a Unit.

(c) Boiler, Machinery and Pressure Vessel Insurance

Insurance against the Corporation's liability arising from the ownership, use or occupation, by or on its behalf of boilers, machinery, pressure vessels and motor vehicles to the extent required as the Board may from time to time deem advisable.

(d) Policy Provisions:

Every policy of insurance shall insure the interests of the Corporation and the Owners from time to time, as their respective interests may appear (with all mortgagee endorsements subject to the provisions of the Act, this Declaration and the Insurance Trust Agreement, if applicable) and shall contain the following provisions:

- (i) waivers of subrogation against the Corporation, its directors, officers, manager, agents, employees and servants and against the Owners, and the Owners' respective residents, tenants, invitees or licensees, except for damage arising from arson, fraud, vehicle impact, vandalism or malicious mischief caused by any one of the above;
- (ii) such policy or policies of insurance shall not be terminated or substantially modified without at least sixty (60) days prior written notice to the Corporation and to the Insurance Trustee, if applicable;
- (iii) waivers of the insurer's obligation to repair, rebuild or replace the damaged property in the event that after damage the government of the Property is terminated pursuant to the Act;
- (iv) waivers of any defence based on co-insurance (other than a stated amount co-insurance clause); and
- (v) waivers of any defence based on any invalidity arising from the conduct or act or omission of or breach of a statutory condition by any insured person.

8.2 General Provisions

- (a) The Corporation, its Board and its officers shall have the exclusive right, on behalf of itself and as agents for the Owners, to adjust any loss and settle any claims with respect to all insurance placed by the Corporation, and to give such releases as are required, and any claimant, including the Owner of a damaged Unit, shall be bound by such adjustment.

Provided, however, that the Board may in writing, authorize any Owner, in writing, to adjust any loss to his or her Unit.

- (b) Every mortgagee shall be deemed to have agreed to waive any right to have proceeds of any insurance applied on account of the mortgage where such application would prevent application of the insurance proceeds in satisfaction of an obligation to repair. This subparagraph 8.2(b) shall be read without prejudice to the right of any mortgagee to exercise the right of an Owner to vote or to consent if the mortgage itself contains a provision giving the mortgagee that right.
- (c) A certificate or memorandum of all insurance policies, and endorsements thereto, shall be issued as soon as possible to each Owner, and a duplicate original or certified copy of the policy to each mortgagee who has notified the Corporation of its interest in any Unit. Renewal certificates or certificates of new insurance policies shall be furnished to each Owner and to each mortgagee noted on the Record of the Corporation who has requested same. The master policy for any insurance coverage shall be kept by the Corporation in its offices, available for inspection by any Owner or mortgagee on reasonable notice to the

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Corporation.

- (d) No insured, other than the Corporation, shall be entitled to amend any policy or policies of insurance obtained and maintained by the Corporation. No insured shall be entitled to direct that the loss shall be payable in any manner other than as provided in the Declaration and the Act.
- (e) Where insurance proceeds are received by the Corporation or any other person rather than the Insurance Trustee, if an Insurance Trustee has been appointed, they shall be held in trust and applied toward the cost of repairing the damage, save and except if there is termination in accordance with the provisions of the Act.
- (f) Prior to obtaining any new policy or policies of insurance and at such other time as the Board may deem advisable and also upon the request of a mortgagee or mortgagees holding mortgages on fifty (50%) per cent or more of the Units and in any event, at least every three (3) years, the Board shall obtain an appraisal from an independent qualified appraiser of the full replacement cost of the assets for the purpose of determining the amount of insurance to be effected and the cost of such appraisal shall be a Common Expense.

8.3 By the Owner

- (a) It is acknowledged that the foregoing insurance is the only insurance required to be obtained and maintained by the Corporation and that the following insurance, must be obtained and maintained by each Owner at such Owner's own expense:
 - (i) Insurance on any improvements to a Unit to the extent same are not covered as part of the standard unit for the class of unit to which the Owner's Unit belongs by the insurance obtained and maintained by the Corporation and for furnishings, fixtures, equipment, decorating and personal property and chattels of the Owner contained within the Unit and the personal property and chattels stored elsewhere on the Property, including automobiles, and for loss of use and occupancy of the Unit in the event of damage. Every such policy of insurance shall contain waiver(s) of subrogation against the Corporation, its directors, officers, manager, agents, employees and servants, and against the other Owners and any members of their household or guests except for any damage arising from arson, fraud, vehicle impact, vandalism or malicious mischief caused or contributed by any of the aforementioned parties;
 - (ii) Public liability insurance covering any liability of any Owner or any resident, tenant, invitee or licensee of such Owner, to the extent not covered by any public liability and property damage insurance obtained and maintained by the Corporation;
 - (iii) Insurance covering the deductible on the Corporation's master insurance policy for which an owner may be responsible.
- (b) Owners are recommended to obtain, although it is not mandatory, insurance covering:
 - (i) additional living expenses incurred by an Owner if forced to leave his or her residential Unit by one of the hazards protected against under the Corporation's policy;
 - (ii) special assessments levied by the Corporation and contingent insurance coverage in the event the Corporation's insurance is inadequate.

8.4 Indemnity Insurance for Directors and Officers of the Corporation

The Corporation shall obtain and maintain insurance for the benefit of all of the directors and officers of the Corporation, if such insurance is reasonably available, in order to indemnify them

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against the matters described in the Act, including any liability, cost, charge or expense incurred by them in the execution of their respective duties (hereinafter collectively referred to as the "Liabilities"), provided however that such insurance shall not indemnify any of the directors or officers against any of the Liabilities respectively incurred by them as a result of a breach of their duty to act honestly and in good faith, or in contravention of the provisions of the Act.

ARTICLE IX

INSURANCE TRUSTEE AND PROCEEDS OF INSURANCE

9.1 Insurance Trustee

The Corporation may enter into an agreement with an Insurance Trustee, which agreement shall, without limiting its generality, provide the following:

- (a) the receipt by the Insurance Trustee of any proceeds of insurance in excess of 15% of the replacement cost of the Property covered by any policy payable to the Corporation;
- (b) subject to the provisions of Section 100(1) of the Act, the Insurance Trustee shall hold all insurance proceeds in trust and disburse the proceeds in satisfaction of the Corporation's and Unit Owners' respective obligations to repair in accordance with the provisions of the Insurance Trust Agreement;
- (c) the notification by the Insurance Trustee to the mortgagees of any insurance moneys received by it.

In the event that the Corporation decides to enter into an Insurance Trust Agreement but is unable to enter into such agreement with such trust company or such chartered bank by reason of their refusal to act, the Corporation may enter into such Insurance Trust Agreement with such other corporation authorized to act as a trustee, as the Owners may approve by by-law at a meeting called for that purpose. The Corporation shall pay the fees and disbursements of any Insurance Trustee and any fees and disbursements shall constitute a Common Expense.

In the event that the Corporation enters into an Insurance Trust Agreement and in the event that:

- (i) the Corporation is obligated to repair any Unit insured in accordance with the provisions of the Act, the Insurance Trustee shall hold all proceeds for the Corporation and shall disburse same in accordance with the provisions of the Insurance Trust Agreement in order to satisfy the obligation of the Corporation to make such repairs;
- (ii) there is no obligation by the Corporation to repair any Unit in accordance with the provisions of the Act and if there is termination in accordance with the provisions of the Act or otherwise, the Insurance Trustee shall hold all proceeds for the Owners in the proportion of their respective interests in the Common Elements and shall pay such proceeds to the Owners in such proportions upon registration of a notice of termination by the Corporation. Notwithstanding the foregoing, any proceeds payable as aforesaid shall be subject to payment in favour of any mortgagee or mortgagees to whom such loss is payable in any policy of insurance and in satisfaction of the amount due under a Notice of Lien.
- (iii) the Board, in accordance with the provisions of the Act, determines that:
 - (A) there has not been substantial damage to twenty-five (25%) percent of the building; or
 - (B) there has been substantial damage to twenty-five (25%) percent of the building

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and within sixty (60) days thereafter the Owners who own eighty (80%) percent of the Units do not vote for termination,

the Insurance Trustee shall hold all proceeds for the Corporation and Owners whose Units have been damaged and shall disburse same in accordance with the provisions of the Insurance Trust Agreement in order to satisfy their respective obligations to make repairs pursuant to the provisions of this Declaration and the Act.

ARTICLE X

DUTIES OF THE CORPORATION

- 10.1 In addition to any other duties or obligations of the Corporation set out elsewhere in this Declaration and/or specified in the by-laws of the Corporation, the Corporation shall have the following duties, namely:
- (a) To ensure that no actions or steps are taken by or on behalf of the Corporation or by any Owner or their respective tenants, invitees which would in any way prohibit, restrict, limit, hinder or interfere with the Declarant's ability to utilize portions of the Common Elements for its marketing/sale/construction programs in connection with the Condominium.
 - (b) To ensure that no actions or steps are taken by or on behalf of the Corporation or by any Owner or their respective tenants, invitees which would in any way prohibit, restrict, limit, hinder, obstruct, or interfere with the Declarant's access and egress over any portion of the Property including, without limitation, any access and egress and/or use of the Property and any access and egress from and/or use of any easement.
 - (c) To ensure that no actions or steps are taken by or on behalf of the Corporation or by any Owner or their respective tenants, invitees which would in any way prohibit, restrict, limit, hinder or interfere with the Declarant's ability to construct, complete, maintain and repair the Property in any manner whatsoever.
 - (d) To take all reasonable steps to collect from each unit owner his or her proportionate share of the Common Expenses and to maintain and enforce the Corporation's lien arising pursuant to the Act, against each Unit in respect of which the owner has defaulted in the payment of Common Expenses.
 - (e) To assume or grant, after registration of this Declaration, if required, any easement in perpetuity, if required, in favour of the City, Bell Canada and/or Rogers Communications and/or any other communication and/or internet provider, Toronto Hydro, Enbridge Gas and any other utility company over, under, upon, across and through the Common Elements, for the purposes of facilitating the construction, installation, operation, maintenance and/or repair of utility or communication lines or equipment (and all necessary appurtenances thereto) in order to facilitate the supply of utilities and communication services to each of the units in the Condominium and if so requested by the grantees of such easements, to enter into (and abide by the terms and provisions of) an agreement with the utility and/or cable communication suppliers pertaining to the provision of their services to the Condominium and for such purposes shall enact such by-laws or resolutions as may be required to sanction the foregoing.
 - (f) To take all actions reasonably necessary as may be required to fulfill any of the Corporation's duties and obligations pursuant to this Declaration.
 - (g) To assume, enter into and comply with the terms and provisions of all equipment leases relating to equipment serving the Condominium entered into by the Declarant for and on behalf of the Corporation.
 - (h) To assume, enter into and comply with the terms and provisions of the management agreement, sub-metering agreement, utility agreement and any other agreement entered

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into by the Declarant for and on behalf of the Corporation, as applicable.

- (i) To enter into and/or assume a lease for the use of a refuse and waste recycling system upon such terms as may be determined by the Declarant and to execute all such documents as the Declarant, in its sole discretion may require, in order to give effect to the foregoing.
- (j) To accept a Transfer/Deed of Land from the Declarant, upon thirty (30) days' notice, of any unsold Parking Unit and to complete and execute all requisite documentation and affidavits necessary to effect the registration of such conveyance, all without cost to the Declarant.
- (k) To execute and deliver all documentation necessary to release (or partially release) any easement benefiting the Property referred to in Schedule "A" of this Declaration if any such easement (or part thereof) is determined by the Declarant, in its sole and absolute discretion, to be unnecessary for the proper function or operation of the Condominium.
- (l) To prohibit any Owner, tenant or the Board from making any changes to Units and Common Elements that would contravene the mitigation, attenuation or equivalent measures and architectural control measures required by the noise study, vibration study, emissions study, and/or building permit plans for the building, as is applicable.
- (m) To not interfere with the supply of (and insofar as the requisite services are supplied from the Corporation's property, to cause) heat, hydro, water, gas and all other requisite utility services to be provided to the Condominium, so that same are fully functional and operable during normal or customary hours of use.
- (n) To ensure that no actions or steps are taken by or on behalf of the Corporation, or by a Unit Owner or their respective tenants or invitees which would prohibit, limit or restrict the access to, egress from and/or use of any easement enjoyed by the Owners and/or their respective residents, tenants and invitees as more particularly set out in the foregoing provisions of this Declaration.
- (o) To enter into, accept, perform and be bound by any of the covenants, agreements and obligations which it may or is required to assume under this Declaration and to take any and all steps which may be requested of it by the Declarant to fully implement in a timely manner the purposes, intent and provisions of this Declaration and any modifications and amendments thereto all as may be provided for under this Declaration.
- (p) To enter into, abide by and comply with, the terms and provisions of any agreements including, without limitation, subdivision, condominium, site plan, limiting distance, encroachment, development, utility, services, tie-back, crane swing, or other agreements, whether registered or unregistered (as well as enter into a formal assumption agreement with the City of Toronto, other governmental or utility authorities relating thereto or third parties if so required by the City of Toronto, other governmental authorities, any utility authority, third parties or the Declarant), if applicable.
- (q) If applicable, to abide by, comply with, and assume the terms and conditions set out by the City of Toronto Green Roof By-Law and/or Construction Standards and to take all necessary measures to maintain the green roof(s) in accordance with the said standard, which includes, without limitation, compliance with an approved maintenance plan. The green roof(s) shall not be altered, reduced, removed, destroyed or otherwise tampered with except in accordance with requirements of, and subject to approval by the City of Toronto.
- (r) To ensure that no actions or steps are taken by anyone which would prohibit, limit or restrict the access and egress of the Declarant and its affiliated or associated entities and their respective authorized agents, representative and/or invitees over the Common Element areas of this Condominium and/or Parking Unit.
- (s) To not enact any By-laws, pass any Rules or take any other action which may interfere

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with, restrict, or detract from the Declarant's rights expressed above.

