

ONTARIO
SUPERIOR COURT OF JUSTICE
IN THE MATTER OF THE COURT-APPOINTED RECEIVERSHIP
CARLETON CONDOMINIUM CORPORATION NO. 396
OF THE CITY OF OTTAWA, PROVINCE OF ONTARIO

BETWEEN:

PATRICK DEWAN, DOMICILE DEVELOPMENTS INC.
1436984 ONTARIO LTD., AMIRA GABRIEL, 1496055 ONTARIO INC.
117490 CANADA LTD., the ESTATE OF SHEILA EBERTS,
2201894 ONTARIO INC., BBG EQUITY MANAGEMENT CORPORATION,
and POWELL GRIFFITHS

Applicant

and

CARLETON CONDOMINIUM CORPORATION NO. 396, CLAUDE ALAIN BURDET, IN TRUST,
CLAUDE-ALAIN BURDET, 1443957 ONTARIO INC., and ENTREPRISES TED RUBAC
ENTERPRISES INC.

Respondents

FIRST REPORT OF MNP LTD., IN ITS
CAPACITY AS COURT APPOINTED RECEIVER OF
CARLETON CONDOMINIUM CORPORATION NO. 396

OCTOBER 6, 2020

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INTRODUCTION AND BACKGROUND

1. Carleton Condominium Corporation No. 369 (“CCC396”) is a condominium corporation created in 1987 with its registered office address located in Ottawa, Ontario.
2. CCC396 was previously controlled by Claude-Alain Burdet who acted as the sole director for himself and several related parties including Janet Burdet, a family trust, Entreprises Ted Rubac Inc. and 1457563 Ontario Inc. (collectively, the “Burdet Group”).
3. CCC396 consisted of 33 individual units which are all located within 112 Nelson Street, Ottawa, Ontario (the “Real Property”). The Burdet Group collectively owns 57.2% of the condo units.
4. In 2001, the minority unit holders comprising of several unrelated parties, commenced an action against the Burdet Group alleging that the Burdet Group was using its control for financial gain to the detriment of the minority unit holders.
5. The Burdet Group denied the allegations and counterclaimed for common expenses not paid by the minority group and for other relief. Claude-Alain Burdet is an Ontario lawyer. He represented and continues to represent the Burdet Group in the litigation described in this first report.
6. As part of the ongoing litigation the Burdet Group was to cease taking further steps to recover unpaid common expenses against the minority group.
7. On April 2, 2002, Justice Lalonde, held that the Burdet Group repeatedly breached the order of restricting its efforts to collect unpaid common expenses and appointed 125896 Ontario Inc. c.o.b. as Condominium Management Group (“CMG”) to be the interim administrator to take over the management of CCC396 and complete a forensic audit.
8. In 2009, CCC396 commenced an action for unpaid arrears of common expenses allegedly owed by the Burdet Group. The Burdet Group denied any indebtedness and commenced a counterclaim alleging they had been oppressed by CCC396, the minority unit holders and entitled to damages.

9. On April 13, 2012, Justice Kane, granted a partial summary judgement in favour of CCC396 in the amount of \$109,441.00 against the Burdet Group.
10. On August 31, 2014, Justice Kane further granted a judgement order in favour of CCC396 in the amount of \$380,970.00 against the Burdet Group and upheld the registered liens against almost all the units controlled by the Burdet Group.
11. Over a 3-year period, ending in 2016, the minority group action against the Burdet Group was heard at trial.
12. On March 17, 2015, Justice Kane ordered the Burdet Group to pay costs in the amount of \$790,915.00 to CCC396 for expenses incurred related to the ongoing litigation. The Burdet Group was to have paid these costs within 30 days and to date remain unpaid.
13. On May 25, 2016, the Court of Appeal awarded CCC396 an additional \$27,000.00 in costs when it dismissed the Burdet Groups appeal.
14. On September 30, 2016, Justice Robert dismissed the Burdet Group motion to stay the Court of Appeal decision and ordered the Burdet Group to pay CCC396 \$2,000.00 in costs for the unsuccessful motion.
15. On September 30, 2106 Justice Kane, issued his final supplementary reasons holding that the Burdet Group had oppressed the minority group and ordered the condominium corporation terminated.
16. Justice Kane further ordered the minority group to pay common expenses and interest in the amount of \$70,000.00 to the Burdet Group and denied all other claims made by the Burdet Group.
17. On August 18, 2017 Justice Gomery awarded costs in the amount of \$500.00 to CCC396 related to another motion filed by the Burdet Group which was dismissed by the court.
18. On February 28, 2018, the Court of Appeal fixed the trial costs and appeal costs in the amount of \$183,500.00 in favour of CCC396 to be paid by the Burdet Group.
19. On April 9, 2018, the Ontario Court of Appeal ordered the Burdet Group to pay \$16,000.00 to CCC396 when it dismissed the appeal filed by the Burdet Group.

20. The financial performance of the CCC396 has been impacted by the ongoing litigation and in the absence of receiving the various cost awards against the Burdet Group, CCC396 cannot pay its accounts as they become due.

APPOINTMENT OF RECEIVER

21. By Judgment dated February 2, 2017, among other things, Justice Kane terminated CCC396 as a condominium corporation pursuant to section 128 of the Condominium Act and appointed Surgeson Carson Associates Inc. (“Carson”) as receiver and manager of CCC396 to carry out the termination, with powers that included marketing and selling all condominium units, real property and assets and to apply to the Court for approval of its full powers and duties as receiver and manager. A copy of this Order is attached at **Appendix “1”**.
22. Under the February 2, 2017 Order, the powers of Carson were subject to the continued interim appointment of CMG as interim administrator of CCC396, which interim administration was to continue until the expiration of the appeal period of the Order and during any period of appeal and stay thereof.
23. The Burdet Group appealed the February 2, 2017 Order to the Ontario Court Appeal, which appeal was unsuccessful. A copy of the Court of Appeal’s Reasons for Decision dated February 28, 2018 are attached at **Appendix “2”**.
24. The Burdet Group sought leave to appeal to the Supreme Court of Canada, which leave was denied on May 2, 2019, as shown on a copy of the Judgement attached as **Appendix “3”**.
25. As a result of Directions for Conservatory Measures issued December 11, 2017 by the Office of the Superintendent of Bankruptcy, Carson was no longer able to act as receiver and manager of CCC396.
26. By Notice of Motion dated November 6, 2018, CCC396 brought a motion scheduled to be heard before Justice Kane on November 15, 2018 for various relief, including an Order substituting MNP Ltd. (“MNP”) in place of Carson as the receiver and manager to replace the interim administrator to carry out the termination of CCC396 as set out in the February 2, 2017 Order and for leave for MNP to apply for an Order setting out the authority and powers of the receiver and manager;

27. By Order of Justice Kane dated May 29, 2019, MNP replaced Carson as receiver and manager (the “Receiver”) of CCC396, with leave for MNP to apply for an Order setting out the authority and powers of the Receiver. A copy of this Order is attached at Appendix “4”.
28. The powers, rights, remedies and responsibilities of the Receiver are set out in an Order of Justice Kane dated May 29, 2019 and entered on May 31, 2019 (the “Receivership Order”). The Receivership Order sets out the property over which the Receiver was appointed as constituting of all of the assets, undertakings and properties of CCC396, including Real Property and all proceeds thereof (the “Property”). A copy of the Receivership Order is attached at Appendix “5”.

PURPOSE OF THIS REPORT

29. The purpose of this first report of the Receiver to the Court (the “First Report”) is to:
- (a) report on the activities of the Receiver since its appointment under the Receivership Order;
 - (b) seek the Court’s approval of the activities and conduct of the Receiver and that of its legal counsel as described in the First Report;
 - (c) seek the Court’s approval of the Sales Agreement (as defined below) and of the Sales Transaction (as defined below) and an Order for the conveyance of, and the vesting of title in, the Real Property to the purchaser thereof;
 - (d) seek an Order to all persons to provide vacant possession of all units free and clear of all waste and belongings, lands and premises of CCC396 and the Real Property to be sold;
 - (e) seek the Court’s approval to seal certain confidential appendices to the First Report;
 - (f) seek the Court’s approval of the Receiver’s Statement of Receipts and Disbursements; and
 - (g) seek the Court’s approval in respect of payment of City of Ottawa for unpaid municipal taxes for the Real Property.

30. All amounts referred to in the First Report are in Canadian dollars unless otherwise noted.

NOTICE TO READER

31. This First Report is prepared solely for the use of the Court, for the purpose of assisting the Court in making a determination of whether to approve the relief being sought.

32. In preparing this First Report, the Receiver has relied upon information from third party sources (collectively, the “**Information**”). Certain of the information contained herein 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 Honourable Court in this matter, the Receiver has relied on the 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.

INITIAL RECEIVERSHIP ACTIVITIES

33. Immediately following the granting of the Receivership Order on May 31, 2019 (the “**Receivership Date**”), the Receiver attended at the Real Property to take possession of and secure the Property. The initial activities of the Receiver included:

- (a) notifying the property manager of MNP’s appointment as Receiver;
- (b) obtaining a copy of the property management agreement;
- (c) attending at the Real Property with the property manager;
- (d) directing the property manager to advise tenants of the appointment of the Receiver and to continue to report to the property manager;
- (e) confirming there was insurance coverage for the Real Property;
- (f) providing copy of the Receivership Order to the unit holders of CCC396;
- (g) requesting relevant information from the books and records of CCC396;
- (h) responding to unit holders and creditor inquiries; and

- (i) preparing and issuing the prescribed notices and statements of the Receiver pursuant to ss. 245(1) and 246(1) of the BIA, which were sent to CCC396 creditors. A copy of this notice is attached at **Appendix “6”**.

THE REAL PROPERTY, THE APPRAISALS AND THE LISTING

34. On the Receivership Date, CCC396 was being managed by CMG. Each unit owner has been responsible for management of their individual units. CMG managed the collection of waste, common area utility charges, insurance and general site maintenance.
35. On August 26, 2019, the Receiver obtained an appraisal from Juteau Johnson Comba Inc. (the “**Juteau Appraisal**”). A copy of the Juteau Appraisal is attached as **Confidential Appendix “A”**.
36. On September 20, 2019, the Receiver obtained an appraisal from McLean, Simon and Associates (Ottawa) (the “**McLean Appraisal**”). A copy of Mclean Appraisal is attached at **Confidential Appendix “B”**.
37. The Receiver concluded that no other appraisals were required and that it could rely on the Juteau Appraisal and the McLean Appraisal as they were each completed by reputable and licensed commercial real estate appraisers.
38. The Receiver sought listing proposals from Avison Young (“**Avison**”) and Jones Lang LaSalle (“**JLL**”) to market and sell the Real Property.
39. On October 1, 2019, Avison provided their listing proposal to the Receiver recommending a listing price of \$6,950,000.00. A copy of the Avison listing proposal is attached as **Appendix “7”** (excluding sections 3 and 5 of the report).
40. On September 30, 2019, JLL provided their listing proposal to the Receiver providing a valuation range of \$8.3 million to \$10.6 million based on a price per square foot of \$55.00 to \$70.00. A copy of the JLL listing proposal is attached as **Appendix “8”**.
41. The Receiver retained JLL to sell the Real Property based on their submission that the Real Property could attract a higher value and their intention to target high worth potential purchasers based in Toronto and Montreal.

42. As a result, given the favourable terms contained in the listing agreement and that JLL is a reputable, competent and licensed commercial real estate broker, on November 5, 2019, the Receiver selected JLL to list and market the Real Property. A copy of the listing agreement is contained at **Appendix “9”**.
43. JLL created a data room that contained documents a purchaser would want to review prior to submitting an offer to purchase. In order to gain access to the confidential data room, JLL required all parties to complete a Non-Disclosure agreement. A copy of the Confidential and Non-disclosure Agreement is contained at **Appendix “10”**.
44. JLL recommended to the Receiver, which the Receiver accepted, that the Real Property go to market without a listing price in order to better gauge the level of interest from potential purchasers.

MARKETING OF REAL PROPERTY AND RESULTS

45. The Confidential Investment Memorandum (“CIM”) prepared by JLL was approved by the Receiver in late December 2019. A copy of CIM is attached at **Appendix “11”**.
46. The marketing process and the results of the marketing process are detailed in **Confidential Appendix “C”** (excluding all offers and counter offers) and a redacted copy is attached at **Appendix “12”**.
47. Highlights of JLL’s marketing process in respect of the sale of the Real Property are as follows:
 - a) JLL went to market and asked all interested parties to submit offers to purchase on January 14, 2020;
 - b) The initial offering required interested parties to submit offers on March 5, 2020 (the “**Bid Date**”);
 - c) JLL sent a teaser to 3,000 active investors and influencers from their database;
 - d) 24 parties signed the CIM and gained access to the data room;

- e) At the Bid Date, 92028570 Quebec Inc. (“Hillpark”) was the only party that submitted an offer. The Receiver rejected this offer and responded by making a counteroffer;
- f) On March 9, 2020, JLL commenced a re-launch of the marketing at a listing price of \$8,300,000.00 which was 10% to 15% above the general market sentiment, with a goal of engaging as many buyers as possible;
- g) On March 31, 2020, Hillpark provided another offer which the Receiver countered on April 3, 2020;
- h) On April 21, 2020, Hillpark provided a counter to the Receiver’s counteroffer, however the offer was not signed and therefore could not be accepted by the Receiver;
- i) On May 12, 2020, the Receiver posted on Insolvency Insider, a web-based publication of insolvency matters, the opportunity to purchase the Real Property;
- j) On May 25, 2020, Forum Equity Partners (“Forum”) provided a letter of intent to JLL, however Forum wanted to amend the terms and conditions of the asset purchase agreement (“APA”) and indicated that they would provide their formal offer shortly thereafter;
- k) On June 1, 2020, Hillpark submitted their final offer to purchase the Real Property;
- l) On June 3, 2020, Forum provided an amended APA revising various terms and conditions for the Receiver to consider;
- m) JLL and the Receiver worked with both Hillpark and Forum to advance the finalization of the respective proposed APA’s from each party to a final stage;
- n) On June 12, 2020 the final offer from Hillpark was presented to the Receiver. and Forum provided their final offer on June 10, 2020 to the Receiver; and

- o) On June 15, 2020, the Receiver accepted the Forum June 10, 2020 offer as it provided for a shorter timeline for waiving of the purchaser's conditions and provided a slightly better sale price.

THE SALES AGREEMENT AND TRANSACTION

- 48. On June 15, 2020, the Receiver accepted Forum's final offer to purchase ("**Sales Agreement**"), which is attached as **Confidential Appendix "D"** and as **Appendix "13"** (in which the purchaser's identity and the purchase price were redacted). The APA provides for a \$500,000.00 deposit and that the closing (the "**Sales Transaction**") is subject to approval of the Court.
- 49. The APA was amended by email consent on July 29, 2020 to extend the condition period to August 31, 2020.
- 50. The APA was amended by an Amendment of Purchase Agreement made as of August 30, 2020, a copy of which is attached at **Appendix "14"**.
- 51. On August 31, 2020, the Forum group provided an executed Notice of Satisfaction of Purchaser's Due Diligence Conditions a copy of which is attached at **Appendix "15"**.
- 52. The Receiver recommends that the Sales Transaction be approved by this Honourable Court for the following reasons:
 - a) the Real Property was exposed widely to the marketplace for approximately six months in a manner that is common for properties of this nature and was listed for sale with a professional and licensed commercial real estate broker that is well known in the market;
 - b) the Sales Agreement is unconditional, and the purchase price is in line with the average appraised value of the Real Property;
 - c) the purchase price is within a reasonable range of the Juteau Appraisal and the McLean Appraisal, and greater than the other offers received by the Receiver to date;
 - d) the Receiver does not believe that further marketing of the Real Property will result in a superior offer;

e) there are currently no other offers to consider; and

f) the Sales Transaction that is the subject of the Sales Agreement is provident and a favourable outcome for the estate and followed a thorough, impartial and fair sales process that fully tested the market.

AMOUNTS DUE FROM UNIT HOLDERS

53. The Receiver obtained from CMG summaries of condo fees charged and paid by unit holders from December 31, 2012 to determine the amounts due by unit holders.

54. The Receiver included the decisions and cost awards granted by the court for amounts to be paid by unit holders, including ongoing interest.

55. As at September 30, 2019, the Receiver prepared a summary document to reflect the estimated amounts owed by unit holders. A copy of the summary of amounts due from unit holders is attached hereto at **Appendix “16”**.

56. On October 27, 2019, the Receiver delivered to all unit holder’s statements of account detailing the amounts due for unpaid condo fees, cost awards and ongoing interest.

57. The Receiver reviewed the Endorsement on Motion for Security for Costs issued by Justice Gomery on August 31, 2020 which reflected further Court of Appeal Costs that were not included in the material previously provided to the Receiver.

58. The Receiver has updated the amount due for unit holders to reflect the further cost awards against the Burdet Group. A copy of the amended summary of amounts due from unit holders is attached hereto at **Appendix “17”**.

59. As of September 30, 2020, the Receiver has collected \$229,708.79 from specific unit holders to reduce the amounts claimed by the Receiver as outstanding.

ONGOING OPERATIONS

60. The Receiver will continue to operate the condominium corporation with the assistance of CMG until the Sales Transaction is closed.

PRIORITY AND SECURED CLAIMS

Priority Claims

61. The Receiver is not aware of any claims that would rank in priority to the unit holders' respective interests in CCC396.
62. On November 19, 2019, Canada Revenue Agency ("CRA") advised the Receiver that CCC396 had been assessed \$76,305.48 for unremitted HST plus penalty and interest. Attached at **Appendix "18"** is a copy of this letter issued by CRA.
63. CCC396 has not had the funds necessary to satisfy legal and accounting fees, that when paid from the Sales Transaction, the HST portion will reduce the amounts due to CRA by a significant amount and likely generate a refund for the Receiver net of all amounts due to CRA.

Secured Claims

64. The PPSA search results for CCC396 dated September 30, 2020 report that there are no registrations against the condominium. A copy of the PPSA search results is attached hereto at **Appendix "19"**.
65. PPSA searches have been conducted against the specific unit holders by the purchaser's legal representative and reviewed by the Receiver's legal representative. A copy of the PPSA search results of unit holders provided to the Receiver by the purchaser's legal representative is attached hereto at **Appendix "20"**.
66. There are mortgages registered on title to several of the individual units of CCC396. These mortgages, if valid and enforceable, will have priority over the respective unit owners' interest in the units. A summary of the charges against units is attached hereto at **Appendix "21"**.
67. The Receiver will, in subsequent reports, seek the Courts approval for the distribution of the net proceeds of sale to unit holders, including satisfaction of any applicable valid and enforceable writs of seizure and sale, security interest under the PPSA or charges registered on or against a unit or unit owner.
68. The City of Ottawa may have amounts due for unpaid municipal taxes on closing of the Sales Transaction. Upon closing, any amounts due by the unit holders for municipal taxes on their individual units and CCC396 will be paid and deducted from the net proceeds owing to unit holders.

FUNDS AVAILABLE FOR DISTRIBUTION

69. A copy of the Receiver's Interim Statement of Receipts and Disbursements ("Interim Statement") is attached hereto at Appendix "22". It confirms that receipts exceed disbursements by \$109,667.00 to the date of this report.

PROFESSIONAL FEES

70. Pursuant to paragraph 17 of the Receivership Order, the fees and disbursements of the Receiver and its legal counsel 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.

71. Pursuant to paragraph 18 of the Appointment Order, the Receiver is entitled to apply reasonable amounts out of the monies in its hands to satisfy its professional fees and disbursements and those of its counsel, and such amounts are to constitute advances against its remuneration and disbursements when and as approved by the Court.

72. The approval of fees and disbursements of the Receiver and that of its legal counsel will be sought in a further report to the Court.

COMPLETION OF THE RECEIVERSHIP

73. The Receiver will continue to work to close the Sales Transaction and report back to Court upon its completion. In the event the Sales Transaction does not close, the Receiver will resume the liquidation of the Real Property and continue to manage the operations of the rental units.

SUMMARY AND RECOMMENDATIONS

74. In the event the Sales Transaction closes, it will provide a significant reduction of CCC396 indebtedness and provide the potential for an equitable return for the unit holders based on their pro-rata share of the net proceeds.

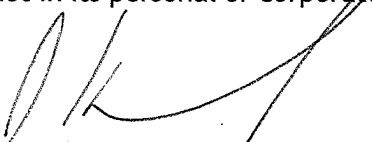
75. For the reasons outlined above, the Receiver respectfully recommends that this Court grant the Receiver's request for an Order, amongst other things:

- (a) If necessary, abridging the time for and validation of service of the Notice of Motion and Motion Record herein;
- (b) Approving the Receiver's First Report, and the activities and conduct of the Receiver and of its legal counsel since its appointment, all as recited in the First Report;
- (c) Approving the Sales Agreement and Sales Transaction, and the conveyance of the Real Property to the purchase and vesting title of the Real Property in the purchaser;
- (d) for vacant possession of the Property and Real Property free and clear of all waste and belongings of unit holders;
- (e) Approving the sealing of the confidential appendices to the First Report pending the closing of the Sales Transaction or further Order of this Court;
- (f) Approving the Receiver's Interim Statement of Receipts and Disbursements; and
- (g) approving a distribution to the City of Ottawa for all outstanding municipal taxes for the Real Property.

This First Report is respectfully submitted to the Honourable Court as of this 6th day of October, 2020.

MNP LTD.,

In Its capacity as Court-Appointed Receiver of
Carleton Condominium Corporation No. 396
and not in its personal or corporate capacity
Per:



John P. Haralovich, CPA, CA, CIRP, CMA
Senior Vice President

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**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE
MR. JUSTICE KANE

)
)
)

TUESDAY, THE 2nd
DAY OF FEBRUARY, 2017

BETWEEN:

(Court Seal)

**PATRICK DEWAN, DOMICILE DEVELOPMENTS INC., 1436984 ONTARIO LTD.,
AMIRA GABRIEL, 1496055 ONTARIO INC., 117490 CANADA LTD., the ESTATE OF
SHEILA EBERTS, 2201894 ONTARIO INC., BBG EQUITY MANAGEMENT
CORPORATION and POWELL GRIFFITHS**

Plaintiffs

and

**CLAUDE ALAIN BURDET, IN TRUST, CLAUDE-ALAIN BURDET, ENTREPRISES TED
RUBAC INC., CARLETON CONDOMINIUM CORPORATION NO. 396 and 1443957
ONTARIO INC.**

Defendants

JUDGMENT

THIS ACTION was heard on September 8, 10 -12, 15 – 19, 2014; January 26 – 29,
February 2-6, March 2 – 5, May 4 – 8, 11 – 14, 2015 (with Written Argument: June 8, July 8 and
14, 2015) without a jury at the court house, 161 Elgin Street, Ottawa, Ontario, K2P 2K1, in the
presence of the lawyers for all parties.

The Reasons and Supplementary Reasons for Decision are dated August 8 and September
30, 2016, respectively (the “Decision”).

ON READING THE PLEADINGS AND HEARING THE EVIDENCE and submissions of the lawyers for the parties,

1. THIS COURT DECLARES that Claude-Alain Burdet has oppressed the Plaintiffs who are the Minority unit owners.

2. THIS COURT ORDERS that Carleton Condominium Corporation 396 ("CCC 396") is terminated as a condominium corporation (the "Termination") pursuant to section 128 of the Condominium Act, 1998, S.O. 1998, c.19.

3. THIS COURT ORDERS that Surgeson Carson Associates Inc. is appointed as receiver and manager of CCC 396 to carry out the Termination subject to paragraph 4 herein with powers which shall include but are not limited to the following:
 - a) To market and sell all condominium units in CCC 396 as part of the Termination;

 - b) To market and sell any real property, personal property and assets of CCC 396 as part of the Termination;

 - c) To register a copy of this judgment on title as to CCC 396 and all units therein;

 - d) To use the assets of CCC 396, including the above proceeds of to pay all claims for the payment of money against CCC 396, with the remainder of the assets and proceeds of disposition, if any, to be distributed amongst the unit owners in proportion to their proportionate share of the common elements of the corporation as stated in the Declaration of CCC 396; and

 - e) To manage the affairs of CCC 396 until the Termination;

 - f) To apply and obtain Court approval for its full powers and duties as receiver and manager.

4. THIS COURT ORDERS that the April 2, 2002 interim appointment of CMG as interim Administrator of CCC 396 will continue, with the powers of duties specified in the decision of this Court dated April 3, 2012, until the expiration of the appeal period of the Decision and this judgment and during any period of such appeal and stay thereof, namely until the rendering of any appeal decision. CMG's appointment as interim Administrator of CCC 396 otherwise is terminated as of the date hereof.

5. THIS COURT ORDERS that CCC 396 shall have judgment including interest thereon to August 8, 2016, against the Plaintiffs in the amounts as follows:

Plaintiff	Unit Number	(Owing to Dec. 31st 2014)	Judgment As of August 8, 2016
P. Dewan (April 1, 2002 - 9,539.00 double credit)	101-A	43,719.27	52,958.49
P. Dewan	101-A	25,519.06	31,987.01
Domicile Developments Inc.	101-D	44,801.41	54,269.31
1436984 Ont. Inc	102	43,508.82	52,703.57
Amira Gabriel	103	60,576.61	68,454.40
1496055 Ont. Inc.	104	29,000.59	35,129.30
1496055 Ont. Inc.	105	28,756.68	34,833.85
Amira Gabriel	107	55,567.63	67,310.78
2201894 Ont. Inc.	201	32,301.01	39,127.20
BBG Equity Management	204	43,248.69	52,388.46
Powell Griffiths	205	43,251.61	52,392.00

together with interest thereon at the post-judgment interest rate of 2.0% per annum from August 8, 2016 until payment.

6. THIS COURT ORDERS that ETRE shall have judgment against CCC 396 on promissory note 6 in the amount of \$20,000, together with interest at a rate of 7% per annum from October 1, 2002 until December 31, 2003, and thereafter at the pre-judgment rate of interest provided under the Courts of Justice Act to August 8, 2016.

7. THIS COURT ORDERS that ETRE shall have judgment against CCC 396 on promissory note 7 in the amount of \$30,000, together with interest at a rate of 7% per annum from October 1, 2002 until December 31, 2004, and thereafter at the pre-judgment rate of interest provided under the Courts Justice Act to August 8, 2016.

8. THIS COURT ORDERS that Claude-Alain Burdet shall have judgment against CCC 396 for his 2001 time, in the amount of \$20,000, together with pre-judgment interest under the Courts of Justice Act from January 1, 2002 to August 8, 2016.

9. THIS COURT ORDERS that Claude-Alain Burdet is personally liable as a Defendant for all amounts ordered against the party named as "Claude-Alain Burdet, in Trust".

10. THIS COURT ORDERS that the balance of the claim and counterclaim are dismissed.

11. THIS COURT ORDERS that the costs of this proceeding are reserved pending written submissions by those parties claiming costs.

THIS JUDGMENT BEARS INTEREST at the rate of 2.00 per cent per year commencing on August 8, 2016.

DATED this 2nd day of February, 2017


Mr. Justice Paul Kane

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COURT OF APPEAL FOR ONTARIO

CITATION: Dewan v. Burdet, 2018 ONCA 195

DATE: 20180228

DOCKET: C62853

Hourigan, Roberts and Fairburn JJ.A.

BETWEEN

Patrick Dewan, Domicile Developments Inc., 1436984 Ontario Ltd.,
Amira Gabriel, 1496055 Ontario Inc., 117490 Canada Ltd.,
the Estate of Sheila Eberts, 2201894 Ontario Inc.,
BBG Equity Management Corporation and Powell Griffiths

Plaintiffs and Defendants by Counterclaim/
Respondents in appeal/Appellants in cross-appeal

and

Claude-Alain Burdet, in Trust, Claude-Alain Burdet,
Enterprises Ted Rubac Inc. and 1443957 Ontario Inc.

Defendants and Plaintiffs by Counterclaim/
Appellants

and

Carleton Condominium Corporation No. 396

Defendant/
Respondent in cross-appeal

Claude-Alain Burdet, for the appellants

Kenneth Radnoff, Q.C. and Jonathan Collings, for the respondents

Gary Boyd, for the defendant/respondent, Carleton Condominium Corporation
No. 396

Heard: February 15, 2018

On appeal from the judgment of Justice Paul B. Kane of the Superior Court of
Justice, dated August 8, 2016, with reasons reported at 2016 ONSC 4917, and
from the cost order, dated February 2, 2017.

REASONS FOR DECISION

[1] This case is one of a series of legal proceedings regarding the management of Carleton Condominium Corporation No. 396 (“CCC396”).

A. BACKGROUND

[2] Following a 35-day trial, the trial judge released reasons for decision that were in excess of 200 pages. After exhaustively reviewing the complex factual background and considering the parties’ legal arguments, he ordered, among other things, the following relief:

(a) An order that the respondents/appellants in the cross-appeal (the “minority owners”) owe CCC396 common expense arrears plus interest in the amounts specified in the reasons, which amounts shall be paid forthwith;

(b) A declaration that the appellant/respondent by cross-appeal, Claude-Alain Burdet, oppressed the minority owners;

(c) An order that CCC396 is terminated as a condominium corporation pursuant to s. 128 of the *Condominium Act, 1998*, S.O. 1998, c. 19, or, alternatively, pursuant to s. 135 of that Act;

(d) An order that Mr. Burdet’s claim for services rendered to CCC396 in 2001 is granted in the amount of \$20,000, plus interest;

(e) An order granting the claims of the appellant/respondent by cross-appeal, Entreprises Ted Rubac Inc. (“ETRE”), against CCC396 for amounts owing under certain promissory notes in the total amount of \$50,000, plus interest, and dismissing ETRE’s claims under other promissory notes; and

(f) An order dismissing all other claims in the counterclaim.

[3] Mr. Burdet, Claude-Alain Burdet in Trust, and ETRE (collectively the “appellants”) raise a number of grounds of appeal, which will be considered below. The minority owners cross-appeal the trial judge’s order regarding the timing of the payment of their arrears. All parties, save CCC396, seek leave to appeal the cost order. For the reasons that follow, we dismiss the appeal, grant the minority owners leave to appeal the cost order, allow their cross-appeal with respect to costs, and dismiss the balance of the cross-appeal.

B. ANALYSIS

(i) Appeal

[4] The appellants submit that the trial judge erred in declaring that Mr. Burdet acted in a manner that was oppressive to the minority owners’ interests. There is no merit in this submission. The evidence of oppressive conduct on the part of Mr. Burdet is detailed, effectively unchallenged, and overwhelmingly compelling. It includes a long history of self-dealing, lack of financial disclosure, charging CCC396 legal fees for personal matters, failing to declare conflicts, refusing to produce records despite being court-ordered to do so, and implementing an invalid by-law.

[5] As noted above, the trial judge declared that Mr. Burdet oppressed the minority owners. He also found Mr. Burdet personally liable, along with ETRE

and Claude-Alain Burdet in Trust, for the minority owners' costs. Mr. Burdet submits that the trial judge erred in finding him personally liable. We disagree.

[6] The very recent decision of the Supreme Court of Canada in *Wilson v. Alharayeri*, 2017 SCC 39, [2017] 1 S.C.R. 1037 is instructive. There the court found that determining a director's personal liability under an oppression remedy requires a two-pronged approach. First, the oppressive conduct must be properly attributable to the director because of his or her implication in the oppression. Second, imposing personal liability must be fit in all the circumstances see paras. 47-57.

[7] We recognize that *Wilson* was decided under the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44 ("CBCA"). However, the holding in *Wilson* is apt in the *Condominium Act* context. Like the oppression remedy provision in s. 241(3) of the CBCA, s. 135(3) of the *Condominium Act* grants a judge broad discretion in crafting an appropriate remedy. That subsection permits a judge to make "any order the judge deems proper" and lists two non-exhaustive examples. In *Wilson*, the Supreme Court noted that one of the remedial examples listed in s. 241(3) of the CBCA contemplated "an order compensating an aggrieved person" without specifying against whom such an order may lie: see para. 29. Similarly, s. 135(3)(b) of the *Condominium Act* contemplates "an order requiring the payment of compensation" without further specification. As

the *Condominium Act* itself does not indicate when it would be “proper” to hold a director personally liable for oppression, guidance can be sought from *Wilson*.

[8] Where, as here, it is clear that a director is the motivating force behind the oppressive conduct, he or she should be held personally liable. To hold otherwise in the present case would result in the oppressed minority owners being denied their costs or making CCC396 liable for those costs. The latter result would be particularly inequitable, as it would perpetuate Mr. Burdet’s practice of having CCC396 pay the legal costs associated with defending his oppressive conduct.

[9] The appellants submit that the trial judge erred in terminating CCC396. We disagree. The trial judge was well aware that a termination order was a remedy of last resort. However, there was an ample record to support that order in this case. Indeed, it is difficult to imagine a more dysfunctional condominium corporation. It is clear from the evidence, including from the independent court-appointed property manager, that the corporation could not continue. In these circumstances, termination was the most just and equitable order. It was consistent with the scheme and intent of the *Condominium Act*, was in the best interests of all owners, and protected against unfairness to the minority owners.

[10] The appellants submit that the oppression claims and other related relief are statute-barred. This submission is based on the argument that these claims

were raised for the first time in the statement of claim. That is incorrect. The impugned claims were asserted in an application in 2001 and were not statute-barred at that time. The application was later converted by court order to an action. The claims asserted in the statement of claim are essentially the same as those made in the application. We therefore conclude that they are not statute-barred.

[11] We see no error in the trial judge's conclusion that the appellants did not satisfy their onus of establishing that the minority owners acted in an oppressive manner, either by reason of their non-payment of arrears or their conduct in this litigation.

[12] The trial judge's decision to dismiss the balance of the counterclaim was well-grounded in the evidence and free of legal error. We note that Mr. Burdet elected not to testify in support of the claims made in the counterclaim.

(ii) Cross-Appeal: Payment of Arrears

[13] With respect to the cross-appeal, the minority owners acknowledged the existence and quantum of the common expense arrears owing to CCC396. However, they submit that the trial judge erred in ordering that the arrears be paid forthwith and not after Mr. Burdet has paid his arrears.

[14] The trial judge had discretion to determine when the arrears should be paid. We see no basis for appellate interference with the exercise of that

discretion. CCC396 is in dire need of funds and there is no reason why it should be forced to wait to collect the arrears that the minority owners admit to be owing.

(iii) Costs

[15] We see no error in principle in the cost order made against the appellants. Accordingly, we decline to grant leave to appeal the cost order made against those parties.

[16] We grant the minority owners leave to appeal the cost order made against them because we are of the view that the trial judge erred in principle in making that order.

[17] Pursuant to s. 85 of the *Condominium Act*, where an owner defaults on an obligation to contribute to the common expenses payable, a condominium corporation has a lien, “against the owner’s unit and its appurtenant common interest for the unpaid amount together with all interest owing and all reasonable legal costs and reasonable expenses incurred by the corporation in connection with the collection or attempted collection of the unpaid amount”.

[18] At trial, the minority owners conceded that they owed arrears and agreed to pay same. Consequently, very little trial time was dedicated to the issue of collecting the arrears. In his cost endorsement, the trial judge recognized that the “lengthy trial largely related to other issues, not the determination of this common expense arrears award against the Plaintiffs”.

[19] We are of the view that the trial judge erred in principle in awarding costs that were disproportionate to the cost of collecting the common expense arrears. He should not have ordered the minority owners to pay legal costs unrelated to the collection of arrears. We therefore set aside the cost award made against the minority owners. In its place, we order that the minority owners are liable for 20 percent of CCC396's costs below. We further order that the appellants, as the unsuccessful parties at trial, are jointly and severally liable for 80 percent of CCC396's costs below. We fix CCC396's all-inclusive costs of the proceedings below at \$220,000.

C. DISPOSITION

[20] For the foregoing reasons, we dismiss the appeal, grant the minority owners leave to appeal the cost order, allow their cross-appeal with respect to costs, and dismiss the balance of the cross-appeal.

[21] The appellants are jointly and severally liable for the minority owners' costs of the appeal and cross-appeal, which we fix in the all-inclusive amount of \$25,000. CCC396's costs of the appeal and cross-appeal, in the all-inclusive amount of \$15,000, shall be borne 50 percent by the appellants jointly and severally, and 50 percent by the minority owners.

"C.W. Hourigan J.A."

"L.B. Roberts J.A."

"Fairburn J.A."

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No. 38088

May 2, 2019

Le 2 mai 2019

BETWEEN:

ENTRE :

Claude-Alain Burdet in Trust, Claude-Alain
Burdet and Ted Rubac Enterprises Inc.

Claude-Alain Burdet en fiducie,
Claude-Alain Burdet et Entreprises Ted
Rubac inc.

Applicants

Demandeurs

- and -

- et -

Patrick Dewan, Domicile Developments Inc.,
1436984 Ontario Ltd., Amira Gabriel,
1496055 Ontario Inc., 117490 Canada Ltd.,
Estate of Sheila Eberts, 2201894 Ontario Inc.,
BBG Equity Management Corporation,
Powell Griffiths and Carleton Condominium
Corporation No. 396

Patrick Dewan, Domicile Developments Inc.,
1436984 Ontario Ltd., Amira Gabriel,
1496055 Ontario Inc., 117490 Canada Ltd.,
succession de Sheila Eberts, 2201894
Ontario Inc., BBG Equity Management
Corporation, Powell Griffiths et Carleton
Condominium Corporation No. 396

Respondents

Intimés

JUDGMENT

JUGEMENT

The application for leave to appeal from the
judgment of the Court of Appeal for Ontario,
Number C62853, 2018 ONCA 195, dated
February 28, 2018, is dismissed with costs.

La demande d'autorisation d'appel de l'arrêt
de la Cour d'appel de l'Ontario, numéro
C62853, 2018 ONCA 195, daté du
28 février 2018, est rejetée avec dépens.

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No. 38088

J.S.C.C.
J.C.S.C.

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**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE
MR. JUSTICE PAUL KANE

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THURSDAY, THE 15TH
DAY OF NOVEMBER, 2018

B E T W E E N:

(Court Seal)

PATRICK DEWAN, DOMICILE DEVELOPMENTS INC., 1436984 ONTARIO LTD., AMIRA GABRIEL, 1496055 ONTARIO INC., 117490 CANADA LTD., the ESTATE OF SHEILA EBERTS, 2201894 ONTARIO INC., BBG EQUITY MANAGEMENT CORPORATION and POWELL GRIFFITHS

Plaintiffs

and

CLAUDE ALAIN BURDET, IN TRUST, CLAUDE-ALAIN BURDET, ENTREPRISES TED RUBAC INC., CARLETON CONDOMINIUM CORPORATION NO. 396 and 1443957 ONTARIO INC.

Defendants

ORDER

THIS MOTION, made by the defendant, Carleton Condominium Corporation No. 396, for

(a) An Order substituting MNP Ltd. in place of Surgeson Carson Associates Inc. as the Receiver and Manager to replace the interim Administrator in order to carry out the Termination of CCC 396 as set out in paragraph 3 of the judgment dated February 2, 2017.;

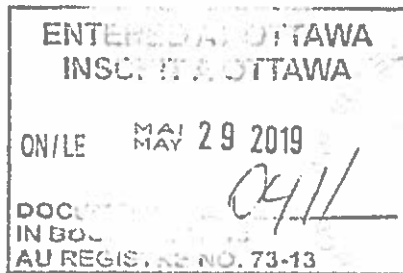
(b) An Order giving leave for MNP Ltd. to apply for an Order setting out the authority and powers of the Receiver Manager; and

(c) An Order appointing a time for the Administrator to pass its accounts ;

, was heard on November 15, 2018 at the court house, 161 Elgin Street, Ottawa, Ontario, K2P 2K1.

ON READING the affidavit of Ian Davidson, sworn November 2, 2018 and the affidavit of David Chick, sworn November 14, 2018 and on hearing the submissions of the lawyer(s) for the parties,

1. THIS COURT ORDERS that MNP Ltd. is appointed to replace Surgeson Carson as Receiver and Manager of Carleton Condominium Corporation 396 ("CCC 396").
2. THIS COURT ORDERS that MNP Ltd. is appointed to replace Condominium Management Group ("CMG") as the administrator of CCC 396.
3. THIS COURT ORDERS that CMG shall obtain a date from the court and pass its accounts as interim administrator of CCC 396.





(Signature of Judge)

PATRICK DEWAN et al.
Plaintiffs

-and-
Defendants

CLAUDE ALAIN BURDET, IN TRUST et al.

Court File No. 01-CV-18977

**ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDING COMMENCED AT
OTTAWA**

ORDER

LOW MURCHISON RADNOFF LLP
Lawyers/Avocats
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Tel: 613-236-9442
Fax: 613-236-7942

Lawyers for the Defendant, CCC No. 396

RCP-E 4C (July 1, 2007)

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ONTARIO

SUPERIOR COURT OF JUSTICE

**THE HONOURABLE MR.
JUSTICE KANE**

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**THURSDAY, THE 29th DAY
OF MAY, 2019**

**PATRICK DEWAN, DOMICILE DEVELOPMENTS INC.
1436984 ONTARIO LTD., AMIRA GABRIEL, 1496055 ONTARIO INC.
117490 CANADA LTD., the ESTATE OF SHEILA EBERTS,
2201894 ONTARIO INC., BBG EQUITY MANAGEMENT CORPORATION,
and POWELL GRIFFITHS
Plaintiffs/Defendants by Counterclaim**

AND

**CLAUDE ALAIN BURDET, IN TRUST,
CLAUDE-ALAIN BURDET, CARLETON CONDOMINIUM CORPORATION 396,
1443957 ONTARIO INC., and ENTREPRISES TED RUBAC ENTERPRISES INC.
Defendants/Plaintiffs by Counterclaim**

ORDER

THIS MOTION, to set out the powers, rights, remedies and responsibilities of MNP Ltd. as receiver and receiver and manager (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of Carleton Condominium Corporation No. 396 (the "Corporation") pursuant to the Order of Mr. Justice Kane dated November 15, 2019 (the "Order") was heard this day at 161 Elgin Street, Ottawa, ON.

