Court File No. CV-19-619158-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

B E T W E E N:

AM-STAT CORPORATION

Applicant

- and -

6910 HWY7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Respondents

MOTION RECORD

(Motion Returnable October 22, 2020 at 10:00 a.m. via Zoom)

October 15, 2020

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4828-8488-6962 v2 [49603-3]

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TAB 1

Court File No. CV-19-619158-CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

B E T W E E N:

AM-STAT CORPORATION

Applicant

- and -

6910 HWY7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Respondents

NOTICE OF MOTION

Rosen Goldberg Inc. in its capacity as the Court-appointed sales officer (the "**Sales Officer**") of the assets, undertakings and properties of the Respondents 6910 Hwy 7 Inc. ("**Hwy7**") and 6910 Highway Seven Limited Partnership (the "**LP**" and together with Hwy7 Inc., collectively, the "**Debtors**"), including the real property municipally known as 6910 and 6950 Hwy. No. 7 East, in Markham (collectively, the "**Property**") will make a Motion to a Judge of the Commercial List, on Thursday, October 22, 2020 at 10 a.m., or as soon after that time as the Motion can be heard via Zoom videoconference due to the COVID-19 pandemic.

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

THE MOTION IS FOR:

1. If necessary, an Order abridging the time for service and validating service of this Notice of Motion and the Motion Record so that the Motion is properly returnable on October 22, 2020 and dispensing with further service thereof;

2. An Order approving the Sales Officer's Fourth Report dated October 15, 2020 and the activities and recommendations described therein, including, without limitation, the steps taken by the Sales Officer to market and sell the Property;

3. An Approval and Vesting Order, substantially in the form attached as Schedule A, approving the transaction (the "**Juniper Transaction**") contemplated in the Offer to Purchase made by Juniper Capital Ltd. ("**Juniper**") and accepted by the Sales Officer on September 8, 2020 (the "**Juniper APS**"), for the sale of the Property and vesting the Debtors' right, title and interest in the Property in and to Juniper or its permitted assignee upon the closing of the Juniper Transaction;

4. An Order authorizing and directing the Sales Officer, *nunc pro tunc*, to redact from the Fourth Report served on the parties named in the service list, (i) the unredacted copy of the Prior APS (hereinafter defined), attached as **Confidential Appendix 1** to the Fourth Report; (ii) the unredacted copy of the Juniper APS attached as **Confidential Appendix 2** to the Fourth Report; (iii) the summary of offers received attached as **Confidential Appendix 3** to the Fourth Report; and (ii) the reports of CBRE to the Sales Officer dated October 24, 2019 and August 24, 2020, copies of which are attached, respectively, as **Confidential Appendices 4 and 5** to the Fourth Report;

5. An Order sealing the unredacted version of the Fourth Report, including Confidential Appendices 1 through 5 to the Fourth Report filed with this Court from the public record, until the closing of the Juniper Transaction or further Order of this Court;

6. Such further relief as counsel may advise and this Honourable Court may permit.

THE GROUNDS FOR THE MOTION ARE:

1. Hwy7 is the registered owner of the Property, which it holds as a nominee for the benefit of the LP. The Property consists of 2 vacant parcels which together comprise

approximately 20 acres of valuable development land located in Markham, Ontario, directly south of the Markham-Stouffville Hospital;

2. The Sales Officer was appointed over the Property by Order of McEwen J. dated June 4, 2019;

3. Pursuant to a Marketing and Sale Process Approval Order of McEwen J. dated August 27, 2019, the Sales Officer implemented a process to market and sell the Property. The Property was listed for sale with CBRE for $75 million;

4. Upon conducting a robust marketing and sale process, on November 18, 2019, the Sales Officer accepted an offer. Under the agreement of purchase and sale arising from the Sales Officer's acceptance (the "**Prior APS**"), the buyer's due diligence period was due to expire on January 3, 2020;

5. The Prior APS lapsed on January 3, 2020 but was revived on January 13, 2020 and the buyer's due diligence period was extended to January 27, 2020;

6. On January 27, 2020, the buyer notified the Sales Officer that its due diligence conditions had not been satisfied and terminated the APS;

7. Although the Property was not been actively remarketed with the onset of the COVID 19 crisis, the Sales Officer had continuing discussions with CBRE regarding the appropriateness of remarketing the Property in the current economic climate;

8. In June of 2020, CBRE advised that with the loosening of quarantine restrictions there were signs of liquidity in the marketplace and recommended that marketing efforts be initiated as soon as possible;

9. On June 18, 2020, Justice Conway authorized the Sales Officer to re-market the Property for sale;

10. The Property was re-listed with CBRE for $59 million. The listing price was determined having regard for the cost sharing burden associated with the Property, the offers received

during the initial marketing and sale process, and the impact of the pandemic on the market for development properties in the area;

11. CBE conducted a second robust marketing and sale process, As a result of its efforts, 18 interested parties signed confidentiality agreements and were given access to CBRE's data room;

12. On September 3, 2020, the Sales Officer received an unconditional offer from Juniper. After some negotiation, the parties entered into the Juniper APS on September 8, 2020;

13. The Juniper APS is subject to the Court approving the terms thereof and granting an order vesting the Debtors' right, title and interest in the Property in and to Juniper or its permitted assignee upon the closing of the Juniper Transaction. Closing is to occur ninety days following Court approval;

14. The purchase price payable under the Juniper APS is considerably lower than: (a) the opinions of value the Sales Officer obtained from all of the listing brokers that were invited to submit proposals to list the Property; (b) the appraised value of the Property, according to an independent appraisal which the Sales Officer obtained in July of 2019; and (c) the most recent listing price of $59 million. The Sales Officer nonetheless determined that the best course was to accept Juniper's offer;

15. The Property was widely exposed to the market in two robust marketing and sale processes by a reputable listing broker. The Sales Officer does not believe that the Property will generate a superior offer through continued marketing. The Juniper APS is not subject to due diligence conditions in favoura of Juniper. The Sales Officer is holding a significant deposit from Juniper;

16. Rules 1.04, 2.01, 3.02, 41.05 of the *Rules of Civil Procedure*, section 249 of the *Bankruptcy and Insolvency Act* ; and

17. Such further grounds as counsel may advise and this Honourable Court may permit.

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

1. The Fourth Report of the Sales Officer dated October 15, 2020; and

2. Such further and other material as counsel may advise and this Honourable Court may permit.

October 15, 2020

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Lawyers for the Sales Officer, Rosen Goldberg Inc.

SCHEDULE A

SCHEDULE A

Court File No. CV-19-619158-CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	THURSDAY, THE 22nd
	)	
JUSTICE	)	DAY OF OCTOBER, 2020

B E T W E E N:

AM-STAT CORPORATION

Applicant

- and -

6910 HWY7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Respondents

APPROVAL AND VESTING ORDER

THIS MOTION, made by Rosen Goldberg Inc. in its capacity as the Court-appointed sales officer (the "**Sales Officer**") of the assets, undertakings and properties of the Respondents, 6910 Hwy 7 Inc. and 6910 Highway Seven Limited Partnership (collectively, the "**Debtors**") including the lands and premises municipally described as 6910 and 6950 Hwy. No. 7 East, in Markham and legally described in Schedule A hereto (collectively, the "**Property**"), for an order approving the sale transaction (the "**Transaction**") contemplated in the Offer to Purchase made by Juniper Capital Ltd. (the "**Purchaser**") and accepted by the Sales Officer on September 8, 2020 (the "**Sale Agreement**"), for the sale of the Property and vesting the Debtors' right, title and interest in the

Property in and to the Purchaser upon the closing of the Transaction, was heard this day by judicial video conference due to the COVID-19 pandemic.

ON READING the Fourth Report of the Sales Officer dated October 15, 2020 and on hearing the submissions of counsel for the Sales Officer, counsel for ●, no one appearing for any other person on the service list, although served as appears from the affidavit of Janet Nairne sworn October 15, 2020, filed:

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

2. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Sale Agreement by the Sales Officer is hereby authorized and approved, with such minor amendments as the Sales Officer may deem necessary. The Sales Officer is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Property to the Purchaser.

3. THIS COURT ORDERS AND DECLARES that upon the delivery of a Sales Officer's certificate to the Purchaser substantially in the form attached as Schedule B hereto (the "**Sales Officer's Certificate**"), all right, title and interest of the Debtors in and to the Property, shall vest absolutely in the Purchaser free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice McEwen dated June 4, 2019; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D1 and Schedule D2 hereto)

and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Property are hereby expunged and discharged as against the Property.

4. THIS COURT ORDERS that upon the registration in Land Registry Office for the Land Titles Division of York Region (No. 65) of an Application for Vesting Order in the form prescribed by the *Land Titles Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the Property in fee simple, and is hereby directed to delete and expunge from title to the Property all of the Claims listed in Schedule C hereto.

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

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

7. THIS COURT ORDERS that, notwithstanding:

(a) the pendency of these proceedings;

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

(c) any assignment in bankruptcy made in respect of any of the Debtors;

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

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

8. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Sales Officer 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 Sales Officer, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Sales Officer and its agents in carrying out the terms of this Order.

9. THIS COURT ORDERS that that notwithstanding Rule 59.05, this Order is effective from the date that it is made, and is enforceable without any need for entry and filing. In accordance with Rule 77.07(6) and 1.04, no formal order need be entered and filed unless an appeal or a motion for leave to appeal is brought to an appellate court. Any party may nonetheless submit a formal order for original signing, entry and filing when the Court returns to regular operations.

Schedule A – Property

Legal Description

Land Title Division for the Land Registry Office of York Region

PIN 70013-0215 (LT)

PT LT 11 CON 9 PT LT 12 CON 9 MARKHAM AS IN R517792; MARKHAM

PIN 70013-0216 (LT)

PT LT 11 CON 9 PT LT 12 CON 9 MARKHAM AS IN R436658; MARKHAM

Schedule B – Form of Sales Officer's Certificate

Court File No. CV-19-619158-CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

AM-STAT CORPORATION

Applicant

- and -

6910 HWY7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Respondents

SALES OFFICER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice McEwen dated June 4, 2019, Rosen Goldberg Inc. was appointed as sales officer (the "**Sales Officer**") pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* and section 101 of the *Courts of Justice Act*, without security, of all the assets, undertakings and properties of 6910 Hwy 7 Inc. and 6910 Highway Seven Limited Partnership (collectively, the "**Debtors**"), including the lands and premises municipally described as 6910 and 6950 Highway No. 7 East, in Markham, Ontario (the "**Property**").

B. Pursuant to an Order of the Court dated October 22, 2020, the Court approved the transaction (the "**Transaction**") contemplated in the Offer to Purchase made by Juniper Capital Ltd. (the "**Purchaser**") and accepted by the Sales Officer on September 8, 2020 (the "**Sale Agreement**"), for the sale of the Property, as more particularly described in the Sale Agreement,

and vesting the Debtors' right, title and interest in the Property in and to the Purchaser upon the closing of the Transaction, which vesting is to be effective with respect to the Property upon the delivery by the Sales Officer to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Property; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Sales Officer and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Sales Officer.

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

THE SALES OFFICER CERTIFIES the following:

1. The Purchaser has paid and the Sales Officer has received the Purchase Price for the Property payable on the Closing Date pursuant to the Sale Agreement;

2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Sales Officer and the Purchaser; and

3. The Transaction has been completed to the satisfaction of the Sales Officer.

4. This Certificate was delivered by the Sales Officer at _____ [TIME] on _____ , 2020.

Rosen Goldberg Inc., in its capacity as Sales Officer of the Property, and not in its personal capacity

Per: _____

Name: Brahm Rosen

Title: President

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

REGISTRATIONS TO BE DELETED FROM PINS 70013-0215 (LT) AND 70013-0216 (LT)

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO
YR2664265	2017/05/05	TRANSFER		2334266 ONTARIO INC.	6910 HWY7 INC.
YR2784762	2018/01/17	CHARGE	$24,163,000	6910 HWY7 INC.	AM-STAT CORPORATION
YR2784763	2018/01/17	CERTIFICATE		SIMION KRONENFELD	

Schedule D1 – Permitted Encumbrances, Easements and Restrictive Covenants related to the Real Property

(unaffected by the Vesting Order)

REGISTRATIONS TO BE PERMITTED ON PIN 04213-0215 (LT)

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO
YR691241	2005/08/29	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO AS REPRESENTED BY THE MINISTER OF TRANSPORT	
YR761759	2006/01/12	NOTICE		THE TORONTO UNITED CHURCH COUNCIL	KIM BECKMAN
YR1855914	2012/07/18	NOTICE		2334266 ONTARIO INC.	KIM BECKMAN THE TORONTO UNITED CHURCH COUNCIL
YR2786526	2018/01/22	APL COURT ORDER		SUPERIOR COURT OF JUSTICE	6910 HWY7 INC. 2334266 ONTARIO INC.
YR2786549	2018/01/22	APL AMEND ORDER		SUPERIOR COURT OF JUSTICE	6910 HWY7 INC. 2334266 ONTARIO INC.
YR2968848	2019/06/05	APL COURT ORDER		SUPERIOR COURT OF JUSTICE	ROSEN GOLDBERG INC.
YR3050954	2019/12/24	APL COURT ORDER		SUPERIOR COURT OF JUSTICE	ROSEN GOLDBERG INC.

Schedule D2 – Permitted Encumbrances, Easements and Restrictive Covenants related to the Real Property

(unaffected by the Vesting Order)

REGISTRATIONS TO BE PERMITTED ON PIN 70013-0216 (LT)

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO
YR695229	2005/09/01	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO AS REPRESENTED BY THE MINISTER OF TRANSPORT	
YR761759	2006/01/12	NOTICE		THE TORONTO UNITED CHURCH COUNCIL	KIM BECKMAN
YR1855914	2012/07/18	NOTICE		2334266 ONTARIO INC.	KIM BECKMAN THE TORONTO UNITED CHURCH COUNCIL
YR2786526	2018/01/22	APL COURT ORDER		SUPERIOR COURT OF JUSTICE	6910 HWY7 INC. 2334266 ONTARIO INC.
YR2786549	2018/01/22	APL COURT ORDER		SUPERIOR COURT OF JUSTICE	6910 HWY7 INC. 2334266 ONTARIO INC.
YR2968848	2019/06/05	APL COURT ORDER		SUPERIOR COURT OF JUSTICE	ROSEN GOLDBERG INC.
YR3050954	2019/12/24	APL COURT ORDER		SUPERIOR COURT OF JUSTICE	ROSEN GOLDBERG INC.
YR3056971	2020/01/16	NOTICE		ROSEN GOLDBERG INC.	

