AlixPartners

Seventh Report to Court of AlixPartners Restructuring, Inc. as Receiver and Manager of Mizrahi (128 Hazelton) Inc. and Mizrahi 128 Hazelton Retail Inc.

September 9, 2026

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AlixPartners

COURT FILE NUMBER: CV-24-00715321-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

CONSTANTINE ENTERPRISES INC.

APPLICANT

- AND -

MIZRAHI (128 HAZELTON) INC. AND MIZRAHI 128 HAZELTON RETAIL INC.

RESPONDENTS

IN THE MATTER OF AN APPLICATION UNDER SUBSECTION 243(1) OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, C. B-3, AS AMENDED, AND SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, C. C.43, AS AMENDED

SEVENTH REPORT OF ALIXPARTNERS RESTRUCTURING, INC. AS RECEIVER AND MANAGER

SEPTEMBER 9, 2026

1.0 Introduction

1. Pursuant to an order of the Ontario Superior Court of Justice (the "**Court**") issued on June 4, 2024 (the "**Receivership Order**"), AlixPartners Restructuring, Inc. ("**AlixPartners**") (formerly KSV Restructuring Inc. ("**KSV**"))[1] was appointed as the receiver and manager (the "**Receiver**") of (a) certain condominium units located at 126 Hazelton Avenue, Toronto, Ontario and 128 Hazelton Avenue, Toronto, Ontario and legally described by the PIN numbers listed in **Appendix "A"** (collectively, the "**Real Property**"); and (b) all of the assets, undertakings and properties of Mizrahi (128 Hazelton) Inc. ("**Hazelton**") and Mizrahi 128 Hazelton Retail

[1] Effective June 1, 2026, KSV became AlixPartners and AlixPartners substituted in place of KSV as Receiver in these proceedings pursuant to an order dated June 3, 2026 issued by the Ontario Superior Court of Justice, Toronto (Commercial List). KSV's professionals involved in this mandate from the outset remain unchanged.

Inc. ("**Retail**", and together with Hazelton, the "**Debtors**"), or either of them, acquired for, or used in relation to a business carried on by the Debtors, or either of them, including all proceeds thereof (together with the Real Property, the "**Property**"). A copy of the Receivership Order is provided in **Appendix "B"**.

2. The receivership application was brought by Constantine Enterprises Inc. ("**CEI**"), Hazelton's senior secured creditor.

3. Hazelton is a nine-storey, 20-unit luxury condominium development project located in Toronto's Yorkville neighbourhood with approximately 2,000 square feet of ground floor commercial retail space and three levels of underground parking (the "**Project"**).

4. A primary purpose of these receivership proceedings is for the Receiver to realize on the Property. Pursuant to orders dated August 30, 2024, September 20, 2024 and August 15, 2025, the Court approved transactions (the "**Completed Transactions**") for the sale of a ground floor retail unit and units 201, 204, 403 and 801 (collectively, the "**Sold Units**").

5. Hazelton remains the registered owner of the Real Property which has not been sold during this receivership, being Unit 404 and the Parking Garage (each as defined herein and which are the subject of this Report) and units 802 and 901. Unit 802 is presently listed for sale and construction of unit 901, a large top-floor unit, is expected to commence shortly.

1.1 Purposes of this Report

1. The purposes of this report ("**Report**") are to:

   a) provide background information regarding the receivership proceedings;

   b) summarize proposed sales by the Receiver of (i) condo unit 404 plus one storage locker ("**Unit 404**") to Brelow Inc. ("**Brelow**"); and (ii) a two parking spot parking garage (the "**Parking Garage**") to Hazy Holdings Inc. ("**Hazy**"), both of which are subject to an agreement of purchase and sale dated November 16, 2018 between Hazelton and Robert Hiscox, a principal of CEI and a former director of Hazelton (as amended, the "**Original APS**"), and which are structured as follows:

      i) Mr. Hiscox has agreed to assign the portion of the Original APS related to Unit 404 to Brelow (the "**404 Transaction**") pursuant to an assignment of an agreement of purchase and sale dated June 3, 2026 (the "**404 Assignment Agreement**") and Mr. Hiscox, Brelow and the Receiver have agreed to a consent and amendment agreement signed on August 18, 2026 (the "**404 Consent and Amendment Agreement**"); and

ii) Mr. Hiscox has agreed to assign the portion of the Original APS related to the Parking Garage Spots to Hazy Holdings Inc. (the "**Parking Garage Transaction**" and together with the 404 Transaction, the "**Transactions**") pursuant to an assignment of agreement of purchase and sale dated October 2, 2025, as amended (the "**Parking Garage Agreement**"), and Mr. Hiscox, Hazy and the Receiver have agreed to a consent and amendment agreement signed August 18, 2026 (the "**Parking Consent and Amendment Agreement**");

c) discuss the sale process that led to the Transactions; and

d) recommend that the Court issue the following orders:

i) an approval and vesting order (the "**Unit 404 AVO**") approving the 404 Transaction and transferring and vesting all of the right, title and interest of Hazelton in and to Unit 404 to Brelow free and clear of all liens, charges, security interest and encumbrances following the delivery by the Receiver of a certificate substantially in the form attached as Schedule "A" to the proposed Unit 404 AVO confirming closing of the transaction;

ii) an approval and vesting order (the "**Parking Garage AVO**") approving the Parking Garage Transaction and transferring and vesting all of the right, title and interest of Hazelton in and to the Parking Garage to Hazy free and clear of all liens, charges, security interest and encumbrances following the delivery by the Receiver of a certificate substantially in the form attached as Schedule "A" to the proposed Parking Garage AVO confirming closing of the transaction; and

iii) an ancillary order (the "**Ancillary Order**"):

- authorizing and directing the Receiver to make one or more distributions from the proceeds of the Transactions to CEI on account of the CEI Priority Debt (as defined below); and

- approving this Report and the Receiver's activities as detailed in this Report.

1.2 Restrictions

1. In preparing this Report, the Receiver has relied upon (i) discussions and information provided by CEI's representatives; (ii) the Debtors' unaudited financial information; (iii) the receivership application materials filed by CEI; and (iv) an appraisal dated June 23, 2026 (the "**Appraisal**") of Unit 404 and the Parking Garage prepared by Simon & Associates Ltd. ("**Simon**"), a third-party appraiser retained by the Receiver (collectively, the "**Information**").

2. The Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that complies with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance as contemplated under the CAS in respect of the Information. Any party (other than the Court) wishing to place reliance on the Information should perform its own diligence and the Receiver accepts no responsibility for any reliance placed on the Information in this Report by any party.

3. Additional background information regarding the Debtors and the reasons for the appointment of the Receiver is provided in the affidavits of Robert Hiscox sworn February 23, 2024 and April 16, 2024, as well as the reports filed by the Receiver in these proceedings, including the First Report of the Receiver dated August 20, 2024 (the "**First Report**"). Copies of the Court materials filed in these proceedings are available on the Receiver's case website at: https://cdncases.alixpartners.com/experience/case/128hazelton.

2.0 Background

1. The shares in the capital of Hazelton are owned 50% by Mizrahi Developments Inc. ("**MDI**") and 50% by CEI. MDI is controlled by Sam Mizrahi.

2. Hazelton is indebted to CEI under the DUCA Commitment, the 2015 Credit Agreement, the 2020 Grid Note and the 2021 Grid Note (each as defined in Section 3 of the First Report, a copy of which is provided in **Appendix "C"**, without attachments).

3. Prior to these proceedings, CEI took an assignment of the DUCA Commitment. The DUCA Commitment is the senior ranking mortgage on the Real Property. The amount owing to CEI under the DUCA Commitment as of June 30, 2026 was approximately $6.7 million (the "**CEI Priority Debt**"), including interest, but excluding costs and expenses and applicable interest thereon, in each case which continue to accrue before and after the date of this Report.

4. CEI has also advanced funds to the Receiver during the receivership proceedings under the Receiver's Borrowings Charge (as defined in the Receivership Order). As of the date of this Report, CEI was owed $802,000 under the Receiver's Borrowing Charge, plus interest and costs which continue to accrue.

5. Additional background regarding Hazelton and a summary of Hazelton's other known creditors was provided in the First Report and is not repeated herein.

3.0 Sale Process

1. Unit 404 is a 1,566 square completed residential condominium unit.

2. Prior to the receivership, Mr. Hiscox entered into the Original APS for the purchase of Unit 404 and the Parking Garage from Hazelton for $2,315,450, including HST. Mr. Hiscox paid a deposit of $231,517.50 (the "**Deposit Amount**") and $168,005.68 for upgrades and staging costs (the "**Upgrade Amount**"). Accordingly, Mr. Hiscox has paid a total of $399,523.18[2] in respect of Unit 404. A copy of the Original APS is attached as **Appendix "D"**.

3. The Receiver understands that, prior to these proceedings, Mr. Hiscox retained Ferrow Real Estate Inc. ("**Ferrow**")[3] to list Unit 404 and the Parking Garage for sale. These properties were initially listed for sale by Ferrow at $3.25 million in January 2023. The listing was moved to Forest Hill Real Estate Inc. ("**Forest Hill**") when Ferrow's listing agent moved to that agency in September 2024. The listing with Forest Hill expired in August 2025. Mr. Hiscox then retained Hazelton Real Estate Inc. ("**Hazelton Real Estate**") to list Unit 404 and only one of the parking spots for sale.

4. The listing history for Unit 404 is provided below. The November 25, 2022 and January 9, 2023 listing included the Parking Garage, while subsequent listings only included one parking spot.

Listing Date	Days on Market	Listing Price ($)	Listing Brokerage
November 25, 2022	46	3,250,000	Ferrow
January 9, 2023	53	3,250,000	Ferrow
March 3, 2023	109	2,999,000	Ferrow
June 20, 2023	72	2,900,000	Ferrow
September 16, 2024	106	2,750,000	Forest Hill
January 17, 2025	90	2,750,000	Forest Hill
April 24, 2025	98	2,699,999	Forest Hill
September 3, 2025	196	2,599,000	Hazelton Real Estate
March 23, 2026	72	2,499,000	Hazelton Real Estate
Total days on market, 841; months since original listing, 46			

[2] The 404 Consent and Amendment Agreement notes that the deposit paid by Mr. Hiscox is $441,760; however, it is the Receiver's view that certain amounts paid may not have been in respect of deposits or upgrades such that the revised amount paid is $399,523.18.

[3] Mr. Hiscox and Ed Rogers indirectly own an interest in Ferrow.

5. Pursuant to the 404 Assignment Agreement and the 404 Consent and Amendment Agreement, Mr. Hiscox has agreed to assign his interest in Unit 404 to Brelow for $2.2 million (inclusive of any applicable HST). Brelow has paid a deposit in the amount of $115,000, which is presently being held in trust by Goldman Sloan Nash and Haber LLP ("**GSNH**"), real estate counsel acting on the transaction. A copy of the 404 Assignment Agreement is provided in **Appendix "E"**.

6. Pursuant to the 404 Consent and Amendment Agreement (which is provided in **Appendix "F"**):

   a) Unit 404 is being purchased on an "as is, where is" basis, without any material representations and warranties;

   b) the Parking Garage is excluded; and

   c) the sale is subject to Court approval.

7. Pursuant to the Parking Garage Agreement, Mr. Hiscox has agreed to assign his interest in the Parking Garage to Hazy for $350,000. Hazy Holdings has paid a $20,000 deposit which is also being held in trust by GSNH.

8. A copy of the Parking Garage Agreement and the Parking Consent and Amendment Agreement are provided in **Appendices "G" and "H"**, respectively. The Parking Consent and Amendment Agreement include terms similar to the 404 Consent and Amendment Agreement.

9. The table below includes recent comparable sale transactions (with parking spots included) summarized in the Appraisal, including transactions completed in 2026. The Appraisal sets out certain adjustments to the comparable transactions to produce a like-for-like comparison (including with respect to the number of parking spaces, balconies and bathrooms, the exposure and the sale date). The calculations for the adjusted price per square foot are set out in the Appraisal.

Address	**Date of Sale**	**Selling Price ($)**	**Square Feet**	**Adjusted Price per Square Foot**
Unit 404 and the Parking Garage	N/A	2,550,000	1,566	1,628
Comparable Sales				
1804-88 Davenport Road	March 3, 2026	2,900,000	2,197	1,343
808-181 Davenport Road	March 17, 2026	2,082,000	1,668	1,218
602-88 Davenport Road	April 30, 2026	1,950,000	1,561	1,265
301-128 Hazelton Avenue	November 10, 2025	2,095,000	1,340	1,432

10. Based on a combined purchase price of $2,550,000 ($2,200,000 for Unit 404; and $350,000 for the Parking Garage), the purchase price per square foot is $1,628. As set out above, the comparable transactions show a lower price per square foot than the proposed transactions in respect of Unit 404 and the Parking Garage. Accordingly, the Receiver is of the view that the Transactions are supported by the Appraisal. A copy of the Appraisal is provided in **Appendix "I"**.

3.1 Purchase Price Allocation

1. Pursuant to the Transactions, the gross sales proceeds of $2,550,000 results in a purchase price lift of $234,550 ($2,550,000 less $2,315,450). The sale proceeds are to be paid as follows:

Description	Amounts ($)
Price per the Original APS	2,315,450.00
Credit to Mr. Hiscox (Deposit Amount)	(231,517.50)
Credit to Mr. Hiscox (Upgrade Amount)[4]	(168,005.68)
Purchase Price Lift on Original APS	234,550.00
Amount to be Paid to Receiver	2,150,476.82[5]

2. The Receiver believes that the credit being provided to Mr. Hiscox for the Deposit Amount and Upgrade Amounts are reasonable in the circumstances for the following reasons:

   a) Unit 404 was a completed unit – Mr. Hiscox could have required the Receiver to complete the Original APS in which case the Deposit Amount and Upgrade Amounts would have been credited on closing;

   b) absent a credit for the Deposit Amount, Mr. Hiscox has advised he would make a claim against Aviva, which would potentially increase the priority claims in the estate and/or against the guarantors of the Aviva facility, which the Receiver understands include Mr. Mizrahi and Mr. Hiscox;

   c) the net purchase price to be paid to the Receiver, being approximately $2.15 million, would likely exceed the net proceeds of an alternative transaction based on the appraised value of Unit 404 and the Parking Garage, after considering standard realtor commissions and professional costs;

   d) a similar credit for deposits was provided to CEI in the context of the sale of unit 403 (which was similarly assigned by CEI which entered into the initial APS with Hazelton), and which was approved by the Court on September 20, 2024;

[4] The Upgrade Amount is subject to further review by the Receiver.

[5] Exclusive of HST

e) while Mr. Hiscox had originally requested a credit of $234,550.00 in respect of the "lift" (referred to above), he has agreed that this will be paid to the Receiver provided that he be reimbursed for the Upgrades that he funded prior to the assignment; and

f) as reflected in the Appraisal, if Unit 404 and the Parking Garage continue to be marketed for sale, additional professional costs will be incurred and there is a significant risk that the selling price will be less than achieved through the Transactions, particularly in the context of the distressed state of the condominium market in the GTA.

3.2 Recommendation

1. The Receiver recommends that the Court issue the AVOs for the following reasons:

   a) Unit 404 was listed for sale for 841 days and was originally listed in November 2022;

   b) Unit 404 was listed using traditional methods to market a condominium, including on MLS, through social media, open houses and direct solicitation;

   c) the total consideration from the Transactions is supported by the Appraisal[6];

   d) the Toronto condominium market remains distressed with sales at multi-year lows;

   e) there is no commission payable on the Transactions[7];

   f) both Brelow and Hazy have paid non-refundable deposits and the Transactions are only conditional on Court approval;

   g) if the Receiver did not consent to the assignments and the proposed Transactions, there would either have to be a continued marketing of the Unit or a motion by the Receiver to seek to disclaim the Original APS. In the latter circumstances, given Unit 404 is a completed unit, Mr. Hiscox could require the Receiver to close on the Original APS, in which case the net proceeds would be $1,915,926.82 (i.e., the original purchase price less the deposit and upgrades);

[6] The Receiver's primary rationale for supporting the Transactions is based on the amount of time that Units 404 and the Parking Garage have been available sale, the distressed state of the condominium market and ongoing costs. In this instance, the Receiver has taken the additional step of obtaining the Appraisal, which further justifies the net proceeds available to creditors of Hazelton. The market response is the best indication of value.

[7] Mr. Hiscox has advised that there is no commission payable on the Transactions.

h) delays resulting from either re-marketing or litigation will result in ongoing professional costs and interest on the CEI Priority Debt;

i) although the proposed credit for the Deposit Amount and Upgrade Repair Amount will reduce the net available proceeds, if those amounts were not reimbursed to Mr. Hiscox, he would have a claim against Aviva for some or all of such amounts, which in turn would have increased liabilities in the estate, as well as potentially against personal guarantees provided to Aviva by Mr. Mizrahi and Mr. Hiscox; and

j) the Transactions are acceptable to CEI, as the senior secured creditor.

4.0 Distributions to CEI

1. Norton Rose Fulbright Canada LLP ("**Norton Rose**") has provided the Receiver with an opinion that, subject to standard assumptions and qualifications, the DUCA Commitment (and CEI's other security) is valid and enforceable.

2. Based on the Norton Rose security opinion, and subject to the Court's authorization and direction, after repaying the amounts owing to CEI under the Receiver's Borrowing Charge (which has a Court-ordered priority subordinate only to the Receiver's Charge (as defined in the Receivership Order)), the Receiver intends to make distributions to CEI of the net proceeds of the Transactions as a partial repayment of the CEI Priority Debt.

5.0 Receiver's Activities

1. The Receiver's activities since the Receiver's second report to Court dated August 20, 2024 (the "**Second Report**") include:

   a) corresponding with CEI, Cassels Brock & Blackwell LLP, CEI's counsel, and Norton Rose regarding various aspects of these receivership proceedings;

   b) drafting the Receiver's Reports 3 to 6, and dealing with the matters addressed therein, including the closing of the sale of the Sold Units, the disclaimer of the agreement of purchase and sale in respect of unit 901 (and its appeal filed by Mr. Mizrahi) and certain litigation commenced by the Receiver against Mizrahi Inc. and Mr. Mizrahi;

   c) corresponding with Lash Condo Law LLP, the Receiver's condominium counsel, regarding condominium law matters;

   d) corresponding with ICC Property Management Ltd., the property manager, regarding maintenance, warranty, condo fees and other matters;

e) dealing with CEI and Gillam including in respect of the construction of units 801 and 802;

f) corresponding with CEI regarding unit 901 and its construction;

g) corresponding with Masters Insurance Limited, Hazelton's insurance broker, regarding insurance coverage;

h) dealing with CEI regarding receivership funding;

i) corresponding with Hazelton Real Estate regarding the listing for unit 802;

j) responding to emails and calls from creditors;

k) dealing with the removal of the personal items of the unit 901 purchaser, whose agreement of purchase and sale was successfully disclaimed by the Receiver – as of the date of this report, certain matters related to the costs of the removal remain outstanding. The Receiver may seek further direction on the costs related to the removal on a future motion;

l) paying receivership expenses;

m) preparing the Receiver's reports pursuant to sections 246(2) of the *Bankruptcy and Insolvency Act*;

n) filing HST returns and income tax returns and corresponding with Canada Revenue Agency regarding same; and

o) maintaining the case website.

6.0 Conclusion

1. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court make orders granting the relief requested in this Report.

* * *

All of which is respectfully submitted,

AlixPartners Restructuring, Inc.

ALIXPARTNERS RESTRUCTURING, INC.,
SOLELY IN ITS CAPACITY AS RECEIVER AND MANAGER OF
MIZRAHI (128 HAZELTON) INC. AND
MIZRAHI 128 HAZELTON RETAIL INC.

Appendix “A”

Schedule "A"

DESCRIPTION OF REAL PROPERTY

PIN 21196-0353(LT)
PART LOT 1, PLAN 687E & PART BLOCK A, PLAN 411 PART 1, 66R32656; SUBJECT TO AN EASEMENT AS IN AT4864056; SUBJECT TO AN EASEMENT AS IN AT5237797; TOGETHER WITH AN EASEMENT OVER PART OF LOTS 1 AND 2, PLAN 687-E DESIGNATED AS PART 1 ON PLAN 66R-31612 AS IN AT5927858; TOGETHER WITH AN EASEMENT OVER COMMON ELEMENTS OF TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AS IN AT6281433; TOGETHER WITH AN EASEMENT OVER PART TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 BEING PART 3, 66R32656 AS IN AT6281433; TOGETHER WITH AN EASEMENT OVER COMMON ELEMENTS ON LEVELS 1 & A AND UNITS 8, 9, 10, 12 & 13, LEVEL A TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AS IN AT6281433; SUBJECT TO AN EASEMENT IN FAVOUR OF TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AS IN AT6281433; CITY OF TORONTO

PIN 76967-0001(LT)
UNIT 1, LEVEL 2, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0004(LT)
UNIT 4, LEVEL 2, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0011(LT)
UNIT 3, LEVEL 4, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0012(LT)
UNIT 4, LEVEL 4, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0018(LT)
UNIT 1, LEVEL 8, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0019(LT)
UNIT 2, LEVEL 8, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0020(LT)
UNIT 1, LEVEL 9, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0024(LT)
UNIT 4, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0025(LT)
UNIT 5, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0026(LT)
UNIT 6, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0027(LT)
UNIT 7, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0034(LT)
UNIT 2, LEVEL B, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0035(LT)
UNIT 3, LEVEL B, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0036(LT)
UNIT 4, LEVEL B, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0037(LT)
UNIT 5, LEVEL B, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0038(LT)
UNIT 6, LEVEL B, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0041(LT)
UNIT 9, LEVEL B, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0042(LT)
UNIT 10, LEVEL B, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0043(LT)
UNIT 11, LEVEL B, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0045(LT)
UNIT 13, LEVEL B, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0046(LT)
UNIT 14, LEVEL B, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0047(LT)
UNIT 15, LEVEL B, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0048(LT)
UNIT 16, LEVEL B, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0057(LT)
UNIT 9, LEVEL C, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0058(LT)
UNIT 10, LEVEL C, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0059(LT)
UNIT 11, LEVEL C, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0060(LT)
UNIT 12, LEVEL C, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0062(LT)
UNIT 14, LEVEL C, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0065(LT)
UNIT 17, LEVEL C, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0067(LT)
UNIT 19, LEVEL C, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0073(LT)
UNIT 25, LEVEL C, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0074(LT)
UNIT 26, LEVEL C, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0076(LT)
UNIT 28, LEVEL C, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

Appendix “B”

Court File No. CV-24-00715321-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	TUESDAY, THE 4TH
	)	
JUSTICE CAVANAGH	)	DAY OF JUNE, 2024

CONSTANTINE ENTERPRISES INC.

Applicant

- and -

MIZRAHI (128 HAZELTON) INC. AND MIZRAHI 128 HAZELTON RETAIL INC.

Respondents

IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENY ACT*, R.S.C. 1985, C. B-3, AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, C. C.43, AS AMENDED

ORDER
(Appointing Receiver)

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing KSV Restructuring Inc. ("**KSV**") as receiver and manager (in such capacities, the "**Receiver**") without security, over (a) the real property comprised of certain condominium units located at the address municipally known as 126 Hazelton Avenue, Toronto, Ontario and 128 Hazelton Avenue, Toronto, Ontario, and as legally described by PIN numbers 21196-0353 (LT), 76967-0001 (LT), 76967-0004 (LT), 76967-0011 (LT), 76967-0012 (LT) inclusive, 76967-0018 (LT) to 76967-0020 (LT) inclusive, 76967-0024 (LT) to 76967-0027 (LT) inclusive, 76967-0034 (LT) to 76967-0038 (LT)

inclusive, 76967-0041 (LT) to 76967-0043 (LT) inclusive, 76967-0045 (LT) to 76967-0048 (LT) inclusive, 76967-0057 (LT) to 76967-0060 (LT) inclusive, 76967-0062 (LT), 76967-0065 (LT), 76967-0067 (LT) inclusive, 76967-0073 (LT), 76967-0074 (LT), and 76967-0076 (LT), as more specifically described in Schedule "A" hereto (the "**Real Property**"); and (b) all of the assets, undertakings and properties of Mizrahi (128 Hazelton) Inc. and Mizrahi 128 Hazelton Retail Inc. (collectively, the "**Debtors**"), or either of them, acquired for, or used in relation to a business carried on by the Debtors, or either of them, including all proceeds thereof (the "**Personal Property**", and together with the Real Property, the "**Property**"), was heard on May 13, 2024 by judicial videoconference at Toronto, Ontario.

ON READING the Affidavits of Robert Hiscox sworn February 22 and April 16, 2024, the Affidavits of Sam Mizrahi affirmed April 5, April 8, April 23, and May 3, 2024, the Affidavit of Jeff Stevenson sworn April 5, 2024, and in each case the Exhibits thereto and on hearing the submissions of counsel for the Applicant, counsel to the Debtors and such other parties listed on the Counsel Slip, no one appearing although duly served as appears from the Affidavits of Service of Stephanie Fernandes sworn February 23, February 26 and February 27, 2024 and on reading the consent of KSV to act as the Receiver,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application 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 BIA and section 101 of the CJA, KSV is hereby appointed Receiver, without security, of the Property.

RECEIVER'S POWERS

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

(a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property, including without limitation the Debtors' bank accounts related to the Property wherever located;

(b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) to manage, operate, and carry on the business of the Debtors, or either of them, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform or disclaim any contracts of the Debtors, or either of them, in respect of the Property;

(d) to engage consultants, appraisers, agents, real estate brokers, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

(e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors, or either of them with respect to the Property or any part or parts thereof;

(f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors, or either of them with respect to the Property and to exercise all remedies of the Debtors, or either of them, in collecting such monies, including, without limitation, to enforce any security held by the Debtors, or either of them;

(g) to take steps to commence a process to confirm the deposit amounts, if any, being held by the Debtors, or either of them, pursuant to agreements of purchase and sale between the Debtors, or either of them, and a purchaser for the sale and purchase of a residential condominium unit planned to be situated at the development located on the Real Property;

(h) to settle, extend or compromise any indebtedness owing to the Debtors, or either of them, with respect to the Property;

(i) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, or either of them, for any purpose pursuant to this Order;

(j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, or either of them, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

(k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

(l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

(i) without the approval of this Court in respect of any transaction not exceeding $100,000, provided that the aggregate consideration for all such transactions does not exceed $500,000; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required.

(m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(o) to consult with the Applicant on all matters relating to the Property and the receivership, subject to such terms as to confidentiality as the Receiver deems advisable;

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

(q) to apply for any permits, licences, approvals or permissions with respect to the Property as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors, or either of them;

(r) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, or either of them, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors, or either of them;

(s) to exercise any shareholder, partnership, joint venture or other rights which the Debtors, or either of them may have; and

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

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and equity investors including without limitation investors and shareholders, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, or either of them, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully

copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. **THIS COURT ORDERS** that all Persons, including without limitation, Sam Mizrahi, 1000041090 Ontario Inc., Mizrahi Developments Inc. and Mizrahi Inc. (collectively, the "**Mizrahi Group**"), and each of them, shall be required to cooperate, and share information, with the Receiver, in connection with all books and records, contracts, agreements, permits, licenses and insurance policies and other documents in respect of the Debtors, or either of them, and the Property. In addition to the foregoing, general cooperation and information sharing requirements, the Mizrahi Group, or any of them, shall be required to do the following: (a) in respect of any and all such contracts, agreements, permits, licenses and insurance policies and other documents: (1) maintain them in good standing and provide immediate notice and copies to the Receiver of any communications received from regulators or providers in respect thereof; (2) provide immediate notice to the Receiver of any material change and/or pending material change to the status quo in respect thereof; and (3) provide thirty (30) days' written notice to the Receiver of any renewal date, termination date, election date or similar date in respect thereof; and (b) assist, and cooperate with, the Receiver in obtaining any further permits and licenses that may be required in the Receiver's discretion, acting reasonably, in consultation with the Applicant.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtors, or either of them, or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors, or either of them, or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the Debtors, or either of them, the Receiver, or affecting the Property, including without limitation, licenses and permits, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors, or either of them, to carry on any business which the Debtors, or either of them, is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors, or either of them, 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. Notwithstanding paragraph 9 and paragraph 10 of this Order, Toronto Standard Condominium Corporation No. 2967 ("**TSCC 2967**") is authorized to return to this Court on five days' notice to seek leave to commence enforcement proceedings in respect of a lien registered by TSCC 2967, pursuant to section 85 of the *Condominium Act, 1998*, against any portion of the Real Property.

NO INTERFERENCE WITH THE RECEIVER

11. **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 Debtors, or either of them, in connection with or relating to the Property without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons, including, without limitation, the Mizrahi Group, having oral or written agreements with the Debtors, or either of them, in connection with or relating to the Property or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors, or either of them, in connection with or relating to the Property are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtors', or either of their current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors, or either of their, or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part in connection with or relating to the

Property, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Debtors, or either of them, shall remain the employees of such Debtor until such time as the Receiver, on behalf of the Debtors, or either of them, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

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

and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

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

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

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

FUNDING OF THE RECEIVERSHIP

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $2,000,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may

arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, fees, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

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

25. **THIS COURT ORDERS** that the Applicant shall for the duration of the receivership provide sufficient funds to the Receiver to pay in the ordinary course the monthly common expense fees owing to TSCC 2967 by Mizrahi (128 Hazelton) Inc., including relating to the Real Property.

SERVICE AND NOTICE

26. **THIS COURT ORDERS** that The Guide Concerning Commercial List E-Service (the "**Guide"**) is approved and adopted by reference herein and, in this proceeding, the service of

documents made in accordance with the Guide (which can be found on the Commercial List website at https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/) 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 13 of the Guide, service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Guide with the following URL https://www.ksvadvisory.com/experience/case/128Hazelton.

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

GENERAL

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

29. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a Trustee in bankruptcy of the Debtors, or either of them.

30. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give

effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

31. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

32. **THIS COURT ORDERS** that the Applicant shall have its costs of this Application, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtors, or either of their estates with such priority and at such time as this Court may determine.

33. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

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



Mr. Justice Cavanagh

Schedule "A"

DESCRIPTION OF REAL PROPERTY

PIN 21196-0353(LT)
PART LOT 1, PLAN 687E & PART BLOCK A, PLAN 411 PART 1, 66R32656; SUBJECT TO AN EASEMENT AS IN AT4864056; SUBJECT TO AN EASEMENT AS IN AT5237797; TOGETHER WITH AN EASEMENT OVER PART OF LOTS 1 AND 2, PLAN 687-E DESIGNATED AS PART 1 ON PLAN 66R-31612 AS IN AT5927858; TOGETHER WITH AN EASEMENT OVER COMMON ELEMENTS OF TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AS IN AT6281433; TOGETHER WITH AN EASEMENT OVER PART TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 BEING PART 3, 66R32656 AS IN AT6281433; TOGETHER WITH AN EASEMENT OVER COMMON ELEMENTS ON LEVELS 1 & A AND UNITS 8, 9, 10, 12 & 13, LEVEL A TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AS IN AT6281433; SUBJECT TO AN EASEMENT IN FAVOUR OF TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AS IN AT6281433; CITY OF TORONTO

PIN 76967-0001(LT)
UNIT 1, LEVEL 2, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0004(LT)
UNIT 4, LEVEL 2, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0011(LT)
UNIT 3, LEVEL 4, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0012(LT)
UNIT 4, LEVEL 4, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0018(LT)
UNIT 1, LEVEL 8, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0019(LT)
UNIT 2, LEVEL 8, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0020(LT)
UNIT 1, LEVEL 9, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0024(LT)
UNIT 4, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0025(LT)
UNIT 5, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0026(LT)
UNIT 6, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

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UNIT 7, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0034(LT)
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PIN 76967-0035(LT)
UNIT 3, LEVEL B, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0036(LT)
UNIT 4, LEVEL B, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0037(LT)
UNIT 5, LEVEL B, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0038(LT)
UNIT 6, LEVEL B, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0041(LT)
UNIT 9, LEVEL B, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0042(LT)
UNIT 10, LEVEL B, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0043(LT)
UNIT 11, LEVEL B, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0045(LT)
UNIT 13, LEVEL B, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0046(LT)
UNIT 14, LEVEL B, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0047(LT)
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PIN 76967-0048(LT)
UNIT 16, LEVEL B, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0057(LT)
UNIT 9, LEVEL C, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0058(LT)
UNIT 10, LEVEL C, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0059(LT)
UNIT 11, LEVEL C, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0060(LT)
UNIT 12, LEVEL C, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0062(LT)
UNIT 14, LEVEL C, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0065(LT)
UNIT 17, LEVEL C, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0067(LT)
UNIT 19, LEVEL C, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0073(LT)
UNIT 25, LEVEL C, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0074(LT)
UNIT 26, LEVEL C, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

PIN 76967-0076(LT)
UNIT 28, LEVEL C, TORONTO STANDARD CONDOMINIUM PLAN NO. 2967 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT6281433; CITY OF TORONTO

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. ●

AMOUNT $ ●

1. **THIS IS TO CERTIFY** that KSV Restructuring Inc., the receiver and manager (the "**Receiver**") without security, of (a) the real property comprised of certain condominium units located at the address municipally known as 126 Hazelton Avenue, Toronto, Ontario and 128 Hazelton Avenue, Toronto, Ontario, and as legally described by PIN numbers 21196-0353 (LT), 76967-0001 (LT), 76967-0004 (LT), 76967-0011 (LT), 76967-0012 (LT) inclusive, 76967-0018 (LT) to 76967-0020 (LT) inclusive, 76967-0024 (LT) to 76967-0027 (LT) inclusive, 76967-0034 (LT) to 76967-0038 (LT) inclusive, 76967-0041 (LT) to 76967-0043 (LT) inclusive, 76967-0045 (LT) to 76967-0048 (LT) inclusive, 76967-0057 (LT) to 76967-0060 (LT) inclusive, 76967-0062 (LT), 76967-0065 (LT), 76967-0067 (LT) inclusive, 76967-0073 (LT), 76967-0074 (LT), and 76967-0076 (LT) (the "**Real Property**"); and (b) all of the assets, undertakings and properties of Mizrahi (128 Hazelton) Inc. and Mizrahi 128 Hazelton Retail Inc. (collectively, the "Debtors"), or either of them, acquired for, or used in relation to a business carried on by the Debtors, or either of them, including all proceeds thereof (the "**Personal Property**", and together with the Real Property, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the __ day of _____, 2024 (the "Order") made in an application having Court file number CV-24-24-00715321-00CL has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of $_____, being part of the total principal sum of $_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the __ day of each

month] after the date hereof at a notional rate per annum equal to the rate of __ per cent above the prime commercial lending rate of Bank of _____ from time to time.

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

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

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

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

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

DATED the ___, day of _____, 2024.

KSV Restructuring Inc., solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____

Name: Bobby Kofman
Title: Managing Director

CONSTANTINE ENTERPRISES INC.

Applicant

- and -

MIZRAHI (128 HAZELTON) INC. AND
MIZRAHI 128 HAZELTON RETAIL INC.
Respondents

Court File No. CV-24-00715321-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

ORDER
(APPOINTING RECEIVER)

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Lawyers for the Applicant

Appendix “C”

First Report to Court of KSV Restructuring Inc. as Receiver and Manager of Mizrahi (128 Hazelton) Inc. and Mizrahi 128 Hazelton Retail Inc.

June 14, 2024

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COURT FILE NUMBERS: CV-24-00715321-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

CONSTANTINE ENTERPRISES INC.

APPLICANT

- AND -

MIZRAHI (128 HAZELTON) INC. AND MIZRAHI 128 HAZELTON RETAIL INC.

RESPONDENTS

IN THE MATTER OF AN APPLICATION UNDER SUBSECTION 243(1) OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, C. B-3, AS AMENDED, AND SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, C. C.43, AS AMENDED

FIRST REPORT OF
KSV RESTRUCTURING INC.
AS RECEIVER AND MANAGER

JUNE 14, 2024

1.0 Introduction

1. Pursuant to an order of the Ontario Superior Court of Justice (the "**Court**") issued on June 4, 2024 (the "**Receivership Order**"), KSV Restructuring Inc. ("**KSV**") was appointed as the receiver and manager (the "**Receiver**") of (a) certain condominium units located at 126 Hazelton Avenue, Toronto, Ontario and 128 Hazelton Avenue, Toronto, Ontario and legally described by the PIN numbers listed in Appendix "A" (collectively, the "**Real Property**"); and (b) all of the assets, undertakings and properties of Mizrahi (128 Hazelton) Inc. ("**Hazelton**") and Mizrahi 128 Hazelton Retail Inc. ("**Retail**", together with Hazelton, the "**Debtors**"), or either of them, acquired for, or used in relation to a business carried on by the Debtors, or either of them, including all proceeds thereof (the "**Personal Property**", and together with the Real Property, the "**Property**"). A copy of the Receivership Order is provided in Appendix "B".

2. The purpose of these receivership proceedings is for the Receiver to realize on the Property in an efficient and orderly manner which includes:

   a) constructing and completing some or all of the Unfinished Units (as defined below) so that they can be sold; and

   b) conducting a sale process for an agreement of purchase and sale effective as of November 10, 2020, as amended, (the "**Retail APS**") pursuant to which Retail has a right to purchase a commercial retail/office unit on level 1 of the Hazelton Project (as defined below) together with four parking spaces and one locker, on the terms and conditions set out therein (the "**Level 1 Unit**") for a purchase price of $2,393,000, subject to customary adjustments for a transaction of this nature.

3. This report (the "**Report**") is filed by KSV in its capacity as Receiver.

1.1 Purposes of this Report

1. The purposes of this Report are to:

   a) provide background information about the Debtors;

   b) provide information regarding the Unfinished Units;

   c) set out a proposed sale process (the "**Retail APS Sale Process**") for the sale of the Retail APS and the terms of a proposed stalking horse agreement of purchase and sale dated June 14, 2024 (the "**Stalking Horse APA**") between the Receiver and CEI; and

   d) recommend that this Court issue an order (the "**Sale Process Order**") approving:

      i. the Retail APS Sale Process; and

      ii. the Stalking Horse APA for the purposes of acting as a "stalking horse" in the Retail APS Sale Process as set out in the Stalking Horse APA.

1.2 Restrictions

1. In preparing this Report, the Receiver has relied upon (i) discussions and information provided by representatives of Constantine Enterprises Inc. ("**CEI**"); (ii) certain of the Debtors' unaudited financial information; and (iii) the receivership application materials filed by CEI and materials filed by the Debtors (collectively, the "**Information**").

2. The Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that complies with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance as contemplated under the CAS in respect of the Information. Any party wishing to place reliance on the Information should perform its own diligence and the Receiver accepts no responsibility for any reliance placed on the Information in this Report by any party.

3. Additional background information regarding the Debtors and the reasons for the appointment of the Receiver are provided in affidavits of Robert Hiscox sworn February 23, 2024 and April 16, 2024 (the "**Hiscox Affidavits**"). Copies of the Court materials filed in these proceedings are available on the Receiver's case website at: https://www.ksvadvisory.com/experience/case/128Hazelton.

2.0 Background

2.1 Hazelton

1. Hazelton is the registered owner of the Real Property, which are certain premises in relation to a nearly complete nine-storey, 20-unit luxury condominium development project located in Toronto's Yorkville neighbourhood with approximately 1,993 square feet of ground floor commercial retail space and three levels of underground parking (the "**Hazelton Project**").

2. Hazelton is responsible for development and construction and is currently the registered owner of seven condominium units, and one ground floor commercial retail space, and the parking spaces allocated to the units and the retail space. The development and construction management of the Hazelton Project was performed by Mizrahi Inc.

3. The shares in the capital of Hazelton are owned 50% by Mizrahi Developments Inc. ("**MDI**") and 50% by CEI. The Receiver understands that MDI is controlled by Sam Mizrahi.

4. Mr. Mizrahi was the President of Hazelton and one of two directors of Hazelton until he resigned on May 13, 2024. Mr. Hiscox, a nominee of CEI, is the other director. Mr. Mizrahi is also the principal of the Mizrahi development group of companies, a condominium development group (the "**Mizrahi Group**"). The Mizrahi Group is CEI's operating and development counterpart in connection with the development of the Hazelton Project.

5. Hazelton is the borrower under the DUCA Commitment, the 2015 Credit Agreement, the 2020 Grid Note and the 2021 Grid Note (each as defined below).

6. The following condominium units are under contract to be sold: 801, 802 and 901 (the "**Unfinished Units**"); however, these sales have not closed, and the Receiver intends to engage with each purchaser to address issues relevant to each transaction. Construction on each of these units has not been completed and, as discussed below, the Receiver intends to engage Gillam Communities LP ("**Gillam**") for this purpose.

2.2 Retail

1. Retail is the purchaser of the Level 1 Unit under the Retail APS and is the borrower under the Retail Note (as defined below). The Receiver understands that the shares of Retail are owned by Mr. Mizrahi or his designee.

2. The Retail APS was originally entered into between Mizrahi Inc. and Hazelton. Pursuant to an assignment agreement dated November 10, 2020, Mizrahi Inc. assigned its interest in the Retail APS to Retail. The Retail APS was amended by the Receiver to facilitate the sale of the Retail APS. The changes provide that the unit is to be sold (in its current condition) on an "as is, where is basis". The purchase price is unchanged.

3. Until recently, Mr. Mizrahi was the President and sole director of Retail. Based on a recent corporate profile report, as of March 1, 2024, Amanda Brown is the sole director and president of Retail. Attached as Appendix "C" is a copy of a corporate profile for Retail.

3.0 Creditors

3.1 Secured Creditors

1. As set out below, a preliminary summary of the Debtors' secured creditors is as follows:[1]

(Unaudited; $000s)	Amount
Hazelton	
Hazelton Priority Indebtedness (as defined below)	13,015,116
Aviva[2]	18,500,000
Hazelton Subordinate Indebtedness (as defined below)	31,041,763
CEC Mechanical Ltd. ("**CEC**") (construction lien)	507,658
CLM General Enterprises ("**CLM**") (construction lien)	68,262
385277 Ontario Limited ("**385 Ontario**") (construction lien)	47,503
Penegal Trim & Supply Ltd. ("**Penegal**") (construction lien)	138,765
	63,319,067
Retail	
Retail Indebtedness (as defined below)	2,854,278

2. Norton Rose Fulbright Canada LLP ("**NRF**"), the Receiver's independent counsel, has conducted a review of the security held in respect of the Hazelton Priority Indebtedness, the Hazelton Subordinate Indebtedness and the Retail Indebtedness. NRF has provided the Receiver with opinions that, subject to standard assumptions and qualifications, the security outlined therein is valid and enforceable.

Hazelton Priority Indebtedness

1. CEI is a Toronto-based private real estate fund that has assisted in the financing of the Hazelton Project since 2015. CEI purchased and took an assignment of the Hazelton Priority Indebtedness (as defined below) from DUCA Financial Services Credit Union Ltd. ("**DUCA**") on February 1, 2024, which commenced a receivership application against Hazelton on January 19, 2024. The DUCA receivership

[1] The amounts in the table are subject to change for interest, fees and costs, which continue to accrue.

[2] Aviva's registration is discussed below.

application was dismissed following the assignment by DUCA of its rights in the DUCA Commitment and DUCA Security (as defined below) to CEI.

2. Pursuant to the terms of a commitment letter dated June 27, 2017, as amended (the "**DUCA Commitment**"), DUCA made available certain demand credit facilities to Hazelton to finance construction of the Hazelton Project in the approximate amount of $33.5 million (the "**DUCA Loan**").

3. As security for the DUCA Loan, DUCA obtained from Hazelton, among other things, (i) a first-ranking mortgage against its Real Property (the "**DUCA Mortgage**"); (ii) a general assignment of rents (the "**DUCA GAR**"); and (iii) a general security agreement (the "**DUCA GSA**", and together with the DUCA Mortgage and DUCA GAR, the "**DUCA Security**").

4. As of February 29, 2024, the amount owing under the DUCA Loan and other amounts due and owing under the DUCA Commitment and DUCA Security (collectively, the "**Hazelton Priority Indebtedness**") was $13,015,116, with interest and costs accruing, including certain protective advances made by CEI for overdue condominium fees on behalf of Hazelton to preserve and protect CEI's collateral from a potential lien being registered on title to the Real Property by the Hazelton Project condominium corporation for unpaid common expenses.