ON HEARING the submissions of counsel for the parties, on having been advised by counsel for MNP Ltd. that the consent of MNP Ltd. to act as receiver and manager of the Corporation is conditional on its powers, duties, remedies and protections being substantially as those contained in this Order,

SERVICE

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

APPOINTMENT

2. **THIS COURT ORDERS** that the property over which MNP Ltd. is appointed receiver and manager, without security, constitutes all of the Corporation's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof, including the lands, units and common elements of the property and premises municipally known as 112 Nelson Street, Ottawa (collectively, the "**Property**"), and more particularly described as:

PT N 1/2 LT 3 & PT LTS 4, 5 & 6 (W/S NELSON ST), PL 43586, PT 2 4R5803,
AS IN SCHEDULE 'A' OF DECLARATION LT535820, AMENDED BY LT539546;
OTTAWA;

ALL OF THE UNITS AND COMMON ELEMENTS COMPRISING OTTAWA
CARLETON CONDOMINIUM PLAN NO. 396, CITY OF OTTAWA, LAND
REGISTRY OFFICE (NO. 4).

PIN Nos. 15396-0001 to 15396-0033, inclusive, Land Registry Office No. 4

RECEIVER'S POWERS

3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property to implement the Judgment of Justice Kane dated February 2, 2017 (the "**Judgment**") and the Order, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized, but not required, to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession and control of the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, protect and maintain control of 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 Corporation, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Corporation;
- (d) to take steps to terminate the registration of the Corporation as a condominium corporation under the *Condominium Act* in accordance with the Judgment;
- (e) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the powers and duties conferred by this Order;
- (f) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Corporation or any part or parts thereof;
- (g) to receive and collect all monies and accounts now owed or hereafter owing to the Corporation and to exercise all remedies of the Corporation in collecting such monies, including, without limitation, to enforce any security held by the Corporation;

- (h) to settle, extend or compromise any indebtedness owing to the Corporation;
- (i) to assemble all Records (as defined below) related to the accounting and business operations of the Corporation and to investigate and review Records for the purposes of assessing all payments to and receipts from Persons (as defined below);
- (j) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Corporation, for any purpose pursuant to this Order;
- (k) to undertake environmental or workers' health and safety assessments of the Property and operations of the Corporation;
- (l) 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 Corporation, 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;
- (m) 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, with a view to maximizing the overall net proceeds available for distribution to the unit owners of the Corporation in accordance with section 129 of the *Condominium Act*;
- (n) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business 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;

- (o) 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;
- (p) 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;
- (q) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (r) 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 Corporation, including but not limited to any rezoning of real property owned by the Corporation;
- (s) to enter into agreements with any trustee in bankruptcy appointed in respect of the Corporation, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Corporation;
- (t) to terminate and cancel any existing contracts, including any contracts for the sale or purchase of the Property;
- (u) to take any steps reasonably incidental to the exercise of these powers; and

- (v) to, on its own, or through others, in its discretion and without any obligation, exercise any of the powers of the Original Interim Administrator under the Order of The Honourable Justice Paul Kane dated August 3, 2012,

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 Corporation, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Corporation, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel, unit owners and those deriving a legal interest in the units and their common interest through such units and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Corporation, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer,

software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court, which leave may only be sought on not less than fourteen (14) 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.

NO PROCEEDINGS AGAINST THE CORPORATION OR THE PROPERTY

8. **THIS COURT ORDERS** that no Proceeding against or in respect of the Corporation 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 Corporation or the Property are hereby stayed and suspended pending further Order of this Court. Nothing in this Order shall stay or affect the Proceedings in Ottawa Court File No. 09-45430, including any corresponding Ontario Court of Appeal or Supreme Court of Canada Court File Numbers (collectively, the "Exempt Proceedings") and this Order shall be without prejudice to the rights of any party to the Exempt Proceedings, all of which Exempt Proceedings shall continue in the ordinary course.

NO EXERCISE OF RIGHTS OR REMEDIES

9. **THIS COURT ORDERS** that all rights and remedies against the Corporation, 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 nothing in this paragraph shall (i) empower the Receiver or the Corporation to carry on any business which the Corporation is not lawfully entitled to carry on, (ii) exempt the Receiver or the Corporation from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

10. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Corporation, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

11. **THIS COURT ORDERS** that all persons having oral or written agreements with the Corporation 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 Corporation 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 Corporation'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 Corporation or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

13. **THIS COURT ORDERS** that any employees of the Corporation shall remain the employees of the Corporation until such time as the Receiver, on the Corporation's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, pension or benefit amounts or successor employer liabilities other than such amounts as the Receiver may specifically agree in writing to pay, or such amounts as may be determined in a Proceeding before a court or tribunal of competent jurisdiction or in respect of any obligations the Receiver may have under sections 81.4(5) or 81.6(3) of the *Bankruptcy and Insolvency Act* or under the *Wage Earner Protection Program Act*.

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

16. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the *Bankruptcy and Insolvency Act* or by any other applicable legislation.

RECEIVER'S ACCOUNTS

17. **THIS COURT ORDERS** that any expenditure or liability which shall properly be made or incurred by the Receiver, including the fees of the Receiver and the fees and disbursements of its legal counsel, incurred at the standard rates and charges of the Receiver and its counsel, shall be allowed to it in passing its accounts and 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 (the "**Receiver's Charge**"). Unless the Court otherwise orders, on such notice as the Court may require, the Receiver's Charge shall not have priority over any security interests, trusts, liens, charges or encumbrances, statutory or otherwise, over any real property or personal property that is solely owned by a unit owner and that was fully valid and enforceable against third parties before November 15, 2018.

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

19. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

20. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow 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 \$200,000.00 (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 any encumbrance described in sections 14.06(7), 81.4(4) and 81.6(2) of the *Bankruptcy and Insolvency Act*.

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

22. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

23. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

GENERAL

24. **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.

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

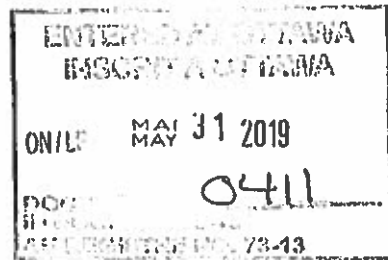
26. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, 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.

27. **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 hereby authorized and empowered to act as a representative of the Corporation in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

28. **THIS COURT ORDERS** that the Receiver shall have its costs (and those of its legal counsel) of and related to this motion, up to and including entry and service of this Order on a substantial indemnity basis, all of which costs shall be included in and secured by the Receiver's Charge.

29. **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.

O Kane



SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that MNP Ltd., the receiver and manager (the "Receiver") of all of the assets, undertakings and properties of Carleton Condominium Corporation No. 396, appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the ___ day of November, 2018 (the "Order") made in an action having Court file number 01-CV-18977, 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 (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order, 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 Ottawa, 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 defined in the Order) 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 _____, 2019.

MNP Ltd., solely in its capacity
as Receiver of the Property (as defined in
the Order), and not in its personal capacity

Per: _____

Name: _____

Title: _____

BETWEEN:

Court File No. 01-CV-18977

PATRICK DEWAN, DOMICILE DEVELOPMENTS INC. et al-and-

CLAUDE ALAIN BURDET IN TRUST, et al

Plaintiff

Defendants

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceedings commenced at Ottawa

ORDER

OSTROFF LAW
201 Plymouth Street
Ottawa, ON K1S 3E4

T. 613-230-0483
F. 613-230-7403

Percy Ostroff (LSUC #028845B)
Lawyer for MNP Ltd.
percy@percyostrofflaw.ca

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District of: Ontario
Division No. 12 - Ottawa
Court No. 01-CV-18977
Estate No. 33-165707

- FORM 87 -

Notice of Statement of the Receiver
(Subsections 245(1) and 246(1) of the Act)

In the matter of the receivership of
Carleton Condominium Corporation 396
of the City of Ottawa
in the Province of Ontario

The receiver gives notice and declares that:

1. On the 29th day of May 2019, we, MNP LTD., became the receiver in respect of the property of Carleton Condominium Corporation 396, that is described below:

Real Property or Immovable	Building and Land - Ottawa - 112 Nelson Street - Land and Building	4275000.00
Business Assets	Book Debts - Various amounts due for unit holders	885876.00

2. We became a receiver by having taken possession or control of the property described above (or by virtue of being appointed by Superior Court of Justice), pursuant to we became a receiver by virtue of an order of Justice Kane dated November 15, 2018, to replace Surgeson Carson Associates Inc. as receiver and manager of the Corporation under a judgment of Justice Kane dated February 2, 2017, with powers and authority more fully set out in an Order of Justice Kane dated May 29, 2019.

3. The undersigned took possession or control of the property described above on the 29th day of May 2019.

4. The following information relates to the receivership:

- (a) Address: 112 Nelson Street, Ottawa, ON
- (b) Principal line of business: Commerical Condo Corporation
- (c) Location(s) of business:

112 Nelson Street, Ottawa, ON, K1N 7R5

(d) Amount owed to each creditor who holds a security on the property described above:

(e) The list of other creditors and the amount owed to each creditor and the total amount due is as follows:

CRA - Tax - Ontario	Unsecured	\$70094.00
Ace Professional Lock Services Ltd	Unsecured	\$688.00
Day-View Electric Inc.	Unsecured	\$255.00
Eclipse Enterprises Fire Protection Ltd.	Unsecured	\$251.00
Goodbye Graffiti	Unsecured	\$3653.00
Laviolette Engineering Inc.	Unsecured	\$2825.00
Technical Standards and Safety Authority	Unsecured	\$105.00
Low Murchison Radnoff LLP/LMR	Unsecured	\$263444.00
Marc Bourget	Unsecured	\$454.00
Marcil Lavallee	Unsecured	\$225865.00
Paul Brown Landscaping Inc.	Unsecured	\$7287.00
Personal Touch Courier	Unsecured	\$34.00
Richard Horlin	Unsecured	\$618.00
Western Signs & Line Painting Ltd.	Unsecured	\$103.00
Sheppard & Claude In Trust	Unsecured	\$34754.00
E.T.R.A	Unsecured	\$103902.00
Nelligan O'Brien Payne LLP	Unsecured	\$474898.00
Condominium Management Group	Unsecured	\$441.00
Domicile Developments Inc.	Unsecured	\$126833.00
Letellier Gosselin Duclos	Unsecured	\$45000.00
Claude-Alain Burdet	Unsecured	\$34825.00
Unit holders of Condo 396	Unsecured	\$3764547.00

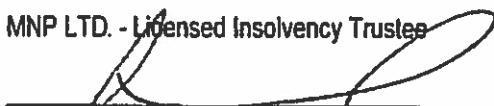
(f) The intended plan of action of the receiver during the receivership, to the extent that such a plan has been determined, is as follows: The Receiver will list the property for sale. As well, the Receiver will attempt to collect the amounts due to the Corporation from unit holders.

(g) Contact person for receiver:

John Haralovich, Tet (613) 691-4270, Fax: (613) 726-9009.

Dated at the City of Ottawa in the Province of Ontario, this 20th day of June 2019.

MNP LTD. - Licensed Insolvency Trustee


 1600 Carling Avenue, Suite 800
 Ottawa ON K1Z 1G3
 Phone: (613) 691-4270 Fax: (613) 726-9009



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

RECEIVER: JOHN PIERRE HARALOVICH
MNP LTD / MNP LTÉE
1600 Carling Avenue, Suite 800
Ottawa, ONTARIO
K1Z 1G3

DATE: June 26, 2019

RE: Filing of Receivership and Reporting Duties of Receiver

ESTATE NAME: Carleton Condominium Corporation 396

ESTATE NO: 33-165707

Dear Sir/Madam,

We write to acknowledge receipt of Form 87, Notice and Statement of the Receiver, for the above noted receivership. Please note the assigned estate number and ensure this number is on all future correspondence.

As a reminder, subsection 246(2) of the Bankruptcy and Insolvency Act (BIA) and Rule 126 of the Bankruptcy and Insolvency General Rules require the receiver to prepare interim reports relating to the receivership at least once every six months and provide copies thereof to the Superintendent, to the insolvent person or the Licensed Insolvency Trustee (in the case of a bankrupt) and to any creditor who requested a copy.

In addition, pursuant to subsection 246(3) of the BIA and Rule 127, the receiver shall, after completion of his/her duties, prepare a final report and a statement of accounts containing the prescribed information relating to the receivership and provide a copy thereof to the Superintendent, to the insolvent person or the Licensed Insolvency Trustee (in the case of a bankrupt) and to any creditor who requested a copy.

Please contact this office should you have any questions regarding any of the above.

Superintendent of Bankruptcy

Place Bell Canada, 160 Elgin Street, 11th Floor, Suite B-100, Ottawa, ONTARIO, K2P 2P7, 877/376-9902

Canada

7

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YOUNG**

**112 Nelson Street,
OTTAWA ON**

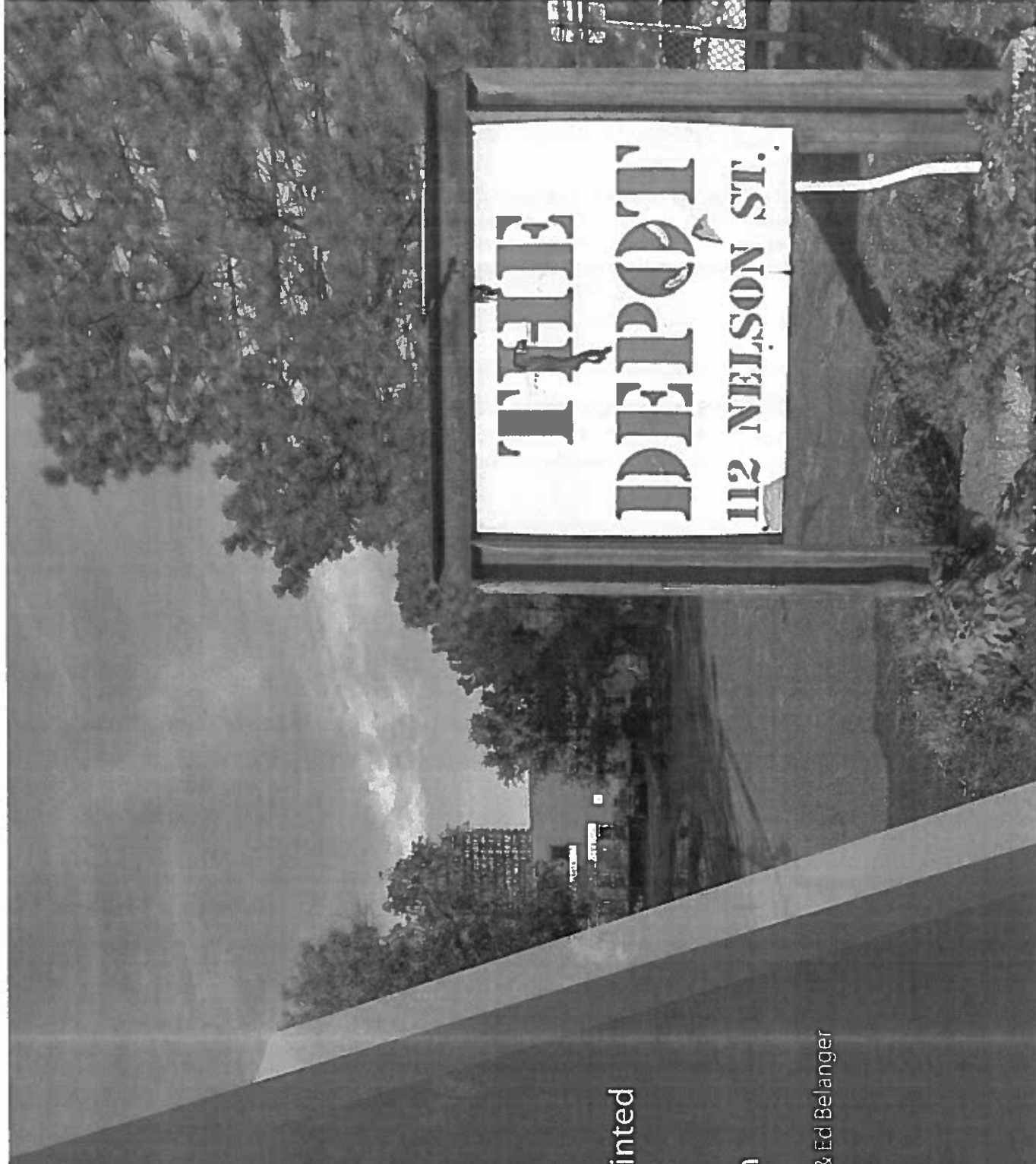
AVISON YOUNG

Request for Proposal -
Real Estate Brokerage Services

**MNP Ltd Court-Appointed
Receiver ("Receiver")**

Attn: John Haralovich

Prepared by Thomas Brethour & Ed Belanger
October 1, 2019





October 1, 2019

MNP Ltd
1600 Carling Avenue, Suite 800
Ottawa, Ontario
K1Z 1G3

Attention: John Haralovich – Senior Vice President

Dear John,

Re: Request for Proposal – 112 Nelson Street, Ottawa

We wish to thank you for the opportunity to present a proposal to market and sell the property located at 112 Nelson Street in Ottawa.

While the subject property would be marketed on an “as is, where is” basis, numerous hurdles and complexities make this assignment a challenging one both in achieving market acceptance and meeting pricing expectations. Notwithstanding these issues and realizing the need to maximize the value of the asset, we feel our significant experience and market strength will assist in moving the property in a timely manner.

45 O'Connor Street
Suite 800
Ottawa, ON K1P 1A4
Canada

T 613.567.2680
F 613.567.2671

avisonyoung.com

In our proposal, you will find a concise analysis of the market as it pertains to the subject property along with observations and recommendations. Every aspect has been considered carefully from our team approach method. Our mandates are taken seriously and we are confident we will provide the service you expect in representing the interest of MNP Ltd.

Upon review, please feel free to contact us at your convenience to discuss any questions or concerns you might have, as we believe that direct interaction is always preferable. We welcome the opportunity to meet with you in person at a mutually acceptable time and place to discuss the matter further.

Kind Regards,

Thomas Brethour
Broker
Vice-President
613.696.2760
thomas.brethour@avisonyoung.com

Ed Belanger
Sales Representative
Vice-President
613.696.2738
ed.belanger@avisonyoung.com

Executive Summary	
Section 1:	Property Profile
Section 2:	SWOT Analysis
Section 3:	Market Overview
Section 4:	Pricing & Disposition Strategy
Section 5:	Listing Team
Section 6:	Listing Terms & Compensation Plan
Section 7:	Marketing Plan
Section 8:	Company Overview
Section 9:	Closing Remarks

Executive Summary | 112 Nelson Street, OTTAWA ON

The Assignment

Avison Young Commercial Real Estate (Ontario) Inc. is pleased to submit the enclosed Proposal to provide real estate broker services for the sale of the property located at 112 Nelson Street, Ottawa Ontario to MNP Ltd as Court-Appointed Receiver.

Avison Advantage

Avison Young ("AY"), and in particular the AY team proposed herein, has enjoyed a productive and long term relationship with many of Ottawa's most prominent private sector and significant institutional organizations. Further to this, the AY team is centered on providing the highest level of service, in a completely objective manner, through the implementation of a unique strategy for this assignment that is based on AY's detailed and thorough sales process.

The AY Team selected for this assignment has specific experience and are specialists sensitive to the unique requirements of accountability, transparency, integrity and discretion in reporting to a Board, public entity, trustees and financial institutions. Our involvement in dealing with groups like yours will come as a great benefit to MNP. To ensure positive outcomes for all assignments, the AY team will demonstrate insight into the market, strategic approach and thinking, the ability to source solutions, credibility during the negotiating process and the ability to draw upon the necessary resources to close the different transactions.

Executive Summary | 112 Nelson Street, OTTAWA ON

The Listing proposal requested by MNP confirms that the property is being sold as a "Court Order" and thus it is important to market the property at its true value given the existing challenges that it faces.

Our analysis of the property would indicate a fairly wide value range of \$6.2M to \$6.8M taking into account recent comparable sales, market dynamics and neighbourhood realities. On a per square foot of site, this would mean a value of \$195/sf to \$214/sf.

Our final "go-to-market" price strategy is subject to discussion and confirmation with MNP Ltd. That being said, we believe that the asking price should be in the area of \$6,950,000 (below the \$7M mark).

The Value

Offering Process: We are recommending that we go to the general market with an asking price and to try to secure offers on a first come first serve basis. It is our thought that this property requires face to face meetings with potential purchasers due to its complexities. This may mean a slightly longer sales process but would be worth the extra effort. It has been our experience that developers for this type of project do not like to participate in bid process and simply choose not to even look at these type of opportunities.

Offer Process

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Property Profile

Property Profile | 112 Nelson Street, OTTAWA ON

Address:
112 Nelson Street, Ottawa, ON

Site Area:
31,747 sf irregular

Improvements: The building was originally created as a warehouse for inventory for a historical urban department store and was subsequently converted into 22 condominium units for general office / storage and quasi retail / warehouse space. The building is in poor condition with much deferred maintenance and is approaching the end of its utility in its present use.

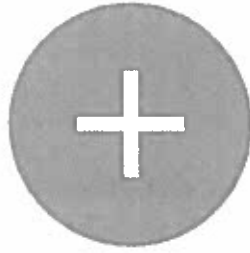
Zoning: The property was originally zoned IG1 H(11): General Industrial Subzone 1 with a height limit of 11 meters. There was an application to rezone the site to Residential Fifth Density Zone (R5) with specific provisions to permit a nine-storey 176 unit residential building with a 30 meter height limit. It is our understanding the application was revised down to 151 units with a provision 10% of the units to be three bedrooms and an additional 10% to be "affordable" units. Further a provision was required for a small parkette or green space. We are lead to understand that the rezoning application to residential was accepted but not formally processed until a section 37 Legal Agreement is executed with the city. The section 37 is required in reference to "benefits" to the city and speaks to the required 10% affordable units, 10% 3 bedroom units and parkette.

The Gross Floor Area (GFA) of the proposed new building would be 151, 588 square feet, and is a factor in our valuation calculation to follow.

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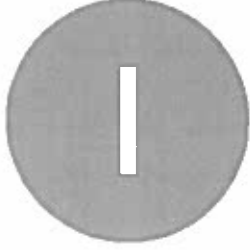
SWOT Analysis

SWOT Analysis | 112 Nelson Street, OTTAWA ON



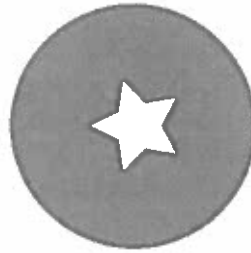
STRENGTHS

- Prime location in the heart of Ottawa
- Lowertown East known as one of Ottawa's most historical neighbourhoods
- Several new development projects in the immediate area
- Close to Transit
- Ideal location for purpose built rental and/or student housing



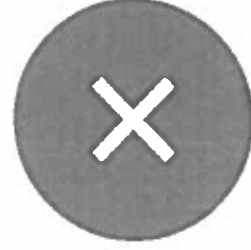
WEAKNESSES

- High traffic area
- Neighbourhood influences
- Site configuration
- Site outside Uptown Rideau Community Design Plan



OPPORTUNITIES

- Changing market dynamics
- Gentrification
- Affordable units required
- Larger units required – family oriented
- Building not included on Heritage Reference List
- Potential rental income in the short term



THREATS

- Project viability may be in question
- Several large scale projects near by
- Zoning amendment to R5 not formally completed
- Potential for oversupply of rental units in the coming year

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Pricing & Disposition Strategy

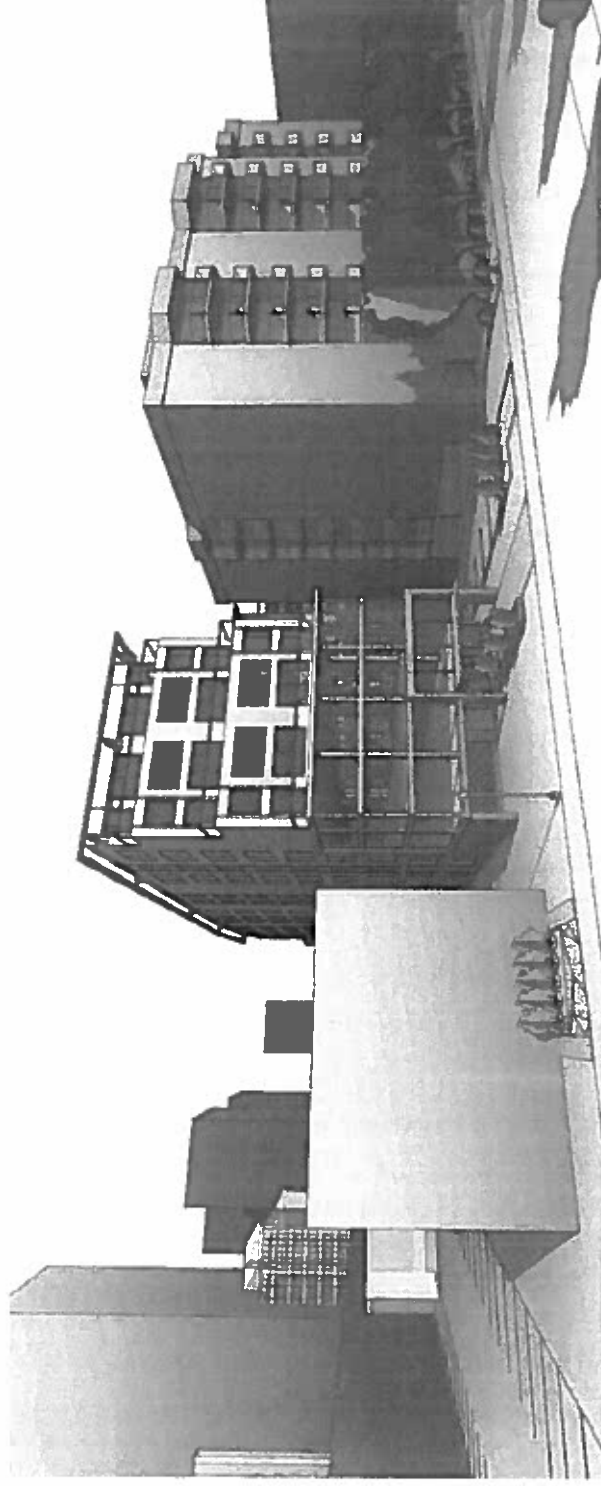
Pricing & Disposition Strategy | 112 Nelson Street, OTTAWA ON

Current situation:

The subject property currently operates as an 22 unit industrial/commercial condo project. Plans to convert the condo into a purpose built rental has been put forth with the City of Ottawa pending a rezoning of the property from a General Industrial zone to a residential zone. The zoning to an R5 (Residential 5th density zone) has been approved by city council in principle subject to an "Article 37" confirming acceptance of certain requirements to the planned 151 unit rental housing development. Mainly those requirements call for 10% of the units being deemed "Affordable Housing". Furthermore, 10% of the units had to be 3-bedroom units.

The current condo owners have had a long standing legal dispute and thus the Court has ordered the condo corporation to be dissolved and the property to be put on the market for sale.

The project is for all intent and purposes shovel ready and thus has a marketable value.



Pricing & Disposition Strategy | 112 Nelson Street, OTTAWA ON

Property Value Analysis

In order to establish the value of the subject property, we have looked into 7 sales in the surrounding area dating back 2 years.

All of the comparable properties were sold as redevelopment properties either as condos, purpose built rentals or student housing.

We based our comparable analysis on three distinct features of the properties, namely the site area of each property, the number of planned units for each site as well as the Gross Floor Area (GFA) proposed for each development.

The site plan application for 112 Nelson confirms the following:

Site Area (sf)	Planned Units	Gross Floor Area (GFA)
31,747 sf	151	151588 sf

The properties located at 36 Robinson Avenue, 130-138 Robison Avenue and 250-254 Besserer Street being the properties that most resemble the subject site. In particular, these three sites benefitted from the same zoning as planned for the subject zoning.

\$/site area: The purchase price per square feet of the three most comparable sites ranged from \$129.00/sf to a high of \$255/sf with an average of \$200/sf. We are of the opinion that the average value of \$200/sf to be in line for the subject site, the higher range value of the comparable properties were in superior locations to the subject site. The value would thus be approximately \$6,325,000.00.



Pricing & Disposition Strategy | 112 Nelson Street, OTTAWA ON

\$/planned units: The prices paid for land based on planned units of the comparable sites range from \$22,500 to \$30,000 per unit establishing a value range of \$3,397,500.00 to \$4,530,000.00.

Due to the requirement imposed by the city of Ottawa in order to secure zoning, we believe this approach to value to be punitive on the Nelson site and as such we are excluding this approach from consideration.

\$/GFA: In this analysis, we believe two of the properties (36 Robinson & 250-254 Besserer) most resemble the subject site. The price paid based on GFA ranges between \$35.00 and \$41.00 and we believe the value of the Nelson site would be closer to the higher of the range which would establish the value at approximately \$6,215,000.00.

Address	Date of Sale	Current Zoning	Sale Price2	Site Area (SF)	Price/sf	Planned Units	\$ Paid /Unit	GFA (SF)	\$ Paid / GFA	Stories
36 Robinson Avenue	2-Apr-19	R5K[2219] H(27)-h	\$ 4,300,000.00	20,129	\$ 214.00	191	\$ 22,513.00	122,368	\$ 35.14	9
2 Robinson Avenue	26-Mar-19	TD1 & TD2	\$ 26,500,000.00	246,550	\$ 107.00	TBD		896,910	\$ 29.55	20
130-138 Robinson Avenue	15-Mar-19	R5K[2133] H(20)	\$ 1,531,000.00	11,867	\$ 129.00	51	\$ 30,000.00	19,214	\$ 79.69	3
250-254 Besserer Street	11-Apr-19	R5B[483] H(19)	\$ 2,500,000.00	9,801	\$ 255.08	99	\$ 25,252.53	60,975	\$ 41.00	9
						Residential 76				
207-215 Rideau Street	7-Nov-18	MD 582	\$ 12,250,000.00	13,344	\$ 918.01	Hotel 208	\$ 43,133.80	140,836	\$ 85.98	24
256 Rideau Street /										
211 Besserer Street	27-Oct-17	MD[2345] S61	\$ 9,500,000.00	13,242	\$ 717.40	279	\$ 34,050.18	155,737	\$ 61.00	26
305 Rideau Street	14-Dec-17	TM6[100] F(3.5) H(37)	\$ 16,250,000.00	40,075	\$ 405.49	190	\$ 86,800.00	250,000	\$ 65.00	11

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Listing Terms & Compensation Plan

Listing Term & Compensation Plan | 112 Nelson Street, OTTAWA ON

<p>1. Listing Type and Terms</p>	<p>To be determined. AY agrees to disclose any potential conflicts of interest the Broker may have with respect to its representation of purchasers that could serve to meet MNPs' objectives, or the Broker having a monetary interest in such sales.</p>
<p>2. Pricing</p>	<p>To be finalized with Client.</p>
<p>3. Listing Team Fee</p>	<p>A success fee of 2.25% of the selling price.</p>
<p>4. Co-operating Broker</p>	<p>If a co-operating broker/agent is involved with the sale, the fee will be a total of 3.00%. The co-operating broker agent will be paid by Avison Young from fees received.</p>
<p>5. Marketing Costs: (To be covered by Avison Young)</p>	<ul style="list-style-type: none"> ✓ Monthly mailings ✓ Direct mail costs ✓ Marketing materials ✓ Website ✓ Advertising
<p>6. Travel Costs (To be covered by Avison Young)</p>	<p>All costs relating to travel expenses, if required, to meet with prospective purchasers will be at the expense of Avison Young.</p>

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Marketing Plan

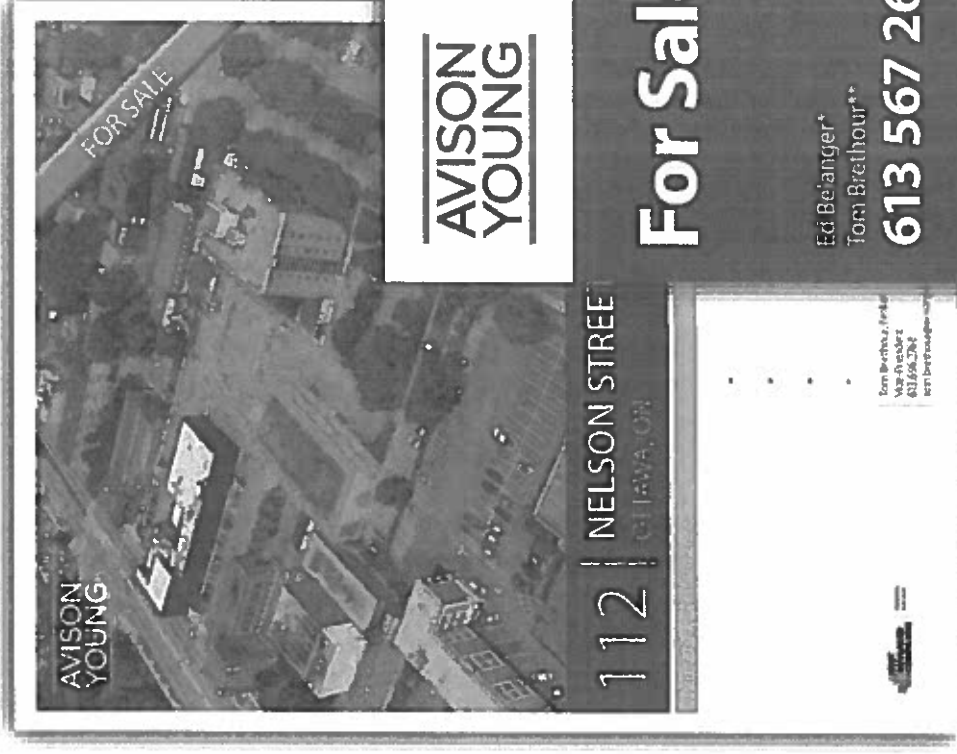
Marketing Plan | 112 Nelson Street, OTTAWA ON

A. Our Main Message

- Great urban location
- Excellent immediate amenities, LCBO, Metro, Loblaws
- Walk to LRT
- Walking distance to Rideau Centre & Byward Market
- Residential Rezone ready for 151 unit, 9 storey building
- Ideal location for purpose built rental or student housing

B. Primary Objectives

- Achieve the maximum possible sale price, ensuring pricing is realistic increasing the likelihood of a successful completion
- Ensure the property obtains the widest market exposure
- Provide all co-operating agents with a complete and comprehensive marketing information package; as well as include in marketing throughout Avison Young's existing National and International network communication
- All interested parties to be treated in an unbiased, fair and equitable manner
- Close the property on the most favourable terms to the Owner (highest price shortest time possible)



C. Due Diligence

At Avison Young, we believe that in order to properly market the property we must have a complete understanding and knowledge of the intricate details of the property. The purpose of this intimate understanding of the property is threefold:

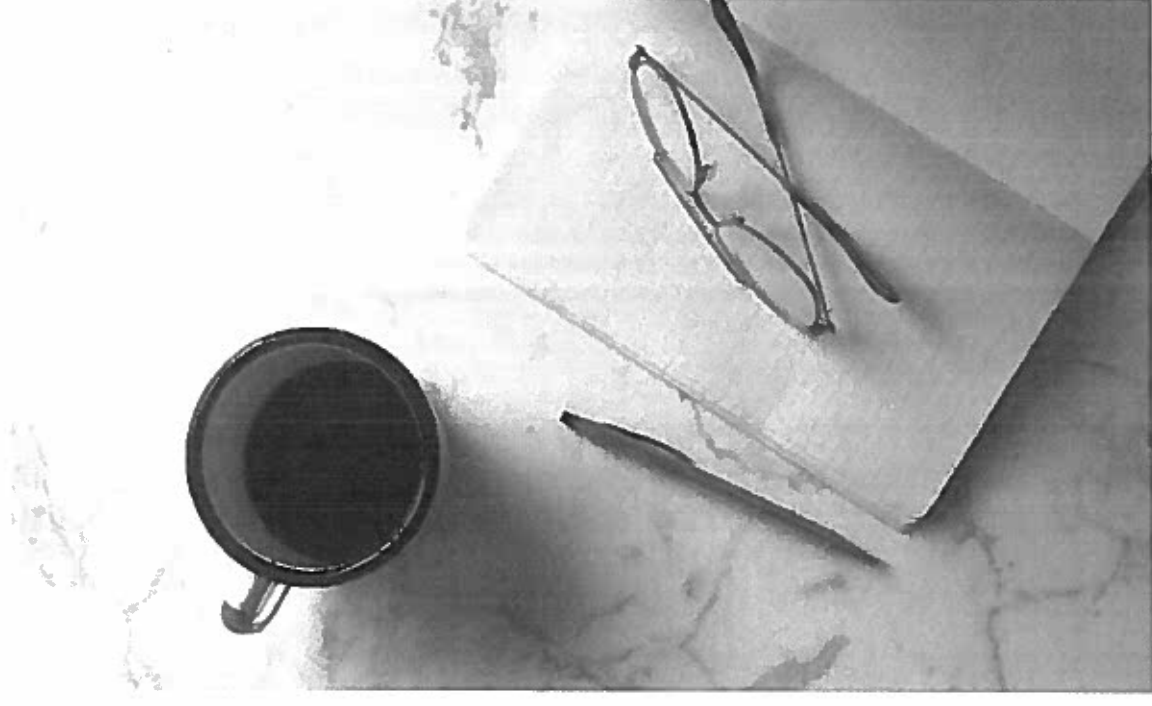
- To prepare accurate marketing material for presentation to prospective Buyers;
- To ensure that we have an in-depth working knowledge of the property;
- To facilitate the sale of the property without any surprises and ensure an orderly completion of the transaction.

D. Marketing Information Material

Following completion of our due diligence, a comprehensive branded marketing brochure containing the pertinent information about the property will be prepared and printed. This material will highlight the following:

- Location map showing the property's proximity to major roadways
- Aerial photographs
- Site Plan
- Zoning
- Asking Price
- Full details on features and benefits

A one-page summary of particulars will also be prepared.



E. Advertising and Promotion

I. Direct Mailing

Our marketing brochure will be e-mailed to potential owners, developers and investors. We maintain a database for buyers in the Greater Ottawa Area. We will target the owners, potential buyers and developers who best meet the profile for this opportunity and mail them directly.

II. Targeted Calling

With the use of our contacts databases, as well as our of active buyer's and investment community activity, we will target prospective owner/user to introduce them to the opportunity at 112 Nelson Street.

III. National Exposure

In order to maximize the sales property exposure to potential purchasers outside Ottawa, a full marketing information package, will be provided to the appropriate investment staff in Avison Young's Canadian offices.

VI. Web Page

Avison Young maintains a sale webpage for its listings through LoopNet so that prospective buyers are able to obtain marketing information regarding the sale of your property. A detailed e-mail brochure will be prepared and sent to qualified prospects.

V. Memberships and Affiliations

The Avison Young Listing Team is actively involved with The Ottawa Chamber of Commerce, Invest Ottawa, The Ottawa Hospital Foundation, The United Way, Kiwanis Ottawa, The Business Alliance Network, and the Rotary Club of Ottawa. Through these professional and charitable memberships and affiliations, we are able to further increase exposure for the sale of 4538-4552 Innes Road.

F. Reporting to MNP

We recommend regular communication to review all aspects of the marketing program to date. This process allows you to effectively monitor our activities and respond immediately to any changing market conditions that may arise.

In addition, we will provide you with regular feedback and written reports on the number of inquiries and the progress being made with them. This report will list all inquiries and highlight constructive feedback from potential buyers and the brokerage community as to such things as pricing and timing, as well as all relevant general feedback.

