



No. S229506
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

1351486 B.C. LTD.

PETITIONER

AND:

LIVING BEACHSIDE DEVELOPMENT LIMITED PARTNERSHIP,
SUNNY BEACH MOTEL INC., PORT CAPITAL FARMS (BEACH)
INC., PORTLIVING FARMS (3624 PARKVIEW) INVESTMENTS
INC., PORTLIVING FARMS (3688 PARKVIEW) INVESTMENTS
INC., PORTLIVING (3648 PARKVIEW) INVESTMENTS INC.,
PORT CAPITAL GROUP INC., PORTLIVING PROPERTIES INC.,
MACARIO TEODORO REYES, PORT CAPITAL DEVELOPMENT
(FARMS) INC., and 1341550 B.C. LTD.

RESPONDENTS

NOTICE OF APPLICATION

Name of applicant: MNP Ltd., court-appointed receiver and manager (the "**Receiver**")

To: The Service List

TAKE NOTICE that an application will be made by the applicant to Justice Masuhara at the courthouse at 800 Smithe Street, Vancouver, BC, V6Z 2E1 on October 13, 2023 at 9:00 a.m. for the orders set out in Part 1 below.

Part 1: ORDER(S) SOUGHT

1. The following orders approving the transaction (the "**Transaction**") contemplated by the Agreement of Purchase and Sale dated September 1, 2023, between the Receiver and 1351486 B.C. Ltd (the "**Purchaser**"):

- (a) an approval and reverse vesting order (the "**RVO**"), substantially in the form attached hereto as **Schedule "A"**, among other things:
 - (i) approving the Transaction in relation to PortLiving Farms (3624 Parkview) Investments Inc., PortLiving Farms (3688 Parkview) Investments Inc., and PortLiving Farms (3648 Parkview) Investments Inc. (collectively, the "**Nominees**");

- (ii) vesting all of the Nominees' right, title and interest in and to the Transferred Assets (as defined in the RVO) in Sunny Beach Motel Inc. ("**ResidualCo**");
 - (iii) vesting all Claims, Encumbrances and Transferred Liabilities (as defined in the RVO) in respect of the Nominees in ResidualCo;
 - (iv) granting such other relief as is necessary to give effect to the Transaction in relation to the Nominees;
 - (v) increasing the Receiver's Borrowing Charge from \$500,000 to \$780,000;
 - (vi) authorizing the Receiver to assign Sunny Beach and Living Beachside into bankruptcy; and
 - (vii) approving and authorizing the activities of the Receiver as set out in the First Report of the Receiver dated September 29, 2023;
- (b) an approval and vesting order, substantially in the form attached hereto as **Schedule "B"**, among other things:
- (i) approving the Transaction;
 - (ii) vesting all of the Nominees' right title and interest in and to the Purchased Assets (as defined in the RVO) in the Purchaser; and
 - (iii) granting such other relief as is necessary to give effect to the Transaction; and
2. Such further and other relief as counsel may advise and this Honourable Court may deem appropriate.

Part 2: FACTUAL BASIS

Background

1. Living Beachside Development Limited Partnership ("**Living Beachside LP**"), Sunny Beach Motel Inc. ("**Sunny Beach**"), Port Capital Farms (Beach) Inc. (the "**General Partner**"), PortLiving Farms (3624 Parkview) Investments Inc. ("**3624 Farms**"), PortLiving Farms (3688 Parkview) Investments Inc. ("**3688 Farms**"), and PortLiving Farms (3648 Parkview) Investments Inc. ("**3648 Farms**") (collectively referred to as the "**Companies**"), own and operate the following three motels located in Penticton, B.C.:
- (a) Beachside Motel – 26-room motel located at 3624 Parkview Street;
 - (b) Sunny Beach Motel – 22-room motel located at 3648 Parkview Street; and
 - (c) Waterfront Inn – 20-room motel located at 3688 Parkview Street

(collectively referred to as the “**Properties**”).

2. Living Beachside LP is the beneficial owner of Beachside Motel. 3624 Farms is the registered owner of Beachside Motel.
3. Sunny Beach is the beneficial owner of Sunny Beach Motel. 3648 Farms is the registered owner of Sunny Beach Motel.
4. Living Beachside LP is the beneficial owner of Waterfront Inn. 3688 Farms is the registered owner of Waterfront Inn.
5. There are two mortgages registered on title to the Properties:
 - (a) a first-ranking mortgage in favour of Synvest Investment Management Inc. (“**Synvest**”) in the amount of approximately \$7.1 million (the “**First Mortgage**”); and
 - (b) a second-ranking mortgage in favour of 1351486 B.C. Ltd. (“**486 BC Ltd.**”) in the amount of approximately \$4.9 million (the “**Second Mortgage**”)

(collectively, the “**Mortgages**”).

6. On January 30, 2023, this Court pronounced an Order (the “**Receivership Order**”) appointing MNP Ltd. as the Receiver of all the assets, undertakings and businesses of the Companies. The Receivership Order was stayed until March 1, 2023, to allow the Companies additional time to redeem the Mortgages.
7. The Companies did not redeem the Mortgages and the Receivership Order became effective on March 1, 2023.
8. The Companies and 486 BC Ltd. asked the Receiver to delay the sales process pending the outcome of a series of refinancing decisions.
9. The refinancing or redemption of the Mortgages did not occur and the Receiver started the sales process on May 4, 2023.