Hazelton Subordinate Indebtedness

1. Pursuant to the terms of a credit agreement dated June 19, 2015, CEI also advanced a non-revolving loan facility to Hazelton in the principal amount of $21,000,000 (the "**Hazelton Subordinate Indebtedness**").

2. As security for the Hazelton Subordinate Indebtedness, CEI obtained from Hazelton, among other things, (i) a mortgage against its Real Property; (ii) a general assignment of rents; and (iii) a general security agreement.

3. As of February 29, 2024, the amount owing under the Hazelton Subordinate Indebtedness and other amounts due and owing under the 2015 Credit Agreement and related security was $31,041,763, with interest and costs accruing.

4. CEI granted a subordination, assignment, postponement and standstill agreement in favour of DUCA on June 22, 2017, pursuant to which CEI subordinated its mortgage to DUCA and registered a postponement in favour of Aviva and the City of Toronto.

Retail Note

1. On November 10, 2020, Retail issued a promissory note in favour of CEI (the "**Retail Note**") pursuant to which CEI advanced a loan to Retail in the aggregate principal amount of $2,174,130 (the "**Retail Indebtedness**", together with the Hazelton Priority Indebtedness and the Hazelton Subordinate Indebtedness, the "**Indebtedness**").

2. The use of the funds advanced under the Retail Note were for Retail to make contemporaneous advances to Hazelton in the same amount (which amounts were advanced by Retail to Hazelton pursuant to the terms of a promissory note issued by Hazelton to Retail on November 10, 2020 (the "**Retail Flow-Through Note**")).

3. As security for the Retail Note, CEI obtained i) a general security agreement by Retail (the "**Retail GSA**"); ii) an agreement between Retail and CEI pursuant to which Retail granted CEI an option to purchase the Retail APS and the Retail Flow-Through Note for one dollar in certain circumstances (which have not yet occurred) in accordance with the terms thereof (the "**Option Agreement**"); and iii) an unlimited guarantee by Mr. Mizrahi in respect of all obligations owing by Retail to CEI (the "**Retail Guarantee**" and collectively with the Retail GSA and the Option Agreement, the "**Retail Security**").

Additional Secured Creditors

1. Based on searches dated as of June 10, 2024, the following charges are also registered against the Real Property:

   a) a charge in favour of Aviva Insurance Company of Canada ("**Aviva**") registered on September 22, 2016 in the maximum principal amount of $18.5 million in respect of Hazelton's deposit insurance indemnification obligations for homebuyers who paid deposits for units that have not yet closed;

   b) a construction lien registered by CEC on September 29, 2023, of which $507,658 was outstanding as of November 21, 2023;

   c) a construction lien registered by CLM, on February 2, 2024, of which $68,262 is outstanding;

   d) a construction lien registered by 385 Ontario, on March 8, 2024 in the amount of $47,502.80; and

   e) a construction lien registered by Penegal, on May 10, 2024 in the amount of $138,765.14.

2. Aviva entered into a priority agreement with DUCA dated June 27, 2017 pursuant to which Aviva subordinated its mortgage to the DUCA Mortgage.

3. The Receiver is continuing to review and assess the construction liens, including seeking further information from lienholders, where necessary.

4. The Receiver also understands that the following registrations were made pursuant to the *Personal Property Security Act* in Ontario:

Hazelton

a) two registrations in favour of CEI in connection with the Hazelton Priority Indebtedness;

b) a registration in favour of Aviva; and

c) a registration in favour of CEI in connection with the Hazelton Subordinate Indebtedness.

Retail

a) a registration in favour of Mizrahi Constantine (180 SAW) LP[3]; and

b) two registrations in favour of CEI in connection with the Retail Indebtedness.

3.2 Other Known Creditors

1. CEI is also a creditor of Hazelton in connection with:

   a) an unsecured promissory note issued to CEI by Hazelton on November 10, 2020 pursuant to which CEI advanced loans to Hazelton in the aggregate principal amount of $3,200,000 (the "**2020 Grid Note**");

   b) an unsecured promissory note issued to CEI by Hazelton on December 3, 2021 pursuant to which CEI advanced loans to Hazelton in the aggregate principal amount of $1,500,000 (the "**2021 Grid Note**"); and

   c) the indebtedness relating to a construction lien previously registered on title to the Real Property in the amount of $1,351,861, which indebtedness has been purchased by CEI.

2. According to a creditors list provided to the Receiver, Hazelton's known unsecured creditors (other than CEI in respect of (a) and (b) above), total approximately $4.2 million in respect of amounts owing to consultants, law firms, trade contractors and other parties.

4.0 Hazelton's Ongoing Operations

4.1 Funding for these Proceedings

1. The Debtors have no cash available to advance any of their business activities, including construction. Accordingly, the Receiver intends to borrow from CEI under receiver's certificates, in accordance with paragraph 23 of the Receivership Order.

[3] There are no obligations are outstanding in respect of this registration.

4.2 Project Management

1. Mizrahi Inc. was the construction manager (the "**Construction Manager**") and the development manager of the Hazelton Project pursuant to a construction management agreement dated March 31, 2017 (the "**CM Agreement**") and development management agreement dated June 19, 2015 (the "**DM Agreement**"), respectively. On May 10, 2024, Mizrahi Inc., as Construction Manager, delivered a notice of termination of the CM Agreement to Hazelton. As of the date of this Report, the Receiver was considering the termination of the DM Agreement. The Receiver may file a supplemental report concerning the DM Agreement prior to the return of this motion.

2. The Receiver is in discussions with Gillam to complete certain outstanding construction pursuant to the CCDC-2 Contract (the "**CCDC-2**"). The Receiver understands that CEI consents to the Receiver's retention of Gillam for this purpose. The total cost of the work to be completed under the CCDC-2 Contract is budgeted to be approximately $4.2 million. As of the date of this Report, the CCDC-2 has not been finalized.

5.0 Retail APS Sale Process

1. The purpose of the Retail APS Sale Process is to market for sale the Retail APS and to sell the Level 1 Unit. The Retail APS Sale Process is a stalking horse sale process, pursuant to which the Stalking Horse APA provides a base-line purchase price for the Retail APS, while also enabling the Receiver to test the market to obtain a higher selling price. The successful purchaser of the Retail APS will be required to close on the Level 1 Unit in accordance with the terms of the amended Retail APS, a copy of which is provided in Appendix "D". The completion of the sale of the Retail APS and the Level 1 Unit is contemplated to be contemporaneous.

2. With the consent of CEI, the Receiver has engaged CBRE Limited ("CBRE") to market the Retail APS and Level 1 Unit for sale. CBRE is a leading international real estate brokerage and is well known to the Receiver from other real estate insolvencies.

3. CBRE's listing fee (4%) is consistent with the market for the sale of condominium units and CEI consents to the amount of the listing fee. The listing fee is a percentage of the total purchase price under the Retail APS plus the successful transaction under the Retail APS Sale Process. The listing fee is payable if CEI is the successful bidder pursuant to a credit bid. The Receiver believes CBRE's fee is reasonable in the circumstances.

4. The Receiver understands that CEI consents to the Retail APS Sale Process.

5.1 Sale Process

1. The Retail APS Sale Process is set out in the table below. The timelines are based on KSV's experience selling real estate assets in court-supervised proceedings, as well as guidance from CBRE. The timelines assume that the Court approves the Retail APS Sale Process on the return of this motion.

Summary of Sale Process		
Milestone	**Description of Activities**	**Timeline**
Phase 1 – Pre-Sale Process Preparation		
Retention of Agent	➢ Receiver to retain CBRE as sales agent for the Retail APS Sale Process (the "**Listing Agent**")	Complete
Due diligence	➢ Listing Agent to upload documentation concerning the opportunity to a virtual data room (the "**VDR**") so that interested parties can review the Stalking Horse APA and conduct diligence on the Retail APS and the Level 1 Unit. ➢ The VDR will include information required to allow interested parties to perform due diligence, including a copy of the Stalking Horse APA and a form of agreement of purchase and sale for bid submissions (the "**Bid Form**").	To be completed within five business days of court approval of the sale process
Marketing materials	➢ The Listing Agent will prepare a document summarizing the opportunity and explaining the Sale Process, including the deadline for submitting offers, being approximately 30 days from the launch of the Retail APS Sale Process (the "**Bid Deadline**").	
Prospect Identification	➢ The Listing Agent, in consultation with the Receiver, will market the Retail APS using traditional methods to sell similar properties in the City of Toronto, including listing it on the multiple listing system (if possible), email blasts, preparation of a marketing brochure, direct solicitation and signage. ➢ **The Listing Agent will advise bidders of the Stalking Horse APA and that any offer must be equal to the value of the Stalking Horse APA, plus a bid increment of $50,000 (the "Initial Bid Increment").**	
Phase 2 – Marketing, Due Diligence and Offer Solicitation		
Stage 1	➢ Market introduction	No later than **June 24, 2024, subject to Court approval**
Stage 2	➢ Due Diligence – based on feedback from CBRE, interested parties will be provided approximately **30 days** to review information in the VDR, tour the Level 1 Unit and submit an offer. ➢ Interested parties will be advised of the Bid Deadline.	Approximately 30 days
Stage 3	➢ Bids must be received on or before the Bid Deadline. ➢ To be considered a qualified bid (a "**Qualified Bid**") a bid must meet the following criteria (the "**Qualified Bid Criteria**"): o a blackline to the Bid Form (a soft copy of the Stalking Horse APA will be made available in the VDR); o provide a purchase price consisting solely of cash consideration with a value of not less than $300,000[4]	

[4] This amount was determined based on discussions with CBRE.

Summary of Sale Process		
Milestone	Description of Activities	Timeline
	(being the total consideration under the Stalking Horse APA), plus the assumed liabilities, plus the Initial Bid Increment; o include a deposit equal to the sum of 10% of the purchase price for the Retail APS (such portion of the deposit being $239,300) and 10% of the purchase price for the Stalking Horse APA (such portion of the deposit being at least $35,000); o not be conditional on the outcome of any further due diligence or financing; o provide the names of the representatives who are authorized to appear and act on behalf of the bidder; o provide evidence sufficient for the Receiver to determine that the bidder has the ability to complete the transaction and the subsequent purchase of the Level 1 Unit; o include acknowledgements and representations that confirm that the transaction is on an "as is, where is" basis; the bidder has had an opportunity to conduct any and all due diligence necessary prior to entering into the Qualified Bid and has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the property in making its bid; and it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the completeness of any information provided in connection therewith, except as expressly stated in the Qualified Bid; o includes a covenant that the bidder will close the transaction under the Retail APS immediately after Closing; o provides that the Qualified Bid shall remain open until the latest of (a) the date on which the Listing Agent advises the bidder that its bid is not the successful bid or the back-up bid, if one is selected; (b) in the case of the Successful Bid, the closing of the transaction; and (c) in the case of a back-up bid, if one is selected, the earlier of the closing of another successful transaction and the closing of the transaction under the back-up bid; and o include any other terms or conditions the Potential Bidder believes are material to the transaction.	

Summary of Sale Process		
Milestone	**Description of Activities**	**Timeline**
Phase 3 – Offer Review and Negotiations		
Selection of the Successful Bid and Back-Up Bid	➢ The Stalking Horse APA shall be considered a Qualified Bid. ➢ If any additional Qualified Bids are received, the Listing Agent and the Receiver may declare one or more Qualified Bids as the successful bid and back up bid or seek further amendments or clarifications to any Qualified Bids including the Stalking Horse APA or establish further procedures for determining a successful bid and/or back-up bid, including as many rounds of bidding as determined necessary in the discretion of the Receiver.	
Sale Approval Motion and Closing	➢ Prepare materials to seek approval of the transaction. ➢ Close transaction following court approval.	ASAP after finalizing definitive documents

2. Additional terms of the Retail APS Sale Process include:

a) the transaction contemplated by the Stalking Horse APA will be marketed and sold on an "as-is, where-is" basis, with standard representations and warranties for a receivership transaction;

b) the amendment to the Retail APS indicates that the sale of the Level 1 Unit would also be completed on an "as-is, where-is" basis and otherwise in accordance with the terms of the amended Retail APS;

c) to the extent permitted by law, all of the right, title and interest of Retail in the Retail APS will be sold free and clear of all pledges, liens, security interests, encumbrances and claims, pursuant to an approval and vesting order to be sought by the Receiver;

d) the Receiver will have the right to reject any and all offers, including the highest and best offers other than the Stalking Horse APA;

e) if, in the Receiver's sole discretion, it will assist to maximize recoveries, the Receiver will have the right to: (i) waive strict compliance with the terms of the Retail APS Sale Process, including the right to amend any of the deadlines in the table above; and (ii) modify and adopt such other procedures that will better promote the sale of the Retail APS or increase recoveries for stakeholders;

f) any material modifications to, or the termination of, the Retail APS Sale Process shall require Court approval; and

g) any transaction or transactions entered into by the Receiver shall be subject to Court approval.

5.2 The Stalking Horse APA

1. The following is a summary description of the Stalking Horse APA only. Readers are encouraged to read the entirety of the Stalking Horse APA for its terms and conditions, a copy of which is provided in Appendix "E".

2. The key terms and conditions of the Stalking Horse APA are provided below[5].

   a) Purchaser: CEI.

   b) Purchased Assets: All of Retail's right, title and interest in the Retail APS.

   c) Excluded Assets: The Seller shall not sell to the Purchaser and the Purchaser shall not purchase from the Seller any assets other than the Purchased Assets.

   d) Purchase Price: The Purchase Price under the Stalking Horse APA is (i) $300,000 owing by Retail to the Purchaser on Closing (which is to be satisfied by way of credit bid of a portion of the amount owing by Retail to the Purchaser); and (ii) the amount of the Assumed Liabilities as of Closing, which includes the obligation to purchase the Level 1 Unit for $2,393,000, subject to customary adjustments for a transaction of this nature.

   e) Deposit: All offers must include a deposit equal to the sum of 10% of the purchase price for the Retail APS (such portion of the deposit being $239,300) and 10% of the purchase price for the Stalking Horse APA (such portion of the deposit being at least $35,000).

   f) Assumed Liabilities: The Purchaser shall assume as of the Closing Date and shall pay, discharge and perform, as the case may be, from and after the Closing Date, all liabilities and obligations of Retail arising in respect of the Retail APS (collectively, the "Assumed Liabilities"). The Purchaser covenants to close the transaction under the Retail APS immediately after Closing.

   g) Closing Date: No later than the day that is 10 days after the date on which the Court grants the Sale Approval and Vesting Order.

   h) Material Conditions: As follows:

      i. no legal or regulatory action or proceeding shall be pending or threatened by any Governmental Authority to enjoin, restrict or prohibit the purchase and sale of the Purchased Assets;

      ii. all conditions to closing to purchase the Unit (as defined in the amended Retail APS) under the amended Retail APS (subject to the release of any signed documents from escrow) shall have been either satisfied or waived;

[5] Capitalized terms not otherwise defined are defined in the Stalking Horse APA.

iii. the Court shall have issued the Sale Process Order by no later than June 21, 2024; and

iv. the Court shall have granted the Sale Approval and Vesting Order by no later than 14 calendar days following the transaction being selected as the Successful Bid.

i) Acceptance of Successful Bid: The sale of the Purchased Assets to any Successful Bidder by the Receiver is conditional upon the approval of the Successful Bid by the Court.

5.3 Retail APS Sale Process Recommendation

1. The Receiver recommends that the Court issue an order approving the Retail APS Sale Process and the Stalking Horse APA as the Stalking Horse Bid for the following reasons:

a) the value of the Stalking Horse APA was based on the Receiver's discussions with CBRE and presents a reasonable floor price for the Retail APS, when considered in the context of the purchase price of the Level 1 Unit;

b) the Stalking Horse APA does not include a break fee or expense reimbursement;

c) the Retail APS Sale Process is reasonable and appropriate at this time and is supported by CEI, being Retail's most significant and senior ranking stakeholder;

d) the Retail APS Sale Process is a fair, open and transparent process developed with input from CBRE, and is intended to canvass the market broadly on an efficient basis to obtain the highest and best price;

e) the Retail APS Sale Process is flexible and provides the Receiver with the timelines, procedures and discretion that it believes are necessary to maximize value;

f) the CBRE marketing process includes procedures commonly used to sell real estate assets, including by KSV in other court-supervised real property sale processes; and

g) CBRE is a leading national brokerage, with the experience and expertise to market the Retail APS, including significant knowledge of the Toronto market in which the Hazelton Project is located.

6.0 Conclusion

1. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court make an order granting the relief detailed in Section 1.1(1)(d) of this Report.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

KSV RESTRUCTURING INC.,
SOLELY IN ITS CAPACITY AS RECEIVER AND MANAGER OF
MIZRAHI (128 HAZELTON) INC. AND
MIZRAHI 128 HAZELTON RETAIL INC.

Appendix “D”

Residential Unit No.: 04 Level No.: 4

Suite No.: 404

AGREEMENT OF PURCHASE AND SALE

The undersigned, **ROBERT HISCOX** (collectively, the **"Purchaser"**), hereby agrees with **MIZRAHI (128 HAZELTON) INC.** (the **"Vendor"**) to purchase the above-noted unit, as outlined for identification purposes only on the sketch attached hereto as Schedule "A", together with **TWO (2)** Parking Unit(s), and **ONE (1)** Locker Unit(s), which shall be allocated by the Vendor in its sole discretion being (a) proposed unit(s) in the Condominium, to be registered against those lands and premises situate in the City of Toronto and which are currently municipally known as 126 and 128 Hazelton Avenue (hereinafter called the "**Property**"), together with an undivided interest in the common elements appurtenant to such unit(s) and the exclusive use of those parts of the common elements attaching to such unit(s), as set out in the proposed Declaration (collectively, the "**Unit**") on the following terms and conditions:

1. The purchase price of the Unit (the "**Purchase Price**") is **TWO MILLION THREE HUNDRED FIFTEEN THOUSAND FOUR HUNDRED FIFTY**($2,315,450.00) DOLLARS in lawful money of Canada, payable as follows:

(a) to Harris, Sheaffer LLP, in Trust, (the "**Vendor's Solicitors**" or "**Escrow Agent**" or "**Trustee**") in the following amounts at the following times, by cheque or bank draft, as deposits pending completion or other termination of this Agreement and to be credited on account of the Purchase Price on the Occupancy Date:

(i) The sum of **TEN DOLLARS ($10.00)** Dollars submitted with this Agreement;

(ii) The sum of **ONE HUNDRED FIFTEEN THOUSAND SEVEN HUNDRED SIXTY THREE ($115,763.00)** Dollars (being 5% less $10.00) of the Purchase Price) submitted with this Agreement and post-dated three hundred and sixty-four (364) days following the date of execution of this Agreement by the Purchaser; and

(iii) The sum of **ONE HUNDRED FIFTEEN THOUSAND SEVEN HUNDRED SEVENTY THREE ($115,773.00)** Dollars (being 5% of the Purchase Price) submitted with this Agreement and post-dated five hundred and forty (540) days following the date of execution of this Agreement by the Purchaser; and

(iv) The sum of **TWO HUNDRED THIRTY ONE THOUSAND FIVE HUNDRED FORTY FIVE ($231,545.00)** Dollars (being 10% of the Purchase Price) on the Occupancy Date.

(b) the balance of the Purchase Price by certified cheque on the Title Transfer Date to the Vendor or as the Vendor may direct, subject to the adjustments hereinafter set forth.

2 (a) The Purchaser shall occupy the Unit on the First Tentative Occupancy Date [as defined in the Statement of Critical Dates being part of the Tarion Addendum as hereinafter defined], or such extended or accelerated date that the Unit is substantially completed by the Vendor for occupancy by the Purchaser in accordance with the terms of this Agreement including, without limitation, the Tarion Addendum (the "**Occupancy Date**").

(b) The transfer of title to the Unit shall be completed on the later of the Occupancy Date or a date established by the Vendor in accordance with Paragraph 14 hereof (the "**Title Transfer Date**").

(c) The Purchaser's address for delivery of any notices pursuant to this Agreement or the Act is the address set out in the Tarion Addendum.

(d) Notwithstanding anything contained in this Agreement (or in any schedules annexed hereto) to the contrary, it is expressly understood and agreed that if the Purchaser has not executed and delivered to the Vendor or its sales representative an acknowledgement of receipt of both the Vendor's disclosure statement and a copy of this Agreement duly executed by both parties hereto, within fifteen (15) days from the date of the Purchaser's execution of this Agreement as set out below, then the Purchaser shall be deemed to be in default hereunder and the Vendor shall have the unilateral right to terminate the Agreement at any time thereafter upon delivering written notice confirming such termination to the Purchaser, whereupon the Purchaser's initial deposit cheque shall be forthwith returned to the Purchaser by or on behalf of the Vendor.

The following Schedules of this Agreement, if attached hereto, shall form a part of this Agreement. The Purchaser acknowledges that he has read all Sections and Schedules of this Agreement and the form of Acknowledgement, if any:

Schedule "A" – Unit Plan/sketch
Schedule "B" – Features & Finishes
Schedule "C" – Occupancy Licence
Schedule "D" - Warning Provisions
Schedule "E" – Receipt Confirmation
Schedule being the Tarion Warranty Corporation Statement of Critical Dates and Addendum to Agreement of Purchase and Sale (collectively the **"Tarion Addendum"**) and such other Schedules annexed thereto.

DATED, signed, sealed and delivered this _____ day of November, 2018.

SIGNED, SEALED AND DELIVERED in the presence of

_____
WITNESS:
(as to all Purchaser's signatures, if more than)

_____ HISCOX
PURCHASER: **ROBERT HISCOX**

Seal

Seal

PURCHASER'S SOLICITOR: _____
Address: _____

Telephone: _____ Facsimile: _____

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

DATED, signed, sealed and delivered, this 16 day of November, 2018.

Vendor's Solicitors:

HARRIS, SHEAFFER LLP
Suite 610 - 4100 Yonge Street
Toronto, Ontario, M2P 3B5
Attn: Jeffrey P. Silver
Telephone: (416) 250-5800 **Fax:** (416) 250-5300

MIZRAHI (128 HAZELTON) INC.

Per: _____
Authorized Signing Officer
I have the authority to bind the Corporation.

Seal

3. The meaning of words and phrases used in this Agreement and its Schedules shall have the meaning ascribed to them in the *Condominium Act, 1998,* S.O. 1998, C.19, the regulations thereunder and any amendments thereto (the **"Act"**) and other terms used herein shall have ascribed to them the definitions in the Condominium Documents unless otherwise provided for as follows:

(a) **"Agreement"** means this Agreement of Purchase and Sale including all Schedules attached hereto and made a part hereof;

(b) **"Condominium"** means the condominium which will be registered against the Property pursuant to the provisions of the Act;

(c) **"Condominium Documents"** means the Creating Documents, the by-laws and rules of the Condominium, the disclosure statement and budget statement together with all other documents and agreements which are entered into by the Vendor on behalf of the Condominium or by the Condominium directly prior to the turnover of the condominium, as may be amended from time to time;

(d) **"CRA"** means the Canada Revenue Agency or its successors;

(e) **"Creating Documents"** means the declaration and description which are intended to be registered against title to the Property and which will serve to create the Condominium, as may be amended from time to time;

(f) **"Interim Occupancy"** shall mean the period of time from the Occupancy Date to the Title Transfer Date;

(g) **"Occupancy Licence"** shall mean the terms and conditions by which the Purchaser shall occupy the Unit during Interim Occupancy as set forth in Schedule "C" hereof;

(h) **"Occupancy Fee"** shall mean the sum of money payable monthly in advance by the Purchaser to the Vendor and calculated in accordance with Schedule "C" hereof;

(i) **"Property"** shall mean the lands and premises upon which the Condominium is constructed or shall be constructed and legally described in the Condominium Documents; and

(j) **"TWC"** means Tarion Warranty Corporation or its successors.

Finishes

4. The Purchase Price shall include those items listed on Schedule "B" attached hereto. The Purchaser acknowledges that only the items set out in Schedule "B" are included in the Purchase Price and that model suite/vingnette furnishings and appliances, decor, upgrades, artist's renderings, scale model(s), improvements, mirrors, drapes, tracks and wall coverings are for display purposes only and are not included in the Purchase Price unless specified in Schedule "B". The Purchaser agrees to attend and notify the Vendor of his/her choice of finishes within fifteen (15) days of being requested to do so by the Vendor. In the event colours and/or finishes subsequently become unavailable, the Purchaser agrees to re-attend at such time or times as requested by the Vendor or its agents, to choose from substitute colours and/or finishes. If the Purchaser fails to choose colours or finishes within the time periods requested, the Vendor may irrevocably choose the colours and finishes for the Purchaser and the Purchaser agrees to accept the Vendor's selections.

Deposits

5. (a) The Vendor shall credit the Purchaser with interest at the prescribed rate on either the Occupancy Date or Title Transfer Date at the Vendor's sole discretion on all money received by the Vendor on account of the Purchase Price from the date of deposit of the money received from time to time by the Vendor's Solicitors or the Trustee until the Occupancy Date. The Purchaser acknowledges and agrees that, for the purposes of subsection 81(6) of the Act, compliance with the requirement to provide written evidence, in the form prescribed by the Act, of payment of monies by or on behalf of the Purchaser on account of the Purchase Price of the Unit shall be deemed to have been sufficiently made by delivery of such written evidence to the address of the Purchaser noted in the Tarion Addendum. The Purchaser further acknowledges and agrees that any cheques provided to the Vendor on account of the Purchase Price will not be deposited and accordingly interest as prescribed by the Act will not accrue thereon, until after the expiry of the ten (10) day rescission period as provided for in section 73 of the Act (or any extension thereof as may be agreed to in writing by the Vendor). The Purchaser represents and warrants that the Purchaser is not a non-resident of Canada within the meaning of the Income Tax Act of Canada (the "**ITA**"). If the Purchaser is not a resident of Canada for the purposes of the ITA the Vendor shall be entitled to withhold and remit to CRA the appropriate amount of interest payable to the Purchaser on account of the deposits paid hereunder, under the ITA.

(b) All deposits paid by the Purchaser shall be held by the Escrow Agent in a designated trust account, and shall be released only in accordance with the provisions of subsection 81(7) of the Act and the regulations thereto, as amended. Without limiting the generality of the foregoing, and for greater clarity, it is understood and agreed that with respect to any deposit monies received from the Purchaser the Escrow Agent shall be entitled to withdraw such deposit monies from said designated trust account prior to the Title Transfer Date if and only when the Vendor obtains a Certificate of Deposit from TWC for deposit monies up to Twenty Thousand ($20,000.00) Dollars and with respect to deposit monies in excess of Twenty Thousand ($20,000.00) Dollars, one or more excess condominium deposit insurance policies (issued by any insurer as may be selected by the Vendor, authorized to provide excess condominium deposit insurance in Ontario) insuring the deposit monies so withdrawn (or intended to be withdrawn), and delivers the said excess condominium deposit insurance policies (duly executed by or on behalf of the insurer and the Vendor) to the Escrow Agent holding the deposit monies for which said policies have been provided as security, in accordance with the provisions of section 21 of O. Reg. 48/01. Furthermore and without limiting the generality of the foregoing, the Vendor's Solicitors, Escrow Agent or the Trustee shall be permitted, upon written instructions from the Vendor, to transfer any and all deposits in its possession to another solicitor

representing the Vendor or replacement escrow agent, provided that such solicitor or replacement escrow agent undertakes to the Vendor's Solicitors, Escrow Agent or the Trustee to comply with the provisions of section 81 of the Act and to notify the Purchaser within 15 days of the transfer of such funds that it is now holding the deposits as escrow agent pursuant to the terms of the Act and this Agreement. Upon the transfer of the deposits in accordance with this paragraph, the Vendor's Solicitors, Escrow Agent or the Trustee shall have no further obligations to the Purchaser in its capacity as the escrow agent of the deposits and shall automatically be released from further liability as escrow agent of such deposits.

Adjustments

6. (a) Commencing as of the Occupancy Date, the Purchaser shall be responsible and be obligated to pay the following costs and/or charges in respect to the Unit:

(i) all utility costs including electricity, gas and water (unless included as part of the common expenses); and

(ii) the Occupancy Fee owing by the Purchaser for Interim Occupancy prior to the Title Transfer Date (if applicable).

(b) The Purchase Price shall be adjusted to reflect the following items, which shall be apportioned and allowed from the Title Transfer Date, with that day itself apportioned to the Purchaser:

(i) realty taxes (including local improvement charges pursuant to the *Local Improvement Charges Act*, if any) which may be estimated as if the Unit has been assessed as fully completed by the taxing authority for the calendar year in which the transaction is completed as well as for the following calendar year, notwithstanding the same may not have been levied or paid on the Title Transfer Date. The Vendor shall be entitled in its sole discretion to collect from the Purchaser a reasonable estimate of the taxes as part of the Occupancy Fee and/or such further amounts on the Title Transfer Date, provided all amounts so collected shall either be remitted to the relevant taxing authority on account of the Unit or held by the Vendor pending receipt of final tax bills for the Unit, following which said realty taxes shall be readjusted in accordance with subsections 80(8) and (9) of the Act; and

(ii) common expense contributions attributable to the Unit, with the Purchaser being obliged to provide the Vendor on or before the Title Transfer Date with a series of post-dated cheques payable to the condominium corporation for the common expense contributions attributable to the Unit, for such period of time after the Title Transfer Date as determined by the Vendor (but in no event for more than one year).

(c) Interest on all money paid by the Purchaser on account of the Purchase Price, shall be adjusted and credited to the Purchaser in accordance with paragraph 5 of this Agreement.

(d) The Purchaser shall, in addition to the Purchase Price, pay the following amounts to the Vendor on the Title Transfer Date:

(i) Any new taxes imposed on the Unit by the federal, provincial, or municipal government or any increases to existing taxes currently imposed on the Unit by such government.

(ii) Any amounts which remain unpaid and owing to the Vendor on account of upgrades and/or extras and/or changes ordered by the Purchaser.

(iii) The amount of any increase in development charge(s) and/or education development charge(s) (the **"Levies"**) assessed against or attributable to the Unit (or assessed against the Property or any portion thereof, and attributable to the Unit by either pro-rating same in accordance with the proportion or percentage of common interests attributable thereto or by dividing same by the number of residential units in the Condominium), pursuant to the *Development Charges Act 1997*, S.O. 1997, as amended from time to time, and the *Education Act*, S.O. 1997, as amended from time to time, over the amount of such charges that would be exigible as of November 11, 2015 and the amount of any new Levies that were not exigible as of November 11, 2015 with respect to the Property and were subsequently assessed against the Property or attributable to the Unit.

(iv) The cost of the TWC enrolment fee for the Unit (together with any provincial or federal taxes exigible with respect thereto).

(v) The cost of utility meters, water meter installations, hydro and gas meter or check meter installations, water and sewer service connection charges and hydro and gas installation and connection or energization charges for the Condominium and/or the Unit, the Purchaser's portion of such installation and/or connection or energization charges and costs to be calculated by dividing the total amount of such charges and costs by the number of residential dwelling units in the Condominium and by charging the Purchaser in the statement of adjustments with that portion of the charges and costs, provided that such amounts shall not exceed One Thousand Dollars ($1,000.00).

(vi) The charge imposed upon the Vendor or its solicitors by the Law Society of Upper Canada upon registration of a Transfer/Deed of Land or Charge/Mortgage of Land or any other instrument.

(vii) A sum of Fifty ($50.00) for each cheque tendered pursuant to paragraphs 1(a) of this Agreement representing a reasonable reimbursement to the Vendor of the costs incurred or to be incurred by the Vendor in fulfillment of the requirements of subsection 81(6) of the Act.

(viii) Any other additional or further adjustments agreed to in writing between the Vendor and Purchaser subsequent to the execution of this Agreement.

(e) In the event that the Purchaser desires to increase the amount to be paid to the Vendor's solicitors on the Occupancy Date at any time after the expiry of the initial ten (10) day statutory rescission period, or wishes to vary the manner in which the Purchaser has previously requested to take title to the Property, or wishes to add or change any unit(s) being acquired from the Vendor, then the Purchaser hereby covenants and agrees to pay to the Vendor's Solicitors' the legal fees and ancillary disbursements which may be incurred by the Vendor or charged by the Vendor's Solicitors in order to implement any of the foregoing changes so requested by the Purchaser (with the Vendor's Solicitors' legal fees for implementing any such changes to any of the interim closing and/or final closing documents so requested by the Purchaser and agreed to by the Vendor being $350.00 plus HST), but without there being any obligation whatsoever on the part of the Vendor to approve of, or to implement, any of the foregoing changes so requested.

(f) It is further understood and agreed that the Unit may include a rental or leased hot water tank and associated components which would remain the property of the appropriate company or other supplier of such item, and in such event, the Purchaser shall pay the monthly rental/lease charges assessed with respect thereto from and after the Occupancy Date, and shall execute all requisite rental documents in connection therewith.

(g) The Purchaser acknowledges that it may be required to enter into an agreement with the supplier of hydro other utility services to the Condominium (the "**Utility Supplier**") on or before the Occupancy Date. Furthermore, the Purchaser acknowledges that such agreement may require the Purchaser to deliver a security deposit to the Utility Supplier prior to the Occupancy Date and the Purchaser agrees to deliver such security deposit to the Vendor on the Occupancy Date.

(h) It is acknowledged and agreed by the parties hereto that the Purchase Price already includes a component equivalent to both the federal portion and the provincial portion of the harmonized goods and services tax or single sales tax exigible with respect to this purchase and sale transaction less the Rebate as defined below (hereinafter referred to as the "**HST**"), and that the Vendor shall remit the HST to CRA on behalf of the Purchaser forthwith following the completion of this transaction. The Purchaser hereby warrants and represents to the Vendor that with respect to this transaction, the Purchaser qualifies for the federal (if applicable), and the provincial new housing rebates pursuant to the *Excise Tax Act* (Canada), as may be amended (collectively, the "**Rebate**"), and further warrants and confirms that the Purchaser is a natural person who is acquiring the Property with the intention of being the sole beneficial owner thereof on the Title Transfer Date (and not as the agent or trustee for or on behalf of any other party or parties), and covenants that upon the Occupancy Date the Purchaser or one or more of the Purchaser's relations (as such term is defined in the *Excise Tax Act*) shall personally occupy the Unit as his, her or their primary place of residence, for such period of time as shall be required by the *Excise Tax Act*, and any other applicable legislation, in order to entitle the Purchaser to the Rebate (and the ultimate assignment thereof to and in favour of the Vendor) in respect of the Purchaser's acquisition of the Unit. The Purchaser hereby irrevocably assigns to the Vendor all of the Purchaser's rights, interests and entitlements to the Rebate (and concomitantly releases all of the Purchaser's claims or interests in and to the Rebate, to and in favour of the Vendor), and hereby irrevocably authorizes and directs CRA to pay or credit the Rebate directly to the Vendor. In addition, the Purchaser shall execute and deliver to the Vendor, forthwith upon the Vendor's or Vendor's Solicitors request for same (and in any event on or before the Title Transfer Date), all requisite documents and assurances that the Vendor or the Vendor's Solicitors may reasonably require in order to confirm the Purchaser's entitlement to the Rebate and/or to enable the Vendor to obtain the benefit of the Rebate (by way of assignment or otherwise), including without limitation, the GST/HST New Housing Rebate Application for Houses Purchased from a Builder or other similar form as prescribed from time to time (the "**Rebate Form**"). The Purchaser covenants and agrees to indemnify and save the Vendor harmless from and against any loss, cost, damage and/or liability (including an amount equivalent to the Rebate, plus penalties and interest thereon) which the Vendor may suffer, incur or be charged with, as a result of the Purchaser's failure to qualify for the Rebate, or as a result of the Purchaser having qualified initially but being subsequently disentitled to the Rebate, or as a result of the inability to assign the benefit of the Rebate to the Vendor (or the ineffectiveness of the documents purporting to assign the benefit of the Rebate to the Vendor). As security for the payment of such amount, the Purchaser does hereby charge and pledge his/her interest in the Unit with the intention of creating a lien or charge against same. It is further understood and agreed by the parties hereto that:

(i) if the Purchaser does not qualify for the Rebate, or fails to deliver to the Vendor or the Vendor's solicitors forthwith upon the Vendor's or the Vendor's Solicitors request for same (and in any event on or before the Title Transfer Date) the Rebate Form duly executed by the Purchaser, together with all other requisite documents and assurances that the Vendor or the Vendor's Solicitors may reasonably require from the Purchaser or the Purchaser's solicitor in order to confirm the Purchaser's eligibility for the Rebate and/or to ensure that the Vendor ultimately acquires (or is otherwise assigned) the benefit of the Rebate; or

(ii) if the Vendor believes, for whatever reason, that the Purchaser does not qualify for the Rebate, regardless of any documentation provided by or on behalf of the Purchaser (including any statutory declaration sworn by the Purchaser) to the contrary, and the Vendor's belief or position on this matter is communicated to the Purchaser or the Purchaser's solicitor on or before the Title Transfer Date;

then notwithstanding anything hereinbefore or hereinafter provided to the contrary, the Purchaser shall be obliged to pay to the Vendor (or to whomsoever the Vendor may in writing direct), by certified cheque delivered on the Title Transfer Date, an amount equivalent to the Rebate, in addition to the Purchase Price and in those circumstances where the Purchaser maintains that he is eligible for the Rebate despite the Vendor's belief to the contrary, the Purchaser shall (after payment of the amount equivalent to the Rebate as aforesaid) be fully entitled to pursue the procurement of the Rebate directly from CRA. It is further understood and agreed that in the event that the Purchaser intends to rent out the Unit before or after the Title Transfer Date, the Purchaser shall not be entitled to the Rebate, but may nevertheless be entitled to pursue, on

his or her own after the Title Transfer Date, the federal and provincial new rental housing rebates directly with CRA, pursuant to section 256.2 of the *Excise Tax Act,* as may be amended, and other applicable legislation to be enacted relating to the provincial new rental housing rebate.

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

(j) An administration fee of TWO HUNDRED AND FIFTY ($250.00) DOLLARS shall be charged to the Purchaser for any cheque payable hereunder delivered to the Vendor or to the Vendor's Solicitors and not accepted by the Vendor's or the Vendor's Solicitor's bank for any reason. At the Vendor's option, this administration fee can be collected as an adjustment on the Title Transfer Date or together with the replacement cheque delivered by the Purchaser.

Title

7. The Vendor or its Solicitor shall notify the Purchaser or his/her Solicitor following registration of the Creating Documents so as to permit the Purchaser or his/her Solicitor to examine title to the Unit (the **"Notification Date"**). The Purchaser shall be allowed twenty (20) days from the Notification Date (the **"Examination Period"**) to examine title to the Unit at the Purchaser's own expense and shall not call for the production of any surveys, title deeds, abstracts of title, grading certificates, occupancy permits or certificates, nor any other proof or evidence of the title or occupiability of the Unit, except such copies thereof as are in the Vendor's possession. If within the Examination Period, any valid objection to title or to any outstanding work order is made in writing to the Vendor which the Vendor shall be unable or unwilling to remove and which the Purchaser will not waive, this Agreement shall, notwithstanding any intervening acts or negotiations in respect of such objections, be null and void and the deposit monies together with the interest required by the Act to be paid after deducting any payments due to the Vendor by the Purchaser as provided for in this Agreement shall be returned to the Purchaser and the Vendor shall have no further liability or obligation hereunder and shall not be liable for any costs or damages. Save as to any valid objections so made within the Examination Period, the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Unit. The Purchaser acknowledges and agrees that the Vendor shall be entitled to respond to some or all of the requisitions submitted by or on behalf of the Purchaser through the use of a standard title memorandum or title advice statement prepared by the Vendor's Solicitors, and that same shall constitute a satisfactory manner of responding to the Purchaser's requisitions, thereby relieving the Vendor and the Vendor's Solicitors of the requirement to respond directly or specifically to the Purchaser's requisitions.

Direction Re: Title

8. The Purchaser hereby agrees to submit to the Vendor or the Vendor's Solicitors on the earlier of the Occupancy Date and twenty (20) days prior to the Title Transfer Date, a written direction as to how the Purchaser intends to take title to the Unit, including, the date(s) of birth and marital status and the Purchaser shall be required to close the transaction in the manner so advised unless the Vendor otherwise consents in writing, which consent may be arbitrarily withheld. If the Purchaser does not submit such confirmation within the required time as aforesaid the Vendor shall be entitled to tender a Transfer/Deed on the Title Transfer Date engrossed in the name of the Purchaser as shown on the face of this Agreement.

Permitted Encumbrances

9. (a) The Purchaser agrees to accept title subject to the following:

(i) the Condominium Documents, notwithstanding that they may be amended and varied from the proposed Condominium Documents in the general form attached to the Disclosure Statement delivered to the Purchaser as set out in Schedule "E";

(ii) registered restrictions or covenants that run with the Property, including any encroachment agreement(s) with any governmental authorities or adjacent land owner(s), provided that same are complied with as at the Title Transfer Date;

(iii) easements, rights-of-way and/or licences now registered (or to be registered hereafter) for the supply and installation of utility services, drainage, telephone services, electricity, gas, storm and/or sanitary sewers, water, cable television/internet, recreational and shared facilities, and/or any other service(s) to or for the benefit of the Condominium (or to any adjacent or neighbouring properties), including any easement(s) which may be required by the Vendor (or by the owner of the Property, if not one and the same as the Vendor), or by any owner(s) of adjacent or neighbouring properties, for servicing and/or access to (or entry from) such properties, together with any easement and cost-sharing agreement(s) or reciprocal agreement(s) confirming (or pertaining to) any easement or right-of-way for access, egress, support and/or servicing purposes, and/or pertaining to the sharing of any services, facilities and/or amenities or for limiting distance purposes with adjacent or neighbouring property owners, provided that any such easement and cost-sharing agreements or reciprocal agreements or other agreements are (insofar as the obligations thereunder pertaining to the Property, or any portion thereof, are concerned) complied with as at the Title Transfer Date;

(iv) registered municipal agreements and registered agreements with publicly regulated utilities and/or with local ratepayer associations, including without limitation, any development, site plan, condominium, subdivision, Section 37, collateral, limiting distance, engineering and/or other municipal agreement (or similar agreements entered into with any governmental authorities including any amendments or addenda related thereto), (with all of such agreements being hereinafter collectively referred to as the "**Development Agreements**"), provided that same are complied with as at the Title Transfer Date, or security has been posted in such amounts and on such terms as may be required by the governmental authorities to ensure compliance therewith and/or the completion of any outstanding obligations thereunder; and

(v) unregistered or inchoate liens for unpaid utilities in respect of which no formal bill, account or invoice has been issued by the relevant utility authority (or if issued, the time for payment of same has not yet expired), without any claim or request by the Purchaser for any utility holdback(s) or reduction/abatement in the Purchase Price, provided that the Vendor delivers to the Purchaser the Vendor's written undertaking to pay all outstanding utility accounts owing with respect to the Property (including any amounts owing in connection with any final meter reading(s) taken on or immediately prior to the Title Transfer Date, if applicable), as soon as reasonably possible after the completion of this transaction.

(b) It is understood and agreed that the Vendor shall not be obliged to obtain or register on title to the Property a release of (or an amendment to) any of the aforementioned easements, Development Agreements, reciprocal agreements or restrictive covenants or any of the other aforementioned agreements or notices, nor shall the Vendor be obliged to have any of same deleted from the title to the Property, and the Purchaser hereby expressly acknowledges and agrees that the Purchaser shall satisfy himself or herself as to compliance therewith. The Purchaser agrees to observe and comply with the terms and provisions of the Development Agreements, and all restrictive covenants and other agreements registered on title. The Purchaser further acknowledges and agrees that the retention by the local municipality within which the Property is situate (the "**Municipality**"), or by any of the other governmental authorities, of security (e.g. in the form of cash, letters of credit, a performance bond, etc., satisfactory to the Municipality and/or any of the other governmental authorities) intended to guarantee the fulfilment of any outstanding obligations under the Development Agreements shall, for the purposes of the purchase and sale transaction contemplated hereunder, be deemed to be satisfactory compliance with the terms and provisions of the Development Agreements. The Purchaser also acknowledges that the wires, cables and fittings comprising the cable television system serving the Condominium are (or may be) owned by the local cable television supplier, or by a company associated, affiliated with or related to the Vendor.