G. Timing of the Marketing Process

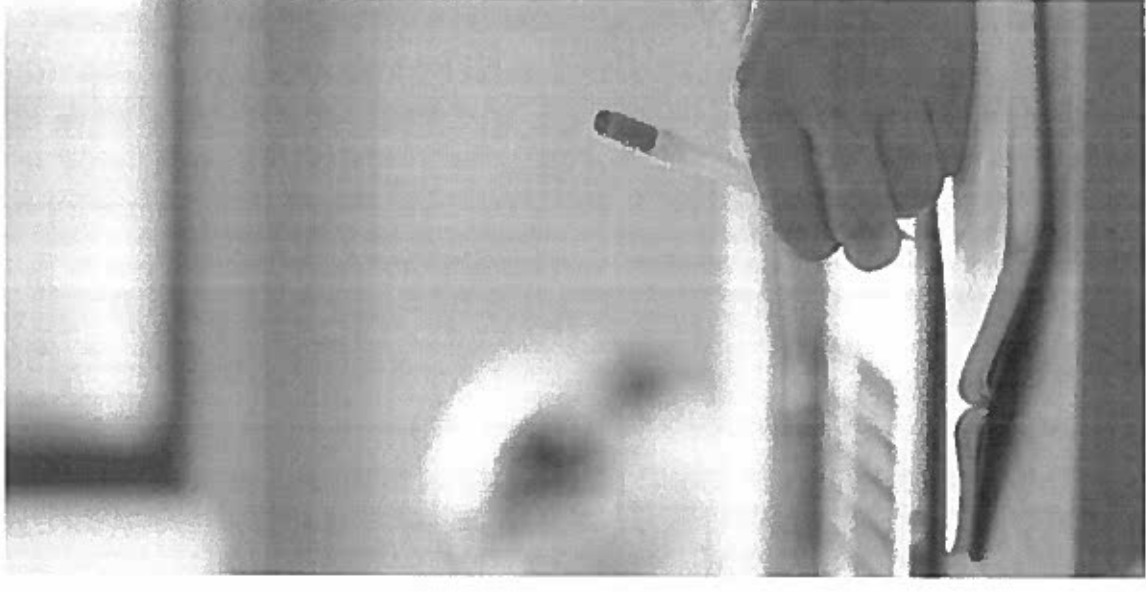
Our anticipated timing of the marketing would be projected from the signing of the listing agreement as follows:

Within 2 weeks of Signed Mandate

- Preparation of sales package
- Preliminary notification of availability of the property to specific prospective buyers
- Creation of an interactive electronic brochure that is featured on our website

Signed Mandate – To Completion of Sale

- Commence active marketing
- Notification of real estate community as to the property's availability
- Face-to-face meetings with prospective buyers to review property merits
- On site showings and interactive meetings as may be required



Marketing Plan | 112 Nelson Street, OTTAWA ON

A more detailed sample marketing strategy timetable is as follows:
(dates added for illustration purposes only)

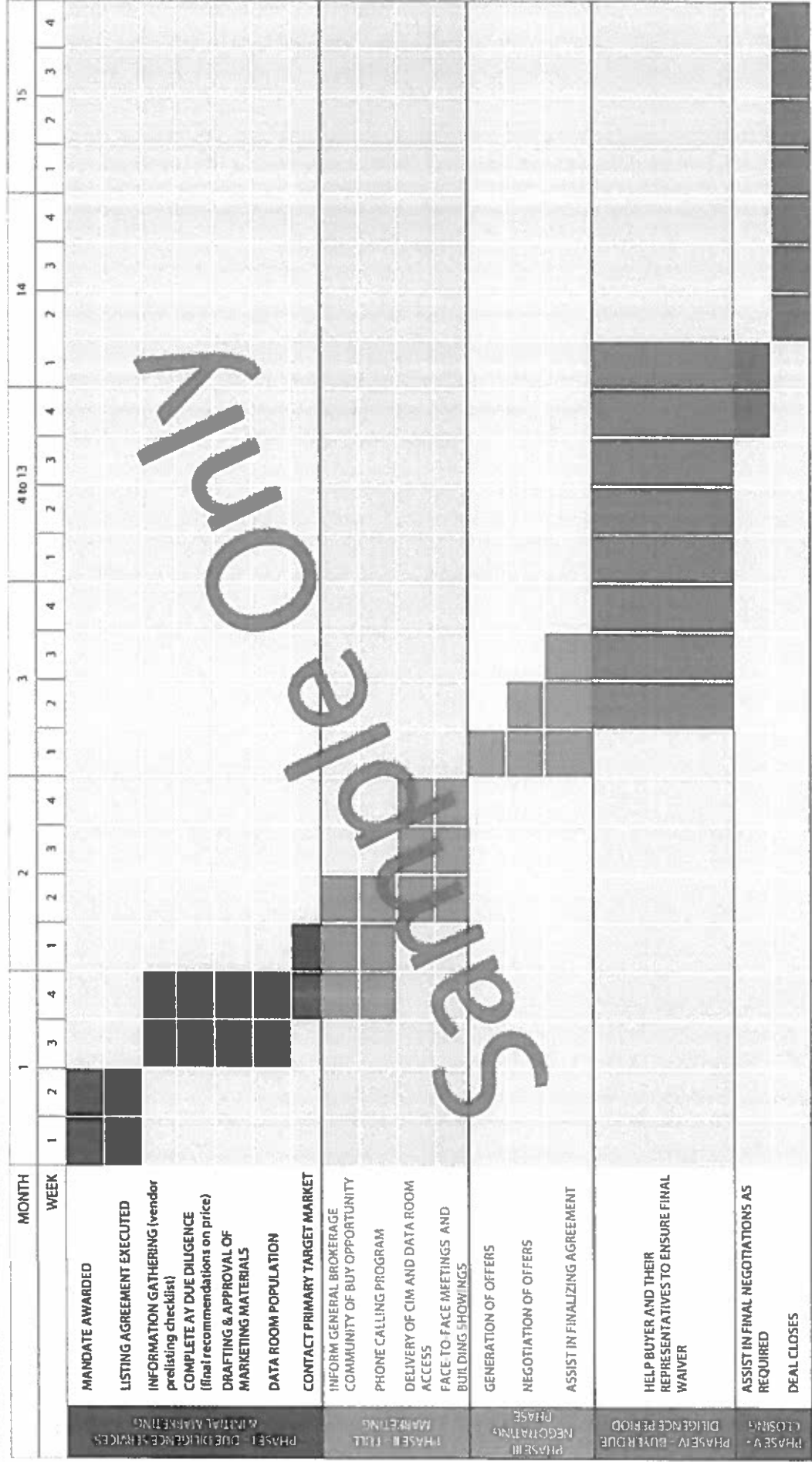
Marketing – Sample Timeline

Mandate Awarded	October
Listing Agreement Executed	October
Complete AY Due Diligence	October
Prepare Marketing Material	October
Mailing of Property Flyer to AY Target Market	November
Phone Calling Program	November
Mailing of Property Flyer to Brokerage Community and Realtor.ca	November
Generation of Offers	Oct/Dec
Buyer Due Diligence	30-60 days
Closing Date of Transaction	Dec 2019 – Jan 2020

See next slide for Sample Process Timeline.

Marketing Plan | 112 Nelson Street, OTTAWA ON

Sample Process Timeline



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YOUNG**

MNP
LLP

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Company Overview

Avison Young | Company Overview

Company Profile

Avison Young is unique in the real estate industry because of our culture. Our people are committed to success over the long term, and our corporate culture reflects that distinction. Our open book philosophy ensures our clients' best interests are always our focus – and demands that the right resources are assigned to every opportunity. Our culture of openness and sharing allows us to perform as one large team and not as individual internal competing silos.

Our best talent participates in the ownership of the firm, focused on the professional development of our people and forging long-term relationships with our clients. Without personal agendas, our leaders provide their experience, guidance, expertise and leadership to the benefit of our firm and our clients' real estate objectives.

Integrity, teamwork, and a commitment to exceptional service are among our values, and we live these values every day. For our clients, this means Avison Young is a true partner, working to deliver the exceptional performance today's complex real estate markets demand.

Avison Young is the real estate partner business trusts for intelligent integrated solutions. We deliver results that are aligned with your strategic business objectives, supporting real estate initiatives that add value and build competitive advantage for your organization.

Memberships & Associations

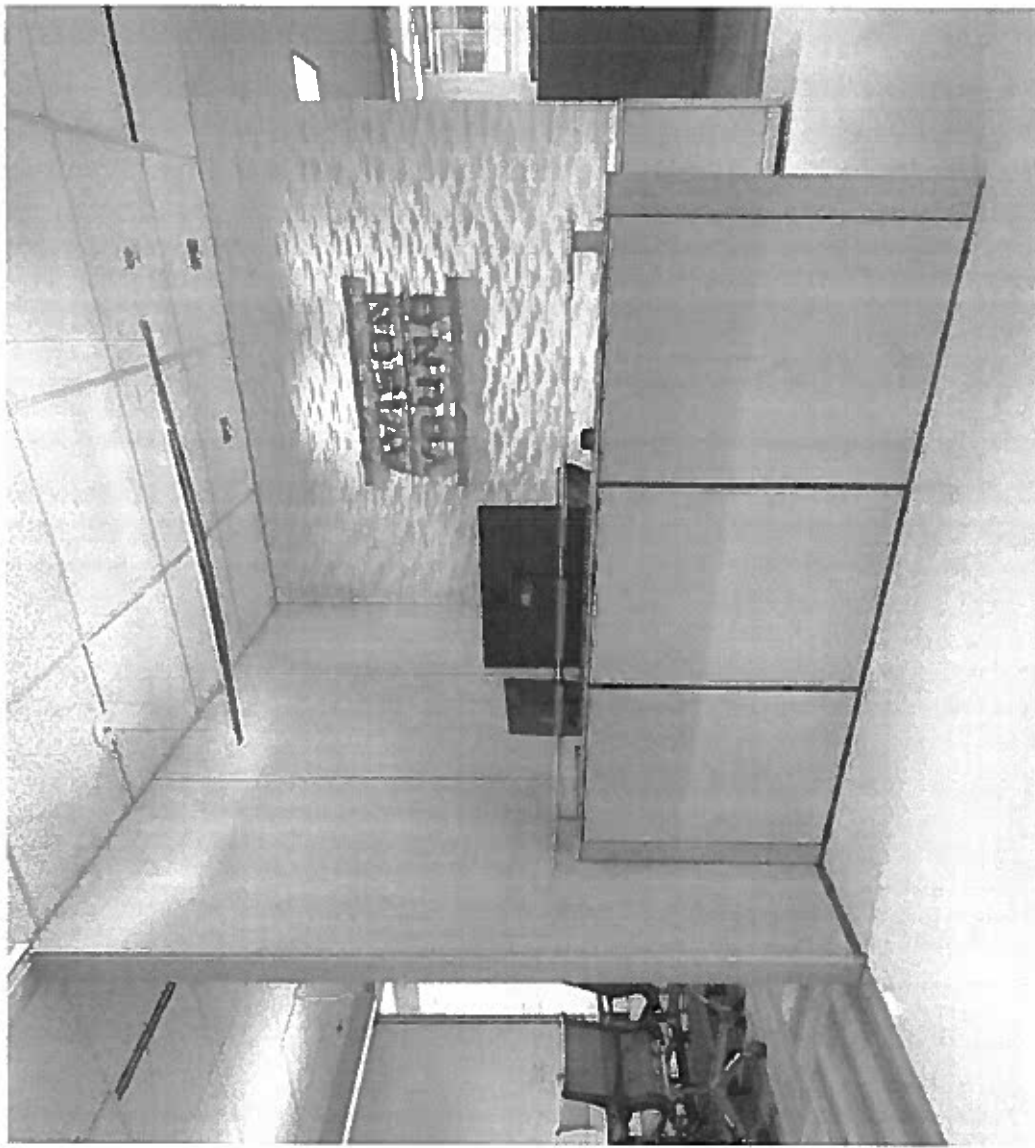
NAIOP, SIOR, RECO, BOMA, ICSC, OREA, CREA, TREB

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For more information

MNP
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Avison Young | Company Overview



Company Name & Address

Avison Young Commercial Real Estate
(Ontario) Inc., Brokerage
45 O'Connor Street
Suite 800
Ottawa ON
K1P 1A4

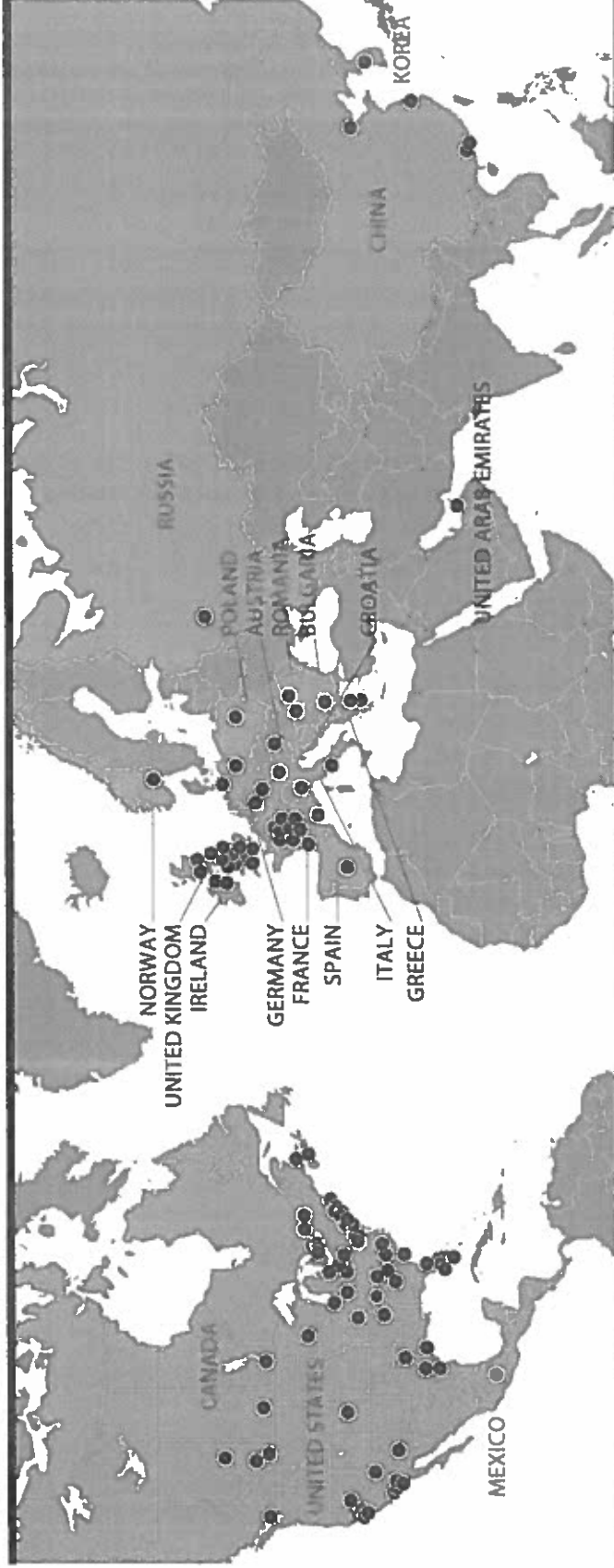
Contact

Main # 613.567.2680
Fax # 613.567.2671

Professional Memberships & Licenses

Avison Young Commercial Real Estate (Ontario) Inc. hereby certifies that Thomas Brethour, Broker, Vice-President and Ed Belanger, Sales Representative, Vice-President (AY Team) are licensed Realtors registered under the Real Estate and Business Brokers Act, 2002. Including all applicable license, insurance, permits & bonding.

Avison Young | Company Profile



At-a-Glance:

- Founded in 1978 as Graeme Young & Associates of Edmonton; merged with Avison & Associates in 1996 to form Avison Young.
- In 2009, began international expansion. Today operates in 20 countries, including 15 offices in Canada, 59 in the U.S., 18 in the U.K. and 5 in Germany.
- Recognized for the last eight years as one of Canada's Best Managed Companies. Named #1 among Fastest-Growing Companies (Large Companies) in commercial real estate in 2016 for second time by Real Estate Forum.

Key Statistics:

	2008	2019
Real Estate Professionals Avison Young professionals include licensed brokers, property managers, financial analysts, research professionals and marketing specialists	300	5,000
Number of Offices Overseas expansion began 2014	11	120
Property Under Management (million square feet) We service tenants, lease space, manage capital and operations, report financials and manage cash flow	15 msf	290 msf

Avison Young | Company Overview

TRANSACTION MANAGEMENT

- Portfolio Management
- Site Selection
- Acquisitions and Dispositions
- Lease Restructuring
- Brokerage Process Management
- Tenant Representation
- Landlord Representation
- Market Research/Intelligence
- Financial Analyses/Modeling

PROJECT MANAGEMENT

- Budget and RFP Development
- Site Evaluation & Construction Expertise
- Contract Negotiation
- Project Scheduling & Reporting
- Cost Analysis & Value Engineering
- Construction Management
- Project Troubleshooting
- Move Coordination

CONSULTING SERVICES

- Optimization Studies
- Strategic Portfolio Planning
- Real Estate Process Development
- Municipal Incentive Negotiations
- Lease Restructuring

ENTERPRISE SOLUTIONS

LEASE ADMINISTRATION/OPERATIONS

- Lease Abstracts & Audits
- Operating Expense Audit
- Data Management
- Reporting

CAPITAL MARKETS EXPERTISE

- Property Sales
- Corporate Finance
- Note Sales
- Debt, Joint Venture, Structured Capital Sales and Debt
- Investment Advisory
- Asset Monetization
 - Sale-Leasebacks
 - Corporate Asset Sales
- Build to Suit/Acquisition Structuring & Financing
- Asset/Portfolio Strategy & Advisory Services
- Recapitalization

APPRAISAL, VALUATION & ADVISORY

- Asset & Portfolio Valuations
- Research & Market Analysis
- Investment Analysis
- Acquisition & Disposition Strategies
- Litigation Support & Expert Testimony

INVESTMENT MANAGEMENT

- Acquisitions
- Asset management
- Portfolio Strategy
- Capital Repositioning

REAL ESTATE MANAGEMENT SERVICES

ASSET MANAGEMENT

FACILITIES MANAGEMENT

- Building Operations
- Workspace Deployment Strategies
- Strategic Partners & Preferred Suppliers Network
- Reporting Systems & Technology
- Sustainability Initiatives
- Space Planning/Allocation of Space & Furniture
- Maintenance/Security/Administrative Contracts

PROPERTY MANAGEMENT

- Office/Industrial/Retail Property Management
- Financial Reporting & Analysis
- Cost Control & Cash Management
- Tenant & Community Relations
- Lease Administration & Renewal
- Sustainability Strategies & Implementation
- Preventative Maintenance
- Service Provider Selection/Supervision
- Capital & Operating Budget Preparation & Implementation

SECTOR/SPECIALTY EXPERTISE

- Office
- Retail
- Hospitality
- Automotive
- Life Sciences
- Private Equity
- Sustainability
- Industrial
- Multi-family
- Associations and Nonprofits
- Data Centres
- Healthcare
- Senior Housing
- Life Sciences

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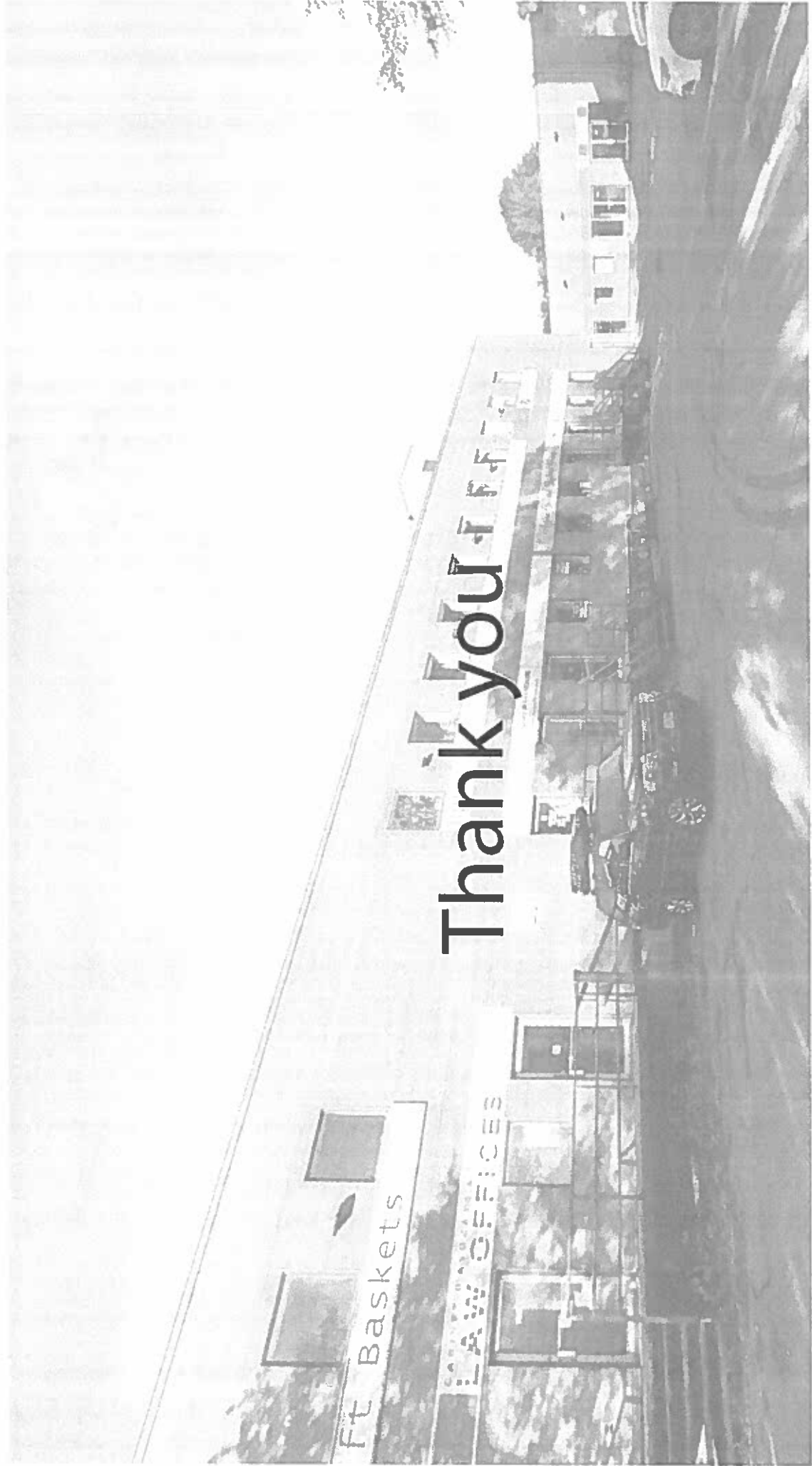
Closing Remarks

Closing Remarks | Why Avison Young?

Closing Remarks

Further to what has been previously described in the proposal, we would like to offer MNP the following points to support Avison Young's candidacy for this important project:

- The Listing Team is comprised of senior members of the company and comprises more than 50+ years of combined real estate experience
- Known for creative solutions and integrated "team approach"
- We have relevant and recent success in marketing similar assets
- We know the active buyers of this product type extremely well
- Exceptional experience in marketing and in protecting our client's interests with a fully documented and supported marketing plan
- Excellent knowledge of the asset and local market
- We can create more value because of our:
 - ✓ Integrated team approach
 - ✓ Thorough understanding of the asset
 - ✓ Ability to demonstrate tremendous potential to buyers
 - ✓ Respected team of professionals
 - ✓ Excellent reputation and cooperation among brokerage community
 - ✓ History of top pricing and successful closings on our clients' behalf



Thank you

Ft Baskets

LAW OFFICES

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YOUNG**

avisonyoung.com

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The information contained herein was obtained from sources deemed reliable, and is believed to be true, it has not been verified and as such, cannot be warranted nor form any part of any future contract.

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COMPANIES**
CANADA
2019
FRANCOIS PERRELL

8



STRATEGIC ADVISORY & DISPOSITION PROPOSAL

112 NELSON STREET, OTTAWA, ON

September 2019



Executive Summary

Jones Lang LaSalle ("JLL" and/or the "Advisor") is pleased to present to you this Strategic Advisory and Disposition Proposal in connection with 112 Nelson Street, Ottawa, ON or the "Property". We believe JLL is best suited to assist with the disposition of 112 Nelson Street.

Our recent and relevant experience transacting multifamily rental properties and development land in Ontario, provides JLL's Multifamily team with strategic investor insight and the most current market knowledge. The key stones to our marketing approach are:

The Keystones to our Marketing Approach Are:



Most Relevant Experience in the Market Place

The Multi-Residential Advisory Group has a long, currently active and unparalleled history within Ontario's Multi-Residential Investment Market. We have sold 37 properties for \$870mm in Ontario since the start of 2017.



Highly Professional Marketing Materials

The content and quality of the information we deliver will be dependable and aesthetically savvy, second to none in the industry.

Telling a Story

We believe that every transaction has a unique story. Our ability to articulate the value proposition and sell it in a credible and concise manner is fundamental to creating the emotional attachment to a transaction that can generate pricing that exceeds economic value.

Our story will focus on the demand drivers of the market, the quality of the property & potential for significant future revenue growth.



1. High Demand for Quality Located Residential Land in Downtown Ottawa
2. Proximity to University of Ottawa and Byward Market
3. Potential Student Housing Development Opportunity



Transparency Delivers Certainty

The key driver of the campaign will be direct investor contact through personal presentations made by the JLL team. Our verbal and written communication with prospective investors will be consistent and accurate, built upon a deep understanding of the Market, the Property, the underwriting, and the requirements of each prospective investor. Our technical understanding is likely unparalleled in the industry. We recommend providing access to a digital data room, complete with due diligence materials, to encourage unconditional offers, or at minimum to help us better qualify candidates. Frequent reporting and open dialogue with you will facilitate making the best decisions collectively throughout the process, to avoid surprises and to most effectively position the Property.

Engagement

Experience has taught us that every investor must be engaged and made to feel that this offering is ideal for them. This means that there cannot be a generic approach to marketing. Rather, we will ensure that we understand each prospect's priorities and frame the pitch to highlight exactly what is appealing about the Property to them.



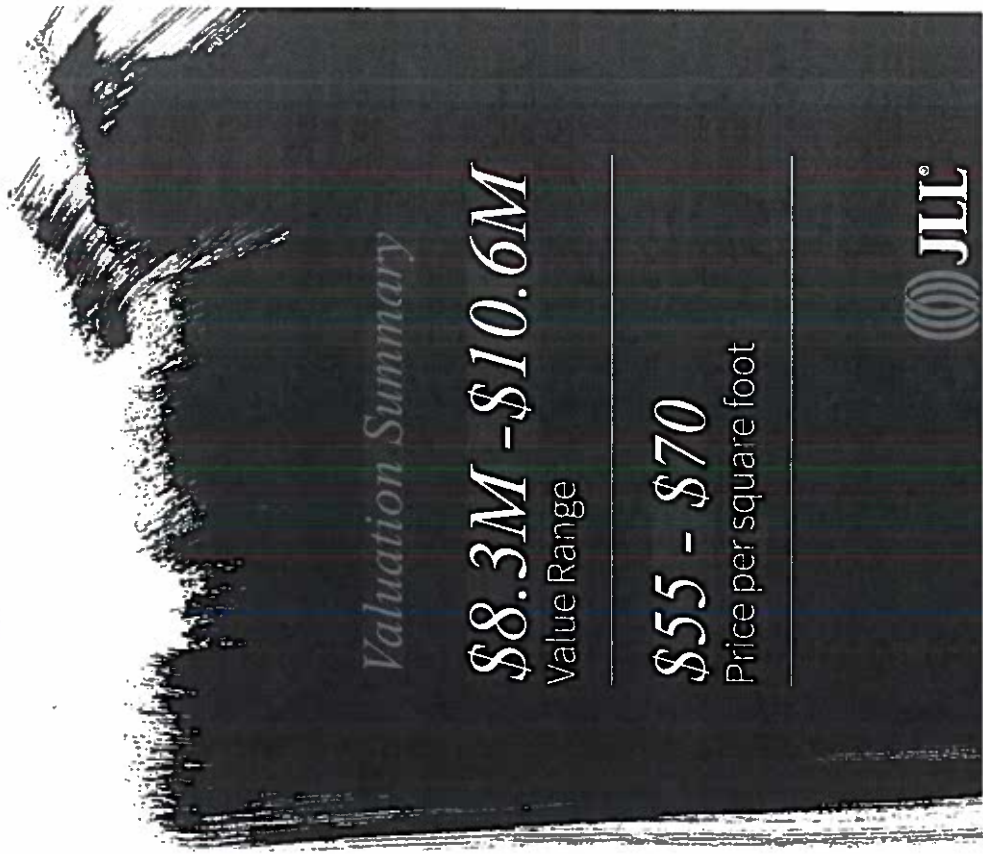
Access to Foreign Capital

JLL's National Capital Group ("NCG") is a dedicated team of experienced capital markets professionals who specialize in facilitating national capital flows and investment transactions. Our national footprint and deal track record provide us access to a deep buyer pool of groups seeking investment opportunities throughout Canada.



Timing Preferred

Due to current market conditions and a relative lack of product and tremendous appetite we strongly recommend to immediately begin marketing 112 Nelson Street.



Valuation Summary

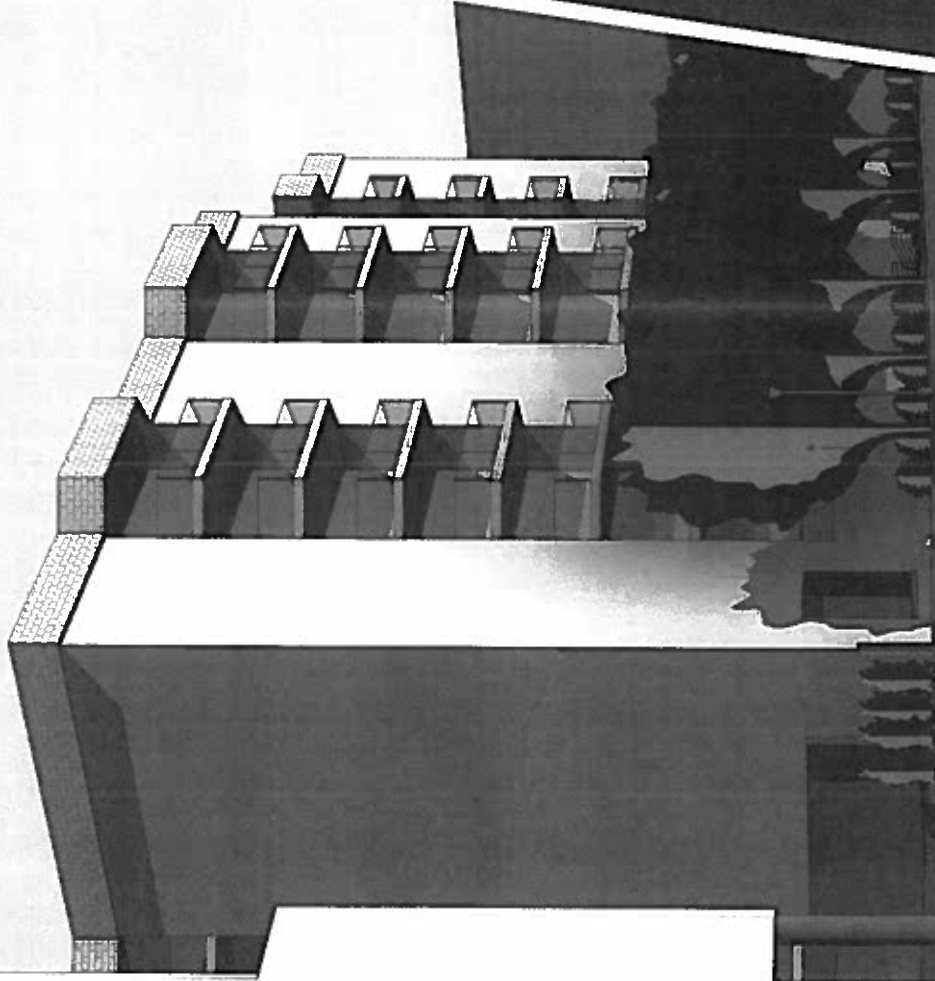
\$8.3M - \$10.6M
Value Range

\$55 - \$70
Price per square foot



Contents

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II. Our Analysis	/15
III. Valuation	/33
III. Marketing Strategy	/37
IV. Execution	/43
Appendices	/47



1. Why JLL?



Why JLL?

The following are compelling reasons that differentiate JLL Capital Markets, Multifamily Ontario, and why you should place your trust in us.

1 Multiple Highly Qualified Specialists

- **Different strengths:** Both Michael and Earl are fully engaged on all active projects. By having two senior EVP's, we are able to maximize our knowledge base, strategic insight and relationships. We typically have different responsibilities and get involved at different stages in the transaction cycle. Along with our associates Max and Mike, and our Marketing Coordinator Catherine, we make a formidable team!
- **We mesh with all character types:** Our partnership brings to the table two very different personalities. Although Michael handles most of the client interaction, there are some people that prefer to work with Earl. Further, there are times within a transaction when we can be more valuable together and leverage each other's strengths accordingly.
- **Time Management:** We pride ourselves on taking the necessary time to engage all prospective buyers: to answer all questions, to return all calls, and to spend the appropriate time touring each candidate.
- **No down time:** With two senior highly qualified specialists, we can assure our clients that there will be no downtime due to sickness, family emergencies etc. Upon an unforeseen event that may pull one of us away from the business, there will be no gap in the momentum.

2 Diverse Buyers

If you review our record of sales, you will see that we have sold to a plethora of different buyers and buyer types. Some of our most motivated prospects on one listing may have finished second or third on another. Our allegiance is to our client and to ensuring maximum value is achieved, and with minimal risk. Further, we encourage all buyers, despite their previous reputations or experience to participate, but we evaluate and manage their activity based on said experience.

In 2018 alone, we completed transactions with and worked on behalf of the following parties:

- Akelius
- Starlight
- Medallion
- Homestead
- Sun Life/Bentall Kennedy
- DayPart
- Minto
- CapREIT
- Realstar
- Kingsett
- Marlin Spring
- MNP
- KSV
- NJS Capital
- Many other private investors

Why JLL?

3 Global Capital Group (GCG)

JLL offers a dedicated multi-national team (GCG) to market listings to global investors. In addition, the GCG will internally reward the global advisor, without taking any commissions from the lead advisory team to facilitate these introductions. JLL is the only CRE brokerage firm that offers this service.

- Dedicated cross-border team
- Unrivaled access to global capital
- In-depth local knowledge

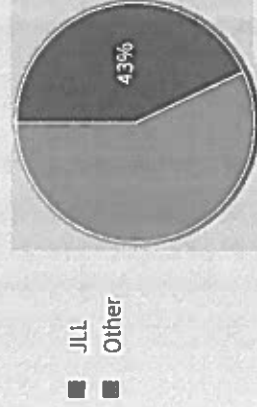
4 Passion, Commitment, Integrity

We continue to grow our business each year, and we plan to maintain success for a long time. As such, we cannot afford to make mistakes, or to cut corners. We attempt to prove ourselves on every listing mandate. We have not burnt bridges with any prospective buyers, and we ensure that all parties are treated with respect, with the ultimate objective of managing a fair and transparent process that maximizes value for the Seller, while maintaining lasting relationships to ensure engagement in future assignments.

5 The Starlight Factor

In 2018 alone, Starlight Investments acquired \$1.06B (\$465M were brokered) of multifamily properties in the GTA, representing 45% of all multifamily sales. Starlight remains the most active investor in Canada, moving into 2019.

In 2018 & 2019, JLL accounted for more than \$200M (780 suites) of sales to Starlight, which accounts for 43% of all brokered acquisitions. We currently have another \$55M ready to close or under contract with Starlight. Our relationship with Starlight's team remains very tight, and they rely heavily on us to provide them with supply, often reaching beyond rational valuations to maintain the relationship. Starlight Investments is one of the most likely buyers given their activity in the market, and we are the best choice to push them beyond academic rationale.



6 Engagement

Investing in investment grade is difficult. It requires substantial time and capital on behalf of the investor to attempt to acquire, often with empty results. As such, we believe creating engagement is critical to managing a successful marketing process and generating numerous alternatives for the Seller. We ensure that each prospective investor is given the appropriate respect, and that they will believe that they have a legitimate opportunity of acquiring the respective Property. Individually guided property tours, spending time meeting and speaking with investors, and the consideration of LOI's in the first round are all critical to creating an engaging environment to facilitate the production of numerous competitive offers.

7 Clear Communication

Our depth of physical analysis, financial underwriting and qualification of buyers is unmatched.

Since 2017, our team has closed on \$629.8M of Properties, of which were conditionally sold for a total of \$630.4M (99.9%). We have not conditionally sold any other properties that did not close. The detail and accuracy provided within our CIM is unmatched. We provide complete and articulate information to all prospective investors, in a manner whereby we maintain control so that their offers may be qualified and to reduce any risk of adjustment upon due diligence.

Clear communication extends to ensuring all prospects understand the marketing process and the expectations throughout. Detailed reporting and ongoing communication with the Seller is also critical to maintaining transparency and to delivering on expectations.

8 Flexible Market Strategy

Each Property must be marketed accordingly based on its location, positioning, market timing, opportunities and threats, rather than trying to fit a square peg in a round hole. Our objective is to create a strategy collectively with the Seller that is intended to maximize value and minimize risk. To add, the appearance of our marketing materials is unique for each mandate, and does not represent our corporate colours, but are selected to best represent the nature of the Property in question. The investment community will see a new fresh brand for each mandate from the first "Coming Soon" email until the final "SOLD" announcement.

Focus, Leverage, Relationships

We're all about focus. Our team focuses on being the best in our business, we focus on our relationships with the world's capital sources, we focus on the trends that make our industry tick—but most of all, we focus on you, our clients. *With global access to thousands of foreign and domestic investors, we can showcase your assets to a vast, diverse pool of attractive buyers.*

Highlights

9 multifamily offices across Canada

+100 Ontario multifamily properties sold since 2010

\$1B+ Ontario multifamily deal volume since 2010

2,756 ON multifamily units sold in the last 24 months

Core Team Members

A team with the investor relationships, complementary experience and market insights to deliver the highest pricing

Team Leads - Ontario



Michael Betsalel
Executive VP, National Multifamily Lead

- Creates the buzz
- Draws investor interest
- Sells the story/dream
- Pushes buyer pricing



Earl Kufner
Executive Vice President

- Oversees day-to-day process
- Detailed physical/financial underwriting
- Manages due diligence process
- Drives and generates offers

Execution Team - Ontario



Dave Johnston
Senior Sales Associate

- Ottawa Market Analysis
- Underwriting



Max Klein
Associate

- Financial modeling
- Market Research
- Underwriting



Catherine Minogue
Marketing & Project Specialist

- Crafts marketing collateral
- Prepares offering memorandum
- Manages data room

National Capital Group



Matt Picken
Executive Vice President

- Ensures national exposure
- Prequalifies foreign investors

Debt Capital



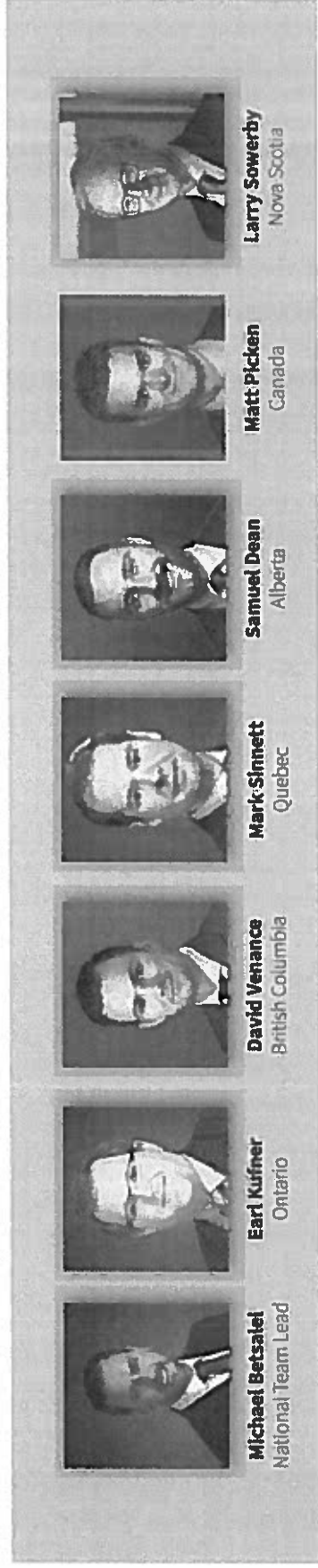
Alison Chave
VP & Practice Lead

- Provides innovative debt solutions
- Develops financing strategies
- Secures debt quotes

National Multifamily Team

Our team members work in cooperation with local real estate specialists to ensure local investment communities are well exposed. We therefore have the ability to leverage JLL's extensive resources through highly fluid inter-company communication networks, as well as marketing and research support.

Our senior Canadian Multifamily team members consists of the following individuals:



A Unified Platform Focused on Results

Our collaborative, team based approach maximizes outcomes for clients and gives them seamless access to our national and global resources.

We have the market knowledge and experience to provide timely local market intelligence having represented buyers and sellers across the country. Our true advantage is our unique connection to localized and regional players and ensuring all logical buyer groups are represented.



Unmatched Global Reach

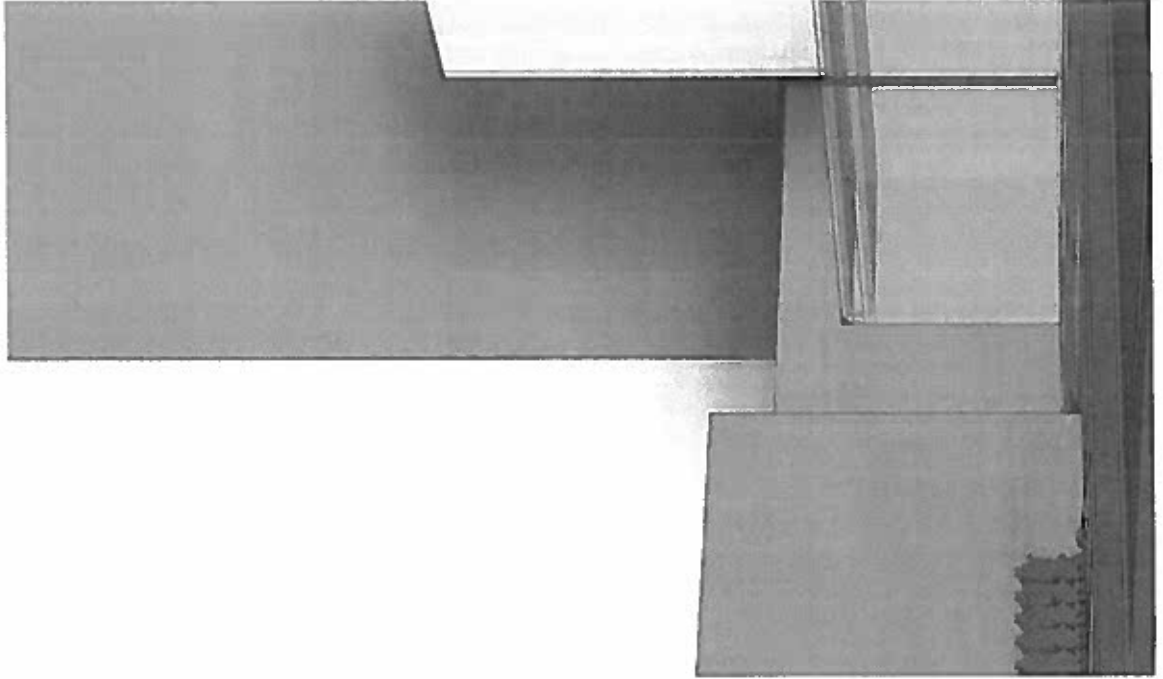


11. Our Analysis



112 Nelson Street, Ottawa Ontario

Residential Storeys	9
New Residential Suites:	176
Structure Size	151,392 SF
Maximum Building Height	9 Storeys
Lot Coverage:	73%
Parking Stalls:	66



The Location

Canada's capital, Ottawa, is often ranked as one of the most livable cities in the country. Located in the eastern portion of southern Ontario and at the Quebec border, this historically and politically significant city is home to 934,243 people and covers roughly 2,778.13 km², making it geographically larger than Toronto, Montreal, Vancouver, Calgary, and Edmonton combined. The city has a robust economy and features many historical national sites and museums.