AM-STAT CORPORATION
Applicant

-and-

6910 HWY7 INC. et al.
Respondents

Court File No. CV-19-619158-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

APPROVAL AND VESTING ORDER

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AM-STAT CORPORATION
Applicant

-and-

6910 HWY7 INC. et al.
Respondents

Court File No. CV-19-619158-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

NOTICE OF MOTION

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Lawyers for the Sales Officer, Rosen Goldberg Inc.

TAB 2

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

Court File No. CV-19-619158-CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

B E T W E E N:

AM-STAT CORPORATION

Applicant

- and -

6910 HWY7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Respondents

FOURTH REPORT OF ROSEN GOLDBERG INC.

October 15, 2020

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

I. INTRODUCTION

1. By Order of the Honourable Mr. Justice McEwen dated June 4, 2019, Rosen Goldberg Inc. was appointed as sales officer (the "**Sales Officer**") of the assets, undertakings and properties of 6910 Hwy 7 Inc. ("**Hwy7**") and 6910 Highway Seven Limited Partnership (the "**LP**", and together with Hwy7 Inc., collectively, the "**Debtors**"), including the lands and premises municipally described as 6910 and 6950 Highway No. 7 East, in Markham, Ontario (the "**Property**"). The Order was obtained upon application by Am–Stat Corporation ("**Am-Stat**") pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* and section 101 of the *Courts of Justice Act*. A copy of the Order is attached as **Appendix A**.

II. TERMS OF REFERENCE

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

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

III. PURPOSE OF REPORT

3. This Fourth Report is being filed for the purpose of:

(a) reporting on and obtaining approval of the activities of the Sales Officer described in this Fourth Report, including, without limitation, the steps taken by the Sales Officer to market and sell the Property;

(b) seeking approval of the transaction (the "**Juniper Transaction**") contemplated in the Offer to Purchase made by Juniper Capital Ltd. ("**Juniper**") and accepted by the Sales Officer on September 8, 2020 (the "**Juniper APS**"), for the sale of the Property and vesting the Debtors' right, title and interest in the Property in and to Juniper or its permitted assignee upon the closing of the Juniper Transaction;

(c) obtaining authorization and direction, *nunc pro tunc*, for the Sales Officer to redact from the Fourth Report served on the parties named in the service list, (i) the unredacted copy of the Prior APS (hereinafter defined), which is attached as **Confidential Appendix 1**; (ii) the unredacted copy of the Juniper APS, which is attached as **Confidential Appendix 2**; (iii) the summary of offers received, which is attached as **Confidential Appendix 3**; and (ii) the reports of CBRE to the Sales Officer dated October 24, 2019 and August 24, 2020, copies of which are attached, respectively, as **Confidential Appendices 4 and 5**; and

(d) obtaining a sealing of the unredacted version of this Fourth Report, including the Confidential Appendices 1 through 5 filed with this Court from the public record, until the closing of the Juniper Transaction or further Order of this Court.

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

IV. BACKGROUND

4. Hwy7 is the registered owner of the Property, which it holds as a nominee for the benefit of the LP.

5. The Property consists of two vacant parcels, which together comprise approximately 20 acres of valuable development land in Markham, Ontario, directly south of the Markham-Stouffville Hospital.

6. Am-Stat holds a first-ranking charge over the Property in connection with a loan to the Debtors in the principal amount of $24,163,000. As a result of the Debtors' failure to make interest payments to Am-Stat beginning on April 1, 2019, Am-Stat applied for the Sales Officer's appointment.

V. INITIAL MARKETING AND SALE PROCESS

7. Pursuant to a Marketing and Sale Process Approval Order of the Honourable Mr. Justice McEwen dated August 27, 2019, the Sales Officer implemented a process to market and sell the Property in accordance with the process described in its First Report dated August 16, 2019 (the "**First Report**"). A copy of the First Report (without appendices) is attached as **Appendix B**. A copy of the Marketing and Sale Process Approval Order is attached as **Appendix C**.

8. The Property was listed for sale with CBRE. The initial listing price was $75 million.

9. CBRE undertook the following marketing efforts:

- in conjunction with the Sales Officer, created a virtual data room containing due diligence information regarding the Property;

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

- prepared a promotional video in respect of the Property and nearby developments, amenities, transportation and road networks, featuring drone video footage and 3D animations;
- placed a 12' by 12' v-shaped sign on the Property;
- delivered an electronic individual campaign regarding the Property to 1,277 contacts in its database on September 16, 25, October 4, 9 and 16, 2019;
- delivered electronic weekly reports regarding all of its listings, including the Property, to 1,277 contacts in its database on September 17, 24, October 8, 15 and 22, 2019;
- placed a full page ad in the *Nova Res Urbis* ("NRU") Toronto and GTA newsletter, a membership-only publication for developers, builders, investors, contractors, and other industry representatives, on September 25, 2019;
- placed a full page ad of all of its listings, including the Property, in the NRU Toronto and GTA newsletter on September 13 and 18, 2019;
- advertised the Property on CBRE's website of available listings and on the website of the CBRE team responsible for listing the Property;
- prepared and sent 1,000 brochures regarding the Property to a targeted list of clients; and
- placed colour ads in the *Globe and Mail* on October 1 and 3, 2019.

10. As a result of these efforts, 69 interested parties viewed or clicked on CBRE's electronic individual campaign, many of them on multiple occasions. Fifteen interested parties signed confidentiality agreements and were given access to the data room.

11. As of October 23, 2019, three offers to purchase the Property were received by the Sales Officer, together with one letter of intent.

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VI. PRIOR APS

12. As reported in the Sales Officer's Second Report dated December 13, 2019 (the "**Second Report**"), a copy of which is attached (without appendices) as **Appendix D**, on November 18, 2019, the Sales Officer accepted an offer. Under the agreement of purchase and sale arising from the Sales Officer's acceptance of the offer (the "**Prior APS**"):

- the buyer's due diligence period was due to expire on January 3, 2020;
- the Sales Officer received a deposit equivalent to 5% of the purchase price;
- a further deposit equivalent to 5% of the purchase price was payable upon waiver of conditions; and
- the closing was to occur on March 19, 2020.

13. The purchase price payable under the Prior APS was the highest price offered for the Property. A redacted copy of the Prior APS is attached as **Appendix E**. An unredacted copy is attached as **Confidential Appendix 1**.

14. The Prior APS, the purchase price and the identity of the buyer were not disclosed in the Second Report. Rather, the Sales Officer reported that if, and when, the buyer waived its due diligence conditions, it would report more fully to the Court on the results of the marketing and sale process, the offers that were submitted, and the rationale for the Sales Officer's decision to enter into the Prior APS with the buyer.

15. On January 2, 2020, the buyer requested an extension to its due diligence period. The Sales Officer was agreeable to granting an extension but required a further deposit as a term thereof. The buyer was unwilling to pay an additional deposit and the Prior APS lapsed on January 3, 2020.

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16. On January 11, 2020, the buyer approached the Sales Officer to advise that it had reconsidered and was willing to submit a further deposit in order to revive the Prior APS.

17. On January 13, 2020, an agreement reviving the Prior APS was executed, pursuant to which:

- the due diligence period was extended to January 27, 2020;
- a further deposit of $1.45 million was paid to the Sales Officer;
- the buyer agreed to pay a further deposit of $1.46 million upon waiver of conditions; and
- all other terms of the Prior APS remained the same and time remained of the essence.

18. On January 27, 2020, the buyer notified the Sales Officer that its due diligence conditions had not been satisfied and terminated the Prior APS. The deposits paid to the Sales Officer were subsequently returned to the buyer.

VII. COST SHARING OBLIGATIONS

19. As reported in the Sales Officer's Third Report dated June 9, 2020 (the "**Third Report**"), a copy of which is attached (without appendices) as **Appendix F**. In connection with terminating the Prior APS, the buyer expressed concern to CBRE with the quantum of cost sharing obligations associated with the Property.

20. The buyer shared with CBRE an analysis performed by WSP Canada Group Limited ("**WSP**"), consulting engineers for the local landowners' group, of the cost sharing obligations associated with the Property under certain costs sharing agreements to which the Property is subject. The cost sharing agreements address the landowners' contributions for their proportionate share of community and infrastructure facilities, including schools, parks, roads, external services and stormwater management. According to WSP, the cost obligations, including in particular the

parkland obligations attributable to the Property, are significant by virtue of the density that a developer of the Property would seek to achieve.

21. Upon reviewing WSP's analysis, the Sales Officer determined that it was necessary to gain a fuller understanding of the cost sharing obligations before re-marketing the Property, in view of their potential impact upon realization. The Sales Officer engaged Gerrits Engineering Limited ("**Gerrits**"), consulting engineers, to review the cost sharing agreements and WSP's analysis of the cost sharing obligations associated with the Property. Gerrits had previously consulted with the Sales Officer in relation to certain matters described in the Second Report.

22. On February 26, 2020, representatives of the Sales Officer and Gerrits met with a representative of WSP, the landowners group's manager, and several lawyers at Davies Howe LLP, including Kim Beckman, who acts as trustee for the landowners group (in such capacity, the "**Trustee**"). Prior to the meeting, the Sales Officer's counsel requested a breakdown of parkland obligations as between the Property and the neighbouring properties. Such information was never provided.

23. During the meeting, the Sales Officer was advised, among other things, that: (i) the Sales Officer's concern with the quantum of parkland contributions is not exclusive to the Property and that other members of the landowners group have been grappling with it, although it has not been a priority; (ii) that the matter would be placed on the agenda at the next landowners meeting to be held at the beginning of March; and (iii) that no representatives of the Property have historically been invited to attend the landowners meetings. The Sales Officer nonetheless requested an invitation to attend the upcoming meeting. No invitation was forthcoming. The Sales Officer followed up with the Trustee and asked to be included in future meetings of the landowners group but received no further communication from the Trustee.

24. As reported in the Third Report, in view of the seeming refusal on the part of the landowners group to respond to the Sales Officer's efforts to obtain greater transparency regarding cost

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sharing, the Sales Officer was considering its options, including engaging a municipal lawyer, moving for advice and directions with respect to cost sharing and possibly moving to disclaim some or all of the cost sharing agreements as they affect the Property.

25. In the meantime, the Property had not been actively remarketed since the onset of the COVID 19 crisis, although CBRE and the Sales Officer did receive some expressions of interest and one offer, which was submitted on February 6, 2020. As the offer was received during the onset of the COVID 19 crisis, while the Property was not being actively marketed, and the Sales Officer considered the price offered to be unduly low, the Sales Officer did not engage in negotiations with the offeror.

VIII. ACTIVITIES OF SALES OFFICER

26. Since the activities described in the Third Report, the Sales Officer has undertaken the following activities:

- liaised further with CBRE regarding the impact of cost sharing obligations;
- instructed CBRE to relaunch the marketing and sale process and had ongoing communications with CBRE during the course thereof;
- dealt directly with prospective buyers, their agents and their counsel;
- liaised with Am-Stat and other stakeholders;
- had ongoing communication with the Sales Officer's counsel;
- attended at the Property;
- negotiated the Juniper APS in consultation with CBRE and the Sales Officer's counsel; and
- prepared this Fourth Report;

27. The Sales Officer's interim statement of receipts and disbursements for the period dated June 4,

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2019 to September 21, 2020 is attached as **Appendix G**.

IX. RELAUNCHING OF MARKETING AND SALE PROCESS

28. The Sales Officer had continuing discussions with CBRE regarding the appropriateness of remarketing the Property in the current economic climate.

29. In June of 2020, CBRE advised that with the loosening of quarantine restrictions there were signs of liquidity in the marketplace and recommended that marketing efforts be initiated as soon as possible.

30. On June 18, 2020, Justice Conway approved the activities and recommendations described in the Third Report and authorized the Sales Officer to re-market the Property for sale. A copy of Justice Conway's Order is attached as **Appendix H**.

31. Marketing and sale efforts were thereupon relaunched. The Property was re-listed for sale with CBRE for $59 million. The listing price was determined with input from CBRE, having regard for the issue of cost sharing, the offers received during the initial marketing and sale process, and the impact of the pandemic on the market for development properties in the area.

32. CBRE undertook the following re-marketing efforts:

- delivered an electronic individual campaign regarding the Property to 1,470 contacts in its database on June 22, July 6, 20, 27, August 4, 10, 17, 25 and 31, 2020;
- delivered electronic weekly reports regarding all of its listings, including the Property, to 1,470 contacts in its database on June 23, 30, July 7, 14, 21, 28, August 4, 11 and 18, 2020; and
- placed colour ads in the *Globe and Mail* on August 18 and 20, 2020.

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33. CBRE continued to maintain the virtual data room, use the promotional video that was previously prepared and advertised the Property on its website and on the website of the CBRE team responsible for listing the Property. The existing signage also remained on the Property.

34. In tandem with the subsequent marketing and sale process, the Sales Officer, in consultation with its counsel, Gerrits and CBRE considered the appropriateness of devoting time and attention to attempting to reduce the magnitude of the cost sharing burden on the Property. In view of the ongoing accrual of realty taxes and interest under Am-Stat's first charge, and the uncertainty associated with achieving a reduction in cost sharing, the Receiver determined that the issue of cost sharing would be better left to a buyer.

35. As a result of CBRE's marketing efforts, 80 interested parties viewed or clicked on CBRE's electronic individual campaign, many of them on multiple occasions. As of August 24, 2020, 18 interested parties signed confidentiality agreements and were given access to the data room.

36. On September 3, 2020, the Sales Officer received an unconditional offer from Juniper. After some negotiation, the parties entered into the Juniper APS on September 8, 2020. A copy of the Juniper APS with the financial terms redacted is attached as **Appendix I**. An unredacted copy is attached as **Confidential Appendix 2**.

37. Juniper's offer was the only offer received during the subsequent marketing and sale process. For comparison purposes, a summary of all offers received, including those offers received during the initial marketing and sale process, the offer received on February 6, 2020, and the offer submitted by Juniper, which was accepted by the Sales Officer, is attached as **Confidential Appendix 3**.

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38. Copies of CBRE's reports to the Sales Officer dated October 24, 2019 and August 24, 2020 are attached, respectively, as **Confidential Appendix 4** and **Confidential Appendix 5**. The reports identify the names of interested parties, and in the case of CBRE's report dated October 24, 2019, the financial terms of the offers received as of that date.

39. The Juniper APS is subject to the Court approving the terms thereof and granting an order vesting the Debtors' right, title and interest in the Property in and to Juniper or its permitted assignee upon the closing of the Juniper Transaction. Closing is to occur ninety days following Court approval.