(c) The Purchaser covenants and agrees to consent to the matters referred to in subparagraph 9(a) hereof and to execute all documents and do all things requisite for this purpose, either before or after the Title Transfer Date.

(d) In the event that the Vendor is not the registered owner of the Property, the Purchaser agrees to accept a conveyance of title from the registered owner together with the owner's title covenants in lieu of the Vendor's.

(e) The Vendor shall be entitled to insert in the Transfer/Deed of Land, specific covenants by the Purchaser pertaining to any or all of the restrictions, easements, covenants and agreements referred to herein and in the Condominium Documents, and in such case, the Purchaser may be required to deliver separate written covenants on closing. If so requested by the Vendor, the Purchaser covenants to execute all documents and instruments required to convey or confirm any of the easements, licences, covenants, agreements, and/or rights, required pursuant to this Agreement and shall observe and comply with all of the terms and provisions therewith. The Purchaser may be required to obtain a similar covenant (enforceable by and in favour of the Vendor), in any agreement entered into between the Purchaser and any subsequent transferee of the Unit.

Vendor's Lien

10. The Purchaser agrees that the Vendor shall have a Vendor's Lien for unpaid purchase monies on the Title Transfer Date and shall be entitled to register a Notice of Vendor's Lien against the Unit any time after the Title Transfer Date.

Partial Discharges

11. The Purchaser acknowledges that the Unit may be encumbered by mortgages (and collateral security thereto) which are not intended to be assumed by the Purchaser and that the Vendor shall not be obliged to obtain and register (partial) discharges of such mortgages insofar as they affect the Unit on the Title Transfer Date. The Purchaser agrees to accept the Vendor's Solicitors' undertaking to obtain and register (partial) discharges of such mortgages in respect of the Unit, as soon as reasonably possible after the Title Transfer Date subject to the Vendor or its solicitors providing to the Purchaser or the Purchaser's Solicitor the following:

(a) a mortgage statement or letter from the mortgagee(s) (or from their respective solicitors) confirming the amount, if any, required to be paid to the mortgagee(s) to obtain (partial) discharges of the mortgages with respect to the Unit;

(b) a direction from the Vendor to the Purchaser to pay such amounts to the mortgagee(s) (or to whomever the mortgagees may direct) on the Title Transfer Date to obtain a (partial) discharge of the mortgage(s) with respect to the Unit; and

(c) an undertaking from the Vendor's Solicitors to deliver such amounts to the mortgagees and to obtain and register the (partial) discharge of the mortgages with respect to the Unit upon receipt thereof and within a reasonable time following the Title Transfer Date and to advise the Purchaser or the Purchaser's Solicitor concerning registration particulars by posting same on the internet.

Construction Lien Act

12. The Purchaser covenants and agrees that he/she is a "home buyer" within the meaning of the *Construction Lien Act*, R.S.O. 1990, c.C.30. and will not claim any lien holdback on the Occupancy Date or Title Transfer Date. The Vendor shall complete the remainder of the Condominium according to its schedule of completion and neither the Occupancy Date nor the Title Transfer Date shall be delayed on that account.

The Planning Act

13. This Agreement and the transaction arising therefrom are conditional upon compliance with the provisions of section 50 of the *Planning Act*, R.S.O. 1990, c.P.13 and any amendments thereto on or before the Title Transfer Date.

Title Transfer Date

14. (a) The provisions of the Tarion Addendum reflect the TWC's policies, regulations and/or guidelines on extensions of the First Tentative Occupancy Date, but it is expressly understood and agreed by the parties hereto that any failure to provide notice(s) of the extension(s) of the First Tentative Occupancy Date, Subsequent Tentative Occupancy Dates or Firm Occupancy Date, in accordance with the provisions of the Tarion Addendum shall only give rise to a damage claim by the Purchaser against the Vendor up to a maximum of $7,500.00, as more particularly set forth in the Regulations to the *Ontario New Home Warranties Plan Act*, R.S.O. 1990, as amended (the "**ONHWPA**"), and under no circumstances shall the Purchaser be entitled to terminate this transaction or otherwise rescind this Agreement as a result thereof, other then in accordance with the Tarion Addendum.

(b) The Vendor's Solicitors shall designate a date not less than twenty (20) days after written notice is given to the Purchaser or his or her solicitor of the registration of the Creating Documents as the Title Transfer Date. The Title Transfer Date once designated may be extended from time to time by the Vendor's Solicitors provided that it shall not be more than twenty-four (24) months following the Occupancy Date.

Purchaser's Covenants, Representations and Warranties

15. The Purchaser covenants and agrees that this Agreement is subordinate to and postponed to any mortgages arranged by the Vendor and any advances thereunder from time to time, and to any easement, license or other agreement concerning the Condominium and the Condominium Documents. The Purchaser further agrees to consent to and execute all documentation as may be required by the Vendor in this regard and the Purchaser hereby irrevocably appoints the Vendor as the Purchaser's attorney to execute any consents or other documents required by the Vendor to give effect to this paragraph. The Purchaser hereby consents to the Vendor obtaining a consumer's report containing credit and/or personal information for the purposes of this transaction. The Purchaser further agrees to deliver to the Vendor, from time to time, within ten (10) days of written demand from the Vendor, all necessary financial and personal information required by the Vendor in order to evidence the Purchaser's ability to pay the balance of the Purchase Price on the Title Transfer Date, including without limitation, written confirmation of the Purchaser's income and evidence of the source of the payments required to be made by the Purchaser in accordance with this Agreement. Without limiting the generality of the foregoing and notwithstanding any other provision in this Agreement to the contrary, within ten (10) days of written demand from the Vendor, the Purchaser agrees to produce evidence of a satisfactory mortgage approval signed by a lending institution or other mortgagee acceptable to the Vendor confirming that the said lending institution or acceptable mortgagee will be advancing funds to the Purchaser sufficient to pay the balance due on the Title Transfer Date. If the Purchaser fails to provide the mortgage approval as aforesaid, then the Purchaser shall be deemed to be in default under this Agreement. The Vendor may, in its sole discretion, elect to accept in the place of such mortgage commitment, other evidence satisfactory to the Vendor that the Purchaser will have sufficient funds to pay the balance due on the Title Transfer Date.

16. The Purchaser acknowledges that notwithstanding any rule of law to the contrary, that by executing this Agreement, it has not acquired any equitable or legal interest in the Unit or the Property. The Purchaser covenants and agrees not to register this Agreement or notice of this Agreement or a caution, certificate of pending litigation, Purchaser's Lien, or any other document providing evidence of this Agreement against title to the Property, Unit or the Condominium and further agrees not to give, register, or permit to be registered any encumbrance against the Property, Unit or the Condominium. Should the Purchaser be in default of his or her obligations hereunder, the Vendor may, as agent and attorney of the Purchaser, cause the removal of notice of this Agreement, caution or other document providing evidence of this Agreement or any assignment thereof, from the title to the Property, Unit or the Condominium. In addition, the Vendor, at its option, shall have the right to declare this Agreement null and void in accordance with the provisions of paragraph 25 hereof. The Purchaser hereby irrevocably consents to a court order removing such notice of this Agreement, any caution, or any other document or instrument whatsoever from title to the Property, Unit or the Condominium and the Purchaser agrees to pay all of the Vendor's costs and expenses in obtaining such order (including the Vendor's Solicitor's fees on a full indemnity basis).

17. The Purchaser covenants not to list for sale or lease, advertise for sale or lease, sell or lease, nor in any way assign his or her interest under this Agreement, or the Purchaser's rights and interests hereunder or in the Unit, nor directly or indirectly permit any third party to list or advertise the Unit for sale or lease, at any time until after the Title Transfer Date, without the prior written consent of the Vendor, which consent may be arbitrarily withheld. The Purchaser acknowledges and agrees that once a breach of the preceding covenant occurs, such breach is or shall be incapable of rectification, and accordingly the Purchaser acknowledges, and agrees that in the event of such breach, the Vendor shall have the unilateral right and option of terminating this Agreement and the Occupancy License , effective upon delivery of notice of termination to the Purchaser or the Purchaser's solicitor, whereupon the provisions of this Agreement dealing with the consequence of termination by reason of the Purchaser's default, shall apply. The Purchaser shall be entitled to direct that title to the Unit be taken in the name of his or her spouse, or a member of his or her immediate family only, and shall not be permitted to direct title to any other third parties.

18. The Purchaser acknowledges that the Vendor is (or may in the future be) processing and/or completing one or more rezoning or minor variance applications with respect to the Property (and/or the lands adjacent thereto or in the neighbouring vicinity thereof), as a well as a site plan approval/development application/draft plan of condominium approval with respect to the Property, in order to permit the development and construction of the Condominium thereon. The Purchaser acknowledges that during the rezoning, minor variance, site plan and/or draft plan of condominium approval process, the footprint or siting of the condominium building may shift from that originally proposed or intended, the overall height of the condominium building (and the number of levels/floors, and/or the number of dwelling units comprising the Condominium) may vary, and the location of the Condominium's proposed amenities may likewise be altered, without materially affecting the floor plan layout, design and size of the interior of the Unit, and the Purchaser hereby expressly agrees to complete this transaction notwithstanding the foregoing, without any abatement in the Purchase Price, and without any entitlement to a claim for damages or other compensation whatsoever. The Purchaser further covenants and agrees that it shall not oppose the aforementioned zoning, minor variance and site plan/development applications, nor any other applications ancillary thereto, including without

limitation, any application submitted or pursued by or on behalf of the Vendor to lawfully permit the development and registration of the Condominium, or to obtain an increase in the density coverage or the dwelling unit count (or yield) thereof, or for any other lawful purpose whatsoever, and the Purchaser expressly acknowledges and agrees that this covenant may be pleaded as an estoppel or bar to any opposition or objection raised by the Purchaser thereto.

19. The Purchaser covenants and agrees that he/she shall not interfere with the completion of other units and the common elements by the Vendor. Until the Condominium is completed and all units sold and transferred the Vendor may make such use of the Condominium as may facilitate the completion of the Condominium and sale of all the units, including, but not limited to the maintenance of a sales/rental/administration/construction office(s) and model units, and the display of signs located on the Property.

Termination without Default

20. In the event this Agreement is terminated through no fault of the Purchaser, all deposit monies paid by the Purchaser towards the Purchase Price, together with any interest required by law to be paid, shall be returned to the Purchaser; provided however, that the Vendor shall not be obligated to return any monies paid by the Purchaser as an Occupancy Fee. The Vendor shall be entitled to require the Purchaser to execute a release of any surety, lender or any other third party requested by the Vendor in its discretion prior to the return of such monies. In no event shall the Vendor or its agents be liable for any damages or costs whatsoever and without limiting the generality of the foregoing, for any loss of bargain, for any relocating costs, or for any professional or other fees paid in relation to this transaction. This provision may be pleaded by the Vendor as a complete defence to any such claim.

Tarion Warranty Corporation

21. The Vendor represents and warrants to the Purchaser that the Vendor is a registered vendor/builder with the TWC. The Purchaser acknowledges and agrees that any warranties of workmanship or materials, in respect of any aspect of the construction of the Condominium including the Unit, whether implied by this Agreement or at law or in equity or by any statute or otherwise, shall be limited to only those warranties deemed to be given by the Vendor under the ONHWPA and shall extend only for the time period and in respect of those items as stated in the ONHWPA, it being understood and agreed that there is no representation, warranty, guarantee, collateral agreement, or condition precedent to, concurrent with or in any way affecting this Agreement, the Condominium or the Unit, other than as expressed herein. The Purchaser hereby irrevocably appoints the Vendor his/her agent to complete and execute the TWC Certificate of Deposit and any excess condominium deposit insurance documentation in this regard, as required, both on its own behalf and on behalf of the Purchaser.

Right of Entry

22. Notwithstanding the Purchaser occupying the Unit on the Occupancy Date or the closing of this transaction and the delivery of title to the Unit to the Purchaser, as applicable, the Vendor or any person authorized by it shall be entitled at all reasonable times and upon reasonable prior notice to the Purchaser to enter the Unit and the common elements in order to make inspections or to do any work or replace therein or thereon which may be deemed necessary by the Vendor in connection with the Unit or the common elements and such right shall be in addition to any rights and easements created under the Act. A right of entry in favour of the Vendor for a period not exceeding five (5) years similar to the foregoing may be included in the Transfer/Deed provided on the Title Transfer Date and acknowledged by the Purchaser at the Vendor's sole discretion.

Occupancy

23. (a) Except where the Purchaser and the Vendor have agreed that the Purchaser shall be responsible for certain conditions of occupancy and subject to paragraph 9 of the Tarion Addendum, the Unit shall be deemed to be substantially completed when the interior work has been finished to the minimum standards allowed by the Municipality so that the Unit may be lawfully occupied notwithstanding that there remains other work within the Unit and/or the common elements to be completed. Except where the Purchaser is responsible for certain conditions of occupancy, the Purchaser shall not occupy the Unit until the Municipality has permitted same or consented thereto, if such consent is required and the Occupancy Date shall be postponed until such required consent is given. The Purchaser shall not require the Vendor to provide or produce an occupancy permit, certificate or authorization from the Municipality other than the documentation required by paragraph 9 of the Tarion Addendum. Provided that the Vendor complies with paragraph 9 of the Tarion Addendum, the Purchaser acknowledges that the failure to complete the common elements before the Occupancy Date shall not be deemed to be failure to complete the Unit, and the Purchaser agrees to complete this transaction notwithstanding any claim submitted to the Vendor and/or to the TWC in respect of apparent deficiencies or incomplete work provided, always, that such incomplete work does not prevent occupancy of the Unit as, otherwise, permitted by the Municipality.

(b) If the Unit is substantially complete and fit for occupancy on the Occupancy Date, as provided for in subparagraph (a) above, but the Creating Documents have not been registered, (or in the event the Condominium is registered prior to the Occupancy Date and closing documentation has yet to be prepared), the Purchaser shall pay to the Vendor a further amount on account of the Purchase Price specified in paragraph 1(a) hereof without adjustment save for any pro-rated portion of the Occupancy Fee described and calculated in Schedule "C", and the Purchaser shall occupy the Unit on the Occupancy Date pursuant to the Occupancy Licence attached hereto as Schedule "C".

Inspection

24. (a) The Purchaser or the Purchaser's designate as hereinafter provided agrees to meet the Vendor's representative at the date and time designated by the Vendor, prior to the Occupancy Date, to conduct a pre-delivery inspection of the Unit (the **"PDI"**) and to list all items remaining incomplete at the time of such inspection together with all mutually agreed deficiencies with respect to the Unit, on the TWC Certificate of Completion and Possession (the **"CCP"**) and the PDI Form, in the forms prescribed from time to time by, and required to be completed pursuant to the provisions of the ONHWPA. The said CCP and PDI Forms shall be executed by both the Purchaser or the Purchaser's designate and the Vendor's representative at the PDI and shall constitute the Vendor's only undertaking with respect to incomplete or deficient work and the Purchaser shall not require any further undertaking of the Vendor to complete any outstanding items. In the

event that the Vendor performs any additional work to the Unit in its discretion, the Vendor shall not be deemed to have waived the provision of this paragraph or otherwise enlarged its obligations hereunder.

(b) The Purchaser acknowledges that the Homeowner Information Package as defined in TWC Bulletin 42 (the **"HIP"**) is available from TWC and that the Vendor further agrees to provide the HIP to the Purchaser or the Purchaser's designate, at or before the PDI. The Purchaser or the Purchaser's designate agrees to execute and provide to the Vendor the Confirmation of Receipt of the HIP forthwith upon receipt of the HIP.

(c) The Purchaser shall be entitled to send a designate to conduct the PDI in the Purchaser's place or attend with their designate, provided the Purchaser first provides to the Vendor a written authority appointing such designate for PDI prior to the PDI. If the Purchaser appoints a designate, the Purchaser acknowledges and agrees that the Purchaser shall be bound by all of the documentation executed by the designate to the same degree and with the force and effect as if executed by the Purchaser directly.

(d) In the event the Purchaser and/or the Purchaser's designate fails to attend the PDI or fails to execute the CCP and PDI Forms at the conclusion of the PDI, the Vendor may declare the Purchaser to be in default under this Agreement and may exercise any or all of its remedies set forth in this Agreement of Purchase and Sale and/or at law. Alternatively, the Vendor may, at its option, complete the within transaction but not provide the keys to the Unit to the Purchaser until the CCP and PDI Forms have been executed by the Purchaser and/or its designate or complete the within transaction and complete the CCP and PDI Forms on behalf of the Purchaser and/or the Purchaser's designate and the Purchaser hereby irrevocably appoints the Vendor the Purchaser's attorney and/or agent and/or designate to complete the CCP and PDI Forms on the Purchaser's behalf and the Purchaser shall be bound as if the Purchaser or the Purchaser's designate had executed the CCP and PDI Forms.

(e) In the event the Purchaser and/or the Purchaser's designate fails to execute the Confirmation of Receipt of the HIP forthwith upon receipt thereof, the Vendor may declare the Purchaser to be in default under this Agreement and may exercise any or all of its remedies set forth in this Agreement of Purchase and Sale and/or at law.

Purchaser's Default

25. (a) In the event that the Purchaser is in default with respect to any of his or her obligations contained in this Agreement (other then paragraph 2(d) hereof) or in the Occupancy License on or before the Title Transfer Date and fails to remedy such default forthwith, if such default is a monetary default and/or pertains to the execution and delivery of documentation required to be given to the Vendor on the Occupancy Date or the Title Transfer Date, or within five (5) days of the Purchaser being so notified in writing with respect to any other non-monetary default, then the Vendor, in addition to (and without prejudice to) any other rights or remedies available to the Vendor (at law or in equity) may, at its sole option, unilaterally suspend all of the Purchaser's rights, benefits and privileges contained herein (including without limitation, the right to make colour and finish selections with respect to the Unit as hereinbefore provided or contemplated), and/or unilaterally declare this Agreement and the Occupancy License to be terminated and of no further force or effect. All monies paid hereunder (including the deposit monies paid or agreed to be paid by the Purchaser pursuant to this Agreement which sums shall be accelerated on demand of the Vendor), together with any interest earned thereon and monies paid or payable for extras or upgrades or changes ordered by the Purchaser, whether or not installed in the Unit, shall be forfeited to the Vendor. The Purchaser agrees that the forfeiture of the aforesaid monies shall not be a penalty and it shall not be necessary for the Vendor to prove it suffered any damages in order for the Vendor to be able to retain the aforesaid monies. The Vendor shall in such event still be entitled to claim damages from the Purchaser in addition to any monies forfeited to the Vendor. The aforesaid retention of monies is in addition to (and without prejudice to) any other rights or remedies available to the Vendor at law or in equity. In the event of the termination of this Agreement and/or the Occupancy License by reason of the Purchaser's default as aforesaid, then the Purchaser shall be obliged to forthwith vacate the Unit (or cause same to be forthwith vacated) if same has been occupied (and shall leave the Unit in a clean condition, without any physical or cosmetic damages thereto, and clear of all garbage, debris and any furnishings and/or belongings of the Purchaser), and shall execute such releases and any other documents or assurances as the Vendor may require, in order to confirm that the Purchaser does not have (and the Purchaser hereby covenants and agrees that he/she does not have) any legal, equitable or proprietary interest whatsoever in the Unit and/or the Property (or any portion thereof) prior to the completion of this transaction and the payment of the entire Purchase Price to the Vendor or the Vendor's solicitors as hereinbefore provided, and in the event the Purchaser fails or refuses to execute same, the Purchaser hereby appoints the Vendor to be his or her lawful attorney in order to execute such releases, documents and assurances in the Purchaser's name, place and stead, and in accordance with the provisions of the *Powers of Attorney Act,* R.S.O. 1990, as amended, the Purchaser hereby declares that this power of attorney may be exercised by the Vendor during any subsequent legal incapacity on the part of the Purchaser. In the event the Vendor's Solicitors or an Escrow Agent is/are holding any of the deposits in trust pursuant to this Agreement, then in the event of default as aforesaid, the Purchaser hereby releases the said solicitors or Escrow Agent from any obligation to hold the deposit monies, in trust, and shall not make any claim whatsoever against the said solicitors or Escrow Agent and the Purchaser hereby irrevocably directs and authorizes the said solicitors or Escrow Agent to deliver the said deposit monies and accrued interest, if any, to the Vendor.

(b) Notwithstanding subparagraph (a) above, the Purchaser acknowledges and agrees that if any amount, payment and/or adjustment which are due and payable by the Purchaser to the Vendor pursuant to this Agreement are not made and/or paid on the date due, but are subsequently accepted by the Vendor, notwithstanding the Purchaser's default, then such amount, payment and/or adjustment shall, until paid, bear interest at the rate equal to eight (8%) percent per annum above the bank rate as defined in subsection 19(2) of O. Reg. 48/01 to the Act at the date of default.

Common Elements

26. The Purchaser acknowledges that the Condominium will be constructed to Ontario Building Code requirements at the time of issuance of the building permit. The Purchaser covenants and agrees the Purchaser shall have no claims against the Vendor for any equal, higher or better standards of workmanship or materials. The Purchaser agrees that the

foregoing may be pleaded by the Vendor as an estoppel in any action brought by the Purchaser or his/her successors in title against the Vendor. The Vendor may, from time to time, change, vary or modify in its sole discretion or at the instance of any governmental authority or mortgagee, any elevations, building specifications or site plans of any part of the Condominium, to conform with any municipal or architectural requirements related to building codes, official plan or official plan amendments, zoning by-laws, committee of adjustment and/or land division committee decisions, municipal site plan approval or architectural control. Such changes may be to the plans and specifications existing at inception of the Condominium or as they existed at the time the Purchaser entered into this Agreement, or as illustrated on any sales material, including without limitation, brochures, models or otherwise. With respect to any aspect of construction, finishing or equipment, the Vendor shall have the right, without the Purchaser's consent, to substitute materials, for those described in this Agreement or in the plans or specifications, provided the substituted materials are in the judgment of the Vendor's architect, whose determination shall be final and binding, of equal or better quality. The Purchaser shall have no claim against the Vendor for any such changes, variances or modifications nor shall the Vendor be required to give notice thereof. The Purchaser hereby consents to any such alterations and agrees to complete the sale notwithstanding any such modifications.

Executions

27. The Purchaser agrees to provide to the Vendor's Solicitors on the Occupancy Date a clear and up-to-date Execution Certificate confirming that no executions are filed at the local Land Titles Office against the individual(s) in whose name title to the Unit is being taken.

Risk

28. The Unit shall be and remain at the risk of the Vendor until the Title Transfer Date, subject to the terms of the Occupancy Licence attached hereto as Schedule "C". If any part of the Condominium is damaged before the Creating Documents are registered, the Vendor may in its sole discretion either:

(a) make such repairs as are necessary to complete this transaction and, if necessary, delay the Occupancy Date in the manner permitted under the Tarion Addendum;

(b) terminate this Agreement and return to the Purchaser all deposit monies paid by the Purchaser to the Vendor, with interest payable under law if the damage to the Condominium has frustrated this Agreement at law; or

(c) apply to a court of competent jurisdiction for an order terminating the Agreement in accordance with the provisions of subsection 79(3) of the Act,

it being understood and agreed that all insurance policies and the proceeds thereof are to be for the benefit of the Vendor alone.

Tender/Teranet

29. (a) The parties waive personal tender and agree that tender, in the absence of any other mutually acceptable arrangement and subject to the provisions of paragraph 30 of this Agreement shall be validly made by the Vendor upon the Purchaser, by a representative of the Vendor attending at the offices of Harris, Sheaffer, LLP at 12:00 noon on the Title Transfer Date or the Occupancy Date as the case may be and remaining there until 5:00 p.m. and is ready, willing and able to complete the transaction. The Purchaser agrees that keys may be released to the Purchaser as the construction site or sales office on the Occupancy Date or the Title Transfer Date, as applicable. The Vendor's advice that the keys are available shall be valid tender of possession of the Property to the Purchaser. In the event the Purchaser or his or her solicitor fails to appear or appears and fails to close, such attendance by the Vendor's representative (which includes the Vendor's Solicitors) shall be deemed satisfactory evidence that the Vendor is ready, willing and able to complete the sale at such time. Payment shall be tendered by certified cheque drawn on any Canadian chartered bank; and

(b) It is further provided that, notwithstanding subparagraph 29 (a) hereof, in the event the Purchaser or his or her solicitor advise the Vendor or its Solicitors, on or before the Occupancy Date or Title Transfer Date, as applicable, that the Purchaser is unable or unwilling to complete the purchase or take occupancy, the Vendor is relieved of any obligation to make any formal tender upon the Purchaser or his or her solicitor and may exercise forthwith any and all of its right and remedies provided for in this Agreement and at law.

30. As the electronic registration system (hereinafter referred to as the "**Teraview Electronic Registration System**" or ("**TERS**") is operative in the applicable Land Titles Office in which the Property is registered, then at the option of the Vendor's solicitor, the following provisions shall prevail:

(a) The Purchaser shall be obliged to retain a solicitor, who is both an authorized TERS user and in good standing with the Law Society of Upper Canada to represent the Purchaser in connection with the completion of the transaction. The Purchaser shall authorize such solicitor to, at the option of the Vendor's Solicitors, either execute an escrow closing agreement with the Vendor's Solicitor on the standard form recommended by the Law Society of Upper Canada (hereinafter referred to as the "**Escrow Document Registration Agreement**") establishing the procedures and timing for completing this transaction or to otherwise agree to be bound by the procedures set forth in the Escrow Document Registration Agreement.

(b) The delivery and exchange of documents, monies and keys to the Unit and the release thereof to the Vendor and the Purchaser, as the case may be:

(i) shall not occur contemporaneously with the registration of the Transfer/Deed (and other registerable documentation); and

(ii) shall be governed by the Escrow Document Registration Agreement, pursuant to which the solicitor receiving the documents, keys and/or certified funds will be required to hold same in escrow, and will not be entitled to release same except in strict accordance with the provisions of the Escrow Document Registration Agreement.

(c) If the Purchaser's solicitor is unwilling or unable to complete this transaction via TERS, in accordance with the provisions contemplated under the Escrow Document Registration Agreement, then said solicitor (or the authorized agent thereof) shall be obliged to personally attend at the office of the Vendor's Solicitors, at such time on the Title Transfer Date as may be directed by the Vendor's solicitor or as mutually agreed upon, in order to complete this transaction via TERS utilizing the computer facilities in the Vendor's Solicitors' office, and shall pay a fee as determined by the Vendor's Solicitors, acting reasonably for the use of the Vendor's computer facilities.

(d) The Purchaser expressly acknowledges and agrees that he or she will not be entitled to receive the Transfer/Deed to the Unit for registration until the balance of funds due on closing, in accordance with the statement of adjustments, are either remitted by certified cheque via personal delivery or by electronic funds transfer to the vendor's solicitor (or in such other manner as the latter may direct) prior to the release of the Transfer/Deed for registration.

(e) Each of the parties hereto agrees that the delivery of any documents not intended for registration on title to the Unit may be delivered to the other party hereto by telefax transmission (or by a similar system reproducing the original or by electronic transmission of electronically signed documents through the Internet), provided that all documents so transmitted have been duly and properly executed by the appropriate parties/signatories thereto which may be by electronic signature. The party transmitting any such document shall also deliver the original of same (unless the document is an electronically signed document pursuant to the *Electronic Commerce Act*) to the recipient party by overnight courier sent the day of closing or within 7 business days of closing, if same has been so requested by the recipient party.

(f) Notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the parties hereto that an effective tender shall be deemed to have been validly made by the Vendor upon the Purchaser when the Vendor's solicitor has:

(i) delivered all closing documents and/or funds to the Purchaser's solicitor in accordance with the provisions of the Escrow Document Registration Agreement and keys are made available for the Purchaser to pick up at the Vendor's sales of customer service office;

(ii) advised the Purchaser's solicitor, in writing, that the Vendor is ready, willing and able to complete the transaction in accordance with the terms and provisions of this Agreement; and

(iii) has completed all steps required by TERS in order to complete this transaction that can be performed or undertaken by the Vendor's Solicitors without the cooperation or participation of the Purchaser's solicitor, and specifically when the "completeness signatory" for the transfer/deed has been electronically "signed" by the Vendor's Solicitors;

without the necessity of personally attending upon the Purchaser or the Purchaser's solicitor with the aforementioned documents, keys and/or funds, and without any requirement to have an independent witness evidencing the foregoing.

General

31. The Vendor shall provide a statutory declaration on the Title Transfer Date that it is not a non-resident of Canada within the meaning of the ITA.

32. The Vendor and Purchaser agree to pay the costs of registration of their own documents and any tax in connection therewith.

33. The Vendor and the Purchaser agree that there is no representation, warranty, collateral agreement or condition affecting this Agreement or the Property or supported hereby other than as expressed herein in writing.

34. This Offer and its acceptance is to be read with all changes of gender or number required by the context and the terms, provisions and conditions hereof shall be for the benefit of and be binding upon the Vendor and the Purchaser, and as the context of this Agreement permits, their respective heirs, estate trustees, successors and permitted assigns.

35. The Purchaser acknowledges that the suite area of the Unit, as may be represented or referred to by the Vendor or any sales agent, or which appear in any sales material is approximate only, and is generally measured to the outside of all exterior, corridor and stairwell walls, and to the centre line of all party walls separating one unit from another. NOTE: For more information on the method of calculating the floor area of any unit, reference should be made to Builder Bulletin No. 22 published by the TWC. Actual useable floor space may (therefore) vary from any stated or represented floor area or gross floor area, and the extent of the actual or useable living space within the confines of the Unit may vary from any represented square footage or floor area measurement(s) made by or on behalf of the Vendor. In addition, the Purchaser is advised that the floor area measurements are generally calculated based on the middle floor of the Condominium building for each suite type, such that units on lower floors may have less floor space due to thicker structural members, mechanical rooms, etc., while units on higher floors may have more floor space. Accordingly, the Purchaser hereby confirms and agrees that all details and dimensions of the Unit purchased hereunder are approximate only, and that the Purchase Price shall not be subject to any adjustment or claim for compensation whatsoever, whether based upon the ultimate square footage of the Unit, or the actual or useable living space within the confines of the Unit or otherwise. The Purchaser further acknowledges that the ceiling height of the Unit is measured from the upper surface of the concrete floor slab (or subfloor) to the underside surface of the concrete ceiling slab (or joists). However, where ceiling bulkheads are installed within the Unit, and/or where dropped ceilings are required, then the ceiling height of the Unit will be less than that represented, and the Purchaser shall correspondingly be obliged to accept the same without any abatement or claim for compensation whatsoever.

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

37. The headings of this Agreement form no part hereof and are inserted for convenience of reference only.

38. Each of the provisions of this Agreement shall be deemed independent and severable and the invalidity or unenforceability in whole or in part of any one or more of such provisions shall not be deemed to impair or affect in

any manner the validity, enforceability or effect of the remainder of this Agreement, and in such event all the other provisions of this Agreement shall continue in full force and effect as if such invalid provision had never been included herein. The Purchaser and the Vendor acknowledge and agree that this Agreement and all amendments and addenda thereto shall constitute an agreement made under seal.

39. (a) If any documents required to be executed and delivered by the Purchaser to the Vendor are, in fact, executed by a third party appointed as the attorney for the Purchaser, then the power of attorney appointing such person must be registered in the Land Titles office where the Lands are registered, and a duplicate registered copy thereof (together with a statutory declaration sworn by the Purchaser's solicitor unequivocally confirming, without any qualification whatsoever, that said power of attorney has not been revoked) shall be delivered to the Vendor along with such documents.

(b) Where the Purchaser is a corporation, or where the Purchaser is buying in trust for another person or corporation for a disclosed or undisclosed beneficiary or principal (including, without limitation, a corporation to be incorporated), the execution of this Agreement by the principal or principals of such corporation, or by the person named as the Purchaser in trust as the case may be, shall be deemed and construed to constitute the personal indemnity of such person or persons so signing with respect to the obligations of the Purchaser herein and shall be fully liable to the Vendor for the Purchaser's obligations under this Agreement and may not plead such agency, trust relationship or any other relationships as a defence to such liability.

Notice

40. (a) Any notice required to be delivered under the provisions of the Tarion Addendum shall be delivered in the manner required by the Tarion Addendum.

(b) Any other notice given pursuant to the terms of this Agreement shall be deemed to have been properly given if it is in writing and is delivered by hand, ordinary prepaid post, facsimile transmission or electronic mail to the attention of the Purchaser or to the Purchaser's solicitor to their respective addresses indicated herein or to the address of the Unit after the Occupancy Date and to the Vendor at 126 Hazelton Avenue, Toronto, Ontario, M5R 2E5 or to the Vendor's Solicitors at the address indicated in this Agreement or such other address as may from time to time be given by notice in accordance with the foregoing. Such notice shall be deemed to have been received on the day it was delivered by hand, by electronic mail or by facsimile transmission and upon the third day following posting, excluding Saturdays, Sundays and statutory holidays. This agreement or any amendment or addendum thereto may, at the Vendor's option, be properly delivered if it delivered by facsimile transmission or if a copy of same is computer scanned and forwarded by electronic mail to the other party.

Material Change

41. The Purchaser acknowledges and agrees that the Vendor may, from time to time in its sole discretion, due to site conditions or constraints, or for marketing considerations, or for any other legitimate reason, including without limitation any request or requirement of any of the governmental authorities or any request or requirement of the Vendor's architect or other design consultants:

(a) change the Property's municipal address or numbering of the Unit (in terms of the unit number, suite number and/or level number ascribed to any one or more of the units comprising the Unit);

(b) change, vary or modify the plans and specifications pertaining to the Unit or the Condominium, or any portion thereof (including architectural, structural, engineering, landscaping, grading, mechanical, site servicing and/or other plans and specifications) from the plans and specifications existing at the inception of the project, or existing at the time that the Purchaser has entered into this Agreement, or as same may be illustrated in any sales brochure(s), model(s) in the sales office or otherwise, including without limitation, making any change to the total number of dwelling, parking, locker and/or other ancillary units intended to be created within the Condominium, and/or any change to the total number of levels or floors within the Condominium, as well as any changes or alterations to the design, style, size and/or configuration of any dwelling or other ancillary units within the Condominium;

(c) change, vary, or modify the number, size and location of any windows, column(s) and/or bulkhead(s) within or adjacent to (or comprising part of) the Unit, from the number, size and/or location of same as displayed or illustrated in any sales brochure(s), model(s) or floor plan(s) previously delivered or shown to the Purchaser, including the insertion or placement of any window(s), column(s) and/or bulkhead(s) in one or more locations within the Unit which have not been shown or illustrated in any sales brochure(s), model(s) or floor plan(s) previously delivered or shown to the Purchaser (regardless of the extent or impact thereof), as well as the removal of any window(s), column(s) and/or bulkhead(s) from any location(s) previously shown or illustrated in any sales brochure(s), model(s) in the sales office or otherwise;

(d) change the layout of the Unit such that same is a mirror image of the layout shown to the Purchaser (or a mirror image of the layout illustrated in any sales brochure or other marketing material(s) delivered to the Purchaser); and/or

(e) change the proposed boundaries of the Condominium by increasing, decreasing or changing the number of proposed units to be located thereon as more particularly set out in the Condominium Documents.

and that the Purchaser shall have absolutely no claim or cause of action whatsoever against the Vendor or its sales representatives (whether based or founded in contract, tort or in equity) for any such changes, deletions, alterations or modifications, nor shall the Purchaser be entitled to any abatement or reduction in the Purchase Price whatsoever as a consequence thereof, nor any notice thereof (unless any such change, deletion, alteration or modification to the said plans and specifications is material in nature (as defined by the Act) and significantly affects the fundamental character, use or value of the Unit and/or the Condominium, in which case the Vendor shall be obliged to notify the Purchaser in writing of such change, deletion, alteration or modification as soon as reasonably possible after the Vendor proposes to implement same, or otherwise becomes aware of same), and where any such change, deletion, alteration or

modification to the said plans and specifications is material in nature, then the Purchaser's only recourse and remedy shall be the termination of this Agreement prior to the Title Transfer Date (and specifically within 10 days after the Purchaser is notified or otherwise becomes aware of such material change), and the return of the Purchaser's deposit monies, together with interest accrued thereon at the rate prescribed by the Act.

Cause of Action/Assignment

42. (a) The Purchaser acknowledges and agrees that notwithstanding any rights which he or she might otherwise have at law or in equity arising out of this Agreement, the Purchaser shall not assert any of such rights, nor have any claim or cause of action whatsoever as a result of any matter or thing arising under or in connection with this Agreement (whether based or founded in contract law, tort law or in equity, and whether for innocent misrepresentation, negligent misrepresentation, breach of contract, breach of fiduciary duty, breach of constructive trust or otherwise), against any person, firm, corporation or other legal entity, other than the person, firm, corporation or legal entity specifically named or defined as the Vendor herein, even though the Vendor may be (or may ultimately be found or adjudged to be) a nominee or agent of another person, firm, corporation or other legal entity, or a trustee for and on behalf of another person, firm, corporation or other legal entity, and this acknowledgment and agreement may be pleaded as an estoppel and bar against the Purchaser in any action, suit, application or proceeding brought by or on behalf of the Purchaser to assert any of such rights, claims or causes of action against any such third parties. Furthermore, the Purchaser and the Vendor acknowledge that this Agreement shall be deemed to be a contract under seal.

(b) At any time prior to the Title Transfer Date, the Vendor shall be permitted to assign this Agreement (and its rights, benefits and interests hereunder) to any person, firm, partnership or corporation registered as a vendor pursuant to the ONHWPA and upon any such assignee assuming all obligations under this Agreement and notifying the Purchaser or the Purchaser's solicitor of such assignment, the Vendor named herein shall be automatically released from all obligations and liabilities to the Purchaser arising from this Agreement, and said assignee shall be deemed for all purposes to be the vendor herein as if it had been an original party to this Agreement, in the place and stead of the Vendor.

Non-Merger

43. The covenants and agreements of each of the parties hereto shall not merge on the Title Transfer Date, but shall remain in full force and effect according to their respective terms, until all outstanding obligations of each of the parties hereto have been duly performed or fulfilled in accordance with the provisions of this Agreement. No further written assurances evidencing or confirming the non-merger of the covenants of either of the parties hereto shall be required or requested by or on behalf of either party hereto.

Notice/Warning Provisions

44. The Purchaser acknowledges that it is anticipated by the Vendor that in connection with the Vendor's application to the appropriate governmental authorities for draft plan of condominium approval certain requirements may be imposed upon the Vendor by various governmental authorities. These requirements (the "**Requirements**") usually relate to warning provisions to be given to Purchasers in connection with environmental or other concerns (such as warnings relating to noise levels, the proximity of the Condominium to major street, garbage storage and pickup, school transportation, and similar matters). Accordingly, the Purchaser covenants and agrees that (1) on either the Occupancy Date or Title Transfer Date, as determined by the Vendor, the Purchaser shall execute any and all documents required by the Vendor acknowledging, inter alia, that the Purchaser is aware of the Requirements, and (2) if the Vendor is required to incorporate the Requirements into the final Condominium Documents the Purchaser shall accept the same, without in any way affecting this transaction. Notwithstanding the generality of the foregoing, the Purchaser agrees to be bound by the warnings set forth in Schedule "D" hereto.

Purchaser's Consent to the Collection and Limited Use of Personal Information

45. The Purchaser hereby consents to the Vendor's collection, use and disclosure of the Purchaser's personal information for the purpose of enabling the Vendor to proceed with the Purchaser's purchase of the Unit, completion of this transaction, and for post-closing and after-sales customer care purposes. Such personal information includes the Purchaser's name, home address, e-mail address, telefax/telephone number, age, date of birth, marital and residency status, social insurance number (only with respect to subparagraph (b) below), financial information, desired suite design(s), and colour/finish selections. In particular, but without limiting the foregoing, the Vendor may disclose such personal information to:

(a) any relevant governmental authorities or agencies, including without limitation, the Land Titles Office (in which the Condominium is registered), the Ministry of Finance for the Province of Ontario (i.e. with respect to Land Transfer Tax), and the Canada Revenue Agency (i.e. with respect to HST);

(b) Canada Revenue Agency, to whose attention the T-5 interest income tax information return and/or the NR4 non-resident withholding tax information return is submitted (where applicable), which will contain or refer to the Purchaser's social insurance number or business registration number (as the case may be), as required by Regulation 201(1)(b)(ii) of the ITA, as amended;

(c) the Condominium for the purposes of facilitating the completion of the Condominium's voting, leasing and/or other relevant records and to the Condominium's property manager for the purposes of facilitating the issuance of notices, the collection of common expenses and/or implementing other condominium management/administration functions;

(d) any companies or legal entities that are associated with, related to or affiliated with the Vendor, other future condominium declarants that are likewise associated with, related to or affiliated with the Vendor (or with the Vendor's parent/holding company) and are developing one or more other condominium projects or communities that may be of interest to the Purchaser or members of the Purchaser's family, for the limited purposes of marketing, advertising and/or selling various products and/or services to the Purchaser and/or members of the Purchaser's family;

(e) any financial institution(s) providing (or wishing to provide) mortgage financing, banking and/or other financial or related services to the Purchaser and/or members of the Purchaser's family, with respect to the Unit, including without limitation, the Vendor's construction lender(s), the quantity surveyor monitoring the Project and its costs, the Vendor's designated construction lender(s), the Tarion Warranty Corporation and/or any warranty bond provider and/or excess condominium deposit insurer, required in connection with the development and/or construction financing of the Condominium and/or the financing of the Purchaser's acquisition of the Property from the Vendor;

(f) any insurance companies of the Vendor providing (or wishing to provide) insurance coverage with respect to the Property (or any portion thereof) and/or the common elements of the Condominium, and any title insurance companies providing (or wishing to provide) title insurance to the Purchaser or the Purchaser's mortgage lender(s) in connection with the completion of this transaction;

(g) any trades/suppliers or sub-trades/suppliers, who have been retained by or on behalf of the Vendor (or who are otherwise dealing with the Vendor) to facilitate the completion and finishing of the Unit and the installation of any extras or upgrades ordered or requested by the Purchaser;

(h) one or more providers of cable television, telephone, telecommunication, security alarm systems, hydro-electricity, chilled water/hot water, gas and/or other similar or related services to the Property (or any portion thereof) and/or the Condominium (collectively, the "Utilities"), unless the Purchaser gives the Vendor prior notice in writing not to disclose the Purchaser's personal information to one or more of the Utilities;

(i) one or more third party data processing companies which handle or process marketing campaigns on behalf of the Vendor or other companies that are associated with, related to or affiliated with the Vendor, and who may send (by e-mail or other means) promotional literature/brochures about new condominiums and/or related services to the Purchaser and/or members of the Purchaser's family, unless the Purchaser gives the Vendor prior notice in writing not to disclose the Purchaser's personal information to said third party data processing companies;

(j) the Vendor's solicitors, to facilitate the interim occupancy and/or final closing of this transaction, including the closing by electronic means via the Teraview Electronic Registration System, and which may (in turn) involve the disclosure of such personal information to an internet application service provider for distribution of documentation;

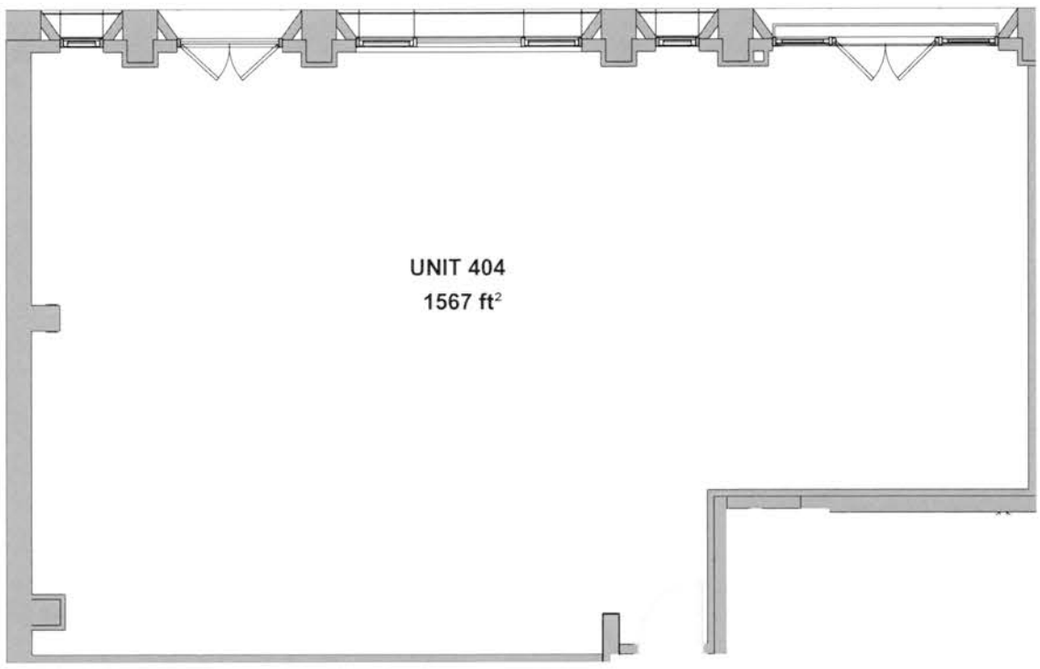
(k) any person, where the Purchaser further consents to such disclosure or disclosures required by law.