Demographics

Ottawa borders Gatineau, Quebec, and the two, along with smaller municipalities, form the Ottawa-Gatineau census metropolitan area (CMA). The total population of the Ottawa-Gatineau CMA was approximately 1.3 million in 2016. The population of the City of Ottawa and Gatineau were 934,234 and 276,245, respectively. The population of the Ottawa-Gatineau CMA is projected to grow to 1.8 million by 2036, with the City of Ottawa accounting for 70% of the increase.

Historically, and to this day, foreign immigration has been the primary driver leading to population growth in Ottawa. The senior population (65 years and older) was roughly 15% of the population in 2016, slightly below the 17% Canadian average. By 2031, seniors are expected to make up 20% of Ottawa's population.

Ottawa is also the most educated city in the country, as over 50% of the population has graduated from some form of post-secondary education. The city has the highest group of engineers, scientists, and PhDs in Canada, as well. Along with well-paying employment prospects, it is this academic environment which has been attractive to new migrants.



Economy

The residents of Ottawa enjoy a strong and diverse economy. In fact, as per Statistics Canada, in 2015, Ottawa had Canada's second-highest median total income by family at \$104,070, second only to Calgary's \$104,410.

Ottawa's economy is dominated by public-service (government) and as such, many of the country's federal departments are headquartered in the Ottawa-Gatineau CMA. In the early 2000s, Ottawa has long been a blossoming tech-hub, dating back to the rise of Cognos. Although this characterization declined over time, the city has recently seen a resurgence in the sector. According to a 2016 Expert Market survey, 71% of respondents stated that they would start their technology businesses in Ottawa. Numerous technological companies are based in the city, including Corel, Mitel, Shopify, and Adobe Systems Canada. With headquarters in Ottawa, Shopify has been the recent star of the Ottawa technology sector, with 4,000+ employees and continued expansion across the city and the rest of Canada.

Major Developments

As the population of Ottawa is expected to grow past 1M, the city has large-scale plans for development and revitalization in the urban area and the suburbs. Some of these plans are noted below and mainly pertain to recreational and retail space, along with public transportation enhancement & expansion.

LeBreton Flats

The National Capital Commission listed LeBreton Flats, a 21-hectare area west of the Parliament building, along the Ottawa River. Currently proposed is a major event centre, cultural meeting place with a capacity for 28,000 people, a community rink, a multi-use sports facility, appealing public space, a pedestrian concourse area with an experiential digital pathway, affordable housing, easy access to the LRT system, and other public realm features. (Developer: NCC)

Tunney's Pasture

Located roughly 4km west of the downtown core, Tunney's Pasture is a 49-hectare site by the Ottawa River. There is a 25-year plan for the future developments of the site, which includes a community with about 3,700 residential units, over 20,000 employment opportunities, retailers, and 1 block for a major community park. (Developer: Government of Canada)

Lincoln Fields

Lincoln Fields is a 45-year old shopping centre waiting to be redevelopment. RioCan, Canada's largest real estate investment trust, has been seeking public opinion, whether it pertains to retail, residential, or recreation. (Developer: RioCan)

Westgate

In March 2017, Ottawa's planning committee approved redevelopment for the Westgate Shopping Centre, which consists of 5 mixed-use towers, and public space. (Developer: RioCan)



Education

The University of Ottawa and Carleton University are the primary universities in Ottawa, totaling 73,140 total enrolled students between the two institutions. The city also has 2 public colleges, Algonquin College and La Cite Collegiale.

Culture & Tourism

Being the capital of the country, Parliament Hill, has always been a key site for both locals and tourists. In addition to national politics, events for notable individuals and celebrations have been arranged at Parliament Hill.

Ottawa is home to more than 10 different museums, the most renowned being the National Gallery of Canada, the Canadian War Museum, the Canadian Museum of Nature, and the Canadian Museum of History (the most popular museum in Canada). Based on the city's extraordinary history, it is not surprising that the city has 25 National Historic Sites, including the Rideau Canal, the oldest operating canal system in North America. In the winter the Canal serves as the worlds largest skating rink at 7.8 kilometres. Open 24 hours it serves as a popular tourist attraction and recreational area and is also the focus of the Winterlude festival.


Various annual festivities and events take place in Ottawa each year. Some of these include: Winterlude (Canada's largest festival), Bluesfest, the Canadian Tulip Festival, the Ottawa Dragon Boat Festival, the Ottawa International Jazz Festival, Fringe Festival, the Folk Music Festival, the Canada Day celebrations on Parliament Hill.

Byward Market

The city's Byward Market ('the Market'), one of Canada's oldest and largest markets, is the primary location for shopping, restaurants, professional services, and the arts.

The market brings together several types of artists and farmers, who have over 260 stands, in addition to over 600 businesses. It is estimated that 50,000 people visit the market every weekend during the summer months, making it Ottawa's leading tourist attraction.

A robust amount of culinary and dining options line the streets, from renowned high-end restaurants to casual diners, the Market has it all. Independently-run boutiques, shops and galleries are around every corner in the Market. Sussex Drive, known for its abundance of high-end offerings and international flare is a focal point of the Market, driving tourism to the area. In the evening, the neighbourhood's many pubs, bars and clubs fill up with patrons, and in the warm months, the many outdoor patios providing the perfect setting for a summer night.



*from renowned
high-end
restaurants to
casual diners, the
Market has it all*

Ottawa Investment Market Overview

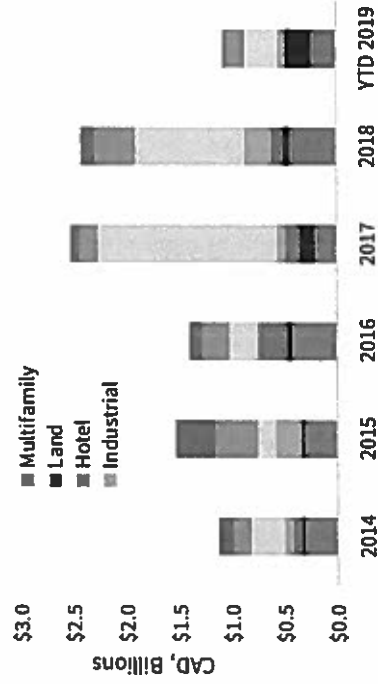
At the mid-point of 2019, the Nations Capital has seen over \$1.2 Billion in investment volume, the highest level recorded over the last five years. The newly constructed Confederation Line opened to the public September 14th, 2019. This marks the beginning of a new era with the addition of LRT to the Capital. With federal elections set to take place October 21st, 2019, landlords and tenants in Ottawa will be keeping a close eye on the outcome and how it will impact the local CRE market.

Pricing for CBD Ottawa, class 'AA' office reached record levels in 2018 at an average of \$457 psf, which represented a 6% growth year-over-year, with an average cap rate of 5%. Since the beginning of 2019, pricing has decreased slightly, with the average sale price positioned at \$445 psf with an average cap rate of 5% as of Q2-2019. Bentaill Kennedy's purchase of a 50% stake in the SunLife Financial Centre (99 Bank Street & 50 O'Connor Street) from AIM-Co for \$207 MM, gives them a 100% interest in the property. The sale accounted for 27% of the total investment volume in Q2 2019.

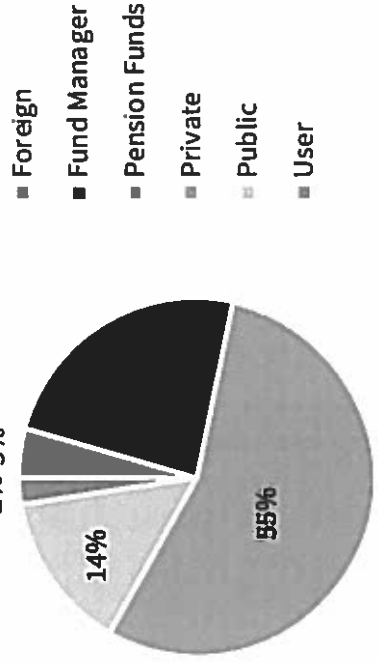
Multifamily investment in Ottawa recorded over \$200 MM in investment volume so far in 2019. Alongside Dream securing the Federal government as their first major office tenant, they have also announced a 24 storey, 252 bed building with a Common, a New York-based developer. The development will be a mix of co-living, suites and apartments, a first of its kind in Ottawa. 473 Albert Street, which is a 130,000 sq. ft. class C building located in the CBD, was purchased by InterRent REIT with the intention of re-purposing the asset the apartments.

Industrial real estate investment in Ottawa has reached over \$100 MM in the first half of 2019, marking the second straight year Ottawa has surpassed the \$100 MM mark at the mid point of the year. Vacancy rates in the industrial sector continues to trend towards historic lows. There is currently only 90,000 sq. ft. of space under construction with a large portion expected to be absorbed prior to completion. The spread between CBD, class 'AA' office cap rates and Suburban, class 'A' cap rates in 2019 is 120 bps, which equates to a 10 bps increase year-over-year.


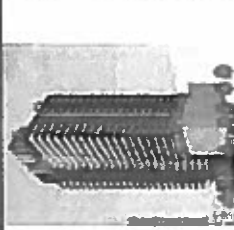
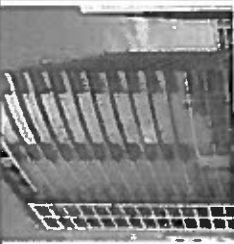



Ottawa Historical Real Estate Investment Volumes



Ottawa Buyer Profile: YTD 2019

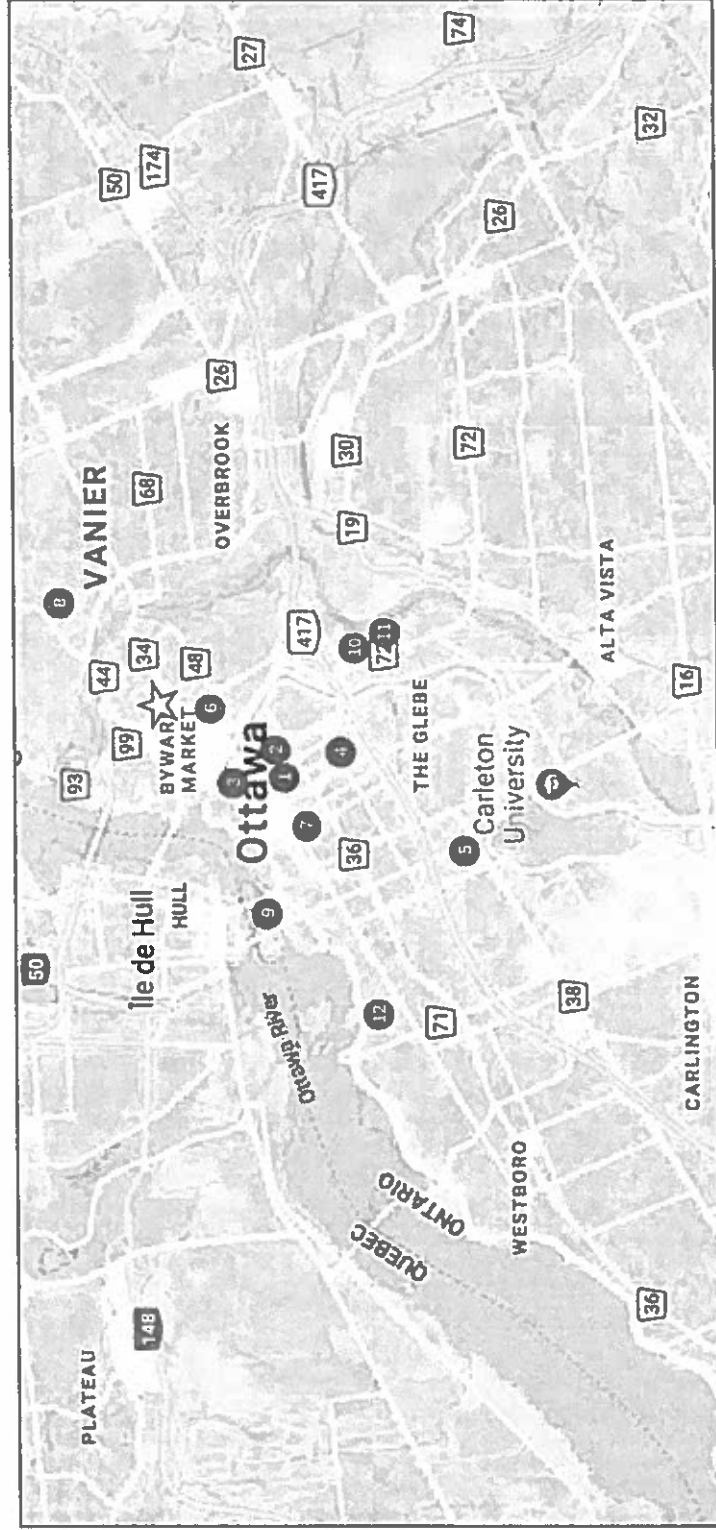


Incoming Supply

Property	 1. Claridge Onyx	 2. Nepean Tower	 3. reResidences	 4. Soba Ottawa	 5. Claridge Icon	 6. Claridge Royale
Address	287 Lisgar Street	96 Nepean Street	101 Queen Street	203 Catherine St	505 Preston Street	245 Rideau Street
Developer	Claridge Homes	Claridge Homes	Ashcroft Homes	Lamb	Claridge Homes	Claridge Homes
Type	Apartment	Apartment	Condo	Condo	Condo	Condo
Size	108 units	207 units	95 units	236 units	320 units	222 units
Avg. Rent	N/A	N/A	\$970,548	\$425,923	\$348,000- \$1,550,000	\$243,000- \$1,100,000
Comments	<ul style="list-style-type: none"> •Occupancy Aug 2019 •16 Storey Tower •Apartments rentals in Centretown •community room & gym 	<ul style="list-style-type: none"> •Est completion in 2019 •27 Storey Tower •gym, lounge, rooftop gardens 	<ul style="list-style-type: none"> •Occupancy in 2019 •18 Storey Tower •1 to 2.5 bedrooms; 475 sq. ft. to 2,275 sq. ft. •Average list price \$934 per sq. ft. •Amenities include theatre, party room, gym & spa 	<ul style="list-style-type: none"> •20 Storey Tower •Bachelor to 2.5 bedrooms •Projected occupancy early 2019 •Average list price \$522 per sq. ft. •Amenities include party room, pool & concierge 	<ul style="list-style-type: none"> •Occupancy Oct 2020 •Ottawa's tallest tower •45 stories •1-4.5 bedroom units • pool, yoga studio and games room. 	<ul style="list-style-type: none"> •Est completion 2023 •26 storey tower •New condo development in the Byward Market

Incoming Supply

Both single family suburban and urban condominium development have been witnessed unprecedented growth in the recent past. Currently, there are almost 1,900 downtown condo suites under construction or about to break ground that will be delivered within the next three years. Although slow by Toronto standards, both population growth and reverse migration from the suburbs to the city has created substantial demand for vertical housing that will likely not slow into the near future.



- 1 287 Lisgar Street
- 2 96 Nepean Street
- 3 101 Queen Street
- 4 203 Catherine Street
- 5 505 Preston Street
- 6 245 Rideau Street
- 7 383 Albert Street
- 8 135 Barrette Street
- 9 6 Booth Street
- 10 175 Main Street
- 11 166 Main Street
- 12 121 Parkdale Avenue



112 Nelson Street

III. Valuation



Value Trends

South West & East Ontario

While the Greater Toronto Area residential does not directly predict the outcome of a sale in the Ottawa market, it is still a relevant exercise to assess prior transactions across Ontario that resemble that of the prospective transaction of 112 Nelson ('the Property').

The comparable transactions provide some insight into the valuation metrics for the Subject Property, given that many of them were prior freestanding industrial sites in secondary residential zones that have since been rezoned for residential development. The relevant transactions help garner an idea as to what the Property could be worth upon sale. Many of the sourced transactions are larger than that of the Property, but nonetheless provide relevant fundamental guidelines when valuing the Subject Property.

Only one transaction from the applicable sourced trades was approved for residential development, similar to that of the Property. Many of the noted transactions have subsequently gained approval, but at the expense and risk of the new owner and were factored into the purchase price.

Five of the six sourced transactions are in non-core locations and will serve as relevant transactions on a price per square foot basis in comparison to 112 Nelson. The transaction at 1, 5 & 25 Defries Street shares proximity of date, and is in a similarly located neighbourhood to the Subject Property but the site is worth exponentially more than many others accounted for in the survey given that it is located overlooking the Don Valley expressway at the eastern edge of Downtown Toronto. The true relevance is that it traded at a rate that is 1/3 of prime Toronto and 1/2 of the current average. The remaining five transactions carried an average price per square foot of \$55 and an average price per buildable suite of \$44,862. It is reasonable to assume that 112 Nelson should be on par and/or above the value of these transactions due to its superior relative location and the demand for quality housing in downtown Ottawa.

Ontario

Ontario as a whole has been on a bullish run when speaking to residential development. The continuously growing demand will outweigh our prospective supply for the foreseeable future. This has led to pricing escalations in residential land transactions with continued forecasted growth. In 2019 YTD across Ontario, there is a current average price per square foot of \$92, with a price per buildable unit of \$88,592, illustrating 85% and 92% growth since 2015.

Ottawa

Ottawa has seen steady growth in residential land transactions. Properties in 2019 YTD are trading at an astronomically high rate, much of which can be attributed to the acquisition of 388-400 Albert Street by Westdale Properties & Main and Main at \$187/Buildable SF. Therefore, it is a more relevant exercise to use the relevant 2018 transactions which saw an average price per square foot of \$63, with a price per buildable unit for \$41,101, illustrating 42% and 26% growth since 2015.

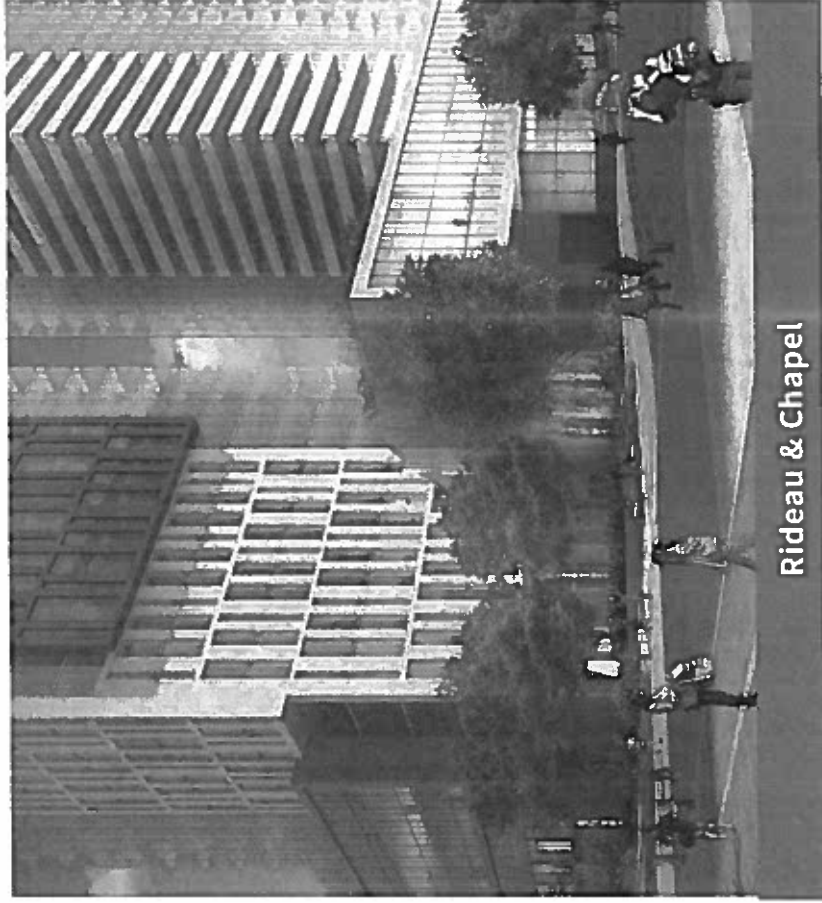
Year	\$/Buildable Sf		\$/Buildable Unit	
	Ontario	Ottawa	Ontario	Ottawa
2019	\$92	\$105	\$88,592	\$76,052
2018	\$73	\$63	\$66,710	\$41,101
2017	\$73	\$31	\$66,918	\$26,622
2016	\$59	\$65	\$53,195	\$48,953
2015	\$50	\$45	\$46,199	\$32,731

Ontario Residential Land Transactions

Property name	1, 5 & 25 Defries St	9700 Ninth Line	4 Tippet Road	30 & 44 Zorra St	6 Tippet Road	2306 St. Clair Avenue West
Sale Date	3/8/2019	11/16/2018	9/28/2018	9/14/2018	9/12/2017	6/19/2017
Municipality	Old Toronto	Markham	North York	Etobicoke	North York	York
Price	\$44,000,000	\$6,500,000	\$12,171,000	\$22,500,000	\$9,500,000	\$9,800,000
Size (Acres)	1.133	0.938	1.667	1.293	1.142	1.178
Price/Acre	\$38,834,951	\$6,929,638	\$7,301,140	\$17,401,392	\$8,318,739	\$8,319,185
Buildable SF	448,980	95,588	270,467	304,054	211,111	\$233,333
Price/Buildable SF	\$98	\$68	\$45	\$74	\$45	\$42
Buildable Units	560	111	349	379	273	267
Price/Buildable Unit	\$78,571	\$58,559	\$34,841	\$59,367	\$34,841	\$36,704
Buyer	Broccolini	Flato Developments	Malibu Investments	Zorra Developments	Malibu Investments	Marlin Spring
Seller	Private	Rouge Park Ter-races Non-Profit Development Corp	Warehouse Properties Ltd.	Private	Irene Holding Ltd.	Kingcrest Investments Ltd.
Zoned Upon Sale?	No	Yes	No	No	No	No
Use Upon Sale?	Three industrial Buildings	Single Family Home & Industrial Building	Freestanding Industrial Building	Two Freestanding Industrial Buildings	Industrial Building	Vacant and Unimproved

Relevant Comparable Transactions

Valuation Disclaimer: Equal value per square foot has been attributed to both the retail and residential components in both of the transactions highlighted below.



**Transaction #1:
Rideau & Chapel - Trinity Development Group**

151-153 Chapel Street is a development site located approximately 650m away from 112 Nelson Street, that was acquired by Trinity Developments in late 2018. The site is 1.87 acres and was previously zoned for two residential towers, amounting to 26-storeroys and 28-storeroys. The proposed towers housed a combined 586 residential units as well as 73,464 square feet of retail space. The proximity of this transaction to the Subject Property provides insight when conducting an overall valuation. While this was a market transaction, Trinity Developments acquired a 50% stake in the property with Forgestone Capital maintaining ownership of the balance. As such, this may have had a considerable impact on the overall valuation and must be noted when used in comparison to the Subject Property.

Details at the Time of Acquisition

- Transaction Date: 11/20/2018
- Address: 151 - 153 Chapel Street
- Price: \$22,000,000 (Adjusted, 50% stake acquired for \$11M)
- Lot Size: 1.87
- Price Per Acre: \$11,762,561 (Adjusted)
- Buildable SF: 477,745
- Retail SF: 73,464
- Residential SF: 404,282
- Units: 586 (Adjusted)
- Price Per Buildable SF: \$56 (Adjusted)
- Price Per Unit Buildable: \$31,770 (Adjusted)

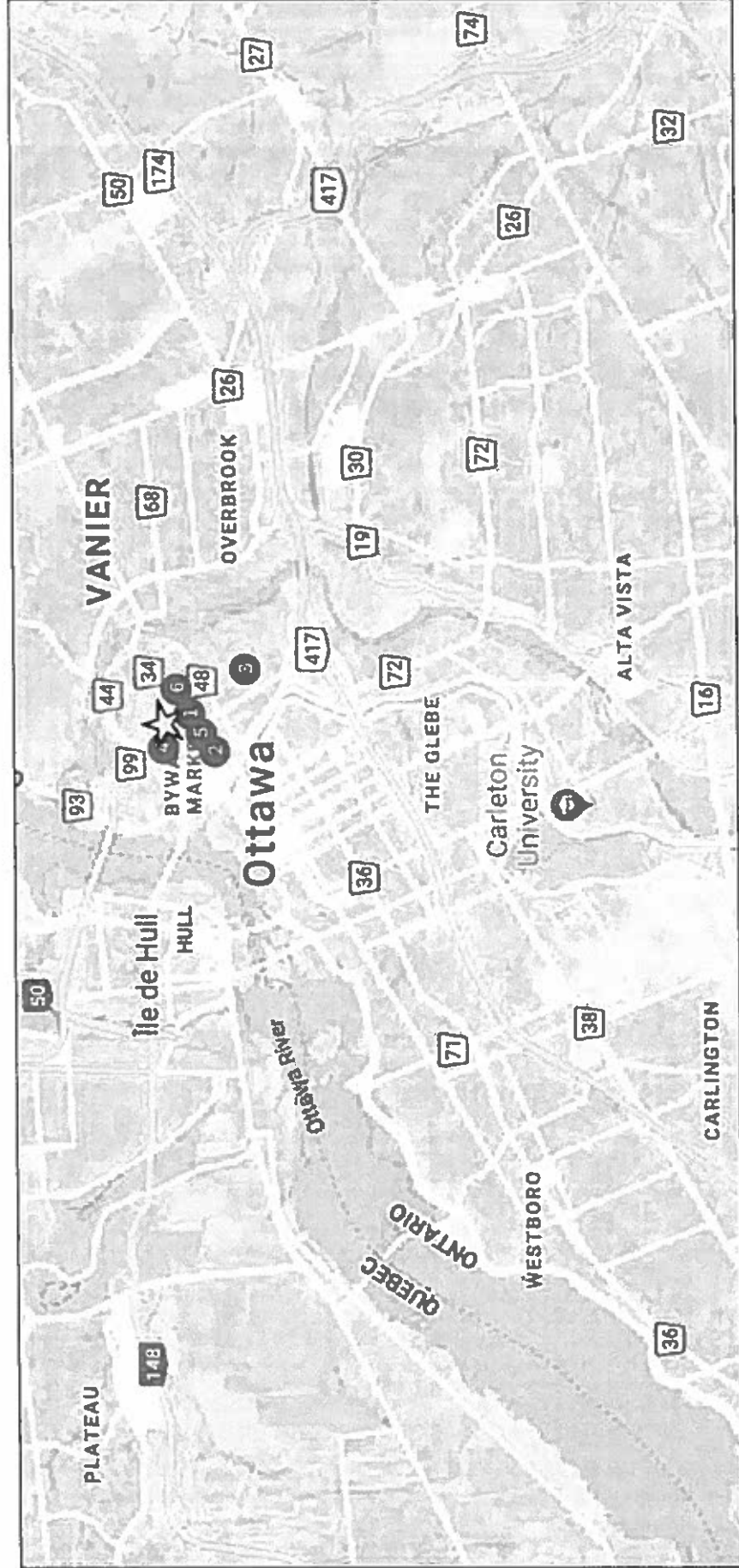
**Transaction #2:
Envie - Ashbury Homes**

256 Rideau Street & 211 Besserer Street is a 0.30-acre site that was acquired by Ashbury Homes in late 2017. The site had an existing site-plan approval and a successful zoning by-law amendment permitting 275 suites, amounting to a gross buildable square footage of 156,862. While the site's proximity to the Subject Property makes it viable as a reference point in valuating 112 Nelson Street, there is a key consideration to be made. The transaction in 2017 was the result of a court ordered distressed sale which may have had implications on the realized value. Nevertheless, the sale was overseen by the receiver and was deemed to have transacted at a fair market value.

Details at the Time of Acquisition

- Transaction Date: 11/27/2017
- Address: 256 Rideau Street & 211 Besserer Street
- Price: \$9,500,000
- Lot Size: 0.30
- Price Per Acre: \$31,250,000
- Buildable SF: 156,862
- Retail SF: 5,694
- Residential SF: 151,168
- Units: 275
- Price Per Buildable SF: \$61
- Price Per Unit Buildable: \$33,291

Recent Ottawa Land Sales



- 1 250 & 254 Besserer Street
- 2 201, 211, 213 & 215 Rideau Street
- 3 407, 411 & 413 Nelson Street
- 4 253-259 York Street & 78-80 Nelson Street
- 5 256 Rideau Street & 211 Besserer Street
- 6 151-153 Chapel Street

★ 112 Nelson Street

Ottawa Residential Land Transactions						
Property name	250 & 254 Besserer Street	201, 211, 213 & 215 Rideau Street	407, 411 & 413 Nelson Street	253-259 York St & 78-80 Nelson St	256 Rideau St & 211 Besserer St	151-153 Chapel Street
Sale Date	4/11/2019	11/7/2018	3/7/2016	9/30/2018	11/27/2017	11/20/2018
Municipality	Ottawa	Ottawa	Ottawa	Ottawa	Ottawa	Ottawa
Price	\$2,500,000	\$12,250,000	\$1,775,000	\$6,300,000	\$9,500,000	\$22,000,000 (Adjusted)
Size (Acres)	0.225	0.304	0.226	0.379	0.304	1.87
Price/Acre	\$11,111,111	\$40,296,053	\$7,853,982	\$16,622,691	\$31,250,000	\$11,762,561 (Adjusted)
Buildable SF	60,976	140,805	16,745	N/A	156,862	477,745
Price/Buildable SF	\$41	\$87	\$106	N/A	\$61	\$46
Buildable Units	99	284	35	N/A	275	586 (Adjusted)
Price/Buildable Unit	\$25,253	\$43,134	\$50,364	N/A	\$33,291 (Est.)	\$31,770 (Est.)
Buyer	Global Realty Advisors	Private	Private	Private	Distressed Sale	Trinity Developments (50% Stake)
Seller	Claude Lauzon Group	TKS Holdings Inc.	Polo Property Management	Private	Ashcroft Homes	Forgestone Capital
Zoned Upon Sale?	No	No	No	No	Yes	Yes
Use Upon Sale?	2.5 Storey Office Building	Retail/Office Building	Single Family Home	Apartment Building	Vacant/ Parking Lot	Single Storey Building

Value Conclusion

Green or brownfield development parcels will always be preferred to site that requires intensification. This is due to the complications of co-occupying a site such as potentially deeper parking structures and shared access and use agreements. All of the development land sales represent sites which are freehold and unfettered by any co-location concerns. As such, with all other location and values drivers being equal, they will fetch a higher price. The top three sales are for condo sites that are located in a well defined and established residential precinct. The evolution of the area is represented by the year-over-year value trend for the two year period beginning in the summer of 2017. Specifically, 256 Rideau & 211 Besserer selling for \$61 per buildable square foot and in the summer of 2018 where 151-153 Chapel Street sold for \$56 per buildable square foot. During the year where the average price for entitled land increased substantially the value for downtown periphery land remained relatively flat, illustrating that although the area is in demand, developers can be fickle when it comes to the relationship between value and location. Nelson Street does not carry the same demand as Rideau Street but recent trends indicate that well located near suburban high density sites in Ottawa will regularly trade in the \$50's through \$70's per buildable square foot.

Given the foregoing comparable sales and considering the unique characteristics of 112 Nelson Street, it is our opinion that the land should be valued in the range of \$55 to \$70 per buildable square foot or \$8,325,000 to \$10,600,000.

Summary of value

\$8.3M - \$10.6M

Value Range

\$55 - \$70

Price per square foot

Strategic Considerations

The following are strategic considerations that we recommend in order to maximize sale proceeds

Investment Capital

Investment capital is streaming onto Canada's Capital City, Ottawa, which is often ranked as one of the most livable cities in the country. Located in the eastern portion of southern Ontario and at the Quebec border, this historically and politically significant city is home to 934,243 people and covers roughly 2,778.13 km², making it geographically larger than Toronto, Montreal, Vancouver, Calgary, and Edmonton combined. The city has a robust economy and features many famous national sites and museums. Ottawa borders Gatineau, Quebec, and although separated by provincial borders, the two cities are home to federal offices, important historic landmarks, and museums. The total population of the Ottawa-Gatineau CMA was approximately 1.3 million in 2016 and is projected to grow to 1.8 million by 2036, with the City of Ottawa accounting for 70% of the increase. Historically, and to this day, it is foreign immigration which has primarily led to population growth in Ottawa. The senior population (65 years and older) was roughly 15% of the population in 2016, slightly below the 17% Canadian average. By 2031, seniors are expected to make up 20% of Ottawa's population. While the population of Ottawa is expected to increase as a whole, the area is experiencing suburban sprawl which continues to put pressure on the transportation system as a whole. Ottawa is also the most "educated" city in the country, as over 50% of the population has graduated from some form of post-secondary education and is home to the highest group of engineers, scientists, and PhDs in Canada. Along with well-paying employment prospects, it is this academic environment which has been attractive to new migrants.

Student Housing Opportunity

As 112 Nelson ('The Property') is in close proximity to the University of Ottawa (U of O) and many U of O Residences, it is not out of the question for a developer to assess the site as a prospective student housing development.

With U of O only being a mere 650m away from the Property, the ability for a student housing developer to come in and acquire 176 units, which could translate to as many as 450+ beds in the student housing universe, the opportunity is something that needs to be addressed. At the corners of Rideau and King Edward, as well as Rideau and Friel, there currently is two major student housing residences occupied by the university. With the success of Envie in Little Italy as well as One Eleven in the Byward Market, there is great demand for more student housing in the Ottawa region, particularly servicing U of O.

The ability for students to be a short walk from campus, all while being surrounded by the hustle and bustle of the Byward Market is an unmatched luxury that many do not get during their undergraduate studies in Canada. Surrounded by restaurants, shops, groceries and more, the Property has everything that student look for in this day and age of purpose-built student accommodations (PBSA). With a lucrative yield offering in PBSA versus other sectors and sub-sectors, it offers a completely different opportunity for prospective investors. Although the number of students continues to rise, it has not been met with the proportionate need in student focused housing. Investors would be able to generate a drastically higher percent more per rent in the PBSA sector, in large part due to the large number of 3+ bedroom offerings that many new student-based accommodations focus on, as well as individual leases for tenants. The years of run-down student housing buildings and 'student ghettos' are over as the demand for student and parents alike for quality student housing is on the rise and here to stay.

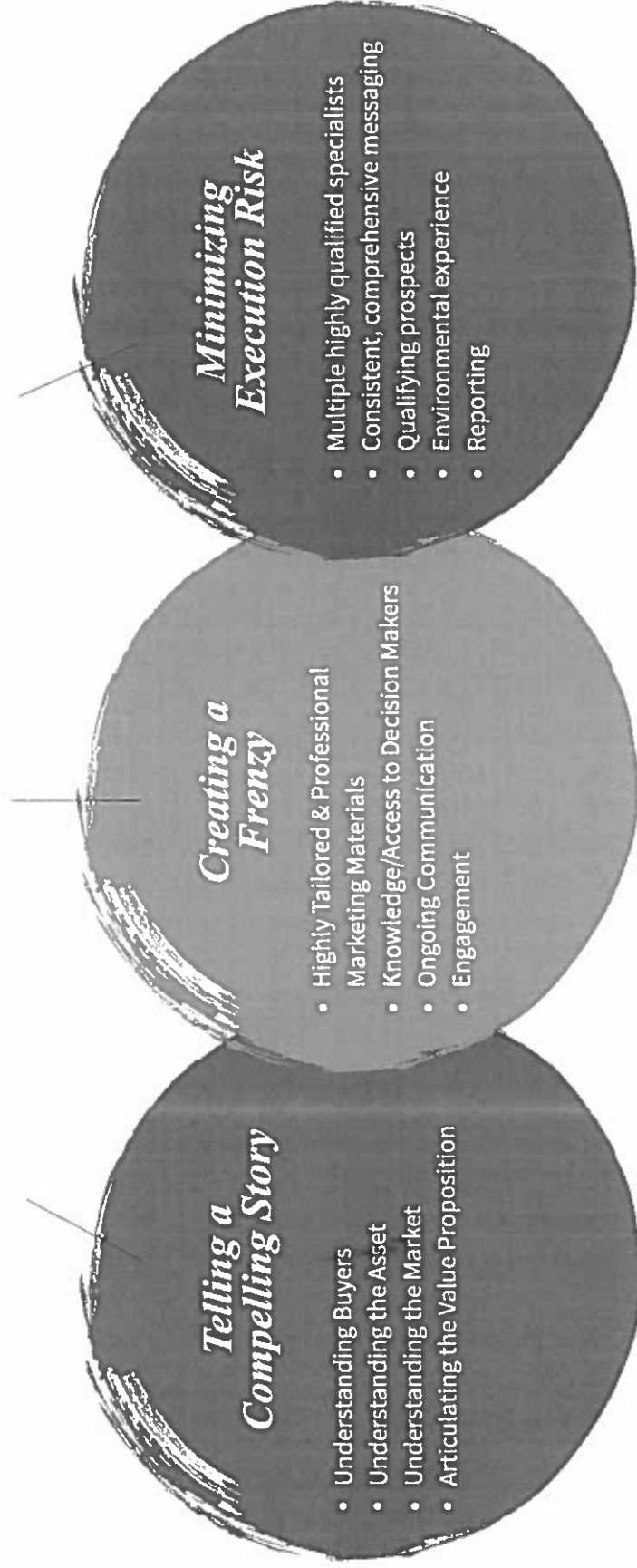
The Property is ideally located for prospective investors to consider the opportunity to develop a PBSA building.

U. Marketing Strategy



Drawing from our extensive experience advising on the sale of investment properties throughout Ontario, we have the ability to generate a value premium for the Vendor by focusing on the following proven critical success factors:

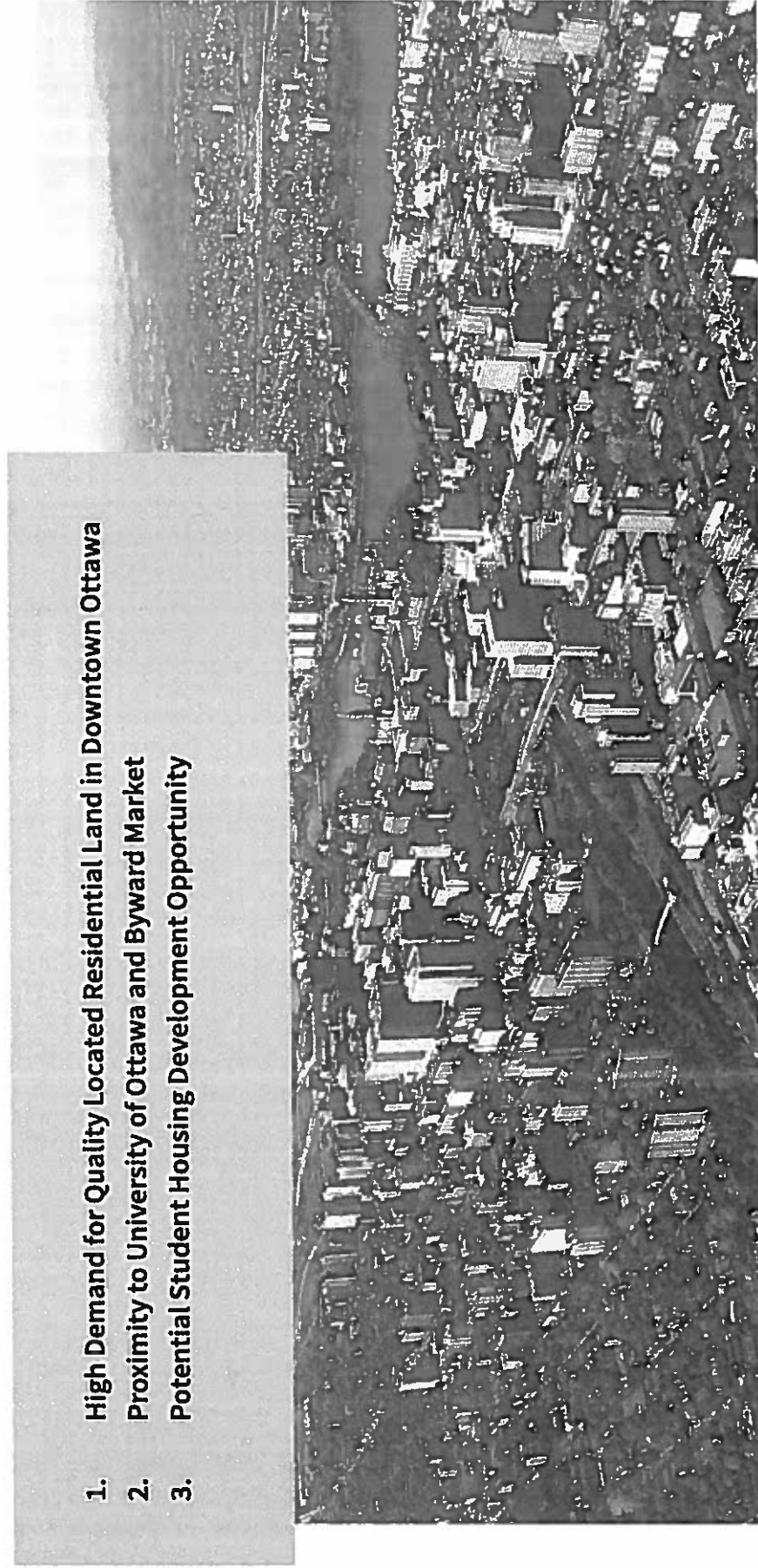
Generating a Value Premium



The Story

Every transaction has a story and the ability to tell it and sell it in a credible manner is fundamental to creating the emotional attachment to a transaction that can generate pricing that exceeds economic value.