Sales Process and Marketing

10. On May 4, 2023, the Receiver entered into a listing agreement with Colliers to market and sell the Properties.
11. The Properties were initially marketed without a listing price. After receipt of the initial offers, the listing price was updated to \$10 million on August 8, 2023, as 486 BC Ltd. informed the Receiver that any amount below that figure would be opposed.
12. The Receiver and Colliers took, among others, the following steps to market the Properties:

- (a) prepared marketing and sales materials that were sent out to prospective purchasers;
 - (b) made targeted calls to prospective purchasers;
 - (c) received phone calls from interested parties and provided additional information;
 - (d) advertised the Properties for sale on Colliers' website and Bill Randall's personal website;
 - (e) advertised the Properties for sale in the Western Investor on a monthly basis; and
 - (f) provided additional diligence materials to 168 interested parties who executed confidentiality agreements.
13. Following the marketing of the Properties, five offers were received in the sales process as follows:
- (a) Offer #1 - \$6.75 million.
 - (b) Offer #2 - \$7.5 million.
 - (c) Offer #3 - \$8.0 million.
 - (d) Offer #4 - \$7.5 million.
 - (e) Offer #5 - \$12.9 million.
14. The Receiver accepted the highest offer of \$12.9 million as submitted by 486 BC Ltd. to purchase the Properties.

The Transaction

15. The Receiver has entered into a Purchase and Sale Agreement ("**PSA**") with 486 BC Ltd. to purchase the Properties. The PSA requires a Reverse Vesting Order ("**RVO**") to be obtained by the Receiver.
16. The purchaser, 486 BC Ltd., will pay all obligations that rank ahead of the Second Mortgage. The value of the Second Mortgage is to be credit bid by 486 BC Ltd. The purchase price offered by 486 BC Ltd. is estimated at \$12.9 million as follows:

<u>Purchase Price (estimate)</u>	
First mortgage payable to Synvest	\$ 7,100,000
Second mortgage payable to 486 BC Ltd.	4,900,000
Receiver's borrowings charge	780,000
Real estate agent's commission	75,000
Outstanding property tax	-
Receiver's charge	-
	<u>\$ 12,855,000</u>

17. The material terms of the PSA are as follows:

(a) **Purchaser:** 1351486 B.C. Ltd.;

(b) **Purchased Assets** (each as defined in the PSA):

(i) the Shares; and

(ii) all the Vendor's right, title and interest in and to all assets and properties of the Vendor used or held in the Business, excluding the Excluded Assets but including, without limitation:

A. the Approved Contracts;

B. the Business Records;

C. the Chattels and the Expendables;

D. the Current Assets;

E. the Intellectual Property;

F. the Permits and Licenses;

G. the Property;

H. the Warranties; and

I. any consents related to the Business obtained by the Vendor from a third person which permit or purport to permit communication with the third person in compliance with CASL;

(c) **Purchase Price:**

(i) the amount sufficient to pay for all amounts owing in respect of any claim against the Companies which ranks in priority to the claims of 486 BC Ltd., including the Receiver's Charge, the Receiver's Borrowings Charge, the

Synvest Obligations, outstanding property taxes, and the amount payable in commission to Colliers; plus

- (ii) the amount sufficient to pay for all obligations of the Companies to 486 BC Ltd.
- (d) **Deposit:** \$500,000, held by the Receiver;
- (e) **Excluded Assets:**
 - (i) Contracts which are not Approved Contracts;
 - (ii) the right of the Vendor under the PSA;
 - (iii) corporate income taxes receivable and GST refunds;
 - (iv) cash and cash equivalents; and
 - (v) any proceedings, claims or causes of action for the benefit of the Vendor;
- (f) **Representations and Warranties:** consistent with the standard terms of an insolvency transaction (i.e., on an “as is, where is” basis, without any representation, warranties or covenants by the Receiver in respect of the purchased assets);
- (g) **Closing Date:** the closing date will be the date that is 28 days after the date the Vesting Order is pronounced by the Court, or the following Business Day if the Land Title Office is not open on such a date, and in any event, no earlier than November 2, 2023;
- (h) **Material Conditions:**
 - (i) on or before the date that is 45 days following execution of the PSA by both parties, the Vendor will have obtained an Order or Orders of the Court which provides that:
 - A. certain excluded assets and all liabilities of 3624 Farms, 3688 Farms, and 3648 Farms (collectively the “**Nominees**”) all be transferred by the Vendor into Sunny Beach;
 - B. all of the issued and outstanding shares in the capital of each of the Nominees shall be transferred to the purchaser, 486 BC Ltd.;
 - C. the Nominees be removed from the receivership proceedings and released from the purview of all orders of the Court granted in respect of the receivership proceedings, save and except for RVO; and

- D. the Receiver shall assign Sunny Beach and Living Beachside LP into bankruptcy following the closing of the Transaction; and
 - (ii) 486 BC Ltd. will fund the Receiver's borrowings required to complete the receivership. The Receiver's borrowings advanced by 486 BC Ltd. will form a part of the credit bid and the charge created will rank behind the First Mortgage.
- 18. The purchase of structuring the Transaction as an RVO is to avoid paying property transfer tax ("**PTT**") under the *Property Transfer Tax Act*, RSBC 1996, c 378, to the Government of British Columbia. The potential PTT owing in respect of this transaction is estimated to be approximately \$365,000. The RVO is required to discharge the liabilities held by the Nominees.
- 19. The Receiver supports the RVO and is of the view the RVO structure is sensible to pursue in this instance because:
 - (a) the amount of PTT saved under an RVO will help maximize recovery to creditors; and
 - (b) recent guidance provided by the British Columbia courts supports an RVO structure being used in similar circumstances.

Increase in Receiver's Borrowings

- 20. The Receiver's Report includes a cash flow forecast for the period September 16, 2023 to October 31, 2023 (the "**Cash Flow Forecast**"). Based on the Cash Flow Forecast, the Receiver estimates it will require additional borrowings of \$320,000 to operate the motels until the sale completes. To date, the Receiver has issued Receiver's Certificates totalling \$460,000 before interest charges.
- 21. The Receiver requests that the Court approve an increase to the Receiver's Borrowing Charge from \$500,000 to \$780,000.
- 22. The \$280,000 increase in Receiver's borrowings would be funded by 486 BC Ltd., and the charge would rank behind the First Mortgage.