Any questions or concerns of the Purchaser with respect to the collection, use or disclosure of his or her personal information may be delivered to the Vendor at the address set out in the Tarion Addendum, Attention: Privacy Officer.

SCHEDULE "A" TO THE AGREEMENT OF PURCHASE AND SALE

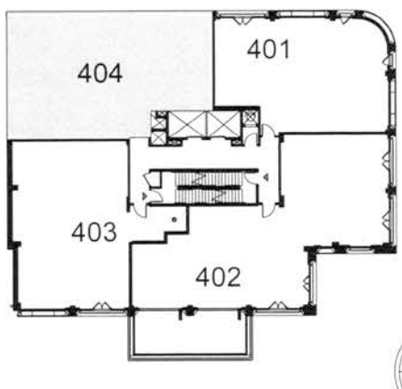
SKETCH

Level 4 , **Legal Unit No** UNIT 4



SUITE AREA: 1567 ft²

*AREAS PROVIDED BY KRCMAR SURVEYORS LTD.



*NOTE:
-STRUCTURAL LAYOUT TO BE COORDINATED
-COLUMNS MAY BE ADDED AS REQUIRED

N

Materials, specifications, floor plans and dimensions are subject to change without notice. Window sizes and type may vary. Actual usable floor space may vary from the stated floor area. Landscaping, patio and bacony areas, subject to change E. & O.E.

Purchaser Acknowledgement

Date

SCHEDULE "B" TO THE AGREEMENT OF PURCHASE AND SALE

FEATURES AND FINISHES

- Laundry Room
  - Ceramic floors selected from Vendor's standard selections
  - L.E.D. recessed ceiling light
  - High efficiency front loading Washer and Dryer selected from Vendor's standard selections
- Living Room & Dining Room
  - Pre-finished engineered Hardwood floors selected from Vendor's standard selections
  - L.E.D. recessed ceiling lights
- Foyer
  - Pre-finished engineered Hardwood floor in entranceway selected from Vendor's standard selections
  - L.E.D. recessed ceiling light
- Kitchen & Breakfast
  - Kitchen cabinetry selected from Vendor's standard selections
  - Stone countertops with coordinated backsplash selected from Vendor's standard selections
  - Stainless steel sink with coordinated fixture selected from Vendor's standard selections
  - Pre-finished engineered Hardwood floors selected from Vendor's standard selections
  - L.E.D. recessed ceiling light
  - Valence lighting under cabinets
  - Gas or Electric Cooktop, Oven, Dishwasher, Refrigerator, Microwave and Hood fan selected from Vendor's standard selections
- Powder Room
  - Vanity with stone countertop selected from Vendor's standard selections
  - Under-mounted sink and fixtures selected from Vendor's standard selections
  - Privacy lock
  - Stone tile floor selected from Vendor's standard selections
  - L.E.D. recessed ceiling light
- Terraces/Balconies
  - In selected suites as per plan
  - Railing as per architectural building design
  - Exterior lighting as per architectural building design
- Library/Den
  - Pre-finished engineered Hardwood floor or carpet selected from Vendor's standard selections
  - L.E.D. recessed ceiling light
- Master Bedroom Suite
  - Pre-finished engineered Hardwood floor or carpet selected from Vendor's standard selections
  - L.E.D. recessed ceiling light
- Master Ensuite
  - Stone tiles selected from Vendor's standard selections
  - Heated floor with thermostatic control
  - Vanity with stone countertop, under-mounted sink, and fixtures selected from Vendor's standard selections
  - Bathtub and coordinated fixtures as per plan
  - Frameless glass shower enclosure as per plan
  - L.E.D. recessed ceiling light
  - Privacy lock
- Guest Bathroom
  - Stone tiles selected from Vendor's standard selections
  - Vanity with stone countertop, under-mounted sink, and fixtures selected from Vendor's standard selections
  - Bathtub and coordinated fixtures as per plan
  - Frameless glass shower enclosure as per plan
  - L.E.D. recessed ceiling light
  - Privacy lock
- Bedroom
  - Pre-finished engineered Hardwood floors or carpet selected from Vendor's standard selections
  - L.E.D. recessed ceiling light
- Ceilings, Walls & Doors
  - Minimum of 10' high ceilings (dropped ceilings at Kitchen, Bathrooms, Closets, Foyer, Laundry Room and Mechanical Room)
  - Smooth ceilings, walls and bulkheads throughout
  - 7" Baseboards
  - 3 ½ " Door casing with backband
  - Solid doors throughout
  - Door hardware selected from Vendor's standard selections
  - All ceilings, walls, baseboards, mouldings and doors to be painted.
  - Paint selected from Vendors standard selections
  - Energy Star custom windows with low E coating and argon gas
- Mechanical
  - Heat Pump with Humidifier and programmable thermostat
- Lighting & Electrical
  - White decorative switches and receptacles throughout
    - L.E.D. recessed ceiling light; 1 per 50 sq. feet
  - Ceiling light provision in Kitchen, Dining Room, Living Room and all Bedrooms
  - Valence lighting under kitchen cabinets
  - Rough-in for sconces and/or surface mounted fixtures in Master Ensuite and Powder Room
- Technology
  - Rough-in for cable, telephone, internet in Living Room, Kitchen, Library/Den and all Bedrooms

SCHEDULE "C" TO AGREEMENT OF PURCHASE AND SALE

TERMS OF OCCUPANCY LICENCE

C.1 The transfer of title to the Unit shall take place on the Title Transfer Date upon which date, unless otherwise expressly provided for hereunder, the term of this Occupancy Licence shall be terminated.

C.2 The Purchaser shall pay or have paid to the Vendor, on or before the Occupancy Date, by certified cheque drawn on a Canadian chartered bank the amount set forth in paragraph 1(a) of this Agreement without adjustment. Upon payment of such amount on the Occupancy Date, the Vendor grants to the Purchaser a licence to occupy the Unit from the Occupancy Date.

The Purchaser shall pay to the Vendor the Occupancy Fee calculated as follows:

(a) the amount of interest payable in respect of the unpaid balance of the Purchase Price at the prescribed rate;

(b) an amount reasonably estimated by the Vendor on a monthly basis for municipal realty taxes attributable by the Vendor to the Unit; and

(c) the projected monthly common expense contribution for the Unit;

as an occupancy charge on the first day of each month in advance during Interim Occupancy, no part of which shall be credited as payments on account of the Purchase Price, but which payments shall be a charge for occupancy only. If the Occupancy Date is not the first day of the month, the Purchaser shall pay on the Occupancy Date a pro rata amount for the balance of the month by certified funds. The Purchaser shall deliver to the Vendor on or before the Occupancy Date a series of post-dated cheques as required by the Vendor for payment of the estimated monthly Occupancy Fee. The Occupancy Fee may be recalculated by the Vendor, from time to time based on revised estimates of the items which may be lawfully taken into account in the calculation thereof and the Purchaser shall pay to the Vendor such revised Occupancy Fee following notice from the Vendor. With respect to taxes, the Purchaser agrees that the amount estimated by the Vendor on account of municipal realty taxes attributed to the Unit shall be subject to recalculation based upon the real property tax assessment or reassessment of the Units and/or Condominium, issued by the municipality after the Title Transfer Date and the municipal tax mill rate in effect as at the date such assessment or reassessment is issued. The Occupancy Fee shall thereupon be recalculated by the Vendor and any amount owing by one party to the other shall be paid upon demand.

C.3 The Purchaser shall be allowed to remain in occupancy of the Unit during Interim Occupancy provided the terms of this Occupancy Licence and the Agreement have been observed and performed by the Purchaser. In the event the Purchaser breaches the terms of occupancy the Vendor in its sole discretion and without limitation of any other rights or remedies provided for in this Agreement or at law may terminate this Agreement and revoke the Occupancy Licence whereupon the Purchaser shall be deemed a trespasser and shall give up vacant possession forthwith. The Vendor may take whatever steps it deems necessary to obtain vacant possession and the Purchaser shall reimburse the Vendor for all costs it may incur.

C.4 At or prior to the time that the Purchaser takes possession of the Unit, the Purchaser shall execute and deliver to the Vendor any documents, directions, acknowledgments, assumption agreements or any and all other documents required by the Vendor pursuant to this Agreement, in the same manner as if the closing of the transaction was taking place at that time.

C.5 The Purchaser shall pay the monthly Occupancy Fee during Interim Occupancy and the Vendor shall destroy all unused post-dated Occupancy Fee cheques on or shortly after the Title Transfer Date.

C.6 The Purchaser agrees to maintain the Unit in a clean and sanitary condition and not to make any alterations, improvements or additions thereto without the prior written approval of the Vendor which may be unreasonably withheld. The Purchaser shall be responsible for all utility, telephone expenses, cable television service, or other charges and expenses billed directly to the occupant of the Unit by the supplier of such services and not the responsibility of the Condominium under the Condominium Documents.

C.7 The Purchaser's occupancy of the Unit shall be governed by the provisions of the Condominium Documents and the provisions of this Agreement. The Unit may only be occupied and used in accordance with the Condominium Documents and for no other purpose.

C.8 The Vendor covenants to proceed with all due diligence and dispatch to register the Creating Documents. If the Vendor for any reason whatsoever is unable to register the Creating Documents and therefore is unable to deliver a registrable Transfer/Deed to the Purchaser within twenty-four (24) months after the Occupancy Date, the Purchaser or Vendor shall have the right after such twenty-four (24) month period to give sixty (60) days written notice to the other, of an intention to terminate the Occupancy Licence and this Agreement. If the Vender and Purchaser consent to termination, the Purchaser shall give up vacant possession and pay the Occupancy Fee to such date, after which this Agreement and Occupancy Licence shall be terminated and all moneys paid to the Vendor on account of the Purchase Price shall be returned to the Purchaser together with interest required by the Act, subject however, to any repair and redecorating expenses of the Vendor necessary to restore the Unit to its original state of occupancy, reasonable wear and tear excepted. The Purchaser and Vendor each agree to provide a release of this Agreement in the Vendor's standard form. If the Vendor and Purchaser do not consent to termination, the provisions of subsection 79(3) of the Act may be invoked by the Vendor.

C.9 The Vendor and the Purchaser covenant and agree, notwithstanding the taking of possession, that all terms hereunder continue to be binding upon them and that the Vendor may enforce the provisions of the Occupancy Licence separate and apart from the purchase and sale provisions of this Agreement.

C.10 The Purchaser acknowledges that the Vendor holds a fire insurance policy on the Condominium including all aspects of a standard unit only and not on any improvements or betterments made by or on behalf of the Purchaser. It is the responsibility of the Purchaser, after the Occupancy Date to insure the improvements or betterments to the Unit and to replace and/or repair same if they are removed, injured or destroyed. The Vendor is not liable for the Purchaser's loss occasioned by fire, theft or other casualty, unless caused by the Vendor's willful conduct.

C.11 The Purchaser agrees to indemnify the Vendor for all losses, costs and expenses incurred as a result of the Purchaser's neglect, damage or use of the Unit or the Condominium, or by reason of injury to any person or property in or upon the Unit or the Condominium resulting from the negligence of the Purchaser, members of his immediate family, servants, agents, invitees, tenants, contractors and licensees. The Purchaser agrees that should the Vendor elect to repair or redecorate all or any part of the Unit or the Condominium as a result of the Purchaser's neglect, damage or use of the Unit or Condominium, he will immediately reimburse the Vendor for the cost of doing same, the determination of need for such repairs or redecoration shall be at the discretion of the Vendor, and such costs may be added to the Purchase Price.

C.12 In accordance with subsections 80(6)(d) and (e) of the Act, subject to strict compliance by the Purchaser with the requirements of occupancy set forth in this Agreement, the Purchaser shall not have the right to assign, sublet or in any other manner dispose of the Occupancy Licence during Interim Occupancy without the prior written consent of the Vendor which consent may be arbitrarily withheld. The Purchaser acknowledges that an administrative fee will be payable to the Vendor each time the Purchaser wishes to assign, sublet or dispose of the Occupancy License during Interim Occupancy.

C.13 The provisions set forth in this Agreement, unless otherwise expressly modified by the terms of the Occupancy Licence, shall be deemed to form an integral part of the Occupancy Licence. In the event the Vendor elects to terminate the Occupancy Licence pursuant to this Agreement following substantial damage to the Unit and/or the Condominium, the Occupancy Licence shall terminate forthwith upon notice from the Vendor to the Purchaser. If the Unit and/or the Condominium can be repaired within a reasonable time following damages as determined by the Vendor (but not, in any event, to exceed one hundred and eighty (180) days) and the Unit is, during such period of repairs uninhabitable, the Vendor shall proceed to carry out the necessary repairs to the Unit and/or the Condominium with all due dispatch and the Occupancy Fee shall abate during the period when the Unit remains uninhabitable; otherwise, the Purchaser shall vacate the Unit and deliver up vacant possession to the Vendor and all moneys, to the extent provided for in paragraph 20 hereof (excluding the Occupancy Fee paid to the Vendor) shall be returned to the Purchaser. It is understood and agreed that the proceeds of all insurance policies held by the Vendor are for the benefit of the Vendor alone.

SCHEDULE "D" TO AGREEMENT OF PURCHASE AND SALE

WARNING CLAUSES

(a) The Purchaser is hereby advised that the Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will only cover the common elements and the standard unit and will not cover any betterments or improvements made to the standard unit, nor any furnishings or personal belongings of the Purchaser or other residents of the Unit, and accordingly the Purchaser should arrange for his or her own insurance coverage with respect to same, effective from and after the Occupancy Date, all at the Purchaser's sole cost and expense.

(b) The Purchaser acknowledges and agrees that the Vendor (and any of its authorized agents, representatives and/or contractors), as well as one or more authorized representatives of the Condominium, shall be permitted to enter the Unit after the Occupancy Date, from time to time, in order to enable the Vendor to correct outstanding deficiencies or incomplete work for which the Vendor is responsible, and to enable the Condominium to inspect the condition or state of repair of the Unit and undertake or complete any requisite repairs thereto (which the owner of the Unit has failed to do) in accordance with the Act.

(c) The Vender shall have the right to substitute any level in the Condominium with an alternative floor plate containing a modified design of units and/or number of units on the level. In the event that such modification becomes necessary, there shall be a reallocation of each owner's proportionate percentage and the Budget shall be modified accordingly. The Purchaser acknowledges that none of the foregoing changes or revisions (if implemented) shall in any way be considered or construed as a material change to the disclosure statement prepared and delivered by the Vendor to the Purchaser in connection with this transaction.

(d) The Purchaser acknowledges being advised of the following notices:

(i) Despite the best efforts of the Toronto District School Board, sufficient accommodation may not be locally available for all students anticipated from the development area and that students may be accommodated in facilities outside the area, and further, the students may later be transferred.

(ii) Purchasers agree for the purpose of transportation to school if bussing is provided by the Public District School Board in accordance with the Board's policy, that students will not be bussed from home to school, but will meet the bus at designated locations in or outside the area"

(e) The Vendor reserves the right to increase or decrease the final number of residential, parking, and/or other ancillary units intended to be created within the Condominium, as well as the right to alter the design, style, size and/or configuration of the residential units ultimately comprised within the Condominium which have not yet been sold by the Vendor to any unit purchaser(s), all in the Vendor's sole discretion, and the Purchaser expressly acknowledges and agrees to the foregoing, provided that the final budget for the first year following registration of the Condominium is prepared in such a manner so that any such variance in the residential/parking and/or other ancillary unit count will not affect, in any material or substantial way, the percentages of common expenses and common interests allocated and attributable to the residential, parking and/or locker units sold by the Vendor to the Purchaser. Without limiting the generality of the foregoing, the Purchaser further acknowledges and agrees that one or more residential units or portions thereof situate adjacent to one another may be combined or amalgamated prior to the registration of the Condominium, in which case the common expenses and common interests attributable to such proposed former units will be incorporated into one figure or percentage in respect of the final combined unit, and the overall residential unit count of the Condominium will be varied and adjusted accordingly. None of the foregoing changes or revisions (if implemented) shall in any way be considered or construed as a material change to the disclosure statement prepared and delivered by the Vendor to the Purchaser in connection with this transaction.

(f) Various commercial businesses are located within the vicinity of this residential development. Occasional off-site impacts, including odour, emissions and noise from these businesses may be expected.

(g) Purchasers are advised that the Vendor's marketing material and site drawings and renderings ("**Marketing Material**") which they may have reviewed prior to the execution of this Agreement remains conceptual and that final building plans are subject to the final review and approval of any applicable governmental authority and the Vendor's design consultants and engineers, and accordingly such Marketing Material does not form part of this Agreement or the Vendor's obligations hereunder.

(h) The Purchaser acknowledges and agrees that the Vendor reserves the right to add or relocate certain mechanical equipment within the Unit, including but not limited to, a heat pump system and ancillary equipment, to be located and placed along either the interior of an outside wall or an interior demising wall, in accordance with engineering and/or architectural requirements.

(i) The Purchaser acknowledges that it is anticipated by the Vendor that in connection with the Vendor's application to the appropriate governmental authorities for draft plan of condominium approval certain requirements may be imposed upon the Vendor by various governmental authorities. These requirements (the "**Requirements**") usually relate to warning provisions to be given to Purchasers in connection with environmental or other concerns (such as warnings relating to noise levels, the proximity of the Condominium to major street, garbage storage and pickup, school transportation, and similar matters). Accordingly, the Purchaser covenants and agrees that (1) on either the Occupancy Date or the Title Transfer

Date, the Purchaser shall execute any and all documents required by the Vendor acknowledging, inter alia, that the Purchaser is aware of the Requirements, and (2) if the Vendor is required to incorporate the Requirements into the final Condominium Documents the Purchaser shall accept the same, without in any way affecting this transaction.

(j) It is further acknowledged that one or more of the Development Agreements may require the Vendor to provide the Purchaser with certain notices, including without limitation, notices regarding such matters as land use, the maintenance of retaining walls, landscaping features and/or fencing, noise abatement features, garbage storage and pick-up, school transportation, and noise/vibration levels from adjacent roadways and/or nearby railway lines. The Purchaser agrees to be bound by the contents of any such notice(s), whether given to the Purchaser at the time that this Agreement has been entered into, or at any time thereafter up to the Title Transfer Date, and the Purchaser further covenants and agrees to execute, forthwith upon the Vendor's request, an express acknowledgment confirming the Purchaser's receipt of such notice(s) in accordance with (and in full compliance of) such provisions of the Development Agreement(s), if and when required to do so by the Vendor.

(k) The Purchaser acknowledges and agrees that the Vendor (and any of its authorized agents, representatives and/or contractors), as well as one or more authorized representatives of the Condominium, shall be permitted to enter the Unit after the Occupancy Date, from time to time, in order to enable the Vendor to correct outstanding deficiencies or incomplete work for which the Vendor is responsible, and to enable the Condominium to inspect the condition or state of repair of the Unit and undertake or complete any requisite repairs thereto (which the owner of the Unit has failed to do) in accordance with the Act.

SCHEDULE "E" TO AGREEMENT OF PURCHASE AND SALE

THE UNDERSIGNED being the Purchaser of the Unit hereby acknowledges having received from the Vendor with respect to the purchase of the Unit the following document on the date noted below:

1. A Disclosure Statement dated December 11, 2015 and accompanying documents in accordance with Section 72 of the Act.

2. A copy of the Agreement of Purchase and Sale (to which this acknowledgment is attached as a Schedule) executed by the Vendor and the Purchaser.

The Purchaser hereby acknowledges that receipt of the Disclosure Statement and accompanying documents referred to in paragraph 1 above may have been in an electronic format and that such delivery satisfies the Vendor's obligation to deliver a Disclosure Statement under the Act.

The Purchaser hereby acknowledges that the Condominium Documents required by the Act have not been registered by the Vendor, and agrees that the Vendor may, from time to time, make any modification to the Condominium Documents in accordance with its own requirements and the requirements of any mortgagee, governmental authority, examiner of Legal Surveys, the Land Registry Office or any other competent authority having jurisdiction to permit registration thereof.

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

The Purchaser further acknowledges having been advised that the Purchaser shall be entitled to rescind or terminate the Agreement to which this Schedule is attached and obtain a refund of all deposit monies paid thereunder (together with all interest accrued thereon at the rate prescribed by the Act, if applicable), provided written notice of the Purchaser's desire to so rescind or terminate the Agreement is delivered to the Vendor or the Vendor's Solicitors within 10 days after the date set out below.

DATED at Toronto, this 16 day of NOV, 2018

WITNESS:

)
)
)
)
)
)
)

Purchaser

Purchaser

TARION
PROTECTING ONTARIO'S NEW HOME BUYERS

Condominium Form

(Tentative Occupancy Date)

Property 126 and 128 Hazelton

Statement of Critical Dates

Delayed Occupancy Warranty

This Statement of Critical Dates forms part of the Addendum to which it is attached, which in turn forms part of the agreement of purchase and sale between the Vendor and the Purchaser relating to the Property. **The Vendor must complete all blanks set out below. Both the Vendor and Purchaser must sign this page.**

NOTE TO HOME BUYERS: ***Please visit Tarion's website: www.tarion.com for important information about all of Tarion's warranties including the Delayed Occupancy Warranty, the Pre-Delivery Inspection and other matters of interest to new home buyers. You can also obtain a copy of the Homeowner Information Package which is strongly recommended as essential reading for all home buyers. The website features a calculator which will assist you in confirming the various Critical Dates related to the occupancy of your home.***

VENDOR Mizrahi (128 Hazelton) Inc.
Full Name(s)

PURCHASER Robert Hiscox
Full Name(s)

1. Critical Dates

The **First Tentative Occupancy Date**, which is the date that the Vendor anticipates the home will be completed and ready to move in, is: the 31st day of December, 2019.

The Vendor can delay Occupancy on one or more occasions by setting a subsequent **Tentative Occupancy Date**, in accordance with section 1 of the Addendum by giving proper written notice as set out in section 1.

By no later than 30 days after the Roof Assembly Date (as defined in section 12), with at least 90 days prior written notice, the Vendor shall set either (i) a **Final Tentative Occupancy Date**; or (ii) a **Firm Occupancy Date**.

For purchase agreements signed after the Roof Assembly Date, the First Tentative Occupancy Date is inapplicable and the Vendor shall instead elect and set either a Final Tentative Occupancy Date or Firm Occupancy Date.

the ___day of _____, 20___.
Final Tentative Occupancy Date

or

the ___day of _____, 20___.
Firm Occupancy Date

If the Vendor sets a Final Tentative Occupancy Date but cannot provide Occupancy by the Final Tentative Occupancy Date, then the Vendor shall set a **Firm Occupancy Date** that is no later than 120 days after the Final Tentative Occupancy Date, with proper written notice as set out in section 1 below.

If the Vendor cannot provide Occupancy by the Firm Occupancy Date, then the Purchaser is entitled to delayed occupancy compensation (see section 7 of the Addendum) and the Vendor must set a Delayed Occupancy Date which cannot be later than the Outside Occupancy Date.

The **Outside Occupancy Date**, which is the latest date by which the Vendor agrees to provide Occupancy, is: the 29th day of January, 2021.

2. Notice Period for an Occupancy Delay

Changing an Occupancy date requires proper written notice. The Vendor, without the Purchaser's consent, may delay Occupancy one or more times in accordance with section 1 of the Addendum and no later than the Outside Occupancy Date. Notice of a delay beyond the First Tentative Occupancy Date must be given no later than: the 2nd day of October, 2019.
(i.e., at least **90 days** before the First Tentative Occupancy Date), or else the First Tentative Occupancy Date automatically becomes the Firm Occupancy Date.

3. Purchaser's Termination Period

If the home is not complete by the Outside Occupancy Date, then the Purchaser can terminate the transaction during a period of **30 days** thereafter (the "**Purchaser's Termination Period**"), which period, unless extended by mutual agreement, will end on: the 1st day of March, 2021.
If the Purchaser terminates the transaction during the Purchaser's Termination Period, then the Purchaser is entitled to delayed occupancy compensation and to a full refund of all monies paid plus interest (*see sections 7, 10 and 11 of the Addendum*).

Note: ***Any time a Critical Date is set or changed as permitted in the Addendum, other Critical Dates may change as well. At any given time the parties must refer to: the most recent revised Statement of Critical Dates; or agreement or written notice that sets a Critical Date, and calculate revised Critical Dates using the formulas contained in the Addendum. Critical Dates can also change if there are unavoidable delays (see section 5 of the Addendum).***

Acknowledged this 16 day of November, 2018.

VENDOR: _____

PURCHASER: Hiscox

TARION
PROTECTING ONTARIO'S NEW HOME BUYERS

Condominium Form
(Tentative Occupancy Date)

Addendum to Agreement of Purchase and Sale
Delayed Occupancy Warranty

This addendum, including the accompanying Statement of Critical Dates (the "**Addendum**"), forms part of the agreement of purchase and sale (the "**Purchase Agreement**") between the Vendor and the Purchaser relating to the Property. This Addendum is to be used for a transaction where the home is a condominium unit (that is not a vacant land condominium unit). This Addendum contains important provisions that are part of the delayed occupancy warranty provided by the Vendor in accordance with the *Ontario New Home Warranties Plan Act* (the "ONHWP Act"). If there are any differences between the provisions in the Addendum and the Purchase Agreement, then the Addendum provisions shall prevail. **PRIOR TO SIGNING THE PURCHASE AGREEMENT OR ANY AMENDMENT TO IT, THE PURCHASER SHOULD SEEK ADVICE FROM A LAWYER WITH RESPECT TO THE PURCHASE AGREEMENT OR AMENDING AGREEMENT, THE ADDENDUM AND THE DELAYED OCCUPANCY WARRANTY.**

Tarion recommends that Purchasers register on Tarion's **MyHome** on-line portal and visit Tarion's website – **tarion.com**, to better understand their rights and obligations under the statutory warranties.

The Vendor shall complete all blanks set out below.

VENDOR

Mizrahi (128 Hazelton) Inc.			
Full Name(s)			
44647	125 Hazelton Avenue		
Tarion Registration Number	Address		
416-922-4200	Toronto	Ontario	M5R 2E4
Phone	City	Province	Postal Code
1-866-300-0219	Reception@MizrahiDevelopments.ca		
Fax	Email*		

PURCHASER

Robert Hiscox			
Full Name(s)			
1235 Bay Street, Suite 701	Toronto	Ontario	M5R 3K4
Address	City	Province	Postal Code
416-266-0000			
Phone			
	Robert.Hiscox@ConstantineInc.com		
Fax	Email*		

PROPERTY DESCRIPTION

126 and 128 Hazelton Avenue		
Municipal Address		
Toronto	Ontario	
City	Province	Postal Code
Part of Lots 1 and 2, Registered Plan 687-E and Part of Block A, Registered Plan 411, York City of Toronto		
Short Legal Description		

INFORMATION REGARDING THE PROPERTY

The Vendor confirms that:

(a) The Vendor has obtained Formal Zoning Approval for the Building. ◉ Yes ○ No
If no, the Vendor shall give written notice to the Purchaser within 10 days after the date that Formal Zoning Approval for the Building is obtained.

(b) Commencement of Construction: ◉ has occurred; or ○ is expected to occur by the _____ day of _____, 20____.

The Vendor shall give written notice to the Purchaser within 10 days after the actual date of Commencement of Construction.

***Note: Since important notices will be sent to this address, it is essential that you ensure that a reliable email address is provided and that your computer settings permit receipt of notices from the other party.**

SETTING AND CHANGING CRITICAL DATES

1. Setting Tentative Occupancy Dates and the Firm Occupancy Date

(a) **Completing Construction Without Delay**: The Vendor shall take all reasonable steps to complete construction of the Building subject to all prescribed requirements, to provide Occupancy of the home without delay, and, to register without delay the declaration and description in respect of the Building.
(b) **First Tentative Occupancy Date**: The Vendor shall identify the First Tentative Occupancy Date in the Statement of Critical Dates attached to this Addendum at the time the Purchase Agreement is signed.
(c) **Subsequent Tentative Occupancy Dates**: The Vendor may, in accordance with this section, extend the First Tentative Occupancy Date on one or more occasions, by setting a subsequent Tentative Occupancy Date. The Vendor shall give written notice of any subsequent Tentative Occupancy Date to the Purchaser at least 90 days before the existing Tentative Occupancy Date (which in this Addendum may include the First Tentative Occupancy Date), or else the existing Tentative Occupancy Date shall for all purposes be the Firm Occupancy Date. A subsequent Tentative Occupancy Date can be any Business Day on or before the Outside Occupancy Date.
(d) **Final Tentative Occupancy Date**: By no later than 30 days after the Roof Assembly Date, the Vendor shall by written notice to the Purchaser set either (i) a Final Tentative Occupancy Date; or (ii) a Firm Occupancy Date. If the Vendor does not do so, the existing Tentative Occupancy Date shall for all purposes be the Firm Occupancy Date. The Vendor shall give written notice of the Final Tentative Occupancy Date or Firm Occupancy Date, as the case may be, to the Purchaser at least 90 days before the existing Tentative Occupancy Date, or else the existing Tentative Occupancy Date shall for all purposes be the Firm Occupancy Date. The Final Tentative Occupancy Date or Firm Occupancy Date, as the case may be, can be any Business Day on or before the Outside Occupancy Date. For new Purchase Agreements signed after the Roof Assembly Date, the Vendor shall insert in the Statement of Critical Dates of the Purchase Agreement either: a Final Tentative Occupancy Date; or a Firm Occupancy Date
(e) **Firm Occupancy Date**: If the Vendor has set a Final Tentative Occupancy Date but cannot provide Occupancy by the Final Tentative Occupancy Date then the Vendor shall set a Firm Occupancy Date that is no later than 120 days after the Final Tentative Occupancy Date. The Vendor shall give written notice of the Firm Occupancy Date to the Purchaser at least 90 days before the Final Tentative Occupancy Date, or else the Final Tentative Occupancy Date shall for all purposes be the Firm Occupancy Date. The Firm Occupancy Date can be any Business Day on or before the Outside Occupancy Date.
(f) **Notice**: Any notice given by the Vendor under paragraph (c), (d) or (e) must set out the stipulated Critical Date, as applicable.

2. Changing the Firm Occupancy Date – Three Ways

(a) The Firm Occupancy Date, once set or deemed to be set in accordance with section 1, can be changed only:
  (i) by the Vendor setting a Delayed Occupancy Date in accordance with section 3;
  (ii) by the mutual written agreement of the Vendor and Purchaser in accordance with section 4; or
  (iii) as the result of an Unavoidable Delay of which proper written notice is given in accordance with section 5.
(b) If a new Firm Occupancy Date is set in accordance with section 4 or 5, then the new date is the "Firm Occupancy Date" for all purposes in this Addendum.

3. Changing the Firm Occupancy Date – By Setting a Delayed Occupancy Date

(a) If the Vendor cannot provide Occupancy on the Firm Occupancy Date and sections 4 and 5 do not apply, the Vendor shall select and give written notice to the Purchaser of a Delayed Occupancy Date in accordance with this section, and delayed occupancy compensation is payable in accordance with section 7.
(b) The Delayed Occupancy Date may be any Business Day after the date the Purchaser receives written notice of the Delayed Occupancy Date but not later than the Outside Occupancy Date.
(c) The Vendor shall give written notice to the Purchaser of the Delayed Occupancy Date as soon as the Vendor knows that it will be unable to provide Occupancy on the Firm Occupancy Date, and in any event at least 10 days before the Firm Occupancy Date, failing which delayed occupancy compensation is payable from the date that is 10 days before the Firm Occupancy Date, in accordance with paragraph 7(c). If notice of a new Delayed Occupancy Date is not given by the Vendor before the Firm Occupancy Date, then the new Delayed Occupancy Date shall be deemed to be the date which is 90 days after the Firm Occupancy Date.
(d) After the Delayed Occupancy Date is set, if the Vendor cannot provide Occupancy on the Delayed Occupancy Date, the Vendor shall select and give written notice to the Purchaser of a new Delayed Occupancy Date, unless the delay arises due to Unavoidable Delay under section 5 or is mutually agreed upon under section 4, in which case the requirements of those sections must be met. Paragraphs (b) and (c) above apply with respect to the setting of the new Delayed Occupancy Date.
(e) Nothing in this section affects the right of the Purchaser or Vendor to terminate the Purchase Agreement on the bases set out in section 10.

4. Changing Critical Dates – By Mutual Agreement

(a) This Addendum sets out a framework for setting, extending and/or accelerating Critical Dates, which cannot be altered contractually except as set out in this section 4. Any amendment not in accordance with this section is voidable at the option of the Purchaser. For greater certainty, this Addendum does not restrict any extensions of the Closing date (i.e., title transfer date) where Occupancy of the home has already been given to the Purchaser.

(b) The Vendor and Purchaser may at any time, after signing the Purchase Agreement, mutually agree in writing to accelerate or extend any of the Critical Dates. Any amendment which accelerates or extends any of the Critical Dates must include the following provisions:

(i) the Purchaser and Vendor agree that the amendment is entirely voluntary – the Purchaser has no obligation to sign the amendment and each understands that this purchase transaction will still be valid if the Purchaser does not sign this amendment;
(ii) the amendment includes a revised Statement of Critical Dates which replaces the previous Statement of Critical Dates;
(iii) the Purchaser acknowledges that the amendment may affect delayed occupancy compensation payable; and
(iv) if the change involves extending either the Firm Occupancy Date or the Delayed Occupancy Date, then the amending agreement shall:

i. disclose to the Purchaser that the signing of the amendment may result in the loss of delayed occupancy compensation as described in section 7;
ii. unless there is an express waiver of compensation, describe in reasonable detail the cash amount, goods, services, or other consideration which the Purchaser accepts as compensation; and
iii. contain a statement by the Purchaser that the Purchaser waives compensation or accepts the compensation referred to in clause ii above, in either case, in full satisfaction of any delayed occupancy compensation payable by the Vendor for the period up to the new Firm Occupancy Date or Delayed Occupancy Date.

If the Purchaser for his or her own purposes requests a change of the Firm Occupancy Date or the Delayed Occupancy Date, then subparagraphs (b)(i), (iii) and (iv) above shall not apply.

(c) A Vendor is permitted to include a provision in the Purchase Agreement allowing the Vendor a one-time unilateral right to extend a Firm Occupancy Date or Delayed Occupancy Date, as the case may be, for one (1) Business Day to avoid the necessity of tender where a Purchaser is not ready to complete the transaction on the Firm Occupancy Date or Delayed Occupancy Date, as the case may be. Delayed occupancy compensation will not be payable for such period and the Vendor may not impose any penalty or interest charge upon the Purchaser with respect to such extension.
(d) The Vendor and Purchaser may agree in the Purchase Agreement to any unilateral extension or acceleration rights that are for the benefit of the Purchaser.

5. Extending Dates – Due to Unavoidable Delay

(a) If Unavoidable Delay occurs, the Vendor may extend Critical Dates by no more than the length of the Unavoidable Delay Period, without the approval of the Purchaser and without the requirement to pay delayed occupancy compensation in connection with the Unavoidable Delay, provided the requirements of this section are met.
(b) If the Vendor wishes to extend Critical Dates on account of Unavoidable Delay, the Vendor shall provide written notice to the Purchaser setting out a brief description of the Unavoidable Delay, and an estimate of the duration of the delay. Once the Vendor knows or ought reasonably to know that an Unavoidable Delay has commenced, the Vendor shall provide written notice to the Purchaser by the earlier of: 20 days thereafter; and the next Critical Date.
(c) As soon as reasonably possible, and no later than 20 days after the Vendor knows or ought reasonably to know that an Unavoidable Delay has concluded, the Vendor shall provide written notice to the Purchaser setting out a brief description of the Unavoidable Delay, identifying the date of its conclusion, and setting new Critical Dates. The new Critical Dates are calculated by adding to the then next Critical Date the number of days of the Unavoidable Delay Period (the other Critical Dates changing accordingly), provided that the Firm Occupancy Date or Delayed Occupancy Date, as the case may be, must be at least 10 days after the day of giving notice unless the parties agree otherwise. Either the Vendor or the Purchaser may request in writing an earlier Firm Occupancy Date or Delayed Occupancy Date, and the other party's consent to the earlier date shall not be unreasonably withheld.
(d) If the Vendor fails to give written notice of the conclusion of the Unavoidable Delay in the manner required by paragraph (c) above, then the notice is ineffective, the existing Critical Dates are unchanged, and any delayed occupancy compensation payable under section 7 is payable from the existing Firm Occupancy Date.
(e) Any notice setting new Critical Dates given by the Vendor under this section shall include an updated revised Statement of Critical Dates.

EARLY TERMINATION CONDITIONS

6. Early Termination Conditions

(a) The Vendor and Purchaser may include conditions in the Purchase Agreement that, if not satisfied, give rise to early termination of the Purchase Agreement, but only in the limited way described in this section.
(b) The Vendor is not permitted to include any conditions in the Purchase Agreement other than: the types of Early Termination Conditions listed in Schedule A; and/or the conditions referred to in paragraphs (i), (j) and (k) below. Any other condition included in a Purchase Agreement for the benefit of the Vendor that is not expressly permitted under Schedule A or paragraphs (i), (j) and (k) below is deemed null and void and is not enforceable by the Vendor, but does not affect the validity of the balance of the Purchase Agreement.

(c) The Vendor confirms that this Purchase Agreement is subject to Early Termination Conditions that, if not satisfied (or waived, if applicable), may result in the termination of the Purchase Agreement. O Yes ⊗ No

(d) If the answer in (c) above is "Yes", then the Early Termination Conditions are as follows. The obligation of each of the Purchaser and Vendor to complete this purchase and sale transaction is subject to satisfaction (or waiver, if applicable) of the following conditions and any such conditions set out in an appendix headed "Early Termination Conditions":

Condition #1 (if applicable)
Description of the Early Termination Condition:

The Approving Authority (as that term is defined in Schedule A) is: _____

The date by which Condition #1 is to be satisfied is the _____day of_____, 20 _____.

Condition #2 (if applicable)
Description of the Early Termination Condition:

The Approving Authority (as that term is defined in Schedule A) is: _____

The date by which Condition #2 is to be satisfied is the _____day of _____, 20_____.

The date for satisfaction of any Early Termination Condition may be changed by mutual agreement provided in all cases it is set at least 90 days before the First Tentative Occupancy Date, and will be deemed to be 90 days before the First Tentative Occupancy Date if no date is specified or if the date specified is later than 90 days before the First Tentative Occupancy Date. This time limitation does not apply to the condition in subparagraph 1(b)(iv) of Schedule A which must be satisfied or waived by the Vendor within 60 days following the later of: (A) the signing of the Purchase Agreement; and (B) the satisfaction or waiver by the Purchaser of a Purchaser financing condition permitted under paragraph (k) below.

Note: The parties must add additional pages as an appendix to this Addendum if there are additional Early Termination Conditions.

(e) There are no Early Termination Conditions applicable to this Purchase Agreement other than those identified in subparagraph (d) above and any appendix listing additional Early Termination Conditions.

(f) The Vendor agrees to take all commercially reasonable steps within its power to satisfy the Early Termination Conditions identified in subparagraph (d) above.

(g) For conditions under paragraph 1(a) of Schedule A the following applies:

(i) conditions in paragraph 1(a) of Schedule A may not be waived by either party;
(ii) the Vendor shall provide written notice not later than five (5) Business Days after the date specified for satisfaction of a condition that: (A) the condition has been satisfied; or (B) the condition has not been satisfied (together with reasonable details and backup materials) and that as a result the Purchase Agreement is terminated; and
(iii) if notice is not provided as required by subparagraph (ii) above then the condition is deemed not satisfied and the Purchase Agreement is terminated.

(h) For conditions under paragraph 1(b) of Schedule A the following applies:

(i) conditions in paragraph 1(b) of Schedule A may be waived by the Vendor;
(ii) the Vendor shall provide written notice on or before the date specified for satisfaction of the condition that: (A) the condition has been satisfied or waived; or (B) the condition has not been satisfied nor waived, and that as a result the Purchase Agreement is terminated; and
(iii) if notice is not provided as required by subparagraph (ii) above then the condition is deemed satisfied or waived and the Purchase Agreement will continue to be binding on both parties.

(i) The Purchase Agreement may be conditional until Closing (transfer to the Purchaser of title to the home), upon compliance with the subdivision control provisions (section 50) of the *Planning Act* and, if applicable, registration of the declaration and description for the Building under the *Condominium Act, 1998*, which compliance shall be obtained by the Vendor at its sole expense, on or before Closing.

(j) The Purchaser is cautioned that there may be other conditions in the Purchase Agreement that allow the Vendor to terminate the Purchase Agreement due to the fault of the Purchaser.

(k) The Purchase Agreement may include any condition that is for the sole benefit of the Purchaser and that is agreed to by the Vendor (e.g., the sale of an existing dwelling, Purchaser financing or a basement walkout). The Purchase Agreement may specify that the Purchaser has a right to terminate the Purchase Agreement if any such condition is not met, and may set out the terms on which termination by the Purchaser may be effected.

MAKING A COMPENSATION CLAIM

7. Delayed Occupancy Compensation

(a) The Vendor warrants to the Purchaser that, if Occupancy is delayed beyond the Firm Occupancy Date (other than by mutual agreement or as a result of Unavoidable Delay as permitted under sections 4 and 5), then the Vendor shall compensate the Purchaser up to a total amount of $7,500, which amount includes: (i) payment to the Purchaser of a set amount of $150 a day for living expenses for each day of delay until the Occupancy Date or the date of termination of the Purchase Agreement, as applicable under paragraph (b) below; and (ii) any other expenses (supported by receipts) incurred by the Purchaser due to the delay.

(b) Delayed occupancy compensation is payable only if: (i) Occupancy and Closing occurs; or (ii) the Purchase Agreement is terminated or deemed to have been terminated under paragraph 10(b) of this Addendum. Delayed occupancy compensation is payable only if the Purchaser's claim is made to Tarion in writing within one (1) year after Occupancy, or after termination of the Purchase Agreement, as the case may be, and otherwise in accordance with this Addendum. Compensation claims are subject to any further conditions set out in the ONHWP Act.

(c) If the Vendor gives written notice of a Delayed Occupancy Date to the Purchaser less than 10 days before the Firm Occupancy Date, contrary to the requirements of paragraph 3(c), then delayed occupancy compensation is payable from the date that is 10 days before the Firm Occupancy Date.

(d) Living expenses are direct living costs such as for accommodation and meals. Receipts are not required in support of a claim for living expenses, as a set daily amount of $150 per day is payable. The Purchaser must provide receipts in support of any claim for other delayed occupancy compensation, such as for moving and storage costs. Submission of false receipts disentitles the Purchaser to any delayed occupancy compensation in connection with a claim.

(e) If delayed occupancy compensation is payable, the Purchaser may make a claim to the Vendor for that compensation after Occupancy or after termination of the Purchase Agreement, as the case may be, and shall include all receipts (apart from living expenses) which evidence any part of the Purchaser's claim. The Vendor shall assess the Purchaser's claim by determining the amount of delayed occupancy compensation payable based on the rules set out in section 7 and the receipts provided by the Purchaser, and the Vendor shall promptly provide that assessment information to the Purchaser. The Purchaser and the Vendor shall use reasonable efforts to settle the claim and when the claim is settled, the Vendor shall prepare an acknowledgement signed by both parties which:

  (i) includes the Vendor's assessment of the delayed occupancy compensation payable;
  (ii) describes in reasonable detail the cash amount, goods, services, or other consideration which the Purchaser accepts as compensation (the "Compensation"), if any; and
  (iii) contains a statement by the Purchaser that the Purchaser accepts the Compensation in full satisfaction of any delayed occupancy compensation payable by the Vendor.