- (t) To take any action as may be necessary from time to time to ensure that the provisions of any City of Toronto Heritage By-Law, affecting the Property, including without limitation Instrument Number AT3825722, registered as a by-law on title to the Lands on March 3, 2015 are fully complied with and adhered to.
- (u) To take any action as may be necessary from time to time to ensure that the provisions of any City of Toronto Heritage Easement Agreement affecting the Lands, including without limitation Instrument Number AT4419185, registered as a notice on title to the Lands on November 30, 2016 are fully complied with and adhered to.
- (v) To assume and perform all of the covenants and obligations of the Corporation pursuant to any check/smart meter utility agreements relating to the Property, entered into from time to time, and to execute such documentation and further assurances in respect to the foregoing as may hereinafter required by the Declarant or otherwise (including without limitation the timely execution of any assumption agreements relating thereto).

ARTICLE XI

PERFORMANCE AUDIT

- 11.1 When the Corporation formally retains an independent consultant (who holds a certificate of authorization within the meaning of The *Professional Engineers Act* R.S.O. 1990, as amended, or alternatively a certificate of practice within the meaning of The *Architects Act* R.S.O. 1990, as amended) to conduct a performance audit of the Common Elements on behalf of the Corporation, in accordance with the provisions of section 44 of the Act and section 12 of O.Reg.48/01 (hereinafter referred to as the "Performance Audit") at any time between the 6th month and the 10th month following the registration of this Declaration, then the Corporation shall have a duty to:
- (a) permit the Declarant and its authorized employees, agents and representatives to accompany (and confer with) the consultant(s) retained to carry out the Performance Audit for the Corporation (hereinafter referred to as the "**Performance Auditor**") while same is being conducted, and to provide the Declarant with at least thirty (30) days written notice prior to the commencement of the Performance Audit; and
 - (b) permit the Declarant and its authorized employees, agents and representatives to carry out any repair or remedial work identified or recommended by the Performance Auditor in connection with the Performance Audit (if the Declarant chooses to do so);

for the purposes of facilitating and expediting the rectification and audit process (and bringing all matters requiring rectification to the immediate attention of the Declarant, so that same may be promptly dealt with), and affording the Declarant the opportunity to verify, clarify and/or explain any potential matters of dispute to the Performance Auditor, prior to the end of the 11th month following the registration of this Declaration and the corresponding completion of the Performance Audit and the concomitant submission of the Performance Auditor's report to the Board.

ARTICLE XII

GENERAL MATTERS AND ADMINISTRATION

12.1 Rights of Entry to the Unit

- (a) The Corporation or any insurer of the Property or any part thereof, their respective agents, or any other person authorized by the Board, and the Declarant, if applicable, shall be entitled to enter any Unit or any part of the Common Elements over which any Owner has the exclusive use, at all reasonable times and upon giving reasonable notice, to perform the objects and duties of the Corporation, and, without limiting the generality of the foregoing, for the purpose of making inspections, adjusting losses, making repairs, additions, alterations or improvements thereto, correcting any condition which violates the provisions

of any insurance policy, and remedying any condition which might result in damage to the Property or any part thereof or carrying out any duty imposed upon the Corporation and the Corporation will indemnify the Declarant and save the Declarant harmless from and against any actions, causes of action, liabilities, damages or costs incurred by the Declarant as a result of the failure of the Corporation to comply with the foregoing. In addition, the Corporation, its agents or any other person authorized by the Board shall be entitled to enter where necessary, any Unit or any part of the Common Elements over which the owners of such units have the exclusive use at such reasonable time(s) to facilitate window washing. Owners shall not obstruct nor impede access to window washing anchors located within exclusive use Common Elements;

- (b) In case of an emergency, an agent of the Corporation may enter a Unit at any time and this provision constitutes notice to enter the Unit in accordance with the Act for the purpose of repairing the Unit, Common Elements, including any part of the Common Elements over which any Owner has the exclusive use, or for the purpose of correcting any condition which might result in damage or loss to the Property. The Corporation or anyone authorized by it may determine whether an emergency exists;
- (c) If an Owner shall not be personally present to grant entry to his Unit, the Corporation or its agents may enter upon such Unit without rendering it, or them, liable to any claim or cause of action for damages by reason thereof provided that they exercise reasonable care;
- (d) The Corporation shall retain a master key to all locks to each Unit. No Owner shall change any lock or place any additional locks on the doors to any Unit or in the Unit or to any part of the Common Elements of which such Owner has the exclusive use, without the prior written consent of the Board. Where such consent has been granted by the Board, said Owner shall provide forthwith the Corporation with keys to all new locks (as well as keys to all additional locks) so installed, and all such new or additional locks shall be keyed to the Corporation's master key entry system; and
- (e) The rights and authority hereby reserved to the Corporation, its agents, or any insurer or its agents, do not impose any responsibility or liability whatever for the care or supervision of any Unit except as specifically provided in this Declaration or the By-laws.

12.2 Invalidity

Each of the provisions of this Declaration shall be deemed independent and severable, and the invalidity or unenforceability in whole or in part of any one or more of such provisions shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration, and in such event all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

12.3 Waiver

The failure to take action to enforce any provision contained in the Act, this Declaration, the By-laws or any other rules and regulations of the Corporation, irrespective of the number of violations or breaches which may occur, shall not constitute a waiver of the right to do so thereafter, nor be deemed to abrogate or waive any such provision.

12.4 Interpretation of Declaration

This Declaration shall be read with all changes of number and gender required by the context.

12.5 Headings

The headings in the body of this Declaration form no part of the Declaration but shall be deemed to be inserted for convenience of reference only.

12.6 Notice

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Except as hereinbefore set forth, any notice, direction or other instrument required or permitted, may be given as follows:

- (a) to an Owner (if an individual, by giving same to him or her, or if a Corporation, by giving same to any director or officer of the Owner) either personally, by courier or by ordinary mail, postage prepaid, addressed to the Owner at the address for service given by the Owner to the Corporation for the purposes of notice, or if no such address as been given to the Corporation, then to such Owner at his or her Unit address;
- (b) to a Mortgagee who has notified the Corporation of its interest in any Unit, at such address as is given by each Mortgagee to the Corporation for the purpose of notice, by courier or ordinary mail, postage prepaid;
- (c) to the Corporation, by giving same to any director or officer of the Corporation, either personally, by courier or by ordinary mail, postage prepaid, addressed to the Corporation at its address for service as hereinbefore set out;
- (d) to the Declarant, by giving same to any director or officer of the Declarant, either personally, by courier, or by facsimile transmission, addressed to the Declarant at its address for service from time to time.

If such notice is mailed as aforesaid, the same shall be deemed to have been received and to be effective on the fifth business day following the day on which it was mailed. Any Owner or mortgagee or the Declarant may change his or her address for service by giving notice to the Corporation in the manner as aforesaid.

12.7 Successors and Assigns

- (a) All of the rights of the Declarant as set out in this Declaration shall enure to the benefit of the Declarant and its successors and assigns.
- (b) All of the obligations of the Corporation as they relate to the Declarant, whether as set out in this Declaration shall enure to the benefit of the Declarant and its successors and assigns.

12.8 Assignment by the Declarant

Any or all of the Declarant's continuing rights expressed in this Declaration may be assigned by the Declarant to any third party, either in whole or in part, in the sole and absolute discretion of the Declarant. The Condominium covenants and agrees to execute all documents and perform all acts as may be necessary to give effect to the foregoing at the sole cost and expense of the Condominium.

ARTICLE XIII

NOTICE OF HERITAGE EASEMENT AGREEMENT

13.1 Rights and Obligations under By-law 83-2015 and the Heritage Easement Agreement affecting the Property

On November 14, 2016, the Declarant entered into a heritage easement agreement with the City (the "Heritage Easement Agreement") regarding the conservation of the present historical, architectural, contextual, aesthetic, scenic and cultural heritage characteristics and conditions of the Condominium building and the Property. Pursuant to the Heritage Easement Agreement, the Owners and the Condominium Corporation shall not, undertake or permit to be undertaken any alterations, demolition, construction, remodeling or any other thing or act that is likely to affect the heritage attributes or the appearance of the Condominium building or Property as follows:

- (a) the Condominium building;
- (b) the placement, setback and orientation of the Condominium building on the site;
- (c) the asymmetrical plan that rises one extended storey above a stone foundation, with a tower at the northwest corner;

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- (d) the materials, with red brick cladding and brick, stone and wood detailing;
 - (e) the steeply-pitched gable roof, which was damaged by fire in January 2014;
 - (f) the principal (west) façade, under the gable end of the roof where the main entrance is placed in an enclosed gable-roofed porch with extended eaves, stone coping and buttresses;
 - (g) the detailing on the main entrance, where paired doors and a transom are set in a Tudor-arched opening with stone quoins and a keystone, and a lancet opening with stone detailing is placed in the apex of the gable;
 - (h) the fenestration of the west wall, with a trio of oversized Tudor-arched window openings with stone detailing beneath a pair of diminutive flat-headed openings with louvers and stone lintels and sills (the portion of the wall with the paired openings was included in the reasons for listing (2006) and removed after the fire in 2014;
 - (i) the detailing on the square tower, with the secondary entrance on the west wall (which copies the detailing from the main entry), the pair and trio of flat-headed window openings with stone lintels and sills, the corner buttresses, the crenellated parapet, and the tall brick chimney (south); and
 - (j) the side elevations (north and south) where brick buttresses with stone trim organize three-part Tudor-arched window openings.
- 13.2 The term of the Heritage Easement Agreement commenced on the date therein and shall run with the Lands and may be enforced by the City or its assignee against the Owners or any subsequent owners of any Units.
- 13.3 Pursuant to the Heritage Easement Agreement, the Owners and the Condominium Corporation shall take any action as may be necessary from time to time to ensure that the provisions of by-law number 83-2015 and the Heritage Easement Agreement affecting the Lands, including without limitation the rights and obligations pursuant to the by-law and agreement registered as instrument numbers AT3825722 and AT4419185, registered as a by-law on title to the Property on March 5, 2015 and as a notice on title to the Property on November 30, 2016, respectively are fully complied with and adhered to.
- 13.4 In accordance with the Heritage Easement Agreement, the Owners and the Condominium Corporation shall not erect or remove or permit the erection or removal on the Property or on the Condominium building of any signs, awnings, television, fences or other objects or structures of a similar nature without the prior written approval of the City. Such approval may, in the sole discretion of the City, be refused, provided that with respect to signage to identify the occupant(s) or Owners of the Condominium from time to time, the approval of the City shall not be unreasonably withheld, having regard to the use of the Condominium.
- 13.5 Pursuant to the Heritage Easement Agreement, the Owners and the Condominium Corporation shall not commit or permit any act of waste of the Property and shall not, except with the prior written approval of the City:
- (i) grant any easement or right of way that would adversely affect the easement hereby granted;
 - (ii) allow the dumping of soil, rubbish, ashes, garbage, waste or other unsightly, hazardous or offensive materials of any type or description;
 - (iii) except for the maintenance of existing improvements, allow any changes in the general appearance or topography of the Property, including and without limiting the generality of the foregoing, the construction of drainage ditches, transmission towers and lines, and other similar undertakings as well as the excavation, dredging or removal of loam, gravel, soil, rock, sand or other materials;
 - (iv) allow the planting of trees, shrubs or other vegetation which would have the effect of reducing the aesthetic value of the Condominium building or the Property or causing any damage to the Condominium building or the Property;
 - (v) allow any activities, actions or uses detrimental or adverse to water conservation, erosion control and soil conservation; and
 - (vi) allow the removal, destruction or cutting of trees, shrubs or vegetation except as may be permitted under the City's Municipal Code and is necessary for the prevention or treatment of disease, or other good husbandry practices.