The Receiver's Activities

- 23. The Receiver has performed the following work with respect to the Properties:
 - (a) Took possession of the Properties and continued motel operations;
 - (b) Terminated and subsequently rehired the employees;
 - (c) Liaised with the vendors to ensure continuation of services;

- (d) Liaised with the general manager of the motels on a weekly basis regarding operations;
- (e) Obtained a new insurance policy to ensure adequate coverage;
- (f) Implemented and modified existing internal controls and procedures;
- (g) Reviewed and reconciled motel sales activity;
- (h) Prepared cash flow forecasts;
- (i) Administered the payroll function for all employees at the motels including the issuance of T4 slips and Records of Employment as required;
- (j) Administered employee claims under the Wage Earner Protection Program Act;
- (k) Administered all WCB, GST, PST, and Municipal and Regional District Tax reporting and remittances as required;
- (l) Entered into discussions and negotiations with numerous parties concerning various potential redemption or re-financing proposals;
- (m) Attended to meetings with the first mortgagee, 550 BC Ltd. and facilitated its replacement by Synvest;
- (n) Held discussions with the real estate agent regarding sales and marketing for the Properties;
- (o) Held discussions with the Province of BC, Interior Health services, and the City of Penticton regarding motel operations;
- (p) Held various discussions and correspondence with legal counsel; and
- (q) Prepared statutory documents for the receivership.

Part 3: LEGAL BASIS

1. The Receiver relies on:
 - (a) the Receivership Order, made in these proceedings;
 - (b) *Law and Equity Act*, R.S.B.C. 1996, c. 250; and
 - (c) the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, particularly Part XI and sections 243, 246, 247, and 249;
 - (d) the *Supreme Court Civil Rules*; and

- (e) the inherent jurisdiction of this Court.

The Transaction Should be Approved

2. When determining whether or not to approve a sale of assets in a receivership, there are a number of considerations that should guide a court in its analysis, including:
 - (a) whether the party conducting the sale made sufficient efforts to obtain the best price and did not act improvidently;
 - (b) the interests of all parties;
 - (c) the efficacy and integrity of the process by which offers were obtained; and,
 - (d) whether there has been any unfairness in the sales process.

Royal Bank of Canada v. Soundair Corp. (1991), 4 O.R. (3d) 1 (Ont. C.A.) (“**Soundair**”) at para. 6, *Quest University Canada (Re)*, 2020 BCSC 1883 at para. 176.

3. More generally, in analyzing whether a transaction should be approved, a court is to consider the transaction as a whole and decide whether or not the sale is appropriate, fair and reasonable.

Veris Gold Corp. (Re), 2015 BCSC 1204 at para. 23.

4. Given the purchase price obtained, the adherence to, and fairness of, the sale and solicitation process, and the risk to the value of the assets posed by not closing a sale in the near term, the sale as contemplated in the PSA is appropriate, fair and reasonable and represents the best available recovery for creditors in the circumstances.

A Reverse Vesting Order is Appropriate

5. While courts have approved reverse vesting orders in appropriate circumstances, they have also been clear that a reverse vesting order structure is not the “norm” and should be regarded “as an unusual or extraordinary measure; not an approach appropriate in any case merely because it may be more convenient or beneficial for the purchaser”.

Harte Gold Corp (Re), 2022 ONSC 653 at para 38

Quest University Canada (Re), 2020 BCSC 1883 at para 168

6. There is no specific jurisdiction in the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 or the *Law and Equity Act*, RSBC 1996, c 253 for the approval of a reverse vesting order in receivership proceedings. This Court’s authority to grant a reverse vesting order is rooted in its general jurisdiction to grant an approval and vesting order and courts have granted such orders in receivership proceedings.

Vert Infrastructure Ltd, (Re) (June 8, 2021), ONSC (Commercial List),
Court file No CV-20-00642256-00CL (Approval and Vesting Order)

2056706 Ontario Inc et al (Re) (January 7, 2021), ONSC (Commercial
List), Court File No CV-20-00638503-00CL (Approval and Vesting Order)

*Third Eye Capital Corporation v. Ressources Dianor Inc/Dianor
Resources Inc.*, 2019 ONSC 508 at para 73

7. In deciding whether to grant the RVO, this Court should consider the following questions:
- (a) Why is the RVO necessary in this case?
 - (b) Does the RVO structure produce an economic result at least as favourable as any other viable alternative?
 - (c) Is any stakeholder worse off under the RVO structure than they would have been under any viable alternative?
 - (d) Does the consideration being paid for the debtor's business reflect the importance and value of the licences and permits (or other intangible assets) being preserved under the RVO structure?

Harte Gold Corp (Re), 2022 ONSC 653 at para 38

8. Maximizing recovery for creditors by avoiding a tax liability is a viable reason for the use of an RVO in the context of a receivership.

Peakhill Capital Inc. v Southview Gardens Limited Partnership, 2023
BCSC 1476 at para 77

9. In this case, the following factors lead to the conclusion that an RVO ought to be granted in this matter:
- (a) the RVO is necessary to preserve value and maximize the return for creditors;
 - (b) the RVO produces an economic result at least as favourable as any other viable alternative;
 - (c) no creditor or any other stakeholder is worse off under the RVO structure than they would be under any viable alternative; and
 - (d) if the RVO is granted, the saved funds will go to the creditors.
10. The Receiver has acted with good faith throughout these proceedings and has complied with the statutory requirements of Receivers as set out in the *BIA*, and the orders issued by this Court from time to time.

Increasing the Receiver's Borrowing Charge is Appropriate

11. Based on the Cash Flow Forecast, it is necessary for the proper administration of the receivership that the Receiver's borrowings are increased from \$500,000 to \$780,000.

Approval of Activities

12. Under its inherent jurisdiction, this Court may approve the activities of a court-appointed receiver, provided that the receiver has acted reasonably, prudently, and not arbitrarily.