40. The purchase price payable under the Juniper APS is considerably lower than: (a) the opinions of value the Sales Officer obtained from all of the listing brokers that were invited to submit proposals to list the Property; (b) the appraised value of the Property, according to the independent July 19, 2019 appraisal which the Sales Officer obtained from PVCI; and (c) the most recent listing price of $59 million. The Sales Officer nonetheless determined that the best course was to accept Juniper's offer and recommends that the Juniper APS be approved for the following reasons:

- the Property was widely exposed to the market in two robust marketing and sale processes by a reputable listing broker;
- the Sales Officer does not believe that the Property will generate a superior offer through continued marketing;
- the ongoing accrual of realty taxes and interest under Am-Stat's first charge, and the cost, time and uncertainty associated with trying to achieve a reduction in cost sharing, weigh in favour of realizing on the Property presently;
- the Juniper APS is not subject to due diligence conditions in favour of Juniper;
- the Sales Officer is holding a significant deposit from Juniper; and
- Am-Stat supports the Juniper Transaction.

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X. RECOMMENDATION

41. On the basis of the foregoing, the Sales Officer respectfully recommends that this Honourable Court grant the relief sought in paragraph 3 of this Fourth Report.

All of which is respectfully submitted,

Dated at Toronto, Ontario, this 15th day of October, 2020.

ROSEN GOLDBERG INC., SOLELY IN ITS CAPACITY AS COURT-APPOINTED SALES OFFICER OF 6910 HWY 7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Rosen Goldberg Inc.

Brahm Rosen

Appendix A

Court File No. CV-19-619158-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	TUESDAY, THE 4TH
	)	
JUSTICE McEWEN	)	DAY OF JUNE, 2019

AM-STAT CORPORATION

Applicant

- and -

6910 HWY7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Respondents

ORDER
(Appointing Sales Officer)

THIS APPLICATION made by the Applicant Am-Stat Corporation for an Order appointing Rosen Goldberg Inc. as sales officer (in such capacities, the "Sales Officer") without security, of all of the assets, undertakings and properties of the Respondents 6910 Hwy7 Inc. and 6910 Highway Seven Limited Partnership (collectively, the "Respondents"), was heard this day at Osgoode Hall, 130 Queen Street West, Toronto, Ontario.

ON READING the Affidavit of Philip H. Meretsky, Q.C. sworn May 1, 2019 and the Exhibits thereto and the Affidavit of Patrick Chan sworn May 16, 2019 and the Exhibits thereto on hearing the submissions of counsel for the Applicant, also appearing as agent for counsel for each of the Respondents, 2563111 Ontario Inc., 2334266 Ontario Inc. and Simon Kronenfeld, on

reading the consent of Rosen Goldberg Inc. to act as the Sales Officer and on being advised of the consent of each of the Respondents, 2563111 Ontario Inc., 2334266 Ontario Inc. and Simon Kronenfeld to the within Order, no one else on the service list appearing, although served as appears from the Affidavit of Service of Laura Micoli sworn May 2, 2019

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended, Rosen Goldberg Inc. is hereby appointed Sales Officer, without security, of all of the assets, undertakings and properties of the Respondents, including the lands and premises legally described in Schedule "A" hereto, and all proceeds thereof (the "Property").

SALES OFFICER'S POWERS

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

(a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

(b) to enter into any agreements in relation to the Property, incur any obligations in the ordinary course of business in relation to the Property, or cease to perform any contracts of the Respondents in relation to the Property;

(c) to engage consultants, appraisers, agents, experts, accountants, 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 Sales Officer's powers and duties, including without limitation those conferred by this Order;

(d) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Sales Officer's name or in the name and on behalf of the Respondents, for any purpose pursuant to this Order;

(e) 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 Sales Officer in its discretion may deem appropriate;

(f) with the approval of this Court, to sell, convey, transfer, 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;

(g) 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;

(h) to report to, meet with and discuss with such affected Persons (as defined below) as the Sales Officer deems appropriate on all matters relating to the Property and the Sales Officer's administration, and to share information, subject to such terms as to confidentiality as the Sales Officer deems advisable;

(i) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(j) 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 Sales Officer, in the name of the Respondents; and

(k) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Sales Officer 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 Respondents, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE SALES OFFICER

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

5. THIS COURT ORDERS that all Persons shall forthwith advise the Sales Officer 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 Respondents, 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 Sales Officer or permit the Sales Officer to make, retain and take away copies thereof and grant to the Sales Officer 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 Sales Officer 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 Sales Officer for the purpose of allowing the Sales Officer 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 Sales Officer in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Sales Officer. Further, for the purposes of this paragraph, all Persons shall provide the Sales Officer with all such assistance in gaining immediate access to the information in the Records as the Sales Officer may in its discretion require including providing the Sales Officer with instructions on the use of any computer or other system and providing the Sales Officer 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 SALES OFFICER

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 Sales Officer except with the written consent of the Sales Officer or with leave of this Court.

NO PROCEEDINGS AGAINST THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

9. THIS COURT ORDERS that all rights and remedies against the Sales Officer, or affecting the Property, are hereby stayed and suspended except with the written consent of the Sales Officer or leave of this Court, provided however that this stay and suspension does not

apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Sales Officer or the Respondents to carry on any business which the Respondents are not lawfully entitled to carry on, (ii) exempt the Sales Officer or the Respondents 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 SALES OFFICER

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 Respondents, without written consent of the Sales Officer or leave of this Court.

SALES OFFICER TO HOLD FUNDS

11. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Sales Officer 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 Sales Officer (the "Post Appointment Accounts") and the monies standing to the credit of such Post Appointment Accounts from time to time, net of any disbursements provided for herein, shall be held by the Sales Officer to be paid in accordance with the terms of this Order or any further Order of this Court.

LIMITATION ON ENVIRONMENTAL LIABILITIES

12. THIS COURT ORDERS that nothing herein contained shall require the Sales Officer 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 Sales Officer from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Sales Officer shall not, as a result of this Order or anything done in pursuance of the Sales Officer'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 SALES OFFICER'S LIABILITY

13. THIS COURT ORDERS that the Sales Officer shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Sales Officer by section 14.06 of the BIA or by any other applicable legislation.

SALES OFFICER'S ACCOUNTS

14. THIS COURT ORDERS that the Sales Officer and counsel to the Sales Officer shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Sales Officer and counsel to the Sales Officer shall be entitled to and are hereby granted a charge (the "Sales Officer's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Sales Officer's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

FUNDING OF THE SALES OFFICER'S ADMINISTRATION

17. THIS COURT ORDERS that the Sales Officer be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $500,000.00 (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 Sales Officer 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 "Sales Officer'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 Sales Officer's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

20. THIS COURT ORDERS that the monies from time to time borrowed by the Sales Officer pursuant to this Order or any further order of this Court and any and all Sales Officer'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 Sales Officer's Certificates.

SERVICE AND NOTICE

21. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: http://www.rosengoldberg.com/]www.rosengoldberg.com/admin/companyview.php?company_id=52.

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

GENERAL

23. THIS COURT ORDERS that the Sales Officer may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

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

25. THIS COURT ORDERS that the Sales Officer 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 Sales Officer is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

26. THIS COURT ORDERS that the Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Sales Officer from the Respondents' estates with such priority and at such time as this Court may determine.

27. 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 Sales Officer 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.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

JUN 04 2019

PER / PAR:

SCHEDULE "A"

LANDS AND PREMISES

PIN	70013-0216 LT	*Interest/Estate*	Fee Simple
Description	PT LT 11 CON 9 MARKHAM; PT LT 12 CON 9 MARKHAM AS IN R436658; MARKHAM		
Address	6920 HIGHWAY NO. 7 EAST MARKHAM		

PIN	70013-0215 LT	*Interest/Estate*	Fee Simple
Description	PT LT 11 CON 9 PT LT 12 CON 9 MARKHAM AS IN R517792; MARKHAM		
Address	6950 HIGHWAY NO. 7 EAST MARKHAM		

SCHEDULE "B"

SALES OFFICER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT $_____

1. THIS IS TO CERTIFY that Rosen Goldberg Inc., the sales officer (the "Sales Officer") of the assets, undertakings and properties 6910 Hwy7 Inc. and 6910 Highway Seven Limited Partnership (collectively, the "Respondents") acquired for, or used in relation to a business carried on by the Respondents, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the 23rd day of May, 2019 (the "Order") made in an application having Court file number CV-19-619158-00CL, has received as such Sales Officer from the holder of this certificate (the "Lender") the principal sum of $_____, being part of the total principal sum of $_____ which the Sales Officer 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 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.

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 Sales Officer pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Sales Officer to indemnify itself out of such Property in respect of its remuneration and expenses.

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

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

Officer 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 Sales Officer to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Sales Officer 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.

Rosen Goldberg Inc., solely in its capacity as Sales Officer of the Property, and not in its personal capacity

Per: _____

Name:

Title:

AM-STAT CORPORATION
Applicant

-and-

6910 HWY7 INC. et al
Respondents

Court File No. CV-19-619158-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

ORDER
(Appointing Sales Officer)

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

DAVID P. PREGER (36870L)
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Lawyers for the Applicant, Am-Stat Corporation

Appendix B

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

Court File No. CV-19-619158-CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

AM-STAT CORPORATION

Applicant

- and -

6910 HWY7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Respondents

FIRST REPORT OF ROSEN GOLDBERG INC.

August 16, 2019

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

I INTRODUCTION

1. By Order of the Honourable Mr. Justice McEwen dated June 4, Rosen Goldberg Inc. was appointed as sales officer (the "**Sales Officer**") of the assets, undertakings and properties of 6910 Hwy 7 Inc. ("**Hwy7**") and 6910 Highway Seven Limited Partnership (the "**LP**" and together with Hwy7 Inc., collectively, the "**Debtors**"). The Order was obtained upon application by Am–Stat Corporation ("**Am-Stat**") pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* and section 101 of the *Courts of Justice Act*. A copy of the Order is attached as **Appendix A**.

II TERMS OF REFERENCE

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

III PURPOSE OF REPORT

3. The purpose of this First Report is to:

   a) recommend to this Honourable Court and seek approval of the Sales Officer's proposed marketing and sale process in respect of the Property (hereinafter defined);

b) recommend to this Honourable Court that the confidential appendices attached to this First Report be sealed on the terms hereinafter described;

c) report to this Honourable Court regarding the Sales Officer's dealings with the owner of lands to the west of the Property; and

d) obtain this Honourable Court's approval of the Sales Officer's activities and proposed activities described in this First Report.

IV BACKGROUND

4. Hwy7 is the registered owner of real property municipally known as 6910 and 6950 Hwy. No. 7 East, in Markham (the "**Property**"), which it holds as nominee for the benefit of the LP.

5. The Property consists of two vacant parcels which together comprise approximately 20 acres of valuable development land located in Markham, Ontario, directly south of the Markham-Stouffville Hospital.

6. Am-Stat holds a first-ranking charge over the Property in connection with a loan in the principal amount of $24,163,000 to the Debtors (the "**Loan**"). As a result of the Debtors' failure to make interest payments to Am-Stat beginning on April 1, 2019, Am-Stat applied for the Sales Officer's appointment.

7. The Debtors' financial default under the Loan appears to have been triggered by an ongoing internal dispute among the partners in the LP regarding their financial obligations to contribute funds to the LP.

V APPRAISALS OF PROPERTY

8. To assist in assessing the value of the Property, the Sales Officer engaged PVCI, an independent real estate appraisal and consulting firm, to appraise the Property. A copy of its narrative appraisal dated July 19, 2019, is attached as **Confidential Appendix 1**. Given the commercially sensitive nature of the appraisal, the Sales Officer recommends that it be sealed until the Property is sold.

VI MARKETING AND SALES PROCESS

9. In weighing whether to conduct a sale by tender or to engage a listing broker, the Sales Officer determined that engaging a qualified listing broker would be the most effective approach to achieve a maximum realization, given the nature and value of the Property,.

10. The Sales Officer obtained proposals from and met with representatives of four brokers; (a) CBRE; (b) Colliers International; (c) Cushman & Wakefield; and (d) Lennard Commercial Realty. Each broker submitted a detailed proposal outlining its qualifications and experience, marketing plan, opinion of value and fee structure. Copies of the proposals are attached as **Confidential Appendices 2, 3 and 4.** Given the commercially sensitive nature of the proposals, the Sales Officer recommends that they be sealed until the Property is sold.

11. Based on the proposals submitted and the Sales Officer's discussions with each broker's representatives, the Sales Officer recommends that it be authorized to engage CBRE as listing broker. A copy of CBRE's listing agreement which the Sales Officer proposes to sign, with the listing price redacted, is attached **Appendix B**. CBRE's commission will be one percent (1%) of the sale price of the Property. The listing price will become public upon this Honourable Court's approval of the listing agreement.

12. CBRE proposes to proceed with the following marketing program according to the following timelines:

Week 1-2	• New aerial photos to be taken and a drone to be flown for video; • Hard copy and electronic marketing package to be completed and approved within two weeks after signing of listing agreement; • Marketing materials to reflect current property specific information as well as any information gathered from discussions with the City of Markham.
Week 3-5	• Creation of a Data Room with all necessary due diligence materials. Interested parties to be required to execute a Confidentiality Agreement to gain access to due diligence material; • Hard copy brochure to mailed out to CBRE's database of reputable developers and investors; • Electronic brochure to be sent out through individual email marketing campaign; • Media advertising in select publications; • With Sales Officer's approval, signage to be placed on the Property along Highway 7 East; • Targeted phone campaign and face-to-face meetings with interested parties; • Drone video to be posted on CBRE's web site and link to be provided in CBRE's email campaign.
Week 6-8	• Offer preparation and presentation to Sales Officer; • Negotiations; • Secure agreement of purchase and sale.
Week 9	• Commencement of due diligence (60-90 days).
Closing	• 30 days following waiver of due diligence conditions.

VII OTHER MATTERS

13. The Sales Officer was contacted by 2431988 Ontario Limited ("**CP Capital**") the owner of the lands to west of the Property. CP Capital has requested a right to use and access a portion of the Property for the purposes of undertaking grading, installing sewers and water mains, constructing a temporary headwall and realigning a tributary that runs through the Property. The Sales Officer has retained a consulting engineer to assist it in assessing the need and impact of the proposed work on the Property.

VIII RECOMMENDATION

14. On the basis of the foregoing, the Sales Officer respectfully requests that this Honourable Court:

a) approve of the Sales Officer's proposed marketing and sale process and authorize it to sign the proposed listing agreement with CBRE;

b) seal the confidential appendices attached to this First Report on the terms hereinabove described; and

c) approve the Sales Officer's activities and proposed activities hereinabove described.