[signature page follows]

IN WITNESS WHEREOF the Declarant has hereunto affixed its corporate seal under the hands of its proper officer duly authorized in that behalf.

DATED at Toronto, this 18 day of May, 2023.

CONCEPT LOFTS LTD.

Per: 

Name: Brahm Rosen

Title: President

Rosen Goldberg Inc.,

I have authority to bind the corporation.

SCHEDULE "A"

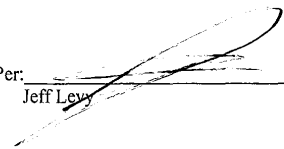
DESCRIPTION OF THE LAND

In the City of Toronto and Province of Ontario, being comprised of those PART OF LOTS 18, 19 & 20, BLOCK O, PLAN 622, DESIGNATED AS PART 1, PLAN 66R26944; CITY OF TORONTO, being all of PIN 21291-0415 (LT).

Hereinafter referred to as the Condominium Lands.

The undersigned confirms that in my opinion based upon the parcel register and plans and documents recorded in therein, the legal description is correct and the description and Declarant is the registered owner of the property and appurtenant interests.

LEVY ZAVET PROFESSIONAL CORPORATION
Solicitor for the Declarant

Per: 
Jeff Levy

Dated: August 17, 2022

SCHEDULE "B"

CONSENT

(under clause 7(2)(b) of the *Condominium Act*, 1998)

1. Owemanco Mortgage Holding Corporation has registered mortgages within the meaning of clause 7(2)(b) of the Condominium Act, 1998 registered as Number AT5422315 and AT5710094 in the Land Registry Office for the Land Titles Division of Toronto (No. 66).
2. Owemanco Mortgage Holding Corporation consents to the registration of this declaration, pursuant to the Act, against the land or the interests appurtenant to the land, as the land and the interests are described in the description.
3. Owemanco Mortgage Holding Corporation postpones the mortgage and the interests under it to the declaration described in Schedule "A" to the Declaration.
4. Owemanco Mortgage Holding Corporation is entitled by law to grant this consent and postponement.

DATED this 12 day of April, 2023.

OWEMANCO MORTGAGE HOLDING CORPORATION

Per: Adam Toze
 Name: Adam Toze
 Title: Vice-President

Per: Scheil Rayona
 Name: Scheil Rayona
 Title: C.O.O.

I/We have authority to bind the corporation.

SCHEDULE "B"

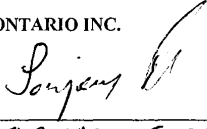
CONSENT

(under clause 7(2)(b) of the *Condominium Act*, 1998)

- 1. 2264405 Ontario Inc. has a registered mortgage within the meaning of clause 7(2)(b) of the Condominium Act, 1998 registered as Instrument Number AT2569404 in the Land Registry Office for the Land Titles Division of Toronto (No. 66).
- 2. 2264405 Ontario Inc. consents to the registration of this declaration, pursuant to the Act, against the land or the interests appurtenant to the land, as the land and the interests are described in the description.
- 3. 2264405 Ontario Inc. postpones the mortgage and the interests under it to the declaration described in Schedule "A" to the Declaration.
- 4. 2264405 Ontario Inc. is entitled by law to grant this consent and postponement.

DATED this 12th day of MAY, 2023.

2264405 ONTARIO INC.


 Per: _____
 Name: SANJAY GUPTA
 Title: Director
 Per: _____
 Name: _____
 Title: _____

I/We have authority to bind the corporation.

SCHEDULE "B"


CONSENT

(under clause 7(2)(b) of the *Condominium Act*, 1998)

1. World Financial Solutions Inc. has registered mortgages within the meaning of clause 7(2)(b) of the Condominium Act, 1998 registered as Instrument Numbers AT5078332 and AT5181519 in the Land Registry Office for the Land Titles Division of Toronto (No. 66).
2. World Financial Solutions Inc. consents to the registration of this declaration, pursuant to the Act, against the land or the interests appurtenant to the land, as the land and the interests are described in the description.
3. World Financial Solutions Inc. postpones the mortgage and the interests under it to the declaration described in Schedule "A" to the Declaration.
4. World Financial Solutions Inc. is entitled by law to grant this consent and postponement.

DATED this 13th day of MAY, 2023.

WORLD FINANCIAL SOLUTIONS INC.

Per: 
 Name: SIMVIL BHARDWAJ
 Title: DIRECTOR

Per: _____
 Name: _____
 Title: _____

I/We have authority to bind the corporation.

SCHEDULE 'C'

Each Residential Unit and Parking Unit shall comprise the area within the heavy lines shown on, Part 1, Sheets 1 and 2 of the Description with respect to the unit numbers indicated thereon. The monuments controlling the extent of the Residential Units and Parking Units are the physical surfaces and planes referred to below, are illustrated on Part 1, Sheets 1 and 2 of the Description and all dimensions shall have reference to them.

Without limiting the generality of the foregoing, the boundaries of each Unit are as follows:

1. BOUNDARIES OF THE RESIDENTIAL UNITS

(Being Units 1 to 12 inclusive on Level 1, and Units 1 and 2 on Level 2)

a) Each Residential Unit shall be bounded vertically by:

- i) The unfinished upper surface and plane of the concrete floor slab.
- ii) The upper surface and plane of the wooden subfloor.
- iii) The backside surface and plane of the ceiling drywall.
- iv) The unfinished upper face and plane of the treads and risers of the stairs separating Units.
- v) The unfinished lower face and plane of the stringers of the stairs separating Units.
- vi) The unfinished unit side surface and plane of the ceiling joists located partially or wholly within said Unit.

b) Each Residential Unit shall be bounded horizontally by:

- i) The back side face of the drywall sheathing and production thereof on all exterior walls or walls separating a unit from the common elements.
- ii) The unfinished unit side surface and plane of the exterior doors (said doors and windows being in a closed position), door and window frames and the unit side surface of all glass or acrylic panel located therein.

In the vicinity of suspended ceilings, bulkheads, ducts, pipe spaces and concrete columns, the unit boundaries are the back side face of the drywall sheathing enclosing said suspended ceilings, bulkheads, ducts, pipe spaces and masonry structural columns and walls.

2. BOUNDARIES OF THE PARKING UNITS

(Being Units 1 to 11 inclusive on Level A)

a) Each Parking Unit shall be bounded vertically by:

- i) The upper surface and plane of the concrete floor slab and/or the production thereof.
- ii) The plane established 1.80 metres perpendicularly distant above and parallel to the upper finished surface of the concrete floor slab.

b) Each Parking Unit shall be bounded horizontally by one or a combination of:

- i) The vertical plane established by measurements.

Schedule "D"
Unit Percentage Contributions

Level No.	Unit No.	Arch Unit No.	% Contribution to Common Expenses	Percentage Interest in Common Elements
Residential Units				
1	1	101	9.5420400000	9.5420400000
1	2	102	11.9955200000	11.9955200000
1	3	103	6.5040800000	6.5040800000
1	4	104	6.5040800000	6.5040800000
1	5	105	6.5040800000	6.5040800000
1	6	106	6.5040800000	6.5040800000
1	7	107	4.4312000000	4.4312000000
1	8	109	4.0778000000	4.0778000000
1	9	114	6.5040800000	6.5040800000
1	10	113	6.5040800000	6.5040800000
1	11	112	6.5040800000	6.5040800000
1	12	111	6.5040800000	6.5040800000
2	1	110	5.1858299998	5.1858299998
2	2	108	4.9545200000	4.9545200000
Parking Units				
A	1		0.7073318182	0.7073318182
A	2		0.7073318182	0.7073318182
A	3		0.7073318182	0.7073318182
A	4		0.7073318182	0.7073318182
A	5		0.7073318182	0.7073318182
A	6		0.7073318182	0.7073318182
A	7		0.7073318182	0.7073318182
A	8		0.7073318182	0.7073318182
A	9		0.7073318182	0.7073318182
A	10		0.7073318182	0.7073318182
A	11		0.7073318182	0.7073318182
Total			100.0000000000	100.0000000000

SCHEDULE "E"
SPECIFICATION OF COMMON EXPENSES

Common Expenses, without limiting the definition ascribed thereto, shall include the following:

1. All sums of money paid or payable by the Corporation in connection with the performance of any of its objects, duties and powers whether such objects, duties and powers are imposed by the Act or this Declaration and By-laws of the Corporation or other law or by agreement.
2. All sums of money properly paid by the Corporation on account of any and all public and private suppliers to the Corporation of insurance coverage, utilities and services including, without limiting the generality of the foregoing, levies or charges payable on account of:
 - (a) waste disposal, garbage collection and/or leases related thereto;
 - (b) recycling system and/or leases related thereto;
 - (c) maintenance materials, tools and supplies;
 - (d) snow and ice removal from Common Elements, (excluding the snow removal from Exclusive Use Common Elements which shall be the responsibility of the unit owner);
 - (e) insurance premiums;
 - (f) gas for heating the Common Elements and, if bulk metered, the Residential Units;
 - (g) water for the Common Elements and, if bulk metered, the Residential Units;
 - (h) hydro for the Common Elements and, if bulk metered, the Residential Units;
 - (i) sweeping of all exterior hard paved Common Element areas (excluding the Exclusive Use Common Elements);
 - (j) the payment of realty taxes (including local improvement charges) levied against the property rights held by the Corporation and which are the responsibility of the Corporation;
 - (k) green roof system, if applicable; and
 - (l) ground water discharge obligations, if applicable.
3. All sums of money paid or payable by the Corporation pursuant to any management contract which may be entered into between the Corporation and a manager.
4. All sums of money paid or payable by the Corporation together with all other costs and expenses incurred by the Corporation in connection with, or arising from, any agreement entered into by the Corporation including any agreement for utility service(s).
5. All sums of money required by the Corporation for the acquisition or retention of real property for the use and enjoyment of the property or for the acquisition, repair, maintenance or replacement of personal property for the use and enjoyment in or about the Common Elements.
6. All sums of money paid or payable by the Corporation to any and all persons, firms, or companies engaged or retained by the Corporation, its duly authorized agents, servants and employees for the purpose of performing any or all of the objects, duties and powers of the Corporation including, without limitation, legal engineering, accounting, auditing, expert appraising, advising, maintenance, managerial, secretarial or other professional advice and service required by the Corporation.
7. The cost of furnishings, machinery and equipment for use in and about the Common Elements, including the repair, maintenance or replacement thereof.
8. The cost of borrowing money for the carrying out of the objects, duties and powers of the Corporation.
9. The fees and disbursements of the Insurance Trustee, if any, and of obtaining insurance appraisals.
10. The cost of maintaining fidelity bonds as provided for by the By-Laws.
11. All sums required to be paid to the reserve or contingency fund as required by the Declaration or in accordance with the agreed upon annual budget of the Corporation.
12. All sums required to fulfill the obligations of the Corporation pursuant to administering and managing the protocol established for the exchange of all filters located within the Residential Units.
13. All sums of money assessed by the Corporation for the reserve fund to be paid by every owner as part of their contribution towards Common Expenses, for the majority repair and replacement of Common Elements and assets of the Corporation.
14. All sums of money paid by the Corporation for any addition, alteration, improvement to or renovation of the Common Elements or assets of the Corporation.
15. All sums of money payable on account of realty taxes (including local improvement charges) levied against the property (until such time as such taxes are levied against the individual units) and against those applicable parts of the Common Elements.
16. Maintenance, operating and improvement costs related to that portion of the amenities, if any, in operation and available for use by the Owners of Units. These costs shall include, without limitation:

- (a) the provisions of heat, hydro, water, and all other utilities servicing the amenities;
- (b) the provision of any recreational programs;
- (c) the provision, replacement and maintenance of any equipment, used in connection with the amenities; and
- (d) municipal taxes, insurance, and common expense assessments.

17. In the event that submeters or check meters are not provided for the Residential Units and in the event that a Residential Unit owner, by reason of his/her particular use and occupation of the Residential Unit appears to consume any particular utility to a materially greater extent than other Residential Unit owners, as reasonably determined by the Board of Directors of the Corporation (the "Board"), whose decision in this regard will be final and binding, the Board of Directors may install submeters or check meters at the sole cost of the Residential Unit owner and the Residential Unit owner shall pay, in addition to Common Expenses for his/her Residential Unit, the excess utility costs as determined by the submeters or check meters (i.e. the value of consumption as determined by the check meters less the portion contributed on account of such utility consumption as part of the Common Expenses), which payments will be deemed to be additional contributions toward Common Expenses and recoverable as such.