1. **High Demand for Quality Located Residential Land in Downtown Ottawa**
2. **Proximity to University of Ottawa and Byward Market**
3. **Potential Student Housing Development Opportunity**

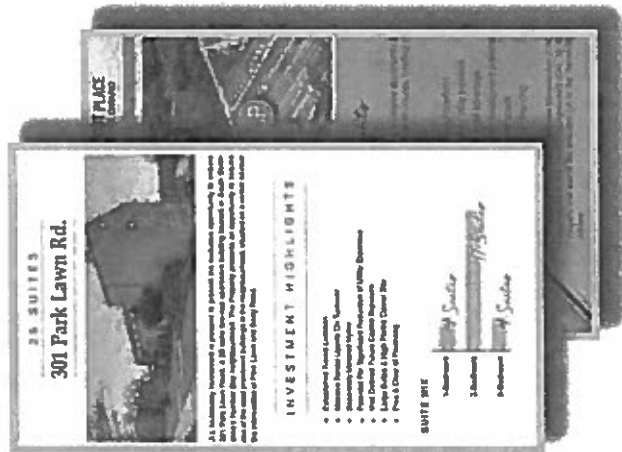


Create a Frenzy

Knowledge & Access to Decision Makers

The Marketing has established pre-existing relationships with top decision makers from the majority of the prospective purchasers, and JLL Investment Services has further depth of relationships throughout Canada and abroad. Our access to these investors and the quality of these relationships will facilitate transparency and participation and will ultimately create a more competitive bidding process. Additionally, the understanding of each prospective buyer's capital source, current motivation and capacity will help deliver the most effective solution for the Owner.

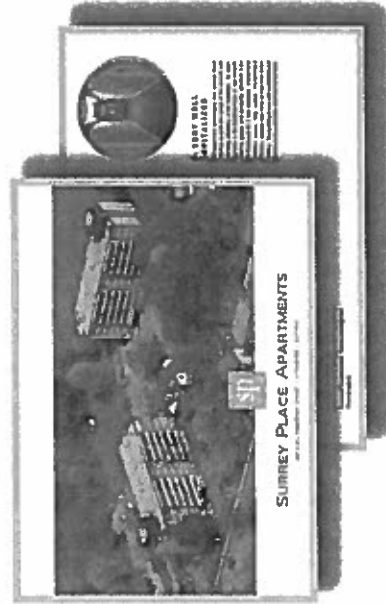
Digital Mail Campaign



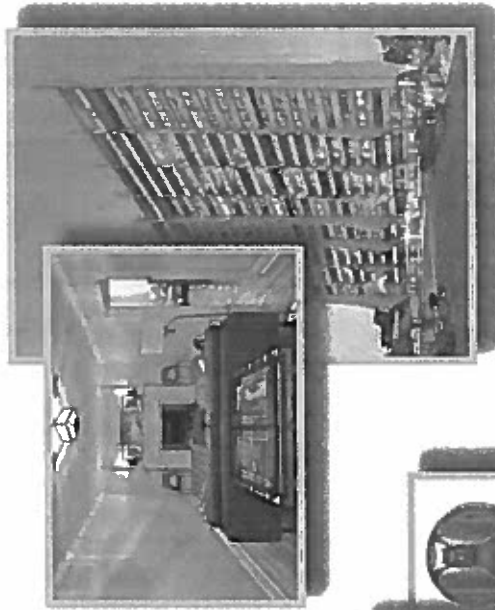
Digital Presence



Printed Customized CIM



High-quality Professional Photography





Direct Mail Campaign

To ensure maximum exposure, JLL will develop custom mail campaigns for specific target groups that highlight the benefits of the offering to them. We have over 5,000 investors in our database.



Print Advertising

JLL maintains a consistent advertising presence in both local and national papers. The Property, will be featured in the Globe & Mail Report on Business two times and the ad will run on their website for 7 days.



Email Campaign

We develop tailored marketing materials to distribute email communications to our extensive database. We are able to track campaigns & gain insight into buyer preferences. This tool broadens awareness and targets the most suitable investors.



Digital Advertising

We leverage our technology platforms and create materials in electronic mediums. We will create featured digital ads for the Property in online publications as needed and prominently display the Property on the JLL Website.



Professional Photography

First impressions matter. Professional photography increases the perceived value of a property by nearly 13%. Particularly for this site, seasonal aerial photography will enhance the impression to investors.



Customized CIM

JLL's in-house project marketing division takes brochures to the next level for commercial properties. We create pieces that drive more awareness, ensure the brand/identity of the client and Properties take precedence and provide all relevant data.



Direct Presentations

JLL will present directly to all possible purchasers as this is the most effective method of not only presenting the opportunity but allowing for immediate discussion with respect to immediate questions and answers.



Online Presence

The Property will be prominently displayed on the JLL.ca website highlighting the benefits of the offering and may be featured on the front page from time to time. We are able to track property campaigns gaining insight into buyer preferences.



Guided Tours

We will personally coordinate tours to convey exclusivity and to present the "story" in its best light, which helps to steer first impressions, and gauge investor response. A member of our team will be present for all Property tours, and necessary inspections.

We are widely recognized for the quality of our materials, thoroughness of our underwriting, high-level of attention to detail, and responsiveness to investors & clients.

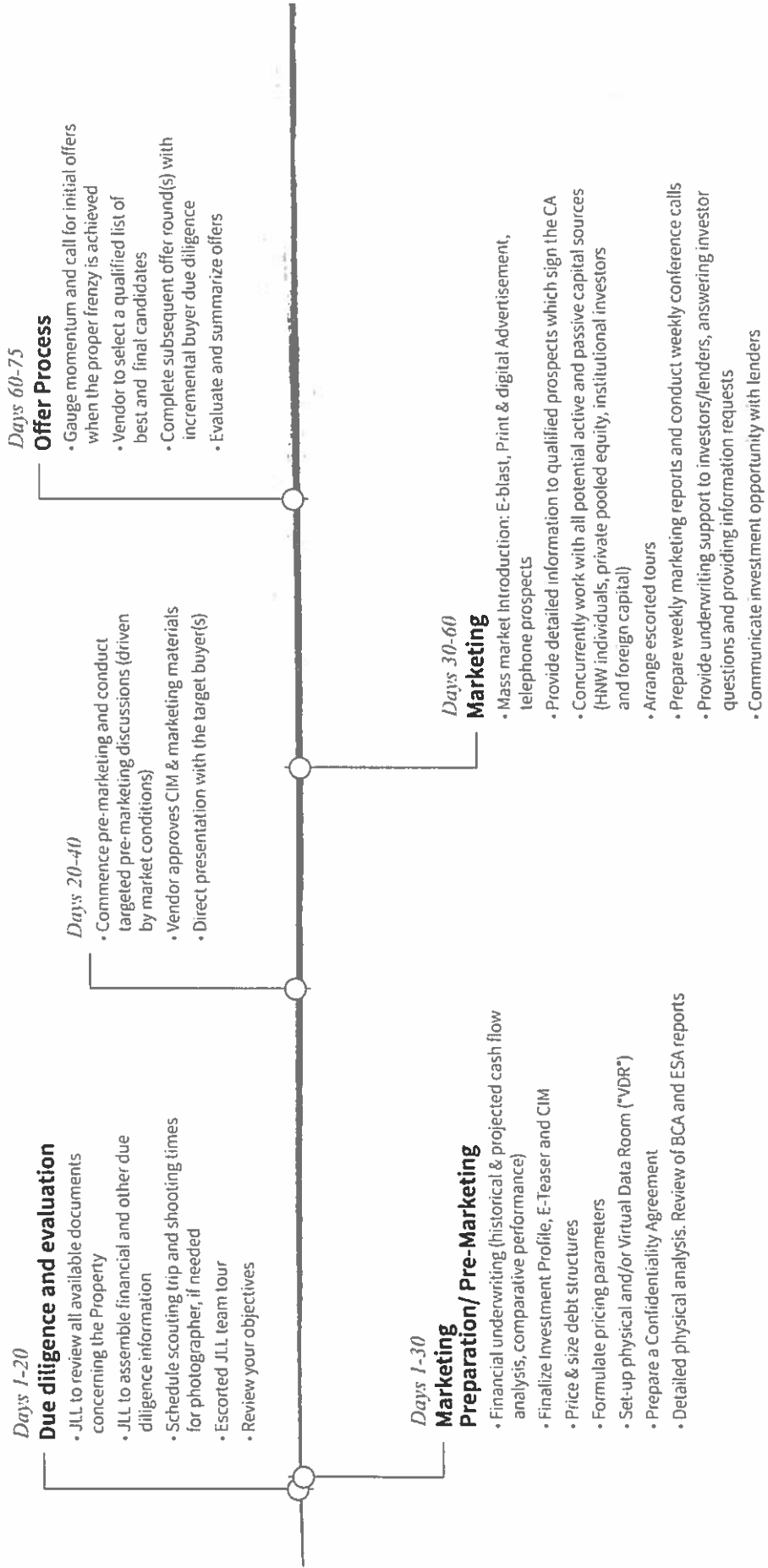
Target The Right Investors

The relative scale and opportunity that 112 Nelson provides should bring in a wide array of interest from institutional owners all the way down to local builders. While Claridge Homes has dominated the Ottawa residential development market as of recent, 112 Nelson will present the opportunity for a prospective investor to acquire the ability to develop 176 units in the Byward Market and in close proximity to the University of Ottawa.

TIER I	TIER II	TIER III
Claridge Homes	GWL Realty Advisors	Roca Homes
Richcraft Homes	Mizrahi Developments	MoxBox Developments
Ashcroft Homes	Sakto Corporation	Gemstone Developments
Main and Main	Taggart Realty Corporation	Uniform Urban Developments
Broccolini	The Regional Group	The Properties Group
BRIGIL	Tomlinson Construction	Katasa Groupe & Développement
Trinity Group	Bassi Construction	Surface Developments
EQ Homes	Realstar	Boulet Construction
Lamb Developments	Manor Park Management	Princiotta Group
	Westdale Properties	Canci Homes
	Mattamy Homes	Campanale Homes

V. Execution

Timeline



Days 80-110

Due Diligence

- Negotiate and execute purchase contract, if necessary
- Investor final due diligence period, if necessary
- Arrange access to the Property for due diligence teams
- Negotiate remaining contract items (some contract issues will be resolved in final bids)
- Maintain readiness of second and third place finishers to ensure buyer performance
- Prepare closing checklist

Days 65-80

Negotiation of Terms

- Summarize offers and make recommendations to you as to subsequent steps
- Negotiate final offer terms

Days 110

Closing

- Unconditional Offer

Days 140-160

Closing

- Assist in Expediting the Purchase & Sale
- Coordinate wiring instructions
- Facilitate investor closing process
- Preserve client objectives, spirit of deal

We are prepared to modify this timeline based on your needs.

Thank you

JLL Advisory Contacts

Earl Kufner*

Executive Vice President

Michael Betsalel*

Executive Vice President, National Team Lead



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Visit us at www.jll.ca *Sales Representative / **Broker

Terms of Engagement

Our proposed compensation structure:

Transaction Fee:	<p>The Success fee is intended to align our ultimate objectives to maximize value. We propose a success fee of 2.5% of the Sale Value plus H.S.T. if the Property is Sold directly. If the Property is sold with the help of a cooperating broker we propose a success fee of 3.0% of the Sale Value plus H.S.T. and offer to pay the co-operating brokerage a commission of 1%.</p>
Term:	<p>Prior to commencing our marketing program, JLL would request a sole Exclusive Agreement to sell for Six (6) months. Once an Offer to Purchase is accepted during the term of our mandate, the term will automatically be extended , if necessary, to coincide with the closing date.</p>
Other Proposed Engagement Terms as Follows	
Holdover Period	120 days
Marketing Expenses	To be borne by JLL

Terms of Engagement

Our proposed compensation structure:

Transaction Fee:	<p>The Success fee is intended to align our ultimate objectives to maximize value. We propose a success fee of 2.5% of the Sale Value plus H.S.T. if the Property is Sold directly. If the Property is sold with the help of a cooperating broker we propose a success fee of 3.0% of the Sale Value plus H.S.T. and offer to pay the co-operating brokerage a commission of 1%.</p>
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Other Proposed Engagement Terms as Follows	
Holdover Period	120 days
Marketing Expenses	To be borne by JLL

9



Bay Adelaide Centre
22 Adelaide Street West, Suite 2600
Toronto, ON M5H 4E3

EXCLUSIVE SALE LISTING AGREEMENT

This exclusive sale listing agreement ("Agreement") is made and entered into by and between MNP LTD. (the "Vendor") without personal or corporate liability and solely in its capacity as Court-appointed receiver and manager of the Property owned by CARLTON CONDOMINIUM CORPORATION 396 and Jones Lang LaSalle Real Estate Services, Inc. (the "Broker") effective as of the 5 day of November, 2019 (the "Effective Date").

RECITALS:

A. Vendor is the registered owner of the land and building municipally known as 5 Majestic Drive, Ottawa, Ontario, and legally described as:

Legal Description: CARLTON CONDOMINIUM CORPORATION 396 (the "Property");

B. Broker is experienced and qualified in the field of property sales and brokerage and is licensed to operate in the Province of Ontario;

C. Vendor wishes to engage the Broker as its exclusive agent in connection with the proposed sale of the Property at an unlisted price, exclusive of commission, payable in full on the closing of the purchase of:

- (a) the Property; or
- (b) the shares in the company that owns the Property.

D. The Broker designates Michael Betsalel and Earl Kufner (the "Listing Broker") to act as the agent of the Vendor in respect of the Broker; and

E. The Listing Broker is experienced and qualified in the field of real estate sales and brokerage and is licensed by RECO to operate in the Province of Ontario;

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, together with other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto, Vendor and Broker do hereby agree as follows:

AGREEMENT:

1. Services of Broker. In consideration for the payment of the sale commissions hereinafter provided, Broker agrees to render the following services (the "Services") (or procure the Listing Broker to render) for the Vendor throughout the term of this Agreement:

- (a) Broker will diligently and in good faith seek to sell the Property on terms and conditions set by or otherwise acceptable to Vendor and subject to market conditions;
- (b) Broker will furnish Vendor with a bi-weekly (or as requested by the Vendor) written report for the Property indicating market conditions, marketing efforts and the identification of all prospective purchasers;
- (c) Broker shall promptly submit all Offers to Purchase with prospective purchasers to Vendor for acceptance or rejection in Vendor's sole and absolute discretion and Broker shall provide direction,



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suggestions and financial analysis for counter offers which the Vendor may or may not agree to consider;

- (d) Broker shall provide the services of the Listing Broker and Catherine Minogue as the dedicated brokerage team in connection with this Agreement;
- (e) Broker shall design and provide certain advertising, marketing and promotional materials for the Property as agreed in writing between the parties;

2. Excluded from the Services. The Broker may assist in the preparation of offer documentation but the Vendor acknowledges and agrees that it will be solely responsible for reviewing and approving any offers it accepts and drafting and negotiating the sale and purchase agreement and related documentation (collectively the "Purchase Agreement") (to be based on the commercial/financial terms contained in the executed Offer to Purchase) and may require certain legal advice and analysis in connection with the preparation, review, negotiation(s) and eventual sale and conveyancing of the Property by its legal advisors. It is expressly understood and agreed that Broker and/or the Listing Broker are not providing any legal advice or legal services in connection with: i) the Offer to Purchase and/or ii) the Purchase Agreement and/or iii) the Other Interest and Vendor agrees to indemnify and hold the Broker and Listing Broker harmless in this regard. The Vendor agrees that its legal advisors (external or in-house) shall be engaged directly by the Vendor and shall be compensated by the Vendor. In addition, the Vendor expressly agrees that both the Listing Broker and the Broker are being retained solely to provide the Services and not as a lawyer, tax advisor, lender, certified appraiser, surveyor, structural engineer, home inspector or other professional service provider.

3. Agreement. During the term of this Agreement, Broker will act as Vendor's exclusive sales representative for the Property, subject, however, at all times to the other terms, provisions and limitations of this Agreement. Broker nevertheless agrees to cooperate with each licensed real estate broker who gives evidence that he/she is authorized to represent a prospective purchaser. Unless otherwise agreed in writing, in no event will the Vendor be obligated to pay compensation or commissions to any parties other than Broker with respect to the sale of the Property.

4. Term of this Agreement. This Agreement shall commence on the Effective Date and be for a term of Six (6) months and will thereafter renew automatically on a month-to-month basis, unless earlier terminated pursuant hereto or unless otherwise extended by mutual written agreement of the parties.

This Agreement is subject to earlier termination in the event of:

- (a) the Vendor and Broker having successfully sold the Property and performed all of their obligations under this Agreement, in which case this Agreement may be cancelled by either party and no longer be applicable (except with respect to commissions required to be paid by the Vendor to Broker which shall survive the termination or expiration of this Agreement for any reason); and
- (b) If MNP LTD. is, for any reason whatsoever, discharged as receiver, this agreement terminates immediately on the discharge of the receiver and the Broker shall be entitled to a one-time payment equal to \$75,000 plus reasonable out-of-pocket expenses actually incurred in marketing the property for sale. Such payment will be in full and final satisfaction of any and all claims that the agent might have as against the receiver.

5. Obligations of the Vendor. In consideration for the Broker's Services as set forth above, throughout the term of this Agreement, the Vendor covenants and agrees that it shall:

- (a) promptly deliver to Broker any files which it may have with respect to purchase prospects for the Property at the current time;



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- (b) from time to time and at any time, upon the reasonable request of Broker, provide Broker with a summary of the terms and conditions that are generally acceptable to the Vendor. The Vendor's guidelines for such sale shall provide the summary of guidelines outlining the flexibility available to Broker in negotiating the Offer to Purchase for the Property on behalf of the Vendor;
- (c) be responsible for any costs in connection with drafting, negotiating and executing the Purchase Agreement and/or the Other Interest with the selected purchaser in accordance with above clause 2;
- (d) refer all enquiries regarding the purchase of the Property to the Broker as soon as reasonably possible;
- (e) bring to the Broker's attention all Offers to Purchase or expressions of interest (verbal or written) submitted to it before considering acceptance or rejection;
- (f) provide such documents (i.e. plans, surveys, blueprints, environmental reports, structural reports, HVAC service reports, mechanical reports, service contracts and the like) as the Broker may reasonably require to effectively market the Property;
- (g) irrevocably instruct the acting notary/lawyer on the transaction to pay the Broker its commission directly from proceeds regardless of whether an invoice has been produced;
- (h) authorize the Broker to make inquiries of any parties to obtain information concerning the Property and, particularly with respect to those holding mortgages, agreements for sale or other charges on the Property, their agents or representatives and civic or municipal officers and employees to obtain particulars relating to the Property; and
- (i) disclosure to the Broker and Listing Broker all third party claims and interests in the Property known to the Vendor and all relevant information that the Vendor is aware of concerning any latent physical defects in the land, building and improvements and any imperfection in, or disputes in connection with, legal title to the Property.

6. Commission. The Vendor shall pay the Broker a commission as follows:

- TWO AND FIFTY HUNDRETHS PERCENT (2.50%) of the purchase price of the Property if sold direct, or
- THREE PERCENT (3.0%) of the purchase price of the Property if sold in cooperation with another broker (cooperating broker to receive a fee of 1.00% of the purchase price of the Property), and

The commission will be payable based upon the price to purchase the Property, the shares of the Vendor (if a company) or any Other Interest, plus applicable taxes (including, but not limited to H.S.T.) provided always, however, that such commission shall be earned and due only if and when:

The commission shall be earned and due only if and when:

EITHER:

- (a) the Vendor accepts a binding offer to purchase the Property, the Shares of the Vendor (if a company) or any Other Interest during the Term in accordance with this agreement, whether or not the purchaser was introduced to the Vendor or the Property by the Listing Broker.
- (b) the Vendor at any time during the Term, or within six (6) months following the Term where the Agent introduced the purchaser to the Vendor or the Vendor should have referred the purchaser to the Agent in accordance with the terms herein, or the Vendor concludes any transaction that has the effect of conveying the Property, the shares of the Vendor (if a company) or any Other Interest.



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7. Broker's Commission if Transaction Does Not Close.

If a transaction for which the Broker would have been entitled to a commission under section 6 fails to close:

- (a) and the purchaser forfeits or otherwise pays all or any of the deposit to the Vendor, then the Vendor shall pay to the Broker the lesser of:
 - (i) one-half of the amount by which such deposit exceeds the Vendor's legal costs in respect of such failed transaction; or
 - (ii) the commission which the Broker would have earned in respect of such sale or Other Interest if it had closed; or
- (b) owing to the actions or defaults of the Vendor, then the Vendor shall pay to the Broker the full amount of the Commission which the Broker would have been entitled to under section 6.

8. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Vendor and Broker and the prospective purchaser, and their respective successors and assigns; provided, however, that neither the Vendor nor Broker may assign their respective rights or obligations hereunder without the prior written consent of the other.

9. Notices. Any notice or communication hereunder must be in writing and may be given by registered or certified mail or any deposit with a nationally recognized overnight carrier, and, if given by registered or certified letter containing such notice, properly addressed, with postage prepaid is deposited in the mail or when such notice has been deposited, properly addressed, with charges paid, with such a nationally recognized overnight carrier, it shall be deemed to have been given when delivered to and received by the party to whom it is addressed. Such notices or communications shall be given to the parties hereto at their addresses set forth below. Any party hereto may at any time, by giving ten (10) days' advance written notice to the other party hereto designate any other address in substitution of the previously designated address to which such notice or communication shall be given.

If to Vendor:

MNP LTD.
1600 Carling Avenue
Suite 800
Ottawa, Ontario, K1Z 1G3

Attention: Mr. John Haralovich, Senior Vice President



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22 Adelaide Street West, Suite 2600
Toronto, ON M5H 4E3

If to Broker:

Jones Lang LaSalle Real Estate Services Inc., Brokerage
Bay Adelaide Centre
22 Adelaide Street West, Suite 2600
Toronto, Ontario M5H 4E3

Attention: Mr. Michael Betsalel, EVP

Copy to:

Jones Lang LaSalle Real Estate Services, Inc.
Bay Adelaide East, 22 Adelaide Street West, Suite 2600
Toronto, ON M5H 4E3
Chief Counsel – Canada

10. Entire Agreement. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes all prior understandings and writings with respect thereto, and may be changed only by a writing signed by authorized signatories of each of the parties hereto. If any terms of this Agreement contradict a separate MLS agreement or any attachments hereto, the terms of this Agreement shall govern.

11. Property Tours. All prospective tenant property tours shall be completed by Michael Betsalel and/or Earl Kufner, with a minimum of twenty four hours notice and provided these individuals are not on holidays at the time.

12. Latent Defects and Environmental Matters: The Vendor acknowledges and agrees that it shall be responsible for determining and making all representations about the environmental condition of the Property and agrees to indemnify and hold the Company harmless in this regard. In particular, the Vendor acknowledges its potential liability for failure to disclose any latent defects in the Property, including environmental contamination, to any purchaser. The Vendor agrees to indemnify, on a full indemnity basis, and save the Agent harmless in respect of any claims made by any purchaser against the Agent for non-disclosure of information which the Vendor knew or ought to have known and had a duty to disclose at law. The Vendor acknowledges the Agent's obligation to disclose all material facts, including but not limited to environmental and latent defect information, to all parties the Agent represents with respect to the Property.

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

14. Exclusive Agent and Independent Contractor. It is agreed that Broker shall have the exclusive right to sell the Property and to represent the Property as being for sale, subject to the terms and conditions herein set forth. The Vendor shall act in good faith with Broker in relation to Broker what particular terms and conditions for a purchase agreement would be acceptable to the Vendor and the Vendor shall refer all leasing inquiries to Broker immediately upon receipt thereof. It is agreed that in its exercise of services and obligations hereunder, the Broker shall be and is deemed for all purposes as an independent contractor and is not an employee of the Vendor.

15. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein.



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16. Licensed Broker. The Broker represents that it is duly licensed as a real estate broker in the Province of Ontario under RECO. The Broker represents that it holds all permits and licenses necessary or required for the performance of the Services listed hereunder.

17. Privacy Consent. The Vendor hereby acknowledges that it has retained the Broker to provide the Services. As part of the Services, the Vendor hereby authorizes and expressly consents to the collection, use and disclosure by the Broker and the Listing Broker, managing broker(s), associate broker(s) and representatives of the Broker, the Board and any other real estate board, of personal information about the Vendor:

- (a) for all purposes consistent with the listing, marketing and sale of the Property; and
- (b) for enforcing codes of professional conduct and ethics for members of the Board and other real estate boards.

18. Waiver. The failure of either party to insist in any one or more instances upon performing of any term, covenant or condition of this Agreement does not waive future performance of the term, covenant or condition, which continues in full force and effect.

19. Listing Broker. The Broker represents that the Listing Broker: i) is duly licensed as a real estate broker in the Province of Ontario under RECO and ii) holds all permits and licenses necessary or required for the performance of the Services listed hereunder as of the date of this Agreement. If the situation arises where the Broker or the Listing Broker may also represent a purchaser with whom it has an agency relationship, the Listing Broker must first seek the consent of the buyer (or multiple buyers) and the Vendor. As long as this has first occurred, the Vendor hereby authorizes Listing Broker to enter into an agency relationship provided always that each Listing Broker must: i) maintain the confidentiality of their client's instructions ii) act solely in their client's best interests iii) provide full agency representation and iv) carry out all other requirements in accordance with the *Real Estate and Business Brokers Act* (Ontario) (as subsequently amended) (the "Act"), any and all by-laws and regulations, and the rules, codes of conduct, directives and practices established by RECO. For the sake of clarity, the Broker only has a contractual obligation to the Vendor but the Listing Broker has a fiduciary one. If for any reason the license of the Listing Broker (or where the Listing Broker is comprised of more than one licensee, the licensee of all those licensees) is suspended, cancelled or becomes inoperative under the Act or the Listing Broker ceases to be engaged by the Broker, the Broker will designate another licensee of the Broker to act as the agent of the Vendor.

20. Conflicts. The Vendor acknowledges and agrees that: i) it is not a conflict or breach of the duty to the Vendor for the Broker to list property of, or the Listing Broker to show property of, or to have agency relationships with, other vendors ii) it is not a conflict or breach of duty to the Vendor for the Broker to be engaged by purchasers and for the Listing Broker to have agency relationships with purchasers and iii) the Broker and the Listing Broker will not be required to disclose to the Vendor confidential information obtained through any agency relationship.

21. GST/HST. Any Commissions or amounts payable in connection with this Agreement are quoted without the GST/HST and such tax shall be in addition to such amounts.


22. FINTRAC/AML. The Vendor shall at all times agree to: i) comply with all legal requirements under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* and FINTRAC and ii) provide any and all reasonable assistance/information as soon as reasonably possible upon request by the Broker and the Listing Broker in order to allow it to do the same.



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Agreed this 5 day of November, 2019.

MNP INC.

By: 
Name: John Hanakovich
Title: SUP

Agreed this 5 day of November, 2019.

JONES LANG LASALLE REAL ESTATE SERVICES, INC.

By: 
Name: Eric Kaufman
Title: EVP.

10

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

TO: Jones Lang LaSalle Real Estate Services, Inc. on behalf of MNP Ltd., in its capacity as Court-Appointed Receiver of Carleton Condominium No. 396 known as 112 Nelson Street, Ottawa, Ontario (the "Vendor").

RE: Confidentiality Agreement for 112 Nelson Street, Ottawa, ON (the "Property")

The undersigned has expressed an interest in reviewing the information more particularly defined below (the "**Information**") solely for the purpose of evaluating a potential acquisition of the Property (the "**Purpose**"). The undersigned each understand and agree that MNP Ltd., in its capacity as Court-Appointed Receiver (the "**Receiver**") of the Property and Jones Lang LaSalle Real Estate Services, Inc. (the "**Agent**") are willing to provide it with the Information, provided that the undersigned provides its respective undertakings as set out herein with respect to the Information.

The undersigned acknowledges and agrees that the Information contains sensitive confidential business information about the Property. The undersigned agrees that it shall keep the Information confidential and that it shall make no use of the Information other than in accordance with the Purpose.

The undersigned appreciates and confirms its understanding that all of the Information is of a confidential nature. In consideration of the Receiver providing such Information and for other good and valuable consideration, the receipt and adequacy of which is acknowledged, the undersigned agrees as follows:

1. "**Information**" in this Agreement means, in respect of any aspect of the Property:
 - a) any communications between the undersigned and the Agent, the Receiver or representatives (as defined below), and any information or other material which in any way relates to the Property provided to undersigned or acquired by it during its review regardless of whether same is marked "**Confidential**";
 - b) any other information concerning the Property, provided directly, verbally or written, or within an electronic data room that the Agent and or Receiver may make available to prospective purchasers of the Property ("**Data Room**"), if applicable or any other information, financial or otherwise, including but not be limited to the Confidential Investment Memorandum, flyer, emails pertaining to the Property but not including information published or made available to the public, or information which is in the public domain. , (collectively the "**Confidential Information**")
2. Subject to section 4, the undersigned acknowledges and agrees that the Receiver agreed to furnish the Information to it solely for the Purpose and the undersigned covenants that it (which, for the purposes of such covenant shall include any and all of our officers, professional counsel, directors, agents or employees or any other person who receives any of the Information from any of them, such as professional consultants and representatives – all of which are collectively referred to hereafter as "**Permitted Persons**") shall not use the Information for any purpose other than the Purpose. For greater certainty, the undersigned and the Permitted Persons shall not use the Information in carrying on our business or that of any affiliate, as defined in the *Securities Act* (Ontario), and will not disclose the Information to any other person, firm, corporation or organization without the Receiver's prior written consent. The undersigned shall provide the Receiver with lists of all persons to whom any Information is made available.

The undersigned acknowledge that the Agent and the Receiver shall not be deemed to have made any representation or warranty as to the accuracy or completeness of any of the Information furnished to it at any time, nor shall Jones Lang LaSalle Real Estate Services, Inc. and/or the Receiver have any liability to the undersigned or its representatives relating to or arising from its use of any of the Information.

3. Notwithstanding section 2, the Information, or any part thereof, may be disclosed to and used by the Permitted Persons to the extent that it is necessary for the Purpose, provided that any such persons undertake to maintain the confidentiality of such Information.
4. For greater certainty, but without limiting our covenant to keep the Information confidential, the undersigned shall take all reasonable steps to prevent the disclosure of the Information, by ensuring that:
 - c) Only Permitted Persons whose duties require them to review the Information shall have access thereto, and they shall be instructed and required to treat the Information as confidential;
 - d) Proper and secure storage is provided for all written Information or any Information which is stored on any computer or data retrieval system;
 - e) The undersigned shall not make, permit or cause to be made copies of the Information; and
 - f) The undersigned shall not disclose either the Information or the fact that discussions regarding the opportunity to purchase some or all of the Property are taking place or the status thereof to any person other than the Permitted Persons for any reason whatsoever unless:
 - (i) in the reasonable opinion of independent legal counsel approved by the Receiver in writing, such approval not to be unreasonably withheld, disclosure is required under federal or provincial law;
 - (ii) any securities commission, stock exchange or other regulatory body having jurisdiction requires disclosure; or
 - (iii) disclosure is required to be made by the undersigned pursuant to due legal process.
5. In the event that the undersigned or any Permitted Person becomes legally compelled to disclose any of the Information, the undersigned shall provide the Agent and/or Receiver with prompt notice so that the Receiver may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. In the event that either such protective order or other remedy is obtained, or the Receiver waives compliance with provisions of this Agreement, the undersigned shall furnish only that portion of the Information which is legally required and shall exercise its best efforts to obtain a protective order or other reliable assurance that confidential treatment will be accorded to the Information.
6. If no agreement to purchase the Property is finalized with the Receiver, the undersigned acknowledges that it and the Permitted Persons shall continue to be bound to hold the Information in confidence for a period of three (3) years from the date of this Agreement and the Information together with any copies thereof shall be returned to the Receiver immediately on request in accordance with section 8 hereof.
7. The undersigned shall indemnify and hold the Agent and the Receiver harmless from any and all loss or damage (including legal costs) which arise directly from the unauthorized disclosure

or use of the Information by the undersigned, or by its officers, employees, professional consultants and representatives or in any other way which is contrary to the terms of this Agreement.

8. The Information, together with any copies thereof, shall be returned to the Receiver immediately upon request without retaining copies thereof. The return, by the undersigned, of any Information to the Receiver shall not affect any of our obligations hereunder. That portion of the Information which consists of engineering and related information for any of the Property, reports, plans, analyses, studies, or other documents prepared by the undersigned and/or the Permitted Persons, shall be either held by the undersigned and the Permitted Persons and kept confidential subject to the terms of this Agreement or destroyed. It is agreed that monetary damages would not be a sufficient remedy for any breach of this Agreement and the undersigned agrees that the Receiver shall be entitled to injunctive relief, specific performance or any other appropriate equitable remedies for any such breach. Any of such remedies shall not be deemed to be the exclusive remedy for any breach of this Agreement but shall be in addition to other remedies available at law or in equity to the Receiver. In the event that the Receiver brings an action to enforce our obligations hereunder, the undersigned shall reimburse the Receiver for all costs and expenses, including legal fees, incurred by the Receiver in that regard.
9. The undersigned agrees that it shall not assign this Agreement or any of its rights hereunder, whether in whole or in part.
10. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario (and, if applicable, the federal laws of Canada) and each of the undersigned hereby irrevocably attorn to the jurisdiction of the courts of the province of Ontario.
11. The undersigned acknowledges and agrees that it has had the opportunity to obtain independent legal advice as to the terms and conditions of the Agreement and have either received same or expressly waived our right to do so.
12. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, legal personal representatives, successors and permitted assigns.
13. This Agreement constitutes the entire agreement between the undersigned, the Agent and the Receiver with respect to the subject matter hereof and supersedes all prior agreements and or discussions relating to the subject matter hereof. This Agreement may only be amended by further written agreement between the parties.

We hereby acknowledge that we have received the Confidential Information from the Agent on behalf of the Receiver and have not been introduced to the Property by any other agent.

For good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, each of the undersigned have executed this Agreement and hereby agree to all of the obligations in favour of the Receiver contemplated herein.

Dated at _____ this _____ day of _____ 2020

(Signature of Person - Individual)

Name:

OR

(Name of Corporation)

Per:

(Signature of Witness - Individual)

Name:

(Signature of Authorized Signing Officer)

Name:

Title

I have the authority to bind the corporation

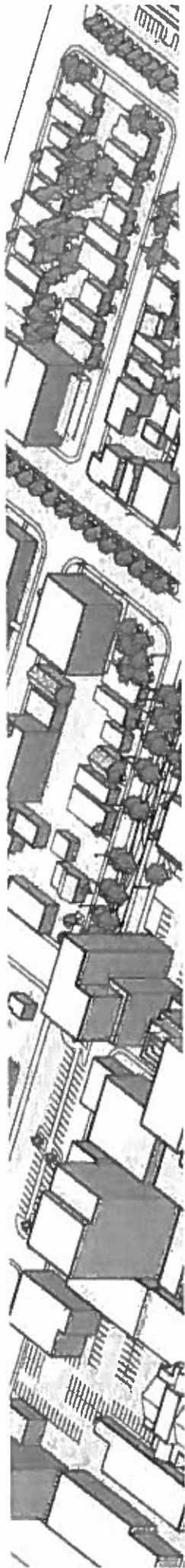
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112 NELSON STREET
OTTAWA, ONTARIO

DEVELOPMENT  JLL OPPORTUNITY





EXECUTIVE SUMMARY

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OVERVIEW

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INVESTMENT
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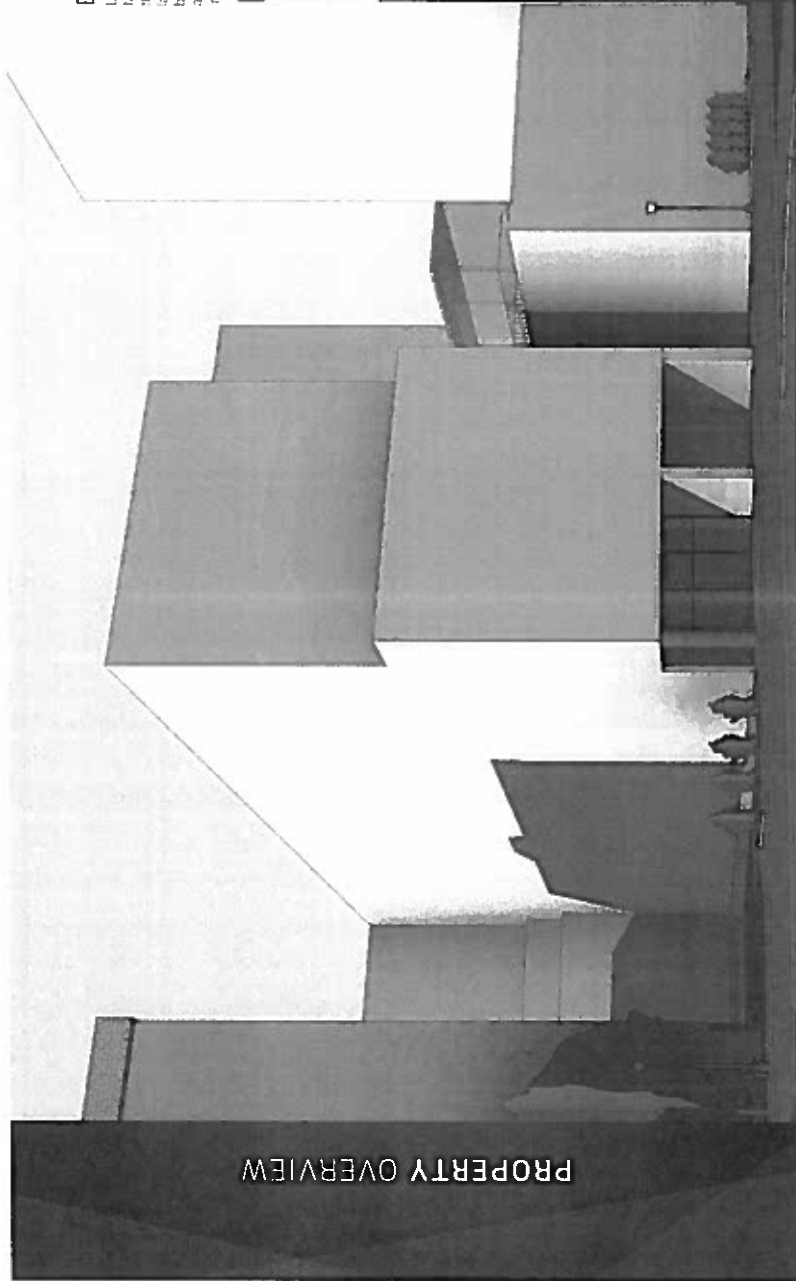
26
OFFERING
PROCESS

112 Nelson Street, Ottawa (the "Property" and/or the "Site") represents an exceptional opportunity to acquire a 100% freehold interest in a highly desirable, approved residential development site adjacent to the Byward Market in the transitional Lower Town neighbourhood of Ottawa. The Property comprises an L-shaped parcel with a total land area of 31,747 square feet ("sf"), or 0.73-acres. The Site is currently improved with a two-storey commercial industrial condominium building. The remainder of the lands are covered with paved parking areas.

Through neighbourhood consultation and engagement with City Planning, the site has been approved for a terraced nine-storey residential development with an allowable 151,588 sf of above grade gross floor area and 27243 sf of gross floor area below grade. The Property, as an approved site, offers a future owner the ability to take immediate advantage of the high demand for new residential product in Ottawa's downtown core and the proximity to transit, schools, parks and excellent area amenities.

Jones Lang Lasalle Real Estate Services, Inc. (the "Advisor") has been retained as exclusive advisor by MNP LTD (the "Receiver") in its capacity as Court-Appointed Receiver of Ottawa Carlton Condominium Corporation No. 396 municipally known as 112 Nelson Street, Ottawa, Ontario.