(f) If the Vendor and Purchaser cannot agree as contemplated in paragraph 7(e), then to make a claim to Tarion the Purchaser must file a claim with Tarion in writing within one (1) year after Occupancy. A claim may also be made and the same rules apply if the sale transaction is terminated under paragraph 10(b), in which case, the deadline for a claim is one (1) year after termination.

(g) If delayed occupancy compensation is payable, the Vendor shall either pay the compensation as soon as the proper amount is determined; or pay such amount with interest (at the prescribed rate as specified in subsection 19(1) of O.Reg. 48/01 of the *Condominium Act, 1998*), from the Occupancy Date to the date of Closing, such amount to be an adjustment to the balance due on the day of Closing.

8. Adjustments to Purchase Price

Only the items set out in Schedule B (or an amendment to Schedule B), shall be the subject of adjustment or change to the purchase price or the balance due on Closing. The Vendor agrees that it shall not charge as an adjustment or readjustment to the purchase price of the home, any reimbursement for a sum paid or payable by the Vendor to a third party unless the sum is ultimately paid to the third party either before or after Closing. If the Vendor charges an amount in contravention of the preceding sentence, the Vendor shall forthwith readjust with the Purchaser. This section shall not: restrict or prohibit payments for items disclosed in Part I of Schedule B which have a fixed fee; nor shall it restrict or prohibit the parties from agreeing on how to allocate as between them, any rebates, refunds or incentives provided by the federal government, a provincial or municipal government or an agency of any such government, before or after Closing.

MISCELLANEOUS

9. Ontario Building Code – Conditions of Occupancy

(a) On or before the Occupancy Date, the Vendor shall deliver to the Purchaser:
  (i) an Occupancy Permit (as defined in paragraph (d)) for the home; or
  (ii) if an Occupancy Permit is not required under the Building Code, a signed written confirmation by the Vendor that all conditions of occupancy under the Building Code have been fulfilled and Occupancy is permitted under the Building Code.

(b) Notwithstanding the requirements of paragraph (a), to the extent that the Purchaser and the Vendor agree that the Purchaser shall be responsible for one or more prerequisites to obtaining permission for Occupancy under the Building Code, (the "Purchaser Occupancy Obligations"):
  (i) the Purchaser shall not be entitled to delayed occupancy compensation if the reason for the delay is that the Purchaser Occupancy Obligations have not been completed;
  (ii) the Vendor shall deliver to the Purchaser, upon fulfilling all prerequisites to obtaining permission for Occupancy under the Building Code (other than the Purchaser Occupancy Obligations), a signed written confirmation that the Vendor has fulfilled such prerequisites; and
  (iii) if the Purchaser and Vendor have agreed that such prerequisites (other than the Purchaser Occupancy Obligations) are to be fulfilled prior to Occupancy, then the Vendor shall provide the signed written confirmation required by subparagraph (ii) on or before the Occupancy Date.

(c) If the Vendor cannot satisfy the requirements of paragraph (a) or subparagraph (b)(ii), the Vendor shall set a Delayed Occupancy Date (or new Delayed Occupancy Date) on a date that the Vendor reasonably expects to have satisfied the requirements of paragraph (a) or subparagraph (b)(ii), as the case may be. In setting the Delayed Occupancy Date (or new Delayed Occupancy Date), the Vendor shall comply with the requirements of section 3, and delayed occupancy compensation shall be payable in accordance with section 7. Despite the foregoing, delayed occupancy compensation shall not be payable for a delay under this paragraph (c) if the inability to satisfy the requirements of subparagraph (b)(ii) is because the Purchaser has failed to satisfy the Purchaser Occupancy Obligations.

(d) For the purposes of this section, an "Occupancy Permit" means any written or electronic document, however styled, whether final, provisional or temporary, provided by the chief building official (as defined in the *Building Code Act*) or a person designated by the chief building official, that evidences that permission to occupy the home under the Building Code has been granted.

10. Termination of the Purchase Agreement

(a) The Vendor and the Purchaser may terminate the Purchase Agreement by mutual written agreement. Such written mutual agreement may specify how monies paid by the Purchaser, including deposit(s) and monies for upgrades and extras are to be allocated if not repaid in full.

(b) If for any reason (other than breach of contract by the Purchaser) Occupancy has not been given to the Purchaser by the Outside Occupancy Date, then the Purchaser has 30 days to terminate the Purchase Agreement by written notice to the Vendor. If the Purchaser does not provide written notice of termination within such 30-day period, then the Purchase Agreement shall continue to be binding on both parties and the Delayed Occupancy Date shall be the date set under paragraph 3(c), regardless of whether such date is beyond the Outside Occupancy Date.

(c) If: calendar dates for the applicable Critical Dates are not inserted in the Statement of Critical Dates; or if any date for Occupancy is expressed in the Purchase Agreement or in any other document to be subject to change depending upon the happening of an event (other than as permitted in this Addendum), then the Purchaser may terminate the Purchase Agreement by written notice to the Vendor.

(d) The Purchase Agreement may be terminated in accordance with the provisions of section 6.

(e) Nothing in this Addendum derogates from any right of termination that either the Purchaser or the Vendor may have at law or in equity on the basis of, for example, frustration of contract or fundamental breach of contract.

(f) Except as permitted in this section, the Purchase Agreement may not be terminated by reason of the Vendor's delay in providing Occupancy alone.

11. Refund of Monies Paid on Termination

(a) If the Purchase Agreement is terminated (other than as a result of breach of contract by the Purchaser), then unless there is agreement to the contrary under paragraph 10(a), the Vendor shall refund all monies paid by the Purchaser including deposit(s) and monies for upgrades and extras, within 10 days of such termination, with interest from the date each amount was paid to the Vendor to the date of refund to the Purchaser. The Purchaser cannot be compelled by the Vendor to execute a release of the Vendor as a prerequisite to obtaining the refund of monies payable as a result of termination of the Purchase Agreement under this paragraph, although the Purchaser may be required to sign a written acknowledgement confirming the amount of monies refunded and termination of the purchase transaction. Nothing in this Addendum prevents the Vendor and Purchaser from entering into such other termination agreement and/or release as may be agreed to by the parties.

(b) The rate of interest payable on the Purchaser's monies shall be calculated in accordance with the *Condominium Act, 1998*.

(c) Notwithstanding paragraphs(a) and (b) above, if either party initiates legal proceedings to contest termination of the Purchase Agreement or the refund of monies paid by the Purchaser, and obtains a legal determination, such amounts and interest shall be payable as determined in those proceedings.

12. Definitions

"Building" means the condominium building or buildings contemplated by the Purchase Agreement, in which the Property is located or is proposed to be located.

"Business Day" means any day other than: Saturday; Sunday; New Year's Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day; and any special holiday proclaimed by the Governor General or the Lieutenant Governor; and where New Year's Day, Canada Day or Remembrance Day falls on a Saturday or Sunday, the following Monday is

not a Business Day, and where Christmas Day falls on a Saturday or Sunday, the following Monday and Tuesday are not Business Days; and where Christmas Day falls on a Friday, the following Monday is not a Business Day.
"Closing" means completion of the sale of the home, including transfer of title to the home to the Purchaser.
"Commencement of Construction" means the commencement of construction of foundation components or elements (such as footings, rafts or piles) for the Building.
"Critical Dates" means the First Tentative Occupancy Date, any subsequent Tentative Occupancy Date, the Final Tentative Occupancy Date, the Firm Occupancy Date, the Delayed Occupancy Date, the Outside Occupancy Date and the last day of the Purchaser's Termination Period.
"Delayed Occupancy Date" means the date, set in accordance with section 3, on which the Vendor agrees to provide Occupancy, in the event the Vendor cannot provide Occupancy on the Firm Occupancy Date.
"Early Termination Conditions" means the types of conditions listed in Schedule A.
"Final Tentative Occupancy Date" means the last Tentative Occupancy Date that may be set in accordance with paragraph 1(d).
"Firm Occupancy Date" means the firm date on which the Vendor agrees to provide Occupancy as set in accordance with this Addendum.
"First Tentative Occupancy Date" means the date on which the Vendor, at the time of signing the Purchase Agreement, anticipates that the home will be complete and ready for Occupancy, as set out in the Statement of Critical Dates.
"Formal Zoning Approval" occurs when the zoning by-law required for the Building has been approved by all relevant governmental authorities having jurisdiction, and the period for appealing the approvals has elapsed and/or any appeals have been dismissed or the approval affirmed.
"Occupancy" means the right to use or occupy the home in accordance with the Purchase Agreement.
"Occupancy Date" means the date the Purchaser is given Occupancy.
"Outside Occupancy Date" means the latest date that the Vendor agrees to provide Occupancy to the Purchaser, as confirmed in the Statement of Critical Dates.
"Property" or "home" means the home being acquired by the Purchaser from the Vendor, and its interest in the related common elements.
"Purchaser's Termination Period" means the 30-day period during which the Purchaser may terminate the Purchase Agreement for delay, in accordance with paragraph 10(b).
"Roof Assembly Date" means the date upon which the roof slab, or roof trusses and sheathing, as the case may be, are completed. For single units in a multi-unit block, whether or not vertically stacked, (e.g., townhouses or row houses), the roof refers to the roof of the block of homes unless the unit in question has a roof which is in all respects functionally independent from and not physically connected to any portion of the roof of any other unit(s), in which case the roof refers to the roof of the applicable unit. For multi-story, vertically stacked units, (e.g. typical high rise) roof refers to the roof of the Building.
"Statement of Critical Dates" means the Statement of Critical Dates attached to and forming part of this Addendum (in form to be determined by Tarion from time to time), and, if applicable, as amended in accordance with this Addendum.
"The ONHWP Act" means the *Ontario New Home Warranties Plan Act* including regulations, as amended from time to time.
"Unavoidable Delay" means an event which delays Occupancy which is a strike, fire, explosion, flood, act of God, civil insurrection, act of war, act of terrorism or pandemic, plus any period of delay directly caused by the event, which are beyond the reasonable control of the Vendor and are not caused or contributed to by the fault of the Vendor.
"Unavoidable Delay Period" means the number of days between the Purchaser's receipt of written notice of the commencement of the Unavoidable Delay, as required by paragraph 5(b), and the date on which the Unavoidable Delay concludes.

13. Addendum Prevails

The Addendum forms part of the Purchase Agreement. The Vendor and Purchaser agree that they shall not include any provision in the Purchase Agreement or any amendment to the Purchase Agreement or any other document (or indirectly do so through replacement of the Purchase Agreement) that derogates from, conflicts with or is inconsistent with the provisions of this Addendum, except where this Addendum expressly permits the parties to agree or consent to an alternative arrangement. The provisions of this Addendum prevail over any such provision.

14. Time Periods, and How Notice Must Be Sent

(a) Any written notice required under this Addendum may be given personally or sent by email, fax, courier or registered mail to the Purchaser or the Vendor at the address/contact numbers identified on page 2 or replacement address/contact numbers as provided in paragraph (c) below. Notices may also be sent to the solicitor for each party if necessary contact information is provided, but notices in all events must be sent to the Purchaser and Vendor, as applicable. If email addresses are set out on page 2 of this Addendum, then the parties agree that notices may be sent by email to such addresses, subject to paragraph (c) below.
(b) Written notice given by one of the means identified in paragraph (a) is deemed to be given and received: on the date of delivery or transmission, if given personally or sent by email or fax (or the next Business Day if the date of delivery or transmission is not a Business Day); on the second Business Day following the date of sending by courier; or on the fifth Business Day following the date of sending, if sent by registered mail. If a postal stoppage or interruption occurs, notices shall not be sent by registered mail, and any notice sent by registered mail within 5

Business Days prior to the commencement of the postal stoppage or interruption must be re-sent by another means in order to be effective. For purposes of this section 14, Business Day includes Remembrance Day, if it falls on a day other than Saturday or Sunday, and Easter Monday.

(c) If either party wishes to receive written notice under this Addendum at an address/contact number other than those identified on page 2 of this Addendum, then the party shall send written notice of the change of address, fax number, or email address to the other party in accordance with paragraph (b) above.

(d) Time periods within which or following which any act is to be done shall be calculated by excluding the day of delivery or transmission and including the day on which the period ends.

(e) Time periods shall be calculated using calendar days including Business Days but subject to paragraphs (f), (g) and (h) below.

(f) Where the time for making a claim under this Addendum expires on a day that is not a Business Day, the claim may be made on the next Business Day.

(g) Prior notice periods that begin on a day that is not a Business Day shall begin on the next earlier Business Day, except that notices may be sent and/or received on Remembrance Day, if it falls on a day other than Saturday or Sunday, or Easter Monday.

(h) Every Critical Date must occur on a Business Day. If the Vendor sets a Critical Date that occurs on a date other than a Business Day, the Critical Date is deemed to be the next Business Day.

(i) Words in the singular include the plural and words in the plural include the singular.

(j) Gender-specific terms include both sexes and include corporations.

15. Disputes Regarding Termination

(a) The Vendor and Purchaser agree that disputes arising between them relating to termination of the Purchase Agreement under section 11 shall be submitted to arbitration in accordance with the *Arbitration Act, 1991* (Ontario) and subsection 17(4) of the ONHWP Act.

(b) The parties agree that the arbitrator shall have the power and discretion on motion by the Vendor or Purchaser or any other interested party, or of the arbitrator's own motion, to consolidate multiple arbitration proceedings on the basis that they raise one or more common issues of fact or law that can more efficiently be addressed in a single proceeding. The arbitrator has the power and discretion to prescribe whatever procedures are useful or necessary to adjudicate the common issues in the consolidated proceedings in the most just and expeditious manner possible. The *Arbitration Act, 1991* (Ontario) applies to any consolidation of multiple arbitration proceedings.

(c) The Vendor shall pay the costs of the arbitration proceedings and the Purchaser's reasonable legal expenses in connection with the proceedings unless the arbitrator for just cause orders otherwise.

(d) The parties agree to cooperate so that the arbitration proceedings are conducted as expeditiously as possible, and agree that the arbitrator may impose such time limits or other procedural requirements, consistent with the requirements of the *Arbitration Act, 1991* (Ontario), as may be required to complete the proceedings as quickly as reasonably possible.

(e) The arbitrator may grant any form of relief permitted by the *Arbitration Act, 1991* (Ontario), whether or not the arbitrator concludes that the Purchase Agreement may properly be terminated.

For more information please visit www.tarion.com

SCHEDULE A

Types of Permitted Early Termination Conditions

1. The Vendor of a condominium home is permitted to make the Purchase Agreement conditional as follows:

(a) upon receipt of Approval from an Approving Authority for:
- (i) a change to the official plan, other governmental development plan or zoning by-law (including a minor variance);
- (ii) a consent to creation of a lot(s) or part-lot(s);
- (iii) a certificate of water potability or other measure relating to domestic water supply to the home;
- (iv) a certificate of approval of septic system or other measure relating to waste disposal from the home;
- (v) completion of hard services for the property or surrounding area (i.e., roads, rail crossings, water lines, sewage lines, other utilities);
- (vi) allocation of domestic water or storm or sanitary sewage capacity;
- (vii) easements or similar rights serving the property or surrounding area;
- (viii) site plan agreements, density agreements, shared facilities agreements or other development agreements with Approving Authorities or nearby landowners, and/or any development Approvals required from an Approving Authority; and/or
- (ix) site plans, plans, elevations and/or specifications under architectural controls imposed by an Approving Authority.

The above-noted conditions are for the benefit of both the Vendor and the Purchaser and cannot be waived by either party.

(b) upon:
- (i) receipt by the Vendor of confirmation that sales of condominium dwelling units have exceeded a specified threshold by a specified date;
- (ii) receipt by the Vendor of confirmation that financing for the project on terms satisfactory to the Vendor has been arranged by a specified date;
- (iii) receipt of Approval from an Approving Authority for a basement walkout; and/or
- (iv) confirmation by the Vendor that it is satisfied the Purchaser has the financial resources to complete the transaction.

The above-noted conditions are for the benefit of the Vendor and may be waived by the Vendor in its sole discretion.

2. The following definitions apply in this Schedule:

"Approval" means an approval, consent or permission (in final form not subject to appeal) from an Approving Authority and may include completion of necessary agreements (i.e., site plan agreement) to allow lawful access to and use and occupancy of the property for its intended residential purpose.
"Approving Authority" means a government (federal, provincial or municipal), governmental agency, Crown corporation, or quasi-governmental authority (a privately operated organization exercising authority delegated by legislation or a government).

3. Each condition must:

(a) be set out separately;
(b) be reasonably specific as to the type of Approval which is needed for the transaction; and
(c) identify the Approving Authority by reference to the level of government and/or the identity of the governmental agency, Crown corporation or quasi-governmental authority.

4. For greater certainty, the Vendor is not permitted to make the Purchase Agreement conditional upon:

(a) receipt of a building permit;
(b) receipt of an occupancy permit; and/or
(c) completion of the home.

SCHEDULE B

Adjustments to Purchase Price or Balance Due on Closing

PART I Stipulated Amounts/Adjustments

These are additional charges, fees or other anticipated adjustments to the final purchase price or balance due on Closing, the dollar value of which is stipulated in the Purchase Agreement and set out below.

[Draft Note: List items with any necessary cross-references to text in the Purchase Agreement.]

1. See attached

2.

3.

PART II All Other Adjustments – to be determined in accordance with the terms of the Purchase Agreement

These are additional charges, fees or other anticipated adjustments to the final purchase price or balance due on Closing which will be determined after signing the Purchase Agreement, all in accordance with the terms of the Purchase Agreement.

[Draft Note: List items with any necessary cross-references to text in the Purchase Agreement.]

1. See attached

2.

3.

SCHEDULE B TO ADDENDUM
ADJUSTMENT TO PURCHASE PRICE OR BALANCE DUE ON CLOSING

PART I – Stipulated Amounts/Adjustments

These are additional charges, fees or other anticipated adjustments to the final purchase price or balance due on Closing, the dollar value of which is stipulated in the Purchase Agreement and set out below.

	DESCRIPTION	SECTION	AMOUNT
1	Cheque administration fee (subsection 81(6) of the Condominium Act)	6(d)(vii)	$50.00 per cheque, plus HST
2	Certain Amendments	6(e)	$350.00, plus HST
3	Unaccepted cheque	6(j)	$250.000, per cheque

PART II – All Other Adjustments – to be determined in accordance with the terms of the Purchase Agreement

These are additional charges, fees or other anticipated adjustments to the final purchase price or balance due on Closing which will be determined after signing the Purchase Agreement, all in accordance with the terms of the Purchase Agreement.

	DESCRIPTION	SECTION
1	Utility costs	6(a)(i)
2	Occupancy Fees and other amounts	6(a)(ii); 23(b); Schedule C to Purchase Agreement
3	Realty taxes	6(b)(i)
	Common expense contributions	6(b)(ii)
4	Any new taxes or increases to existing taxes	6(d)(i)
5	Upgrades and/or extras and/or charges	6(d(ii)
6	Increase of Levies or new Levies	6(d)(iii)
7	TWC enrolment fee	6(d)(iv)
8	Utility meters, connection, installation, energization, etc., charges	6(d)(v)
9	Law Society of Upper Canada charge imposed on Vendor or its solicitors	6(d)(vi)
10	Any other additional or further adjustments agreed to in writing between the Vendor and Purchaser subsequent to the execution of this Agreement	6(d)(vii)
11	Leased hot water tank	6(f)
12	Utility Supplier(s) deposit(s)	6(g)
13	HST Rebate where Purchaser does not qualify for the Rebate	6(h)
14	HST on Adjustments	6(i)
15	Removing unauthorized title registrations	16
16	Interest and liquidated damages	25(b)
17	Use of Vendor's solicitor's computer facilities	30(c)

Appendix “E”

OREA Ontario Real Estate Association

Form 150
for use in the Province of Ontario

Assignment of Agreement of Purchase and Sale
Condominium

Toronto Regional Real Estate Board

This Assignment of Agreement of Purchase and Sale dated this 3 day of JUNE 20 26

ASSIGNEE: BRELOW INC. (Full legal names of all Assignees), agrees to purchase from

ASSIGNOR: Robert HISCOX (Full legal names of all Assignors), the following

THE ASSIGNOR'S INTEREST IN THE REAL PROPERTY:

a unit in the condominium property located at 128 Hazelton Avenue M5R2E5 Toronto

in the city of Toronto being

Unit No. 404 Level No. 4 Condominium Plan No. 2967

Building No. ..... known as ..... (Apartment/Townhouse/Suite/Unit) No. ..... together with ownership

or exclusive use of Parking Space(s) N/A (Number(s), Level(s)), together with ownership or exclusive use of

Locker(s) #19,PIN 78967-0067 (Number(s), Level(s)), together with seller's proportionate undivided tenancy-in-common interest in the common elements appurtenant to the Unit as described in the Declaration and Description including the exclusive right to use such other parts of the common elements appurtenant to the Unit as may be specified in the Declaration and Description: the Unit, the proportionate interest in the common elements appurtenant thereto, and the exclusive use portions of the common elements, being herein called the "property".

PURCHASE PRICE: Dollars (CDN$) 2,200,000.00

Two Million Two Hundred Thousand Dollars

DEPOSIT: Assignee submits One Hundred Fifteen Thousand (Herewith/Upon Acceptance/as otherwise described in this Agreement)

Dollars (CDN$) 115,000.00

by negotiable cheque payable to Goldman Sloane Nash & Haber LLP, IN TRUST "Deposit Holder" to be held in trust pending completion or other termination of this Assignment agreement ("Assignment") and to be credited toward the Purchase Price on completion. For the purposes of this Assignment, "Upon Acceptance" shall mean that the Assignee is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Assignment agreement. The parties to this Assignment hereby acknowledge that, unless otherwise provided for in this Assignment, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

The Assignee and Assignor acknowledge that the Purchase Price noted above includes both the purchase price the Assignor is paying for the property as indicated in the Agreement of Purchase and Sale between the Assignor and the seller of the property attached hereto as Schedule C, and also includes the amount being paid by the Assignee to the Assignor as payment for the Assignment Agreement. The Assignee and Assignor agree that the funds for this transaction will be calculated and paid as set out in Schedule B attached hereto and forming part of this Agreement.

Assignee agrees to pay the balance as more particularly set out in Schedules A and B attached.

Schedules A, B (Calculation of funds for this Agreement), C (Agreement of Purchase and Sale that is the subject of this Assignment),

..... **attached hereto form(s) part of this Agreement.**

INITIALS OF ASSIGNEE(S): 

INITIALS OF ASSIGNOR(S): 

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1. IRREVOCABILITY: This offer shall be irrevocable by ..... Assignor ..... until ..... 5PM ..... on
(Assignor/Assignee) (a.m./p.m.)

the ..... 7th ..... day of ..... JUNE ..... 20..26....., after which time, if not accepted, this offer shall be null and void and the deposit shall be returned to the Assignee in full without interest.

2. ASSIGNMENT: The Assignor agrees to grant and assign to the Assignee, forthwith all the Assignor's rights, title and interest, in, under and to the Agreement of Purchase and Sale attached hereto in Schedule "C".

3. ASSIGNEE COVENANTS: The Assignee hereby covenants and agrees with the Assignor that forthwith upon the assignment of the Agreement of Purchase and Sale it will assume, perform, comply with and be bound by, all obligations, warranties and representations of the Assignor as contained in the Agreement of Purchase and Sale as if the Assignee had originally executed the Agreement of Purchase and Sale as buyer with the seller.

4. ASSIGNOR COVENANTS: The Assignor covenants and represents that:

(a) the Assignor has the full right, power and authority to assign the prior Agreement of Purchase and Sale attached hereto as Schedule "C" (the "Agreement of Purchase and Sale") and the Assignor's interest in the property;
(b) the Agreement of Purchase and Sale attached hereto as Schedule "C" is a full and complete copy thereof and has not been amended, supplemented, terminated or otherwise changed in any way and is in good standing and has not previously been assigned.
(c) the Assignor will not amend the Agreement of Purchase and Sale without the Assignee's prior written consent;
(d) after acceptance of this Assignment Agreement until the earlier of termination or completion of the Agreement of Purchase and Sale attached hereto as Schedule "C", the Assignor will not further assign the Agreement of Purchase and Sale.
(e) neither party to the Agreement of Purchase and Sale (Schedule C) has done any act in breach of the said Agreement of Purchase and Sale or committed any omission with respect to the said Agreement of Purchase and Sale.

5. NOTICES: The Assignor hereby appoints the Listing Brokerage as agent for the Assignor for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Assignee's Brokerage) has entered into a representation agreement with the Assignee, the Assignee hereby appoints the Assignee's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **The Brokerage shall not be appointed or authorized to be agent for either the Assignee or the Assignor for the purpose of giving and receiving notices where the Brokerage represents both the Assignor and the Assignee (multiple representation) or where the Assignee or the Assignor is a self-represented party.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, **"Document"**) shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to the facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.: ..... (For delivery of Documents to Assignor)

FAX No.: ..... (For delivery of Documents to Assignee)

Email Address: ..... davidn@gsnh.com, robert@hiscox.org ..... (For delivery of Documents to Assignor)

Email Address: ..... shaqilhasmani@yahoo.com ..... (For delivery of Documents to Assignee)

6. HST: If the sale of the Property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be

..... in addition to ..... the Purchase Price. If the sale of the Property is not subject to HST, Assignor agrees to certify on or before
(included in/in addition to)
closing, that the sale of the Property is not subject to HST. Any HST on chattels, if applicable, is not included in the Purchase Price.

7. FUTURE USE: Assignor and Assignee agree that there is no representation or warranty of any kind that the future intended use of the property by Assignee is or will be lawful except as may be specifically provided for in this Assignment.

8. INSPECTION: Assignee acknowledges having had the opportunity to inspect the property or the plans and documents for the property to be constructed and understands that upon acceptance of this offer there shall be a binding Assignment agreement between Assignee and Assignor.

9. PLANNING ACT: Provided that this Assignment shall not be effective to create or convey an interest in the property unless and until the provisions of the Planning Act RSO 1990 c. P13, as amended are complied with.

INITIALS OF ASSIGNEE(S): 

INITIALS OF ASSIGNOR(S): 

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10. RESIDENCY: (a) Subject to (b) below, the Assignor represents and warrants that the Assignor is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Assignor shall deliver to the Assignee a statutory declaration that Assignor is not then a non-resident of Canada;
(b) provided that if the Assignor is a non-resident under the non-residency provisions of the Income Tax Act, the Assignee shall be credited towards the Purchase Price with the amount, if any, necessary for Assignee to pay to the Minister of National Revenue to satisfy Assignee's liability in respect of tax payable by Assignor under the non-residency provisions of the Income Tax Act by reason of this sale. Assignee shall not claim such credit if Assignor delivers on completion the prescribed certificate.

11. ADJUSTMENTS: Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Assignee.

12. PROPERTY ASSESSMENT: The Assignee and Assignor hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Assignee and Assignor agree that no claim will be made against the Assignee or Assignor, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.

13. TIME LIMITS: Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Assignor and Assignee or by their respective lawyers who may be specifically authorized in that regard.

14. TENDER: Any tender of documents or money hereunder may be made upon the Assignor or Assignee or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Lynx high value payment system as set out and prescribed by the *Canadian Payments Act (R.S.C., 1985, c. C-21),* as amended from time to time.

15. APPROVAL OF THE AGREEMENT: In the event that consent to this Assignment is required to be given by the seller in the Agreement of Purchase and Sale attached hereto in Schedule C, the Assignor will apply, at the sole expense of the Assignor, forthwith for the requisite consent, and if such consent is refused, then this agreement shall be null and void and the deposit monies paid hereunder shall be refunded without interest or other penalty to the Assignee.

16. AGREE TO CO-OPERATE: Except as otherwise expressed herein to the contrary, each of the Assignor and Assignee shall, without receiving additional consideration therefor, co-operate with and take such additional actions as may be requested by the other party, acting reasonably, in order to carry out the purpose and intent of this Assignment.

17. DEFAULT BY SELLER: The Assignee and Assignor acknowledge and agree that if this Assignment Agreement is not completed due to the default of the seller for the Agreement of Purchase and Sale (Schedule C) that is the subject of this Assignment, the Assignor shall not be liable for any expenses, losses or damages incurred by the Assignee and this Assignment Agreement shall become null and void and all moneys paid by the Assignee under this Assignment Agreement shall be returned to the Assignee in full without interest.

18. LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE: The parties acknowledge that any information provided by the Brokerage is not legal, tax or environmental advice.

19. CONSUMER REPORTS: The Assignee is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.

20. AGREEMENT IN WRITING: If there is conflict or discrepancy between any provision added to this Assignment (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Assignment including any Schedule attached hereto, shall constitute the entire agreement between Assignee and Assignor. There is no representation, warranty, collateral agreement or condition, which affects this Assignment other than as expressed herein. This Assignment shall be read with all changes of gender or number required by the context.

21. ELECTRONIC SIGNATURES: The parties hereto consent and agree to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000,* S.O. 2000, c17 as amended from time to time with respect to this Agreement and any other documents respecting this transaction.

22. TIME AND DATE: Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF ASSIGNEE(S):  **INITIALS OF ASSIGNOR(S):** 

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23. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

(Witness)	(Assignee) Brelow Inc.	(Seal)	June 7, 2026 (Date)	
(Witness)	(Assignee) Authority to Bind the Corp.	(Seal)	(Date)	

I, the Undersigned Assignor, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

(Witness)	(Assignor) Robert HISCOX	(Seal)	June 8th 2026 (Date)	
(Witness)	(Assignor)	(Seal)	(Date)	

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 7PM (a.m./p.m.) this 8th day of JUNE, 20 26

(Signature of Assignor or Assignee)

INFORMATION ON BROKERAGE(S)

Listing Brokerage NONE N/A (Tel. No.)

(Salesperson/Broker/Broker of Record Name)

Co-op/Assignee Brokerage NONE N/A (Tel. No.)

(Salesperson/Broker/Broker of Record Name)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Assignment Agreement and I authorize the Brokerage to forward a copy to my lawyer.

(Assignor) Robert HISCOX June 8th 2026 (Date)

(Assignor) (Date)

Address for Service 2nd FL 128 Hazelton Ave. Toronto

(Tel. No.)

Assignor's Lawyer David Nakelsky

Address

Email davidn@gsnh.com

4165977880 (Tel. No.) (Fax No.)

I acknowledge receipt of my signed copy of this accepted Assignment Agreement and I authorize the Brokerage to forward a copy to my lawyer.

(Assignee) Brelow Inc. June 7, 2026 (Date)

(Assignee) Authority to Bind the Corp (Date)

Address for Service

(Tel. No.)

Assignee's Lawyer Winston Moh

Address 200 Town Centre Blvd Suite 205

Email winston@gglawoffice.ca

905-470-7995 (Tel. No.) (Fax No.)

FOR OFFICE USE ONLY

COMMISSION TRUST AGREEMENT

To: Co-operating Brokerage shown on the foregoing Assignment Agreement:
In consideration for the Co-operating Brokerage procuring the foregoing Assignment Agreement, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.

DATED as of the date and time of the acceptance of the foregoing Assignment Agreement.

Acknowledged by:

(Authorized to bind the Listing Brokerage) NA

(Authorized to bind the Co-operating Brokerage)

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OREA Ontario Real Estate Association

Form 150
for use in the Province of Ontario

Schedule A
Assignment of Agreement of Purchase and Sale - Condominium

This Schedule is attached to and forms part of the Assignment of Agreement of Purchase and Sale - Condominium between:

ASSIGNEE: BRELOW INC., and

ASSIGNOR: Robert HISCOX

for the purchase and sale of 128 Hazelton Avenue M5R2E5

Toronto dated the 3 day of JUNE, 2026

BALANCE OF PAYMENT UNDER THIS ASSIGNMENT AGREEMENT: The Assignee will deliver the balance of payment for this Assignment Agreement as more particularly set out in Item 6. on Schedule B, subject to adjustments, with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Lynx high value payment system as set out and prescribed by the *Canadian Payments Act (R.S.C., 1985, c. C-21)*, as amended from time to time, to the Assignor prior to completing the transaction in the Agreement of Purchase and Sale attached hereto as Schedule "C" to be held in trust without interest pending completion or other termination of the Agreement of Purchase and Sale attached hereto as Schedule "C".

(10 business days)

The Assignee shall pay the deposit of $115,000.00 noted on page 1 of this assignment within ~~5 business days~~ of the signing of this agreement. Not within 24 hrs as noted on page 1 of this assignment.

Upon the the signing of this Assignment Agreement by both the Assignor and the Assignee, this Assignment Agreement will be conditional for 5 business days for the Assignee's benefit and the Assignee's sole discretion. This 5 business day conditional period will be deemed to be waived by the Assignee upon the Assignor's receipt of the deposit of $115,000.00 into the Assignor's lawyer's trust account within 5 days of the signing of this agreement.

Should the full $115,000.00 deposit not be received into the Assignor's lawyer's trust account within 5 business days of the signing of this agreement then this assignment agreement will terminated and null and void.

Completion Date: This Assignment Agreement and the closing of the 404 unit and Locker herein shall complete and transfer to the Assignee by no later then 6:00 PM on September 28th 2026. Should the Assignee fail to provide its' required funds to close this transaction on or before 6PM on September 28th 2026 then the Assignee shall forfeit any deposits made under this assignment and this assignment agreement will terminated and null and void.

The obligation of the parties to complete this Assignment is subject to the consent of AlixPartners Restructuring, Inc. (formerly KSV Restructuring Inc.), the receiver (the "Receiver") of the property, and amendment of the Agreement of Purchase and Sale between the Receiver, the Assignor and Assignee for such amendments as the Receiver may require.

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OREA Ontario Real Estate Association

Form 150
for use in the Province of Ontario

Schedule B
Assignment of Agreement of Purchase and Sale - Condominium

This Schedule is attached to and forms part of the Assignment of Agreement of Purchase and Sale - Condominium between:

ASSIGNEE: BRELOW INC., and

ASSIGNOR: Robert HISCOX

for the purchase and sale of 128 Hazelton Avenue M5R2E5

Toronto dated the 3 day of JUNE, 20 26

The Assignee and Assignor agree that the calculation of funds to be paid for this Assignment Agreement, subject to adjustments, is as set out in the following Items:

1.	Total Purchase Price including the original Agreement of Purchase and Sale and this Assignment Agreement:	$ 2,200,000.00
2.	Purchase Price of original Agreement of Purchase and Sale as indicated in Schedule C:	$ 2,065,450.00
3.	Deposit(s) paid by Assignor to the seller under the original Agreement of Purchase and Sale as indicated in Schedule C, to be paid by the Assignee to the Assignor as follows:	$ 231,546.00
	(Upon acceptance of this Assignment Agreement and receipt of consent to assign from original seller, if applicable/Upon final closing of original Agreement of Purchase and Sale and this Assignment Agreement/As otherwise described here or elsewhere in this Agreement)	
4.	Payment by Assignee to Assignor for this Assignment Agreement:	$ 366,096.00
5.	Deposit paid under this Assignment Agreement (in accordance with Page 1 of this Assignment Agreement):	$ 115,000.00
6.	Balance of the payment for this Assignment Agreement:	$ 251,096.00

This form must be initialled by all parties to the Assignment of Agreement of Purchase and Sale.

INITIALS OF ASSIGNEE(S): 

INITIALS OF ASSIGNOR(S): 

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Appendix “F”

Docusign Envelope ID: D4FB9926-6FF2-8236-80CA-0A5A5F4EF06B

THIS AMENDED AND RESTATED CONSENT AND AMENDMENT ("**AGREEMENT**") IS MADE this __th day of August

ROBERT HISCOX
(hereinafter referred to as the "Assignor")
OF THE FIRST PART

–AND –

BRELOW INC.
(hereinafter referred to as the "Assignee")
OF THE SECOND PART

-AND-

ALIX PARTNERS RESTRUCTURING, INC. ("ALIXPARTNERS" AND FORMERLY KSV RESTRUCTURING INC., "KSV")
solely in its capacity as Receiver and Manager of
the property, assets and undertaking of
MIZRAHI (128 Hazelton) INC.
and not in its personal capacity
(hereinafter referred to as the "Vendor")
OF THE THIRD PART

WHEREAS the Assignor and Mizrahi (128 Hazelton) Inc. have entered into an agreement of purchase and sale dated the 16th day of November, 2018, including all amendments and upgrade and/or change orders, if applicable, attached hereto (the "**Purchase Agreement**") whereby the Assignor agreed to purchase and Mizrahi (128 Hazelton) Inc. agreed to sell, among other things, proposed Residential Unit 04, Level 4, known as Suite 404, together with Locker Unit 19, Level 2 (collectively, the "**Units**"), which Units were to be purchased by the Assignor together with its appurtenant interest in the common elements in accordance with the condominium plan documentation proposed to be registered against the land and premises described in the Purchase Agreement and municipally located at 128 Hazelton Avenue, Toronto, Ontario (the "**Condominium**").

AND WHEREAS the Assignor and the Assignee desire that the Assignor assign unto the Assignee all of her rights, title and benefits and interest in the Units, to and under the Purchase Agreement.

AND WHEREAS pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated June 4, 2024, KSV was appointed as receiver and manager of the property, assets and undertaking of Mizrahi (128 Hazelton) Inc. and has authority to enter into this agreement and, subject to further Order of the Court, to convey title in the Units to the Assignee.

AND WHEREAS on June 1, 2026 KSV changed its name to AlixPartners.

AND WHEREAS the Vendor has agreed to consent to the said assignment on the terms hereinafter set forth.

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT in consideration of the mutual covenants and agreements herein contained and the sum of TEN DOLLARS ($10.00) of lawful money of Canada paid by each of the parties hereto to the other and for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of them) the parties hereby covenant and agrees as follows:

1. The parties hereto hereby acknowledge and confirm that the foregoing recitals are true both in substance and in fact.

2. The Assignor hereby assigns, transfers and sets over to the Assignee by way of absolute assignment, all of its rights, title, benefit and interest in the Units, to and under the Purchase Agreement.

Docusign Envelope ID: D4FB9926-6FF2-8236-80CA-0A5A5F4EF06B

3. The Assignee hereby covenants and agrees to and with the Assignor and the Vendor to assume the burden of all obligations on the part of the Assignor to be performed and/or borne pursuant to the Purchase Agreement, and further covenants and agrees to be bound by the terms and provisions of the Purchase Agreement as though it has originally executed same as the Purchaser.

4. The Assignee covenants and agrees with the Vendor that it shall forthwith do and suffer any act, and/or execute any documentation, which the Vendor may require from time to time in its sole, absolute and unfettered discretion for the purposes of confirming the assumption by the Assignee of the Assignor's obligations pursuant to the Purchase Agreement.

5. The Vendor hereby, subject to the terms herein and the granting of an Order by the Court approving the Purchase Agreement and the transaction contemplated therein (the "**Approval Order**"), consents to the within assignment of the Purchase Agreement from the Assignor to the Assignee.

6. The Vendor covenants and agrees to use its commercially reasonable efforts to seek the Approval Order on or before September 18, 2026 subject to Court availability.

7. The Parties hereby acknowledge and agree that notwithstanding any other provisions of the Purchase Agreement, the Purchase Agreement is amended as contemplated by the amendments set out in Schedule "A" hereto.

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

9. Time shall be of the essence of this Agreement, and the Purchase Agreement, and all terms of the Purchase Agreement shall continue in full force and effect.

10. This Agreement shall enure to the benefit of and be binding upon the parties hereto their respective successors and assigns.

11. The Assignor warrants and confirms that the Purchase Agreement is in good standing and all deposits paid by the Assignor to date under paragraph 1(a) as amended (totaling $441,760.00) have been paid and the Vendor agrees that such deposits shall be credited to the Assignee on closing as part of the purchase price.

12. The Assignee agrees to pay all further deposits payable under the Purchase Agreement, if any, and the balance of the purchase price by wire transfer, bank draft or by certified cheque to the Vendor on closing in accordance with the provisions of the Purchase Agreement.

13. The Assignor further agrees to pay to the Vendor upon execution of this Agreement a sum equivalent $1,500.00 plus applicable HST as an administration fee to the Vendor for giving its consent as described herein.

14. The Assignor hereby guarantees the due and timely performance and fulfillment of all covenants and obligations of the Assignee arising under this Agreement and the Purchase Agreement, including without limitation, the obligation to pay the purchase price in respect of the Unit to the Vendor, and all other monies owing or payable to the Vendor by the "Purchaser" in accordance with the provisions of the Purchase Agreement, and agrees to indemnify and save the Vendor harmless from and against all losses, damages, costs and expenses which the Vendor may sustain, incur or become liable for, by reason of the Assignee's default under this Agreement, or the Purchase Agreement. In the event of the Assignee's failure to complete the transaction in accordance with the terms and conditions of the Purchase Agreement, the Assignee acknowledges and agrees that the Vendor has the right, but not the obligation, to call upon the Assignor to complete the transaction in the Assignee's place, and where the Assignor is specifically called upon to pay the purchase price, the Assignee acknowledges and agrees that the Assignor shall have the

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right to receive title to the Unit, and the Assignee shall release the Vendor and the Assignor from and against any and all costs, damages, actions, proceedings, demands and/or claims whatsoever which either of the parties hereto now has, or may hereafter have, against the other party hereto, by reason of, or in connection with, the Purchase Agreement (and any and all addenda thereto or amendments thereof) and/or the completion thereof by the Assignor and Vendor in such case.

15. Any further assignment of the Purchase Agreement by the Assignee shall remain to be subject to the terms of the Purchase Agreement.

16. The parties hereto agree that notice of acceptance and delivery of the within offer and all communications thereto may be made by facsimile, or other electronic means addressed to the parties hereto or their solicitors or their agents. The parties hereto agree facsimile or other electronic copies shall constitute original copies.

IN WITNESS WHEREOF the parties have executed this Agreement on the ___ day of August 2026.

_____
Witness

_____
Assignor: **ROBERT HISCOX**

BRELOW INC.

Per: _____
Name: Shaqil Hasmani
Title: Director

I/We have the authority to bind the Corporation

ALIXPARTNERS RESTRUCTURING, INC.
(formerly KSV Restructuring Inc.)
solely in its capacity
as Receiver and Manager of
the property, assets and undertaking of
MIZRAHI (128 Hazelton) INC.
and not in its personal capacity

Signed by:
Per: Bobby Kofman
89D097DCF2284F6...
Name: Robert Kofman
Title:

I/We have the authority to bind the Corporation

Docusign Envelope ID: D4FB9926-6FF2-8236-80CA-0A5A5F4EF06B

SCHEDULE "A" – AMENDMENTS TO PURCHASE AGREEMENT

The Parties hereby agree that:

(a) Notwithstanding any provision of the Purchase Agreement including all Schedules thereto, the Units are being purchased only to the state of the finishes existing as of the date of this Agreement and no additional work will be required to be performed by the Vendor in respect of the Units.

(b) The Purchase Agreement is amended such that the parking garage including 2 parking units as originally contemplated under the Purchase Agreement, does not form part of the Units to be purchased by the Purchaser;

(c) (i) the Units are being purchased on an "as is, where is" basis; and (ii) no representation or warranty, either express or implied, has been or will be given by the Vendor as to the title to or the boundaries of the Unit and the Property, the condition of the Unit, the environmental condition of the Unit and the Property, soil and subsoil conditions, the zoning and other laws, by-laws, regulations, rules or codes applicable to the Unit and the Property, the size, quality, quantity, fitness for purpose and/or marketability of the Unit and the Property, or any other matter or thing affecting or related to the Unit or the Property or any part thereof or the transaction contemplated hereby; and (iii) the Purchaser has not relied upon any representation or warranty or upon any offering material or other information furnished to the Purchaser by the Vendor or the Vendor's agent or any other person or entity including, without limitation, any reports, studies or assessments provided to the Purchaser by or on behalf of the Vendor.