SCHEDULE 'F'**EXCLUSIVE USE PORTIONS OF THE COMMON ELEMENTS**

Subject to the provisions of the Declaration, the By-laws and Rules of the Corporation and the right of entry in favour of the Corporation thereto and thereon for purposes of facilitating any requisite maintenance and/or repair work, or to give access to the utility and service areas appurtenant thereto:

- a) The owner(s) of Residential Units 1 to 12 on Level 1 and Residential Units 1 and 2 on Level 2, shall each have exclusive use of that portion of the common elements to which their Unit provides sole and direct access that is designated as **Juliet Balcony** and is illustrated on Part 1, Sheets 1 and 2 of the Description.
- b) The owner(s) of Residential Units 1 and 2 on Level 2 shall each have exclusive use of that portion of the common elements to which their Unit provides sole and direct access that is designated as **Balcony** and is illustrated on Part 1, Sheet 2 of the Description.
- c) The owner(s) of Residential Units 2 to 6 inclusive on Level 1 shall each have exclusive use of that portion of the common elements to which their Unit provides sole and direct access that is designated as **Patio** and is illustrated on Part 1, Sheet 1 of the Description.
- d) The owner(s) of Residential Units 1, 9, 10, 11 and 12 on Level 1 shall each have exclusive use of that portion of the common elements that is designated as **Patio**, is numbered the same as the Unit with the affix '**A**' and is illustrated on Part 2, Sheet 1 of the Description.
- e) The owner(s) of Residential Units 1 and 2 on Level 1 shall each have exclusive use of that portion of the common elements that is designated as **Stairs**, is numbered the same as the Unit with the affix '**S**' and is illustrated on Part 2, Sheet 1 of the Description.

Notwithstanding the foregoing, any fixture, outlet, sign, apparatus or structure located within the limits of any exclusive use portion of the common elements shall not form part thereof.

Schedule "G"

Certificate of Architect or Engineer

We certify that: Sanctuary Lofts, 1183 Dufferin Street, Toronto, Ontario

Each building on the Property has been constructed in accordance with the regulations made under the Condominium Act, 1998, with respect to the following matters:

(Check whichever boxes are applicable)

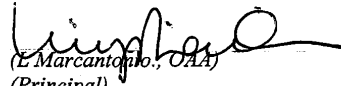
- 1. X The exterior building envelope, including roofing assembly, exterior wall cladding, doors and windows, caulking and sealants, is weather resistant if required by the construction documents and has been completed in general conformity with the construction documents.
- 2. X Except as otherwise specified in the regulations, floor assemblies are constructed to the subfloor.
- 3. X Except as otherwise specified in the regulations, walls and ceilings of the common elements, excluding interior structural walls and columns in a unit, are complete to the drywall (including taping and sanding), plaster or other final covering.
- 4. X All underground garages have walls and floor assemblies in place.
OR
There are no underground garages.
- 5. All elevating devices as defined in the Elevating Devices Act are licensed under that Act if it requires a licence, except for elevating devices contained wholly in a unit and designed for use only within the unit.
OR
X There are no elevating devices as defined in the Elevating Devices Act, except for elevating devices contained wholly in a unit and designed for use only within the unit.
- 6. X All installations with respect to the provision of water and sewage services are in place and operable.
- 7. X All installations with respect to the provision of heat and ventilation are in place and heat and ventilation can be provided.
- 8. X All installations with respect to the provision of air conditioning are in place.
OR
There are no installations with respect to the provision of air conditioning.
- 9. X All installations with respect to the provision of electricity are in place.
- 10. All indoor and outdoor swimming pools are roughed in to the extent that they are ready to receive finishes, equipment and accessories.
OR
X There are no indoor and outdoor swimming pools.
- 11. X Except as otherwise specified in the regulations, the boundaries of the units are completed to the drywall (not including taping and sanding), plaster or other final covering, and perimeter doors are in place.

2022/06/24

Dated as of (date of signature)

2M ARCHITECTS INC



Per: 
 Name: (L. Marcantonio, OAA)
 Title: (Principal)

I have authority to bind the Corporation.



Document General

D

Form 4 - Land Registration Reform Act

FOR OFFICE USE ONLY

(1) Registry <input type="checkbox"/>	Land Titles <input checked="" type="checkbox"/>	(2) Page 1 of 4 pages
(3) Property Identifier(s) Block: 76987-0001 to 76987-0025		Property: Additional: See Schedule <input type="checkbox"/>
(4) Nature of Document AMENDMENT TO DECLARATION Pursuant to Section 107 of the Condominium Act, 1998		
(5) Consideration Dollars \$		
(6) Description All Units and Levels Toronto Standard Condominium Plan No. 2987 and its Appurtenant Interest		
(7) This Document Contains: <input type="checkbox"/>		(a) Redescription New Easement Plan/Sketch <input type="checkbox"/>
Additional: See Schedule <input type="checkbox"/>		(b) Schedule for: Description <input type="checkbox"/> Additional Parties <input type="checkbox"/> Others <input checked="" type="checkbox"/>

New Property Identifiers

Additional: See Schedule

Executions

Additional: See Schedule

(8) This Document provides as follows:

Amendment to Declaration replacing Schedule "D" in Declaration No. AT6377944

Amendment to Declaration replacing Schedule "F" in Declaration No. AT6377944

Amendment to Declaration changing the name of the Declarant in Declaration No. AT6377944.

Amendment to Declaration changing the address of the Declarant in Declaration No. AT6377944.

Amendment to Article III, Section 3.7 in Declaration No. AT6377944.

Amendment to Article VI, Section 6.1, subsection (a) in Declaration No. AT6377944.

Amendment to Article VI, Section 6.3, subsection (a) in Declaration No. AT6377944.

Continued on Schedule

(9) This Document relates to instrument number(s)
Declaration No. AT6377944

(10) Party(ies) (Set out Status or Interest) Name(s)	Signature(s)	Date of Signature Y M D

(11) Address for Service

(12) Party(ies) (Set out Status or Interest)

Name(s)	Signature(s)	Date of Signature Y M D
Toronto Standard Condominium Corporation No. 2987		2024 10 28
	Brahm Rosen	
	I have the Authority to Bind this Corporation	

(13) Address for Service **5255 Yonge Street, Suite 804, North York, Ontario M2N 6P4**

(14) Municipal Address of Property
**1183 Dufferin Street
Toronto, Ontario
M6H 4B7**

(15) Document Prepared by:
**Paul Mand
Mand Rai LLP
400-155 Rexdale Blvd
Toronto, Ontario
M9W 5Z8**

Fees and Tax	
Registration Fee	
Total	

TORONTO STANDARD CONDOMINIUM PLAN NO. 2987
AMENDMENT TO DECLARATION OR DESCRIPTION
(UNDER SECTION 107 OF THE CONDOMINIUM ACT, 1998)


Toronto Standard Condominium Corporation No. 2987 amends, as set out in the attached Schedule:

- X its declaration registered as Instrument No. AT6377944
Its description identified as Toronto Standard Condominium Plan No. 2987

We certify that the amendment to the declaration/description that is set out in the attached Schedule complies with the requirements of section 107 of the *Condominium Act, 1998*

Dated this 22nd day of February 2024

**TORONTO STANDARD CONDOMINIUM
CORPORATION NO. 2987**

Per 
Name: Brahm Rosen
Title: President
I have the Authority to Bind the Corporation

AMENDMENT TO DECLARATION
TORONTO STANDARD CONDOMINIUM PLAN NO. 2987

WHEREAS the Declaration (the “**Declaration**”) creating Toronto Standard Condominium Plan No. 2987 (the “**Condominium**”) was registered on July 19th, 2023, as Instrument No. AT6377944; and

WHEREAS the Board has determined that the current apportionment of common interests and expenses as set out in Schedule “D” to the Declaration is incorrect; and

WHEREAS the Board has agreed to change the name and address of the Declarant; and

WHEREAS the Board has determined that the current Vehicular Height Restriction under Article III, section 3.7 of the Declaration is incorrect; and

WHEREAS the Board has determined that the current Maintenance and Repairs by Owner under Article VI, section 6.1, subsection (a), is incorrect; and

WHEREAS the Board has determined that the current Maintenance and Repairs by the Corporation under Article VI, section 6.3, subsection (a), is incorrect; and

WHEREAS in accordance with section 107(2)(f) of the *Condominium Act, R.S.O 1998* notices were sent to each mortgagee entitled to such notice; and

WHEREAS all of the Units in the Condominium continue to be owned by the Declarant and the Declarant have consented in writing to the proposed Amendment to Declaration; and

WHEREAS the Board of Directors of the Condominium passed a resolution approving this Amendment to Declaration.

The declaration is amended as follows:

ALL capitalized words in this Amendment to Declaration shall have ascribed to them the meaning as set out in the Declaration and all words in this Amendment to Declaration that are defined in the *Condominium Act, R.S.O 1998* have the meaning set out in the Act.

Change the name of the Declarant from Concept Lofts Ltd. to Heritage Towns at Hallam Inc.;

Change the address of the Declarant from 11 Regina Avenue, Unit 2 Woodbridge, Ontario L4L 8N5 to 5255 Yonge Street, Suite 804, North York, ON M2N 6P4;

Change the Vehicular Height Restriction in Article III, section 3.7 of the Declaration from six (6) feet, ten (10) inches to six (6) feet, six (6) inches;

Change the Maintenance and Repairs by Owner in Article VI, section 6.1, subsection (a) to “Each Owner of a Residential Unit shall maintain his/her Residential Unit, and subject to the provisions of the Declaration, each Owner of a Residential Unit shall repair his/her Residential Unit after damage and all improvements and betterments made or acquired by an Owner, all at his/her own expense. Each Owner of a Residential Unit shall be responsible for all damages to any and all other Units which are caused by the failure of the Owner or those for whom the Owner is responsible to so maintain and repair the Residential Unit. In addition, without limiting the generality of the foregoing each Owner of a Residential Unit shall maintain and repair...”;

Change the Maintenance and Repairs by the Corporation in Article VI, section 6.3, subsection (a) to “The Corporation shall be responsible for the repair and maintenance of the Common Elements, Parking Units and Exclusive Use Common Elements at its own expense. In order to maintain a uniformity of appearance throughout the Condominium, the Corporation’s duty to maintain and repair the Common Elements shall extend to all exterior surfaces of doors which provide access to the Residential Units, exterior door frames, exterior window frames and all exterior window surfaces of the Residential Units, and any exterior perimeter fences erected by the Declarant along the boundaries of the Condominium.”;

Schedule “D” to the Declaration is hereby deleted in its entirety and Schedule “D” attached hereto substituted therefor; and

Schedule “F” to the Declaration is hereby deleted in its entirety and Schedule “F” attached hereto substituted therefor.

Dated at Toronto this 20th day of February 2024

**TORONTO STANDARD CONDOMINIUM
CORPORATION NO. 2987**

Per: 

Name: Brahm Rosen

Title: President

I have the Authority to Bind the Corporation

Declaration
SCHEDULE “D”

Unit Percentage Contributions

RESIDENTIAL UNITS			
Level No.	Unit No.	Arch Unit No.	% contribution to common expenses
1	1	101	9.599785568
1	2	102	12.7203425
1	3	103	6.197250605
1	4	104	6.165919712
1	5	105	6.197250605
1	6	106	6.078193212
1	7	108	4.77482807
1	8	109	4.850022212
1	9	114	6.52309189
1	10	113	6.466696283
1	11	112	6.554422783
1	12	111	6.466696283
2	1	110	4.73096482
2	2	107	4.893885462

PARKING UNITS			
A	1		0.7073318182
A	2		0.7073318182
A	3		0.7073318182
A	4		0.7073318182
A	5		0.7073318182
A	6		0.7073318182
A	7		0.7073318182
A	8		0.7073318182
A	9		0.7073318182
A	10		0.7073318182
A	11		0.7073318182
Total			
Residential			92.2193499998
Parking			7.7806500002

SCHEDULE "F"

EXCLUSIVE USE PORTIONS OF THE COMMON ELEMENTS

Subject to the provisions of the Declaration, the By-laws and Rules of the Corporation and the right of entry in favour of the Corporation thereto and thereon for purposes of facilitating and requisite maintenance and/or repair work, or to give access to the utility and service areas appurtenant thereto:

- a) The owner(s) of Residential Units 1 to 12 of Level 1 and Residential Units 1 and 2 on Level 2, shall each have exclusive use of that portion of the common elements to which their Unit provides sole and direct access that is designated as **Juliet Balcony** and is illustrated on Part 1, Sheets 1 and 2 of the Description.
- b) The owner(s) of Residential Units 1 and 2 on Level 2 shall each have exclusive use of that portion of the common elements to which their Unit provides sole and direct access that is designated as **Balcony** and is illustrated on Part 1, Sheet 2 of the Description.
- c) The owner(s) of the Residential Units 2 to 6 inclusive on Level 1 shall each have exclusive use of that portion of the common elements to which their Unit provides sole and direct access that is designated as **Patio** and is illustrated on Part 1, Sheet 1 of the Description.
- d) The owner(s) of Residential Units 1,9,10,11 and 12 on Level 1 shall each have exclusive use of that portion of the common elements that is designated as **Patio**, is numbered the same as the Unit with the affix "**A**" and is illustrated on Part 2, Sheet 1 of the Description.
- e) The owner(s) of Residential Units 1 and 2 on Level 1 shall have exclusive use of that portion of the common elements that is designated as **Stairs**, is numbered the same as the Unit with the affix "**S**" and is illustrated in Part 2, Sheet 1 of the Description.
- f) The owner(s) of Parking Units, 1 to 11 shall each have exclusive use of that portion of the common elements that are designated as **Shared Entrance Areas** as Illustrated on Part 2, Sheet 1 of the Description.