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

All of which is respectfully submitted,

Dated at Toronto, Ontario, this 16th day of August, 2019.

ROSEN GOLDBERG INC., SOLELY IN ITS CAPACITY AS COURT-APPOINTED SALES OFFICER 6910 HWY 7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Appendix C

Court File No. CV-19-619158-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	TUESDAY, THE 27TH
	)	
JUSTICE McEWEN	)	DAY OF AUGUST, 2019

AM-STAT CORPORATION

Applicant

- and -

6910 HWY7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Respondents

MARKETING AND SALE PROCESS APPROVAL ORDER

THIS MOTION made by Rosen Goldberg Inc. in its capacity as sales officer (the "**Sales Officer**") of the assets, undertakings and properties of the Respondents 6910 Hwy 7 Inc. and 6910 Highway Seven Limited Partnership, including the real property municipally known as 6910 and 6950 Hwy. No. 7 East, in Markham (the "**Property**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the First Report of the Sales Officer dated August 16, 2019 (the **First Report**") and on hearing the submissions of counsel for the Sales Officer and being advised that no one on the service list opposes the relief sought in the Sales Officer's Notice of Motion,

SERVICE

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

MARKETING AND SALE PROCESS

2. THIS COURT ORDERS that the marketing and sale process described in the First Report is hereby approved.

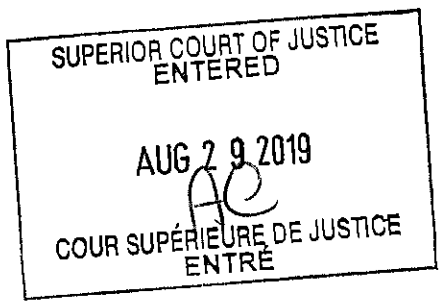
3. THIS COURT ORDERS that the Sales Officer is hereby authorized to execute the listing agreement with CBRE Limited referred to in the First Report.

SALES OFFICER'S ACTIVITIES

4. THIS COURT ORDERS that the Sales Officer's activities and proposed activities described in the First Report are hereby approved.

SEALING OF CONFIDENTIAL APPENDICES TO FIRST REPORT

5. THIS COURT ORDERS that the Confidential Appendix 1, Confidential Appendix 2, Confidential Appendix 3, Confidential Appendix 4 and Confidential Appendix 5 to the First Report shall be sealed, kept confidential, and not form part of the public record, but rather shall be placed separate and apart from all other contents of the Court File in separately sealed envelopes on which are affixed a notice setting out the title of these proceedings and a statement that the contents are subject to a sealing order and shall only be after the sale of the Property is completed.



AM-STAT CORPORATION
Applicant

-and-

6910 HWY7 INC. et al.
Respondents

Court File No. CV-19-619158-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

MARKETING AND SALE PROCESS APPROVAL ORDER

DICKINSON WRIGHT LLP
Barristers & Solicitors
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Tel: (416) 646-4606
Fax: (844) 670-6009

Lawyers for the Sales Officer, Rosen Goldberg Inc.

Appendix D

ROSEN GOLDBERG

Court File No. CV-19-619158-CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

AM-STAT CORPORATION

Applicant

- and -

6910 HWY7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Respondents

SECOND REPORT OF ROSEN GOLDBERG INC.

December 13, 2019

ROSEN GOLDBERG

I INTRODUCTION

1. By Order of the Honourable Mr. Justice McEwen dated June 4, 2019, Rosen Goldberg Inc. was appointed as sales officer (the "**Sales Officer**") of the assets, undertakings and properties of 6910 Hwy 7 Inc. ("**Hwy7**") and 6910 Highway Seven Limited Partnership (the "**LP**" and together with Hwy7 Inc., collectively, the "**Debtors**"). The Order was obtained upon application by Am–Stat Corporation ("**Am-Stat**") pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* and section 101 of the *Courts of Justice Act*. A copy of the Order is attached as **Appendix A**.

II TERMS OF REFERENCE

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

III PURPOSE OF REPORT

3. The purpose of this Second Report is to:

a) briefly report to this Honourable Court regarding an agreement of purchase and sale which the Sales Officer has entered into to sell the property subject to its administration (the

"**Property**"); and

b) recommend to this Honourable Court that the Sales Officer be authorised to enter into an agreement to permit an abutting property owner to access and use the Property for the purpose of conducting certain infrastructure work.

IV BACKGROUND

4. Hwy7 is the registered owner of real property municipally known as 6910 and 6950 Hwy. No. 7 East, in Markham (the "**Property**"), which it holds as nominee for the benefit of the LP.

5. The Property consists of two vacant parcels, which together comprise approximately 20 acres of valuable development land in Markham, Ontario, directly south of the Markham-Stouffville Hospital.

6. Am-Stat holds a first-ranking charge over the Property in connection with a loan to the Debtors in the principal amount of $24,163,000 (the "**Loan**"). As a result of the Debtors' failure to make interest payments to Am-Stat beginning on April 1, 2019, Am-Stat applied for the Sales Officer's appointment.

V AGREEMENT OF PURCHASE AND SALE

7. Pursuant to a Marketing and Sale Process Approval Order of the Honourable Mr. Justice McEwen dated August 27, 2019, the Sales Officer implemented a process to market and sell the Property in accordance with the process described in its First Report dated August 16, 2019 (the "**First Report**"). A copy of the First Report (without appendices) is attached as **Appendix B**. A copy of the Marketing and Sale Process Approval Order is attached as **Appendix C**.

ROSEN GOLDBERG

8. The marketing and sale process resulted in the Sales Officer receiving multiple offers to purchase the Property.

9. On November 18, 2019, the Sales Officer accepted an offer. Under the agreement of purchase and sale arising from the Sales Officer's acceptance (the "**APS**"), the buyer's due diligence period expires on January 3, 2020. The Sales Officer is holding a deposit equivalent to 5% of the purchase price. A further deposit equivalent to 5% of the purchase price is payable upon waiver of conditions. The closing date is March 19, 2020. The form of the APS is substantially the same as the form of Offer to Purchase that was developed by the Sales Officer and circulated in connection the marketing and sale process.

10. The purchase price and the identity of the buyer under the APS are being kept confidential by the Sales Officer. If, and when, the buyer waives its due diligence conditions, the Sales Officer will report more fully to the Court on the results of the marketing and sale process, the offers that were submitted, and the rationale for the Sales Officer's decision to enter into the APS with the present buyer.

VI REQUEST FOR ACCESS TO THE PROPERTY

11. As noted in the First Report, the Sales Officer was contacted by 2431988 Ontario Limited ("**CP Capital**"), the owner of the abutting lands immediately to west of the Property. CP Capital requested the right to use and access a portion of the Property for the purposes of undertaking certain infrastructure work (the "**Works**").

12. The proposed Works consist of the following:

- Grading past CP Capital's property line into the Property at the east limit of Rustle Woods Avenue to make up grade differential and to install sewers and water main. Extending the

ROSEN GOLDBERG

sewers and water main past the property line will ensure that the roads are constructed to the property line and prevent the need to excavate sections of road in the future when services are extended east into the Property. A temporary headwall past the east limit of Rustle Woods Avenue is also required to temporarily outlet flows from a portion of Rustle Woods Avenue and the Markham-Stouffville Hospital to the surface. Following the extension of Rustle Woods Avenue east to Bur Oak Avenue and Stoney Stanton Road south to Highway 7, the headwall will be removed and flows will be piped to an existing storm water management pond;

- Grading past CP Capital's property line into the Property at the east limit of Arthur Bonner Avenue to make up grade differential and to install sewers and water main stubs. Extending the sewers and water main will ensure that the roads are constructed to the property line and prevent the need to excavate sections of road in the future when services are extended east; and

- Realigning a section of a tributary which currently runs through the Property and discharges onto the lands to the west. The realignment will direct flows further south on the Property until they are south of Arthur Bonner Avenue before they are discharged to the lands to the west and directed to an existing culvert under Highway 7.

13. In connection with CP Capital's request, the Sales Officer engaged Gerrits Engineering Limited ("**Gerrits**"), consulting engineers, to review drawings which detail the work to be completed on the Property, prepared by WSP Canada Limited, consulting engineers, on behalf of CP Capital. Based on Gerrits' review, the Sales Officer is satisfied that the proposed works will benefit the Property. Completion of the work as soon as possible will ensure the timely opening of a nearby York Region Transit bus terminal.

ROSEN GOLDBERG

14. CP Capital and the Receiver have settled on a Permission to Enter form of agreement (the "**PTE**") to facilitate access by CP Capital and its agents to the Property for the purposes of conducting the Works. A draft of the PTE is attached as **Appendix D**. CP Capital has advised the Sales Officer that the form of the PTE is acceptable to the City of Markham for the purposes of authorizing the Works to proceed.

15. The PTE contemplates that if ownership of the Property is transferred or conveyed, the PTE shall be assumed by the transferee and the Sales Officer shall be released and discharged from its obligations under the PTE.

16. The APS provides that title to the Property shall be subject to the PTE and the form of the PTE is annexed as a schedule thereto.

17. At the Sales Officer's request, CP Capital has agreed to lodge $30,000 with the law firm of Davies Howe LLP as security for the completion of the Works and the restoration of any disturbed area on the Property pursuant to an escrow agreement (the "**Escrow Agreement**") a draft of which is attached as **Appendix E**. The Escrow Agreement also provides, among other things, that if a construction lien is registered against the Property in connection with the Works, CP Capital shall forthwith, at its expense, obtain the removal thereof.

VII RECOMMENDATION

18. On the basis of the foregoing, the Sales Officer respectfully requests that this Honourable Court: authorize the Sales Officer to enter into the PTE, in the same or substantially the same form attached as Appendix D, and the Escrow Agreement, , in the same or substantially the same form attached as Appendix E.

ROSEN GOLDBERG

All of which is respectfully submitted,

Dated at Toronto, Ontario, this 13th day of December, 2019.

ROSEN GOLDBERG INC., SOLELY IN ITS CAPACITY AS COURT-APPOINTED SALES OFFICER OF 6910 HWY 7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Appendix E

OFFER TO PURCHASE

(PINs 70013-0125 (LT) and 70013-0216 (LT) – 6910 - 6950 Highway No. 7 East, Markham, Ontario)

TO: **ROSEN GOLDBERG INC.** in its capacity as Court-appointed sales officer (the "**Vendor**"), without security, of certain real property of 6910 Hwy 7 Inc. and 6910 Highway Seven Limited Partnership (collectively, the "**Debtors**"), municipally known as 6910 and 6950 Highway No. 7, Markham, Ontario, and the business operated thereon and all proceeds thereof, pursuant to an Order of the Honourable Justice McEwen of the Ontario Superior Court of Justice, dated June 4, 2019 in Court File No. CV-19-619158-00CL at Toronto (the "**Sales Officer Order**"), and not in its personal capacity or corporate capacity.

1. Offer to Purchase

The undersigned, [redacted] (the "**Purchaser**"), hereby offers to purchase from and through the Vendor all of the right, title and interest in and to the Property (hereinafter defined) which the Vendor is entitled to sell pursuant to the Sales Officer Order 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 the 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.

"**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 or any other day upon which the Vendor is not open for the transaction of business throughout normal business hours at its principal office.

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

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

"**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.

"**CP Capital**" means 2431988 Ontario Limited.

"**Deposit**" means, collectively, the First Deposit and the Second Deposit.

"**Environmental Laws**" has the meaning ascribed thereto in Section 26 hereof.

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

"**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.

"**Indemnitees**" has the meaning ascribed thereto in Section 26 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 on the Lands, if any.

"**Material Documents**" includes copies of all architectural drawings, site plans relating to the Property, existing plan of survey, if any, the Lease(s), if any, and operating statements for the Building, if any, to the extent that such Material Documents are in the possession 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.

"**Permission to Enter Agreement**" has the meaning ascribed thereto in Section 12(n) hereof.

"**Property**" means collectively, the Lands and Buildings, if any.

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

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

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

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

3. Purchase Price

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

(a) an initial deposit (the "**First Deposit**"), equal to ~~which shall not be less than~~ Five Percent (5%) of the Purchase Price, shall be delivered with submission of this Offer by certified cheque, irrevocable wire transfer or bank draft drawn on an account at a Canadian chartered bank or trust company, payable to the Vendor;

(b) a further deposit (the "**Second Deposit**"), equal to ~~which shall not be less than~~ Five Percent (5%) of the Purchase Price, shall be delivered upon the waiver of the Purchaser's Conditions by certified cheque, irrevocable wire transfer or bank draft drawn on an account at a Canadian chartered bank or trust company, payable to the Vendor; 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 irrevocable wire transfer to the Vendor's lawyers (or as the Vendor or its lawyers may direct).

4. Deposit

The Deposit shall be held in trust by the Vendor and shall be:

(a) returned to the Purchaser without interest or deduction if the Vendor does not accept this Offer; or,

(b) 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; or,

(c) refunded to the Purchaser with interest and without deduction if the purchase and sale of the Property is not completed pursuant to the Agreement, provided that the Purchaser is not in default under this Offer or under the Agreement; or,

(d) retained by the Vendor as a genuine pre-estimate of liquidated damages and not as a penalty, in addition to any other rights and remedies that the Vendor may

have under this Offer, the Agreement and at law, including offering the Property for sale to another person, 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. (Toronto time) on January 3, 2020 (the "**Condition Date**") and is subject to the Purchaser satisfying itself in its sole, absolute and unfettered 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 (collectively, the "**Purchaser's Conditions**").

The Purchaser's 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 Conditions or provided the Vendor with written confirmation that the Purchaser's Conditions have been satisfied, this 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.

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 approved by 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 5:00 o'clock p.m. (Toronto time) on November 19, 2019, after which time, if not accepted by the Vendor, this Offer shall be null and void and the First Deposit shall be returned to the Purchaser in accordance with Section 4(a) hereof. 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

The Purchaser hereby acknowledges and agrees that the sale of the Property is by Order of, and is subject to, the Approval of the Court. The Vendor shall, forthwith after the waiver of the Purchaser's Conditions, bring a motion to the Court for Approval of the Agreement and an order vesting title to the Property in the Purchaser (the "**Vesting**

Order"). The Vendor shall diligently pursue such motion on notice to the Purchaser and shall promptly notify the Purchaser of the disposition thereof. The Purchaser, at its own expense, shall promptly provide to the Vendor all such information and assistance within the Purchaser's power as the Vendor may reasonably require to obtain Approval of the Agreement. If the Court shall not have granted Approval of the Agreement within twenty (21) days of the Purchaser's waiver of the Purchaser's Conditions, the Agreement shall automatically be terminated. If the Agreement is terminated under any provision of this Section, the Deposit and any interest earned thereon shall be returned to the Purchaser and neither party shall have any further rights or liabilities hereunder.