PROPERTY OVERVIEW

INVESTMENT OVERVIEW

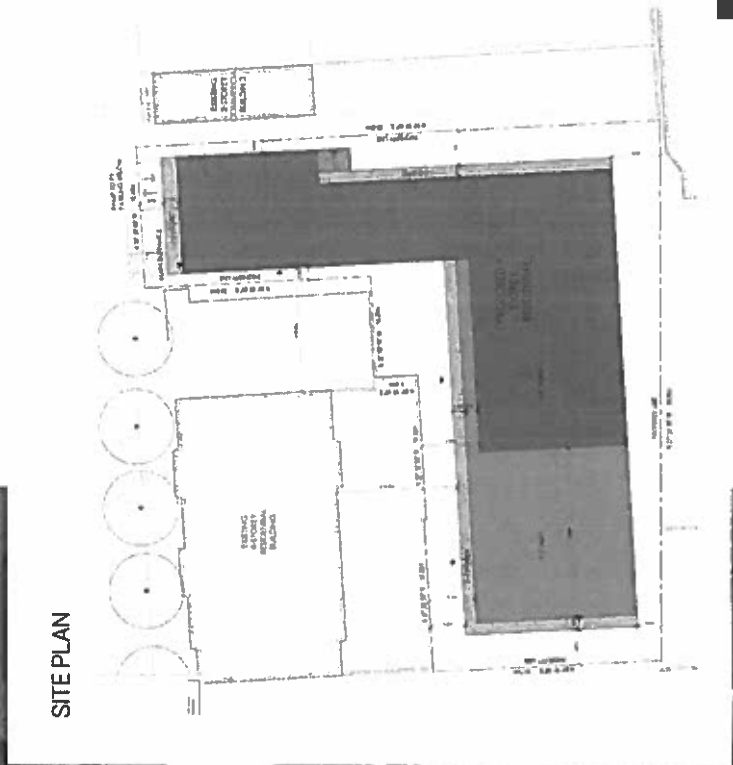
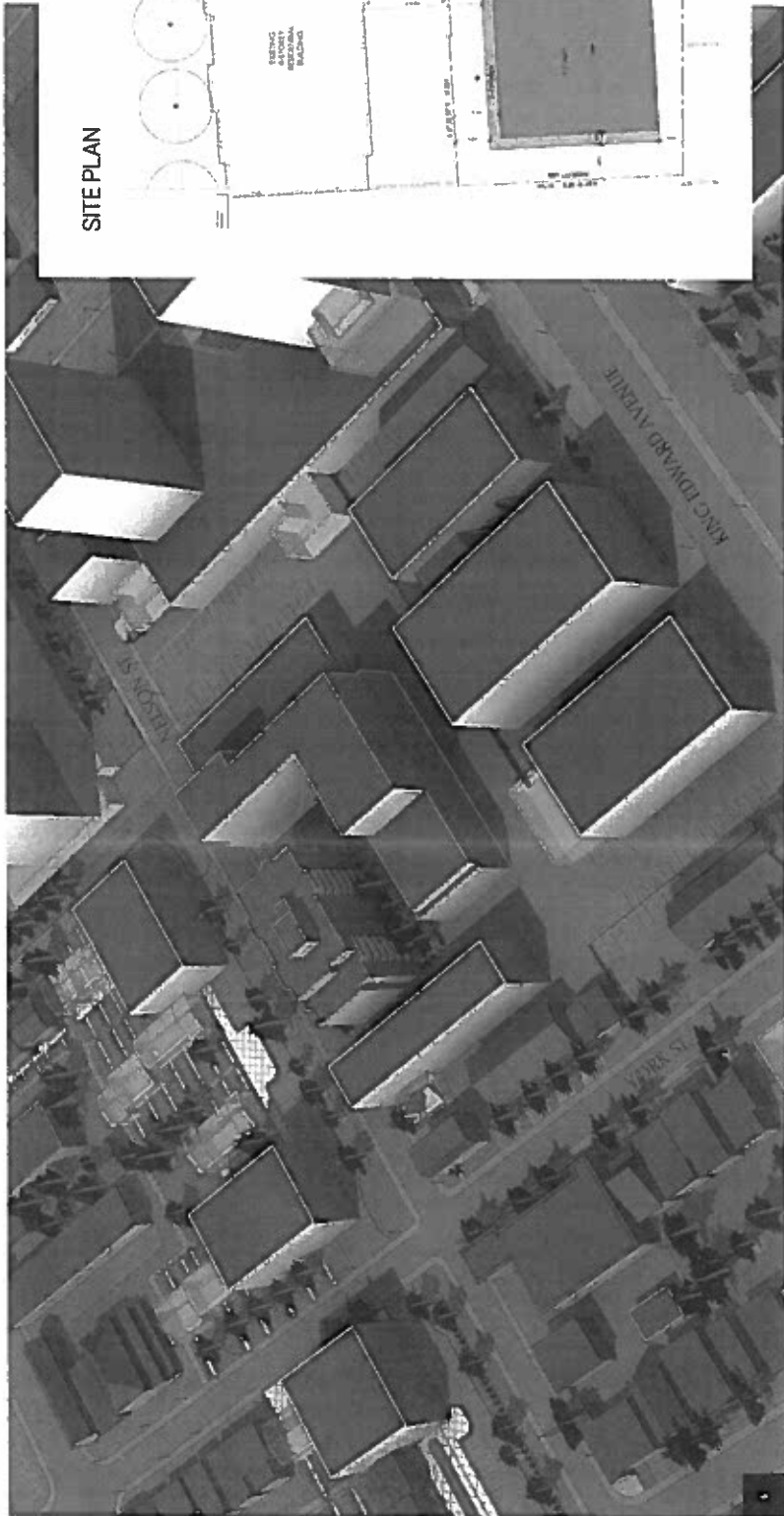
DESCRIPTION

Located in Ottawa's Lower Town, the Property is situated mid block and provides unparalleled access to the Byward Market, University of Ottawa and the Lower Town neighborhood. The Site has frontage on Nelson Street and occupies the middle of the block that is bounded by King Edward Ave, Rideau St, Nelson St and York St. The parcel has a total area of 0.13 acres (31,747 sq. ft.). The Site is currently occupied by a two-story, condominium titled commercial building. The property is ideally suited to accommodate a boutique, luxury mid-rise rental or combination of rental and condominium complex in an area that is continuing to evolve to include more dynamic, mixed use developments, including residential intensification.

ADDRESS	LEGAL DESCRIPTION
112 Nelson Street Ottawa, Ontario	PT M/2 LT 3 & PT L TS 4, 5 & 6 (W/S NELSON ST), PL. 43596, PT Z 4F5803, AS IN SCHEDULE 'A' OF DECLARATION LT53520, AMENDED BY LT53546, OTTAWA. ALL OF THE UNITS AND COMMON ELEMENTS COMPRISING OTTAWA CARLETON CONDOMINIUM PLAN NO. 396, CITY OF OTTAWA, LAND REGISTRY OFFICE (NO. 4) PIN Nos. 15396-0001 to 15396-0033, inclusive, Land Registry Office No. 4

31,747 sq. ft. TOTAL AREA	5.63 X APPLICABLE ZONING	178,831 sq. ft. APPLICATION OF ALLOWABLE GFA	151 FURNISHING UNITS
5.9 X ALLG. USE TS/1410	9 STOREYS		

- Opportunity to capitalize on the current strong demand for new residential product in the City of Ottawa, one of the most sought after locations to live in Canada
- Irregular but efficient site for construction and layout
- Fully approved height and density allows for quick time to sales and development, as well as flexibility of design and unit mix through the Site Plan Approval ("SPA") process
- Adjacent to established, desirable neighborhoods that are serviced by a wide array of local amenities and transit services on the doorstep of downtown core and the University of Ottawa



SITE PLAN

CLEAR PATH TO DEVELOPMENT

Through a process that involved negotiation with neighbourhood representatives and City Planning, height and density provisions have been established for the Site, allowing for a terraced nine-storey 151,588 sf building above grade. The rental or mixed rental and condominium project is well suited to the area and streetscape. Section 37 contributions have been negotiated to include a parkland donation and a semi-public plaza on Nelson Street, as well as details on suite composition and affordability metrics.

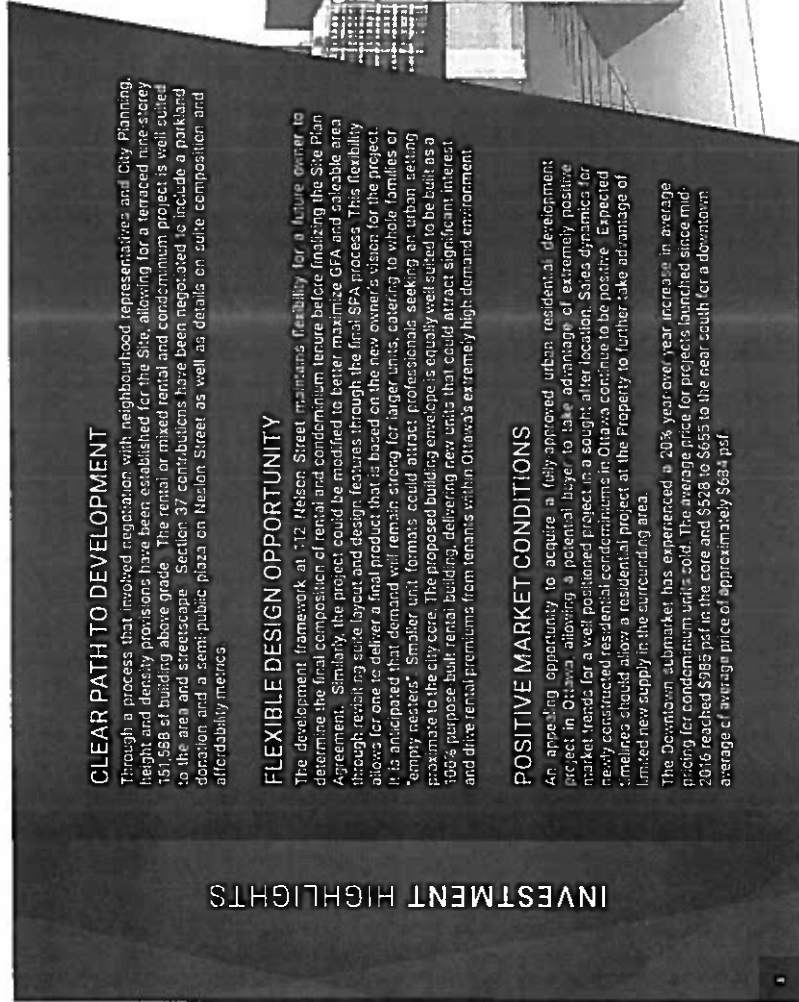
FLEXIBLE DESIGN OPPORTUNITY

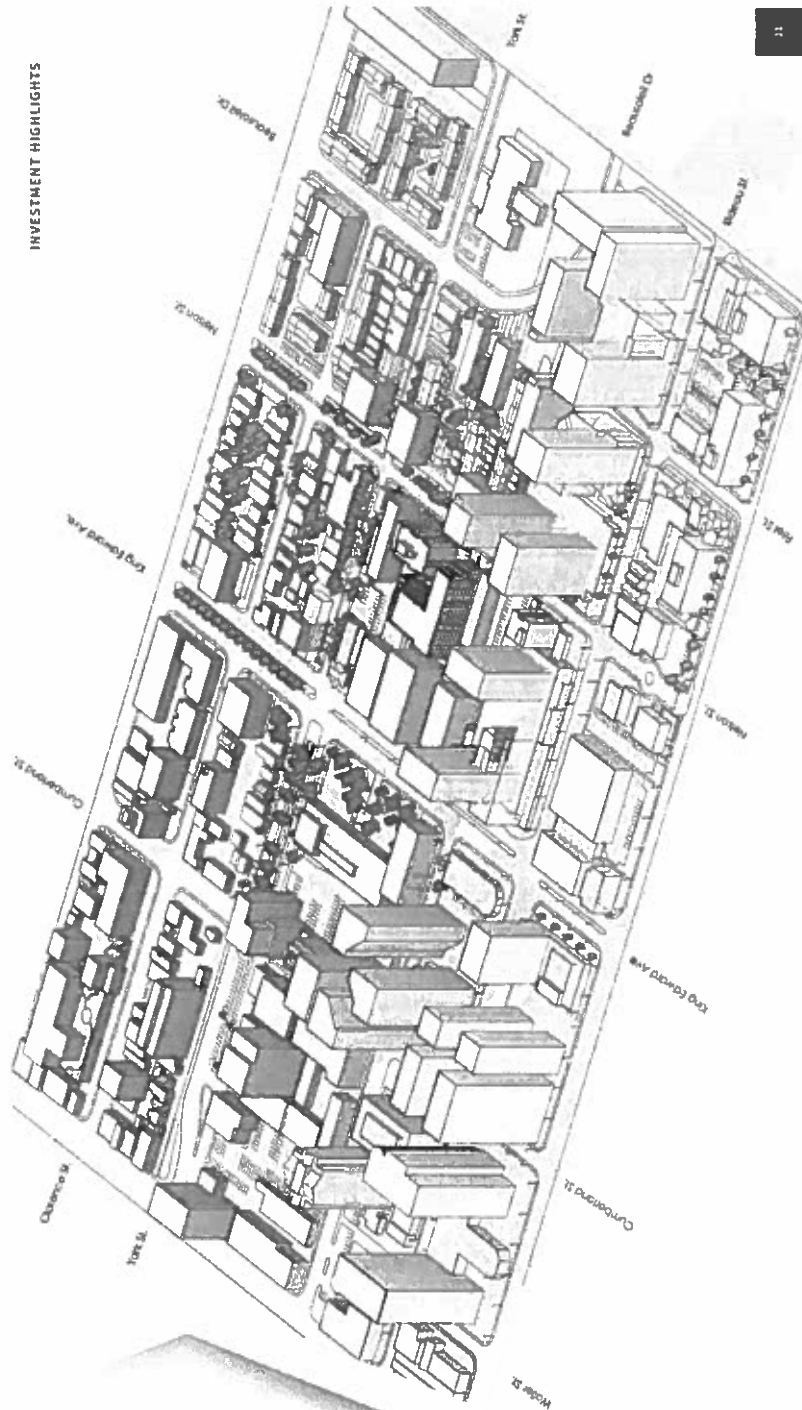
The development framework at 112 Nelson Street maintains flexibility for a future owner to determine the final composition of rental and condominium tenure before finalising the Site Plan Agreement. Similarly, the project could be modified to better maximise GFA and saleable area through retailing suite layout and design features through the final SFA process. This flexibility allows for one to deliver a final product that is based on the new owner's vision for the project. It is anticipated that demand will remain strong for larger units, catering to whole families or "empty nesters". Smaller unit formats could attract professionals seeking an urban setting proximate to the city core. The proposed building envelope is equally well suited to be built as a 100% purpose-built rental building, delivering new units that could attract significant interest and drive rental premiums from tenants within Ottawa's extremely tight demand environment.

POSITIVE MARKET CONDITIONS

An appealing opportunity to acquire a fully approved urban residential development project in Ottawa, allowing a potential buyer to take advantage of extremely positive market trends for a well-positioned project in a sought-after location. Sales dynamics for newly constructed residential condominiums in Ottawa continue to be positive. Expected demand should allow a residential project at the Property to further take advantage of limited new supply in the surrounding area.

The Downtown submarket has experienced a 20% year-over-year increase in average pricing for condominium units sold. The average price for projects launched since mid-2016 reached \$985 psf in the core and \$528 to \$655 in the near south for a downtown average of average price of approximately \$684 psf.





URBAN TRANSFORMATION

Lower Town and Sandy Hill are witnessing a renaissance. These neighbourhoods were some of Ottawa's first higher density communities that served the residential needs of working-class residents. However, as the City matured the area stagnated for decades. The merits of the neighbourhood were rediscovered due to housing pressure and the traits which were designed into this suburban neighbourhood are being cherished by another generation of resident. There had been relatively limited new development from the mid nineties through to the early 2000's, but the pressure exerted by the densification of downtown, the draw of Byward market and growth of the University of Ottawa has spurred the construction of adjacent rental/condominium towers as well as substantial gentrification. Current resale statistics, strong local demographics, and steady demand suggest the area surrounding the Property is poised to be a focal point of urban intensification in Ottawa's core. New development will improve and expand the current area amenities, better servicing the local population.

SIGNIFICANT DEVELOPMENT IN A HIGHLY DESIRABLE RESIDENTIAL LOCATION



The Property's location within 1 km of the University of Ottawa, Byward Market and Downtown Ottawa and easy access to Quebec and the Gatineau Hills allows a potential buyer to deliver a transformational rental or mixed rental and condominium project to the market. The Site lends itself to a boutique residential project equally targeting rental or ownership. Additionally, the opportunity lies in being the first to market by delivering new-build product within a neighbourhood that is targeted for additional future density, immediately unlocking pent up demand.

LOCATION OVERVIEW



Canada's capital, Ottawa, is ranked as one of the most livable cities in the country. Located in the eastern portion of southern Ontario and at the Quebec border, this historically and politically significant city is home to over 1 million people and covers roughly 2,778.13 km², making it geographically larger than Toronto, Montreal, Vancouver, Calgary, and Edmonton combined. The city has a robust economy and features many historical national sites and museums.

Historically, and to this day, foreign immigration has been the primary driver leading to population growth in Ottawa. The senior population (65 years and older) was roughly 15% of the population in 2016, slightly below the 17% Canadian average. By 2031, seniors are expected to make up 20% of Ottawa's population.

Ottawa is also the most educated city in the country, as over 50% of the population has graduated from some form of post-secondary education. The city has the highest group of engineers, scientists, and PhDs in Canada, as well. Along with well-paying employment prospects, it is this academic environment which has been attractive to new migrants.

Education

The University of Ottawa and Carleton University are the primary universities in Ottawa, totaling 73,140 total enrolled students between the two institutions. The city also has 2 public colleges, Algonquin College and La Cité Collégiale.

400M
BYWARD
MARKET

600M
UNIVERSITY
OF OTTAWA

2KM
PARLIAMENT HILL
DOWNTOWN OTTAWA

1.5KM
ALEXANDRA BRIDGE
TO BATAINEAU QUEBEC



LOCATION OVERVIEW

Economy

The residents of Ottawa enjoy a strong and diverse economy. In fact, Statistics Canada reported that, in 2015, Ottawa had Canada's second-highest median total income by family at \$104,070, second only to Calgary's \$104,410.

Ottawa's economy is dominated by public-service (government) and as such, many of the country's federal departments are headquartered in the Ottawa-Gatineau CMA. In the early 2000s, Ottawa has long been a blossoming tech-hub, dating back to the rise of Nortel. Numerous technological companies are based in the city, including Corel, Mitel, Shopify, and Adobe Systems Canada. With headquarters in Ottawa, Shopify has been the recent star of the Ottawa technology sector, with 4,000+ employees and continued expansion across the city and the rest of Canada.

Culture & Tourism

Being the capital of the country, Parliament Hill, has always been a key site for both locals and tourists. In addition to national politics, events for notable individuals and celebrations have been arranged at Parliament Hill. Various annual festivals and events take place in Ottawa each year. Some of these include: Wanderlust (Canada's largest festival), Bluesfest, the Canadian Tulip Festival, the Ottawa Dragon Boat Festival, the Ottawa International Jazz Festival, Fringe Festival, City Folk Music Festival, and the Canada Day celebrations on Parliament Hill.

Byward Market

The Market is one of Canada's oldest and largest markets, and is the primary location for shopping, restaurants, professional services, and the arts. It is estimated that 50,000 people visit the market every weekend during the summer months, making it Ottawa's leading tourist attraction. A robust amount of culinary and dining options line the streets, from renowned high-end restaurants to casual diners, the Market has it all. Independently-run boutiques, shops and galleries are around every corner in the Market. Sussex Drive, known for its abundance of high-end offerings and international flair is a focal point of the Market, drawing tourism to the area. In the evening, the neighbourhood's many pubs, bars and clubs fill up with patrons, and in the warm months, the many outdoor patios providing the perfect setting for a summer night.



Ottawa's New LRT

O-Train Confederation Line

Located within 600m of the newly opened Confederation LRT line, just north east of the Rideau and uOttawa stations, travel from 112 Nelson Street will be seamless throughout the City. Commuting to work, school, shopping centres, and recreational areas will not only be more efficient but so will broader access across the Ottawa-Gatineau (CMA).

As the City of Ottawa prepares to keep up with the projected growing population, the aim is to decrease the dependency on cars, and strengthen existing public transportation.

Phase 2: With construction of the LRT's Phase 2 currently underway, 47km of track and 29 new stations will be added to broaden the footprint of the transportation offering. Phase 2 aims to expand the transit route in each of the Eastern, Western, and Southern directions, with all lines converging in Ottawa's downtown core. The result will be an increasingly accessible downtown Ottawa development, particularly in the suburban communities.



Local Transportation

The OC Transpo, a department of the city, operates the public transit system. Services consists of 4 different types of systems: regular bus service, bus rapid transit, light rail transit (LRT), and a door-to-door bus service for disabled passengers. Additionally, the intercity bus station, the Ottawa Central Station, is located on Catharine Street.

Highway Connectivity

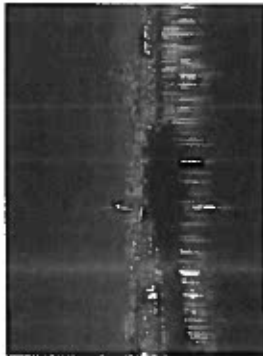
The city is served by two freeway corridors. Motorists can access the city through the primary east-west corridor that consists of Provincial Highway 417 (the Queensway) and Ottawa-Carleton Regional Road 174, a north-south corridor. Highway 416 connects Ottawa to the rest of the 400-Series Highway network in Ontario at the 401.



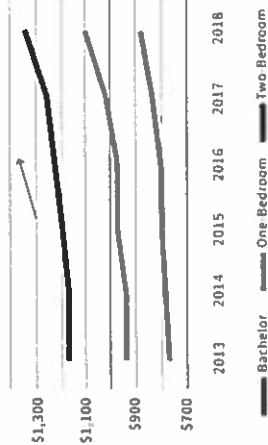
RENTAL MARKET ANALYSIS

CMHC Overview

The City of Ottawa's rental market is continuing to see exceptional growth in rental demand and rates due to strong demographic and employment conditions. The rental demand continues to be strong as the vacancy rates continues to remain on par to its previous year. The increase in purpose-built rentals by 527 units slightly offset the increase in rental demand as the regions vacancy rate remained at 1.5%. The competitive nature of the market is mirrored in the increased rental rates: Bachelor rental rates increased by 5.6% on an annual basis, one-bedroom increasing by 6.27% and two-bedroom increasing by 6.73%. Growth levels of this nature would seem unsustainable, the fundamentals underlying the rental market point towards much of the same for years to come. A major force in the rental market is the population growth by 2.2% because of increased immigration and temporary residence. The proximity of two major universities and other local colleges are additional drivers of the market as students are a significant portion of temporary residence. The increased migration, escalating rental rates and historically low vacancy rates will continue to drive the rental demand for the foreseeable future.



City of Ottawa Rental Rate Growth
CMHC Zone 1-9



MARKET OVERVIEW

Rental Trajectory

Given the population growth in Ottawa and the projected increase in student population of all major universities in the area, the Survey of Higher Education (SHE) Lower Town CMHC zone (where 112 Nelson is located) has seen historical lows in vacancy rates at 1.3% and increasing rental rates. Select rental data has been analyzed to provide insight into the range of rents that might be supported within the market.

- First, 160 Chapel Street, is a certified rental building that had been transformed from a low end apartment building into a high-end luxury rental accommodation located 450 meters from the Property. This rental building provides a most recent comparable for apartment rental data. Recent activity at 160 Chapel Street suggests rental rates of \$3.84/s/month for bachelor suites, \$3.45/s/month for one-bedroom suites and \$2.61/s/month for two-bedroom suites.
- Second, Located two blocks west (450m) of the Property is 242 Rideau Street, constructed in 2014. Recent activity at 242 Rideau Street suggest rental rates of \$4.32/s/month for bachelor suites, \$3.53/s/month for one-bedroom suites and \$2.61/s/month for two-bedroom suites.
- 20 Daly Avenue, constructed by DevMcGill in 2018, provides a most recent comparable for newly developed condo rental data. Recent activity at 20 Daly Avenue suggests rental rates of \$3.98/s/month for bachelor suites, \$4.46/s/month for one-bedroom suites and \$3.04/s/month for two-bedroom suites.

Notable Rental Comparisons

Property	Type	Year Built	Bachelor	1-Bedroom	2-Bedroom
160 Chapel Street Ottawa	Apartment	1937	\$3.84	\$3.45	\$2.61
242 Rideau Street Ottawa	Condo	2014	\$4.32 psf	\$3.53 psf	\$2.71 psf
20 Daly Avenue Ottawa	Condo	2018	\$3.98 psf	\$4.46 psf	\$3.04 psf

As pressure continues to increase the rental supply and tenants expectations evolve, new rentals should witness demand driven rental rate increases in the short term and well into the future.

MARKET OVERVIEW

CENTRAL OTTAWA PRE-SALES

With over 1,556 condo units currently under construction/sale within Central Ottawa neighborhoods, evidence widely suggests that developers and buyers share a favorable outlook towards the area. A variety of developers, including some of Ottawa's largest players, have invested heavily into large-scale projects within and surrounding the Downtown Core. Over 85% of condo units launched for 2019 occupancy have sold, while launches for delivery after 2019 have achieved sales prices which are substantially higher than sales in years prior. Five projects are achieving sales values in excess of \$800 psf, two of those are approaching \$1,000 psf, an indication that there is demand for the upper premium market as well as mainstream condo offerings.



121 QUEEN STREET WEST

Developer	Aurora Hill Homes
Opening Date	Occupancy in 2019
Units	10
Sold/Leased \$/SF	95
% Sold	99%
Status	Under construction



381 MAIN STREET

Developer	Cheridge Homes
Opening Date	2023 Est.
Units	27
Sold/Leased \$/SF	264
% Sold	34%
Status	Under construction



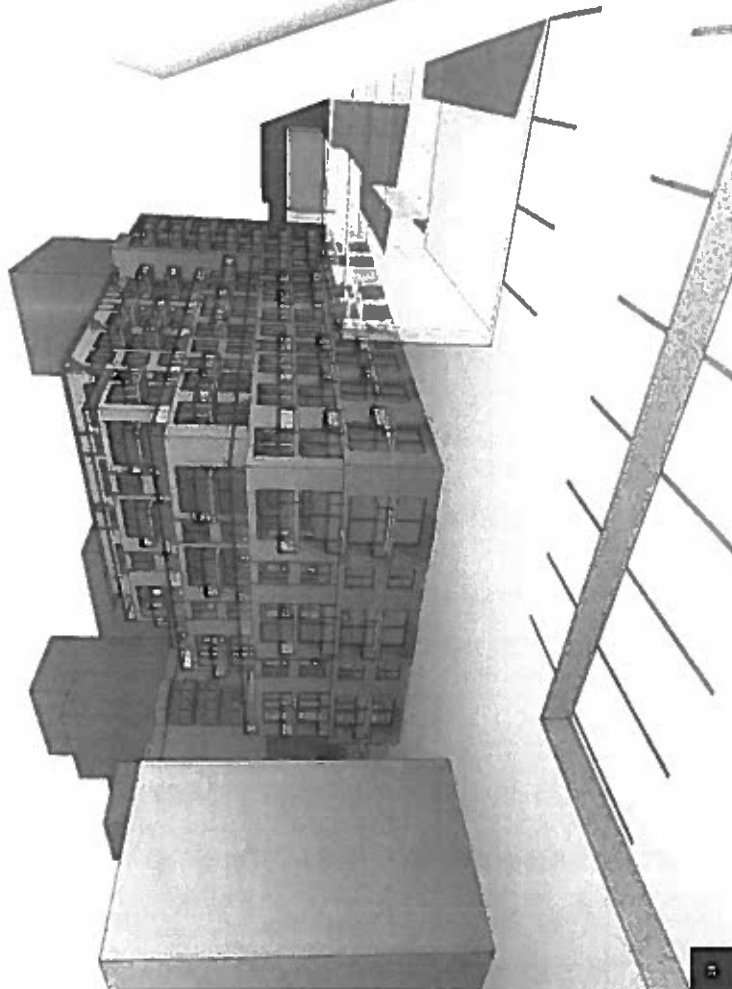
51 BANKTON STREET

Developer	Aurora Hill Homes
Opening Date	04
Units	4
Sold/Leased \$/SF	63
% Sold	87%
Status	Awaiting construction



150 DUNDAS STREET WEST

Developer	Intrepid Developments
Opening Date	Summer 2022
Units	12
Sold/Leased \$/SF	85
% Sold	80%
Status	Under construction



OTTAWA INVESTMENT MARKET OVERVIEW

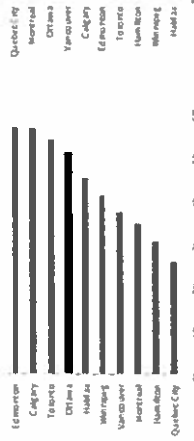
2019 has been a big year for the city of Ottawa.

Reaching the population milestone of one million inhabitants has coincided with the opening of the Confederation Line, a light rail corridor that will add 13 transit nodes along an east-west axis. Private sector decision makers are increasingly studying the Ottawa market to identify opportunities, and in the aftermath of the Canadian general election they now have more clarity on the direction forward, both locally and nationally.

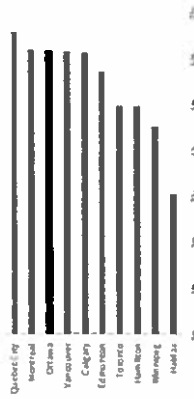
Strong economic and demographic growth have played into Ottawa's favour in recent years. The National Capital Region, the greater urban area that includes Gatineau, ranks among Canada's fastest growing and best performing economies over the past three years. Ottawa has undoubtedly benefited from a progressive national immigration policy, as well as some population spillover from Toronto and its surrounding areas where the average cost of housing is almost twice as high.

The public sector continues to be the driving force behind the local economy, though there is more diversification these days. Tech is now the fastest growing segment of office demand, and tech tenants now make up a larger base in the downtown core than accounting and law firms combined. E-commerce is driving growth in the industrial sector, evidenced by Amazon's brand new fulfillment centre on Boundary Road. A world class university ecosystem is fueling creativity, continually replenishing Canada's most educated labour force with a pipeline of young talent. Street retail is performing well, as areas like The Glebe, ByWard Market, Hintonburg, and Westboro bustle with activity.

Population Growth: 2017 Present



Real GDP Growth: 2017 2019



INVESTMENT MARKET OVERVIEW

INVESTMENT MARKET

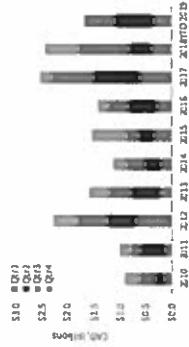
Ottawa is attracting investors' attention thanks to strong fundamentals across several asset classes. Nearly \$7 billion of commercial property has changed hands since 2017 – the best three-year run in the history of the market. This year Ottawa is on track to surpass \$2 billion in overall sales once again. During this period office has by far been the top performing sector, contributing over \$3 billion in overall sales while multifamily has also been strong at over \$1 billion and industrial is at \$800 million. These investment volumes are coinciding with steadily falling vacancy rates. Office vacancy, now at 7.4%, has fallen by over 500 basis points in just over two years. Industrial vacancy has fallen from 5.8% (three years ago) to 2.3% today. Multifamily vacancy, according to CMHC, has been halved since the end of 2015.

This is, in large part, a demand story. The federal government is the anchor tenant in the city and thus provides predictability and stability to the market. Since the Liberal Party took over in 2015, public sector headcount has been on the rise and in light of the October election, there is no reason to believe that this will reverse course anytime soon. Tech growth has been strong in parallel, with companies like Ford Motor Company and Shopify doubling down on capital expenditures.

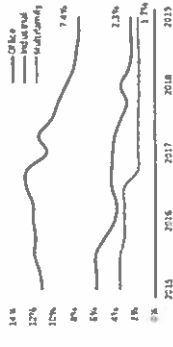
However, the other side of the story is limited supply, as a strict permitting process and a vast greenbelt are limiting new construction that could relieve the market. As of Q3 2019, the office market has only 460,000 square feet of built area under construction in a market of over 40 million square feet. The industrial market has less than 90,000 square feet of uncommitted space in the pipeline for a market of 3.7 million square feet. The multifamily rental market has seen an uptick in new supply recently, but it continues to be dwarfed by demand.

Ottawa exhibits lower vacancy than any city outside of Toronto and Vancouver in the office market (7.4% as of Q3 2019), industrial market (2.3%), and residential market (1.7%). Though Ottawa does not offer the rental growth potential of Toronto and Vancouver, it does compensate investors by demonstrating fairly stable conditions.

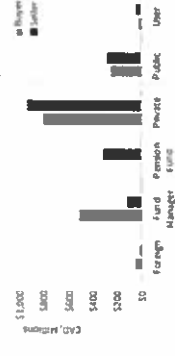
Ottawa's Historic Real Estate Investment



Ottawa Market Vacancy Rates

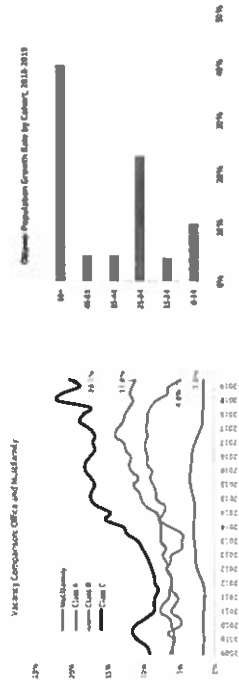


Ottawa Transactional Activity by Investor Type: YTD 2019



INVESTMENT MARKET OVERVIEW

Adaptive Reuse
 While the office market in Ottawa is as strong overall as it has been in several years, this is not true for all segments of the market. As tenants have executed flight to quality relocations leaving outdated spaces behind. Meanwhile, Ottawa is struggling to provide rental housing to those who need it thanks to record demand and a choked off supply pipeline. Multi-family rental vacancies at 1.7%, its lowest in over a decade. The situation is especially pressing when considering that the fastest growing cohort in the city is senior citizens aged 60 and above. Many of them may be considering downsizing and moving into an apartment, which will add to an already bustling demand.



Current Transformations

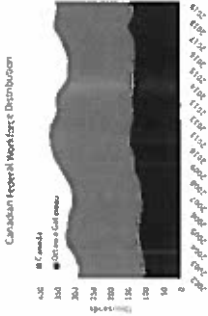
473 ALBERT STREET Office → Apartment \$11,000 S.F.	170 METCALFE STREET Office → Apartment 42,250 S.F.	290 RIDEAU STREET Retail → Student Housing 15,200 S.F.	200 ELGIN STREET Office → Apartment 131,000 S.F.
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Office Demand Drivers

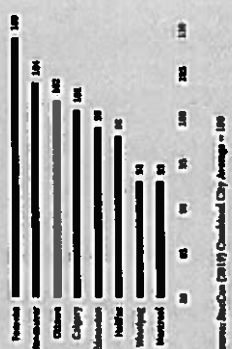
As the Ottawa market is highly dependent on the dynamics of the public sector, the federal election in October was of great concern to Ottawa's real estate community. The last time the National Conservative Party was in power, they reduced the federal workforce and Ottawa's overall vacancy rate went soaring from 6.5% in 2013 to 12.7% by 2017, two years after the Liberal Party won the election. This year the Conservatives released a plan to freeze public sector employment and reduce the federal government's office footprint by 30%, however this will not come to fruition. Instead, the Liberal party will have the green light to introduce over \$9 billion in planned new spending initiatives for 2020-2021. While exact headcount plans have not been released yet, this should translate to headcount growth in the local market, which will be bad news for fiscal deficit hawks but good news for Ottawa landlords.

In 2016, Public Services and Procurement Canada (PSPC), which oversees a portfolio of about 37 million square feet of office space that is occupied by the federal government, announced their 80/20 Occupancy Plan for their Ottawa portfolio. The strategy specifies that 80% of office buildings that house public sector employees would be located within 600 meters of a rapid transit stop. The big question is what areas will lose, and this is difficult to say with certainty given the lack of transparency.

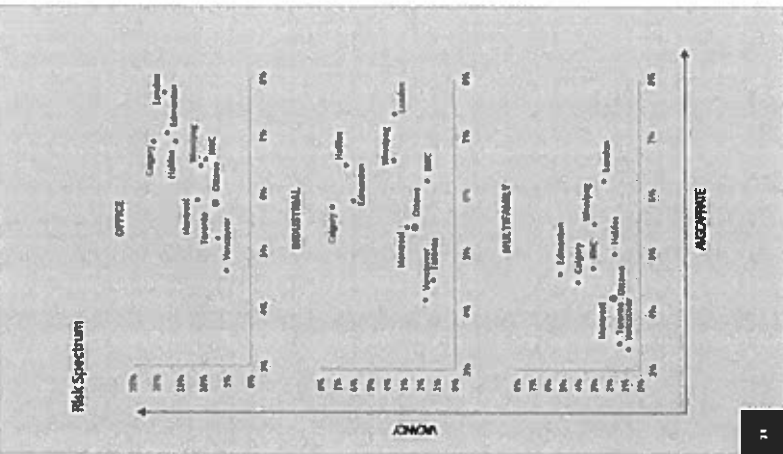
The federal government has also introduced a Workplace 2.0 initiative that will seek to capitalize on efficiencies provided by co-working, telecommuting, & other occupancy strategies. PSPC is operating five co-working spaces throughout the National Capital Region and will be looking to expand this program throughout the country.



Cost of Living Index



128,000 Represents 1% of all homes in the Region	\$109,000 Median household income
63.7% of residents have a postsecondary certificate, diploma, or degree	\$437,000 Average home price
9.8% of workers employed in manufacturing or trade	130,000 university students
#2 In North America in concentration of startups and entrepreneurs	4.3% Unemployment rate



INVESTMENT MARKET OVERVIEW

Conclusion

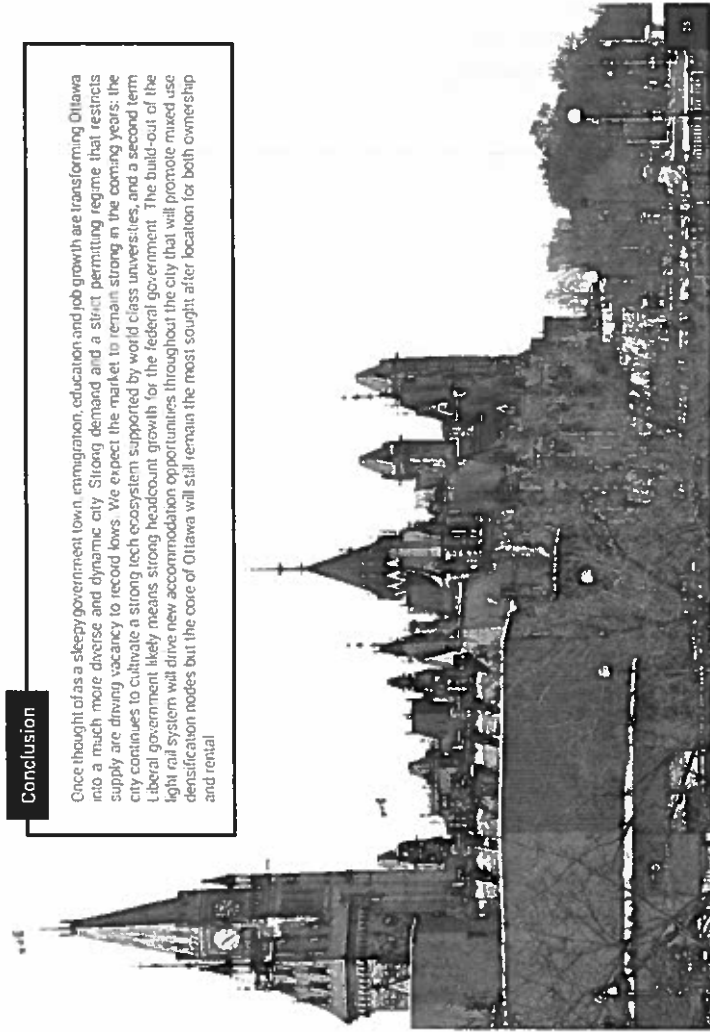
Once thought of as a sleepy government town, immigration, education and job growth are transforming Ottawa into a much more diverse and dynamic city. Strong demand and a strict permitting regime that restricts supply are driving vacancy to record lows. We expect the market to remain strong in the coming years: the city continues to cultivate a strong tech ecosystem supported by world class universities, and a second term Liberal government likely means strong headcount growth for the federal government. The build-out of the light rail system will drive new accommodation opportunities throughout the city that will promote mixed use densification nodes but the core of Ottawa will still remain the most sought after location for both ownership and rental.

Tech Sector Growth

Ottawa's office market would not be so strong at the moment if the public sector were the only show in town. With nearly 9% of its employment based in the tech sector, Ottawa has become a budding North American tech hub in recent years. This has shown up in the leasing market as this sector now outweighs accounting and law firms in the downtown core. Companies like KPMG, You, TV, SkyWorks Solutions and Upland Ingenius are all expanding in Kanata, helping to drive vacancy to its lowest point on record this year in that submarket. Behind this trend is an ecosystem that supports these activities: science- and engineering heavy workforce, is home to two of Canada's most prestigious universities, and has a student population of over 130,000. The cost of living is about 90% of what it is in Toronto, and the average home price is about 55% of Toronto's. This has led to some talent spillover as young people move out of Toronto in search of a higher standard of living.

City-backed initiatives and public private partnerships have added momentum. In May, the city opened the L5 Connected and Autonomous Vehicle (CAV) Test Facility, a complex built to replicate normal driving conditions for self-driving cars. The track will also be a testing grounds for new technologies: SmartCone Technologies Inc. is experimenting with smart traffic cones that can send signals to cars, and Microsoft is testing new cloud computing capabilities. To support its efforts in this building field, Ford opened a new building at 800 Palladium Drive to house its Autonomous Vehicles Division.

Ericsson, Nokia, Huawei, and Ciena are among the companies preparing for the build out of 5G telecommunication networks, and have invested significant amounts in the Ottawa work force as part of this effort. While the tech sector can be a volatile segment of the economy, many of Ottawa's tech employers are engaged in global supply chain activities. As such, in the event of a recession they are more insulated than companies more directly linked to the national economy like banks or consumer goods producers.