Notwithstanding the foregoing, any fixture, outlet, sign, apparatus or structure located within the limits of any exclusive use portion of the common elements shall not form part thereof.

ACKNOWLEDGEMENT

THE UNDERSIGNED Purchaser(s) hereby acknowledges having received the following documents from Rosen Goldberg Inc., in its capacity as Court Appointed Receiver and Manager of the assets, undertakings and properties of Heritage Towns at Hallam Inc. (hereinafter "**HERITAGE TOWNS**") pursuant to an Orders of the Ontario Superior Court of Justice dated October 21, 2022, November 7, 2022 and October 3rd, 2023 in Court File Number CV-22-00688570-00CL in Toronto (Collectively the "**Order**") and not in its personal or its corporate capacity (the "**Vendor**") with respect to the purchase of Unit No. 12 Level 1 and Parking Unit No. A-10 on the date noted below:

1. A Disclosure Statement Dated January 26th, 2024, and accompanying documents in accordance with Section 72 of the *Condominium Act, 1998, S.O. 1998* (the "**Act**"); and
2. A copy of the Declaration registered as AT6377944 and amended thereafter on August 16th, 2024.
3. A copy of the agreement of purchase and sale (the "**Agreement**") (to which this acknowledgement is attached as a Schedule) executed by the Vendor and the Purchaser

The Purchaser further acknowledges that in the event there is a material change to the Disclosure Statement as defined in subsection 74(2) of the Act, the Purchaser's only remedy shall be a set forth in the subsection 74(6) of the Act, notwithstanding any rule of law or equity to the contrary.

DATED at Toronto this 4th day of December, 2024.

WITNESS:

Signed by:

 Purchaser F2088F4FAF488480...

Signed by:

 Purchaser B314C4FD74AD430...

Appendix No. 6

LISTING ACTIVITY SUMMARY

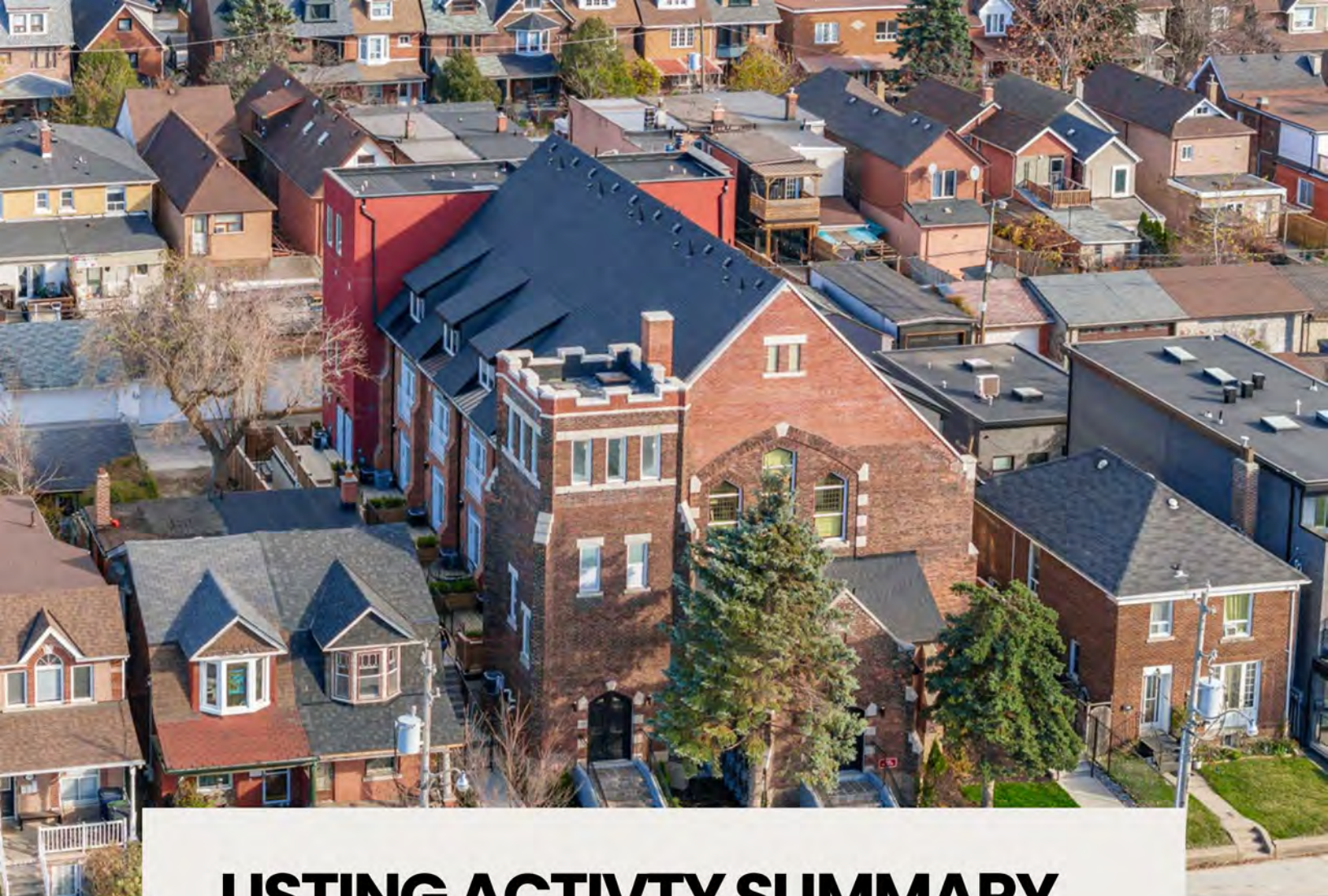
Unit 111 - 1183 Dufferin St, Toronto

PREPARED FOR:

Rosen Goldberg Inc. its sole capacity as court-appointed receiver

Created on December 6th, 2024





LISTING ACTIVITY SUMMARY

The information contained herein summarizes activity that we have generated through our marketing efforts for the property listing located at 1183 Dufferin St. (the "Site" or "Property" or "Heritage Towns at Hallam"). We've organized the report into two sections:

1. Property Overview and Marketing Efforts.
2. Unit 111 Overview and Marketing Efforts

1. PROPERTY OVERVIEW AND MARKETING EFFORTS

We were interviewed for this listing in early November, 2023. At the time, several other brokerages had attempted to sell the project, during its various stages in the years prior. We knew a fresh approach was needed, and worked with the team to come up with comprehensive plan to relaunch the project.

This entailed renaming it to “Heritage Towns at Hallam” and creating a new “brand identity” around it.



Our campaign also included an outreach to the previous agents who both toured the property and those who unsuccessfully submitted offer during the previous attempts at selling the project. Also targeted online forums that wrote about the projects past, and shared plans for what had been done to address the history of the project.

MARKETING REBRAND

A sample of the rebranded assets are included below. In addition we also completed the following:

- Professional photos of all units complete
- Staging several select units
- Drone and video footage of the property and surrounding area
- Custom website for the entire project: HallamTowns.com
- Custom website for each individual unit
- Floorplans for each unit
- Front billboard and open house signs for project
- Open house for several weekends
- Online promotion through social media channels including Facebook and Instagram
- Email blasts to local agents



A local landmark, notable for its prominent corner tower and chimney, Dufferin Street Presbyterian Church is located at the west end of Dovercourt.



MARKETING REBRAND (CONTINUED)

BROCHURES AND PRICE LIST



WELCOME TO
Suite 104

1183DUFFERIN-ST-104.COM

2 + 1 3 984

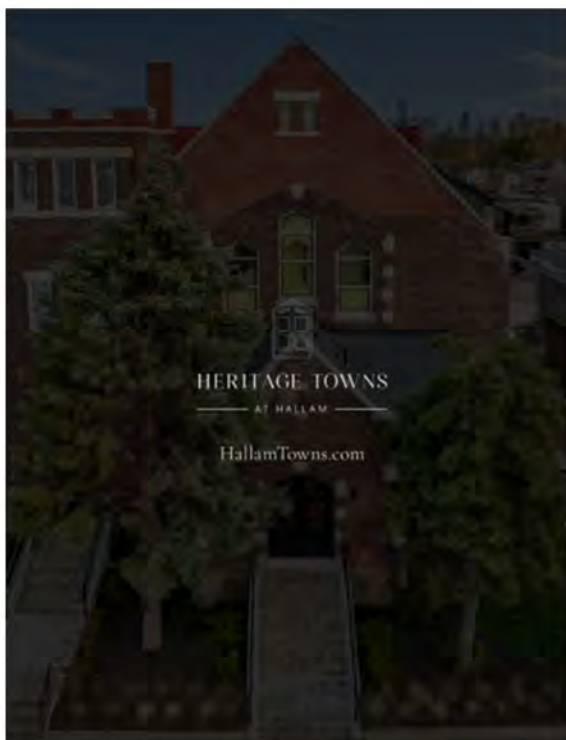
Heritage Towns at Hallam - where timeless elegance meets contemporary charm in this converted church loft. Originally erected in 1912 as The Dufferin Street Presbyterian Church, this historic structure has been transformed into an exclusive enclave of just 14 distinct suites.

Unit 104 offers a sprawling residence spanning over 980 sq.ft. The well-appointed kitchen boasts stainless steel appliances and a gas stove, ensuring both style and functionality. Spread across multiple levels, the suite boasts three bedrooms, strategically positioned on each floor, a generous den adaptable for either a nursery or a home office, and a spacious third floor primary bedroom with a 4-piece ensuite. Your future home not only offers a sanctuary within its walls but also provides a gateway to the vibrant local community. Immerse yourself in the eclectic culture of Toronto's Bloordale Village, just steps away.



HallamTowns.com

MARK SAVEL, Sales Representative 416.482.8006 | info@hallamtowns.com
SAGE REAL ESTATE LTD., BROKERAGE 2010 Yonge Street, Toronto, ON M4E 1Z9



HERITAGE TOWNS
AT HALLAM

HallamTowns.com

781 INTERIOR SQ FT
0 EXTERIOR SQ FT
781 TOTAL SQ FT

Suite 108

1 + 1 BEDROOMS
1 BATHROOM
NO PARKING

HERITAGE TOWNS
AT HALLAM

FLOOR 1

FLOOR 2

3D Dimensions

SAGE REAL ESTATE LTD. TORONTO
MARK SAVEL, Sales Representative 416.482.8006
SAGE REAL ESTATE LTD., BROKERAGE 2010 Yonge Street, Toronto, ON M4E 1Z9

ANALYSIS Pricing Summary

Below are the details of each unit.

HERITAGE TOWNS
AT HALLAM

Unit Number	Approx. Energy	Bedrooms	Bathrooms	Exposure	Parking	Total Price
100	1,532	2 + 1	3	South West	Yes	\$1,175,000
102	1,090	3 + 1	3	North West	Yes	\$1,265,000
104	984	2 + 1	3	North	Yes	SOLD
106	969	2 + 1	3	North	No	\$795,000
107	962	1	3	North	NR	RESERVED
108	781	1 + 1	3	North	NR	\$680,000
109	938	1 + 1	1	South East	NR	\$680,000
110	793	1	1	South	NR	SOLD
112	1,046	2 + 1	3	South	Yes	\$795,000
114	1,042	2 + 1	3	South	Yes	RESERVED

All open city permits are now closed, and quick move-ins possible!

Estimated Closing Date: October 1st, 2024

Deposit: \$15,000 with other: 15% on 1st day

Deposits to be made out to: Sage Real Estate Ltd in Trust

Closing On: 30 days (includes weekends and holidays)

*Purchasers will be able to do a home inspection for their expertise during the cooling off period.