Leslie & Irene Dube Foundation Inc v. P218 Enterprises Ltd., 2014 BCSC
1855 at para 54

13. The Receiver carried out all activities in good faith and has acted reasonably, prudently and not arbitrarily in the circumstances. The approval of the Receiver's activities is also appropriate in the circumstances because such approval will:

- (a) allow the Receiver and other stakeholders to move forward with the next steps in this proceeding;
- (b) bring the Receiver's activities in issue before this Court, providing an opportunity for the concerns of this Court and the Debtors' stakeholders to be addressed, and any problems to be rectified in a timely way;
- (c) enable this Court, tasked with supervising this proceeding, to satisfy itself that the Receiver's court-mandated activities have been conducted in a prudent and diligent manner;
- (d) provide protection for the Receiver, not otherwise provided by statute; and
- (e) protect creditors from delay that would be caused by:
 - (i) re-litigation of steps taken to-date; and
 - (ii) potential indemnity claims by the Receiver.

Target Canada Co (Re), 2015 ONSC 7574 at para 23

Hanfeng Evergreen Inc (Re), 2017 ONSC 7161 at para 15

14. The approval sought by the Receiver is not a general approval of its activities to date. Instead, it is the approval of the specific activities taken by the Receiver as specifically detailed in the First Report and summarized above.

Part 4: MATERIAL TO BE RELIED ON

1. Receiver's First Report to Court, dated September 29, 2023.

The applicant estimates that the application will take 1 hour.

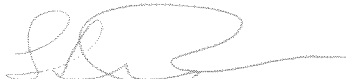
- This matter is within the jurisdiction of a master.
- This matter is not within the jurisdiction of a master.

TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION: If you wish to respond to this notice of application, you must, within 5 business days after service of this notice of application or, if this application is brought under Rule 9-7, within 8 business days after service of this notice of application,

- (a) file an application response in Form 33;
- (b) file the original of every affidavit, and of every other document, that
 - (i) you intend to refer to at the hearing of this application, and
 - (ii) has not already been filed in the proceeding; and
- (c) serve on the applicant 2 copies of the following, and on every other party of record one copy of the following:
 - (i) a copy of the filed application response;
 - (ii) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;
 - (iii) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7(9).

October 3, 2023

Dated


Signature of lawyer for filing party
DLA Piper (Canada) LLP (Colin D. Brousson)
for Lawyer for the Receiver

To be completed by the court only:

Order made

in the terms requested in paragraphs _____ of Part 1
of this notice of application

with the following variations and additional terms:

Date: _____ Signature of Judge Master

APPENDIX

The following information is provided for data collection purposes only and is of no legal effect.

THIS APPLICATION INVOLVES THE FOLLOWING:

- discovery: comply with demand for documents
- discovery: production of additional documents
- oral matters concerning document discovery
- extend oral discovery
- other matter concerning oral discovery
- amend pleadings
- add/change parties
- summary judgment
- summary trial
- service
- mediation
- adjournments
- proceedings at trial
- case plan orders: amend
- case plan orders: other
- experts
- none of the above

Definitions

1. Capitalized terms used but not otherwise defined in this Order have the meaning given to them in the Purchase and Sale Agreement dated September 1, 2023 (the "**Sale Agreement**") between the Receiver and 1351486 B.C. LTD. (the "**Purchaser**"), a copy of which is attached as Appendix "B" to the First Report.
2. In this Order, the following terms shall bear the meanings given to them below:
 - a. "**Claims**" means any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, including, without limiting the generality of the foregoing, all Encumbrances;
 - b. "**Encumbrances**" has the meaning given to it in the Sale Agreement but, for certainty, excludes the permitted encumbrances listed on Schedule "C" hereto;
 - c. "**Excluded Assets**" has the meaning given to it in the Sale Agreement;
 - d. "**Excluded Liabilities**" has the meaning given to in the Sale Agreement;
 - e. "**Nominees**" means collectively PortLiving Farms (3624 Parkview) Investments Inc., PortLiving Farms (3688 Parkview) Investments Inc., and PortLiving Farms (3648 Parkview) Investments Inc.;
 - f. "**Person**" means an individual, partnership (limited or general), corporation, trust, unincorporated organization, government or any department or agency thereof, and the successors and assigns thereof or the heirs, executors, administrators or other legal representatives of an individual;
 - g. "**Residual Co**" means Sunny Beach Motel Inc.; and
 - h. "**Retained Assets**" means all right, title and interest of the Nominees, if any, in and to the Property, the Approved Contracts, the Business Records, the Chattels and the Expendables, the Current Assets, the Intellectual Property, the Permits and Licenses, the Warranties, and any other assets, property or obligations which, pursuant to the terms and conditions of the Sale Agreement, remain the property of the Nominees after completion of the Transaction.

Approval of Sale Agreement

3. The sale transaction in relation to the Nominees (the "**Transaction**") contemplated by the Sale Agreement between the Receiver and the Purchaser is hereby approved, and the Sale Agreement is commercially reasonable. The execution of the Sale Agreement by the

Receiver is hereby authorized and approved, and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction.