(d) "Title Transfer Date" and "Occupancy Date" shall be the date that is the "Completion Date" as set out in the Assignment Agreement

(e) The address provided for the Vendor in Section 40, being "126 Hazelton Avenue, Toronto, Ontario M5R 2E5" is deleted and replaced with the following:

AlixPartners Restructuring, Inc.
220 Bay Street, 13th Floor, PO Box 20
Toronto, ON M5J 2W4
Attention: Bobby Kofman
Email: bkofman@ksvadvisory.com

Appendix “G”

Docusign Envelope ID: CE652324-BEA4-411D-8437-1C6AC0AB37E5

OREA Ontario Real Estate Association

Form 150
for use in the Province of Ontario

Assignment of Agreement of Purchase and Sale
Condominium

Toronto Regional Real Estate Board

This Assignment of Agreement of Purchase and Sale dated this .....2nd..... day of .....October..... 20.25.

ASSIGNEE: HAZY Holdings Inc., agrees to purchase from
(Full legal names of all Assignees)

ASSIGNOR: Robert HISCOX, the following
(Full legal names of all Assignors)

THE ASSIGNOR'S INTEREST IN THE REAL PROPERTY:

a unit in the condominium property located at 128 Hazelton Ave PRIVATE GARAGE only

in the City of Toronto PRIVATE GARAGE being

Signed by: FCA226DA87B3449...

Unit No. ...UNITS 14 &XXX 13. Level No. ..... LEVEL ..B..... Condominium Plan No. .....2967.....

HISCOX

Building No. ..... known as ..... No. ..... together with ownership
(Apartment/Townhouse/Suite/Unit)

or exclusive use of Parking Space(s) .....PINs 76967-0046 LT and 76967-0047 LT.....together with ownership or exclusive use of
(Number(s), Level(s))

Locker(s) NA, together with seller's proportionate undivided tenancy-in-common interest
(Number(s), Level(s))

in the common elements appurtenant to the Unit as described in the Declaration and Description including the exclusive right to use such other parts of the common elements appurtenant to the Unit as may be specified in the Declaration and Description: the Unit, the proportionate interest in the common elements appurtenant thereto, and the exclusive use portions of the common elements, being herein called the "property".

PURCHASE PRICE: Dollars (CDN$) 350,000.00

.....Three hundred and fifty thousand..... Dollars

DEPOSIT: Assignee submits twenty thousand
(Herewith/Upon Acceptance/as otherwise described in this Agreement)

..... Dollars (CDN$) 20,000.00

by negotiable cheque payable to Goldman Sloane Nash & Haber LLP, in trust "Deposit Holder" to be held in trust pending completion or other termination of this Assignment agreement ("Assignment") and to be credited toward the Purchase Price on completion. For the purposes of this Assignment, "Upon Acceptance" shall mean that the Assignee is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Assignment agreement. The parties to this Assignment hereby acknowledge that, unless otherwise provided for in this Assignment, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

The Assignee and Assignor acknowledge that the Purchase Price noted above includes both the purchase price the Assignor is paying for the property as indicated in the Agreement of Purchase and Sale between the Assignor and the seller of the property attached hereto as Schedule C, and also includes the amount being paid by the Assignee to the Assignor as payment for the Assignment Agreement. The Assignee and Assignor agree that the funds for this transaction will be calculated and paid as set out in Schedule B attached hereto and forming part of this Agreement.

Assignee agrees to pay the balance as more particularly set out in Schedules A and B attached.

Schedules A, B (Calculation of funds for this Agreement), C (Agreement of Purchase and Sale that is the subject of this Assignment),

..... **attached hereto form(s) part of this Agreement.**

INITIALS OF ASSIGNEE(S): Initial **INITIALS OF ASSIGNOR(S):** HISCOX

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1. **IRREVOCABILITY:** This offer shall be irrevocable by Signed by: FCA226DAB7B3449... Assignor (Assignor/Assignee) until 5PM (a.m./p.m.) on the 6th day of ~~October~~ November 20 25, after which time, if not accepted, this offer shall be null and void and the deposit shall be returned to the Assignee in full without interest.

2. **ASSIGNMENT:** The Assignor agrees to grant and assign to the Assignee, forthwith all the Assignor's rights, title and interest, in, under and to the Agreement of Purchase and Sale attached hereto in Schedule "C".

3. **ASSIGNEE COVENANTS:** The Assignee hereby covenants and agrees with the Assignor that forthwith upon the assignment of the Agreement of Purchase and Sale it will assume, perform, comply with and be bound by, all obligations, warranties and representations of the Assignor as contained in the Agreement of Purchase and Sale as if the Assignee had originally executed the Agreement of Purchase and Sale as buyer with the seller.

4. **ASSIGNOR COVENANTS:** The Assignor covenants and represents that:
   (a) the Assignor has the full right, power and authority to assign the prior Agreement of Purchase and Sale attached hereto as Schedule "C" (the "Agreement of Purchase and Sale") and the Assignor's interest in the property;
   (b) the Agreement of Purchase and Sale attached hereto as Schedule "C" is a full and complete copy thereof and has not been amended, supplemented, terminated or otherwise changed in any way and is in good standing and has not previously been assigned.
   (c) the Assignor will not amend the Agreement of Purchase and Sale without the Assignee's prior written consent;
   (d) after acceptance of this Assignment Agreement until the earlier of termination or completion of the Agreement of Purchase and Sale attached hereto as Schedule "C", the Assignor will not further assign the Agreement of Purchase and Sale.
   (e) neither party to the Agreement of Purchase and Sale (Schedule C) has done any act in breach of the said Agreement of Purchase and Sale or committed any omission with respect to the said Agreement of Purchase and Sale.

5. **NOTICES:** The Assignor hereby appoints the Listing Brokerage as agent for the Assignor for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Assignee's Brokerage) has entered into a representation agreement with the Assignee, the Assignee hereby appoints the Assignee's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **The Brokerage shall not be appointed or authorized to be agent for either the Assignee or the Assignor for the purpose of giving and receiving notices where the Brokerage represents both the Assignor and the Assignee (multiple representation) or where the Assignee or the Assignor is a self-represented party.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, **"Document"**) shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to the facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.: ..... (For delivery of Documents to Assignor)

FAX No.: ..... (For delivery of Documents to Assignee)

Email Address: davidn@gsnh.com ,robert@hiscox.org (For delivery of Documents to Assignor)

Email Address: ..... (For delivery of Documents to Assignee)

6. **HST:** If the sale of the Property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be ..... (included in/in addition to) in addition to ..... the Purchase Price. If the sale of the Property is not subject to HST, Assignor agrees to certify on or before closing, that the sale of the Property is not subject to HST. Any HST on chattels, if applicable, is not included in the Purchase Price.

7. **FUTURE USE:** Assignor and Assignee agree that there is no representation or warranty of any kind that the future intended use of the property by Assignee is or will be lawful except as may be specifically provided for in this Assignment.

8. **INSPECTION:** Assignee acknowledges having had the opportunity to inspect the property or the plans and documents for the property to be constructed and understands that upon acceptance of this offer there shall be a binding Assignment agreement between Assignee and Assignor.

9. **PLANNING ACT:** Provided that this Assignment shall not be effective to create or convey an interest in the property unless and until the provisions of the Planning Act RSO 1990 c. P13, as amended are complied with.

INITIALS OF ASSIGNEE(S): Initial **INITIALS OF ASSIGNOR(S):**

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10. RESIDENCY: (a) Subject to (b) below, the Assignor represents and warrants that the Assignor is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Assignor shall deliver to the Assignee a statutory declaration that Assignor is not then a non-resident of Canada;
(b) provided that if the Assignor is a non-resident under the non-residency provisions of the Income Tax Act, the Assignee shall be credited towards the Purchase Price with the amount, if any, necessary for Assignee to pay to the Minister of National Revenue to satisfy Assignee's liability in respect of tax payable by Assignor under the non-residency provisions of the Income Tax Act by reason of this sale. Assignee shall not claim such credit if Assignor delivers on completion the prescribed certificate.

11. ADJUSTMENTS: Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Assignee.

12. PROPERTY ASSESSMENT: The Assignee and Assignor hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Assignee and Assignor agree that no claim will be made against the Assignee or Assignor, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.

13. TIME LIMITS: Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Assignor and Assignee or by their respective lawyers who may be specifically authorized in that regard.

14. TENDER: Any tender of documents or money hereunder may be made upon the Assignor or Assignee or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Lynx high value payment system as set out and prescribed by the *Canadian Payments Act (R.S.C., 1985, c. C-21)*, as amended from time to time.

15. APPROVAL OF THE AGREEMENT: In the event that consent to this Assignment is required to be given by the seller in the Agreement of Purchase and Sale attached hereto in Schedule C, the Assignor will apply, at the sole expense of the Assignor, forthwith for the requisite consent, and if such consent is refused, then this agreement shall be null and void and the deposit monies paid hereunder shall be refunded without interest or other penalty to the Assignee.

16. AGREE TO CO-OPERATE: Except as otherwise expressed herein to the contrary, each of the Assignor and Assignee shall, without receiving additional consideration therefor, co-operate with and take such additional actions as may be requested by the other party, acting reasonably, in order to carry out the purpose and intent of this Assignment.

17. DEFAULT BY SELLER: The Assignee and Assignor acknowledge and agree that if this Assignment Agreement is not completed due to the default of the seller for the Agreement of Purchase and Sale (Schedule C) that is the subject of this Assignment, the Assignor shall not be liable for any expenses, losses or damages incurred by the Assignee and this Assignment Agreement shall become null and void and all moneys paid by the Assignee under this Assignment Agreement shall be returned to the Assignee in full without interest.

18. LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE: The parties acknowledge that any information provided by the Brokerage is not legal, tax or environmental advice.

19. CONSUMER REPORTS: The Assignee is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.

20. AGREEMENT IN WRITING: If there is conflict or discrepancy between any provision added to this Assignment (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Assignment including any Schedule attached hereto, shall constitute the entire agreement between Assignee and Assignor. There is no representation, warranty, collateral agreement or condition, which affects this Assignment other than as expressed herein. This Assignment shall be read with all changes of gender or number required by the context.

21. ELECTRONIC SIGNATURES: The parties hereto consent and agree to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000*, S.O. 2000, c17 as amended from time to time with respect to this Agreement and any other documents respecting this transaction.

22. TIME AND DATE: Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF ASSIGNEE(S): Initial

INITIALS OF ASSIGNOR(S):

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23. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

Signed by:

[Witness] [Assignee] FCA226DAB7B3449... (Seal) 11/4/2025 (Date)

[Witness] [Assignee] (Seal) (Date)

I, the Undersigned Assignor, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

(Assignor) Robert HISCOX (Seal) Oct. 2nd 2025 (Date)

[Witness] [Assignor] (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at ..... (a.m./p.m.) this ..... day of ....., 20.....

(Signature of Assignor or Assignee)

INFORMATION ON BROKERAGE(S)

Listing Brokerage NA (Tel. No.)

(Salesperson/Broker/Broker of Record Name)

Co-op/Assignee Brokerage NA (Tel. No.)

(Salesperson/Broker/Broker of Record Name)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Assignment Agreement and I authorize the Brokerage to forward a copy to my lawyer.

(Assignor) Robert HISCOX (Date)

(Assignor) (Date)

Address for Service 2nd FL 128 Hazelton Ave. Toronto

(Tel. No.)

Assignor's Lawyer David Nakelsky

Address

Email davidn@gsnh.com

416.597.7880 (Tel. No.) (Fax No.)

I acknowledge receipt of my signed copy of this accepted Assignment Agreement and I authorize the Brokerage to forward a copy to my lawyer.

(Assignee) (Date)

(Assignee) (Date)

Address for Service

(Tel. No.)

Assignee's Lawyer

Address

Email

(Tel. No.) (Fax No.)

FOR OFFICE USE ONLY

COMMISSION TRUST AGREEMENT

To: Co-operating Brokerage shown on the foregoing Assignment Agreement:
In consideration for the Co-operating Brokerage procuring the foregoing Assignment Agreement, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.

DATED as of the date and time of the acceptance of the foregoing Assignment Agreement.

Acknowledged by:

(Authorized to bind the Listing Brokerage) NA

(Authorized to bind the Co-operating Brokerage) NA

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OREA Ontario Real Estate Association

Form 150
for use in the Province of Ontario

Schedule A
Assignment of Agreement of Purchase and Sale - Condominium

This Schedule is attached to and forms part of the Assignment of Agreement of Purchase and Sale - Condominium between:

ASSIGNEE: HAZY Holdings Inc., and

ASSIGNOR: Robert HISCOX

for the purchase and sale of 128 Hazelton Ave

PRIVATE GARAGE only dated the 18th day of September, 20 25

BALANCE OF PAYMENT UNDER THIS ASSIGNMENT AGREEMENT: The Assignee will deliver the balance of payment for this Assignment Agreement as more particularly set out in Item 6. on Schedule B, subject to adjustments, with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Lynx high value payment system as set out and prescribed by the *Canadian Payments Act (R.S.C., 1985, c. C-21)*, as amended from time to time, to the Assignor prior to completing the transaction in the Agreement of Purchase and Sale attached hereto as Schedule "C" to be held in trust without interest pending completion or other termination of the Agreement of Purchase and Sale attached hereto as Schedule "C".

This assignment agreement is conditional on the Assignor selling its condo unit 404 at 128 Hazelton Ave. This assignment is for the private 2+ car garage located on P2, spots 13 & 14, PINS: 76967-0046 and 76967-0047. Both this assignment agreement for the private garage and the assignment agreement for condo unit 404 at 128 Hazelton Ave. are each part of the Assignor's original APS.

This assignment will close at the same time as the Assignor assigns and closes the 404 condo unit at 128 Hazelton Ave. Should the Assignor not be able to assign the 404 condo unit on or before June 1, 2026 then this assignment agreement will become null and void and any deposit paid by the Assignee to the Assignor will be returned to the Assignee.

The Assignor and the assignee can extend this assignment past June 1 2026 via an amendment if mutually agreed.

The Assignor confirms that it has paid in full the upgrade costs in the private garage to Garage Living Inc. in the amount of $32,566.60.This upgrade cost is included in the purchase price and is not an additional cost to the Assignee.

Further, this assignment is conditional until closing upon the Assignee getting title to the private garage units 13 and 14 Level B TSCP 2967.

HISCOX

Signed by:
ECA226DABFB3449...

This form must be initialled by all parties to the Assignment of Agreement of Purchase and Sale.

INITIALS OF ASSIGNEE(S): Initial

INITIALS OF ASSIGNOR(S): HISCOX

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OREA Ontario Real Estate Association

Form 150
for use in the Province of Ontario

Schedule B
Assignment of Agreement of Purchase and Sale - Condominium

This Schedule is attached to and forms part of the Assignment of Agreement of Purchase and Sale - Condominium between:

ASSIGNEE: HAZY Holdings Inc., and

ASSIGNOR: Robert HISCOX

for the purchase and sale of 128 Hazelton Ave

PRIVATE GARAGE only dated the 2nd day of October, 20 25

The Assignee and Assignor agree that the calculation of funds to be paid for this Assignment Agreement, subject to adjustments, is as set out in the following items:

1.	Total Purchase Price including the original Agreement of Purchase and Sale and this Assignment Agreement:	$ 350,000.00
2.	Purchase Price of original Agreement of Purchase and Sale as indicated in Schedule C:	$ 250,000.00
3.	Deposit(s) paid by Assignor to the seller under the original Agreement of Purchase and Sale as indicated in Schedule C, to be paid by the Assignee to the Assignor as follows:	$ NA
	(Upon acceptance of this Assignment Agreement and receipt of consent to assign from original seller, if applicable/Upon final closing of original Agreement of Purchase and Sale and this Assignment Agreement/As otherwise described here or elsewhere in this Agreement)	
4.	Payment by Assignee to Assignor for this Assignment Agreement:	$ 100,000.00
5.	Deposit paid under this Assignment Agreement (in accordance with Page 1 of this Assignment Agreement):	$ 20,000.00
6.	Balance of the payment for this Assignment Agreement:	$ 80,000.00

This form must be initialled by all parties to the Assignment of Agreement of Purchase and Sale.

INITIALS OF ASSIGNEE(S): Initial

INITIALS OF ASSIGNOR(S): HISCX

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OREA Ontario Real Estate Association

Form 143
for use in the Province of Ontario

Amendment to Assignment of Agreement of Purchase and Sale

Toronto Regional Real Estate Board

BETWEEN:
ASSIGNEE: HAZY HOLDINGS INC.
AND
ASSIGNOR: Robert HISCOX

RE: Assignment of Agreement of Purchase and Sale (Agreement) between the Assignor and Assignee, dated the 2nd day of OCTOBER, 20 25, concerning the property known as 128 Hazelton Ave Private Garage ONLY ..... as more particularly described in the aforementioned Agreement.

The Assignee and Assignor herein agree to the following amendment(s) to the aforementioned Agreement:

On page 5 of the Assignment Agreement:

DELETE:

Should the Assignor not be able to assign the 404 condo unit on or before June 1, 2026 then this assignment agreement will become null and void and any deposit paid by the Assignee to the Assignor will be returned to the Assignee.

AND INSERT:

Should the Assignor not be able to assign the 404 condo unit on or before November 1, 2026 then this assignment agreement will become null and void and any deposit paid by the Assignee to the Assignor will be returned to the Assignee.

INITIALS OF ASSIGNEE(S):

INITIALS OF ASSIGNOR(S):

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IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by Assignor (Assignor/Assignee) until 7PM (a.m./p.m.)

on the 25 day of JUNE, 2026, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Assignor and Assignee or by their respective solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) (Assignee/Assignor) Robert HISCOX (Seal) June 23/26 (Date)

(Witness) (Assignee/Assignor) (Seal) (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) (Assignee/Assignor) Hazy Holdings Inc. (Seal) June 23/26 (Date)

(Witness) (Assignee/Assignor) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 4pm (a.m./p.m.) this 23 day of June, 2026

(Signature of Assignor or Assignee)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

(Assignor) June 23/26 (Date)

(Assignor) (Date)

Address for Service

(Tel. No.)

Assignor's Lawyer

Address

Email

(Tel. No.) (Fax. No.)

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

(Assignee) June 23/26 (Date)

(Assignee) (Date)

Address for Service

(Tel. No.)

Assignee's Lawyer

Address

Email

(Tel. No.) (Fax. No.)

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Appendix “H”

Docusign Envelope ID: D4FB9926-6FF2-8236-80CA-0A5A5F4EF06B

THIS CONSENT AND AMENDMENT ("**AGREEMENT**") IS MADE this __th day of August

ROBERT HISCOX
(hereinafter referred to as the "Assignor")
OF THE FIRST PART

–AND –

HAZY Holdings Inc.
(hereinafter referred to as the "Assignee")
OF THE SECOND PART

-AND-

ALIX PARTNERS RESTRUCTURING, INC. ("ALIXPARTNERS" AND FORMERLY KSV RESTRUCTURING INC., "KSV")
solely in its capacity as Receiver and Manager of
the property, assets and undertaking of
MIZRAHI (128 Hazelton) INC.
and not in its personal capacity
(hereinafter referred to as the "Vendor")
OF THE THIRD PART

WHEREAS the Assignor and Mizrahi (128 Hazelton) Inc. have entered into an agreement of purchase and sale dated the 16th day of November, 2018, including all amendments and upgrade and/or change orders, if applicable, attached hereto (the "**Purchase Agreement**") whereby the Assignor agreed to purchase and Mizrahi (128 Hazelton) Inc. agreed to sell, among other things, a proposed private parking garage, being Units 14 and 13, Level B (collectively, the "**Units**"), which Units were to be purchased by the Assignor in accordance with the condominium plan documentation proposed to be registered against the land and premises described in the Purchase Agreement and municipally located at 128 Hazelton Avenue, Toronto, Ontario (the "**Condominium**").

AND WHEREAS the Assignor and the Assignee desire that the Assignor assign unto the Assignee all of its rights, title and benefits and interest in the Units, to and under the Purchase Agreement.

AND WHEREAS pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated June 4, 2024, KSV was appointed as receiver and manager of the property, assets and undertaking of Mizrahi (128 Hazelton) Inc. and has authority to enter into this agreement and, subject to further Order of the Court, to convey title in the Units to the Assignee.

AND WHEREAS on June 1, 2026 KSV changed its name to AlixPartners.

AND WHEREAS the Vendor has agreed to consent to the said assignment on the terms hereinafter set forth.

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT in consideration of the mutual covenants and agreements herein contained and the sum of TEN DOLLARS ($10.00) of lawful money of Canada paid by each of the parties hereto to the other and for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of them) the parties hereby covenant and agrees as follows:

1. The parties hereto hereby acknowledge and confirm that the foregoing recitals are true both in substance and in fact.

2. The Assignor hereby assigns, transfers and sets over to the Assignee by way of absolute assignment, all of its rights, title, benefit and interest in the Units, to and under the Purchase Agreement.

3. The Assignee hereby covenants and agrees to and with the Assignor and the Vendor to assume the

Docusign Envelope ID: D4FB9926-6FF2-8236-80CA-0A5A5F4EF06B

burden of all obligations on the part of the Assignor to be performed and/or borne pursuant to the Purchase Ag[illegible] terms and provisions of the Purchase Agreement as though it has originally executed same as the Purchaser.

4. The Assignee covenants and agrees with the Vendor that it shall forthwith do and suffer any act, and/or execute any documentation, which the Vendor may require from time to time in its sole, absolute and unfettered discretion for the purposes of confirming the assumption by the Assignee of the Assignor's obligations pursuant to the Purchase Agreement.

5. The Vendor hereby, subject to the terms herein and the granting of an Order by the Court approving the Purchase Agreement and the transaction contemplated therein (the "**Approval Order**"), consents to the within assignment of the Purchase Agreement from the Assignor to the Assignee.

6. The Vendor covenants and agrees to use its commercially reasonable efforts to seek the Approval Order on or before September 18, 2026 subject to Court availability.

7. The Parties hereby acknowledge and agree that notwithstanding any other provisions of the Purchase Agreement, the Purchase Agreement is amended as contemplated by the amendments set out in Schedule "A" hereto.

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

9. Time shall be of the essence of this Agreement, and the Purchase Agreement, and all terms of the Purchase Agreement shall continue in full force and effect.

10. This Agreement shall enure to the benefit of and be binding upon the parties hereto their respective successors and assigns.

11. The Assignor warrants and confirms that the Purchase Agreement is in good standing.

12. The Assignee agrees to pay all deposits payable under the Purchase Agreement, if any, and the balance of the purchase price by wire transfer, bank draft or by certified cheque to the Vendor on closing in accordance with the provisions of the Purchase Agreement.

13. The Assignor further agrees to pay to the Vendor upon execution of this Agreement a sum equivalent $1,500.00 plus applicable HST as an administration fee to the Vendor for giving its consent as described herein.

14. The Assignor hereby guarantees the due and timely performance and fulfillment of all covenants and obligations of the Assignee arising under this Agreement and the Purchase Agreement, including without limitation, the obligation to pay the purchase price in respect of the Unit to the Vendor, and all other monies owing or payable to the Vendor by the "Purchaser" in accordance with the provisions of the Purchase Agreement, and agrees to indemnify and save the Vendor harmless from and against all losses, damages, costs and expenses which the Vendor may sustain, incur or become liable for, by reason of the Assignee's default under this Agreement, or the Purchase Agreement. In the event of the Assignee's failure to complete the transaction in accordance with the terms and conditions of the Purchase Agreement, the Assignee acknowledges and agrees that the Vendor has the right, but not the obligation, to call upon the Assignor to complete the transaction in the Assignee's place, and where the Assignor is specifically called upon to pay the purchase price, the Assignee acknowledges and agrees that the Assignor shall have the right to receive title to the Unit, and the Assignee shall release the Vendor and the Assignor from and against any and all costs, damages, actions, proceedings, demands and/or claims whatsoever which either of the parties hereto now has, or may hereafter have, against the other party hereto, by reason of, or in connection with, the Purchase Agreement (and any and all addenda thereto or amendments thereof) and/or

File No 26060258

APPRAISAL OF



LOCATED AT:

128 Hazelton Avenue #404
Toronto, Ont. M5R 1J3

FOR:

KSV Restructuring Inc.

BORROWER:

Not Applicable

AS OF:

June 23, 2026

BY:

Heather Markoff CRA P.App

KSV Restructuring Inc.
Jordan Wong

Address of Property: 128 Hazelton Avenue #404
Toronto, Ont. M5R 1J3

Market Value: $ $2,200,000

In accordance with the letter of engagement dated June 22, 2026, I have appraised the above referenced property and provide an:

Estimate of Value of $2,200,000
With an Effective date as of: June 23, 2026

The purpose of the report was to develop an estimate of market value, as improved, in unencumbered condominium ownership.

The estimate of value is as of the effective date and is subject to assumptions and limiting conditions included in the report and to which the reader's attention is specifically directed. The appraisal is enclosed and must be read in its entirety.

No person other than the authorized users specifically identified herein can rely on this report without first obtaining consent from the client and written authorization from the author.

Values and opinions contained in this report are based on market conditions as at the time (effective date) of this report. This report does not provide a prediction of future values. In the event of market instability and/or disruption, values and opinions may change rapidly and such potential future events have NOT been considered in this report. As this report does not and cannot consider any changes to the property or market conditions after the effective date, clients and intended users are cautioned in relying on the report after the effective date noted herein.

The appraisal was prepared in accordance with the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP).

Sincerely,



Heather Markoff CRA P.App

RESIDENTIAL APPRAISAL REPORT

Client Reference: File # 26060258

CLIENT

CLIENT: KSV Restructuring Inc.
ATTENTION: Jordan Wong
ADDRESS: 1300-200 Bay Street
Toronto, Ontario M5J2W4
E-MAIL:
PHONE:

APPRAISER

AIC MEMBER: Heather Markoff CRA P.App
COMPANY: Simon & Associates Ltd.
ADDRESS: 4250 Weston Road, 2nd Floor
Toronto, Ontario M9L 1W9
E-MAIL: heather.markoff@simonandassociates.net
PHONE: (416)398-1234

SUBJECT

PROPERTY ADDRESS: 128 Hazelton Avenue #404 CITY: Toronto PROVINCE: Ont. POSTAL CODE: M5R 1J3
LEGAL DESCRIPTION: TSCP 2967 Level 4 Unit 3- parking and locker descriptions were unavailable
Source: Geowarehouse
MUNICIPALITY AND DISTRICT: City of Toronto
Property ID: Roll# 190405225000117
ASSESSMENT: 2,447,000 Assessment Date January 1, 2025 Taxes $ 18,451.92 Year 2025
EXISTING USE: Residential Condominium OTHER USES None OCCUPIED BY: Vacant

ASSIGNMENT

NAME: KSV Restructuring Inc. Name Type:
PURPOSE: [X] To estimate market value [ ] To estimate market rent [ ]
AUTHORIZED USE: [X] To estimate current market value [ ]
AUTHORIZED USERS (by name): KSV Restructuring Inc. - None other without the written consent from both the client and the appraiser
REQUESTED BY: [X] Client above [ ] Other
VALUE: [X] Current [ ] Retrospective
[ ] Update of original report completed on With an effective date of File No.
PROPERTY RIGHTS / OWNERSHIP: [ ] Fee Simple [ ] Leasehold [X] Condo/Strata [ ] Other
MAINTENANCE FEE (if applicable): $ 3,134 [X] monthly [ ] annual Source MLS
CONDO/STRATA NAME (if applicable): Private Residences Of 128 Hazelton
APPROACHES USED: [X] DIRECT COMPARISON APPROACH [ ] COST APPROACH [ ] INCOME APPROACH
EXTRAORDINARY ASSUMPTIONS & LIMITING CONDITIONS [ ] NO [X] YES
HYPOTHETICAL CONDITION: [X] NO [ ] YES
see Extraordinary Items page

NEIGHBOURHOOD

[X] Residential [ ] Commercial [ ] Industrial [ ] Agricultural [ ] First Nations/Indigenous Land
[X] Urban [ ] Suburban [ ] Rural [ ] Recreational/Resort [ ] Forestry/Public/Park
[X] Improving [ ] Stable [ ] Transitioning [ ] Deteriorating [ ]
BUILT UP: [X] Over 75% [ ] 25 - 75% [ ] Under 25%
SUBJECT TYPICAL FOR NBHD: [X] Yes [ ] No (see comments)
[ ] Detrimental Conditions Observed

AGE RANGE(years):	New	100+
PRICE RANGE:	251,000	15,495,000

C02 Annex condo sales since 3/1/2026
MARKET OVERVIEW: Supply [ ] High [X] Average [ ] Low
Demand [ ] High [X] Average [ ] Low
PRICE TRENDS: [ ] Increasing [X] Stable [ ] Declining
Values in the area have remained relatively stable

COMMENTS:
The subject is located west of Bay Street, east of Avenue Road on the north west corner of Davenport Road and Hazelton Avenue in the upscale Yorkville neighborhood in Toronto. Relatively easy access to the Bloor and Yonge subway lines, Royal Ontario Museum, Queen's Park, University of Toronto and all other amenities such as shopping and entertainment. No adverse influences were evident.

SITE

SITE DIMENSIONS: n/a condo
LOT SIZE: n/a condo Unit of Measurement Sq.Ft.
SOURCE: Assessment Records
TOPOGRAPHY: Level Throughout
CONFIGURATION: Irregular
ZONING
ZONING CODE/DESCRIPTION: CR 2.0 (c1.0; r2.0) SS2 (x89)
ZONING SOURCE: Online municipal zoning map
OTHER LAND USE CONTROLS [ ] YES [X] NO
EXISTING LAND USE CONFORMS [X] YES [ ] NO
IN FLOODPLAIN/FLOOD ZONE [ ] YES [X] NO FLOOD MAP DATE:
EASEMENTS Assumed Typical

UTILITIES: [X] Natural Gas [X] Storm Sewer [X] Sanitary Sewer [ ] Open Ditch [ ] Septic [ ] Holding Tank
WATER SUPPLY: [X] Municipal [ ] Private Well [ ]
FEATURES: [ ] Gravel Road [X] Paved Road [ ] Lane [X] Sidewalk [X] Curbs [X] Streetlights [ ]
ELECTRICAL: [X] Overhead [ ] Underground [ ]
DRIVEWAY: [ ] Private [X] Shared [ ] None [ ] Single [ ] Double [ ] Triple [X] Underground [ ] Laneway [ ]
PARKING: [X] Garage [ ] Carport [ ] Driveway [ ] Street [ ]
LANDSCAPING: [X] Good [ ] Average [ ] Fair [ ] Poor/Other

[ ] Detrimental Conditions Observed
A fully serviced apartment condominium site, which is a common element of the Condominium Corporation providing access to parking facilities and offering amenities such as 24/7 concierge and valet service, event room, lounge, fitness room and backyard garden with dining area.

Professionally Appraised
Professional Appraisers. Know the value.

RESIDENTIAL APPRAISAL REPORT

Client Reference: File # 26060258

IMPROVEMENTS

Year Built (estimated): 2022
YEAR ADDITIONS (estimated):
EFFECTIVE AGE: 0 years
REMAINING ECONOMIC LIFE: 60 years
[ ] Under Construction
[X] Appraised As Is
[ ] As if Complete (new construction/renovation)
Unit is in good condition and has never been lived in

PROPERTY TYPE: Condominium
DESIGN/STYLE: Apartment
CONSTRUCTION: Concrete
WINDOWS: Metal Frame Double
BASEMENT: None
BASEMENT AREA: N/A
BASEMENT FINISH: N/A %
FOUNDATION WALLS: Poured Concrete

ROOFING: Tar and gravel
Condition: [X] Good [ ] Average [ ] Fair [ ] Poor
Roofing: flat; assumed in good condition given the age of the building. Unobserved

EXTERIOR FINISH: Precast concrete panels
Condition: [X] Good [ ] Average [ ] Fair [ ] Poor
Visual

Energy Label: None
Efficiency Rating:
EV Charger Type: None
Solar Panels: [ ] YES [X] NO

ELECTRICAL: [ ] Fuses [X] Breakers See photos
ESTIMATED RATED CAPACITY OF MAIN PANEL: 100 amps
HEATING SYSTEM: Forced Air Fuel type: Gas
WATER HEATER: Gas
COOLING SYSTEM: Central Air

INTERIOR FINISH:

	Walls	Ceilings
Drywall	[X]	[X]
Plaster	[ ]	[ ]
Paneling	[ ]	[ ]
Other		

Flooring: engineered hardwood / marble tile

PLUMBING LINES: Copper/ Plastic Info Source: Assumed
BUILT-INS: [X] Cooktop [X] Oven [X] Dishwasher [X] Microwave [ ]
EXTRAS: [X] Security System [X] fireplace [ ] HR/ER Ventilator [ ] Pool [ ] [ ]
OVERALL INT. COND: [X] Good [ ] Average [ ] Fair [ ] Poor
Source of Interior Information: Observed by AIC Member

ROOM ALLOCATION

LEVEL:	Entrance	Living	Dining	Kitchen	Family	Bedrooms	Den	Full Bath	Part Bath	Laundry				Room Total	Area
MAIN	x	1	1	1		2	1	2	1	x				6	1566
SECOND															
THIRD															
ABOVE GRADE TOTALS:	6				Bedrooms	2	Bathrooms	2 F	1 P					6	1,566
BASEMENT															

SOURCE OF MEASUREMENT: Builder Plan/ MPAC UNIT OF MEASUREMENT: SqFt

GARAGE/PARKING
[ ] Attached [ ] Detached [ ] Built-in [ ] Single [ ] Double [ ] Triple [X] Two underground

SITE IMPROVEMENTS
Two North facing Juliette balconies that are accessed from each of the two bedrooms. The unit overlooks Davenport Road.

[ ] Detrimental Conditions Observed

COMMENTS
The subject is a two bedroom condominium apartment unit of approximately 1,566 square feet located in the Private Residences Of 128 Hazelton development. The building is nine stories and consists of only 20 residential units. Interior features include engineered hardwood and marble tile flooring throughout, 10' ceilings, decorative ceilings, en suite laundry, kitchen with marble counter tops and built in stainless steel appliances, pot lights, built in shelving and solid wood doors. The subject has never been lived in in and the interior appears to be in good condition throughout. The monthly maintenance fees are $3,134, as per the current MLS

BASEMENT
Not Applicable, Condominium Apartment

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RESIDENTIAL APPRAISAL REPORT

Client Reference: File # 26060258

HIGHEST AND BEST USE

LAND VALUE AS IF VACANT: [X] N/A $ _____ SOURCE OF DATA: _____ COMMENT: Not applicable

Existing Use: Residential Condominium

HIGHEST AND BEST USE OF THE LAND AS IF VACANT: [X] Residential [ ] Other _____

HIGHEST AND BEST USE OF THE LAND AS IMPROVED: [X] Existing Residential Use [ ] Other _____

HBU COMMENTS PERMITTED/DISCRETIONARY USES:

The subject site is improved with a residential condominium apartment building which was constructed in 2022. The subject unit comprises a floor area of approximately 1,566 square feet and reflects good quality and visual appeal. As of the effective date, the dwelling was unoccupied, in good condition, assumed to be legal and conforming, and utilized for its intended purpose. Thus, it is considered to add utility and value to the underlying lands. Based on the information available, the highest and best use of the subject property is the continuation of the residential use of the premises.

DEFINITION OF HIGHEST AND BEST USE: The reasonably probable use of real property, that is physically possible, legally permissible, financially feasible, maximally productive and that results in the highest value. (CUSPAP)

DIRECT COMPARISON APPROACH

	SUBJECT	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
		Description	Adjustment	Description	Adjustment	Description	Adjustment
	128 Hazelton Avenue #404 Toronto, Ont. M5R 1J3	88 Davenport Road #1804 Toronto, Ont. M5R 0A5		181 Davenport Road #808 Toronto, Ont. M5R 1J1		88 Davenport Road #602 Toronto, Ont. M5R 0A5	
DATA SOURCE		MLS		MLS		MLS	
DATE OF SALE		03-Mar-2026		17-Mar-2026		30-Apr-2026	
SALE PRICE	$	$ 2,900,000/ $1,320 psf		$ 2,082,000/ $1,248 psf		$ 1,950,000/ $1,249 psf	
DAYS ON MARKET		73		13		9	
LIST PRICE	$	$ 3,388,000		$ 2,098,000		$ 2,089,000	
APPROX KMs from SUBJECT		0.40 km SE		0.09 km NE		0.40 km SE	
LOCATION	Good	Good		Good		Good	
SITE DIMENSIONS LOT SIZE	N/A n/a condo	N/A n/a condo		N/A n/a condo		N/A n/a condo	
PROPERTY TYPE	Condominium	Condominium		Condominium		Condominium	
DESIGN/STYLE	Apartment	Apartment		Apartment		Apartment	
AGE/CONDITION	4 Good	13 Inferior	100,000	10 Good		13 Inferior	100,000
FLOOR AREA	1,566 SqFt	2,197 Sq.Ft.		1,668 Sq.Ft.		1,561 Sq.Ft.	
ROOM COUNT	Total Rooms 6 / Bedrooms 2	Total Rooms 6 / Bedrooms 2		Total Rooms 5 / Bedrooms 2		Total Rooms 5 / Bedrooms 2	
BATHROOMS	2 F 1 P	2 Full, 1 Half Bath		2 Full, 1 Half Bath		2 Full Bathrooms	25,000
BASEMENT	None	None		None		None	
PARKING FACILITIES	Two Underground	One Underground	100,000	Two Underground		One Underground	100,000
Locker	One	One		One		One	
Exposure	North	North West		North East		South East/ Superior	-50,000
Balcony	Juliette	Full Balcony	-50,000	Full Balcony	-50,000	Full Balcony	-50,000
Corner Unit	No	Yes	-100,000	No		Yes	-100,000
Adjusted $ PSF		$1,343 psf		$1,218 psf		$1,265 psf	
ADJUSTMENTS (Gross %, Net $)		12.1	50,000	2.4	-50,000	21.8	25,000
ADJUSTED VALUES		$	2,950,000	$	2,032,000	$	1,975,000

ANALYSIS AND COMMENTS

The reader should note that the subject is located in a high end mid-rise building with full concierge service. There have been no current comparable sales in the subject development. Sales 1 and 3 are located in the Florian development, an older building. These sales are superior corner units, however, are inferior to the subject in terms of quality of finishes. Sale 2 is located in the One8one Davenport development next door to the subject. Although in an older building, this unit has recently been fully renovated. Sale 4 is the most recent comparable sale in the subject building and is a slightly smaller corner unit. Adjustments have been made for variances recognized by the marketplace such as parking, exposure, balcony and number of bathrooms. Please see addendum for further analysis.

The appraiser has utilized a price per square foot unit of comparison in arriving at the market value conclusion for the subject property. The adjusted psf unit rates reflected by the three sales range between $1,218 PSF and $1,432 PSF. Valuation towards the adjusted $ PSF of sale 4 is considered to be reasonable as it is located in the subject building. Additionally valuation towards the upper end of the adjusted $ PSF range is considered to be reasonable as the subject is superior to sales 1, 2 and 3 as it is located in a newer building and includes two parking spaces. Therefore market value may be calculated as follows: 1,566 SF x $1,400 PSF = $2,200,000 Rounded

The reader should note that the current listing price is for the unit and one underground parking space only. The market value ascribed to the subject includes two underground parking spaces.

ESTIMATED VALUE BY DIRECT COMPARISON APPROACH (rounded): $ 2,200,000

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RESIDENTIAL APPRAISAL REPORT

Client Reference: File # 26060258

DIRECT COMPARISON APPROACH

	SUBJECT	COMPARABLE NO. 4 Description	COMPARABLE NO. 4 Adjustment	COMPARABLE NO. 5 Description	COMPARABLE NO. 5 Adjustment	COMPARABLE NO. 6 Description	COMPARABLE NO. 6 Adjustment
	128 Hazelton Avenue #404 Toronto, Ont. M5R 1J3	128 Hazelton Avenue #301 Toronto, Ont. M5R 1J3					
DATA SOURCE		MLS					
DATE OF SALE		10-Nov-2025					
SALE PRICE	$	$ 2,095,000/ $1,563 psf	-126,000	$		$	
DAYS ON MARKET		26					
LIST PRICE	$	$ 2,195,000		$		$	
APPROX KMs from SUBJECT		0.00 km					
LOCATION	Good	Good					
SITE DIMENSIONS LOT SIZE	N/A n/a condo	N/A n/a condo					
PROPERTY TYPE	Condominium	Condominium					
DESIGN/STYLE	Apartment	Apartment					
AGE/CONDITION	4 Good	4 Good					
FLOOR AREA	1,566 SqFt	1,340 Sq.Ft.					
ROOM COUNT	Total Rooms: 6 / Bedrooms: 2	Total Rooms: 5 / Bedrooms: 2		Total Rooms / Bedrooms		Total Rooms / Bedrooms	
BATHROOMS	2 F 1 P	2 Full, 1 Half Bath					
BASEMENT	None	None					
PARKING FACILITIES	Two Underground	One + One Tandem	50,000				
Locker	One	One					
Exposure	North	North East					
Balcony	Juliette	Juliette					
Corner Unit	No	Yes	-100,000				
Adjusted $ PSF		$1,432 psf					
ADJUSTMENTS (Gross %, Net $)		13.2	-176,000	0.0	0		
ADJUSTED VALUES		$	1,919,000	$	0	$	

ANALYSIS AND COMMENTS

Professionally Appraised

Professional Appraisers. Know the value.

RESIDENTIAL APPRAISAL REPORT

Client Reference: File # 26060258

HISTORY

SUBJECT SOLD WITHIN 3 YEARS OF EFFECTIVE DATE: ☐ YES ☒ NO DATE _____ SOURCE _____

SALE TRANSFER HISTORY: (minimum of three years) SALE PRICE _____

A search of TREB/Land Registry Services indicated that the subject has not sold in the past 36 months.

SUBJECT LISTED WITHIN 1 YEAR OF EFFECTIVE DATE: ☒ YES ☐ NO LAST LIST PRICE _____ UNDER CONTRACT/AGREEMENT OF PURCHASE AND SALE ☐ YES ☒ NO OBTAINED ☐ YES ☒ NO

SUBJECT CURRENTLY LISTED ☒ YES ☐ NO CURRENT LIST PRICE 2,499,000 CURRENT/PENDING PURCHASE PRICE _____

AGREEMENTS FOR SALE, OPTIONS, LISTINGS OR MARKETING OF THE SUBJECT: (minimum of one year) 1. Listed for sale on 11/25/2022 for $3,250,000 and terminated after 46 days. 2. Listed for sale on 01/09/2023 for $3,250,000 and terminated after 53 days. 3. Listed for sale on 03/03/2023 for $2,999,000 and terminated after 109 days. 4. Listed for sale on 06/20/2023 for $2,900,000 and expired after 72 days. 5. Listed for sale on 09/16/2024 for $2,750,000 and expired after 90 days. 6. Listed for sale on 04/24/2025 for $2,699,999 and expired after 98 days. 7. Listed for sale on 09/03/2025 for $2,599,000 and terminated after 196 days. 8. Listed for sale on 03/23/2026 for $2,499,000 and is currently active.

EXPOSURE TIME

Exposure Time is the estimated length of time the property interest being appraised would have been offered on the market before the hypothetical consummation of a sale at the estimated value on the Effective Date of the appraisal. (CUSPAP)

Given current market conditions, a range of 15 to 60 days is considered indicative of reasonable exposure time assuming that the subject was listed on the open market at a reasonable and competitive asking price that reflects current market values. Setting a competitive, market-aligned price from the outset often helps in generating timely offers. Pricing a property above market value can lead to extended exposure times and stale listings.

RECONCILIATION AND FINAL VALUE

RECONCILIATION AND FINAL ESTIMATE OF VALUE

As the Subject Property is a Residential Condominium, the cost and income approaches to value are not germane to the valuation of the Subject.The Direct Comparison Approach which fully reflects the actions of buyers and sellers in the marketplace has been exclusively utilized in arriving at the Market Value conclusion for the Subject Property

UPON REVIEWING AND RECONCILING THE DATA, ANALYSES AND CONCLUSIONS OF EACH VALUATION APPROACH, THE MARKET VALUE OF THE INTEREST OF THE SUBJECT PROPERTY

AS OF 23-Jun-2026 (Effective Date of the Appraisal) **IS ESTIMATED AT $** 2,200,000

COMPLETED ON 26-Jun-2026 (Date of Report) AS SET OUT ELSEWHERE IN THIS REPORT, THIS REPORT IS SUBJECT TO ASSUMPTIONS AND LIMITING CONDITIONS, THE VERIFICATION OF WHICH IS OUTSIDE THE SCOPE OF THIS REPORT

SCOPE

The scope of the appraisal encompasses the due diligence undertaken by the appraiser (consistent with the terms of reference from the client, the purpose and authorized use of the report) and the necessary research and analyses to prepare a report in accordance with the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) of the Appraisal Institute of Canada. The following comments describe the extent of the process of collecting, confirming and reporting data and its analyses, describe relevant procedures and reasoning details supporting the analyses, and provide the reason for the exclusion of any usual valuation procedures.