Parking is INCLUDED for all 2 bedrooms and 3 bedrooms townhomes

Unit's Separately Metered: Hydro, Heat, AC, Cable/Internet

Rental Status: Topless Heater, Alarm System

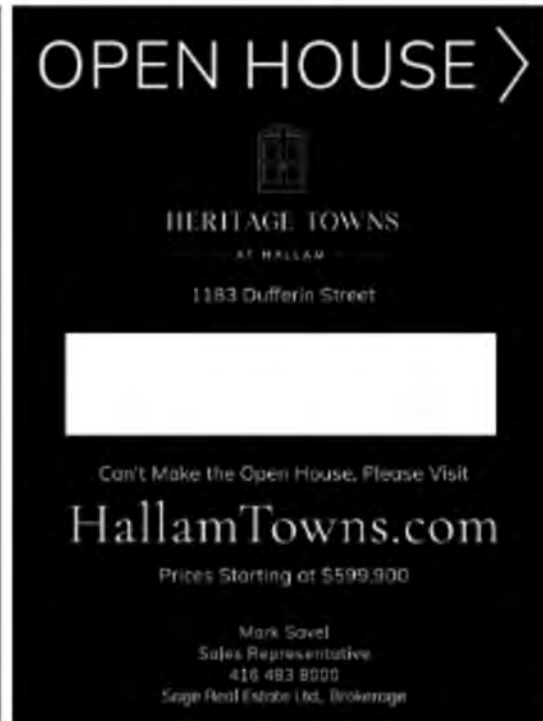
Size: From 755 sq.ft. to over 2,000 sq.ft.

MARK SAVEL, Sales Representative | 416.482.8006 | info@hallamtowns.com
SAGE REAL ESTATE LTD., BROKERAGE 2010 Yonge Street, Toronto, ON M4E 1Z9

Not intended to be used for real estate purposes. Please see our full disclaimer on our website. All prices are subject to change without notice. ©2024 Sage Real Estate Ltd. All rights reserved.

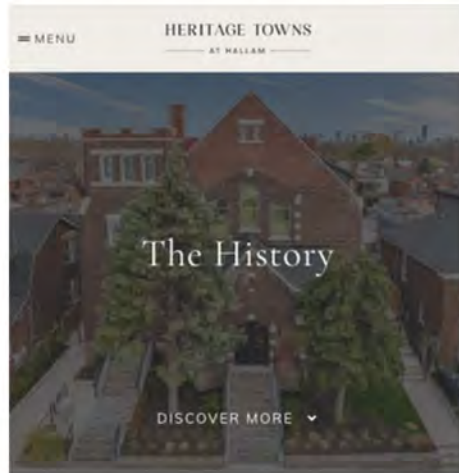
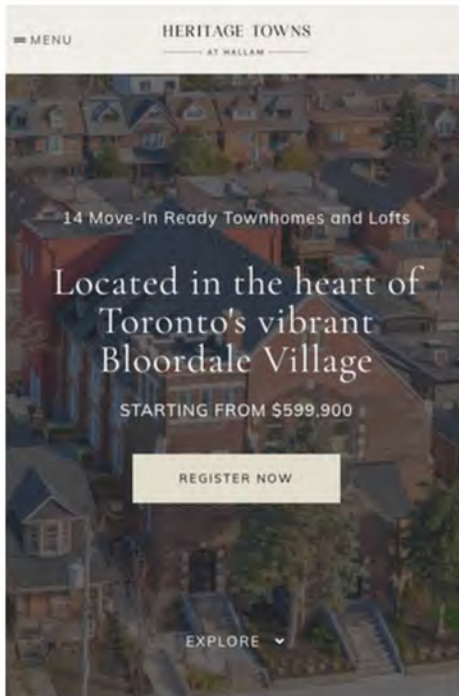
MARKETING REBRAND (CONTINUED)

OPEN HOUSE SIGNS AND BILLBOARD



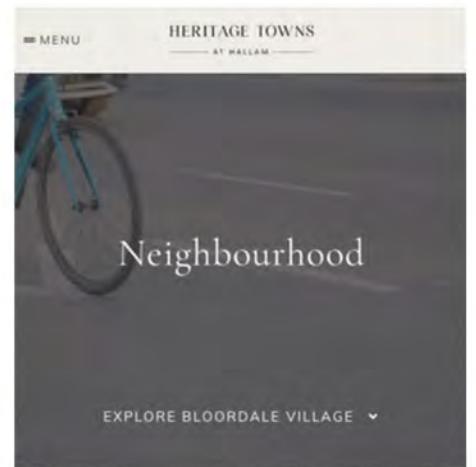
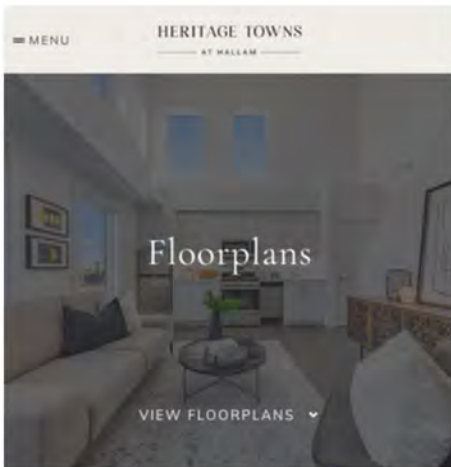
MARKETING REBRAND (CONTINUED)

CUSTOM WEBSITE WITH SIGN-UP FORM



Dufferin Street Presbyterian Church

Constructed in 1912 at a reported cost of \$16,500, the Dufferin Street Presbyterian Church was listed on the City of Toronto Inventory of Heritage



Filters

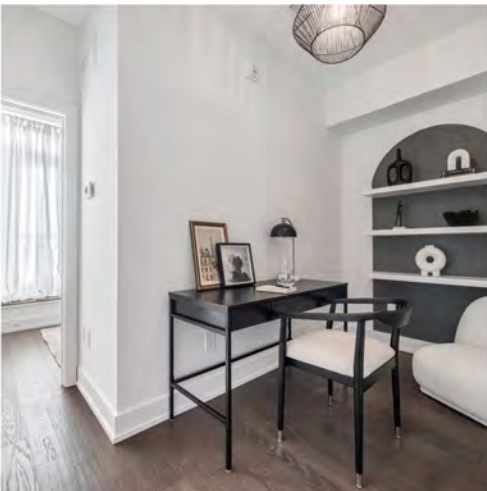
▼ BEDROOMS

All Bedrooms

1 + 1 Bedrooms

MARKETING REBRAND (CONTINUED)

PROFESSIONAL STAGING



MARKETING REBRAND (CONTINUED)

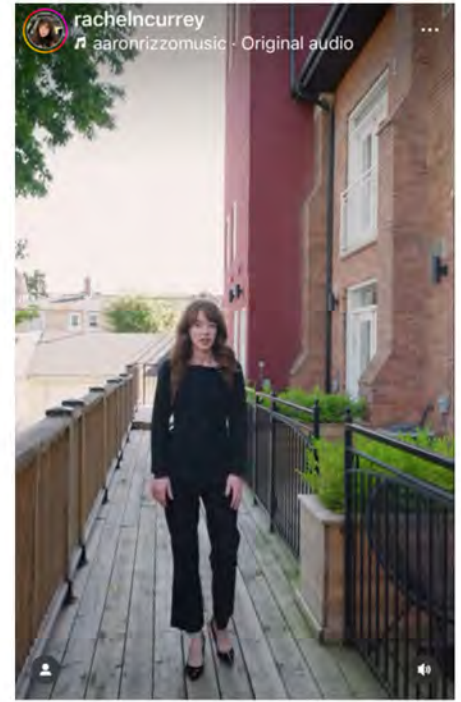
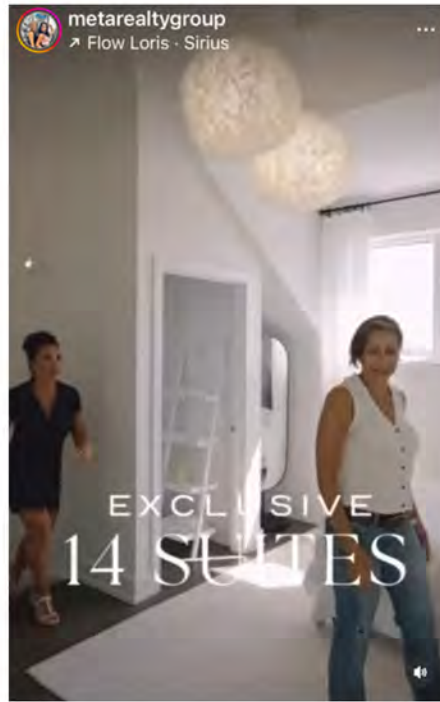
DRONE PHOTO & VIDEO OF THE SITE



MARKETING REBRAND (CONTINUED)

CUSTOM VIDEO TOURS FROM LOCAL AGENTS

We hand selected 20 local agents with strong social media profiles to come out and get professionally produced video tours of the project.



CORRESPONDENCE

The following people have specifically reached out to request more info, directly from our website, or other online marketing efforts

Date Added	Name
2024-02-13	Lucie Bradford
2024-02-14	Ardis Streit
2024-02-16	Angelita Shackell
2024-02-28	Marcus Wilkinson
2024-03-04	Luanne Ronquillo
2024-03-05	Julia Segal Julia Segal
2024-03-16	Harold Diep
2024-03-19	Emma Kerr Emma Kerr
2024-03-21	Janice Chang Janice Chang
2024-03-23	Karleen Murrain
2024-03-29	Stacy Shea
2024-03-30	Laura Webster
2024-04-01	Sydney Long
2024-04-05	Atef Haq
2024-04-07	Jaqueline McCaig
2024-04-17	Edwin Escarraga Edwin Escarraga
2024-04-20	Emily Nelson
2024-04-24	Mohamed Huque Mohamed Huque
2024-04-25	Sterling Boulton
2024-05-25	Michael Leach
2024-06-14	Jc Jc
2024-06-20	Pauline Saliba
2024-06-25	Victor Martins
2024-06-26	Hannah Lee Hannah Lee
2024-06-28	Vincent Glasheen
2024-07-09	Joey Liang Joey Liang
2024-07-12	Margarito Barden
2024-07-19	Alesia Commisso Alesia Commisso
2024-08-10	Laura Stewart

2024-08-11	Natalie Hope
2024-08-15	Emily Thuro Emily Thuro
2024-08-24	Gagan Hajatri Gagan Hajatri
2024-08-31	Ioannis Geragotis
2024-09-10	Margie Smith
2024-09-11	John Deer
2024-09-12	Matt Harrison
2024-09-13	Daniela Alilovic
2024-09-16	Tanisha Kim
2024-09-17	Melodie Denis Melodie Denis
2024-09-25	Ian Matthews Ian Matthews
2024-09-25	Sebastian DiIorenzo
2024-09-30	D B
2024-10-05	Catherine Sarmiento
2024-10-08	Kate McDermott
2024-10-12	Jeff Gershtein
2024-10-16	Devon Leckie Devon Leckie
2024-10-17	Daniel Corona
2024-10-22	Srdjan Cvjeticanin Srdjan Cvjeticanin
2024-10-28	Pankhuri Malik Pankhuri Malik
2024-10-29	Siobhan Doria Siobhan Doria
2024-11-02	Valerie Lennox
2024-11-02	William Wallace
2024-11-02	Laura Barron

2. UNIT 111 OVERVIEW AND MARKETING EFFORTS

The following pages detail the showing activity, days on market, online views and overall progress for unit 111.



INDIVIDUAL LISTING SUMMARY

(UNIT 111)



Marketing Description:

Heritage Towns at Hallam - where timeless elegance meets contemporary charm in this converted church loft. Originally erected in 1912 as The Dufferin Street Presbyterian Church, this historic gem has been transformed into an exclusive enclave of just 14 distinct suites.

Unit 111, offers a sprawling residence spanning over 1000 sq.ft. The well-appointed kitchen boasts stainless steel appliances and a gas stove, ensuring both style and functionality. Spread across multiple levels, the suite hosts three bathrooms strategically positioned on each floor, a generous den adaptable for either a nursery or a home office, and a spacious third-floor primary bedroom with a 4-piece ensuite.

Your future home not only offers a sanctuary within its walls but also provides a gateway to the vibrant local community. Immerse yourself in the eclectic culture of Toronto's Bloordale Village, just steps away. All open city permits are now closed, and quick move-ins possible!



7

Total Number Of Showings



1,696

Views on MLS



37

Times Favortied on MLS

SUMMARY

Address: 1183 Dufferin

Unit #: 111

Date Listed: 11/20/2024 - present

Total Days on Market: 15

Status: Sold Conditional

Original Price: \$699,000

Sold Price: \$699,000

INDIVIDUAL LISTING SUMMARY

(UNIT 111)

Date	Time	Showing Agent	Showing Brokerage
2024-11-23	12:30 PM - 1:00 PM	VIRGINIA NG	GLOBAL LINK REALTY GROUP INC.
2024-11-24	1:45 PM - 2:15 PM	DEREK R KAISER	ROYAL LEPAGE ESTATE REALTY
2024-11-30	1:00 PM - 1:30 PM	SERENA DHILLON	PROPERTY.CA INC.
2024-12-01	12:00 PM - 12:30 PM	RHONDA CAMARA	KIC REALTY
2024-12-03	5:30 PM - 6:00 PM	JODI LAGINSKI	RE/MAX REALTY SPECIALISTS INC.
2024-12-07	12:00 PM - 12:30 PM	MICHELE PAPADAMOU	Royal LePage Signature Realty, Brokerage
2024-12-08	1:30 PM - 2:00 PM	ANNA WOOD	RE/MAX ROUGE RIVER REALTY LTD.

