

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

**IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended,
and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3,
as amended**

BETWEEN

BANK OF MONTREAL

Applicant

- and -

11603531 CANADA INC.

Respondents

**SUPPLEMENT TO THE
FIRST REPORT OF MNP LTD. AS RECEIVER OF THE ASSETS, UNDERTAKINGS AND PROPERTIES
OF 11603531 CANADA INC.**

MARCH 22, 2024

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Appendix "A" Email from Teddy Taggart of CBRE dated March 22, 2024

PURPOSE OF THE SUPPLEMENT TO THE FIRST REPORT

1. The purpose of the supplement to the First Report is to provide the Court with comments received from the Receiver’s realtor, CBRE Limited, with respect to the marketability of the property.

2. Attached as Appendix “A” is an email from Teddy Taggart of CBRE Limited indicating:
 - i. concerns raised by potential purchasers with respect to the commercial reasonableness of the 105 Lease terms; and,

 - ii. the tangible negative marketing impact that CBRE Limited is experiencing due to its inability to show the property to potential purchasers as a result of 105’s restrictive actions, as represented by Usman.

The Receiver respectfully submits to the Court this Supplement to the First Report, dated March 22, 2024.

**MNP Ltd, in its capacity as the
Court-appointed Receiver of
11603531 Canada Inc.
and not in its personal or corporate capacity**



Per: _____
Deborah Hornbostel *CPA, CA, CIRP, CFE, LIT*
Senior Vice President

APPENDIX "A"

Archived: March 22, 2024 6:34:55 PM

From: [Taggart, Teddy @ Toronto DT](#)

Sent: Fri, 22 Mar 2024 17:46:07 +0000ARC

To: [Deborah Hornbostel](#)

Cc: [White, Lauren @ Toronto TN](#) [Markowitz, Arlin @ Toronto DT](#) [Akhil Kapoor](#)

Subject: 55 Dundas St E - Reporting Letter - March 22 2024

Sensitivity: Normal

Attachments:

[55 Dundas St E - Reporting Letter 1 - March 22 2024.pdf](#)

CAUTION: This email originated from outside of the MNP network. Be cautious of any embedded links and/or attachments.
MISE EN GARDE: Ce courriel ne provient pas du réseau de MNP. Méfiez-vous des liens ou pièces jointes qu'il pourrait contenir.

Good afternoon Deborah,

Please see attached our first reporting letter for 55 Dundas St East. We are pleased with the interest level thus far as we have received 25 CA's. However, the primary feedback from prospects is the struggle with the income relative to the cost of the building, especially now the second floor is vacant. There has also been interest from end-users but with the long-term lease in place this is not a suitable option. As well there is additional concern with the main tenant's long-term ability to pay rent.

Let us know if you would like schedule a call to discuss further.

Best,

Teddy Taggart

Vice President*

CBRE Limited | Urban Retail Team

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*Sales Representative

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Marketing Progress Report			
Asset	55 DUNDAS STREET EAST, TORONTO, ON		
Client	MNP Ltd. in its capacity as Court Appointed Receiver of 11603531 Canada Inc. and not in any other capacity.		
Advisor	CBRE Limited		
Team Representatives	Arlin Markowitz and Teddy Taggart		
Reporting Date	21-Mar-24		
Marketing Summary			
Marketing Progress	February 8th	Listing Agreement Signed	
	February 22nd	Interior and exterior photos shot	
	March 1st	Signage Installed	
	March 12th	MLS launch	
	March 12th	CIMs completed and approved and data room finalized	
	March 13th	Market Launch Direct to Database of 3,000 Investors	
	March 18th	Social media - Instagram and LinkedIn	
	March 18th	Blast campaign logic to 500+ brokers	
	March 19th and 21st	Globe and Mail advertisement	
	April 12 2024	Bids to be considered on or after	
NDA Respondents - Total - 21 signed			
Recipient Name	Company	Status	Comments
Saba Haie	Amdev Property	Interested	Touring on Friday, March 22 2024
Stef Cheung	Private Investor	Interested	Reviewing documents in the dataroom, no additional questions as of yet.
Paul Cutrona	Macdane Group	Interested	Reviewing documents in the dataroom, no additional questions as of yet.
Mark Matar	Matar Holdings Inc.	Interested	Reviewing documents in the dataroom, no additional questions as of yet.
Drew Thompson	Brassroots Capital	Interested	Reviewing documents in the dataroom, no additional questions as of yet.
Amin Visram	Vista Hospitality	Interested	Reviewing documents in the dataroom, no additional questions as of yet.
Seth Frieberg	WTF Group	Interested	Reviewing documents in the dataroom, no additional questions as of yet.
Saba Haie	Amdev Property	Interested	Reviewing documents in the dataroom, no additional questions as of yet.
Emily Chang	Cedar City Developments	Interested	Reviewing documents in the dataroom, no additional questions as of yet.
Luc Corneli	McCor Management Inc.	Interested	Reviewing documents in the dataroom, no additional questions as of yet.
Ray Di Battista	South Liberty Investment Ltd.	Interested	Reviewing documents in the dataroom, no additional questions as of yet.
Robert Crocione	Royal LePage	Interested	Reviewing documents in the dataroom, no additional questions as of yet.
Johnny Gorgani	Homelife/Bayview Inc.	Interested	Reviewing documents in the dataroom, no additional questions as of yet.
Mike Sapir	Nova Diamond	Interested	Reviewing documents in the dataroom, no additional questions as of yet.
Danny Dzandurovski	Marc's & Millichap	Interested	Reviewing documents in the dataroom, no additional questions as of yet.
Harvey Cooper	Cooper & Company	Interested	Reviewing documents in the dataroom, no additional questions as of yet.
Rajan Taneja	Palm Holdings	Interested	Reviewing documents in the dataroom, no additional questions as of yet.
Dustin Kwinter	Harbour Equity	Interested	Reviewing documents in the dataroom, no additional questions as of yet.
Ari Shoberano	Sharno Developments	Interested	Reviewing documents in the dataroom, no additional questions as of yet.
Ted Kern	-	Interested	Reviewing documents in the dataroom, no additional questions as of yet.
Anthony Oliva	The Pearl Group	Interested	Reviewing documents in the dataroom, no additional questions as of yet.
Jason Chow	Lee Chow Group	Interested	Reviewing documents in the dataroom, no additional questions as of yet.
Natalie Julien	Indusite Realty Corporation	Interested	Reviewing documents in the dataroom, no additional questions as of yet.
Van Li	LDI Holdings	Passed	Income is too low.
Max Rivshin	-	Passed	Not interested in the building
Previous / Upcoming Tours			
- Saba Haie from Amdev Property Touring Friday March 22nd			
- Robert Crocione waiting tour dat, had to reschedule			
Comments			
The activity level has been strong and we have a high number of CA's but many prospects struggle with the cap rate relative to the cost of capital these days, especially now the second floor is vacant. As well there is concern with the main tenant long term ability to pay rent. The inability of show the property easily has hurt our efforts to conduct property tours.			