8. Capacity of Receiver

The Vendor, by acceptance of the Offer, is entering into the Agreement solely in its capacity as the as court-appointed sales officer of the assets, undertakings and properties of the Debtors and not in its personal or any other capacity. Any claim against the Vendor shall be limited to and only enforceable against the Property and assets 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. 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, if any, and all other items usually adjusted with respect to properties similar to the Property that apply save and except for rent or any matters related to the Lease(s), if any. Such adjustments shall be pro-rated where appropriate for the relevant period on the basis of the actual number of days elapsed during such period to the Closing Date itself to be apportioned to the Purchaser. There shall be no adjustment in respect of (a) prepaid rents, or, (b) rent or other moneys payable to the Vendor under the Lease(s), if any, in respect of periods prior to the Closing which remain unpaid as at Closing

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 as a result of any action taken by an encumbrancer, any action taken by the present registered owner, the refusal by the present registered owner, to take any action, the exercise of any right by the present registered owner or other party which is not terminated upon acceptance of this Agreement, a certificate of pending litigation is registered against the Property, a court judgment or order is made, or, if the Purchaser submits a valid title requisition which the Vendor is unable or unwilling to satisfy prior to Closing, or if the

sale of the Property is restrained at any time by a court of competent jurisdiction, or if the Property is occupied by the owner of the Property and the Vendor is unable to provide vacant possession on Closing Day, 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, 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 being true and accurate as of the Closing Date;

(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;

(d) no party shall take any action to redeem the Property; and,

(e) the Court shall have granted Approval of this Agreement and shall have granted the Vesting Order.

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 searches and investigations of the current and past uses of the Property;

(b) the Vendor makes no representation or warranty of any kind that the present use of future intended use by the Purchaser of the Property is or will be lawful or permitted;

(c) it is satisfied with the Property and all matters and things connected therewith or in any way related thereto;

(d) it is relying entirely upon its own 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 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) it will provide the Vendor with all requisite information and materials, including proof respecting source or funds, at any time or times within forty-eight (48) hours of request by the Vendor so that the Vendor may determine the creditworthiness of the Purchaser and any related parties thereto;

(h) the Vendor shall have no liability or obligation with respect to the value, state or condition of the Property, or the Leases, if any, whether or not the matter is within the knowledge or imputed knowledge of the Vendor, its officers, employees, directors, agents, representatives and contractors;

(i) 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, 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;

(j) the Material Documents are being provided to the Purchaser merely as a courtesy and without any representations or warranties whatsoever; and,

(k) it will ensure that any environmental and/or structural reports on behalf of the Purchaser shall also be addressed to the Vendor and a copy of each such report

shall be delivered to the Vendor promptly after the completion thereof, regardless of whether the transaction contemplated by this Offer closes. 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

Provided that the title to the Property is good and free from all restrictions, charges, liens, claims and encumbrances, except as otherwise specifically provided in this Agreement, and save and except for:

(a) any reservations, restrictions, rights of way, easements or covenants that run with the land;

(b) any registered agreements with a municipality, region or supplier of utility service including, without limitations, electricity, water, sewage, gas, telephone or cable television or other telecommunication services;

(c) all laws, by-laws and regulations and all outstanding work orders, deficiency notices and notices of violation affecting the Property;

(d) any minor easements for the supply of utility services or other services to the Property or adjacent properties;

(e) encroachments disclosed by any error or omission in existing surveys of the Property or neighbouring properties and any title defects, encroachment or breach of a zoning or building by-law or any other applicable law, by-law or regulation which might be disclosed by a more up-to-date survey of the Property and survey of the Property and survey matters generally;

(f) the exceptions and qualifications set forth in the *Registry Act* (Ontario) or the *Land Titles Act* (Ontario), or amendments thereto;

(g) any reservation(s) contained in the original grant from Crown;

(h) the Lease(s), if any, and the right of any tenant, occupant, lessee or license to remove fixed equipment or other fixtures;

(i) subsection 44(1) of the Land Titles Act (Ontario) except paragraphs 11 and 14;

(j) provincial succession duties and escheats or forfeiture to the Crown;

(k) 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;

(l) any lease to which subsection 70(2) of the Registry Act (Ontario) applies;

(m) those registrations set out in Schedule "C" attached hereto; and

(n) a Permission to Enter Agreement in favour of CP Capital substantially in the form attached hereto as Schedule "D", subject to such reasonable amendments as may be required by the City of Markham.

Notwithstanding the foregoing, the Vesting Order shall provide for the deletion of 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.

13. Authorizations

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. It shall be the Purchaser's sole responsibility to obtain, and pay the cost of 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.

14. Requisition Period

The Purchaser shall be allowed until the Condition Date 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. 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 or unwilling 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 returned to the Purchaser 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, 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. The description of the Property is believed by the Vendor to be correct but, if any statement, error or omission shall be found in the particulars thereof, the same shall not cancel the sale or entitle the Purchaser to be relieved of any obligation hereunder, nor shall any compensation be allowed to the Purchaser in respect thereof.

15. Leases

The Purchaser acknowledges and agrees that:

(a) the Property may be subject to Lease(s);

(b) the Vendor makes no representation or warranty respecting the accuracy and completeness of any Lease(s), if any;

(c) the Purchaser will purchase the Property subject to the terms and conditions of the Lease(s), if any, without representation or warranty (whether expressed or implied) of any kind or type from the Vendor relating to the Leases, including without limitation, (i) the enforceability of same (ii) whether the Leases accurately reflect the correct arrangement with the tenant(s) (iii) whether the tenants are in possession thereunder and/or paying rents in accordance thereof (iv) whether there are any ongoing unresolved disputes relating to the provisions of the Lease(s) or any parties' obligations thereunder and (v) whether any party or parties to the Lease(s) is or are in default of any obligations contained therein;

(d) the Vendor shall not be required to make any adjustments to the Purchase Price for current rentals or prepaid rents or security deposits which may have been received by the Vendor or any other party; and,

(e) the Vendor shall not be required to produce acknowledgements from the tenant(s) respecting the status of the Lease(s), if any.

The Vendor will execute and deliver or cause to be executed and delivered to the Purchaser on the Closing Date an assignment of any interest which the Vendor may have in the Lease(s).

16. Risk of Loss

The buildings and all other things being purchased shall be and remain until completion 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 substantial

damage to the Property before the completion of the Agreement which damage gives rise to any insurance proceeds, the Purchaser may either terminate this Agreement and have the Deposit returned with interest or deduction or else take the proceeds of insurance and complete the transaction. Where any damage is not substantial, 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 Property, then this Agreement shall be effective to create an interest in the Property only if such provision is complied with.

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 drafts nor less than five (5) days before the Closing Date and originals upon Closing of: (i) a notarial copy of the certificate evidencing 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 a notarial copy of 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 notarial copy of 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 March 19, 2020, or such earlier date as the parties or their respective solicitors may actually agree upon in writing (the "**Closing Date**" or "**Closing**"). Provided that the Vendor by written notice to the Purchaser or its solicitors may postpone the Closing Date from time to time, but in no event shall the date of Closing be postponed to a date more than sixty (60) days after the original Closing Date. 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 York Region (No. 65). 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 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 Vesting Order, and Receiver's certificate required by the 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 Vesting Order shall form part of the Application – 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 – 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) a 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 sixty (60) days 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 Vesting Order;

(f) an assignment of any interest which the Vendor may have in the Lease(s), if any;

(g) a notice to the tenant(s) under the Lease(s), if any, to pay future rents to the Purchaser, or as the Purchaser may direct;

(h) keys, if any, that may be in the possession of the Vendor;

(i) all Material Documents, if not already in the possession of the Purchaser; and,

(j) 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;

(d) a notarial copy of its HST registration and HST certificate and indemnity as required pursuant to this Agreement;

(e) an agreement to assume all existing Leases, if any, service and supply contracts in place as of Closing;

(f) the indemnities required to be delivered by the Purchaser to the Vendor pursuant to Section 26 hereof;

(g) the release and discharge required to be delivered by the Purchaser to the Vendor pursuant to Section 27 hereof; and,

(h) any other documents relative to the completion of this Agreement as may reasonably be required by the Vendor or its solicitors.

22. Inspection

Without limitation, all of the Property shall be as it exists on the Closing Date with no adjustments to be allowed to the Purchaser for changes in conditions or qualities from the date hereof to the Closing Date. 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. Encroachments

The Purchaser agrees that the Vendor shall not be responsible for any matters relating to encroachments on or to the Property, or encroachments of the Property onto adjoining lands, or to remove same, or for any matters relating to any applicable zoning regulations or by-laws in existence now or in the future affecting the Property.

24. Purchaser's Warranties

The Purchaser represents and warrants that:

(a) if applicable, it is a corporation duly incorporated, organized and subsisting under the laws of Canada, Ontario or another province of Canada;

(b) 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 the resulting Agreement is enforceable against the Purchaser in accordance with its terms; and,

(c) 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).

25. 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 further agrees that unless and until the terms of this Offer and the Agreement become public knowledge in connection with an application to the Court for Approval of the Agreement, the Purchaser shall keep such terms confidential and shall not disclose the same to anyone except the Purchaser's solicitors, agents or lenders acting in connection herewith and then only on the basis that such persons also keep such terms confidential as aforesaid.

26. Indemnification

The Purchaser shall indemnify and save harmless the Vendor and its directors, officers, employees and agents (collectively, the "**Indemnitees**") from and against any and all liabilities, obligations, losses, damages, penalties, notices, judgments, suits, claims, demands, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Indemnitees or any of them arising out of or in connection with the operations of the Purchaser on the Property or any order, notice, directive, or requirement under, or breaches, violations or non-compliance with any Environmental Laws after the Closing Date or as a result of the disposal, storage, release or threat of release or spill on or about the Property of any Hazardous Substance after the Closing Date. For the purposes of the foregoing, "**Environmental Laws**" shall 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 Substance. The obligation of the Purchaser hereunder shall survive the Closing Date.

The Purchaser shall indemnify the Vendor and save harmless the Indemnitees from and against any and all liabilities, obligations, losses, damages, penalties, notices, judgments, suits, claims, demands, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Indemnitees or any of them arising out of or in connection with the failure of the Purchaser to pay any taxes, duties, fees and like charges eligible in connection with the Offer or Agreement. It shall be the Purchaser's sole responsibility to obtain, and pay the cost of obtaining, any consents, permits, licenses or other authorizations necessary or desirable for the transfer to the Purchaser of the Property.

27. Release

The Purchaser agrees to release and discharge the Vendor together with its 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.

28. Non-Registration

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

29. Assignment

Save and except for the completion of this transaction by a company to be incorporated by the Purchaser, 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) days prior to the Closing Date.

30. 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 sent by facsimile or mailed by prepaid registered mail at the following addresses:

To Vendor:

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

Attention: Brahm Rosen
Email: brosen@rosengoldberg.com

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

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

Attention: David Preger
Email: dpreger@dickinsonwright.com

Attention: Paul A. Muchnik
Email: pmuchnik@dickinsonwright.com

Fax: (844) 670-6009

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

[redacted]

Attention: [redacted]

Email: [redacted]

with a copy to the Purchaser's solicitors (which shall not constitute notice):

HIMELFARB PROSZANSKI BARRISTERS & SOLICITORS

480 UNIVERSITY AVENUE, SUITE 1401, TORONTO, ONTARIO, M5G 1V2

Email: brian@himprolaw.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 sent by facsimile or, if mailed, three (3) days after the deposit with the post office.

31. 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.

32. 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.

33. 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.

34. 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.

35. 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.

36. 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.

37. 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.

38. 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 Vesting Order or in any other documents delivered hereunder.

39. Counterparts

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

[Signature Page Follows]

IN WITNESS WHEREOF the Purchaser has executed this Offer this 18th day of November, 2019.

[redacted]

I have authority to bind the corporation.

Subject to the Approval of the Court, the undersigned hereby accepts the foregoing Offer this 18th day of November, 2019.

ROSEN GOLDBERG INC.
in its capacity as court-appointed Sales Officer of all of the Debtors' assets, undertakings and properties acquired for, or used in relation to a business carried on by each of the Debtors and not in its personal or corporate capacity

By: _____
Name: BRAHM ROSEN
Title: PRESIDENT

I have authority to bind the corporation.

SCHEDULE "A"

Legal Description

Land Title Division for the Land Registry Office of York Region

PIN 70013-0215 (LT)

PT LT 11 CON 9 PT LT 12 CON 9 MARKHAM AS IN R517792; MARKHAM

PIN 04213-0303 (LT)

PT LT 11 CON 9 PT LT 12 CON 9 MARKHAM AS IN R436658; MARKHAM

SCHEDULE "B"

REGISTRATIONS TO BE DELETED FROM PINS 70013-0215 (LT) AND 70013-0216 (LT)

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO
YR2664265	2017/05/05	TRANSFER		2334266 ONTARIO INC.	6910 HWY7 INC.
YR2784762	2018/01/17	CHARGE	$24,163,000	6910 HWY7 INC.	AM-STAT CORPORATION
YR2784763	2018/01/17	CERTIFICATE		SIMION KRONENFELD	

SCHEDULE "C"

REGISTRATIONS TO BE PERMITTED ON PIN 04213-0215 (LT)

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO
YR691241	2005/08/29	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO AS REPRESENTED BY THE MINISTER OF TRANSPORT	
YR761759	2006/01/12	NOTICE		THE TORONTO UNITED CHURCH COUNCIL	KIM BECKHAN
YR1855914	2012/07/18	NOTICE		2334266 ONTARIO INC.	KIM BECKHAN THE TORONTO UNITED CHURCH COUNCIL
YR2638337	2017/03/14	NOTICE	$2	KINGSBERG DEVELOPMENT CORP.	
YR2786526	2018/01/22	APL COURT ORDER		SUPERIOR COURT OF JUSTICE	6910 HWY7 INC. 2334266 ONTARIO INC.
YR2786549	2018/01/22	APL AMEND ORDER		SUPERIOR COURT OF JUSTICE	6910 HWY7 INC. 2334266 ONTARIO INC.
YR2968848	2019/06/05	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	ROSEN GOLDBERG INC.