WORKING WITH SAGE

At SAGE, we believe our clients deserve our very best. From expert counsel to custom marketing materials and great service, we've designed a real estate experience that's remarkable. SAGE combines deep industry expertise with a unique and powerful approach to attracting the greatest number of qualified buyers for sellers in Toronto's real estate market.

We strive for excellence in every facet of our business, iterating constantly so we continue delivering exceptional value.



Mark Savel

647-291-6328

Mark@TorontoLivings.com

TorontoLivings.com

2010 Yonge St. Toronto, Ontario
M4S 1Z9

Appendix No. 7

Properties

PIN 76987 - 0001 LT

Description UNIT 1, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address TORONTO

PIN 76987 - 0002 LT

Description UNIT 2, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address TORONTO

PIN 76987 - 0003 LT

Description UNIT 3, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address TORONTO

PIN 76987 - 0004 LT

Description UNIT 4, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address 104
1183 DUFFERIN STREET
TORONTO

PIN 76987 - 0005 LT

Description UNIT 5, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address TORONTO

PIN 76987 - 0006 LT

Description UNIT 6, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address TORONTO

PIN 76987 - 0007 LT

Description UNIT 7, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address TORONTO

PIN 76987 - 0008 LT

Description UNIT 8, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address TORONTO

PIN 76987 - 0009 LT

Description UNIT 9, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address TORONTO

PIN 76987 - 0010 LT

Description UNIT 10, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address TORONTO

PIN 76987 - 0011 LT

Description UNIT 11, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address TORONTO

PIN 76987 - 0012 LT

Description UNIT 12, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address TORONTO

PIN 76987 - 0013 LT

Properties

Description UNIT 1, LEVEL 2, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address 110 UNIT
1183 DUFFERIN STREET
TORONTO

PIN 76987 - 0014 LT

Description UNIT 2, LEVEL 2, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address 107
1183 DUFFERIN STREET
TORONTO

PIN 76987 - 0015 LT

Description UNIT 1, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address TORONTO

PIN 76987 - 0016 LT

Description UNIT 2, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address TORONTO

PIN 76987 - 0017 LT

Description UNIT 3, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address 1183 DUFFERIN STREET
TORONTO

PIN 76987 - 0018 LT

Description UNIT 4, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address TORONTO

PIN 76987 - 0019 LT

Description UNIT 5, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address TORONTO

PIN 76987 - 0020 LT

Description UNIT 6, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address TORONTO

PIN 76987 - 0021 LT

Description UNIT 7, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address TORONTO

PIN 76987 - 0022 LT

Description UNIT 8, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address TORONTO

PIN 76987 - 0023 LT

Description UNIT 9, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address TORONTO

PIN 76987 - 0024 LT

Description UNIT 10, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address TORONTO

Properties

PIN 76987 - 0025 LT

Description UNIT 11, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Address TORONTO

Source Instruments

Registration No.	Date	Type of Instrument
AT6205764	2022 10 20	Construction Lien

Applicant(s)

The applicant applies to delete the selected lien and/or certificate of action.

Name SDM CONSTRUCTION INC.
Address for Service Service c/o Cassels Brock & Blackwell
LLP 2100-40 King Street West Toronto
ON M5H 3C2 Attention: Zach
Flemming-Giannotti

A person or persons with authority to bind the corporation has/have consented to the registration of this document.

This document is not authorized under Power of Attorney by this party.

Document(s) to be Deleted

Registration No.	Date	Type of Instrument
AT6239363	2022/12/05	Certificate

Statements

The lien claimant releases the lien claimed in the claim for lien as in registration number AT6205764 registered on 2022/10/20, and in respect to an improvement to the premises owned by Concept Lofts Ltd. and described in the PIN(s) identified.

The lien claimant, who is a party to the certificate of action, hereby consents to the release of the certificate of action registered as number AT6239363 registered on 2022/12/05.

There is no sheltering of another lien under Certificate of Action registered as number AT6239363 registered on 2022/12/05.

Signed By

Hindpal Mand	155 Rexdale Blvd, Suite 400 Toronto M9W 5Z8	acting for Applicant(s)	Signed	2024 12 04
--------------	---------------------------------------------------	----------------------------	--------	------------

Tel 416-740-2000

Fax 416-740-3480

I have the authority to sign and register the document on behalf of the Applicant(s).

Submitted By

Mand Rai LLP	155 Rexdale Blvd, Suite 400 Toronto M9W 5Z8	2024 12 04
--------------	---------------------------------------------------	------------

Tel 416-740-2000

Fax 416-740-3480

Fees/Taxes/Payment

Statutory Registration Fee \$70.90

Total Paid \$70.90

TAB 3

Draft Approval and Vesting Order – Unit 111

**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 SECTIONS 100 and 137 OF *THE COURTS OF
JUSTICE ACT*, R.S.O. 1990 c. C.43, AS AMENDED

THE HONOURABLE) MONDAY, THE 9th DAY
JUSTICE _____) OF DECEMBER, 2024

BETWEEN:

OWEMANCO MORTGAGE HOLDING COPORATION

Applicant

- and -

CONCEPT LOFTS LTD and DONALD DESROCHERS

Respondents

APPROVAL AND VESTING ORDER

THIS MOTION, made by Rosen Goldberg Inc. in its capacity as the Court-appointed receiver (the "**Receiver**") of the assets, undertakings, and properties of Concept Lofts Ltd. amended by way of articles of amendment to Heritage Towns at Hallam Inc., and Donald Desrochers (the "**Debtors**"), for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and Natalie Maria Greig and Gabriel Levente Pandy-Szekeres (the "**Purchaser**") dated December

4th 2024 and appended as appendix 5 to the Eighth Report of the Receiver dated December 6th, 2024 (the "**Eighth Report**") and, as directed by the Purchaser, vesting in the Purchasers the Debtors' right, title and interest, if any, in and to the assets described in the Sale Agreement (the "**Purchased Assets**"), was heard virtually this day at 330 University Avenue, Toronto, Ontario.

ON READING the Motion Record of the Receiver, the Eighth Report and on hearing the submissions of counsel for the Receiver and such other counsel that were present as listed on the participant information sheet, no one appearing for any other person on the service list, although properly served as appears from the affidavit Ana Lapcevic sworn December 6th 2024.

1. **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 Purchasers.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchasers substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Debtors' right, title and interest, if any, in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchasers, 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 Mr. Justice Cavanagh of the Ontario Superior Court of Justice (the "**Court**") dated Friday October 21st, 2022 and Monday November 7th, 2022, as amended; (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) 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 with the Construction Liens being deleted from title.

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Toronto (#66) 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 identified in Schedule A, 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.

4. **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.

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

6. **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 Debtors and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtors;

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 Debtors and shall not be void or voidable by creditors of the Debtors, 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.

7. **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.

Justice, Ontario Superior Court of Justice

Schedule A – Form of Receiver’s Certificate

Court File No. CV-22-000688570-00CL

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

BETWEEN:

OWEMANCO MORTGAGE HOLDING COPORATION

Applicant

- and -

CONCEPT LOFTS LTD and DONALD DESROCHERS

Respondents

APPLICATION UNDER Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43.

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice Cavanagh of the Ontario Superior Court of Justice (the "**Court**") dated Friday October 21st, 2022 and Monday November 7th, 2022, as amended, Rosen Goldberg Inc. was appointed as the receiver (the "**Receiver**") of the assets, undertakings and properties of CONCEPT LOFTS LTD., amended by way of articles of amendment to Heritage Towns at Hallam Inc., and DONALD DESROCHERS (collectively, the "**Debtors**").

B. Pursuant to an Order of the Court dated December 9th 2024, the Court approved the agreement of purchase and sale made as of December 4th, 2024 (the "**Sale Agreement**") between the Receiver and Natalie Maria Greig and Gabriel Levente Pandy-Szekeres (the "**Purchaser**") and, provided for the vesting in the Purchaser of the Debtors’ right, title and interest in and to 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.

C. 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; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

ROSEN GOLDBERG INC., in its capacity as Receiver of the assets, undertakings and properties of CONCEPT LOFTS LTD., and DONALD DESROCHERS and not in its personal capacity

Per: _____

Name: Brahm Rosen

Title: Senior Vice-Principal

Schedule B – Purchased Assets - Unit 111

The real property legally described as

UNIT 12, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO; PIN 76987-0012 (LT)

UNIT 10, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS APPURTENANT INTEREST; CITY OF TORONTO - PIN – 76987-0024

(the “**Real Property**”)

Schedule C – Claims to be deleted and expunged from title to Real Property

Registration Number	Date	Instrument Type
AT2569404	2010/12/03	CHARGE
AT4419186	2016/11/30	POSTPONEMENT
AT5078332	2019/02/15	CHARGE
AT5181519	2019/07/10	CHARGE
AT5422315	2020/05/05	CHARGE
AT5422316	2020/05/05	POSTPONEMENT
AT5422317	2020/05/05	POSTPONEMENT
AT5422318	2020/05/05	POSTPONEMENT
AT5670300	2021/03/05	CERTIFICATE
AT5710094	2021/04/19	CHARGE
AT5710095	2021/04/19	NO ASSGN RENT GEN
AT5710096	2021/04/19	POSTPONEMENT
AT5710097	2021/04/19	POSTPONEMENT
AT5710098	2021/04/19	POSTPONEMENT
AT6017949	2022/03/15	NOTICE
AT6017971	2022/03/15	POSTPONEMENT
AT6017972	2022/03/15	POSTPONEMENT
AT6017973	2022/03/15	POSTPONEMENT
AT6205764	2022/10/20	CONSTRUCTION LIEN
AT6209972	2022/10/26	APL COURT ORDER
AT6220106	2022/11/08	APL COURT ORDER
AT6239363	2022/12/05	CERTIFICATE
AT6251087	2022/12/19	CONSTRUCTION LIEN
AT6297876	2023/03/17	CERTIFICATE

**Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property
(unaffected by the Vesting Order)**

1. The reservations, limitations, provisos, conditions, restrictions and exceptions expressed in the letters patent or grant from the Crown and all statutory exceptions to title;
2. The provisions of governing municipal by-laws;
3. Municipal taxes, liens, charges, including hydro and water charges, rates and assessments accruing from day to day and not yet due and payable;
4. Any minor encroachments which might be revealed by an up to date survey of the Premises but which do not materially adversely affect the use and marketability of the Premises;
5. Any right of expropriation conferred upon, reserved to or vesting in Her Majesty the Queen in Right of Canada and Ontario;
6. Any agreements, restrictions or covenants that run with the Premises and any agreements with the municipal, utilities or public authorities provided that same have been complied with in all material respects and do not materially adversely affect the use and marketability of the Premises;
7. Any easements, rights of way or right of re-entry, which do not impair the intended use of the Premises, by the Purchaser, and provided that same have been complied within all material respects and do not materially adversely affect the use and marketability of the Premises; and
8. The following instruments registered on title to the Premises in the Toronto Land Registry Office:

Registration Number	Date	Instrument Type
AT3825722	2015/03/05	BYLAW
AT4419185	2016/11/30	NOTICE
AT5072540	2019/02/07	NOTICE
TCP2987	2023/07/19	STANDARD CONDO PLN
AT6377944	2023/07/19	CONDO DECLARATION
AT6466695	2023/11/27	CONDO BYLAW/98
AT6466696	2023/11/27	CONDO BYLAW/98
AT6639430	2024/08/16	APL CH NAME OWNER

OWEMANCO MORTGAGE HOLDING CORPORATION

-and-

CONCEPT LOFTS LTD. et al.