The appraisal issue that is the focus of this engagement has been discussed and defined with the client, the work required to solve the issue planned, and the necessary market data acquired, analyzed and reconciled into an estimate of market value in a manner typically expected in a "form" report. The specific tasks and items necessary to complete this assignment include a summary of the following:

1. assembly and summary of relevant information pertaining to the property being appraised, including listings within one year and acquisition particulars if acquired within three years prior to the effective date of the appraisal;
2. On-Site Inspection Exterior and Interior

   Source of interior information: Observed by AIC Member
3. assembly and summary of the pertinent economic and market data;
4. a summary of land use controls pertaining to the subject property;
5. a summary of "Highest and Best Use";
6. a discussion of the appraisal methodologies and procedures employed in arriving at the indications of value;
7. inclusion of photographs, maps, graphics and addendum/exhibits when deemed appropriate; and
8. reconciliation of the collected data into an estimate of market value at the effective date of the appraisal.

DEFINITION OF MARKET VALUE: The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeable, and for self-interest, and assuming that neither is under undue duress.
Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: buyer and seller are typically motivated; both parties are well informed or well advised, and acting in what they consider their own best interests; a reasonable time is allowed for exposure in the open market; payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto; and the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

All data considered appropriate for inclusion in the appraisal is, to the best of our knowledge, factual. Due to the type of property being appraised and the nature of the appraisal issue, the findings have been conveyed in this "form" format.
See Addenda.

The scope of this appraisal includes the assembly and analyses of relevant information pertaining to the property being appraised, including acquisition particulars if acquired within the past 3 years. An inspection of the subject property and surrounding area. Assembly and analysis of pertinent economic and market data. An indication of highest and best use. Summary of appraisal methodologies and procedures employed in arriving at indications of value. Inclusion of appropriate photographs, maps and exhibits. Reconciliation of collected data into an estimate of market value as of the effective date of appraisal.

Professionally Appraised

Professional Appraisers. Know the value.

RESIDENTIAL APPRAISAL REPORT

Client Reference: File # 26060258

ASSUMPTIONS, LIMITING CONDITIONS, DISCLAIMERS AND LIMITATIONS OF LIABILITY

The certification that appears in this report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA). Canadian Uniform Standards of Professional Appraisal Practice ("CUSPAP") and the following conditions:

1. This report is prepared only for the authorized client and authorized users specifically identified in this report and only for the specific use identified herein. No other person may rely on this report or any part of this report without first obtaining consent from the client and written authorization from the authors. Liability is expressly denied to any other person and, accordingly, no responsibility is accepted for any damage suffered by any other person as a result of decisions made or actions taken based on this report. Liability is expressly denied for any unauthorized user or for anyone who uses this report for any use not specifically identified in this report. Payment of the appraisal fee has no effect on liability. Reliance on this report without authorization or for an unauthorized use is unreasonable.
2. Because market conditions, including economic, social and political factors, may change rapidly and, on occasion, without warning, this report cannot be relied upon as of any date other than the effective date specified in this report unless specifically authorized by the author(s).
3. The author will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The property is appraised on the basis of it being under responsible ownership. No registry office search has been performed and the author assumes that the title is good and marketable and free and clear of all encumbrances. Matters of a legal nature, including confirming who holds legal title to the appraised property or any portion of the appraised property, are outside the scope of work and expertise of the appraiser. Any information regarding the identity of a property's owner or identifying the property owned by the listed client and/or applicant provided by the appraiser is for informational purposes only and any reliance on such information is unreasonable. Any information provided by the appraiser does not constitute any title confirmation. Any information provided does not negate the need to retain a real estate lawyer, surveyor or other appropriate experts to verify matters of ownership and/or title.
4. Verification of compliance with governmental regulations, bylaws or statutes is outside the scope of work and expertise of the appraiser. Any information provided by the appraiser is for informational purposes only and any reliance is unreasonable. Any information provided by the appraiser does not negate the need to retain an appropriately qualified professional to determine government regulation compliance.
5. No survey of the property has been made. Any sketch in this report shows approximate dimensions and is included only to assist the reader of this report in visualizing the property. It is unreasonable to rely on this report as an alternative to a survey, and an accredited surveyor ought to be retained for such matters.
6. This report is completed on the basis that testimony or appearance in court concerning this report is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to: adequate time to review the report and related data, and the provision of appropriate compensation.
7. Unless otherwise stated in this report, the author has no knowledge of any hidden or unapparent conditions (including, but not limited to: its soils, physical structure, mechanical or other operating systems, foundation, etc.) of/on the subject property or of/on a neighbouring property that could affect the value of the subject property. It has been assumed that there are no such conditions. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report.This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the author. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.
8. The author is not qualified to comment on detrimental environmental, chemical or biological conditions that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air which may include but are not limited to moulds and mildews or the conditions that may give rise to either. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report. It is an assumption of this report that the property complies with all regulatory requirements concerning environmental, chemical and biological matters, and it is assumed that the property is free of any detrimental environmental, chemical legal and biological conditions that may affect the market value of the property appraised. If a party relying on this report requires information about or an assessment of detrimental environmental, chemical or biological conditions that may impact the value conclusion herein, that party is advised to retain an expert qualified in such matters. The author expressly denies any legal liability related to the effect of detrimental environmental, chemical or biological matters on the market value of the property.
9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources the author considered reliable. Unless otherwise stated herein, the author did not verify client-supplied information, which the author believed to be correct.
10. The term "inspection" refers to observation only as defined by CUSPAP and reporting of the general material finishing and conditions observed for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only.
11. The opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The author has not confirmed that all mandatory building inspections have been completed to date, nor has the availability/issuance of an occupancy permit been confirmed. The author has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this visual inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the author.
12. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The author acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the author's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the author's privacy policy and in accordance with the PIPEDA.
13. The author has agreed to enter into the assignment as requested by the client named in this report for the use specified by the client, which is stated in this report. The client has agreed that the performance of this report and the format are appropriate for the intended use.
14. This report, its content and all attachments/addendums and their content are the property of the author. The client, authorized users and any appraisal facilitator are prohibited, strictly forbidden, and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.
15. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the author can be reasonably relied upon.
16. This report form is the property of the Appraisal Institute of Canada (AIC) and for use only by AIC members in good standing. Use by any other person is a violation of AIC copyright.
17. Where the intended use of this report is for financing or mortgage lending or mortgage insurance, it is a condition of reliance on this report that the authorized user has or will conduct lending, underwriting and insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender or insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service debt obligations on a timely basis, and to conduct loan underwriting or insuring due diligence similar to the standards set out by the Office of the Superintendent of Financial Institutions (OSFI), even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition. Any reliance on this report without satisfaction of this condition is unreasonable.

CERTIFICATION

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct;
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my impartial and unbiased professional analyses, opinions and conclusions;
3. I have no past, present or prospective interest in the property that is the subject of this report and no personal and/or professional interest or conflict with respect to the parties involved with this assignment.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
5. My engagement in and compensation is not contingent upon developing or reporting predetermined results, the amount of value estimate, a conclusion favouring the client, or the occurrence of a subsequent event.
6. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the CUSPAP.
7. I have the knowledge and experience to complete this assignment competently, and where applicable this report is co-signed in compliance with CUSPAP;
8. [X] No one has provided professional assistance to the members(s) signing this report;
   [ ] The following individual provided the following professional assistance: _____
9. As of the date of this report the undersigned has fulfilled the requirements of the AIC's Continuing Professional Development Program.
10. The undersigned is a member/are all members in good standing of the Appraisal Institute of Canada. Where applicable this report is co-signed in compliance with CUSPAP. Where a report bears two signatures, both the signing appraiser and co-signing appraiser assume full responsibility for this report.

PROPERTY IDENTIFICATION

ADDRESS: 128 Hazelton Avenue #404 CITY: Toronto PROVINCE: Ont. POSTAL CODE: M5R 1J3

LEGAL DESCRIPTION: TSCP 2967 Level 4 Unit 3- parking and locker descriptions were unavailable

BASED UPON THE DATA ANALYSES AND CONCLUSIONS CONTAINED HEREIN, THE MARKET VALUE OF THE INTEREST IN THE PROPERTY DESCRIBED.

AS OF 23-Jun-2026 (Effective Date of the appraisal) IS ESTIMATED AT $ 2,200,000

AS SET OUT ELSEWHERE IN THIS REPORT, THIS REPORT IS SUBJECT TO CERTAIN ASSUMPTIONS AND LIMITING CONDITIONS, THE VERIFICATION OF WHICH IS OUTSIDE THE SCOPE OF THIS REPORT.

SIGNATURE: H. Markoff

NAME: Heather Markoff CRA P.App

AIC DESIGNATION/STATUS: [ ] AIC Candidate Member [X] P.App., CRA [ ] P.App., AACI Membership #: 902209

DATE OF REPORT 26-Jun-2026 DATE OF INSPECTION: 23-Jun-2026

Full Inspection Exterior and Interior

AIC CO-SIGNER:

(if applicable)

NAME:

AIC DESIGNATION/STATUS: [ ] P.App., CRA [ ] P.App., AACI Membership #:

DATE OF REPORT: DATE OF INSPECTION:

SOURCE OF DIGITAL SIGNATURE SECURITY: For this appraisal to be valid, an original or a password protected digital signature is required.

ATTACHMENTS AND ADDENDA: [ ] ADDITIONAL SALES [X] EXTRAORDINARY ITEMS [ ] NARRATIVE [X] PHOTOGRAPHS [X] BUILDING SKETCH [ ] MARKET RENT [ ] _____

[X] MAPS [ ] COST APPROACH [ ] INCOME APPROACH [X] SCOPE OF WORK [ ] PROGRESS INSPECTION [ ] _____ [ ] _____

Professionally Appraised

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ADDENDUM

Borrower: Not Applicable	File No.: 26060258	
Property Address: 128 Hazelton Avenue #404	Case No.:	
City: Toronto	Province: Ont.	Postal Code: M5R 1J3
Lender: KSV Restructuring Inc.		

Analysis of the Three Comparable Sales

The subject is one of only 20 residential units in it's development.

Sale 4 is the most recent comparable sale in the subject building and is a slightly smaller two bedroom unit that has been adjusted for time. An adjustment has also been made to account for the this sale having a tandem parking space. This unit is considered to have similar finishes to the subject., however is a superior corner unit.

Sales 1 and 3 are located in the Florian development development and would be considered a competing alternative to the subject as this is also a high-end building located in the Yorkville area. Sale 1 is a larger unit that has not been updated. Sale 3 is similar in size to the subject and also has not been updated.

Sale 2 is a slightly larger unit located in the adjacent building and has been fully renovated.

Further Analysis on Sales Activity in the Subject Development

There are currently two available listings in the subject building.

802-128 Hazelton Avenue is currently listed for sale as of 03/23/2026 for $6,100,000 ($2,129 per square foot). This is a 2,865 square foot unit that includes two underground parking spaces and one locker.

602-128 Hazelton Avenue is currently listed for sale as of 05/21/2026 for $6,199,000 ($2,135 per square foot). This is a 2,904 square foot unit that includes two underground parking spaces and one locker.

Time Adjustments

Borrower: Not Applicable	File No.: 26060258	
Property Address: 128 Hazelton Avenue #404	Case No.:	
City: Toronto	Province: Ont.	Postal Code: M5R 1J3
Lender: KSV Restructuring Inc.		

All MLS Toronto CENTRAL Districts
Condominium Apartments
Cumulative Monthly Average Price

Month	2025	Variance%	2026	Variance%
January	$740,804	-5.0	$680,270	4.9
February	$758,555	-7.3	$697,153	0.5
March	$758,396	-7.2	$689,987	4.9
April	$755,696	-6.9	$700,307	-1.2
May	$756,264	-7.0	$703503	0.0
June	$761,987	-7.7		
July	$756,285	-7.0		
August	$750,751	-6.3		
September	$747,112	-5.8		
October	$747,840	-5.9		
November	$748,677	-6.0		
December	$747,394	-5.9		

Source: TREB Market Watch

* Note: Variance has been calculated utilizing May 2026 Cumulative Monthly Average Price

Sales requiring time adjustments have been adjusted accordingly as follows:

A -6% adjustment has been applied to sale 4

Sales of Single Underground Parking Spaces

There have been no publicly traded sales of single underground parking spaces in Yorkville proper or MLS District C02 since January 2025. The search for parking spaces sold was expanded to surrounding neighborhoods. There have been no parking sales in MLS District C09.

The appraiser elected to apply a $100,000 adjustment for the additional parking space on sales 1 and 2 as this is the price single parking spaces have previously been trading for in the subject building. As well, given the high end nature of the area and the development, parking would likely fetch a premium.

Additional Scope of Appraisal Items

Type of Analysis The approaches as applied to our report were investigated as to their relevance to this assignment, including a review of market data necessary to properly apply these approaches. In this regard the Direct Comparison approach has been applied and later reconciled to a final estimate of value.

Data Research: Publications produced by TREB and MPAC provided information on applicable land use controls. Sources of market evidence included, as appropriate, the local real estate board, Land Title Office transactions – including those reported by Data Systems and local assessors, and real estate agents, vendors and purchasers active in the market. Title has not been searched in this assignment.

Audits and Technical Investigations: We did not complete technical investigations such as:

- Detailed inspections or engineering review of the structure, roof or mechanical systems;
- An environmental review of the property;

- A site or building survey;
- Investigations into the bearing qualities of the soils; or
- Audits of financial and legal arrangements

Verification of Third Party Information: The analysis set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct. The mandate for the appraisal did not require a report prepared to the standard appropriate for court purposes or for arbitration, so we did not fully document or confirm by reference to primary sources all information herein.

MANDATORY CLAUSES
Appraisal Institute of Canada ©- Effective December, 2018
ASSUMPTIONS, LIMITING CONDITIONS, DISCLAIMERS AND LIMITATIONS OF LIABILITY

The certification that appears in this report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice ("CUSPAP") and the following conditions:

This report is prepared only for the client and authorized users specifically identified in this report and only for the specific use identified herein. No other person may rely on this report or any part of this report without first obtaining consent from the client and written authorization from the authors. Liability is expressly denied to any other person and, accordingly, no responsibility is accepted for any damage suffered by any other person as a result of decisions made or actions taken based on this report. Liability is expressly denied for any unauthorized user or for anyone who uses this report for any use not specifically identified in this report. Payment of the appraisal fee has no effect on liability. Reliance on this report without authorization or for an unauthorized use is unreasonable.

Because market conditions, including economic, social and political factors, may change rapidly and, on occasion, without warning, this report cannot be relied upon as of any date other than the effective date specified in this report unless specifically authorized by the author.

The author will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The property is appraised on the basis of it being under responsible ownership. No registry office search has been performed and the author assumes that the title is good and marketable and free and clear of all encumbrances. Matters of a legal nature, including confirming who holds legal title to the appraised property or any portion of the appraised property, are outside the scope of work and expertise of the appraiser. Any information regarding the identity of a property's owner or identifying the property owned by the listed client and/or applicant provided by the appraiser is for informational purposes only and any reliance on such information is unreasonable. Any information provided by the appraiser does not constitute any title confirmation. Any information provided does not negate the need to retain a real estate lawyer, surveyor or other appropriate experts to verify matters of ownership and/or title.

Verification of compliance with governmental regulations, bylaws or statutes is outside the scope of work and expertise of

the appraiser. Any information provided by the appraiser is for informational purposes only and any reliance is unreasonable. Any information provided by the appraiser does not negate the need to retain an appropriately qualified professional to determine government regulation compliance.

No survey of the property has been made. Any sketch in this report shows approximate dimensions and is included only to assist the reader of this report in visualizing the property. It is unreasonable to rely on this report as an alternative to a survey, and an accredited surveyor ought to be retained for such matters.

This report is completed on the basis that testimony or appearance in court concerning this report is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to: adequate time to review the report and related data, and the provision of appropriate compensation

Personal Information Protection and Electronic Documents Act (PIPEDA)

On the date of inspection, the dwelling was vacant and free of any personal chattels or property. Thus, the interior photographs included in this report would be in compliance with the Act.

EXTRAORDINARY ITEMS ADDENDUM

Reference: File # 26060258

EXTRAORDINARY ITEMS ADDENDUM

EXTRAORDINARY ASSUMPTIONS & EXTRAORDINARY LIMITING CONDITIONS

An extraordinary assumption is a hypothesis, either supposed or unconfirmed, which if not true, could alter the appraiser's opinions and conclusions.

Unless otherwise stated in this report, the appraiser has no knowledge of any hidden or unapparent conditions of the property (including, but not limited to, its soils, physical structure, mechanical or other operating systems, its foundation, etc.) or adverse environmental conditions (on it or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in completing the appraisal.

This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the appraiser. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.

The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. The author of this report expressly deny any legal liability relating to the effect of environmental issues on the market value of the subject property.

This report must be relied on in its entirety. The contents and/or no parts thereof of this report shall be extracted, reformatted or conveyed to any person, third party or entity, without the written consent and approval of the author of this report, particularly as to value conclusions, the identify of the appraiser/firm to which the appraiser is connected, or any reference to the AIC, AIC Ontario, or the appraiser's designation. Further, the appraiser assumes no obligation, no liability or accountability to any third party, and this report cannot be used for any purpose, other than stated within this appraisal report.

The reader should note that as per a current MLS listing the subject includes one underground parking space and one locker. As per the client, the subject unit includes two parking spaces and one locker. As the appraiser is unable to confirm ownership of the parking spaces or the locker, the appraiser has assumed that this information is true and accurate. Should this assumption be proven to be inaccurate for any reason whatsoever, we reserve the right to readdress this appraisal report as it may impact the market value conclusion contained herein.

HYPOTHETICAL CONDITIONS

Hypothetical conditions may be used when they are required for legal purpose, for purposes of reasonable analyses or for purposes of comparison. Common hypothetical conditions include proposed improvements, completed repairs, rezoning, or municipal services. FOr every Hypothetical Condition, an Extraordinary Assumption is required. Following is a description of each hypothetical condition applied to this report, the rationale for its use and its effect on the result of the assignment.

By accepting this report, the authorized client or the authorized user accepts that:

1. The hypothetical condition and assumptions identified in this report have not been independently verified or are items that are assumed to be true as part of this assignment, and
2. This report may not be reasonably relied on as proof that any of the hypothetical conditions or assumptions are true and accurate or that they will be true and accurate at any point in the future, and
3. In the event that any hypothetical condition or assumption in this report is discovered not to be true and accurate, it may impact the estimate of market value provided in this report.

The author(s) disclaims any liability arising from any hypothetical condition or assumptions not being true and accurate as of the date of this report or in the future.

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Professionally Appraised
Professional Appraisers. Know the value.

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: Not Applicable		File No.: 26060258
Property Address: 128 Hazelton Avenue #404		Case No.:
City: Toronto	Prov.: Ont.	P.C.: M5R 1J3
Lender: KSV Restructuring Inc.		



FRONT VIEW OF SUBJECT PROPERTY

Appraised Date: June 23, 2026
Appraised Value: $ 2,200,000



REAR VIEW OF SUBJECT PROPERTY



STREET SCENE

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Not Applicable		File No.: 26060258
Property Address: 128 Hazelton Avenue #404		Case No.:
City: Toronto	Prov.: Ont.	P.C.: M5R 1J3
Lender: KSV Restructuring Inc.		



COMPARABLE SALE #1

88 Davenport Road #1804
Toronto, Ont. M5R 0A5
Sale Date: 03-Mar-2026
Sale Price: $ 2,900,000/ $



COMPARABLE SALE #2

181 Davenport Road #808
Toronto, Ont. M5R 1J1
Sale Date: 17-Mar-2026
Sale Price: $ 2,082,000/ $



COMPARABLE SALE #3

88 Davenport Road #602
Toronto, Ont. M5R 0A5
Sale Date: 30-Apr-2026
Sale Price: $ 1,950,000/ $

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Not Applicable		File No.: 26060258
Property Address: 128 Hazelton Avenue #404		Case No.:
City: Toronto	Prov.: Ont.	P.C.: M5R 1J3
Lender: KSV Restructuring Inc.		



COMPARABLE SALE #4

128 Hazelton Avenue #301
Toronto, Ont. M5R 1J3
Sale Date: 10-Nov-2025
Sale Price: $ 2,095,000/ $

COMPARABLE SALE #5

Sale Date:
Sale Price: $

COMPARABLE SALE #6

Sale Date:
Sale Price: $

INTERIOR PHOTOS

Borrower: Not Applicable		File No.: 26060258
Property Address: 128 Hazelton Avenue #404		Case No.:
City: Toronto	Prov.: Ont.	P.C.: M5R 1J3
Lender: KSV Restructuring Inc.		



Subject Unit Entrance



Foyer



Living Room



Kitchen



Bedroom



Bathroom

INTERIOR PHOTOS

Borrower: Not Applicable		File No.: 26060258
Property Address: 128 Hazelton Avenue #404		Case No.:
City: Toronto	Prov.: Ont.	P.C.: M5R 1J3
Lender: KSV Restructuring Inc.		



Den



Laundry



Utility Room



Half Bath



Bedroom



Bathroom

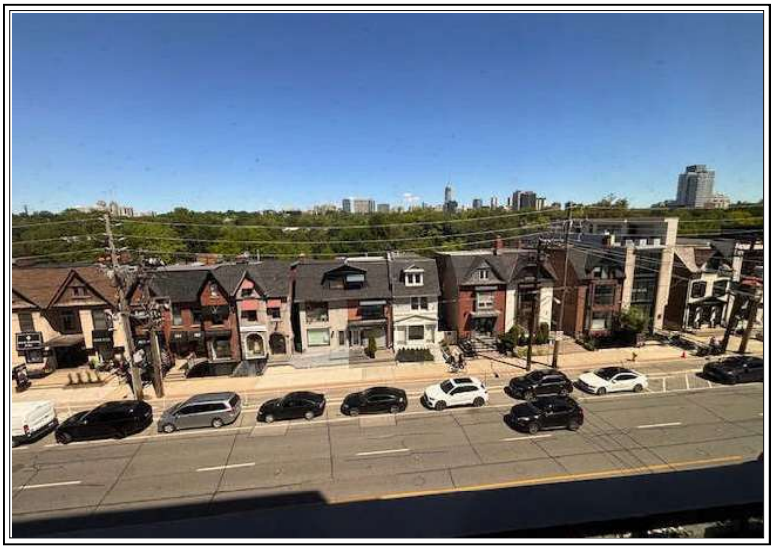
INTERIOR PHOTOS

Borrower: Not Applicable		File No.: 26060258
Property Address: 128 Hazelton Avenue #404		Case No.:
City: Toronto	Prov.: Ont.	P.C.: M5R 1J3
Lender: KSV Restructuring Inc.		



Other

Comment:
Walk In Closet



Other

Comment:
View of Davenport from Unit

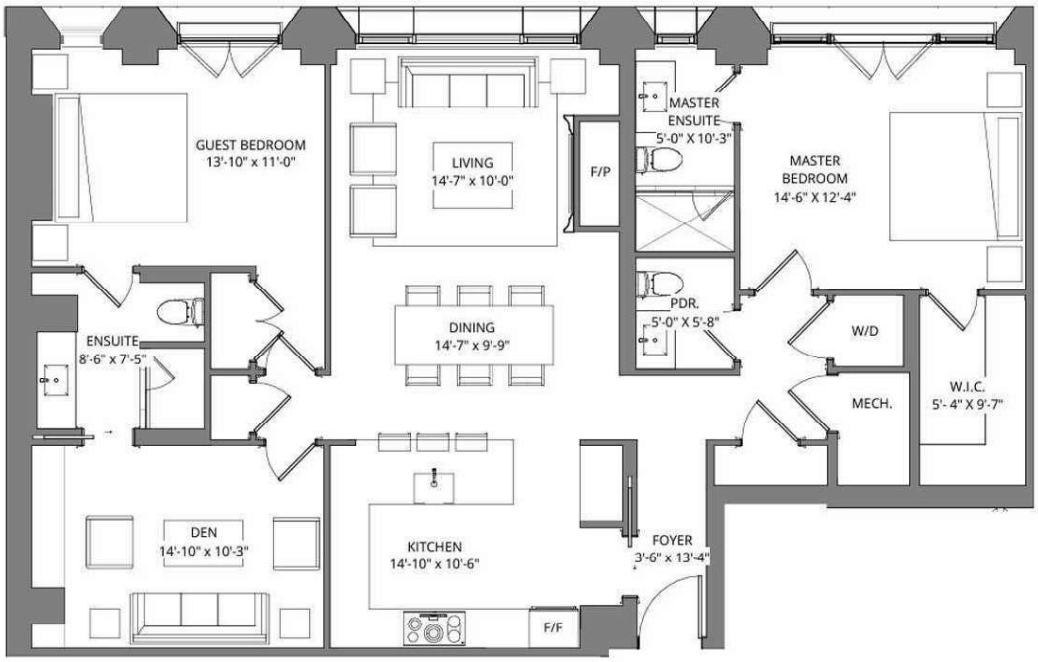


Other

Comment:
View of the subject building from Hazelton Avenue

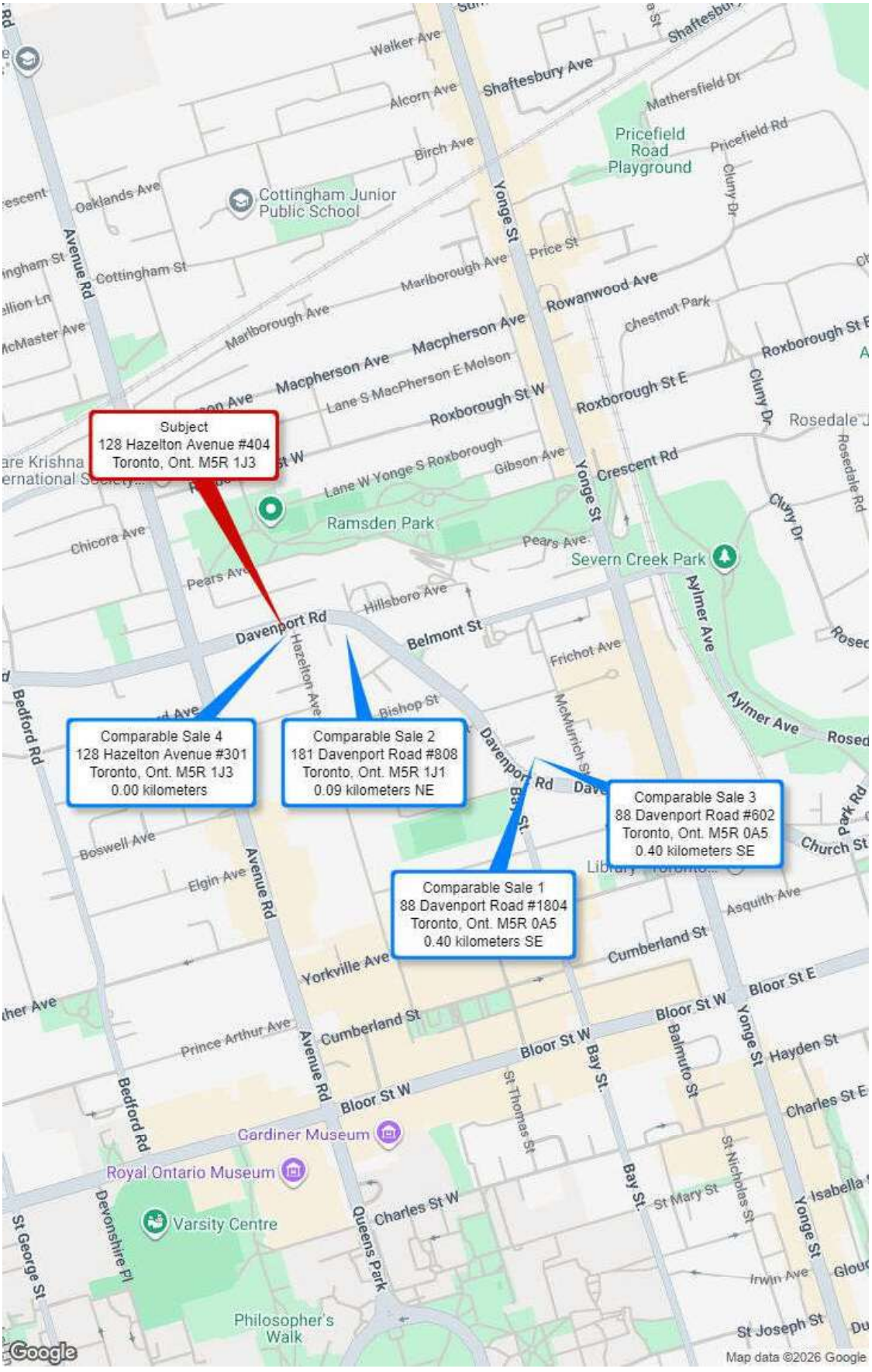
FLOORPLAN

Borrower: Not Applicable		File No.: 26060258
Property Address: 128 Hazelton Avenue #404		Case No.:
City: Toronto	Prov.: Ont.	P.C.: M5R 1J3
Lender: KSV Restructuring Inc.		



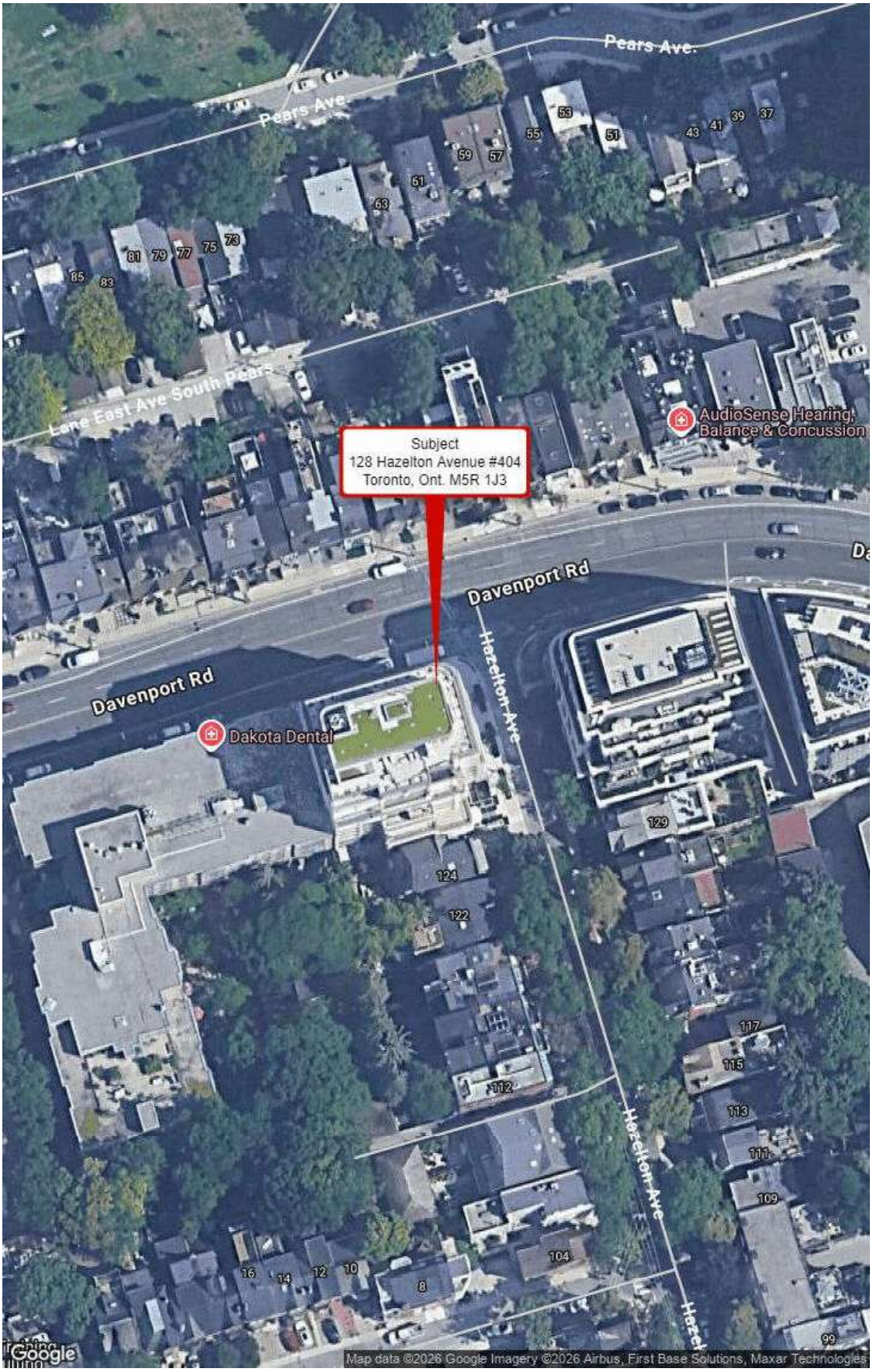
LOCATION MAP

Borrower: Not Applicable		File No.: 26060258
Property Address: 128 Hazelton Avenue #404		Case No.:
City: Toronto	Prov.: Ont.	P.C.: M5R 1J3
Lender: KSV Restructuring Inc.		



AERIAL MAP

Borrower: Not Applicable		File No.: 26060258
Property Address: 128 Hazelton Avenue #404		Case No.:
City: Toronto	Prov.: Ont.	P.C.: M5R 1J3
Lender: KSV Restructuring Inc.		



SCOPE OF THE APPRAISAL

The Scope of the Appraisal contains the necessary research and analysis to prepare a report in accordance with its intended use. The following are comments which describe the extent of the procedures used in the collection, confirmation and reporting of the information involved in preparing this report.

The following scope of work includes sections for all types of residential assignments. Please disregard those sections not relevant to the property being appraised.

The scope of work refers to the due diligence undertaken by the appraiser including the terms of reference from the client. The scope refers to the type of information researched and analysis applied. Scope includes, but is not limited to, the extent of inspection, research into physical and economic factors that could affect the property, data research, verification, and inspection of comparables and analysis applied.

This current appraisal complies with the Standards of the Appraisal Institute of Canada. We are competent in this type of appraisal analysis and have appraised this type of property previously.

We received our instructions from the client, who provided information on the property. Publications produced by the local authority provided information on applicable land use controls. Sources of market evidence included, as appropriate, the local real estate board, Land Title Office transactions - including those reported by local assessors, real estate agents, vendors and purchasers active in the market. Teranet (GeoWarehouse), Municipal Property Assessment Corporation (MPAC) and location municipalities provided information on the state of title.

We did no completed technical investigations such as : detailed inspections or engineering review of the structure, roof or mechanical systems; an environmental review of the property, a site of building survey; investigations into the bearing qualities of the soils; or audits of financial and legal arrangements concerning the leases, if any.

The analysis set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise slated herein, we did not verify client-supplied information, which we believed to be correct. The mandate for the appraisal did not require a report prepared to the standard appropriate for court purposes or for arbitration, so we did not fully document or confirm by reference to primary sources all information herein.

The local municipality was not contacted to determine if the subject buildings have any municipal property standards work orders registered against them. The local fire department was not contacted to determine if the subject buildings comply with fire regulations. However, the estimate of market value contained in this report requires that the subject buildings are in compliance with the above regulations.

This appraisal provides an assessment of the market value of the subject buildings based on their general conditions and characteristics. This is not a report on the structural integrity of the buildings or whether any major repairs are required. The services of a structural engineer, professional contractor or licensed tradesman may be required to advise on these matters.

The market value for the land has been determined by using the comparison approach to value. The most relevant information has been selected from the market and analyzed to support the site value used in this report. This information is contained in the files of the appraiser at the above address.

The cost approach has been utilized as if it is a requirement of the form and requested by the client. While sometimes requested by lenders, the cost approach is not typically used by purchasers or vendors in the marketplace, particularly with respect to older homes. Further, there is little or no empirical evidence to support the rates of depreciation used in the approach other than that indicated by the comparable sales used in the comparison approach. Accordingly, the cost approach is not necessarily a reliable indicator of market value and the reader is warned not to rely on the value indicated in the cost approach in this report, nor to use it to determine the fire insurance to be placed on the property. If a cost approach has not been included in this report, the rational is that the subject residence is not new and has a significant level of accrued depreciation, an estimate of which would be difficult to substantiate.

The income approach to value has not been used in this appraisal report, as the market does not view the subject property as one that lends itself to the criteria of an investment property.

The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater on air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildew of the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such cases. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the property appraised.

the completion thereof by the Assignor and Vendor in such case.

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15. Any further assignment of the Purchase Agreement by the Assignee shall remain to be subject to the terms of the Purchase Agreement.

16. The parties hereto agree that notice of acceptance and delivery of the within offer and all communications thereto may be made by facsimile, or other electronic means addressed to the parties hereto or their solicitors or their agents. The parties hereto agree facsimile or other electronic copies shall constitute original copies.

IN WITNESS WHEREOF the parties have executed this Agreement on the ___ day of August 2026.

Witness

Assignor: **ROBERT HISCOX**

HAZY HOLDINGS INC.

Per: _____
Name:
Title:

I/We have the authority to bind the Corporation

ALIXPARTNERS RESTRUCTURING, INC.
(formerly KSV Restructuring Inc.)
solely in its capacity
as Receiver and Manager of
the property, assets and undertaking of
MIZRAHI (128 Hazelton) INC.
and not in its personal capacity

Signed by:
Per: Bobby Kofman
89D097DCF2284F6...
Name: Robert Kofman
Title:

I/We have the authority to bind the Corporation

Docusign Envelope ID: D4FB9926-6FF2-8236-80CA-0A5A5F4EF06B

The Parties hereby agree that:

(a) Notwithstanding any provision of the Purchase Agreement including all Schedules thereto, the Units are being purchased only to the state of the finishes existing as of the date of this Agreement and no additional work will be required to be performed by the Vendor in respect of the Units.

(b) The Purchase Agreement is amended such that Residential Unit 04, Level 4 (and locker unit 19, level 2) as originally contemplated under the Purchase Agreement, does not form part of the Units to be purchased by the Purchaser;

(c) (i) the Units are being purchased on an "as is, where is" basis; and (ii) no representation or warranty, either express or implied, has been or will be given by the Vendor as to the title to or the boundaries of the Unit and the Property, the condition of the Unit, the environmental condition of the Unit and the Property, soil and subsoil conditions, the zoning and other laws, by-laws, regulations, rules or codes applicable to the Unit and the Property, the size, quality, quantity, fitness for purpose and/or marketability of the Unit and the Property, or any other matter or thing affecting or related to the Unit or the Property or any part thereof or the transaction contemplated hereby; and (iii) the Purchaser has not relied upon any representation or warranty or upon any offering material or other information furnished to the Purchaser by the Vendor or the Vendor's agent or any other person or entity including, without limitation, any reports, studies or assessments provided to the Purchaser by or on behalf of the Vendor.

(d) "Title Transfer Date" and "Occupancy Date" shall be the date that is the closing date as set out in the Assignment Agreement

(e) The address provided for the Vendor in Section 40, being "126 Hazelton Avenue, Toronto, Ontario M5R 2E5" is deleted and replaced with the following:

AlixPartners Restructuring, Inc.
220 Bay Street, 13th Floor, PO Box 20
Toronto, ON M5J 2W4
Attention: Bobby Kofman
Email: bkofman@ksvadvisory.com

Appendix “I”

File No 26060258

APPRAISAL OF



LOCATED AT:

128 Hazelton Avenue #404
Toronto, Ont. M5R 1J3

FOR:

KSV Restructuring Inc.

BORROWER:

Not Applicable

AS OF:

June 23, 2026

BY:

Heather Markoff CRA P.App

KSV Restructuring Inc.
Jordan Wong

Address of Property: 128 Hazelton Avenue #404
Toronto, Ont. M5R 1J3

Market Value: $ $2,200,000

In accordance with the letter of engagement dated June 22, 2026, I have appraised the above referenced property and provide an:

Estimate of Value of $2,200,000
With an Effective date as of: June 23, 2026

The purpose of the report was to develop an estimate of market value, as improved, in unencumbered condominium ownership.

The estimate of value is as of the effective date and is subject to assumptions and limiting conditions included in the report and to which the reader's attention is specifically directed. The appraisal is enclosed and must be read in its entirety.

No person other than the authorized users specifically identified herein can rely on this report without first obtaining consent from the client and written authorization from the author.

Values and opinions contained in this report are based on market conditions as at the time (effective date) of this report. This report does not provide a prediction of future values. In the event of market instability and/or disruption, values and opinions may change rapidly and such potential future events have NOT been considered in this report. As this report does not and cannot consider any changes to the property or market conditions after the effective date, clients and intended users are cautioned in relying on the report after the effective date noted herein.

The appraisal was prepared in accordance with the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP).

Sincerely,



Heather Markoff CRA P.App

RESIDENTIAL APPRAISAL REPORT

Client Reference: File # 26060258

CLIENT

CLIENT: KSV Restructuring Inc.
ATTENTION: Jordan Wong
ADDRESS: 1300-200 Bay Street
Toronto, Ontario M5J2W4
E-MAIL:
PHONE:

APPRAISER

AIC MEMBER: Heather Markoff CRA P.App
COMPANY: Simon & Associates Ltd.
ADDRESS: 4250 Weston Road, 2nd Floor
Toronto, Ontario M9L 1W9
E-MAIL: heather.markoff@simonandassociates.net
PHONE: (416)398-1234

SUBJECT

PROPERTY ADDRESS: 128 Hazelton Avenue #404 CITY: Toronto PROVINCE: Ont. POSTAL CODE: M5R 1J3
LEGAL DESCRIPTION: TSCP 2967 Level 4 Unit 3- parking and locker descriptions were unavailable
Source: Geowarehouse
MUNICIPALITY AND DISTRICT: City of Toronto
Property ID: Roll# 190405225000117
ASSESSMENT: 2,447,000 Assessment Date January 1, 2025 Taxes $ 18,451.92 Year 2025
EXISTING USE: Residential Condominium OTHER USES None OCCUPIED BY: Vacant

ASSIGNMENT

NAME: KSV Restructuring Inc. Name Type:
PURPOSE: [X] To estimate market value [ ] To estimate market rent [ ]
AUTHORIZED USE: [X] To estimate current market value [ ]
AUTHORIZED USERS (by name): KSV Restructuring Inc. - None other without the written consent from both the client and the appraiser
REQUESTED BY: [X] Client above [ ] Other
VALUE: [X] Current [ ] Retrospective
[ ] Update of original report completed on With an effective date of File No.
PROPERTY RIGHTS / OWNERSHIP: [ ] Fee Simple [ ] Leasehold [X] Condo/Strata [ ] Other
MAINTENANCE FEE (if applicable): $ 3,134 [X] monthly [ ] annual Source MLS
CONDO/STRATA NAME (if applicable): Private Residences Of 128 Hazelton
APPROACHES USED: [X] DIRECT COMPARISON APPROACH [ ] COST APPROACH [ ] INCOME APPROACH
EXTRAORDINARY ASSUMPTIONS & LIMITING CONDITIONS [ ] NO [X] YES
HYPOTHETICAL CONDITION: [X] NO [ ] YES
see Extraordinary Items page

NEIGHBOURHOOD

[X] Residential [ ] Commercial [ ] Industrial [ ] Agricultural [ ] First Nations/Indigenous Land
[X] Urban [ ] Suburban [ ] Rural [ ] Recreational/Resort [ ] Forestry/Public/Park
[X] Improving [ ] Stable [ ] Transitioning [ ] Deteriorating [ ]
BUILT UP: [X] Over 75% [ ] 25 - 75% [ ] Under 25%
SUBJECT TYPICAL FOR NBHD: [X] Yes [ ] No (see comments)
[ ] Detrimental Conditions Observed

AGE RANGE(years):	New	100+
PRICE RANGE:	251,000	15,495,000

C02 Annex condo sales since 3/1/2026
MARKET OVERVIEW: Supply [ ] High [X] Average [ ] Low
Demand [ ] High [X] Average [ ] Low
PRICE TRENDS: [ ] Increasing [X] Stable [ ] Declining
Values in the area have remained relatively stable

COMMENTS:
The subject is located west of Bay Street, east of Avenue Road on the north west corner of Davenport Road and Hazelton Avenue in the upscale Yorkville neighborhood in Toronto. Relatively easy access to the Bloor and Yonge subway lines, Royal Ontario Museum, Queen's Park, University of Toronto and all other amenities such as shopping and entertainment. No adverse influences were evident.