REGISTRATIONS TO BE PERMITTED ON PIN 70013-0216 (LT)

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO
YR695229	2005/09/01	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO AS REPRESENTED BY THE MINISTER OF TRANSPORT	
YR761759	2006/01/12	NOTICE		THE TORONTO UNITED CHURCH COUNCIL	KIM BECKHAN
YR1855914	2012/07/18	NOTICE		2334266 ONTARIO INC.	KIM BECKHAN THE TORONTO UNITED CHURCH COUNCIL
YR2638337	2017/03/14	NOTICE	$2	KINGSBERG DEVELOPMENT CORP.	
YR2786526	2018/01/22	APL COURT ORDER		SUPERIOR COURT OF JUSTICE	6910 HWY7 INC. 2334266 ONTARIO INC.
YR2786549	2018/01/22	APL AMEND ORDER		SUPERIOR COURT OF JUSTICE	6910 HWY7 INC. 2334266 ONTARIO INC.
YR2968848	2019/06/05	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	ROSEN GOLDBERG INC.

SCHEDULE "D"

PERMISSION TO ENTER

(this "Agreement")

To: 2431988 Ontario Limited ("**CP Capital**")

From: Rosen Goldberg Inc., in its capacity as court-appointed Sales Officer, and not in its personal capacity or corporate capacity ("**Rosen Goldberg**")

Date: September 20, 2019

WHEREAS:

A. CP Capital has requested from Rosen Goldberg the right to access and use the lands legally described as the lands legally described as Part of Lot 11, Concession 9 Markham; Part of Lot 12, Concession 9, Markham, as described in Instrument No. R436658 (the "**Property**").

B. By Order of the Honourable Justice McEwen dated June 4, 2019, Rosen Goldberg is the Court-appointed Sales Officer of all of the assets and all of the properties of 6910 HWY7 Inc. and 6910 Highway 7 Limited Partnership, including the Property and all proceeds thereof (the "**Order**"). The Order is registered on title to the Property as YR2968848. Rosen Goldberg exercises control over the Property pursuant to the Order.

C. Pursuant to the Order of the Honourable Justice _____ [insert name of the Judge] dated September ____ [insert date], 2019, Rosen Goldberg has obtained authorization and approval of the Court to enter into this Agreement.

D. Rosen Goldberg has agreed to provide CP Capital with the right to use and access the Property, for the purposes of constructing, maintaining, using and operating both Rustle Woods Ave (pursuant to Dwg. No. 10-15094-101A, 505A) and Arthur Bonner Ave (Street C) (pursuant to Dwg. No. 10-15094-101A, 502A) to the west limit of the Property and to relocate and reconstruct the Markham Stouffville Hospital storm outfall (the "**MSH Outfall**") and to realign a section of the remnant portion of Tributary A (the "**Swale**") (pursuant to Dwg. No. 10-15094-101A, 401A and 402A , 505A) on the Property as described in this Agreement (collectively, the "**Work**").

IN CONSIDERATION OF the mutual covenants in this Agreement and the sum of ONE DOLLAR ($1.00) now paid by CP Capital to Rosen Goldberg, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. Rosen Goldberg hereby authorizes and permits CP Capital, together with its

agents, servants, employees, consultants, contractors, contractor's workers, subcontractors, subcontractors' workers (collectively, "its Agents"), the right, license, liberty and privilege of access to the Property with supplies, vehicles, equipment and machinery for the purposes of conducting the Work.

2. CP Capital and its Agents shall have the continuous right to enter upon and use the Property to conduct the Work commencing on the date this Agreement is executed and ending only after Rustle Woods Avenue is extended to Stoney Stanton Road, and Stoney Stanton Road is constructed from Rustle Woods Avenue to Highway 7 including connection to the existing Stoney Stanton storm sewer on the south side of Highway 7 to the satisfaction of the City of Markham.

3. After construction of the Work is completed, CP Capital shall restore any areas disturbed on the Property caused by CP Capital's access to the Property pursuant to this Agreement.

4. CP Capital's entry onto the Property shall be at its sole risk.

5. Rosen Goldberg acknowledges that it has reviewed the engineering drawings (Dwg. Nos. 10-15094-101A,401A and 402A, 502A, 505A) dated September 4, 2018 prepared by WSP Canada Group Limited in support of the draft plan of subdivision for lands legally described as Part of Lot 11, Concession 9 and owned by CP Capital.

6. Rosen Goldberg confirms that it is satisfied with the grades (including without limitation road grades) and sanitary and storm sewer sizes and inverts at the west limit of the Property.

7. Rosen Goldberg covenants and agrees that the component of the Work related to Rustle Woods Ave and Arthur Bonner Ave (Street C) will not be removed or decommissioned. Rosen Goldberg further covenants and agrees that the component of the Works related to the MSH Outfall and realignment of the Swale will not be removed or decommissioned until:

- Rustle Woods Avenue is extended to Stoney Stanton Road, and
- Stoney Stanton Road is constructed from Rustle Woods Avenue to Highway 7 including connection to the existing Stoney Stanton storm sewer on the south side of Highway 7, all to the satisfaction of the City of Markham, and
- an alternative storm water infrastructure to convey flows from Markham Stouffville Hospital's property north of the Property (the "**Markham Stouffville Hospital Property**") to a future culvert on Highway 7 in accordance with the requirements of the City of Markham is completed.

8. Rosen Goldberg acknowledges that the storm flows from the Markham Stouffville Hospital Property currently flows through the Property and Rosen Goldberg covenants and agrees to continue to permit storm flows from the Markham Stouffville Hospital Property to flow through the Property until the MSH Outfall and the realignment

of Tributary A has been decommissioned in accordance with Clause 7 above.

9. Rosen Goldberg agrees to provide an easement benefiting the lands adjacent to the Property owned by CP Capital and Markham Stouffville Hospital over that part of the Property where the MSH Outfall and realigned Swale is situated. The easement will be for the purpose of constructing, operation, repairing, maintaining and using the MSH Outfall and realigned Swale. The term of the easement will commence on the date the easement is registered and shall expire on the date that is 21 years less a day.

10. Rosen Goldberg acknowledges that it has requested the diversion of sanitary drainage from the block of the Property south of Rustle Woods Ave. through lands owned by CP Capital (the "CP Capital Lands") to avoid dependency on the lands to the east of the Property. Rosen Goldberg further acknowledges that such diversion will require an increase in sanitary sewer pipe size through the CP Capital Lands and lands further to the west of the CP Capital Lands. Rosen Goldberg covenants and agrees to compensate the downstream constructing owners as outlined in the Cornell CSA Agreement (a copy of which Agreement Rosen Goldberg acknowledges having received and reviewed) for this oversizing, whether or not this diversion ultimately occurs. Rosen Goldberg further acknowledges that CP Capital has no obligation to provide such sewer pipe size increase.

11. General:

a. If ownership of the Property or any part thereof is transferred or conveyed, it shall be transferred or conveyed subject to this Agreement and the transferee shall assume this Agreement by executing an assumption agreement in the form attached hereto as Schedule "A" ("**Assumption Agreement**") and Rosen Goldberg shall thereupon be released and discharged of its obligations under this Agreement.

b. Rosen Goldberg shall cause this Agreement to be registered on title to the Property.

c. In the event that a vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof is granted by the court, Rosen Goldberg shall ensure that this Agreement shall survive and shall remain on title to the Property after such order or vesting order is granted and registered on title to the Property or any part or parts thereof.

d. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

e. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and approved assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date written above.

Rosen Goldberg in its capacity
As court-appointed Sales Officer, and not in its personal capacity or corporate capacity

Per: _____

Name:
Title:

Per: _____

Name:
Title:

I/We have authority to bind the Corporation.

Schedule "A"

[insert form of assumption agreement

Appendix F

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

Court File No. CV-19-619158-CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

AM-STAT CORPORATION

Applicant

- and -

6910 HWY7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Respondents

THIRD REPORT OF ROSEN GOLDBERG INC.

June 9, 2020

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

I INTRODUCTION

1. By Order of the Honourable Mr. Justice McEwen dated June 4, 2019, Rosen Goldberg Inc. was appointed as sales officer (the "**Sales Officer**") of the assets, undertakings and properties of 6910 Hwy 7 Inc. ("**Hwy7**") and 6910 Highway Seven Limited Partnership ("**LP**", and together with Hwy7 Inc., collectively, the "**Debtors**"). The Order was obtained upon application by Am–Stat Corporation ("**Am-Stat**") pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* and section 101 of the *Courts of Justice Act*. A copy of the Order is attached as **Appendix A**.

II TERMS OF REFERENCE

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

III PURPOSE OF REPORT

3. This Third Report is being filed to report to this Honourable Court regarding the status of the Sales Officer's marketing and sale efforts with respect to the Property (hereinafter defined), the status of the Sales Officer's efforts to understand the cost sharing obligations associated with the Property, and to recommend that the Property be remarketed forthwith.

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

IV BACKGROUND

4. Hwy7 is the registered owner of real property municipally known as 6910 and 6950 Hwy. No. 7 East, in Markham (the "**Property**"), which it holds as nominee for the benefit of the LP.

5. The Property consists of two vacant parcels, which together comprise approximately 20 acres of valuable development land in Markham, Ontario, directly south of the Markham-Stouffville Hospital.

6. Am-Stat holds a first-ranking charge over the Property in connection with a loan to the Debtors in the principal amount of $24,163,000. As a result of the Debtors' failure to make interest payments to Am-Stat beginning on April 1, 2019, Am-Stat applied for the Sales Officer's appointment.

V MARKETING AND SALE PROCESS

7. Pursuant to a Marketing and Sale Process Approval Order of the Honourable Mr. Justice McEwen dated August 27, 2019, the Sales Officer implemented a process to market and sell the Property in accordance with the process described in its First Report dated August 16, 2019 (the "**First Report**"). A copy of the First Report (without appendices) is attached as **Appendix B**. A copy of the Marketing and Sale Process Approval Order is attached as **Appendix C**.

8. The Property was listed for sale for $75 million.

9. The marketing and sale process resulted in the Sales Officer receiving multiple offers to purchase the Property.

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

VI TERMINATION OF AGREEMENT OF PURCHASE AND SALE

10. As reported in the Sales Officer's Second Report dated December 13, 2019 (the "**Second Report**"), a copy of which is attached (without appendices) as **Appendix D**, on November 18, 2019, the Sales Officer accepted an offer.

11. Under the agreement of purchase and sale arising from the Sales Officer's acceptance (the "**APS**"):

- the buyer's due diligence period was due to expire on January 3, 2020;
- the Sales Officer received a deposit equivalent to 5% of the purchase price;
- a further deposit equivalent to 5% of the purchase price was payable upon waiver of conditions; and
- the closing was to occur on March 19, 2020.

12. The purchase price and the identity of the buyer under the APS were not disclosed in the Second Report. Rather, the Sales Officer reported that if, and when, the buyer waived its due diligence conditions, it would report more fully to the Court on the results of the marketing and sale process, the offers that were submitted, and the rationale for the Sales Officer's decision to enter into the APS with the buyer.

13. On January 2, 2020, the buyer requested an extension to its due diligence period. The Sales Officer was agreeable to granting an extension but required a further deposit as a term thereof. The buyer was unwilling to pay an additional deposit and the APS lapsed on January 3, 2020.

14. On January 11, 2020, the buyer approached the Sales Officer to advise that it had reconsidered and was willing to submit a further deposit in order to revive the APS.

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

15. On January 13, 2020, an agreement reviving the APS was executed, pursuant to which:

- the due diligence period was extended to January 27, 2020;
- a further deposit of $1.45 million was paid to the Sales Officer;
- the purchaser agreed to pay a further deposit of $1.46 million upon waiver of conditions; and
- all other terms of the APS remained the same and time remained of the essence.

16. On January 27, 2020, the buyer notified the Sales Officer that its due diligence conditions had not been satisfied and terminated the APS. The deposits paid to the Sales Officer were subsequently returned to the buyer.

VII COST SHARING

17. In connection with terminating the APS, the buyer expressed concern to the Sales Officer's listing agent, CBRE Limited ("**CBRE**"), with the quantum of cost sharing obligations associated with the Property. The buyer shared with CBRE an analysis performed by WSP Canada Group Limited ("**WSP**"), consulting engineers for the local landowners' group, of the cost sharing obligations associated with the Property under certain costs sharing agreements to which the Property is subject. The cost sharing agreements address the landowners' contributions for their proportionate share of community and infrastructure facilities, including schools, parks, roads, external services and stormwater management. A copy of WSP's analysis is attached as **Confidential Appendix A**. According to WSP, the cost obligations, including in particular the parkland obligations attributable to the Property are significant by virtue of the density that a developer of the Property would seek to achieve.

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

18. Upon reviewing WSP's analysis, the Sales Officer determined that it was necessary to gain a fuller understanding of the cost sharing obligations before re-marketing the Property, in view of their potential impact upon realization.

19. The Sales Officer engaged Gerrits Engineering Limited ("**Gerrits**"), consulting engineers, to review the cost sharing agreements and WSP's analysis of the cost sharing obligations associated with the Property. Gerrits had previously consulted with the Sales Officer in relation to certain matters described in the Second Report.

20. Representatives of the Sales Officer and Gerrits met with a representative of WSP, the landowners group's manager, and several lawyers at Davies Howe LLP, including Kim Beckman, who acts as trustee for the landowners group (in such capacity, the "**Trustee**"), on February 26, 2020. Prior to the meeting, the Sales Officer's counsel requested a breakdown of parkland obligations as between the Property and the neighbouring properties. Unfortunately, such information was not, and has not as of this date, been provided.

21. During the meeting, the Sales Officer was advised, among other things, that: (i) the Sales Officer's concern with the quantum of parkland contributions is not exclusive to the Property and that other members of the landowners group have been grappling with it, although it has not been a priority; (ii) that the matter would be placed on the agenda at the next landowners meeting to be held at the beginning of March; and (iii) that no representatives of the Property have historically been invited to attend the landowners meetings. The Sales Officer nonetheless requested an invitation to attend the upcoming meeting. No invitation was forthcoming.

22. The Sales Officer followed up with the Trustee and asked to be included in future meetings of the landowners group. Copies of an email from Brahm Rosen to the Trustee dated March 4, 2020 and the response Mr. Rosen received are attached as **Appendix E**. The Sales Officer has had no further communications with the Trustee.

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

23. In view of the seeming refusal on the part of the landowners group to respond to the Sales Officer's efforts to obtain greater transparency regarding cost sharing, the Sales Officer is considering its options, including engaging a municipal lawyer, moving for advice and directions with respect to cost sharing and possibly moving to disclaim some or all of the cost sharing agreements as they affect the Property.

VIII NEXT STEPS

24. The Property has not been actively remarketed since the onset of the COVID 19 crisis, although CBRE and the Sales Officer have had some expressions of interest and one offer. The Sales Officer has had continuing discussions with CBRE regarding the appropriateness of remarketing the Property in the current economic climate. CBRE advises that with the loosening of quarantine restrictions there are signs of liquidity in the marketplace and recommends that marketing efforts should be initiated as soon as possible.