Vesting of Assets and Liabilities

4. Upon delivery by the Receiver to the Purchaser of a certificate substantially in the form attached as Schedule “B” hereto (the “**Receiver’s Certificate**”), the following shall occur and be deemed to have occurred commencing at the time of delivery of the Receiver’s Certificate (the “**Effective Time**”) in the following sequence:
 - a. All of the Nominees’ right, title and interest in and to the Excluded Assets (the “**Transferred Assets**”) shall be transferred to, and shall vest absolutely and exclusively, without recourse, in Residual Co;
 - b. All Claims, Encumbrances, and Excluded Liabilities in respect of the Nominees shall be transferred to and assumed by and shall vest absolutely and exclusively without recourse in Residual Co, and such Claims and Encumbrances shall continue to attach to the Transferred Assets with the same nature and priority as they had immediately prior to the Effective Date, as if the Transferred Assets had not been conveyed and had remained in the possession or control of the person having possession or control of them immediately prior to the transfer;
 - c. All Claims, Encumbrances and Excluded Liabilities in respect of the Nominees shall be irrevocably and forever expunged, released and discharged as against the Purchaser, the Nominees and the Retained Assets; and
 - d. Without limiting subparagraph 4c, any and all security registrations against the Nominees shall be and are hereby forever released and discharged as against the Nominees, and all such security registrations shall attach to the Transferred Assets vested in Residual Co and maintain the same attributes, rights, nature, perfection and priority as they had immediately prior to the Effective Time, as if the Transferred Assets had not been conveyed and remained in the possession or control of the person having that possession or control immediately prior to the transfer, and no financing change statements in any applicable personal property or other registry system are required to reflect the transfer of and assumption by Residual Co of such security registrations.
5. This Order and the Order dated even date herewith with respect to the Transaction shall constitute the only authorization required by the Receiver, the General Partner, or Residual Co to proceed with the Transaction, and except as specifically provided in the Sale Agreement, no director or shareholder approval shall be required and no authorization, approval or other action by or notice to or filing with any Governmental Authority exercising jurisdiction in respect of the General Partner or the Nominees is

required for the due execution, delivery and performance by the Receiver, the Nominees, and Residual Co of the Sale Agreement and the completion of the Transaction.

6. As of the Effective Time:
 - a. The Nominees shall continue to hold all of their right, title and interest in and to the Retained Assets, free and clear of all Claims and Encumbrances and the Excluded Liabilities of the Nominees; and
 - b. The Nominees shall be deemed to have disposed of the Transferred Assets and shall have no right, title or interest in or to the Transferred Assets.
7. For greater certainty, any person that, prior to the Effective Time, had a Claim or Encumbrance against the Nominees or their assets, properties or undertakings shall, as of the Effective Time, no longer have any such Claim or Encumbrance against or in respect of the Nominees or the Retained Assets, but shall have an equivalent Claim or Encumbrance, as applicable, against the Transferred Assets to be administered by the Receiver in Residual Co from and after the Effective Time, with the same attributes, rights, security, nature and priority as such Claim or Encumbrance had immediately prior to its transfer to Residual Co, and nothing in this Order limits, lessens, modifies (other than by change in Debtor) or extinguishes the Claim or Encumbrance of any Person as against the Transferred Assets to be administered by the Receiver in Residual Co.
8. From and after the Effective Time, the Purchaser and/or the Nominees shall be authorized to take all steps as may be necessary to effect the discharge and release as against the Nominees and the Retained Assets of the Claims, Encumbrances and Excluded Liabilities of the Nominees that are transferred to and vested in Residual Co pursuant to this Order.
9. Upon the delivery of the Receiver's Certificate, and upon filing of a certified copy of this Order together with any applicable registration fees, all Governmental Authorities exercising jurisdiction with respect to the Nominees, the Retained Assets, or the Transferred Assets are hereby authorized, requested and directed to accept delivery of such Receiver's Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and conveyances as may be required to give effect to the terms of this Order and the completion of the Transaction and to discharge and release all Claims and Encumbrances and Excluded Liabilities of the Nominees against or in respect of the Nominees and the Retained Assets, and presentment of this Order and the Receiver's Certificate shall be the sole and sufficient authority for the Governmental Authorities to do so.
10. The Nominees are hereby authorized to grant any security required with respect to any mortgage financing to be obtained by the Purchaser to fund the payment of the Purchase Price, authorizing the registration of a Form B mortgage and assignment of rents against title to the Property in favour of the Purchaser's lender, and Luke Pretty, without personal liability, is hereby appointed as an authorized signatory of each of the Nominees to

execute the mortgage and assignment of rents, and any other security documents and such other documents as are required or may be necessary or in the opinion of the Purchaser's lender desirable to give and perfect any security for such financing required by the Purchaser's lender as part of such mortgage financing, in the name and on behalf of the Nominees (collectively, the "**Loan Documents**"). Luke Pretty will incur no liability to any Person as a result of executing the Loan Documents on behalf of the Nominees.

Releases

11. From and after the Effective Time, all Persons shall be absolutely and forever barred, estopped, foreclosed and permanently enjoined from pursuing, asserting, exercising, enforcing, issuing or continuing any steps or proceedings, or relying on any rights, remedies, claims or benefits in respect of or against the Receiver, its directors, officers, employees, counsel, advisors and representatives, the Purchaser, the Nominees, or the Retained Assets, in any way relating to, arising from or in respect of:
 - a. the Transferred Assets;
 - b. any and all Claims and Encumbrances and the Excluded Liabilities against or relating to the Nominees, the Transferred Assets or the Retained Assets existing immediately prior to the Effective Time;
 - c. the insolvency of the Nominee prior to the Effective Time;
 - d. the commencement or existence of these receivership proceedings; or
 - e. the completion of the Transaction.

12. From and after the Effective Time, the Receiver, its directors, officers, employees, counsel, advisors and representatives shall be deemed released from any and all claims, liabilities (direct, indirect, absolute or contingent) or obligations with respect to any taxes (including penalties and interest thereon), as well as penalties for failure to file returns pursuant to section 162 of the *Income Tax Act* (Canada) (the "**ITA**"), or that relate to the Nominees, including without limiting the generality of the foregoing all taxes, penalties and interest that could be assessed against the Nominees or the Purchaser (including its affiliates and any predecessor corporations) pursuant to section 160 of the ITA, as amended, or any provincial equivalent, in connection with the Nominees (provided, as it related to the Nominees, such release shall not apply to (a) transaction taxes, or (b) taxes in respect of the business and operations conducted by the Nominees after the Effective Time). For greater certainty, nothing in this paragraph shall release or discharge any Claims with respect to taxes or obligations in respect thereof that are transferred to Residual Co.