SUBMISSION GUIDELINES

Interested parties will be invited to provide submissions for the Property in the form of a standard Agreement of Purchase and Sale, as provided for in the data room, prior to a submission date to be communicated by the Advisor. Submissions should include at a minimum, the information and terms outlined below:

- Purchase Price for the Property;
- Name of the ultimate beneficial owners of the prospective purchaser;
- Evidence of the prospective purchaser's financial ability to complete the transaction, including the method of financing the purchase;
- Deposit structure;
- Terms and conditions of closing;
- Schedule of timing and events to complete closing.

Prospective purchasers should note that the Receiver is under no obligation to respond to or accept any proposal for the Property. The Vendor reserves the right to remove the Property from the market and to alter the process described above and timing thereof, at its sole discretion. The Property described herein is to be purchased on an "as is where is" basis.

SUBMISSION DATE

A date for offers will be communicated through the Advisor, at which time interested parties will be invited to provide submissions. Offers should be presented in the form of a standard Agreement of Purchase and Sale as provided for in the data room.

Submissions will be evaluated primarily on the consideration offered, the method of payment of the consideration, the prospective purchaser's ability to complete the transaction and the proposed closing date, and conditions of closing.



A Sellen Representative

CONFIDENTIALITY

By receipt of this CIM, the recipient agrees that this document and its contents are confidential that it will hold and treat it in the strictest of confidence; that it will not directly or indirectly disclose this document or its contents to any firm, person, or entity without the Receiver's prior written consent, and that it will not use or permit this document to be used in any manner detrimental to the interests of the Receiver, the Advisor, or their affiliates. This document is not to be reproduced, in whole or in part, without the prior written consent of the Receiver and the Advisor. The terms and conditions in this section will relate to all sections of this CIM as if stated independently therein.

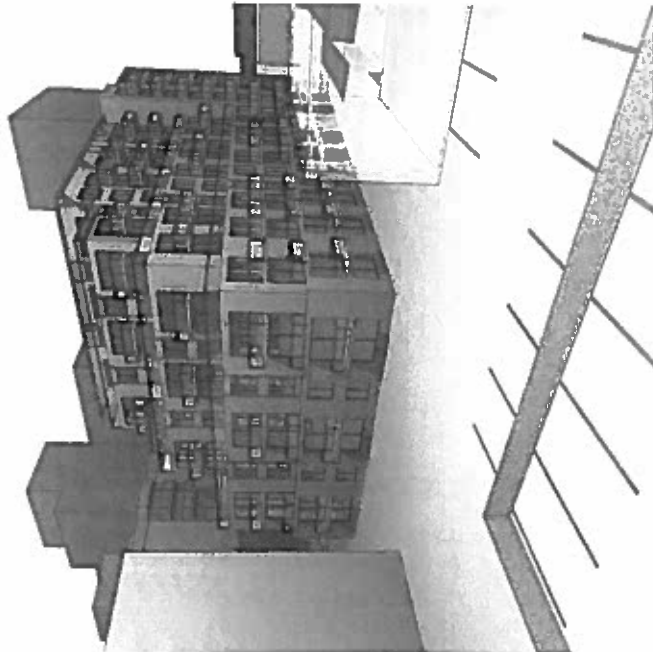
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AGENCY DISCLOSURE

It is understood that Jones Lang LaSalle Real Estate Services, Inc., Brokerage, in its capacity of conducting the real estate brokerage activities of JLL, has entered into a client relationship, as defined by REBBA/RECO, with the Vendor and will be compensated by the Vendor. It is further understood that a dual agency situation may arise as the Advisor may also directly introduce interested parties to the Vendor. In such event, the involved parties shall receive customer service as defined by REBBA/RECO, while the Advisor treats only the Vendor as a client.

12

Marketing Progress Report

*112 Nelson
Street*





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- Marketing Launch & Activities
- Prospective Purchaser Activity
- Offer Submissions
- Pricing Strategy & Negotiations

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Prospective Purchaser Activity

The prelaunch/teaser was sent to our database of over 3,000 active investors and influencers in anticipation of an early January launch. The formal sale notice was circulated on January 14, 2020. We received numerous enquires which resulted in 24 signed confidentiality agreements. These groups were given access to the full data room and communication was maintained to track their interest and perspective on value. An unpriced offering requires creating initial engagement, then adjusting/ramping up value expectations as the market responds. Most groups reinforced the health rental & condo demand in Ottawa and the desire to build. they could be roughly broken into two groups. The first, non-Ottawa buyers, they did not hold a preconception that the block bordering the east side of King Edward had a history which held negative connotations, but they did understand that it was not centre ice. The overwhelming criticism was that they wanted a marquee site for their entry into the market and to a lesser degree scale. The second group were locals who fully understood the history, but have witnessed the change afoot in the area and the eastward expansion of Ottawa's downtown. For them the hurdle seemed to be historical land pricing, not the desire to acquire. Most were in the high \$30's to mid \$40's per square foot above grade gfa and truly expected it to sell for more. There was concern from both camps that being a mid-block site might have some negative perception as a condo for fear of adjacent developments encroaching in the future. I believe we were able to comfort most by describing those specific sites that might support high rise development and durability of current uses which would likely push any change of use well into the future.

Offer Submissions

Offers were called on March 5, 2020 and there were three to four strong contenders coming to the deadline. Two Toronto developers dropped out and did not submit, leaving Hillpark Capital, who had been asking to have the right to preempt the bid date since just after launch.

The offer was on the standard offer as provided with some minor amendments and a purchase price of \$6,000,000, which was substantially below all prior discussions and they suggested that they were just hoping to be invited into the second round in order to negotiate a final price.

Pricing Strategy & Negotiations

It was our opinion that engaging them as the sole buyer at this point might not be the best strategy. Rather, going back to the market priced might engage other buyers who expected the value to be beyond what Hillpark's model would support. The recommendation was that the offering be relaunched at \$8,300,000 or approximately 10-15% above the general market sentiment with the goal of engaging as many buyers as possible in order to generate competition in an effort to drive value. The relaunch was productive and allowed continued negotiation with Hillpark as well as the opportunity to engage Forum Equity Partners. The path of negotiation and deal progress is noted on the next page:



Marketing Progress Report

112 Nelson Street, Ottawa, ON (the "Property")

Executed Listing Agreement : November 5, 2019 (Appendix A)

MNP Ltd. in its capacity as Court-appointed receiver and manager of the Property owned by Carlton Condominium Corporation 396, executed a listing agreement with Jones Lang Lasalle Real Estate Services Inc., hereafter "JLL" or the "Advisor".

Marketing Launch: January 14, 2020

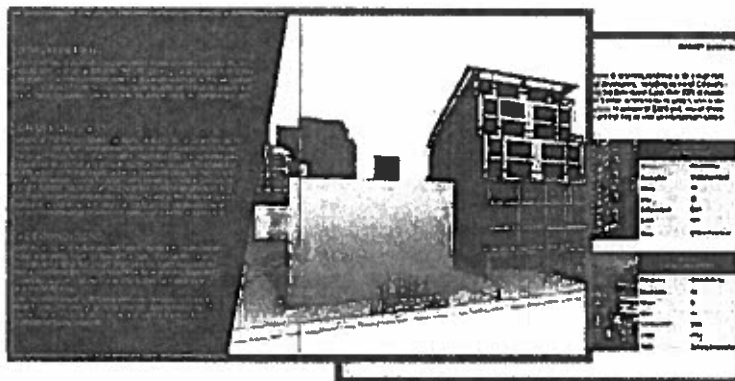
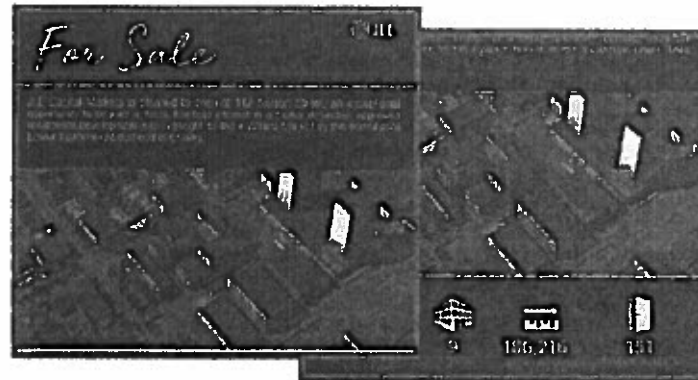
Activity	Description	Timing
Pre-Marketing	In-depth review of the Ottawa Market and the asset for preparation of the CIM and all marketing materials	November through December
Email Blasts	Developed a custom email campaign that was sent to a targeted database of over 5,000 multifamily owners & investors	Campaign First Launched: January 14, 2020 Bid Date Announcement: February 21, 2020 for March 5 Bid Date Re-launch with \$8,300,000 Price: March 9, 2020
JLL Website	Prominently displayed on the JLL website highlighting the benefits of the Property	Uploaded January 14, 2020
Linked-In	Custom post shared via LinkedIn, connecting 112 Nelson Street to industry professionals	Uploaded January 14, 2020
Instagram	Custom post shared via Instagram, connecting 112 Nelson Street to a wider audience	Uploaded January 14, 2020
Data Room	Due Diligence Materials loaded prior to marketing launch and continuously uploaded with any new information	Prospects granted access upon CA submission
Sign	For sale sign installed	Installed December 29, 2019
Insolvency Insider	Posted in the Insolvency Insider	Posted on May 12, 2020



Marketing Activities

Highly Tailored Marketing Materials

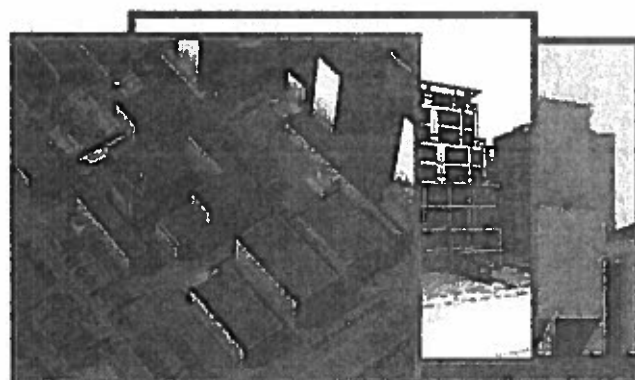
Digital Mail Campaign



Printed Customized CIM



Customized LinkedIn Post



Instagram Advertisement



Buyer Offer (Hillpark) – (Appendix C - 1)

- Received March 5, 2020, \$[REDACTED] Conditional for 97 days

Seller Counteroffer (Hillpark) – (Appendix C - 2)

- Submitted March 25, 2020, \$[REDACTED]000, Conditional for 76 days

Buyer Counteroffer (Hillpark) – (Appendix C - 3)

- Received March 31 \$[REDACTED]000, Conditional for 90 business days

Seller Counteroffer (Hillpark) – (Appendix C -4)

- Discussed April 3, 2020, \$[REDACTED]000, Conditional for 76 days

Seller Counteroffer (Hillpark) – (Appendix C - 5)

- Submitted April 21, 2020 \$[REDACTED]000, Conditional for 132 days

Buyer LOI (Forum) – (Appendix C - 6)

- Received May 26, 2020, \$[REDACTED]000, Conditional for 120 days

Buyer Amended Offer (Hillpark) – (Appendix C - 7)

- Received June 1, 2020 \$[REDACTED]000, Conditional for 92 days

Buyer Offer (Forum) – (Appendix C - 8)

- Received June 3, 2020, \$[REDACTED]000, Conditional for 60 days

- Seller Edits presented revised standard offer to both parties June 8, 2020 for consideration and final offer

Seller Modified Standard Offer (Forum) – (Appendix C - 9)

- Submitted June 8, 2020, \$[REDACTED]000, Conditional for 60 days for consideration and final offer

Seller Modified Standard Offer (Hillpark) – (Appendix C - 10)

- Submitted June 8, 2020, \$[REDACTED]000, Conditional for 83 days for consideration and final offer

Buyer Offer (Forum) – (Appendix C - 11)

- Received June 10, 2020, \$[REDACTED]000, Conditional for 60 days

Buyer Offer (Hillpark) – (Appendix C - 12)

- Received June 12, 2020, \$[REDACTED]000, Conditional for 80 days

Accepted Offer (Forum) – (Appendix C - 13)

- Received June 15 \$[REDACTED]000 , Conditional for 60 days

Buyer Amendment & Condition Waiver (Forum) – (Appendix C - 14)

- Agreed July 28, 2020, Due Diligence Extension to August 31, 2020

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OFFER TO PURCHASE

TO: MNP Ltd. (the “Vendor” or “Receiver”) in its capacity as court-appointed receiver, without security, of the lands, premises, units and common elements municipally known as 112 Nelson Street, Ottawa, Ontario, including all of the assets, undertakings and properties of Carleton Condominium Corporation No. 396 and the individual unit holders (collectively the “Debtor”) acquired for or used in relation to the Debtor’s operations at the said property, pursuant to the Order of the Honourable Mr. Justice Kane of the Ontario Superior Court of Justice, dated May 29, 2019, in Court File No. 01-CV-18977 at Ottawa (the “Court Orders”), and not in its personal capacity or corporate capacity.

Background

WHEREAS, by judgment dated the 2nd day of February, 2017, the Honourable Mr. Justice Kane ordered, *inter alia*,

- (a) that Carlton Condominium Corporation 396 (hereinafter “CCC 396”) be terminated as a condominium corporation pursuant to Section 128 of the *Condominium Act*; and
- (b) Surgeson Carson Associates Inc. be appointed as receiver and manager of CCC 396 with powers including:
 - (i) to market and sell all condominium units in CCC 396 as part of the termination; and
 - (ii) to market and sell any real property, personal property and assets of CCC 396 as part of the termination (the said condominium units together with the real property of CCC 396 are hereafter collectively referred to as the “Property”).

AND WHEREAS, pursuant to an order of the Honourable Justice Kane dated November 15, 2018, the court ordered, *inter alia*, that MNP Ltd. be substituted in place of Surgeson Carson Associates Inc.;

AND WHEREAS, pursuant to an order of the Honourable Justice Kane dated May 29, 2019, the court granted to MNP Ltd., as receiver and manager, certain additional powers and protections, including implementation of the marketing and sale provisions of the February 2, 2017 Judgment with respect to the Property. (The three Orders of Justice Kane are hereafter collectively referred to as the “Court Orders”).

1. Offer to Purchase

The undersigned, **FORUM/SLP GP INC.**, as general partner for and on behalf of **FORUM/SLP LIMITED PARTNERSHIP** (the “Purchaser”), hereby offers to purchase from and through the Vendor all of the right, title and interest in and to the Property which the Vendor hereby confirms the Vendor is entitled to sell pursuant to the

Court Orders at the purchase price set out herein and upon and subject to the terms hereof.

2. Definitions

In this Offer and the Agreement arising from the acceptance hereof, the following terms have the meanings respectively ascribed to them:

"Agreement", "the Agreement" or "this Agreement" means the agreement of purchase and sale resulting from the acceptance of this Offer by the Vendor.

"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 terms satisfactory to the Vendor and Purchaser.

"Approval and Vesting Order" has the meaning ascribed thereto in Section 7 hereof.

"Broker" has the meaning ascribed thereto in Section 3(a) hereof.

"Buildings" means the building(s), if any, situate on the Lands (as hereinafter defined) together with all other structures situate thereon, including all improvements thereto and all fixtures forming a part thereof.

"Business Day" means a day other than Saturday, Sunday or a statutory holiday in the Province of Ontario.

"Claims" means any and all claims, demands, complaints, grievances, actions, applications, suits, causes of action, Orders, charges, indictments, prosecutions, information or other similar processes, assessments or reassessments, equitable interests, options, preferential arrangements of any kind or nature, assignments, restrictions, financing statements, deposit arrangements, rights of others, leases, sub-leases, licences, rights of first refusal or similar restrictions, judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, including loss of value, reasonable professional fees, including fees and disbursements of legal counsel on a full indemnity basis, and all actual and documented costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing.

"Closing" or "Closing Date" has the meaning ascribed thereto in Section 19 hereof.

"Condition Date" has the meaning ascribed thereto in Section 5 hereof.

"Contracts" means all maintenance, landscaping, snow removal, waste removal, sprinkler monitoring, property management, asset management and other contracts and purchase orders entered into by the Debtor or the Vendor or by which the Debtor or the Vendor is bound in connection with the ownership, maintenance, repair and operation of the Property;

"Court" means the Ontario Superior Court of Justice and includes a judge, master or registrar of that court and any appellate court judge having jurisdiction in any particular matter.

"Court Orders" has the meaning ascribed thereto in the Background.

"Deposit" means the Initial Deposit and, if paid, the Second Deposit.

"Encumbrances" means any restrictions, easements, Claims, Leases, encumbrances, security interests (whether contractual, statutory, or otherwise), mortgages, pledges, prior claims, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered, published or filed and whether secured, unsecured or otherwise.

"Environmental Laws" mean all requirements under or prescribed by common law and all federal, provincial, regional, municipal and local laws, rules, statutes, ordinances, regulations, guidelines, directives, notices and orders from time to time with respect to the discharge, generation, removal, storage or handling of any Hazardous Substances.

"Execution Date" means the date this Offer submitted by the Purchaser is accepted by the Vendor in writing and such acceptance is communicated to the Purchaser.

"Final Order" means, in respect of any order of the Court or any other court, the operation and effect of such order shall not have been stayed, amended, modified, reversed, dismissed or appealed (or any motion or other proceeding to stay, amend, modify, reverse or dismiss such order or any such appeal shall have been dismissed with no further appeal therefrom) and the applicable appeal periods shall have expired.

"Hazardous Substances" means any contaminant, pollutant, dangerous substance, potentially dangerous substances, noxious substance, toxic substance, hazardous waste, flammable material, explosive material, radioactive material, urea-formaldehyde foam insulation, asbestos, PCBs radiation and any other substance, material, effect, or thing declared or defined to be hazardous, toxic, a contaminant, or pollutant, in or pursuant to any Environmental Laws.

"HST" has the meaning ascribed thereto in Section 18 hereof.

"Initial Deposit" has the meaning ascribed thereto in Section 3(a) hereof.

"Lands" means the lands legally described in Schedule "A" attached hereto.

"Lease(s)" means collectively, all leases, agreements to lease, tenancies, licenses, and any other rights of occupation of space in the Buildings or the Lands, if any.

"Material Documents" includes the following (to the extent in possession of the Vendor or its agents and not already contained in the data room):

- (a) copies of any surveys of the Property;

- (b) copies of all architectural drawings and site plans related to the Property, including, without limitation, copies of all drawings (in both CAD and PDF format) related to the development application for the Property including any submittals for site plan approval;
- (c) copies of all consulting and engineering reports related to the development application in respect of the Property;
- (d) any material correspondence received from the City of Ottawa in relation to development approvals in respect of the Property;
- (e) copies of all soil tests, engineering reports, environmental audits and reports, planning studies, building condition reports and all other reports;
- (f) upon request to the Vendor, providing consent for authorizing governmental authorities to release to the Purchaser or the Purchaser's solicitors any information on file with such governmental authorities relating to the Property;
- (g) copies of all service contracts and agreements in force in respect of the Property;
- (h) copies of the existing insurance policies arranged by the Vendor and in force in respect of the Property; and
- (i) copies of all other agreements affecting the Property;

which the Vendor shall no later than ten (10) Business Days following the date of acceptance of this Offer by the Vendor, to be included in the data room, to the extent that such Material Documents are in the possession or control of the Vendor.

"Offer", "the Offer" or "this Offer" means the offer to purchase the Property made by the Purchaser and contained in and comprised of this document.

"Orders" means orders, injunctions, judgments, administrative complaints, decrees, rulings, awards, assessments, directions, instructions, penalties or sanctions issued, filed or imposed by any governmental authority or arbitrator.

"Permitted Encumbrances" has the meaning ascribed thereto in Section 12 hereof.

"Property" means collectively, the Lands and Buildings.

"Purchase Price" has the meaning ascribed thereto in Section 3 hereof.

"Purchaser's Due Diligence Conditions" has the meaning ascribed thereto in Section 5 hereof.

"Second Deposit" has the meaning ascribed thereto in Section 3(b) hereof.

"Substantial Damage or Destruction" has the meaning ascribed thereto in Section 16.

"TERS" has the meaning ascribed thereto in Section 19 hereof.

3. Purchase Price

The purchase price for the Property shall be [REDACTED] ([REDACTED]) payable in lawful money of Canada (the "Purchase Price"), subject to the adjustments hereinafter referred to in Section 9 hereof, and shall be paid by the Purchaser as follows:

- (a) an initial deposit of One Hundred and Fifty Thousand dollars (\$150,000.00) (the "Initial Deposit"), shall be delivered to the Vendor's real estate broker, JLL (the "Broker"), within two (2) Business Days of the Vendor's acceptance of this Offer by wire transfer through a Canadian chartered bank or trust company, certified cheque, bank draft drawn on an account at a Canadian chartered bank or trust company payable to the Broker, as agent for the Vendor;
- (b) within two (2) Business Days following the Purchaser's written notice to the Vendor waiving or giving notice of satisfaction with the Purchaser's Due Diligence Condition, a second deposit of Three Hundred and Fifty Thousand dollars (\$350,000.00) (the "Second Deposit"), shall be delivered to Percy Ostroff, the lawyer for the Vendor by wire transfer through a Canadian chartered bank or trust company, certified cheque or bank draft drawn on an account at a Canadian chartered bank or trust company payable to Percy Ostroff In Trust; and
- (c) the balance of the Purchase Price for the Property shall be paid, subject to the adjustments hereinafter referred to, to the Vendor on the Closing Date by wire transfer through a Canadian chartered bank or trust company to the Vendor's lawyers (or as the Vendor or its lawyers may direct).

4. Deposit

The Initial Deposit and Second Deposit shall be held in trust by each of the Broker and Percy Ostroff, respectively, on behalf of the Vendor, and both shall be:

- (a) credited to the Purchaser as an adjustment against the Purchase Price on the Closing Date if the purchase and sale of the Property is completed pursuant to the Agreement;
- (b) returned to the Purchaser with interest and without deduction if the purchase and sale of the Property is not completed pursuant to this Agreement, provided that the Purchaser is not in default under this Offer or under the Agreement; or
- (c) released to Vendor in full and final satisfaction of any and all rights and remedies the Vendor may have against the Purchaser under the Agreement or at law as a result of the Purchaser's breach hereunder, if the purchase and sale of the Property is otherwise not completed pursuant to this Offer and the Agreement, as a result of the Purchaser's breach hereunder.

5. Purchaser's Conditions

Notwithstanding anything to the contrary herein contained, the Agreement is conditional to the Purchaser until 5:00 o'clock p.m. (Ottawa time) on that date that is sixty (60) days following the Execution Date (the "**Condition Date**") and is subject to the Purchaser satisfying itself in its sole, absolute, unfettered and subjective discretion with all matters relating to the Property, including without limitation, zoning matters, the Leases, if any, and the suitability and economic viability of the Property for the Purchaser's use, the physical condition of the Property, soil conditions, the environmental condition of the Property and the surrounding real property and the results of its other due diligence tests, inspections and investigations, and upon the Purchaser obtaining financing approval for its purchase of the Property on terms and provisions satisfactory to the Purchaser in its sole, absolute, unfettered and subjective discretion (collectively, the "**Purchaser's Due Diligence Conditions**").

The Purchaser's Due Diligence Conditions are for the exclusive benefit of the Purchaser and may be waived in whole or in part by the Purchaser at any time on or before the Condition Date, any such waiver to be made in writing by the Purchaser or its solicitors. In the event that the Purchaser has not, on or before the Condition Date, waived the Purchaser's Due Diligence Conditions or provided the Vendor with written confirmation that the Purchaser's Due Diligence Conditions have been satisfied, the Agreement shall be null and void and the Deposit shall be returned to the Purchaser with interest and without deduction and the Vendor and the Purchaser shall have no further obligations to each other with respect hereto.

The obligation of the Purchaser to complete the Agreement is further subject to the satisfaction of the following terms and conditions on or prior to the Closing Date, which conditions are for the sole benefit of the Purchaser and which may be waived by the Purchaser in its sole discretion:

- (a) the representations and warranties of the Vendor herein being true and accurate as of Closing;
- (b) the Property shall not have been removed from the control of the Vendor by any means or process;
- (c) no party shall take any action to redeem the Property; and
- (d) the Court shall have granted the Approval and Vesting Order and that the said order is a Final Order.

The Purchaser's conditions in Sections 5(a), (b), (c), (d) and (e) shall be deemed to have been satisfied on Closing, if Closing occurs.

6. Acceptance of Offer

The Purchaser agrees that no agreement for the purchase and sale of the Property shall result from this Offer unless and until this Offer has been accepted by the Vendor and

Approval has been obtained from the Court in accordance with the provisions of Section 7 hereof. The Purchaser agrees that this Offer shall be irrevocable by the Purchaser and open for acceptance by the Vendor until 12:00 o'clock p.m. (Ottawa time) on June 16, 2020, after which time, if not accepted by the Vendor, this Offer shall be null and void. The Vendor shall indicate the date on which it has accepted this Offer in the space provided on the execution of this Offer.

7. Court Approval

- (a) The Purchaser hereby acknowledges and agrees that the sale of the Property is by Approval and Vesting Order, and subject to Approval of the Court.
- (b) The Vendor shall, forthwith after waiver of the Purchaser's Due Diligence Conditions, bring a motion to the Court for Approval of the Agreement and the transactions contemplated by the Agreement, and an order vesting title to the Property in the Purchaser free and clear of all Encumbrances, save and except for the Permitted Encumbrances, such order to be in form and content acceptable to the Purchaser (the "Approval and Vesting Order"). The Vendor shall diligently pursue such motion on notice to the Purchaser and shall promptly notify the Purchaser of the disposition thereof.
- (c) 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 Approval of the Agreement and the transactions contemplated by this Agreement, and the Approval and Vesting Order.
- (d) If the Court shall not have granted Approval of the Agreement within one hundred (100) Business Days of waiver of the Purchaser's Due Diligence Conditions, the Purchaser shall have the unilateral right on written notice to the Vendor to extend the said date for the Court to grant Approval of the Agreement from time to time for a total time period not to exceed 180 days from the date of waiver of the Purchaser's Due Diligence Conditions and if by such date, as so extended, the Court shall not have granted Approval of the Agreement, the Purchaser shall have the unilateral right to terminate this Agreement by delivery of notice in writing to the Vendor at any time thereafter. If the Agreement is terminated under any provision of this Section, the Deposit and any interest earned thereon shall be promptly returned to the Purchaser in accordance with Section 4(b) hereof and neither party shall have any further rights or liabilities hereunder.
- (e) The Vendor shall consult and co-ordinate with the Purchaser and its solicitors regarding the parties upon whom the motion seeking the Approval and Vesting Order will be served and the manner and timing of service, provided that best efforts will be made to have the motion seeking the Approval and Vesting Order served upon such parties not less than seven (7) Business Days prior to the scheduled date for hearing of the motion.

- (f) The Vendor shall provide to the Purchaser: (i) not less than three (3) Business Days before service thereof, a draft of the Approval and Vesting Order for the Purchaser's review and approval, (ii) all affidavits and other materials to be served by them in connection with the motion seeking the Approval and Vesting Order, except those which are confidential or sealed by the Court, and (iii) promptly upon receipt, a copy of all materials received by them in response or opposition to the motion seeking the Approval and Vesting Order.
- (g) The Vendor shall provide to the Purchaser promptly upon receipt, a copy of all materials received by them in response or opposition to the motion seeking the Approval and Vesting Order.

8. Capacity of Receiver

The Vendor, by acceptance of the Offer, is entering into the Agreement solely in its capacity as the Court-appointed receiver, without security, of the Property in accordance with the Court Orders, and not in its personal, corporate or any other capacity. Any claim against the Receiver shall be subject to the Court Orders and limited to and only enforceable against the assets, undertakings and properties then held by or available to it in its said capacity and shall not apply to its personal property and/or any assets held by it in any other capacity. The Vendor shall have no personal or corporate liability of any kind, whether in contract or in tort or otherwise absent gross negligence or wilful misconduct. The term "Vendor" as used in this Agreement shall have no inference or reference to the present registered owner of the Property.

9. Adjustments

The Purchase Price for the Property shall be adjusted as of the Closing Date in respect of realty taxes, flat/fixed water and sewer rates and charges, utility deposits, if any, and all other items usually adjusted with respect to properties similar to the Property that apply. The draft statement of adjustments shall be delivered to the Purchaser by the Vendor at least five (5) Business Days prior to the Closing Date.

10. Termination of Agreement

Notwithstanding anything to the contrary contained in this Agreement, if at any time or times prior to the Closing Date, the Vendor is unable to complete this Agreement, or, if the Purchaser submits valid title requisitions which the Vendor is unable to satisfy prior to Closing, or if the sale of the Property is restrained at any time by a court of competent jurisdiction, the Vendor may, in its sole and unfettered discretion, elect by written notice to the Purchaser, to terminate this Agreement, whereupon the Deposit and any interest earned thereon shall be returned to the Purchaser in accordance with Section 4(b) hereof, and neither party shall have any further rights or liabilities hereunder.

The obligation of the Vendor to complete the Agreement is subject to the satisfaction of the following terms and conditions on or prior to the Closing Date, which conditions are for the sole benefit of the Vendor and which may be waived by the Vendor in its sole discretion:

- (a) the representations and warranties of the Purchaser herein being true and accurate as of Closing;
- (b) no action or proceeding at law or in equity shall be pending or threatened by any person, firm, government, government authority, regulatory body or agency to enjoin, restrict or prohibit the purchase and sale of the Property;
- (c) the Property shall not have been removed from the control of the Vendor by any means or process; and
- (d) the Court shall have granted the Approval and Vesting Order.

The Vendor's conditions in Sections 10(a), (b), (c) and (d) shall be deemed to have been satisfied on Closing, if Closing occurs.

11. Purchaser's Acknowledgements

The Purchaser hereby acknowledges and agrees with, and to be subject to, the following:

- (a) it is responsible for conducting its own due diligence, searches and investigations of the current and past uses of the Property;
- (b) save and except as otherwise expressly set out herein, the Vendor makes no representation or warranty of any kind that the present use or future intended use by the Purchaser of the Property is or will be lawful or permitted;
- (c) it shall satisfy itself with the Property and all matters and things connected therewith or in any way related thereto;
- (d) it is relying entirely upon its own due diligence, investigations and inspections in entering into this Agreement;
- (e) it is purchasing the Property on an "as is, where is" and "without recourse" basis including, without limitation, outstanding work orders, deficiency notices, compliance, requests, development fees, imposts, lot levies, sewer charges, zoning and building code violations and any outstanding requirements which have been or may be issued by any governmental authority having jurisdiction over the Property;
- (f) it relies entirely on its own due diligence, judgment, inspection and investigation of the Property and acknowledges that any documentation relating to the Property obtained from the Vendor has been prepared or collected solely for the convenience of prospective purchasers and is not warranted to be complete or accurate and is not part of this Offer;
- (g) the Vendor shall have no liability or obligation with respect to the value, state or condition of the Property, whether or not the matter is within the knowledge or imputed knowledge or the Vendor, its officers, employees, directors, agents, representations and contractors;

- (h) the Vendor has made no representations or warranties with respect to or in any way related to the Property, including without limitation, the following: (i) the title, quality, quantity, marketability, zoning, fitness for any purpose, state, condition, encumbrances, description, present or future use, value, location or any other matter or thing whatsoever related to the Property, either stated or implied; and (ii) the environmental state of the Property, the existence, nature, kind, state or identity of any Hazardous Substances on, under, or about the Property, the existence, state, nature, kind, identity, extent and effect of any administrative order, control order, stop order, compliance order or any other orders, proceedings or actions under the *Environmental Protection Act* (Ontario), or any other statute, regulation, rule or provision of law now in existence, or the state, nature, kind, identity, extent and effect of any liability to fulfill any obligation to compensate any third party for any costs incurred in connection with or damages suffered as a result of any discharge of any Hazardous Substances whether on, under or about the Property or elsewhere;
- (i) the Material Documents are being provided to the Purchaser merely as a courtesy and without any representations or warranties whatsoever; and
- (j) if for any reason such transaction is not consummated, the Purchaser agrees to deliver promptly to the Vendor any and all reports and other data pertaining to the Property and any inspections or examinations conducted hereunder.

12. Title to the Property

Upon Closing, title to the Property shall be good and marketable and free and clear from all Encumbrances, except as otherwise specifically provided in this Agreement and save and except for the general encumbrances listed in Schedule "C" attached hereto (collectively, the "Permitted Encumbrances").

Notwithstanding the foregoing, the Approval and Vesting Order shall provide for the deletion of all Encumbrances which are not Permitted Encumbrances, including without limitation, the instruments or registrations listed in Schedule "B" attached hereto, and for the deletion of any filings under the *Personal Property Security Act* (Ontario), as they affect the Property. The Vendor and Purchaser agree to use their reasonable commercial efforts to agree by that date that is at least three (3) Business Days prior to the Condition Date on the instruments and registrations that will be listed in Schedule "B" attached hereto to be deleted from the title of the Property, and for the filings under the *Personal Property Security Act* (Ontario) as they affect the Property, to be deleted, in each case pursuant to the Approval and Vesting Order.

13. Authorizations

From and after Closing, the Purchaser shall assume, at its cost, complete responsibility for compliance with all municipal, provincial and federal laws insofar as the same apply to the Property and the use thereof by the Purchaser. Save and except for the Approval and Vesting Order (which it shall be the Vendor's responsibility to obtain at its sole cost and expense), it shall be the Purchaser's sole responsibility to obtain, and pay the cost of

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obtaining any consents, permits, licenses or other authorizations necessary or desirable for the transfer to the Purchaser of the Vendor's right, title and interest, if any, in the Property. The Vendor shall promptly execute any documents or authorizations reasonably required by the Purchaser to conduct its investigations with respect to the Property.

14. Requisition Period

The Purchaser shall be allowed five (5) days from the date of waiver of the Purchaser's Due Diligence Conditions to investigate the title to the Property and to satisfy itself that all present uses are the legal uses thereof or legal nonconforming uses which may be continued and that the Property may be insured against usual insurable risks, at the Purchaser's own expense.

Subject to Section 12 hereof, if within such time the Purchaser shall furnish the Vendor in writing with any valid objection to title to the Property, which the Vendor is unable to remove, remedy or satisfy and which the Purchaser will not waive, then the Agreement shall be terminated, the Deposit and any interest earned thereon shall be promptly returned to the Purchaser in accordance with Section 4(b) hereof and neither party shall have any further rights or liabilities hereunder. Save as to any valid objection made as aforesaid or which the law allows to be made and is made after expiry of the aforesaid period and subject to Section 12 hereof, the Purchaser shall be conclusively deemed to have accepted the title to the Property to be vested in the Purchaser on Closing in accordance with the Agreement, and to have accepted the Property subject to all applicable laws, by-laws, regulations, easements and covenants affecting its use and the Purchaser shall assume responsibility from and after the Closing Date for compliance therewith. The Purchaser shall not call for the production of any title deed, abstract, survey or other evidence of title to the Lands, except as are in the control or possession of the Vendor. The Vendor shall not be required to produce any other document or report to the Purchaser, unless it is expressly provided for by this Agreement and in the control or possession of the Vendor.

15. Leases and Contracts

The Vendor covenants and agrees as follows:

- (a) to terminate all Lease(s) and Contracts on or before Closing and to provide the Purchaser with satisfactory written evidence of same, it being acknowledged and agreed that the Purchaser will not be assuming any Leases or Contracts on closing; and
- (b) to deliver vacant possession of the Property to the Purchaser on Closing as ordered by the Court and as set out in the Approval and Vesting Order.

16. Risk of Loss

All buildings on the Property and all other things being purchased shall be and remain until Closing at the risk of the Vendor.

The Property shall thereafter be at the risk of the Purchaser. Pending completion, the Vendor shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interest may appear and in the event of damage to or destruction of the Property, or any part thereof, in respect of which the costs of repair, replacement and/or restoration as certified by an independent, arm's length architect, engineer or other qualified expert retained by the Vendor (the "Engineer") acting reasonably, will exceed Five Hundred Thousand Dollars (\$500,000.00) (such extent of damage being referred to herein as "Substantial Damage or Destruction") before the completion of the Agreement which Substantial Damage or Destruction gives rise to any insurance proceeds, the Purchaser may either terminate this Agreement and have the Deposit returned without interest or deduction or else take the proceeds of insurance and complete the transaction. In the event of damage to or destruction of the Property which is less than Substantial Damage or Destruction, the Purchaser shall be obliged to complete the Agreement and be entitled to the proceeds of insurance referenced to such damage. The Purchaser agrees that all the insurance maintained by the Vendor shall be cancelled on the Closing Date and that the Purchaser shall be responsible for placing its own insurance thereafter.

17. Planning Act

This Agreement is subject to the express condition that if the provisions of Section 50 of the *Planning Act* (Ontario) apply to the sale and purchase of the Lands, then this Agreement shall be effective to create an interest in the Lands only if such provision is complied with and the Vendor hereby covenants and agrees to proceed diligently at its sole cost and expense to obtain any necessary consent on or before the Closing Date, if applicable.

18. Harmonized Sales Tax

The Purchaser hereby represents and warrants to the Vendor that it is or will become registered for the purposes of Part IX of the *Excise Tax Act* (Canada) in accordance with the requirements of Subdivision (d) of Division V thereof and it will continue to be so registered as of the Closing Date. The Purchaser covenants to deliver to the Vendor on or before Closing: (i) a certificate confirming its registration for purposes of the goods and services tax / harmonized sales tax ("HST"), including the registration number assigned to it; and (ii) a declaration and indemnity of the Purchaser confirming the accuracy, as at Closing, of the representations and warranties set out herein and agreeing to indemnify the Vendor for any amounts for which the Vendor may become liable as a result of any failure by the Purchaser to pay the HST payable in respect of the sale of the Property under Part IX of the *Excise Tax Act* (Canada) and that the Purchaser is buying for its own account and not as trustee or agent for any other party. Provided that the Purchaser delivers the certificate and the declaration and indemnity as set out above, the Purchaser shall not be required to pay to the Vendor, nor shall the Vendor be required to collect from the Purchaser, the HST in respect of the Property. In the event that the Purchaser shall fail to deliver the certificate and the declaration and indemnity as set out above, then the Purchaser shall pay to the Vendor, in addition to the Purchase Price, in pursuance of the Purchaser's obligation to pay and the Vendor's obligation to collect HST under the

provisions of the *Excise Tax Act* (Canada), an amount equal to thirteen (13%) percent of the Purchase Price, or such rate due and owing at the time of Closing.

19. Closing

Closing shall take place on the date which is twenty (20) Business Days following the issuance of the Approval and Vesting Order, which shall have been issued and entered by the Court and shall be a Final Order, or such other date as the parties or their respective solicitors may mutually agree upon in writing (the "Closing Date" or "Closing") Each party covenants and agrees to proceed expeditiously to complete the transaction of purchase and sale contemplated herein. The Vendor and the Purchaser acknowledge that the Teraview Electronic Registration System ("TERS") is operative and mandatory in the Land Titles Division for the Land Registry Office of Ottawa (No. 4). The Purchaser and Vendor shall each retain legal counsel who are authorized TERS users and who are in good standing with The Law Society of Ontario. The Vendor and Purchaser shall each authorize their respective legal counsel to enter into a document registration agreement in the form as adopted by the joint LSUC (LSO)-CBAO Committee of documents and closing funds and the release thereof to the Vendor and Purchaser, as the case may be:

- (a) shall not occur contemporaneously with the registration of the Transfer/Deed of Land or Application to Register the Approval and Vesting Order, and Receiver's certificate required by the Approval and Vesting Order (and other registerable documentation, if any) to be registered by the Purchaser's solicitor; and,
- (b) shall be governed by the document registration agreement pursuant to which legal counsel receiving any documents or funds will be required to hold same in escrow and will not be entitled to release except in strict accordance with provisions of the document registration agreement and the Purchaser shall be required to deliver the balance due on closing on the Closing Date to the Vendor's solicitors, to be held in escrow by them, whereupon the Vendor's solicitors shall after payment forthwith attend to have the signed Receiver's Certificate filed with the Court, which signed and entered Receiver's Certificate and Approval and Vesting Order shall form part of the Application to Register the Approval and Vesting Order, and which shall be delivered by the Vendor's solicitors to the Purchaser's solicitors for immediate registration by the Purchaser's solicitors. Upon registration of the Application to Register the Approval and Vesting Order, the Vendor shall release possession of the Property to the Purchaser and the balance due on closing shall be released from escrow.

20. Vendor's Closing Deliveries

The Vendor shall execute and deliver or cause to be executed and delivered to the Purchaser on the Closing Date, against payment of the Purchase Price, the following:

- (a) the final statement of adjustments;
- (b) a direction for the payment of the balance of the Purchase Price due on Closing;

- (c) an undertaking by the Vendor to readjust all items on the statement of adjustments within six (6) months from the date of Closing on written demand;
- (d) a certificate of the Vendor to the effect that it is not at the Closing Date a non-resident of Canada within the meaning of Section 116 of the *Income Tax Act*;
- (e) a copy of the Approval and Vesting Order, which shall have been issued and entered by the Court and shall be a Final Order;
- (f) keys, security and access cards and security codes that may be in the possession of the Vendor, if any;
- (g) copies of all Material Documents, if not already in the possession of the Purchaser; and
- (h) any other documents relative to the completion of this Agreement as may reasonably be required by the Purchaser or its solicitors.