IX RECOMMENDATION

25. On the basis of the foregoing, the Sales Officer respectfully recommends that CBRE begin marketing the Property forthwith.

All of which is respectfully submitted,

Dated at Toronto, Ontario, this 9th day of June, 2020.

ROSEN GOLDBERG INC., SOLELY IN ITS CAPACITY AS COURT-APPOINTED SALES OFFICER OF 6910 HWY 7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Rosen Goldberg Inc.

Brahm Rosen

Appendix G

Interim Statements of Receipts and Disbursements, June 4, 2019 to September 21, 2020

Receipts

Sales Officer's Borowings	500,000
Interest	6,969
	506,969

Disbursements

Realty Taxes	276,544
Legal fees	89,094
Sales Officer's fees	40,000
Engineering fees	21,063
HST paid	20,438
Amounts paid regarding cost sharing agreement	13,569
Appraisal fees	6,800
	467,508
Excess of receipts over disbursements	39,461

The statement of receipts and disbursements does not include the
accrued and unpaid obligations of the Sales Officer or the Deposit which the Sales Officer is holding under the Juniper APS.

Appendix H

Court File No. CV-19-619158-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	THURSDAY, THE 18TH
	)	
JUSTICE CONWAY	)	DAY OF JUNE, 2020

AM-STAT CORPORATION

Applicant

- and -

6910 HWY7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Respondents

ORDER

THIS MOTION made by Rosen Goldberg Inc. in its capacity as sales officer (the "**Sales Officer**") of the assets, undertakings and properties of the Respondents, 6910 Hwy 7 Inc. and 6910 Highway Seven Limited Partnership, including the real property municipally known as 6910 and 6950 Hwy. No. 7 East, in Markham, Ontario (the "**Property**"), was heard this day by videoconference due to the COVID-19 crisis..

ON READING the Third Report of the Sales Officer dated June 9, 2020 (the "**Third Report**") and on hearing the submissions of counsel for the Sales Officer and counsel to 2563111 Ontario Inc. and 2334266 Ontario Inc. not opposing the motion, and no one appearing for any other person on the service list, although served as appears from the affidavit of service of Janet Nairne sworn June 10, 2020,

SERVICE

1. THIS COURT ORDERS AND DECLARES that the time for service of the Notice of Motion and the Third Report is hereby abridged and validated such that this motion is properly returnable today and hereby dispenses with further service thereof.

RE-MARKETING

2. THIS COURT ORDERS AND DECLARES that the Sales Officer is hereby authorized to re-market the Property for sale.

SALES OFFICER'S ACTIVITIES AND RECOMMENDATIONS

3. THIS COURT ORDER AND DECLARES that the Third Report and the activities and recommendations of the Sales Officer described therein are hereby approved.

SEALING OF CONFIDENTIAL APPENDIX TO THIRD REPORT

4. THIS COURT ORDERS that Confidential Appendix A to the Third Report shall be sealed, kept confidential, and not form part of the public record, but rather shall be placed separate and apart from all other contents of the Court File in a separately sealed envelope on which is affixed a notice setting out the title of these proceedings and a statement that the contents are subject to a sealing order and shall only be unsealed after the sale of the Property is completed or upon further Order of this Court, whichever is earlier.

GENERAL

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

Conway J.

AM-STAT CORPORATION
Applicant

-and-

6910 HWY7 INC. et al.
Respondents

Court File No. CV-19-619158-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
TORONTO

ORDER

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Lawyers for Rosen Goldberg Inc.,
in its capacity as Sales Officer

Appendix I

OFFER TO PURCHASE

(PINs 70013-0215 (LT) and 70013-0216 (LT) – 6910 - 6950 Highway No. 7 East, Markham, Ontario)

TO: ROSEN GOLDBERG INC. in its capacity as Court-appointed sales officer (the "**Vendor**"), without security, of certain real property of 6910 Hwy 7 Inc. and 6910 Highway Seven Limited Partnership (collectively, the "**Debtors**"), municipally known as 6910 and 6950 Highway No. 7 East, Markham, Ontario, and the business operated thereon and all proceeds thereof pursuant to an Order of the Honourable Justice McEwen of the Ontario Superior Court of Justice, dated June 4, 2019 in Court File No. CV-19-619158- 00CL at Toronto (the "**Sales Officer Order**"), and not in its personal capacity or corporate capacity.

1. Offer to Purchase

The undersigned, **JUNIPER CAPITAL LTD.** (the "**Purchaser**"), hereby offers to purchase from and through the Vendor all of the right, title and interest in and to the Property (hereinafter defined) which the Vendor is entitled to sell pursuant to the Sales Officer Order 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 the 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.

"**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 or any other day upon which the Vendor is not open for the transaction of business throughout normal business hours at its principal office.

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

"**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.

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

"**Environmental Laws**" has the meaning ascribed thereto in Section 26 hereof.

"**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.

"**Indemnitees**" has the meaning ascribed thereto in Section 26 hereof.

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

"**Material Documents**" includes copies of all architectural drawings, site plans relating to the Property, existing plan of survey, if any and operating statements for the Building, if any, to the extent that such Material Documents are in the possession 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.

"**Permission to Enter Agreement**" has the meaning ascribed thereto in Section 12(l) hereof.

"**Property**" means collectively, the Lands and Buildings, if any.

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

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

3. Purchase Price

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

(a) an initial deposit (the "**Deposit**"), which shall not be less than **Ten Percent (10%)** of the Purchase Price, shall be delivered within twenty-four (24) hours of acceptance of this Offer by the Vendor, by certified cheque, irrevocable wire transfer or bank draft drawn on an account at a Canadian chartered bank or trust company, payable to the Vendor; and,

(b) 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 irrevocable wire transfer to the Vendor's lawyers (or as the Vendor or its lawyers may direct).

4. Deposit

The Deposit shall be held in trust by the Vendor and shall be:

(a) returned to the Purchaser without interest or deduction if the Vendor does not accept this Offer; or,

(b) 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; or,

(c) refunded to the Purchaser with interest and without deduction if the purchase and sale of the Property is not completed pursuant to the Agreement, provided that the Purchaser is not in default under this Offer or under the Agreement; or,

(d) retained by the Vendor as a genuine pre-estimate of liquidated damages and not as a penalty, in addition to any other rights and remedies that the Vendor may have under this Offer, the Agreement and at law, including offering the Property for sale to another person, 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

Intentionally Deleted.

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 approved by 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 **5:00 o'clock p.m. (Toronto time) on September 9, 2020**, after which time, if not accepted by the Vendor, this Offer shall be null and void and the Deposit shall be returned to the Purchaser in accordance with Section 4(a) hereof. 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

The Purchaser hereby acknowledges and agrees that the sale of the Property is by Order of, and is subject to, the Approval of the Court. The Vendor shall forthwith bring a motion to the Court for Approval of the Agreement and an order vesting title to the Property in the Purchaser (the "**Vesting Order**"). The Vendor shall diligently and in good faith pursue such motion (and no other motion for approval of another purchaser) on notice to the Purchaser and shall promptly notify the Purchaser of the disposition thereof. The Purchaser, at its own expense, shall promptly provide to the Vendor all such information and assistance within the Purchaser's power as the Vendor may reasonably require to obtain Approval of the Agreement. If the Court shall not have granted

Approval of the Agreement within sixty (60) days of the date of the acceptance of as set out under Section 6 hereof, the Agreement shall automatically be terminated. If the Agreement is terminated under any provision of this Section, the Deposit and any interest earned thereon shall be returned to the Purchaser and neither party shall have any further rights or liabilities hereunder.

8. Capacity of Receiver

The Vendor, by acceptance of the Offer, is entering into the Agreement solely in its capacity as the as court-appointed sales officer of the assets, undertakings and properties of the Debtors and not in its personal or any other capacity. Any claim against the Vendor shall be limited to and only enforceable against the Property and assets 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, however the Vendor shall at all times act in good faith. 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, if any, and all other items usually adjusted with respect to properties similar to the Property that apply. Such adjustments shall be pro-rated where appropriate for the relevant period on the basis of the actual number of days elapsed during such period to the Closing Date itself to be apportioned to the Purchaser.

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 as a result of any action taken by an encumbrancer, any action taken by the present registered owner, the refusal by the present registered owner, to take any action, the exercise of any right by the present registered owner or other party which is not terminated upon acceptance of this Agreement, a certificate of pending litigation is registered against the Property (other than the existing certificate of pending litigation, which is to be removed by vesting order), a court judgment or order is made, or, if the Purchaser submits a valid title requisition which the Vendor is unable or unwilling to satisfy prior to Closing, or if the sale of the Property is restrained at any time by a court of competent jurisdiction possession on Closing Day, the Purchaser may, in its sole and unfettered discretion, elect by written notice to the Vendor, to extend the Closing from time to time for not more than 180 days for such extensions and pursuant to any such extensions, the Vendor will use good faith efforts to diligently address and remedy any such actions so that the Vendor is able to complete the transaction as otherwise provided for under this Agreement. If the Purchaser does not elect to extend the Closing Date, the Agreement shall be termintated, whereupon the Deposit and any interest earned thereon shall be returned to the Purchaser, 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 being true and accurate as of the Closing Date in all material respects;

(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;

(d) no party shall take any action to redeem the Property; and,

(e) the Court shall have granted Approval of this Agreement and shall have granted the Vesting Order.

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 searches and investigations of the current and past uses of the Property;

(b) the Vendor makes no representation or warranty of any kind that the present use of future intended use by the Purchaser of the Property is or will be lawful or permitted;

(c) it is satisfied with the Property and all matters and things connected therewith or in any way related thereto;

(d) it is relying entirely upon its own 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 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) it will provide the Vendor with all requisite information and materials, including proof respecting source or funds, at any time or times within ten (10) days of request by the Vendor so that the Vendor may determine the creditworthiness of the Purchaser and any related parties thereto;

(h) 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 of the Vendor, its officers, employees, directors, agents, representatives and contractors;

(i) 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, 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;

(j) the Material Documents are being provided to the Purchaser merely as a courtesy and without any representations or warranties whatsoever; and,

(k) it will ensure that any environmental and/or structural reports on behalf of the Purchaser prior to Closing shall also be addressed to the Vendor and a copy of each such report shall be delivered to the Vendor promptly after the completion thereof, regardless of whether the transaction contemplated by this Offer closes. 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

Provided that the title to the Property is good and free from all restrictions, charges, liens, claims and encumbrances, except as otherwise specifically provided in this Agreement, and save and except for:

(a) any registered reservations, restrictions, rights of way, easements or covenants that run with the land;

(b) any registered agreements with a municipality, region or supplier of utility service including, without limitations, electricity, water, sewage, gas, telephone or cable television or other telecommunication services;

(c) all laws, by-laws and regulations and all outstanding work orders, deficiency notices and notices of violation affecting the Property;

(d) any minor easements for the supply of utility services or other services to the Property or adjacent properties;

(e) encroachments disclosed by any error or omission in existing surveys of the Property or neighbouring properties and any title defects, encroachment or breach of a zoning or building by-law or any other applicable law, by-law or regulation which might be disclosed by a more up-to-date survey of the Property and survey of the Property and survey matters generally;

(f) the exceptions and qualifications set forth in the Registry Act (Ontario) or the Land Titles Act (Ontario), or amendments thereto;

(g) any reservation(s) contained in the original grant from Crown;

(h) subsection 44(1) of the Land Titles Act (Ontario) except paragraphs 11 and 14;

(i) provincial succession duties and escheats or forfeiture to the Crown;

(j) 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;

(k) those registrations set out in Schedule "C" attached hereto; and

(l) a Permission to Enter Agreement in favour of 2431988 Ontario Limited ("**CP Capital**") which will be substantially in the form attached hereto as Schedule "D", subject to such reasonable amendments as required by the City of Markham.

Notwithstanding the foregoing, the Vesting Order shall provide for the deletion of 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.

13. Authorizations

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. It shall be the Purchaser's sole responsibility to obtain, and pay the cost of 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.

14. Requisition Period

Add clause to protect period between acceptance of title and closing. The Purchaser shall be allowed until two (2) days prior to the Closing Date 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. 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 or unwilling 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 returned to the Purchaser 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, 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. The description of the Property is believed by the Vendor to be correct but, if any statement, error or omission shall be found in the particulars thereof, the same shall not cancel the sale or entitle the Purchaser to be relieved of any obligation hereunder, nor shall any compensation be allowed to the Purchaser in respect thereof.

15. Leases

Intentionally Deleted

16. Risk of Loss

The buildings and all other things being purchased shall be and remain until completion 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 substantial damage to the Property before the completion of the Agreement which damage gives rise to any insurance proceeds, the Purchaser may either terminate this Agreement and have the Deposit returned with interest or deduction or else take the proceeds of insurance and complete the transaction. Where any damage is not substantial, 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 Property, then this Agreement shall be effective to create an interest in the Property only if such provision is complied with.

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 drafts nor less than five (5) days before the Closing Date and originals upon Closing of: (i) a notarial copy of the certificate evidencing 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 a notarial copy of 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 notarial copy of 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 and delivery of vacant possession of the Property shall take place on the date which is ninety (90) days following Approval of the Agreement by the Court and issuance of the Vesting Order, or such earlier date as the parties or their respective solicitors may actually agree upon in writing (the "**Closing Date**" or "**Closing**"), provided that if the Land titles Office is not open on such date, the Closing Date shall be the next Business Day such office is open. Provided that the Vendor by written notice to the Purchaser or its solicitors may postpone the Closing Date from time to time, but in no event shall the date of Closing be postponed to a date more than sixty (60) days after the original Closing Date. 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 York Region (No. 65). 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 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 Vesting Order, and Receiver's certificate required by the 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 Vesting Order shall form part of the Application – 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 – 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) a 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 Vesting Order;

(f) keys, if any, that may be in the possession of the Vendor;

(g) 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 after the date of Closing;

(d) a notarial copy of its HST registration and HST certificate and indemnity as required pursuant to this Agreement;

(e) the indemnities required to be delivered by the Purchaser to the Vendor pursuant to Section 26 hereof;

(f) the release and discharge required to be delivered by the Purchaser to the Vendor pursuant to Section 27 hereof; and,

(g) any other documents relative to the completion of this Agreement as may reasonably be required by the Vendor or its solicitors.

22. Inspection

Without limitation, all of the Property shall be as it exists on the Closing Date with no adjustments to be allowed to the Purchaser for changes in conditions or qualities from the date hereof to the Closing Date. 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. Encroachments

The Purchaser agrees that the Vendor shall not be responsible for any matters relating to encroachments on or to the Property, or encroachments of the Property onto adjoining lands, or to remove same, or for any matters relating to any applicable zoning regulations or by-laws in existence now or in the future affecting the Property.