Residual Co

13. As at the Effective Time, the Nominees shall cease to be Respondents in the within proceedings, the style of cause for this proceedings shall be changed by deleting the Nominees as Respondents and the Nominees shall be deemed released from the purview of all Orders of this Court granted in respect of the within proceedings, save and except for this Order and the Order dated even date herewith.
14. The administration of Residual Co shall remain subject to the Court's oversight and these proceedings.
15. In addition to and without limiting the rights and protections afforded to the Receiver pursuant to the Receivership Order, the Receiver and its employees and representatives shall not incur any liability as a result of acting in accordance with this Order or administering Residual Co, save and except for gross negligence or wilful misconduct on the part of such parties. All protections afforded to the Receiver pursuant to the Receivership Order (as defined below), any further order granted in these proceedings or the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 (the "**BIA**") shall continue to apply.

Bankruptcies

16. The Receiver is hereby authorized and directed to file an assignment in bankruptcy on behalf of Residual Co and the Limited Partnership pursuant to the provisions of section 49 of the *BIA*, as amended, within 30 days after the Closing Date (as defined in the Sale Agreement).
17. The Receiver shall not be disqualified from acting as Trustee in Bankruptcy by reason only of its role as Receiver.

Miscellaneous

18. Notwithstanding:
 - (a) these proceedings;
 - (b) any applications for a bankruptcy order in respect of the Debtor now or hereafter made pursuant to the *BIA* and any bankruptcy order issued pursuant to any such applications; and
 - (c) any assignment in bankruptcy made by or in respect of the Debtor,

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *BIA* or any other applicable federal or provincial

legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

19. The First Report and the activities of the Receiver as set out therein are hereby approved.

Receiver's Borrowings

20. The Receiver's Borrowings Charge as defined in the Receivership Order dated January 30, 2023 (the "**Receivership Order**") be increased from \$500,000 to \$_____ such that paragraph 24 of the Receivership Order shall read as follows:

"The Receiver is authorized and 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 \$_____ (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as the Receiver 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 charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in Sections 14.06(7), 81.4(4), and 81.6(2) of the *BIA*."

General

21. The Receiver or any other party have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order.
22. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, 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.

23. Endorsement of this order by counsel appearing other than counsel for the Receiver is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of DLA Piper (Canada) LLP (Colin D.
Brousson)
Lawyer for the Receiver

BY THE COURT

REGISTRAR

Schedule A - Appearance List

Name of Counsel	Party Representing

Schedule B - Receiver's Certificate

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

1351486 B.C. LTD.

PETITIONER

AND:

LIVING BEACHSIDE DEVELOPMENT LIMITED PARTNERSHIP,
SUNNY BEACH MOTEL INC., PORT CAPITAL FARMS (BEACH)
INC., PORTLIVING FARMS (3624 PARKVIEW) INVESTMENTS
INC., PORTLIVING FARMS (3688 PARKVIEW) INVESTMENTS
INC., PORTLIVING (3648 PARKVIEW) INVESTMENTS INC.,
PORT CAPITAL GROUP INC., PORTLIVING PROPERTIES INC.,
MACARIO TEODORO REYES, PORT CAPITAL DEVELOPMENT
(FARMS) INC., and 1341550 B.C. LTD.

RESPONDENTS

RECEIVER'S CERTIFICATE

- A. Pursuant to an Order of the Honourable Justice Masuhara of the Supreme Court of British Columbia (the "**Court**") dated January 30, 2023, MNP Ltd. was appointed as the receiver and manager of all of the undertakings and property of Living Beachside Development Limited Partnership ("**Living Beachside LP**"), Sunny Beach Motel Inc. ("**Sunny Beach**"), Port Capital Farms (Beach) Inc., PortLiving Farms (3624 Parkview) Investments Inc. ("**3624 Farms**"), PortLiving Farms (3688 Parkview) Investments Inc. ("**3688 Farms**"), PortLiving Farms (3648 Parkview) Investments Inc. ("**3648 Farms**", and collectively with 3624 Farms and 3688 Farms, the "**Nominees**") (collectively referred to as the "**Companies**"), and certain assets of PortLiving Properties Inc. and Port Capital Development (Farms) Inc.
- B. Pursuant to an order of the Court dated _____, 2023, the Court approved the agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and 1351486 B.C. LTD. (the "**Purchaser**") dated September 1, 2023, and provided for the vesting in the Purchaser of the Nominees' right, title and interest in and

to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon delivery by the Receiver to the Purchaser of a certificate confirming (i) payment by the Purchaser of the Purchase Price for the Purchased Assets; and (ii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale Agreement.

THE RECEIVER HEREBY CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement.
2. The Transaction has been completed to the satisfaction of the Receiver.

DATED at the City of Vancouver, in the Province of British Columbia, this ____ day of _____, 2023.

MNP LTD.

in its capacity as Receiver of Living Beachside Development Limited Partnership, Sunny Beach Motel Inc., Port Capital Farms (Beach) Inc., PortLiving Farms (3624 Parkview) Investments Inc., PortLiving Farms (3688 Parkview) Investments Inc., PortLiving Farms (3648 Parkview) Investments Inc., and certain assets of PortLiving Properties Inc. and Port Capital Development (Farms) Inc. and not in its personal or corporate capacity

Per:

SCHEDULE "A"

Schedule C – Permitted Encumbrances, Easements and Restrictive Covenants related to Real Property

1. The reservations, limitations, provisos and conditions expressed in the original grant thereof from the Crown.

2. PID: 012-474-983

Legal Notations:

- This title may be affected by a permit under Part 26 of the Local Government Act, see KX41597
- This title may be affected by a permit under Part 26 of the Local Government Act, see KX41598

Charges, Liens and Interests:

- Statutory Right of Way KP11588

3. PID: 011-610-263

Legal Notations:

None

Charges, Liens and Interests:

- Statutory Right of Way KP7123

4. PID: 008-974-462

Legal Notations:

None

Charges, Liens and Interests:

- Statutory Right of Way KR1616

No. S229506

Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

1351486 B.C. LTD.

PETITIONER

AND:

LIVING BEACHSIDE DEVELOPMENT LIMITED
PARTNERSHIP, SUNNY BEACH MOTEL INC., PORT
CAPITAL FARMS (BEACH) INC., PORTLIVING
FARMS (3624 PARKVIEW) INVESTMENTS INC.,
PORTLIVING FARMS (3688 PARKVIEW)
INVESTMENTS INC., PORTLIVING (3648
PARKVIEW) INVESTMENTS INC., PORT CAPITAL
GROUP INC., PORTLIVING PROPERTIES INC.,
MACARIO TEODORO REYES, PORT CAPITAL
DEVELOPMENT (FARMS) INC., and 1341550 B.C.
LTD.

RESPONDENTS

ORDER MADE AFTER APPLICATION

DLA Piper (Canada) LLP
Barristers & Solicitors
1133 Melville St, Suite 2700
Vancouver, BC V6C 2Z7
Tel. No. 604.687.9444
Fax No. 604.687.1612

File No.: 016155-00037

CDB/day

DEFINITIONS

1. Capitalized terms used but not otherwise defined in this Order have the meaning given to them in the Purchase and Sale Agreement dated September 1, 2023 (the “**Sale Agreement**”) between the Receiver and 1351486 B.C. LTD. (the “**Purchaser**”), a copy of which is attached as Appendix “B” to the Report.

APPROVAL OF THE TRANSACTION

2. The sale transaction (the “**Transaction**”) contemplated by the Sale Agreement is hereby approved, and the Sale Agreement is commercially reasonable. The execution of the Sale Agreement by the Receiver is hereby authorized and approved, and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance to the Purchaser of the Purchased Assets.
3. Upon delivery by the Receiver to the Purchaser of a certificate substantially in the form attached as Schedule “B” hereto (the “**Receiver’s Certificate**”), all of the Beneficial Owner Entities’ and the Nominees’ respective right, title and interest in and to the Purchased Assets including those listed on Schedule “C” hereto (but for certainty, excluding the Nominees’ registered title to the Property which the Nominees shall continue to hold) shall vest absolutely in the Purchaser in fee simple, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of this Court dated January 30, 2023; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Columbia or any other personal property registry system; (iii) any agreement, lease, license, option or claim, easement, right of way, restriction, execution or other encumbrance (including any notice or other registration in respect of the foregoing) and (iii) those Claims listed on Schedule “D” hereto (all of which are collectively referred to as the “**Encumbrances**”, which term shall not include the permitted encumbrances listed on Schedule “E” hereto), and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.
4. Upon presentation for registration in the Land Title Office for the Land Title District of Kamloops of a certified copy of this Order, together with a letter from DLA Piper (Canada) LLP, solicitors for the Receiver, authorizing registration of this Order, the British Columbia Registrar of Land Titles is hereby directed to, having considered the interest of third parties, to discharge, release, delete and expunge from title to the Lands all of the registered Encumbrances except for those listed in Schedule “E”.

5. Upon the delivery of the Receiver's Certificate, and upon filing of a certified copy of this Order together with any applicable registration fees, all Governmental Authorities exercising jurisdiction with respect to the Nominees or the Purchased Assets are hereby authorized, requested and directed to accept delivery of such Receiver's Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and conveyances as may be required to give effect to the terms of this Order and the completion of the Transaction and to discharge and release all Claims and Encumbrances against or in respect of the Nominees and the Purchased Assets, and presentment of this Order and the Receiver's Certificate shall be the sole and sufficient authority for the Governmental Authorities to do so.
6. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Receiver's Certificate all Claims shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having had possession or control immediately prior to the sale.
7. The Receiver is to file with the Court a copy of the Receiver's Certificate forthwith after delivery thereof to the Purchaser.
8. Pursuant to Section 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act* or Section 18(10)(o) of the *Personal Information Protection Act* of British Columbia, the Receiver is hereby authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the company's records pertaining to the Debtor's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.
9. Subject to the terms of the Sale Agreement, vacant possession of the Purchased Assets, including any real property, shall be delivered by the Receiver to the Purchaser at 12:00 noon on the Closing Date (as defined in the Sale Agreement), subject to the permitted encumbrances as set out in the Sale Agreement and listed on Schedule "E".
10. The Receiver, with the consent of the Purchaser, shall be at liberty to extend the Closing Date to such later date as those parties may agree without the necessity of a further Order of this Court.
11. Notwithstanding:
 - (a) these proceedings;

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

(c) any assignment in bankruptcy made by or in respect of the Debtor,

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

12. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, 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.
13. The Receiver or any other party have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order.
14. Endorsement of this order by counsels appearing other than counsel for the Receiver is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of DLA Piper (Canada) LLP (Colin D.
Brousson)
Lawyer for the Receiver

BY THE COURT

REGISTRAR

Schedule A - Appearance List

<u>Name of Counsel</u>	<u>Party Representing</u>

Schedule B - Receiver's Certificate

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

1351486 B.C. LTD.

PETITIONER

AND:

LIVING BEACHSIDE DEVELOPMENT LIMITED PARTNERSHIP,
SUNNY BEACH MOTEL INC., PORT CAPITAL FARMS (BEACH)
INC., PORTLIVING FARMS (3624 PARKVIEW) INVESTMENTS
INC., PORTLIVING FARMS (3688 PARKVIEW) INVESTMENTS
INC., PORTLIVING (3648 PARKVIEW) INVESTMENTS INC.,
PORT CAPITAL GROUP INC., PORTLIVING PROPERTIES INC.,
MACARIO TEODORO REYES, PORT CAPITAL DEVELOPMENT
(FARMS) INC., and 1341550 B.C. LTD.