21. Purchaser's Closing Deliveries

The Purchaser shall execute and deliver to the Vendor on the Closing Date the following:

- (a) wire transfer for the balance of the Purchase Price and any other monies required to be paid by the Purchaser pursuant to the Agreement, or the adjustments, including all applicable federal and provincial taxes, duties and registration fees unless the applicable exemption certificates in a form acceptable to the Vendor are presented to the Vendor on or before the Closing Date to exempt the Purchaser therefrom;
- (b) all certificates, indemnities, declarations and other evidences contemplated hereby in form and content satisfactory to the Vendor's solicitors, acting reasonably;
- (c) an undertaking by the Purchaser to readjust all items on the statement of adjustments within six (6) months from the date of Closing on written demand;
- (d) the HST certificate and indemnity as required pursuant to Section 18 of this Agreement;
- (e) any other documents relative to the completion of this Agreement as may reasonably be required by the Vendor or its solicitors; and
- (f) the release required to be delivered by the Purchaser to the Vendor pursuant to Section 25 hereof.

22. Inspection

The Purchaser acknowledges and agrees that the Vendor is not required to inspect the Property or any part thereof and the Purchaser shall be deemed, at its own expense to have relied entirely on its own inspection and investigation. The Purchaser acknowledges

that no warranties or conditions, expressed or implied, pursuant to the *Sale of Goods Act* (Ontario) or similar legislation in other jurisdictions apply hereto and all of the same are hereby waived by the Purchaser.

23. Representations and Warranties

- (a) Each of the parties comprising the Purchaser represent and warrant as of the date hereof and as of Closing that:
- (i) if applicable, it is a corporation duly incorporated, organized and subsisting under the laws of Canada, Ontario or another province of Canada;
 - (ii) if applicable, it has the corporate power and authority to enter into and perform its obligations under the Agreement and all necessary actions and approvals have been taken or obtained by the Purchaser to authorize the creation, execution, delivery and performance of the Offer and resulting Agreement and the Offer has been duly executed and delivered by the Purchaser, and, subject to the entry of the Approval and Vesting Order, this Agreement is enforceable against the Purchaser in accordance with its terms; and
 - (iii) it is not a non-Canadian for the purpose of the *Investment Canada Act* (Canada) and it is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada).
- (b) The Vendor represents and warrants as of the date hereof and as of Closing that:
- (i) the Vendor has been appointed by the Court pursuant to the Court Orders as receiver and manager of the Property;
 - (ii) subject to the entry of the Approval and Vesting Order, the Vendor has all the necessary authority to enter into this Agreement and all other documents contemplated herein to which it is or will be a party;
 - (iii) this Agreement has been duly executed and delivered by the Vendor and, subject to the entry of the Approval and Vesting Order, this Agreement is a legal, valid and binding obligation of the Vendor, enforceable against the Vendor only in its capacity as receiver of the Debtor by the Purchaser in accordance with its terms; and
 - (iv) it is not a non-Canadian for the purpose of the *Investment Canada Act* (Canada) and it is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada).

24. Confidentiality

The Purchaser agrees that all information and documents supplied by the Vendor or anyone on its behalf to the Purchaser or anyone on the Purchaser's behalf (including but

not limited to information in the schedules hereto) shall, unless and until Closing occurs, be received and kept by the Purchaser and anyone acting on the Purchaser's behalf on a confidential basis and shall not without the Vendor's prior written consent be disclosed to any third party. If for any reason Closing does not occur, all such documents (including without limitation, the Material Documents) shall forthwith be returned intact to the Vendor and no copies or details thereof shall be retained by the Purchaser or anyone acting on its behalf. The Purchaser and Vendor each agree that the Purchaser and Vendor shall keep the terms of this Offer and Agreement confidential and shall not disclose the same to anyone except their respective solicitors, agents or lenders acting in connection herewith and then only on the basis that such persons also keep such terms confidential as aforesaid.

25. Release of Vendor

The Purchaser agrees to release and discharge the Vendor together with its directors, officers, employees, agents and representatives from every claim of any kind that the Purchaser may make, suffer, sustain or incur in regard to any Hazardous Substance relating to the Property. The Purchaser further agrees that the Purchaser will not, directly or indirectly, attempt to compel the Vendor to clean up or remove or pay for the cleanup or removal of any Hazardous Substance, remediate any condition or matter in, on, under or in the vicinity of the Property or seek an abatement in the Purchase Price or damages in connection with any Hazardous Substance. This provision shall not expire with, or be terminated or extinguished by or merged in the Closing of the transaction of purchase and sale, contemplated by this Offer and the Agreement, and shall survive the termination of this Offer and the Agreement for any reason or cause whatsoever and the closing of this transaction.

26. Assignment

Save and except for an assignment of the Agreement to a company to be incorporated by the Purchaser or to a general partner for a limited partnership to be formed by the Purchaser (in which the Purchaser or an affiliate of the Purchaser is a limited partner) (or a nominee for such corporation or general partner for such limited partnership), the Purchaser shall not have the right to assign its rights under this Agreement without the Vendor's prior written consent, which consent may be unreasonably withheld. Notice of the Purchaser's intention to assign, with the assignee's name and address for service and the assignee's HST number shall be provided to the Vendor not less than seven (7) Business Days prior to the Closing Date.

27. Notices

Any notice to be given or document to be delivered to the parties pursuant to this Agreement shall be sufficient if delivered personally or sent by email or mailed by prepaid registered mail at the following addresses:

To Vendor:
MNP LTD.
1600 Carling Avenue, Suite 800

Ottawa, ON

Attention: John Haralovich
Email: john.haralovich@mnp.ca

with a copy to (which shall not constitute notice):

Ostroff Law
201 Plymouth Street
Ottawa, Ontario
K1S 3E4

Attention: Percy Ostroff
Email:percy@percyostrofflaw.ca

and in the case of a notice to the Purchaser, to:

c/o Forum Equity Partners
Forum House at Brookfield Place
181 Bay Street, East Podium, Second Floor
Toronto, Ontario, M5J 2T3

Attention: Aly Damji and Richard Abboud
Email:alyd@forumequitypartners.com; richarda@forumequitypartners.com

with a copy to the Purchaser's solicitors:

Fasken Martineau DuMoulin LLP
Suite 2400 - 333 Bay Street
Toronto, ON M5H 2T6

Attention: P. Martin Emmons
Email: memmons@fasken.com

Any written notice or delivery of documents given in this manner shall be deemed to have been given and received on the day of delivery if delivered personally or sent by email or, if mailed, three (3) Business Days after the deposit with the post office.

28. Entire Agreement

The Agreement shall constitute the entire agreement between the parties to it pertaining to the subject matter thereof and shall supersede all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the parties and there shall be no agreements or understandings between the parties in connection with the subject matter thereof except as specifically set forth herein. No party hereto has relied on any express or implied representation, written or oral, of any individual or entity as an inducement to enter into the Agreement.

29. Amendment

No supplement, modification, waiver or termination of the Agreement shall be binding, unless executed in writing by the parties to be bound thereby, provided that the time provided for doing any matter or thing contemplated herein may be abridged or extended by written agreement, in letter form or otherwise, executed by the duly authorized solicitors for the parties.

30. Time of Essence

Time shall be of the essence in this Agreement in all respects and any waiver of any time provision shall not be effective unless in writing and signed by both parties.

31. Binding Agreement

This Offer, when accepted, shall constitute a binding agreement of purchase and sale subject to its terms. It is agreed that there is no representation, warranty, collateral agreement or condition affecting the Agreement or the Property supported hereby other than as expressed herein in writing.

32. Governing Law

This Offer and the Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.

33. Gender, Interpretive Matters

This Offer and the Agreement shall be read with all changes of gender or number required by the context. The titles to provisions do not form part of this Offer or the Agreement and are inserted for reference purposes only. Preparation and submission of the form of this Offer or any other material by the Vendor shall not constitute an offer to sell.

34. Severability

Any provision of this Agreement which is determined to be void, prohibited or unenforceable shall be severable to the extent of such avoidance, prohibition or unenforceability without invalidating or otherwise limiting or impairing the other provisions of this Agreement.

35. Non-Merger

The provisions of this Agreement (including, without limitation, the representations and warranties of the Purchaser), shall survive Closing and shall not merge in the Approval and Vesting Order or in any other documents delivered hereunder.

36. Counterparts

The parties hereto agree that this Agreement may be executed in counterparts and by email transmission and each such counterpart so executed by email transmission shall be deemed to be an original and when taken together shall constitute as one and the same Agreement.

37. *Contra Proferentum* Rule

This Agreement and all Schedules thereto have been drafted with the equal participation of the all parties hereto and the parties hereto hereby acknowledge and agree that the *contra proferentum* rule has no application.

38. Legal Advice

The parties also acknowledge and agree that they have received independent legal advice with respect to the terms and provisions of this Agreement. They further agree and acknowledge that they have freely elected to enter into this Agreement without any form of duress and that they have not been induced to enter into this Agreement.

39. Solicitors and Agents

Any notice permitted, required or contemplated in this Agreement may be given or delivered and accepted or received by the Purchaser's solicitors on behalf of the Purchaser and by the Vendor's solicitors on behalf of the Vendor and any tender of closing documents and the balance of the Purchase Price may be made upon the Vendor's solicitors and the Purchaser's solicitors, as the case may be.

40. Commission

The Vendor agrees that it is responsible to pay the Broker any fees or commissions in respect of the transaction contemplated by this Agreement. The Vendor shall indemnify the Purchaser from any and all claims with respect to any such fees or commissions. This provision shall not merge on, but shall survive, Closing.

41. Exclusivity

From and after the date of acceptance of this Offer by the Vendor until Closing or the earlier termination of this Agreement, the Vendor, its representatives and agents and the Broker shall deal exclusively with the Purchaser with respect to the sale of the Property. During this period, the Vendor shall not, and shall instruct its representatives and agents and the Broker not to, solicit or accept any offer for the purchase of the Property.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the Purchaser has executed this Offer this 15th day of June, 2020.

**FORUM/SLP GP INC., as general partner
for and on behalf of FORUM/SLP LIMITED
PARTNERSHIP**



By: _____
Name: Richard Abboud
Title: CEO



By: _____
Name: Aly Damji
Title: Partner

I/We have authority to bind the Corporation

Subject to the Approval of the Court the undersigned hereby accepts the foregoing Offer this
15 day of June, 2020

MNP LTD.

in its capacity as court-appointed receiver,
without security of the Property of the Debtor
and not in its personal or corporate capacity

Telephone: (613) 691-6262
Fax: (613) 726-9009
E-mail: john.haralovich@mnp.ca



By: _____
Name: John Haralovich
Title: SVP

I have authority to bind the Corporation

SCHEDULE "A"
LEGAL DESCRIPTION OF PROPERTY

PT N½ LT 3 & PT LTS 4,5 & 6 (W/S NELSON ST). PL 43586, PT 2 4R5803, AS IN SCHEDULE "A" OF THE DECLARATION LT535820, AMENDED BY LT539546; OTTAWA;

ALL OF THE UNITS AND COMMON ELEMENTS COMPRISING OTTAWA CARLETON CONDOMINIUM PLAN NO. 396, CITY OF OTTAWA, LAND REGISTRY OFFICE (NO. 4).

PIN NOS. 15396-0001 TO 15396-0033, INCLUSIVE, LAND REGISTRY OFFICE NO. 4

SCHEDULE "B"
INSTRUMENTS TO BE DELETED FROM TITLE

**TO BE DETERMINED PRIOR TO THE CONDITION DATE, AND AGREED TO BY
THE PURCHASER AND THE VENDOR PRIOR TO SUCH DATE**



SCHEDULE "C"
REGISTRATIONS TO BE PERMITTED ON PIN



1. The reservations, limitations, provisions and conditions expressed in the original grant from the Crown and all unregistered rights, interests and privileges in favour of the Crown under or pursuant to any applicable statute or regulation.
2. Any subdivision agreement, development agreement, servicing agreement, site plan agreement or any other agreement, document, regulation, subdivision control by-law or other instrument containing provisions relating to the Lands or the use, development, installation of services and utilities or the erection of buildings or other improvements in or on the Lands provided they are complied with and do not materially adversely affect the ordinary use and operation of the Property.
3. All easements, licenses, rights-of-way, watercourses and rights (and all reference plans with respect thereto), whether registered or unregistered, including without limitation those for access or for the installation and maintenance of public and private utilities and other services including without limitation, telephone lines) hydro-electric lines, gas mains, water mains, sewers and drainage and other services or for the maintenance, repair or replacement of any adjoining building or lands, including any cost sharing agreement relating thereto.
4. Any restrictive covenants and building restrictions affecting the Lands.
5. Any minor defects of title or encroachments by or onto the Lands, whether by gardens, fences, trees, buildings, foundations, or other structures or things, which may be revealed by any survey or reference plan of the Lands, whether now in existence or not.
6. Utility agreements, and other similar agreements with authorities or private or public utilities affecting the Lands.
7. Zoning restrictions, restrictions on the use of the Lands or minor irregularities in title thereto provided same do not individually or in the aggregate, materially affect the use, enjoyment or value of the Property or any part thereof.
8. The reservations, limitations, conditions and exceptions to title set out in the *Land Titles Act* (Ontario), save and except Section 44(1)(11).
9. The rights of any person who would, but for the Land Titles Act (Ontario) be entitled to the Lands or any part of it through length of adverse possession, prescription, misdescription or boundaries settled by convention.



Compliance Audit Certificate™

CONSENT & ACKNOWLEDGEMENT: By signing this Compliance Audit Certificate, you confirm that it will serve as your original one-time use electronic signature and that the signatures applied to this document are legally binding. You acknowledge that you have carefully reviewed the document attached to this Compliance Audit Certificate and that you consent to complete this transaction in an electronic form. Please sign this agreement where indicated below.

1. John Haralovich: john.haralovich@mp.ca	Supporting Identification
	
Signature 	

2. E kufner: earl.kufner@am.jll.com	Supporting Identification
	
Signature 	



MasterFile Compliance Audit Certificate

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See consent & acknowledgement statement on page 1 of this certificate

Package: Accepted offer (PID:d31e853371ec484bba11851e8d539e56)
Document: #108406642v5_CANADA_EAST_ - Forum APS Jh.PDF (DID:23712fb3f64c4572921df8fb1700325b)

Scan the QR Code to the left or open the MasterFile link below to view the full audit trail of the document
MasterFile: <https://sign.syngrafii.ca/link/mf/d31e853371ec484bba11851e8d539e56/23712fb3f64c4572921df8fb1700325b>

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AMENDMENT OF PURCHASE AGREEMENT

THIS AMENDMENT OF PURCHASE AGREEMENT made as of the 30th day of August 2020 (the "Agreement")

BETWEEN:

MNP LTD.

(the "Vendor")

OF THE FIRST PART

- and -

**FORUM/SLP GP INC., as general partner for and on behalf of
FORUM/SLP LIMITED PARTNERSHIP**

(the "Purchaser")

OF THE SECOND PART

WHEREAS the Vendor (in its capacity as Court Appointed Receiver of the lands, premises and common elements known municipally as 112 Nelson Street, Ottawa, Ontario, including all of the assets, undertakings and properties of Carleton Condominium Corporation No. 396 and those units having PIN's 15396-0001 to 15396-0033 inclusive (the "Property")) and the Purchaser entered into an offer to purchase signed by the Purchaser on June 15, 2020 and accepted by the Vendor on June 15, 2020 (the "Offer of Purchase") pursuant to which the Purchaser agreed to purchase and the Vendor agreed to sell the Property on and subject to the terms and conditions set forth therein;

AND WHEREAS by email agreement dated July 29, 2020 (the "Email Amendment") between the Purchaser's solicitors, for and on behalf of the Purchaser, and the Vendor's solicitors, for and on behalf of the Vendor, the parties amended the Offer of Purchase by extending the Condition Date in Section 5 of the Offer of Purchase to August 31, 2020, with all related time periods being extended accordingly, except for the title requisition date in Section 14 of the Offer of Purchase, which was set at August 31, 2020 (the Email Amendment together with the Offer of Purchaser are hereinafter collectively referred to as the "Purchase Agreement");

AND WHEREAS the Purchaser and the Vendor wish to further amend the Purchase Agreement in accordance with the terms contained herein;



AND WHEREAS all capitalized terms used in this Agreement, unless otherwise defined herein, have the same meaning as set out in the Purchase Agreement.

NOW THEREFORE in consideration of the mutual covenants and agreements set forth in this Agreement and in the Purchase Agreement and the sum of Ten Dollars (\$10.00) paid by each of the Vendor and the Purchaser to the other and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

1. The foregoing recitals are true in substance and in fact.
2. The Purchase Agreement shall be amended by adding the following new section 42 to the Purchase Agreement:

"42. Purchaser's Applications

The Purchaser shall be entitled to speak with governmental authorities on matters related to the proposed development of the Property, make applications to any governmental authority for site plan approval and for changes or variances to official plans and/or zoning by-laws applicable to the Property (the "**Purchaser's Applications**"), at the sole cost and expense of the Purchaser, provided that none of such applications shall be effective until Closing has occurred. The Vendor shall cooperate and reasonably assist the Purchaser in connection with any such applications, including but not limited to signing any documents or authorizations necessary to permit the Purchaser to make such applications and submitting such documents or payments to any governmental authority as agent on behalf of the Purchaser as may be required from time to time in connection with such applications. In the event that the Agreement is terminated for any reason whatsoever, the Purchaser shall at its sole cost and expense withdraw all site plan, variance and rezoning applications for the Property. If it is a requirement of the municipality that signs giving notice of the application be posted on the Property, the Vendor agrees to allow the Purchaser and its contractors the right to enter upon the Property at any time prior to Closing to install and maintain such signs. None of the Purchaser, its agents or its contractors or anyone on its behalf shall attend on the Property before Closing without providing the Vendor with at least 48 hours advance notice and none shall make any installations, improvements, removals, alterations or changes to the Property or any premises or appurtenances on the Property, other than the installation of such signage as may be required in connection with the Purchaser's Applications, without the prior written consent of the Vendor. In the event of termination of this Agreement, the Purchaser shall indemnify the Vendor from all costs, damages and liabilities which



the Vendor may suffer as a result of the Purchaser's Applications.
This indemnity shall survive the termination of this Agreement."

3. Except as expressly amended herein, the Purchase Agreement shall remain in full force and effect, unamended, and the parties hereto confirm and ratify all terms and conditions contained therein.
4. Each of the parties shall from time to time hereafter and upon any reasonable request of the other party, execute and deliver, make or cause to be made all such further acts, deeds, assurances and things as may be required or necessary to more effectually implement and carry out the true intent and meaning of this Agreement.
5. Time is and shall be of the essence in this Agreement and remains of the essence in the Purchase Agreement and the transaction contemplated by the Purchase Agreement.
6. This Agreement may be executed by the parties hereto in counterparts, manually or by any form of electronic signature, whether digital or encrypted, and may be delivered by e-mail or other means of electronic transmission, all of which shall constitute originals, and all of which taken together shall constitute one and the same instrument and have the same legal force and effect as delivery of an original, manually signed copy of this Agreement
7. This Agreement shall enure to the benefit of the parties hereto and their respective successors and permitted assigns and shall be binding upon the parties hereto and their respective successors and assigns.

[Remainder of the page is intentionally left blank. Signature page follows.]



IN WITNESS WHEREOF the Vendor and the Purchaser have each executed this Agreement by their respective duly authorized signing officer(s).

**FORUM/SLP GP INC., as general partner for
and on behalf of FORUM/SLP LIMITED
PARTNERSHIP**

By: 
Name: Richard Abboud
Title: CEO

By: 
Name: Aly Damji
Title: Partner

I/We have authority to bind the Corporation

**MNP LTD., as Court Appointed Receiver
Of the lands, premises, common elements
and units known municipally as 112 Nelson
Street, Ottawa, Ontario**

By: 
Name: John Haralovich
Title: SVP

I/We have authority to bind the Corporation

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**NOTICE OF SATISFACTION/WAIVER OF
PURCHASER'S DUE DILIGENCE CONDITIONS
Section 5**

TO: MNP LTD as receiver of the Property described below (the "Vendor")

AND TO: Percy Ostroff, solicitor for the Vendor

RE: FORUM/SLP GP INC., as general partner for and on behalf of FORUM/SLP LIMITED PARTNERSHIP (the "Purchaser") purchase from MNP LTD. (the "Vendor"), as court-appointed receiver, without security of the lands, premises and common elements municipally known as 112 Nelson Street, Ottawa, Ontario, including the assets, undertakings and properties of Carleton Condominium Corporation No. 396 and the individual unit holders being PINs 15396-0001 TO 15396-0033, inclusive (collectively, the "Property"), under an offer to purchase signed by the Purchaser on June 15, 2020 and accepted by the Vendor on June 15, 2020, as amended by email agreement dated July 29, 2020, as amended by amendment of purchase agreement made as of August 30, 2020 (collectively, the "Purchase Agreement")

THE UNDERSIGNED Purchaser hereby confirms satisfaction or waiver of the Purchaser's Due Diligence Conditions as defined and set forth in Section 5 of the Purchase Agreement.

This Notice may be executed manually or by any form of electronic signature, whether digital or encrypted, and may be delivered by e-mail or other means of electronic transmission, all of which shall constitute an original and shall have the same legal force and effect as delivery of an original, manually signed copy of this Notice.

DATED as of this 31st day of August, 2020

**FORUM/SLP GP INC., as general partner for
and on behalf of FORUM/SLP LIMITED
PARTNERSHIP**

By: 

Name: Richard Abboud
Title: CEO

By: 

Name: Aly Damji
Title: Partner

/We have authority to bind the Corporation



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In the Matter of the Court Appointed Receiver of
 Carleton Condominium 396
 Summary of amounts due as of September 30, 2019

Unit Ref.	Court Order 09-45430	Aug 8 2016 Court Order 01-CV-18977	2012		2013		2014		2015		2016		2017		2018		2019		Condo and Interest Due	Cost Award/No INT 15-Feb-18	16-Mar-15 Cost Award 09-45430	Cost Award/INT 03-Mar-16	Total Due	
			Condo Fees Due	Condo Fees Due	Condo Fees Due	Condo Fees Due	Condo Fees Due	Condo Fees Due	Condo Fees Due	Condo Fees Due	Condo Fees Due	Condo Fees Due	Condo Fees Due	Condo Fees Due	Condo Fees Due	Condo Fees Due	Condo Fees Due							
Claude A. Burdet 1443957 Ontario Inc.	4,652.72	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,652.72	-	-	6,187.20	10,839.92	
Enterprise Ted Rubac Enterprises	5,742.75	50,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	44,257.25	69,499.99	553,839.24	-	558,867.38	
Newad Enterprises Ltd.	-	43,719.27	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40,675.06	4,743.10	-	-	45,418.16	
Newad Enterprises Ltd.	-	25,519.06	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	56,324.21	-	-	-	56,324.21	
1457563 Ontario Corp.	25,433.98	-	1,898.11	18,548.74	19,156.53	22,151.28	29,014.61	35,021.96	39,463.63	32,848.83	32,848.83	32,848.83	32,848.83	32,848.83	32,848.83	32,848.83	32,848.83	32,848.83	223,537.67	-	111,408.23	-	334,945.90	
1457563 Ontario Corp.	25,433.97	-	1,898.12	18,548.74	19,156.52	21,600.69	29,014.61	35,021.97	39,463.63	32,848.82	32,848.82	32,848.82	32,848.82	32,848.82	32,848.82	32,848.82	32,848.82	32,848.82	222,987.07	-	111,408.23	-	334,395.30	
Domicile Developments Inc.	-	44,801.41	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	48,649.82	5,656.62	-	-	54,306.44	
1436984 Ontario Inc.	-	43,508.82	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	64,108.97	4,310.19	-	-	68,419.16	
Amira Gabriel	-	60,576.61	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	120,158.94	10,201.72	-	-	130,360.66	
1496055 Ontario Inc.	-	29,000.59	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,765.36	-	-	-	1,765.36	
1496055 Ontario Inc.	-	28,756.68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	956.36	9,585.20	-	-	10,541.56	
Janet S. Burdet	112,467.08	-	6,681.53	26,522.43	31,792.92	38,679.03	49,848.06	60,293.23	69,278.62	58,535.91	49,826.66	41,613.88	30,313.57	20,391.99	12,952.45	6,867.15	3,938.49	1,296.52	454,098.81	69,500.00	-	-	523,598.81	
Amira Gabriel	-	55,567.63	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	113,466.56	-	-	-	113,466.56	
2201894 Ontario Inc.	-	32,301.01	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41,613.88	3,938.49	-	-	45,552.37	
Janet S. Burdet	-	-	-	12,724.32	11,251.56	11,251.56	13,201.42	6,587.40	6,587.40	4,940.49	4,940.49	4,940.49	4,940.49	4,940.49	4,940.49	4,940.49	4,940.49	4,940.49	30,313.57	-	99,338.88	-	129,652.45	
Claude Burdet	-	20,000.00	-	12,724.32	11,251.56	11,251.56	15,178.92	17,142.60	17,142.60	12,856.95	12,856.95	12,856.95	12,856.95	12,856.95	12,856.95	12,856.95	12,856.95	12,856.95	77,548.51	69,500.01	99,338.88	20,391.99	266,779.39	
BBG Equity Management	-	43,248.69	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	61,939.02	6,867.15	-	-	68,806.17	
Powell Griffiths	-	43,251.61	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50,458.06	6,197.53	-	-	56,655.59	
Claude Burdet in Trust	115,339.83	-	6,981.00	55,559.44	57,970.74	65,322.89	85,967.49	102,838.96	116,092.88	96,633.68	702,705.91	-	-	-	-	-	-	-	702,705.91	-	369,420.41	-	1,072,127.32	
Claude Burdet in Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Claude Burdet in Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Claude Burdet in Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Claude Burdet in Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Claude Burdet in Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
A1 - Group	289,070.33	380,251.38	17,458.76	144,627.99	150,579.83	170,257.01	355,049.28	280,163.87	309,206.19	175,037.61	2,271,704.25	-	-	-	-	-	-	-	2,271,704.25	260,000.00	1,344,753.87	6,304.59	3,882,822.71	
A2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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In the Matter of the Court Appointed Receiver of
 Carleton Condominium 396
 Summary of amounts due as of September 30, 2019

Updated

Unit Ref.	Court Order 09-45430	Aug 8 2016 Court Order 01-CV-18977	2012 Condo Fees Due	2013 Condo Fees Due	2014 Condo Fees Due	2015 Condo Fees Due	2016 Condo Fees Due	2017 Condo Fees Due	2018 Condo Fees Due	2019 Condo Fees Due	Condo and Interest Due	Cost Award/INT 15-Feb-18	Cost Award 09-45430	16-Mar-15 Cost Award 09-45430	Cost Award/INT 03-May-16	Total Due
Claude A. Burdet	4,652.72	-	-	-	-	-	-	-	-	-	4,652.72	-	-	-	212,839.92	
1443957 Ontario Inc.	5,742.75	50,000.00	-	-	-	-	-	-	-	-	44,257.25	69,499.99	553,839.24	20,214.60	558,667.38	
Entreprise Ted Rubac Enterprises	43,719.27	-	-	-	-	-	12,130.58	7,696.94	5,038.76	3,649.33	40,675.06	4,743.10	-	-	45,418.16	
Newad Enterprises Ltd.	25,433.98	25,433.98	1,898.11	18,548.74	19,156.53	22,151.28	29,014.61	35,021.96	39,463.63	32,848.83	56,324.21	-	111,408.23	-	334,945.90	
1457563 Ontario Corp.	25,433.97	-	1,898.12	18,548.74	19,156.52	21,600.69	29,014.61	35,021.97	39,463.63	32,848.82	222,987.07	-	111,408.23	-	54,306.44	
1457563 Ontario Corp.	-	-	-	-	-	-	4,830.60	1,001.79	1,022.01	3,005.99	48,649.82	5,656.62	-	-	68,419.16	
Domide Developments Inc.	44,801.41	-	-	-	-	-	12,339.35	1,127.26	1,149.99	5,983.55	64,108.97	4,310.19	-	-	330,360.66	
1436984 Ontario Inc.	43,508.82	-	-	-	-	-	32,853.54	10,728.72	10,945.26	5,054.81	120,158.94	10,201.72	-	-	1,765.36	
Amira Gabriel	60,576.61	-	-	-	-	-	6,363.49	713.80	728.20	35,040.72	1,765.36	-	-	-	10,541.56	
1496055 Ontario Inc.	29,000.59	-	-	-	-	-	6,309.98	707.80	722.06	35,540.16	956.36	9,585.20	-	-	523,598.81	
1496055 Ontario Inc.	28,756.68	-	-	-	-	-	6,309.98	707.80	722.06	35,540.16	956.36	69,500.00	-	-	113,466.56	
Janet S. Burdet	112,467.08	-	6,681.53	26,522.43	31,792.92	38,679.03	49,848.06	60,293.23	69,278.62	58,535.91	454,098.81	-	-	-	45,552.37	
Amira Gabriel	55,567.63	-	-	-	-	-	31,409.21	10,646.09	10,860.97	4,982.66	113,466.56	-	-	-	129,652.45	
2201894 Ontario Inc.	32,301.01	-	-	-	-	-	7,087.69	795.06	811.05	619.07	41,613.88	3,938.49	-	-	266,779.39	
Janet S. Burdet	-	-	-	12,724.32	11,251.56	11,251.56	13,201.42	6,587.40	6,587.40	4,940.49	30,313.57	-	99,338.88	-	68,806.17	
Claude Burdet	-	20,000.00	-	12,724.32	11,251.56	11,251.56	15,178.92	17,142.60	17,142.60	12,856.95	77,548.51	69,500.01	99,338.88	20,391.99	56,655.59	
886 Equity Management	43,748.69	-	-	12,724.32	11,251.56	11,251.56	9,489.90	1,064.49	1,085.97	7,049.97	61,939.02	6,867.15	-	-	1,072,177.32	
Powell Griffiths	43,251.63	-	-	-	-	-	6,477.62	874.50	892.16	1,037.83	50,458.06	6,197.53	-	-	-	
A1 - Group	115,339.83	-	6,981.00	55,558.44	57,970.74	65,322.89	85,967.49	104,838.96	116,092.88	96,633.68	702,706.91	-	-	-	-	
Claude Burdet in Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
A2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Claude Burdet in Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
A3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Claude Burdet in Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
A4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Claude Burdet in Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
A5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Claude Burdet in Trust	289,070.33	380,251.38	17,458.76	144,627.99	150,579.83	170,257.01	355,049.28	280,163.87	309,208.19	175,037.61	2,271,704.25	260,000.00	1,344,753.87	202,000.00	4,084,822.71	

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Tax Centre
Kitchener ON N2H 0A9

November 19, 2019

ATTENTION: JOHN HARALOVICH
CARLETON CONDOMINIUM CORPORATION NO 396
C/O MNP LTD.
800 - 1600 CARLING AVE
OTTAWA ON K1Z 1G3

Account Number
12329 9208 RT0001

Dear Mr. Haralovich:

Subject: CARLETON CONDOMINIUM CORPORATION NO 396

We understand that you have been appointed receiver or receiver-manager (receiver) for the above GST/HST registrant. Currently, the registrant owes goods and services tax / harmonized sales tax (GST/HST) of \$76,305.48.

Period outstanding	GST/HST payable	Penalty & interest	Total
2013-09-30	\$5,614.44	\$3,198.09	\$ 8,812.53
2013-12-31	\$5,465.02	\$2,144.63	\$ 7,609.65
2014-06-30	\$9,176.19	\$3,470.58	\$12,646.77
2014-09-30	\$6,347.47	\$2,291.15	\$ 8,638.62
2014-12-31	\$7,464.25	\$2,542.91	\$10,007.16
2015-03-31	\$9,176.19	\$2,889.26	\$12,065.45
2015-06-30	\$6,722.65	\$1,942.46	\$ 8,665.11
2015-09-30	\$ 0.00	\$ 334.77	\$ 334.77
2015-12-31	\$ 0.00	\$ 62.47	\$ 62.47
2016-03-31	\$ 0.00	\$ 171.29	\$ 171.29
2016-06-30	\$ 0.00	\$ 180.21	\$ 180.21
2016-09-30	\$ 0.00	\$ 142.68	\$ 142.68
2017-12-31	\$2,722.65	\$ 305.59	\$ 3,028.24
2019-05-29	\$3,810.88	\$ 129.65	\$ 3,940.53

Under the Excise Tax Act, \$56,499.74 of the above totals represents property of the Crown held in trust and does not form part of CARLETON CONDOMINIUM CORPORATION NO 396's property, business, or estate. This is the case whether or not those funds are kept separate and apart from the registrant's own money or from the estate's assets.

.../2



National Insolvency Office
166 Frederick Street
Kitchener ON N2H 0A9

Local: 519-570-5438
Toll Free: 1-844-496-9342
Fax: 855-875-3635
Web site: canada.ca/taxes

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Government
of Canada

Gouvernement
du Canada

Do a pre-search: results - Nuans

The results in the Search criteria entered table are based on the criteria you entered on the previous page. You can change your criteria by pressing the **Refine search** button.

Search criteria

Corporate name: CARLETON CONDOMINIUM CORPORATION 396

Registration information or application number:

Search within: Search all

Refine search

No exact matches for "CARLETON CONDOMINIUM CORPORATION 396"

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**In the Matter of the Receivership of
Carleton Condominium Corporation No. 396
Summary of PPSA registrations against unit holders**

PERSONAL PROPERTY SECURITY ACT (ONTARIO) REGISTRATIONS

1. Pursuant to searches with the Ministry of Government Services Personal Property Security Registration System dated June 24, 2020 against **Amira Gabriel**, the following PPSA Financing Statements were disclosed:
 - (a) File No. 685197153, being Registration No. 20130311 1351 1532 7165, as amended by Registration No. 20130312 1446 1530 3986, as renewed by Registration No. 20180213 1435 1530 4378 in favour of Bank of Montreal/Banque de Montreal, 2nd Floor, 234 Simcoe Street, Toronto, ON M5T 1T4 concerning collateral classification of Inventory, Equipment, Accounts, Other and Motor Vehicle Included and containing a general collateral description of “Re-registration of Base Registration No. 19970407 1756 1513 2877 Reference File Number 929096622, pursuant to Section 30(6) of Personal Property Security Act.”
2. Pursuant to searches with the Ministry of Government Services Personal Property Security Registration System dated June 24, 2020 against **BBG Equity Management Corporation**, the following PPSA Financing Statement was disclosed:
 - (a) File No. 725440185, being Registration No. 20170308 1135 1532 0312 in favour of Millenium Funding, Inc., 1775 Wherle Drive, Williamsville, NY 14221 concerning collateral classification of Inventory, Equipment, Accounts and Other and containing a general collateral description of “All present and future undertaking and personal property including, without limitation, all accounts, chattel paper, documents of title, equipment, goods, inventory, instruments, intangibles (including all intellectual property and rights), money and securities, together with all proceeds thereof, and all records (in any media).”
3. Pursuant to searches with the Ministry of Government Services Personal Property Security Registration System dated June 24, 2020 against **Patrick Dewan**, the following PPSA Financing Statements were disclosed:
 - (a) File No. 758592936, being Registration No. 20191216 1038 1529 2517 in favour of Royal Bank of Canada, 10 York Mills Road, 3rd Floor, Toronto, ON M2P 0A2 concerning collateral classification of Consumer Goods, Other, Motor Vehicle Included (2019 Ram 1500 Classic 1C6RR7LT8KS699209) with No Fixed Maturity Date and containing no general collateral description;
 - (b) File No. 717732513, being Registration No. 20160616 1241 1219 3611 in favour of TD Auto Finance (Canada) Inc., PO Box 4086, Station A, Toronto, ON M5W

Unit Holder PPSA Details

5K3 concerning collateral classification of Consumer Goods, Equipment, Other and Motor Vehicle Included (2016 Dodge Journey 3C4PDCABXGT198166) and containing no general collateral description.

4. Pursuant to searches with the Ministry of Government Services Personal Property Security Registration System dated June 24, 2020 against **Domicile Developments Inc.**, the following PPSA Financing Statements were disclosed:

(a) File No. 736319466, being Registration No. 20180207 1547 1862 5812 in favour of Bank of Montreal, 340 Albert Street, Suite 920 (9th Floor), Ottawa, ON K1R 7Y6 concerning collateral classification of Inventory, Equipment, Accounts and Other and containing a general collateral description of "Security interest in all present and after acquired personal property comprising or otherwise relating to and arising from the lands and premises municipally known as 60 Springhurst Avenue, Ottawa.";

(b) File No. 733399992, being Registration No. 20171027 1539 1862 7694 in favour of Bank of Montreal, 340 Albert Street, Suite 920 (9th Floor), Ottawa, ON K1R 7Y6 concerning collateral classification of Inventory, Equipment, Accounts and Other and containing no general collateral description;

(c) File No. 720745128, being Registration No. 20160920 1024 1862 6231 in favour of Bank of Montreal, 340 Albert Street, Suite 920 (9th Floor), Ottawa, ON K1R 7Y6 concerning collateral classification of Inventory, Equipment, Accounts and Other and containing a general collateral description of "Security interest in all present and after acquired personal property comprising or otherwise relating to and arising from the lands and premises municipally known as 11 Oblate Avenue, Ottawa.";

(d) File No. 693727479, being Registration No. 20140211 1146 1862 5330, as amended by Registration No. 20150812 1440 1530 8618, as renewed by Registration No. 20181228 1942 1531 2309 in favour of Bank of Montreal, 200-269 Laurier Avenue West, Ottawa, ON K1P 5J9 concerning collateral classification of Inventory, Equipment, Accounts and Other and containing no general collateral description; and

(e) File No. 691970445, being Registration No. 20131119 1333 1532 8619, as renewed by Registration No. 20180307 1435 1530 3404 in favour of Bank of Montreal/Banque de Montreal, 269 Laurier Avenue West, 2nd Floor, Ottawa, ON K1P 5J9 concerning collateral classification of Inventory, Equipment, Accounts and Other and containing no general collateral description.

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In the Matter of the Receivership of
 Carleton Condominium Corporation No. 396
 Summary of registrations against specific units

PIN UNIT	OWNER	CHARGES	INSTRUMENT #
0026 8 level 1	1496055 Ont Inc.	none	
0027 9 level 1	Entreprise Ted Rubac Enterprises Inc.	none	
0028 10 level 1	Amira Gabriel	Westboro Management Ltd. Westboro Mortgage Investment LP	156K OC1311901 charge 2011/12/01
0029 1 level 2	2201894 Ontario Inc.	none	
0030 2 level 2	Ted Rubac	Condo liens	
0031 3 level 2	Ted Rubac	Condo liens	
0032 4 level 2	BBG Equity Management Corporation	Westboro Management Ltd. Westboro Mortgage Investment LP And Navigate Capital Corporation notice of sec int. And 8095876 Canada Inc in trust	176K and \$12,744 and \$4M OC1353106 2012/04/20 OC1481606 2013/05/30 OC 1873265 2017/03/10
0033 5 Level 2	Powell	none	
0001 1 level A	Ted Rubac	Condo liens \$274 \$350	
0002 2 level A	Ted Rubac	Condo liens \$274 and \$350	
0003 3 level A	Ted Rubac	Condo liens \$274 and \$350	
0004 4 level A	Claude-Alain Burdet	Condo lien \$274	
0005 5 level A	Ted Rubac	Condo liens \$274 and \$350	

**In the Matter of the Receivership of
Carleton Condominium Corporation No. 396
Summary of registrations against specific units**

0006 6 level A	Ted Rubac	Condo liens \$274 and \$350	
0007 7 level A	Ted Rubac	Condo liens \$274 and \$350	
0008 8 level A	Ted Rubac	Condo liens \$274 and \$350	
0009 9 level A	Ted Rubac	Condo liens \$274 and \$350	
0010 10 level A	Ted Rubac	Condo liens \$274 and \$350	
0011 11 level A	Ted Rubac	Condo liens \$274 and \$350	
0012 12 level A	Ted Rubac	Condo liens \$274 and \$350	
0013 13 level A	Ted Rubac	Condo liens \$274 and \$350	
0014 14 level A	Ted Rubac	Condo liens \$274 and \$350	
0015 15 level A	Ted Rubac	Condo liens \$274 and \$350	
0016 16 level A	Ted Rubac	Condo liens \$274 and \$350	
0017 17 level A	Ted Rubac	Condo liens \$274 and \$350	
0018 18 level A	Ted Rubac	Condo liens \$274 and \$350	
0019 19 level A	Patrick Joseph Dewan	Condo liens \$1,280 and \$1,212	
0020 20 level 1	Ted Rubac	Condo liens \$10,820 and \$1,652	
0021 21 level 1	Ted Rubac	Charge \$60K 1443957 Ont Inc. and Condo liens \$10,820 and \$1,652	LT 1376123 2001/04/17

**In the Matter of the Receivership of
 Carleton Condominium Corporation No. 396
 Summary of registrations against specific units**

0022 22 level 1	Domicile Developments Inc.	Charge \$63K Royal Trust Corporation of Canada Charge \$25K McArthur, Korenyi and Korenyi Estate And condo liens \$1,458 and \$1,445	LT 539562 1987/12/11 and LT866056 1993/12/17
0023 5 level 1	1436984 Ont Inc.	Charge \$85K Business Development Bank of Canada	OC 604318 2006/06/19
0024 6 level 1	Amira Gabriel	Charge \$80K Bank of Montreal	OC1316404 2011/12/15
0025 7 level 1	1496055 Ontario Inc.	Condo liens \$1,056 and \$2,450	

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**MNP LTD., RECEIVER RE:
CARLETON CONDOMINIUM CORPORATION NO.396**

**INTERIM STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD MAY 31, 2019 TO SEPTEMBER 30, 2020**

Receipts:

Collection of arrears from unit holders	\$ 229,709
Advance from funds held by the property manager	8,000
Interest	843
	<u>238,552</u>

Disbursements:

Filing fee	70
License fee	275
Appraisal fees	6,457
Payment to external accountant - year end audits	16,950
Legal fees	22,048
Receiver fees and expenses	68,000
HST paid	15,085
	<u>128,885</u>

Excess of Receipts over Disbursements **\$ 109,667**