24. Purchaser's Warranties

The Purchaser represents and warrants that:

(a) if applicable, it is a corporation duly incorporated, organized and subsisting under the laws of Canada, Ontario or another province of Canada;

(b) 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 the resulting Agreement is enforceable against the Purchaser in accordance with its terms; and,

(c) 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).

25. 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 further agrees that unless and until the terms of this Offer and the Agreement become public knowledge in connection with an application to the Court for Approval of the Agreement, the Purchaser shall keep such terms confidential and shall not disclose the same to anyone except the Purchaser's solicitors, agents or lenders acting in connection herewith and then only on the basis that such persons also keep such terms confidential as aforesaid.

26. Indemnification

The Purchaser shall indemnify and save harmless the Vendor and its directors, officers, employees and agents (collectively, the "**Indemnitees**") from and against any and all liabilities, obligations, losses, damages, penalties, notices, judgments, suits, claims, demands, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Indemnitees or any of them arising out of or in connection with the operations of the Purchaser on the Property or any order, notice, directive, or requirement under, or breaches, violations or non-compliance with any Environmental Laws after the Closing Date or as a result of the disposal, storage, release or threat of release or spill on or about the Property of any Hazardous Substance after the Closing Date. For the purposes of the foregoing, "**Environmental Laws**" shall 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 Substance. The obligation of the Purchaser hereunder shall survive the Closing Date.

The Purchaser shall indemnify the Vendor and save harmless the Indemnitees from and against any and all liabilities, obligations, losses, damages, penalties, notices, judgments, suits, claims, demands, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Indemnitees or any of them arising out of or in connection with the failure of the Purchaser to pay any taxes, duties, fees and like charges eligible in connection with the Offer or Agreement. It shall be the Purchaser's sole responsibility to obtain, and pay the cost of obtaining, any consents, permits, licenses or other authorizations necessary or desirable for the transfer to the Purchaser of the Property.

27. Release

The Purchaser agrees to release and discharge the Vendor together with its 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.

28. Non-Registration

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

29. Assignment

Save and except for the completion of this transaction by a company to be incorporated by the Purchaser, 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) days prior to the Closing Date.

30. 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 sent by facsimile or mailed by prepaid registered mail at the following addresses:

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

Attention: Brahm Rosen
Email: brosen@rosengoldberg.com

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

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

Attention: David Preger
Email: dpreger@dickinsonwright.com

Attention: Paul A. Muchnik
Email: pmuchnik@dickinsonwright.com

Fax: (844) 670-6009

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

Juniper Capital Ltd.
200 Town Centre Boulevard, Suite 105
Markham, Ontario
L3R 8G5

Attention: Zhong Chi
Email: june@jcinvest.ca

with a copy to the Purchaser's solicitors (which shall not constitute notice):

Harris, Sheaffer, LLP
Yonge Corporate Centre, Suite 610
Toronto, Ontario
M2P 2B5

Attention: Jeffrey Silver
Email: jsilver@harris-sheaffer.com

and also to the Purchaser's consultant (which shall not constitute notice):

Goldnkey Inc.

Attention: Stephen Ng
Email: stephen.ng@goldnkey.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 sent by facsimile or, if mailed, three (3) days after the deposit with the post office.

31. 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.

32. 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.

33. 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.

34. 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.

35. 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.

36. 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.

37. 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.

38. 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 Vesting Order or in any other documents delivered hereunder.

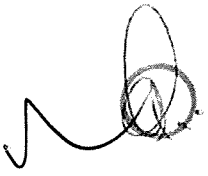
39. Counterparts

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

40. Material Impact or Damages Events or Notifications

In the event the Property becomes subject to events or notifications which may have material impact or damages to the Property after the Acceptance of Offer and prior to Closing, the Vendor shall immediately notify the Purchaser, and the Purchaser's Solicitors, and provide all information and documents related to the events or notifications.

[Signature Page Follows]



IN WITNESS WHEREOF the Purchaser has executed this Offer this 8th day of September, 2020.

JUNIPER CAPITAL LTD.

By: _____
Zhong Chi
Director
I have authority to bind the corporation.

Subject to the Approval of the Court, the undersigned hereby accepts the foregoing Offer this 8th day of September, 2020.

ROSEN GOLDBERG INC.
in its capacity as court-appointed Sales Officer of all of the Debtors' assets, undertakings and properties acquired for, or used in relation to a business carried on by each of the Debtors and not in its personal or corporate capacity

By: _____

Name: IRWIN ROSEN

Title: President

I have authority to bind the corporation.

SCHEDULE "A"

Legal Description

Land Title Division for the Land Registry Office of York Region

PIN 70013-0215 (LT)

PT LT 11 CON 9 PT LT 12 CON 9 MARKHAM AS IN R517792; MARKHAM

PIN 70013-0216 (LT)

PT LT 11 CON 9 PT LT 12 CON 9 MARKHAM AS IN R436658; MARKHAM

SCHEDULE "B"

REGISTRATIONS TO BE DELETED FROM PINS 70013-0215 (LT) AND 70013- 0216 (LT)

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO
YR2664265	2017/05/05	TRANSFER		2334266 ONTARIO INC.	6910 HWY7 INC.
YR2784762	2018/01/17	CHARGE	$24,163,000	6910 HWY7 INC.	AM-STAT CORPORATION
YR2784763	2018/01/17	CERTIFICATE		SIMION KRONENFELD	

SCHEDULE "C"

REGISTRATIONS TO BE PERMITTED ON PIN 70013-0215 (LT)

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO
YR691241	2005/08/29	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO AS REPRESENTED BY THE MINISTER OF TRANSPORT	
YR761759	2006/01/12	NOTICE		THE TORONTO UNITED CHURCH COUNCIL	KIM BECKHAN
YR1855914	2012/07/18	NOTICE		2334266 ONTARIO INC.	KIM BECKHAN THE TORONTO UNITED CHURCH COUNCIL
YR2638337	2017/03/14	NOTICE	$2	KINGSBERG DEVELOPMENT CORP.	
YR2786526	2018/01/22	APL COURT ORDER		SUPERIOR COURT OF JUSTICE	6910 HWY7 INC. 2334266 ONTARIO INC.
YR2786549	2018/01/22	APL AMEND ORDER		SUPERIOR COURT OF JUSTICE	6910 HWY7 INC. 2334266 ONTARIO INC.
YR2968848	2019/06/05	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	ROSEN GOLDBERG INC.

REGISTRATIONS TO BE PERMITTED ON PIN 70013-0216 (LT)

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO
YR695229	2005/09/01	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO AS REPRESENTED BY THE MINISTER OF TRANSPORT	
YR761759	2006/01/12	NOTICE		THE TORONTO UNITED CHURCH COUNCIL	KIM BECKHAN
YR1855914	2012/07/18	NOTICE		2334266 ONTARIO INC.	KIM BECKHAN THE TORONTO UNITED CHURCH COUNCIL
YR2638337	2017/03/14	NOTICE	$2	KINGSBERG DEVELOPMENT CORP.	
YR2786526	2018/01/22	APL COURT ORDER		SUPERIOR COURT OF JUSTICE	6910 HWY7 INC. 2334266 ONTARIO INC.
YR2786549	2018/01/22	APL AMEND ORDER		SUPERIOR COURT OF JUSTICE	6910 HWY7 INC. 2334266 ONTARIO INC.
YR2968848	2019/06/05	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	ROSEN GOLDBERG INC.

SCHEDULE "D"

PERMISSION TO ENTER
(this "Agreement")

To: 2431988 Ontario Limited ("**CP Capital**")

From: Rosen Goldberg Inc., in its capacity as court-appointed Sales Officer, and not in its personal capacity or corporate capacity ("**Rosen Goldberg**")

Date: September 20, 2019

WHEREAS:

A. CP Capital has requested from Rosen Goldberg the right to access and use the lands legally described as the lands legally described as Part of Lot 11, Concession 9 Markham; Part of Lot 12, Concession 9, Markham, as described in Instrument No. R436658 (the "Property").

B. By Order of the Honorable Justice McEwen dated June 4, 2019, Rosen Goldberg is the Court-appointed Sales Officer of all of the assets and all of the properties of 6910 HWY7 Inc. and 6910 Highway 7 Limited Partnership, including the Property and all proceeds thereof (the "Order"). The Order is registered on title to the Property as YR2968848. Rosen Goldberg exercises control over the Property pursuant to the Order.

C. Pursuant to the Order of the Honorable Justice _____ [insert name of the Judge] dated September _____[insert date], 2019, Rosen Goldberg has obtained authorization and approval of the Court to enter into this Agreement.

D. Rosen Goldberg has agreed to provide CP Capital with the right to use and access the Property, for the purposes of constructing, maintaining, using and operating both Rustle Woods Ave (pursuant to Dwg. No. 10-15094-101A, 505A) and Arthur Bonner Ave (Street C) (pursuant to Dwg. No. 10-15094-101A, 502A) to the west limit of the Property and to relocate and reconstruct the Markham Stouffville Hospital storm outfall (the "**MSH Outfall**") and to realign a section of the remnant portion of Tributary A (the "**Swale**") (pursuant to Dwg. No. 10-15094-101A, 401A and 402A, 505A) on the Property as described in this Agreement (collectively, the "**Work**").

IN CONSIDERATION OF the mutual covenants in this Agreement and the sum of ONE DOLLAR ($1.00) now paid by CP Capital to Rosen Goldberg, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. Rosen Goldberg hereby authorizes and permits CP Capital, together with its agents, servants, employees, consultants, contractors, contractor's workers, subcontractors, subcontractors' workers (collectively, "its Agents"), the right, license, liberty and

privilege of access to the Property with supplies, vehicles, equipment and machinery for the purposes of conducting the Work.

2. CP Capital and its Agents shall have the continuous right to enter upon and use the Property to conduct the Work commencing on the date this Agreement is executed and ending only after Rustle Woods Avenue is extended to Stoney Stanton Road, and Stoney Stanton Road is constructed from Rustle Woods Avenue to Highway 7 including connection to the existing Stoney Stanton storm sewer on the south side of Highway 7 to the satisfaction of the City of Markham.

3. After construction of the Work is completed, CP Capital shall restore any areas disturbed on the Property caused by CP Capital's access to the Property pursuant to this Agreement.

4. CP Capital's entry onto the Property shall be at its sole risk.

5. Rosen Goldberg acknowledges that it has reviewed the engineering drawings (Dwg. Nos. 10-15094-101A,401A and 402A, 502A, 505A) dated September 4, 2018 prepared by WSP Canada Group Limited in support of the draft plan of subdivision for lands legally described as Part of Lot 11, Concession 9 and owned by CP Capital.

6. Rosen Goldberg confirms that it is satisfied with the grades (including without limitation road grades) and sanitary and storm sewer sizes and inverts at the west limit of the Property.

7. Rosen Goldberg covenants and agrees that the component of the Work related to Rustle Woods Ave and Arthur Bonner Ave (Street C) will not be removed or decommissioned. Rosen Goldberg further covenants and agrees that the component of the Works related to the MSH Outfall and realignment of the Swale will not be removed or decommissioned until:
   - Rustle Woods Avenue is extended to Stoney Stanton Road, and
   - Stoney Stanton Road is constructed from Rustle Woods Avenue to Highway 7 including connection to the existing Stoney Stanton storm sewer on the south side of Highway 7, all to the satisfaction of the City of Markham, and
   - an alternative storm water infrastructure to convey flows from Markham Stouffville Hospital's property north of the Property (the "**Markham Stouffville Hospital Property**") to a future culvert on Highway 7 in accordance with the requirements of the City of Markham is completed.

8. Rosen Goldberg acknowledges that the storm flows from the Markham Stouffville Hospital Property currently flows through the Property and Rosen Goldberg covenants and agrees to continue to permit storm flows from the Markham Stouffville Hospital Property to flow through the Property until the MSH Outfall and the realignment of Tributary A has been decommissioned in accordance with Clause 7 above.

9. Rosen Goldberg agrees to provide an easement benefiting the lands adjacent to the Property owned by CP Capital and Markham Stouffville Hospital over that part of the

Property where the MSH Outfall and realigned Swale is situated. The easement will be for the purpose of constructing, operation, repairing, maintaining and using the MSH Outfall and realigned Swale. The term of the easement will commence on the date the easement is registered and shall expire on the date that is 21 years less a day.

10. Rosen Goldberg acknowledges that it has requested the diversion of sanitary drainage from the block of the Property south of Rustle Woods Ave. through lands owned by CP Capital (the "CP Capital Lands") to avoid dependency on the lands to the east of the Property. Rosen Goldberg further acknowledges that such diversion will require an increase in sanitary sewer pipe size through the CP Capital Lands and lands further to the west of the CP Capital Lands. Rosen Goldberg covenants and agrees to compensate the downstream constructing owners as outlined in the Cornell CSA Agreement (a copy of which Agreement Rosen Goldberg acknowledges having received and reviewed) for this oversizing, whether or not this diversion ultimately occurs. Rosen Goldberg further acknowledges that CP Capital has no obligation to provide such sewer pipe size increase.

11. General:

a. If ownership of the Property or any part thereof is transferred or conveyed, it shall be transferred or conveyed subject to this Agreement and the transferee shall assume this Agreement by executing an assumption agreement in the form attached hereto as Schedule "A" ("Assumption Agreement") and Rosen Goldberg shall thereupon be released and discharged of its obligations under this Agreement.

b. Rosen Goldberg shall cause this Agreement to be registered on title to the Property.

c. In the event that a vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof is granted by the court, Rosen Goldberg shall ensure that this Agreement shall survive and shall remain on title to the Property after such order or vesting order is granted and registered on title to the Property or any part or parts thereof.

d. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

e. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and approved assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date written above.

Rosen Goldberg in its capacity as court-appointed Sales Officer, and not in its personal capacity or corporate capacity

Per: _____

Name:

Title:

Per: _____

Name:

Title:

I/We have authority to bind the Corporation.

SCHEDULE "A"
TO PERMISSION TO ENTER

[Insert form of Assumption Agreement]

Confidential Appendix 1

Subject to Sealing Request

Confidential Appendix 2

Subject to Sealing Request

Confidential Appendix 3

Subject to Sealing Request

Confidential Appendix 4

Subject to Sealing Request

Confidential Appendix 5

Subject to Sealing Request

AM-STAT CORPORATION
Applicant

-and-

6910 HWY7 INC. et al.
Respondents

Court File No. CV-19-619158-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
TORONTO

MOTION RECORD

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