RESPONDENTS

RECEIVER'S CERTIFICATE

- A. Pursuant to an Order of the Honourable Justice Masuhara of the Supreme Court of British Columbia (the "**Court**") dated January 30, 2023, MNP Ltd. was appointed as the receiver and manager of all of the undertakings and property of Living Beachside Development Limited Partnership ("**Living Beachside LP**"), Sunny Beach Motel Inc. ("**Sunny Beach**"), Port Capital Farms (Beach) Inc., PortLiving Farms (3624 Parkview) Investments Inc. ("**3624 Farms**"), PortLiving Farms (3688 Parkview) Investments Inc. ("**3688 Farms**"), PortLiving Farms (3648 Parkview) Investments Inc. ("**3648 Farms**", and collectively with 3624 Farms and 3688 Farms, the "**Nominees**") (collectively referred to as the "**Companies**"), and certain assets of PortLiving Properties Inc. and Port Capital Development (Farms) Inc.
- B. Pursuant to an order of the Court dated _____, 2023, the Court approved the agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and 1351486 B.C. LTD. (the "**Purchaser**") dated September 1, 2023, and provided for the vesting in the Purchaser of the Nominees' right, title and interest in and

to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon delivery by the Receiver to the Purchaser of a certificate confirming (i) payment by the Purchaser of the Purchase Price for the Purchased Assets; and (ii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale Agreement.

THE RECEIVER HEREBY CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement.
2. The Transaction has been completed to the satisfaction of the Receiver.

DATED at the City of Vancouver, in the Province of British Columbia, this ____ day of _____, 2023.

MNP LTD.

in its capacity as Receiver of Living Beachside Development Limited Partnership, Sunny Beach Motel Inc., Port Capital Farms (Beach) Inc., PortLiving Farms (3624 Parkview) Investments Inc., PortLiving Farms (3688 Parkview) Investments Inc., PortLiving Farms (3648 Parkview) Investments Inc., and certain assets of PortLiving Properties Inc. and Port Capital Development (Farms) Inc. and not in its personal or corporate capacity

Per:

Schedule C – Purchased Assets

1. The Shares;
2. the Approved Contracts;
3. the Business Records;
4. the Chattels and the Expendables;
5. the Current Assets;
6. the Intellectual Property;
7. the Permits and Licences;
8. the Warranties;
9. any consents related to the Business obtained by the Vendor from a third person which permit or purport to permit communication with the third person in compliance with *An Act to promote the efficiency and adaptability of the Canadian economy by regulating certain activities that discourage reliance on electronic means of carrying out commercial activities, and to amend the Canadian Radio-television and Telecommunications Commission Act, the Competition Act, the Personal Information Protection and Electronic Documents Act and the Telecommunications Act, S.C. 2010, c. 23*; and
10. the Property, consisting of:
 - a. 3624 Parkview Street, Penticton, BC

Lot 1 Block 212 District Lot 189 Similkameen Division Yale District Plan 397 Except Plan 40551

PID: 012-474-983
 - b. 3648 Parkview Street, Penticton, BC

Lot A District Lot 189 Similkameen Division Yale District Plan 1389

PID: 011-610-263
 - c. 3688 Parkview Street, Penticton, BC

Lot 1 District Lot 189 Similkameen Division Yale District Plan 14620

PID: 008-974-462

SCHEDULE "B"

Schedule D– Claims to be Deleted from Title to Real Property

**Schedule E – Permitted Encumbrances, Easements and Restrictive Covenants
related to Real Property**

1. The reservations, limitations, provisos and conditions expressed in the original grant thereof from the Crown.

2. PID: 012-474-983

Legal Notations:

- This title may be affected by a permit under Part 26 of the Local Government Act, see KX41597
- This title may be affected by a permit under Part 26 of the Local Government Act, see KX41598

Charges, Liens and Interests:

- Statutory Right of Way KP11588

3. PID: 011-610-263

Legal Notations:

None

Charges, Liens and Interests:

- Statutory Right of Way KP7123

4. PID: 008-974-462

Legal Notations:

None

Charges, Liens and Interests:

- Statutory Right of Way KR1616

No. S229506
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

1351486 B.C. LTD.

PETITIONER

AND:

LIVING BEACHSIDE DEVELOPMENT LIMITED PARTNERSHIP, SUNNY BEACH MOTEL INC., PORT CAPITAL FARMS (BEACH) INC., PORTLIVING FARMS (3624 PARKVIEW) INVESTMENTS INC., PORTLIVING FARMS (3688 PARKVIEW) INVESTMENTS INC., PORTLIVING (3648 PARKVIEW) INVESTMENTS INC., PORT CAPITAL GROUP INC., PORTLIVING PROPERTIES INC., MACARIO TEODORO REYES, PORT CAPITAL DEVELOPMENT (FARMS) INC., and 1341550 B.C. LTD.

RESPONDENTS

ORDER MADE AFTER APPLICATION

DLA Piper (Canada) LLP
Barristers & Solicitors
1133 Melville St, Suite 2700
Vancouver, BC V6C 2Z7
Tel. No. 604.687.9444
Fax No. 604.687.1612

File No.: 016155-00037

CDB/day

No. S229506
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

1351486 B.C. LTD.

PETITIONER

AND:

LIVING BEACHSIDE
DEVELOPMENT LIMITED
PARTNERSHIP, SUNNY
BEACH MOTEL INC., PORT
CAPITAL FARMS (BEACH)
INC., PORTLIVING FARMS
(3624 PARKVIEW)
INVESTMENTS INC., AND
OTHERS

RESPONDENTS

NOTICE OF APPLICATION

DLA Piper (Canada) LLP
Barristers & Solicitors
Suite 2700
1133 Melville Street
Vancouver, BC V6E 4E5
Tel. No. 604.687.9444
Fax No. 604.687.1612

File No.: 016155-00037

SAA/day