Applicant

Respondents

Court File No. CV-22-00688570-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
PROCEEDING COMMENCED AT
TORONTO

APPROVAL AND VESTING ORDER

MAND | RAI LLP

Lawyers

155 Rexdale Blvd

Suite 400

Toronto, ON M9W 5Z8

Paul H. Mand (46022F)

Tel: (416) 740-5653

Email: pmand@mandlaw.com

Lawyers for Rosen Goldberg Inc., the Court-appointed Receiver of the assets, undertakings and properties of Concept Lofts Ltd. and Donald Desrochers

TAB 4

Black Lined Approval and Vesting Order – Unit 111

Court File No. CV-22-000688570-00CL

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 SECTIONS 100 and 137 OF THE COURTS OF
JUSTICE ACT, R.S.O. 1990 c. C.43, AS AMENDED

THE HONOURABLE _____) WEEKDAY, MONDAY, THE #
)
JUSTICE _____) 9th DAY OF MONTH, 20YR
) OF DECEMBER, 2024

~~BETWEEN:~~

~~PLAINTIFF~~

Plaintiff

BETWEEN:

OWEMANCO MORTGAGE HOLDING COPORATION

Applicant

- and -

~~DEFENDANT~~

Defendant

CONCEPT LOFTS LTD and DONALD DESROCHERS

Respondents

APPROVAL AND VESTING ORDER

THIS MOTION, made by ~~[RECEIVER'S NAME]~~Rosen Goldberg Inc. in its capacity as the Court-appointed receiver (the "**Receiver**") of the ~~undertaking, property~~assets, undertakings, and ~~assets~~properties of ~~[DEBTOR]~~Concept Lofts Ltd. amended by way of articles of amendment to Heritage Towns at Hallam Inc., and Donald Desrochers (the "~~Debtor~~"Debtors"), for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and ~~[NAME OF PURCHASER]~~Natalie Maria Greig and Gabriel Levente Pandy-Szekeres (the "~~Purchaser~~"Purchasers) dated ~~[DATE]~~December 4th 2024 and appended as appendix 4 to the Eighth Report of the Receiver dated ~~[DATE]~~December 6th, 2024 (the "Eighth Report"), ~~and~~ and, as directed by the Purchaser, vesting in the ~~Purchaser~~Purchasers the ~~Debtor's~~Debtors' right, title and interest, if any, in and to the assets described in the Sale Agreement (the "**Purchased Assets**"), was heard virtually this day at 330 University Avenue, Toronto, Ontario.

ON READING the Motion Record of the Receiver, the Eighth Report and on hearing the submissions of counsel for the Receiver, ~~[NAMES OF OTHER PARTIES APPEARING], and~~ such other counsel that were present as listed on the participant information sheet, no one appearing for any other person on the service list, although properly served as appears from the affidavit ~~of~~ ~~[NAME]~~Ana Lapcevic sworn ~~[DATE]~~ filed⁺ December 6th 2024.

⁺ ~~This model order assumes that the time for service does not need to be abridged. The motion seeking a vesting order should be served on all persons having an economic interest in the Purchased Assets, unless circumstances warrant a different approach. Counsel should consider attaching the affidavit of service to this Order.~~

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved,² and the execution of the Sale Agreement by the Receiver³ 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~~Purchasers.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the ~~Purchaser~~Purchasers substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the ~~Debtor's~~Debtors' right, title and interest, if any, in and to the Purchased Assets described in the Sale Agreement ~~[and listed on Schedule B hereto]~~⁴ shall vest absolutely in the ~~Purchaser~~Purchasers, 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**"⁵) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable ~~Justice [NAME] dated [DATE];~~Mr. Justice Cavanagh of the Ontario Superior Court of Justice (the "**Court**") dated Friday October 21st, 2022 and Monday November 7th, 2022, as amended; (ii) all charges, security interests or claims evidenced by registrations pursuant to the

²~~In some cases, notably where this Order may be relied upon for proceedings in the United States, a finding that the Transaction is commercially reasonable and in the best interests of the Debtor and its stakeholders may be necessary. Evidence should be filed to support such a finding, which finding may then be included in the Court's endorsement.~~

³~~In some cases, the Debtor will be the vendor under the Sale Agreement, or otherwise actively involved in the Transaction. In those cases, care should be taken to ensure that this Order authorizes either or both of the Debtor and the Receiver to execute and deliver documents, and take other steps.~~

⁴~~To allow this Order to be free-standing (and not require reference to the Court record and/or the Sale Agreement), it may be preferable that the Purchased Assets be specifically described in a Schedule.~~

⁵~~The "Claims" being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims would, in that case, still continue as against the net proceeds from the sale of the claimed asset. Similarly, other rights, titles or interests could also be vested out, if the Court is advised what rights are being affected, and the appropriate persons are served. It is the Subcommittee's view that a non-specific vesting out of "rights, titles and interests" is vague and therefore undesirable.~~

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) 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 with the Construction Liens being deleted from title.

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the ~~[Registry Division of {LOCATION} of a Transfer/Deed of Land in the form prescribed by the Land Registration Reform Act duly executed by the Receiver]~~ [Land Titles Division of {LOCATION} Toronto (#66) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*]⁶, the Land Registrar is hereby directed to enter the Purchaser as the owner of the ~~subject real property~~ Real Property identified in Schedule B hereto (the "Real Property")A, 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.

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds⁷ 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 sale⁸, 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.

⁶~~Elect the language appropriate to the land registry system (Registry vs. Land Titles).~~

⁷~~The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at "net proceeds".~~

⁸~~This provision crystallizes the date as of which the Claims will be determined. If a sale occurs early in the insolvency process, or potentially secured claimants may not have had the time or the ability to register or perfect proper claims prior to the sale, this provision may not be appropriate, and should be amended to remove this crystallization concept.~~

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

~~6. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees, including personal information of those employees listed on Schedule "●" to the Sale Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.~~

7.6. **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~~Debtors and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the ~~Debtor~~Debtors;

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~~Debtors and shall not be void or voidable by creditors of the ~~Debtor~~Debtors, 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.

~~8. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).~~

9.7. **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.

Justice, Ontario Superior Court of Justice

Schedule A – Form of Receiver’s Certificate

Court File No. CV-22-000688570-00CL

ONTARIO

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

~~BETWEEN:~~

~~PLAINTIFF~~

~~Plaintiff~~

BETWEEN:

OWEMANCO MORTGAGE HOLDING COPORATION

Applicant

- and -

~~DEFENDANT~~

~~Defendant~~

CONCEPT LOFTS LTD and DONALD DESROCHERS

Respondents

APPLICATION UNDER Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43.

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable ~~[NAME OF JUDGE]~~ Mr. Justice Cavanagh of the Ontario Superior Court of Justice (the "**Court**") dated ~~[DATE OF ORDER]~~, ~~[NAME OF~~

~~RECEIVER~~ Friday October 21st, 2022 and Monday November 7th, 2022, as amended, Rosen Goldberg Inc. was appointed as the receiver (the "**Receiver**") of the ~~undertaking, property and assets, undertakings and properties~~ of ~~[DEBTOR]~~ (CONCEPT LOFTS LTD., amended by way of articles of amendment to Heritage Towns at Hallam Inc., and DONALD DESROCHERS (collectively, the "~~Debtor~~**Debtors**")).

B. Pursuant to an Order of the Court dated ~~[DATE]~~ December 9th 2024, the Court approved the agreement of purchase and sale made as of ~~[DATE OF AGREEMENT]~~ December 4th, 2024 (the "**Sale Agreement**") between the Receiver ~~[Debtor] and [NAME OF PURCHASER]~~ and Natalie Maria Greig and Gabriel Levente Pandy-Szekeres (the "~~Debtor~~**Purchaser**")) and, provided for the vesting in the Purchaser of the ~~Debtor's Debtors'~~ right, title and interest in and to 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 ~~section~~ of 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.

C. 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 ~~section~~ of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

~~[NAME OF RECEIVER],~~ROSEN
GOLDBERG INC., in its capacity as Receiver
of the ~~undertaking, property and assets,~~
~~undertakings and properties~~ of
~~[DEBTOR],~~CONCEPT LOFTS LTD.,and
DONALD DESROCHERS and not in its
personal capacity

Per: _____

Name: Brahm Rosen

Title: Senior Vice-Principal

Schedule B – Purchased Assets - Unit 111

The real property legally described as

UNIT 12, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS
APPURTENANT INTEREST; CITY OF TORONTO; PIN 76987-0012 (LT)

UNIT 10, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2987 AND ITS
APPURTENANT INTEREST; CITY OF TORONTO - PIN – 76987-0024

(the “**Real Property**”)

Schedule C – Claims to be deleted and expunged from title to Real Property

<u>Registration Number</u>	<u>Date</u>	<u>Instrument Type</u>
<u>AT2569404</u>	<u>2010/12/03</u>	<u>CHARGE</u>
<u>AT4419186</u>	<u>2016/11/30</u>	<u>POSTPONEMENT</u>
<u>AT5078332</u>	<u>2019/02/15</u>	<u>CHARGE</u>
<u>AT5181519</u>	<u>2019/07/10</u>	<u>CHARGE</u>
<u>AT5422315</u>	<u>2020/05/05</u>	<u>CHARGE</u>
<u>AT5422316</u>	<u>2020/05/05</u>	<u>POSTPONEMENT</u>
<u>AT5422317</u>	<u>2020/05/05</u>	<u>POSTPONEMENT</u>
<u>AT5422318</u>	<u>2020/05/05</u>	<u>POSTPONEMENT</u>
<u>AT5670300</u>	<u>2021/03/05</u>	<u>CERTIFICATE</u>
<u>AT5710094</u>	<u>2021/04/19</u>	<u>CHARGE</u>
<u>AT5710095</u>	<u>2021/04/19</u>	<u>NO ASSGN RENT GEN</u>
<u>AT5710096</u>	<u>2021/04/19</u>	<u>POSTPONEMENT</u>
<u>AT5710097</u>	<u>2021/04/19</u>	<u>POSTPONEMENT</u>
<u>AT5710098</u>	<u>2021/04/19</u>	<u>POSTPONEMENT</u>
<u>AT6017949</u>	<u>2022/03/15</u>	<u>NOTICE</u>
<u>AT6017971</u>	<u>2022/03/15</u>	<u>POSTPONEMENT</u>
<u>AT6017972</u>	<u>2022/03/15</u>	<u>POSTPONEMENT</u>
<u>AT6017973</u>	<u>2022/03/15</u>	<u>POSTPONEMENT</u>
<u>AT6205764</u>	<u>2022/10/20</u>	<u>CONSTRUCTION LIEN</u>
<u>AT6209972</u>	<u>2022/10/26</u>	<u>APL COURT ORDER</u>
<u>AT6220106</u>	<u>2022/11/08</u>	<u>APL COURT ORDER</u>
<u>AT6239363</u>	<u>2022/12/05</u>	<u>CERTIFICATE</u>
<u>AT6251087</u>	<u>2022/12/19</u>	<u>CONSTRUCTION LIEN</u>
<u>AT6297876</u>	<u>2023/03/17</u>	<u>CERTIFICATE</u>

**Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property
(unaffected by the Vesting Order)**

1. The reservations, limitations, provisos, conditions, restrictions and exceptions expressed in the letters patent or grant from the Crown and all statutory exceptions to title;
2. The provisions of governing municipal by-laws;
3. Municipal taxes, liens, charges, including hydro and water charges, rates and assessments accruing from day to day and not yet due and payable;
4. Any minor encroachments which might be revealed by an up to date survey of the Premises but which do not materially adversely affect the use and marketability of the Premises;
5. Any right of expropriation conferred upon, reserved to or vesting in Her Majesty the Queen in Right of Canada and Ontario;
6. Any agreements, restrictions or covenants that run with the Premises and any agreements with the municipal, utilities or public authorities provided that same have been complied with in all material respects and do not materially adversely affect the use and marketability of the Premises;
7. Any easements, rights of way or right of re-entry, which do not impair the intended use of the Premises, by the Purchaser, and provided that same have been complied within all material respects and do not materially adversely affect the use and marketability of the Premises; and
8. The following instruments registered on title to the Premises in the Toronto Land Registry Office:

<u>Registration Number</u>	<u>Date</u>	<u>Instrument Type</u>
<u>AT3825722</u>	<u>2015/03/05</u>	<u>BYLAW</u>
<u>AT4419185</u>	<u>2016/11/30</u>	<u>NOTICE</u>
<u>AT5072540</u>	<u>2019/02/07</u>	<u>NOTICE</u>
<u>TCP2987</u>	<u>2023/07/19</u>	<u>STANDARD CONDO PLN</u>
<u>AT6377944</u>	<u>2023/07/19</u>	<u>CONDO DECLARATION</u>
<u>AT6466695</u>	<u>2023/11/27</u>	<u>CONDO BYLAW/98</u>
<u>AT6466696</u>	<u>2023/11/27</u>	<u>CONDO BYLAW/98</u>
<u>AT6639430</u>	<u>2024/08/16</u>	<u>APL CH NAME OWNER</u>

OWEMANCO MORTGAGE HOLDING CORPORATION

-and-

CONCEPT LOFTS LTD. et al.

Applicant

Respondents

Court File No. CV-22-00688570-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
PROCEEDING COMMENCED AT
TORONTO

APPROVAL AND VESTING ORDER

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Receiver of the assets, undertakings and properties of
Concept Lofts Ltd. and Donald Desrochers

OWEMANCO MORTGAGE HOLDING CORPORATION

-and-

CONCEPT LOFTS LTD. et al.

Applicant

Respondents

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ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
PROCEEDING COMMENCED AT
TORONTO

MOTION RECORD
(MOVING PARTY)

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