SITE

SITE DIMENSIONS: n/a condo
LOT SIZE: n/a condo Unit of Measurement Sq.Ft.
SOURCE: Assessment Records
TOPOGRAPHY: Level Throughout
CONFIGURATION: Irregular
ZONING
ZONING CODE/DESCRIPTION: CR 2.0 (c1.0; r2.0) SS2 (x89)
ZONING SOURCE: Online municipal zoning map
OTHER LAND USE CONTROLS [ ] YES [X] NO
EXISTING LAND USE CONFORMS [X] YES [ ] NO
IN FLOODPLAIN/FLOOD ZONE [ ] YES [X] NO FLOOD MAP DATE:
EASEMENTS Assumed Typical

UTILITIES: [X] Natural Gas [X] Storm Sewer [X] Sanitary Sewer [ ] Open Ditch [ ] Septic [ ] Holding Tank
WATER SUPPLY: [X] Municipal [ ] Private Well [ ]
FEATURES: [ ] Gravel Road [X] Paved Road [ ] Lane [X] Sidewalk [X] Curbs [X] Streetlights [ ]
ELECTRICAL: [X] Overhead [ ] Underground [ ]
DRIVEWAY: [ ] Private [X] Shared [ ] None [ ] Single [ ] Double [ ] Triple [X] Underground [ ] Laneway [ ]
PARKING: [X] Garage [ ] Carport [ ] Driveway [ ] Street [ ]
LANDSCAPING: [X] Good [ ] Average [ ] Fair [ ] Poor/Other

[ ] Detrimental Conditions Observed
A fully serviced apartment condominium site, which is a common element of the Condominium Corporation providing access to parking facilities and offering amenities such as 24/7 concierge and valet service, event room, lounge, fitness room and backyard garden with dining area.

Professionally Appraised
Professional Appraisers. Know the value.

RESIDENTIAL APPRAISAL REPORT

Client Reference: File # 26060258

IMPROVEMENTS

Year Built (estimated): 2022
YEAR ADDITIONS (estimated):
EFFECTIVE AGE: 0 years
REMAINING ECONOMIC LIFE: 60 years
[ ] Under Construction
[X] Appraised As Is
[ ] As if Complete (new construction/renovation)
Unit is in good condition and has never been lived in

PROPERTY TYPE: Condominium
DESIGN/STYLE: Apartment
CONSTRUCTION: Concrete
WINDOWS: Metal Frame Double
BASEMENT: None
BASEMENT AREA: N/A
BASEMENT FINISH: N/A %
FOUNDATION WALLS: Poured Concrete

ROOFING: Tar and gravel
Condition: [X] Good [ ] Average [ ] Fair [ ] Poor
Roofing: flat; assumed in good condition given the age of the building. Unobserved

EXTERIOR FINISH: Precast concrete panels
Condition: [X] Good [ ] Average [ ] Fair [ ] Poor
Visual

Energy Label: None
Efficiency Rating:
EV Charger Type: None
Solar Panels: [ ] YES [X] NO

ELECTRICAL: [ ] Fuses [X] Breakers See photos
ESTIMATED RATED CAPACITY OF MAIN PANEL: 100 amps
HEATING SYSTEM: Forced Air Fuel type: Gas
WATER HEATER: Gas
COOLING SYSTEM: Central Air

INTERIOR FINISH:

	Walls	Ceilings
Drywall	[X]	[X]
Plaster	[ ]	[ ]
Paneling	[ ]	[ ]
Other		

Flooring: engineered hardwood / marble tile

PLUMBING LINES: Copper/ Plastic Info Source: Assumed
BUILT-INS: [X] Cooktop [X] Oven [X] Dishwasher [X] Microwave [ ]
EXTRAS: [X] Security System [X] fireplace [ ] HR/ER Ventilator [ ] Pool [ ] [ ]
OVERALL INT. COND: [X] Good [ ] Average [ ] Fair [ ] Poor
Source of Interior Information: Observed by AIC Member

ROOM ALLOCATION

LEVEL:	Entrance	Living	Dining	Kitchen	Family	Bedrooms	Den	Full Bath	Part Bath	Laundry				Room Total	Area
MAIN	x	1	1	1		2	1	2	1	x				6	1566
SECOND															
THIRD															
ABOVE GRADE TOTALS:	6				Bedrooms	2	Bathrooms	2 F	1 P					6	1,566
BASEMENT															

SOURCE OF MEASUREMENT: Builder Plan/ MPAC UNIT OF MEASUREMENT: SqFt

GARAGE/PARKING
[ ] Attached [ ] Detached [ ] Built-in [ ] Single [ ] Double [ ] Triple [X] Two underground

SITE IMPROVEMENTS
Two North facing Juliette balconies that are accessed from each of the two bedrooms. The unit overlooks Davenport Road.

[ ] Detrimental Conditions Observed

COMMENTS
The subject is a two bedroom condominium apartment unit of approximately 1,566 square feet located in the Private Residences Of 128 Hazelton development. The building is nine stories and consists of only 20 residential units. Interior features include engineered hardwood and marble tile flooring throughout, 10' ceilings, decorative ceilings, en suite laundry, kitchen with marble counter tops and built in stainless steel appliances, pot lights, built in shelving and solid wood doors. The subject has never been lived in in and the interior appears to be in good condition throughout. The monthly maintenance fees are $3,134, as per the current MLS

BASEMENT
Not Applicable, Condominium Apartment

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RESIDENTIAL APPRAISAL REPORT

Client Reference: File # 26060258

HIGHEST AND BEST USE

LAND VALUE AS IF VACANT: [X] N/A $ _____ SOURCE OF DATA: _____ COMMENT: Not applicable

Existing Use: Residential Condominium

HIGHEST AND BEST USE OF THE LAND AS IF VACANT: [X] Residential [ ] Other _____

HIGHEST AND BEST USE OF THE LAND AS IMPROVED: [X] Existing Residential Use [ ] Other _____

HBU COMMENTS PERMITTED/DISCRETIONARY USES:

The subject site is improved with a residential condominium apartment building which was constructed in 2022. The subject unit comprises a floor area of approximately 1,566 square feet and reflects good quality and visual appeal. As of the effective date, the dwelling was unoccupied, in good condition, assumed to be legal and conforming, and utilized for its intended purpose. Thus, it is considered to add utility and value to the underlying lands. Based on the information available, the highest and best use of the subject property is the continuation of the residential use of the premises.

DEFINITION OF HIGHEST AND BEST USE: The reasonably probable use of real property, that is physically possible, legally permissible, financially feasible, maximally productive and that results in the highest value. (CUSPAP)

DIRECT COMPARISON APPROACH

	SUBJECT	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
		Description	Adjustment	Description	Adjustment	Description	Adjustment
	128 Hazelton Avenue #404 Toronto, Ont. M5R 1J3	88 Davenport Road #1804 Toronto, Ont. M5R 0A5		181 Davenport Road #808 Toronto, Ont. M5R 1J1		88 Davenport Road #602 Toronto, Ont. M5R 0A5	
DATA SOURCE		MLS		MLS		MLS	
DATE OF SALE		03-Mar-2026		17-Mar-2026		30-Apr-2026	
SALE PRICE	$	$ 2,900,000/ $1,320 psf		$ 2,082,000/ $1,248 psf		$ 1,950,000/ $1,249 psf	
DAYS ON MARKET		73		13		9	
LIST PRICE	$	$ 3,388,000		$ 2,098,000		$ 2,089,000	
APPROX KMs from SUBJECT		0.40 km SE		0.09 km NE		0.40 km SE	
LOCATION	Good	Good		Good		Good	
SITE DIMENSIONS LOT SIZE	N/A n/a condo	N/A n/a condo		N/A n/a condo		N/A n/a condo	
PROPERTY TYPE	Condominium	Condominium		Condominium		Condominium	
DESIGN/STYLE	Apartment	Apartment		Apartment		Apartment	
AGE/CONDITION	4 Good	13 Inferior	100,000	10 Good		13 Inferior	100,000
FLOOR AREA	1,566 SqFt	2,197 Sq.Ft.		1,668 Sq.Ft.		1,561 Sq.Ft.	
ROOM COUNT	Total Rooms 6 / Bedrooms 2	Total Rooms 6 / Bedrooms 2		Total Rooms 5 / Bedrooms 2		Total Rooms 5 / Bedrooms 2	
BATHROOMS	2 F 1 P	2 Full, 1 Half Bath		2 Full, 1 Half Bath		2 Full Bathrooms	25,000
BASEMENT	None	None		None		None	
PARKING FACILITIES	Two Underground	One Underground	100,000	Two Underground		One Underground	100,000
Locker	One	One		One		One	
Exposure	North	North West		North East		South East/ Superior	-50,000
Balcony	Juliette	Full Balcony	-50,000	Full Balcony	-50,000	Full Balcony	-50,000
Corner Unit	No	Yes	-100,000	No		Yes	-100,000
Adjusted $ PSF		$1,343 psf		$1,218 psf		$1,265 psf	
ADJUSTMENTS (Gross %, Net $)		12.1	50,000	2.4	-50,000	21.8	25,000
ADJUSTED VALUES		$	2,950,000	$	2,032,000	$	1,975,000

ANALYSIS AND COMMENTS

The reader should note that the subject is located in a high end mid-rise building with full concierge service. There have been no current comparable sales in the subject development. Sales 1 and 3 are located in the Florian development, an older building. These sales are superior corner units, however, are inferior to the subject in terms of quality of finishes. Sale 2 is located in the One8one Davenport development next door to the subject. Although in an older building, this unit has recently been fully renovated. Sale 4 is the most recent comparable sale in the subject building and is a slightly smaller corner unit. Adjustments have been made for variances recognized by the marketplace such as parking, exposure, balcony and number of bathrooms. Please see addendum for further analysis.

The appraiser has utilized a price per square foot unit of comparison in arriving at the market value conclusion for the subject property. The adjusted psf unit rates reflected by the three sales range between $1,218 PSF and $1,432 PSF. Valuation towards the adjusted $ PSF of sale 4 is considered to be reasonable as it is located in the subject building. Additionally valuation towards the upper end of the adjusted $ PSF range is considered to be reasonable as the subject is superior to sales 1, 2 and 3 as it is located in a newer building and includes two parking spaces. Therefore market value may be calculated as follows: 1,566 SF x $1,400 PSF = $2,200,000 Rounded

The reader should note that the current listing price is for the unit and one underground parking space only. The market value ascribed to the subject includes two underground parking spaces.

ESTIMATED VALUE BY DIRECT COMPARISON APPROACH (rounded): $ 2,200,000

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RESIDENTIAL APPRAISAL REPORT

Client Reference: File # 26060258

DIRECT COMPARISON APPROACH

	SUBJECT	COMPARABLE NO. 4 Description	COMPARABLE NO. 4 Adjustment	COMPARABLE NO. 5 Description	COMPARABLE NO. 5 Adjustment	COMPARABLE NO. 6 Description	COMPARABLE NO. 6 Adjustment
	128 Hazelton Avenue #404 Toronto, Ont. M5R 1J3	128 Hazelton Avenue #301 Toronto, Ont. M5R 1J3					
DATA SOURCE		MLS					
DATE OF SALE		10-Nov-2025					
SALE PRICE	$	$ 2,095,000/ $1,563 psf	-126,000	$		$	
DAYS ON MARKET		26					
LIST PRICE	$	$ 2,195,000		$		$	
APPROX KMs from SUBJECT		0.00 km					
LOCATION	Good	Good					
SITE DIMENSIONS LOT SIZE	N/A n/a condo	N/A n/a condo					
PROPERTY TYPE	Condominium	Condominium					
DESIGN/STYLE	Apartment	Apartment					
AGE/CONDITION	4 Good	4 Good					
FLOOR AREA	1,566 SqFt	1,340 Sq.Ft.					
ROOM COUNT	Total Rooms: 6 / Bedrooms: 2	Total Rooms: 5 / Bedrooms: 2		Total Rooms / Bedrooms		Total Rooms / Bedrooms	
BATHROOMS	2 F 1 P	2 Full, 1 Half Bath					
BASEMENT	None	None					
PARKING FACILITIES	Two Underground	One + One Tandem	50,000				
Locker	One	One					
Exposure	North	North East					
Balcony	Juliette	Juliette					
Corner Unit	No	Yes	-100,000				
Adjusted $ PSF		$1,432 psf					
ADJUSTMENTS (Gross %, Net $)		13.2	-176,000	0.0	0		
ADJUSTED VALUES		$	1,919,000	$	0	$	

ANALYSIS AND COMMENTS

Professionally Appraised

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RESIDENTIAL APPRAISAL REPORT

Client Reference: File # 26060258

HISTORY

SUBJECT SOLD WITHIN 3 YEARS OF EFFECTIVE DATE: ☐ YES ☒ NO DATE _____ SOURCE _____

SALE TRANSFER HISTORY: (minimum of three years) SALE PRICE _____

A search of TREB/Land Registry Services indicated that the subject has not sold in the past 36 months.

SUBJECT LISTED WITHIN 1 YEAR OF EFFECTIVE DATE: ☒ YES ☐ NO LAST LIST PRICE _____ UNDER CONTRACT/AGREEMENT OF PURCHASE AND SALE ☐ YES ☒ NO OBTAINED ☐ YES ☒ NO

SUBJECT CURRENTLY LISTED ☒ YES ☐ NO CURRENT LIST PRICE 2,499,000 CURRENT/PENDING PURCHASE PRICE _____

AGREEMENTS FOR SALE, OPTIONS, LISTINGS OR MARKETING OF THE SUBJECT: (minimum of one year) 1. Listed for sale on 11/25/2022 for $3,250,000 and terminated after 46 days. 2. Listed for sale on 01/09/2023 for $3,250,000 and terminated after 53 days. 3. Listed for sale on 03/03/2023 for $2,999,000 and terminated after 109 days. 4. Listed for sale on 06/20/2023 for $2,900,000 and expired after 72 days. 5. Listed for sale on 09/16/2024 for $2,750,000 and expired after 90 days. 6. Listed for sale on 04/24/2025 for $2,699,999 and expired after 98 days. 7. Listed for sale on 09/03/2025 for $2,599,000 and terminated after 196 days. 8. Listed for sale on 03/23/2026 for $2,499,000 and is currently active.

EXPOSURE TIME

Exposure Time is the estimated length of time the property interest being appraised would have been offered on the market before the hypothetical consummation of a sale at the estimated value on the Effective Date of the appraisal. (CUSPAP)

Given current market conditions, a range of 15 to 60 days is considered indicative of reasonable exposure time assuming that the subject was listed on the open market at a reasonable and competitive asking price that reflects current market values. Setting a competitive, market-aligned price from the outset often helps in generating timely offers. Pricing a property above market value can lead to extended exposure times and stale listings.

RECONCILIATION AND FINAL VALUE

RECONCILIATION AND FINAL ESTIMATE OF VALUE

As the Subject Property is a Residential Condominium, the cost and income approaches to value are not germane to the valuation of the Subject.The Direct Comparison Approach which fully reflects the actions of buyers and sellers in the marketplace has been exclusively utilized in arriving at the Market Value conclusion for the Subject Property

UPON REVIEWING AND RECONCILING THE DATA, ANALYSES AND CONCLUSIONS OF EACH VALUATION APPROACH, THE MARKET VALUE OF THE INTEREST OF THE SUBJECT PROPERTY

AS OF 23-Jun-2026 (Effective Date of the Appraisal) **IS ESTIMATED AT $** 2,200,000

COMPLETED ON 26-Jun-2026 (Date of Report) AS SET OUT ELSEWHERE IN THIS REPORT, THIS REPORT IS SUBJECT TO ASSUMPTIONS AND LIMITING CONDITIONS, THE VERIFICATION OF WHICH IS OUTSIDE THE SCOPE OF THIS REPORT

SCOPE

The scope of the appraisal encompasses the due diligence undertaken by the appraiser (consistent with the terms of reference from the client, the purpose and authorized use of the report) and the necessary research and analyses to prepare a report in accordance with the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) of the Appraisal Institute of Canada. The following comments describe the extent of the process of collecting, confirming and reporting data and its analyses, describe relevant procedures and reasoning details supporting the analyses, and provide the reason for the exclusion of any usual valuation procedures.

The appraisal issue that is the focus of this engagement has been discussed and defined with the client, the work required to solve the issue planned, and the necessary market data acquired, analyzed and reconciled into an estimate of market value in a manner typically expected in a "form" report. The specific tasks and items necessary to complete this assignment include a summary of the following:

1. assembly and summary of relevant information pertaining to the property being appraised, including listings within one year and acquisition particulars if acquired within three years prior to the effective date of the appraisal;
2. On-Site Inspection Exterior and Interior

   Source of interior information: Observed by AIC Member
3. assembly and summary of the pertinent economic and market data;
4. a summary of land use controls pertaining to the subject property;
5. a summary of "Highest and Best Use";
6. a discussion of the appraisal methodologies and procedures employed in arriving at the indications of value;
7. inclusion of photographs, maps, graphics and addendum/exhibits when deemed appropriate; and
8. reconciliation of the collected data into an estimate of market value at the effective date of the appraisal.

DEFINITION OF MARKET VALUE: The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeable, and for self-interest, and assuming that neither is under undue duress.
Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: buyer and seller are typically motivated; both parties are well informed or well advised, and acting in what they consider their own best interests; a reasonable time is allowed for exposure in the open market; payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto; and the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

All data considered appropriate for inclusion in the appraisal is, to the best of our knowledge, factual. Due to the type of property being appraised and the nature of the appraisal issue, the findings have been conveyed in this "form" format.
See Addenda.

The scope of this appraisal includes the assembly and analyses of relevant information pertaining to the property being appraised, including acquisition particulars if acquired within the past 3 years. An inspection of the subject property and surrounding area. Assembly and analysis of pertinent economic and market data. An indication of highest and best use. Summary of appraisal methodologies and procedures employed in arriving at indications of value. Inclusion of appropriate photographs, maps and exhibits. Reconciliation of collected data into an estimate of market value as of the effective date of appraisal.

Professionally Appraised

Professional Appraisers. Know the value.

RESIDENTIAL APPRAISAL REPORT

Client Reference: File # 26060258

ASSUMPTIONS, LIMITING CONDITIONS, DISCLAIMERS AND LIMITATIONS OF LIABILITY

The certification that appears in this report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA). Canadian Uniform Standards of Professional Appraisal Practice ("CUSPAP") and the following conditions:

1. This report is prepared only for the authorized client and authorized users specifically identified in this report and only for the specific use identified herein. No other person may rely on this report or any part of this report without first obtaining consent from the client and written authorization from the authors. Liability is expressly denied to any other person and, accordingly, no responsibility is accepted for any damage suffered by any other person as a result of decisions made or actions taken based on this report. Liability is expressly denied for any unauthorized user or for anyone who uses this report for any use not specifically identified in this report. Payment of the appraisal fee has no effect on liability. Reliance on this report without authorization or for an unauthorized use is unreasonable.
2. Because market conditions, including economic, social and political factors, may change rapidly and, on occasion, without warning, this report cannot be relied upon as of any date other than the effective date specified in this report unless specifically authorized by the author(s).
3. The author will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The property is appraised on the basis of it being under responsible ownership. No registry office search has been performed and the author assumes that the title is good and marketable and free and clear of all encumbrances. Matters of a legal nature, including confirming who holds legal title to the appraised property or any portion of the appraised property, are outside the scope of work and expertise of the appraiser. Any information regarding the identity of a property's owner or identifying the property owned by the listed client and/or applicant provided by the appraiser is for informational purposes only and any reliance on such information is unreasonable. Any information provided by the appraiser does not constitute any title confirmation. Any information provided does not negate the need to retain a real estate lawyer, surveyor or other appropriate experts to verify matters of ownership and/or title.
4. Verification of compliance with governmental regulations, bylaws or statutes is outside the scope of work and expertise of the appraiser. Any information provided by the appraiser is for informational purposes only and any reliance is unreasonable. Any information provided by the appraiser does not negate the need to retain an appropriately qualified professional to determine government regulation compliance.
5. No survey of the property has been made. Any sketch in this report shows approximate dimensions and is included only to assist the reader of this report in visualizing the property. It is unreasonable to rely on this report as an alternative to a survey, and an accredited surveyor ought to be retained for such matters.
6. This report is completed on the basis that testimony or appearance in court concerning this report is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to: adequate time to review the report and related data, and the provision of appropriate compensation.
7. Unless otherwise stated in this report, the author has no knowledge of any hidden or unapparent conditions (including, but not limited to: its soils, physical structure, mechanical or other operating systems, foundation, etc.) of/on the subject property or of/on a neighbouring property that could affect the value of the subject property. It has been assumed that there are no such conditions. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report.This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the author. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.
8. The author is not qualified to comment on detrimental environmental, chemical or biological conditions that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air which may include but are not limited to moulds and mildews or the conditions that may give rise to either. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report. It is an assumption of this report that the property complies with all regulatory requirements concerning environmental, chemical and biological matters, and it is assumed that the property is free of any detrimental environmental, chemical legal and biological conditions that may affect the market value of the property appraised. If a party relying on this report requires information about or an assessment of detrimental environmental, chemical or biological conditions that may impact the value conclusion herein, that party is advised to retain an expert qualified in such matters. The author expressly denies any legal liability related to the effect of detrimental environmental, chemical or biological matters on the market value of the property.
9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources the author considered reliable. Unless otherwise stated herein, the author did not verify client-supplied information, which the author believed to be correct.
10. The term "inspection" refers to observation only as defined by CUSPAP and reporting of the general material finishing and conditions observed for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only.
11. The opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The author has not confirmed that all mandatory building inspections have been completed to date, nor has the availability/issuance of an occupancy permit been confirmed. The author has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this visual inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the author.
12. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The author acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the author's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the author's privacy policy and in accordance with the PIPEDA.
13. The author has agreed to enter into the assignment as requested by the client named in this report for the use specified by the client, which is stated in this report. The client has agreed that the performance of this report and the format are appropriate for the intended use.
14. This report, its content and all attachments/addendums and their content are the property of the author. The client, authorized users and any appraisal facilitator are prohibited, strictly forbidden, and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.
15. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the author can be reasonably relied upon.
16. This report form is the property of the Appraisal Institute of Canada (AIC) and for use only by AIC members in good standing. Use by any other person is a violation of AIC copyright.
17. Where the intended use of this report is for financing or mortgage lending or mortgage insurance, it is a condition of reliance on this report that the authorized user has or will conduct lending, underwriting and insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender or insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service debt obligations on a timely basis, and to conduct loan underwriting or insuring due diligence similar to the standards set out by the Office of the Superintendent of Financial Institutions (OSFI), even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition. Any reliance on this report without satisfaction of this condition is unreasonable.

CERTIFICATION

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct;
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my impartial and unbiased professional analyses, opinions and conclusions;
3. I have no past, present or prospective interest in the property that is the subject of this report and no personal and/or professional interest or conflict with respect to the parties involved with this assignment.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
5. My engagement in and compensation is not contingent upon developing or reporting predetermined results, the amount of value estimate, a conclusion favouring the client, or the occurrence of a subsequent event.
6. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the CUSPAP.
7. I have the knowledge and experience to complete this assignment competently, and where applicable this report is co-signed in compliance with CUSPAP;
8. [X] No one has provided professional assistance to the members(s) signing this report;
   [ ] The following individual provided the following professional assistance: _____
9. As of the date of this report the undersigned has fulfilled the requirements of the AIC's Continuing Professional Development Program.
10. The undersigned is a member/are all members in good standing of the Appraisal Institute of Canada. Where applicable this report is co-signed in compliance with CUSPAP. Where a report bears two signatures, both the signing appraiser and co-signing appraiser assume full responsibility for this report.

PROPERTY IDENTIFICATION

ADDRESS: 128 Hazelton Avenue #404 CITY: Toronto PROVINCE: Ont. POSTAL CODE: M5R 1J3

LEGAL DESCRIPTION: TSCP 2967 Level 4 Unit 3- parking and locker descriptions were unavailable

BASED UPON THE DATA ANALYSES AND CONCLUSIONS CONTAINED HEREIN, THE MARKET VALUE OF THE INTEREST IN THE PROPERTY DESCRIBED.

AS OF 23-Jun-2026 (Effective Date of the appraisal) IS ESTIMATED AT $ 2,200,000

AS SET OUT ELSEWHERE IN THIS REPORT, THIS REPORT IS SUBJECT TO CERTAIN ASSUMPTIONS AND LIMITING CONDITIONS, THE VERIFICATION OF WHICH IS OUTSIDE THE SCOPE OF THIS REPORT.

SIGNATURE: H. Markoff

NAME: Heather Markoff CRA P.App

AIC DESIGNATION/STATUS: [ ] AIC Candidate Member [X] P.App., CRA [ ] P.App., AACI Membership #: 902209

DATE OF REPORT 26-Jun-2026 DATE OF INSPECTION: 23-Jun-2026

Full Inspection Exterior and Interior

AIC CO-SIGNER:

(if applicable)

NAME:

AIC DESIGNATION/STATUS: [ ] P.App., CRA [ ] P.App., AACI Membership #:

DATE OF REPORT: DATE OF INSPECTION:

SOURCE OF DIGITAL SIGNATURE SECURITY: For this appraisal to be valid, an original or a password protected digital signature is required.

ATTACHMENTS AND ADDENDA: [ ] ADDITIONAL SALES [X] EXTRAORDINARY ITEMS [ ] NARRATIVE [X] PHOTOGRAPHS [X] BUILDING SKETCH [ ] MARKET RENT [ ] _____

[X] MAPS [ ] COST APPROACH [ ] INCOME APPROACH [X] SCOPE OF WORK [ ] PROGRESS INSPECTION [ ] _____ [ ] _____

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ADDENDUM

Borrower: Not Applicable	File No.: 26060258	
Property Address: 128 Hazelton Avenue #404	Case No.:	
City: Toronto	Province: Ont.	Postal Code: M5R 1J3
Lender: KSV Restructuring Inc.		

Analysis of the Three Comparable Sales

The subject is one of only 20 residential units in it's development.

Sale 4 is the most recent comparable sale in the subject building and is a slightly smaller two bedroom unit that has been adjusted for time. An adjustment has also been made to account for the this sale having a tandem parking space. This unit is considered to have similar finishes to the subject., however is a superior corner unit.

Sales 1 and 3 are located in the Florian development development and would be considered a competing alternative to the subject as this is also a high-end building located in the Yorkville area. Sale 1 is a larger unit that has not been updated. Sale 3 is similar in size to the subject and also has not been updated.

Sale 2 is a slightly larger unit located in the adjacent building and has been fully renovated.

Further Analysis on Sales Activity in the Subject Development

There are currently two available listings in the subject building.

802-128 Hazelton Avenue is currently listed for sale as of 03/23/2026 for $6,100,000 ($2,129 per square foot). This is a 2,865 square foot unit that includes two underground parking spaces and one locker.

602-128 Hazelton Avenue is currently listed for sale as of 05/21/2026 for $6,199,000 ($2,135 per square foot). This is a 2,904 square foot unit that includes two underground parking spaces and one locker.

Time Adjustments

Borrower: Not Applicable	File No.: 26060258	
Property Address: 128 Hazelton Avenue #404	Case No.:	
City: Toronto	Province: Ont.	Postal Code: M5R 1J3
Lender: KSV Restructuring Inc.		

All MLS Toronto CENTRAL Districts
Condominium Apartments
Cumulative Monthly Average Price

Month	2025	Variance%	2026	Variance%
January	$740,804	-5.0	$680,270	4.9
February	$758,555	-7.3	$697,153	0.5
March	$758,396	-7.2	$689,987	4.9
April	$755,696	-6.9	$700,307	-1.2
May	$756,264	-7.0	$703503	0.0
June	$761,987	-7.7		
July	$756,285	-7.0		
August	$750,751	-6.3		
September	$747,112	-5.8		
October	$747,840	-5.9		
November	$748,677	-6.0		
December	$747,394	-5.9		

Source: TREB Market Watch

* Note: Variance has been calculated utilizing May 2026 Cumulative Monthly Average Price

Sales requiring time adjustments have been adjusted accordingly as follows:

A -6% adjustment has been applied to sale 4

Sales of Single Underground Parking Spaces

There have been no publicly traded sales of single underground parking spaces in Yorkville proper or MLS District C02 since January 2025. The search for parking spaces sold was expanded to surrounding neighborhoods. There have been no parking sales in MLS District C09.

The appraiser elected to apply a $100,000 adjustment for the additional parking space on sales 1 and 2 as this is the price single parking spaces have previously been trading for in the subject building. As well, given the high end nature of the area and the development, parking would likely fetch a premium.

Additional Scope of Appraisal Items

Type of Analysis The approaches as applied to our report were investigated as to their relevance to this assignment, including a review of market data necessary to properly apply these approaches. In this regard the Direct Comparison approach has been applied and later reconciled to a final estimate of value.

Data Research: Publications produced by TREB and MPAC provided information on applicable land use controls. Sources of market evidence included, as appropriate, the local real estate board, Land Title Office transactions – including those reported by Data Systems and local assessors, and real estate agents, vendors and purchasers active in the market. Title has not been searched in this assignment.

Audits and Technical Investigations: We did not complete technical investigations such as:

- Detailed inspections or engineering review of the structure, roof or mechanical systems;
- An environmental review of the property;

- A site or building survey;
- Investigations into the bearing qualities of the soils; or
- Audits of financial and legal arrangements

Verification of Third Party Information: The analysis set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct. The mandate for the appraisal did not require a report prepared to the standard appropriate for court purposes or for arbitration, so we did not fully document or confirm by reference to primary sources all information herein.

MANDATORY CLAUSES
Appraisal Institute of Canada ©- Effective December, 2018
ASSUMPTIONS, LIMITING CONDITIONS, DISCLAIMERS AND LIMITATIONS OF LIABILITY

The certification that appears in this report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice ("CUSPAP") and the following conditions:

This report is prepared only for the client and authorized users specifically identified in this report and only for the specific use identified herein. No other person may rely on this report or any part of this report without first obtaining consent from the client and written authorization from the authors. Liability is expressly denied to any other person and, accordingly, no responsibility is accepted for any damage suffered by any other person as a result of decisions made or actions taken based on this report. Liability is expressly denied for any unauthorized user or for anyone who uses this report for any use not specifically identified in this report. Payment of the appraisal fee has no effect on liability. Reliance on this report without authorization or for an unauthorized use is unreasonable.

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Verification of compliance with governmental regulations, bylaws or statutes is outside the scope of work and expertise of

the appraiser. Any information provided by the appraiser is for informational purposes only and any reliance is unreasonable. Any information provided by the appraiser does not negate the need to retain an appropriately qualified professional to determine government regulation compliance.

No survey of the property has been made. Any sketch in this report shows approximate dimensions and is included only to assist the reader of this report in visualizing the property. It is unreasonable to rely on this report as an alternative to a survey, and an accredited surveyor ought to be retained for such matters.

This report is completed on the basis that testimony or appearance in court concerning this report is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to: adequate time to review the report and related data, and the provision of appropriate compensation

Personal Information Protection and Electronic Documents Act (PIPEDA)

On the date of inspection, the dwelling was vacant and free of any personal chattels or property. Thus, the interior photographs included in this report would be in compliance with the Act.

EXTRAORDINARY ITEMS ADDENDUM

Reference: File # 26060258

EXTRAORDINARY ITEMS ADDENDUM

EXTRAORDINARY ASSUMPTIONS & EXTRAORDINARY LIMITING CONDITIONS

An extraordinary assumption is a hypothesis, either supposed or unconfirmed, which if not true, could alter the appraiser's opinions and conclusions.

Unless otherwise stated in this report, the appraiser has no knowledge of any hidden or unapparent conditions of the property (including, but not limited to, its soils, physical structure, mechanical or other operating systems, its foundation, etc.) or adverse environmental conditions (on it or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in completing the appraisal.

This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the appraiser. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.

The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. The author of this report expressly deny any legal liability relating to the effect of environmental issues on the market value of the subject property.

This report must be relied on in its entirety. The contents and/or no parts thereof of this report shall be extracted, reformatted or conveyed to any person, third party or entity, without the written consent and approval of the author of this report, particularly as to value conclusions, the identify of the appraiser/firm to which the appraiser is connected, or any reference to the AIC, AIC Ontario, or the appraiser's designation. Further, the appraiser assumes no obligation, no liability or accountability to any third party, and this report cannot be used for any purpose, other than stated within this appraisal report.

The reader should note that as per a current MLS listing the subject includes one underground parking space and one locker. As per the client, the subject unit includes two parking spaces and one locker. As the appraiser is unable to confirm ownership of the parking spaces or the locker, the appraiser has assumed that this information is true and accurate. Should this assumption be proven to be inaccurate for any reason whatsoever, we reserve the right to readdress this appraisal report as it may impact the market value conclusion contained herein.

HYPOTHETICAL CONDITIONS

Hypothetical conditions may be used when they are required for legal purpose, for purposes of reasonable analyses or for purposes of comparison. Common hypothetical conditions include proposed improvements, completed repairs, rezoning, or municipal services. FOr every Hypothetical Condition, an Extraordinary Assumption is required. Following is a description of each hypothetical condition applied to this report, the rationale for its use and its effect on the result of the assignment.

By accepting this report, the authorized client or the authorized user accepts that:

1. The hypothetical condition and assumptions identified in this report have not been independently verified or are items that are assumed to be true as part of this assignment, and
2. This report may not be reasonably relied on as proof that any of the hypothetical conditions or assumptions are true and accurate or that they will be true and accurate at any point in the future, and
3. In the event that any hypothetical condition or assumption in this report is discovered not to be true and accurate, it may impact the estimate of market value provided in this report.

The author(s) disclaims any liability arising from any hypothetical condition or assumptions not being true and accurate as of the date of this report or in the future.

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SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: Not Applicable		File No.: 26060258
Property Address: 128 Hazelton Avenue #404		Case No.:
City: Toronto	Prov.: Ont.	P.C.: M5R 1J3
Lender: KSV Restructuring Inc.		



FRONT VIEW OF SUBJECT PROPERTY

Appraised Date: June 23, 2026
Appraised Value: $ 2,200,000



REAR VIEW OF SUBJECT PROPERTY



STREET SCENE

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Not Applicable		File No.: 26060258
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City: Toronto	Prov.: Ont.	P.C.: M5R 1J3
Lender: KSV Restructuring Inc.		



COMPARABLE SALE #1

88 Davenport Road #1804
Toronto, Ont. M5R 0A5
Sale Date: 03-Mar-2026
Sale Price: $ 2,900,000/ $



COMPARABLE SALE #2

181 Davenport Road #808
Toronto, Ont. M5R 1J1
Sale Date: 17-Mar-2026
Sale Price: $ 2,082,000/ $



COMPARABLE SALE #3

88 Davenport Road #602
Toronto, Ont. M5R 0A5
Sale Date: 30-Apr-2026
Sale Price: $ 1,950,000/ $

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Not Applicable		File No.: 26060258
Property Address: 128 Hazelton Avenue #404		Case No.:
City: Toronto	Prov.: Ont.	P.C.: M5R 1J3
Lender: KSV Restructuring Inc.		



COMPARABLE SALE #4

128 Hazelton Avenue #301
Toronto, Ont. M5R 1J3
Sale Date: 10-Nov-2025
Sale Price: $ 2,095,000/ $

COMPARABLE SALE #5

Sale Date:
Sale Price: $

COMPARABLE SALE #6

Sale Date:
Sale Price: $

INTERIOR PHOTOS

Borrower: Not Applicable		File No.: 26060258
Property Address: 128 Hazelton Avenue #404		Case No.:
City: Toronto	Prov.: Ont.	P.C.: M5R 1J3
Lender: KSV Restructuring Inc.		



Subject Unit Entrance



Foyer



Living Room



Kitchen



Bedroom



Bathroom

INTERIOR PHOTOS

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City: Toronto	Prov.: Ont.	P.C.: M5R 1J3
Lender: KSV Restructuring Inc.		



Den



Laundry



Utility Room



Half Bath



Bedroom



Bathroom

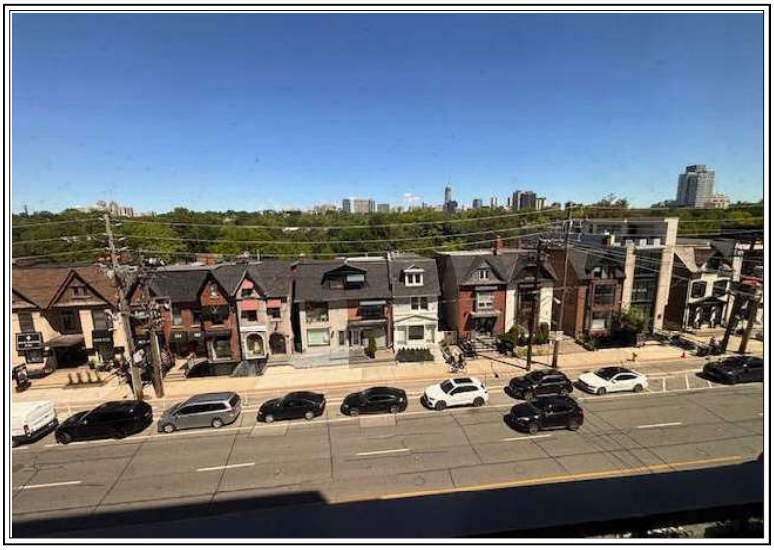
INTERIOR PHOTOS

Borrower: Not Applicable		File No.: 26060258
Property Address: 128 Hazelton Avenue #404		Case No.:
City: Toronto	Prov.: Ont.	P.C.: M5R 1J3
Lender: KSV Restructuring Inc.		



Other

Comment:
Walk In Closet



Other

Comment:
View of Davenport from Unit

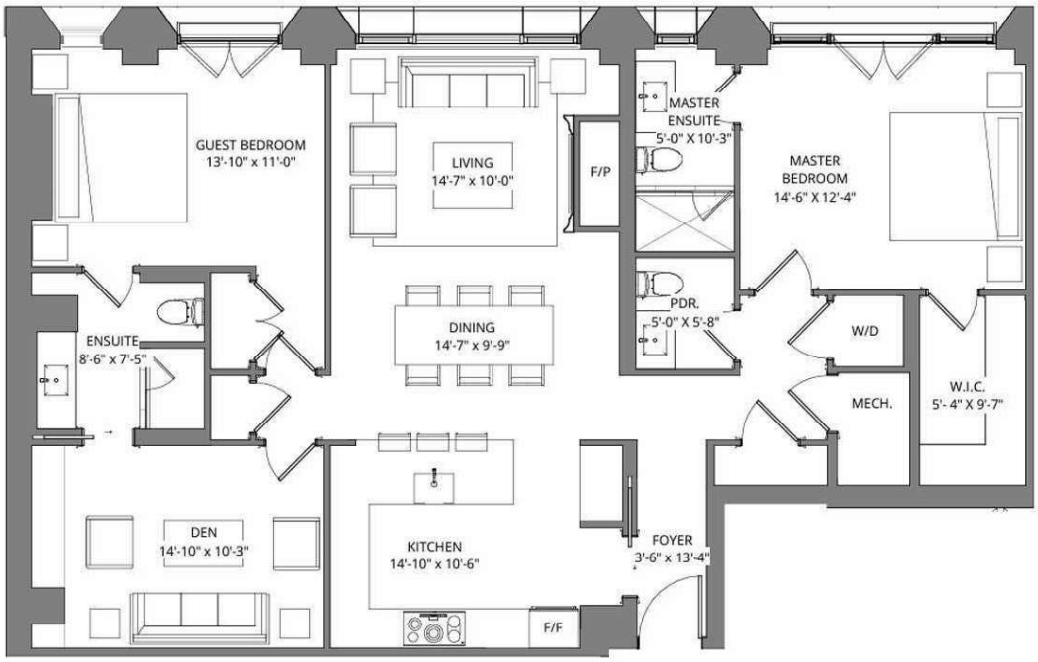


Other

Comment:
View of the subject building from Hazelton Avenue

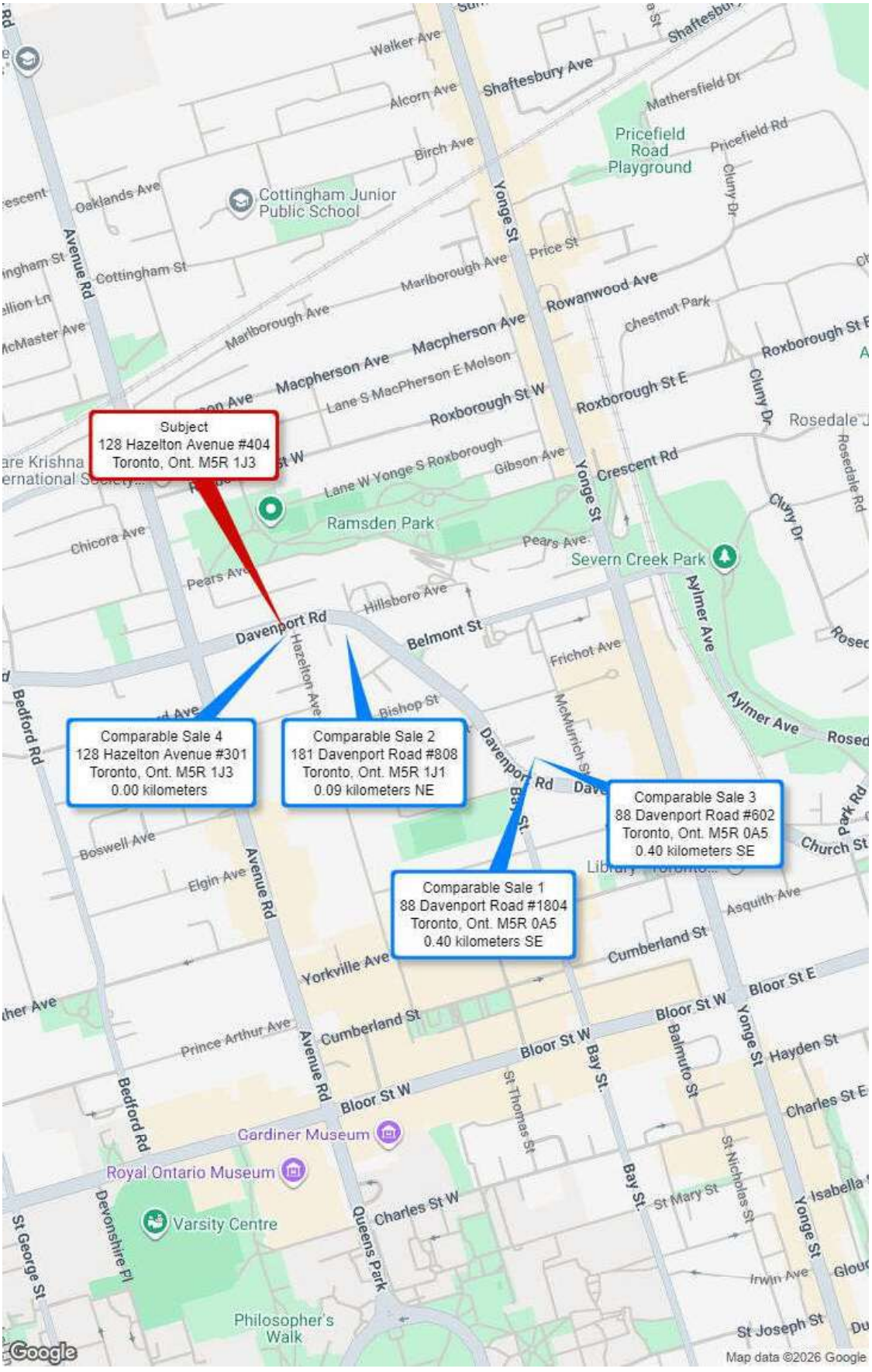
FLOORPLAN

Borrower: Not Applicable		File No.: 26060258
Property Address: 128 Hazelton Avenue #404		Case No.:
City: Toronto	Prov.: Ont.	P.C.: M5R 1J3
Lender: KSV Restructuring Inc.		



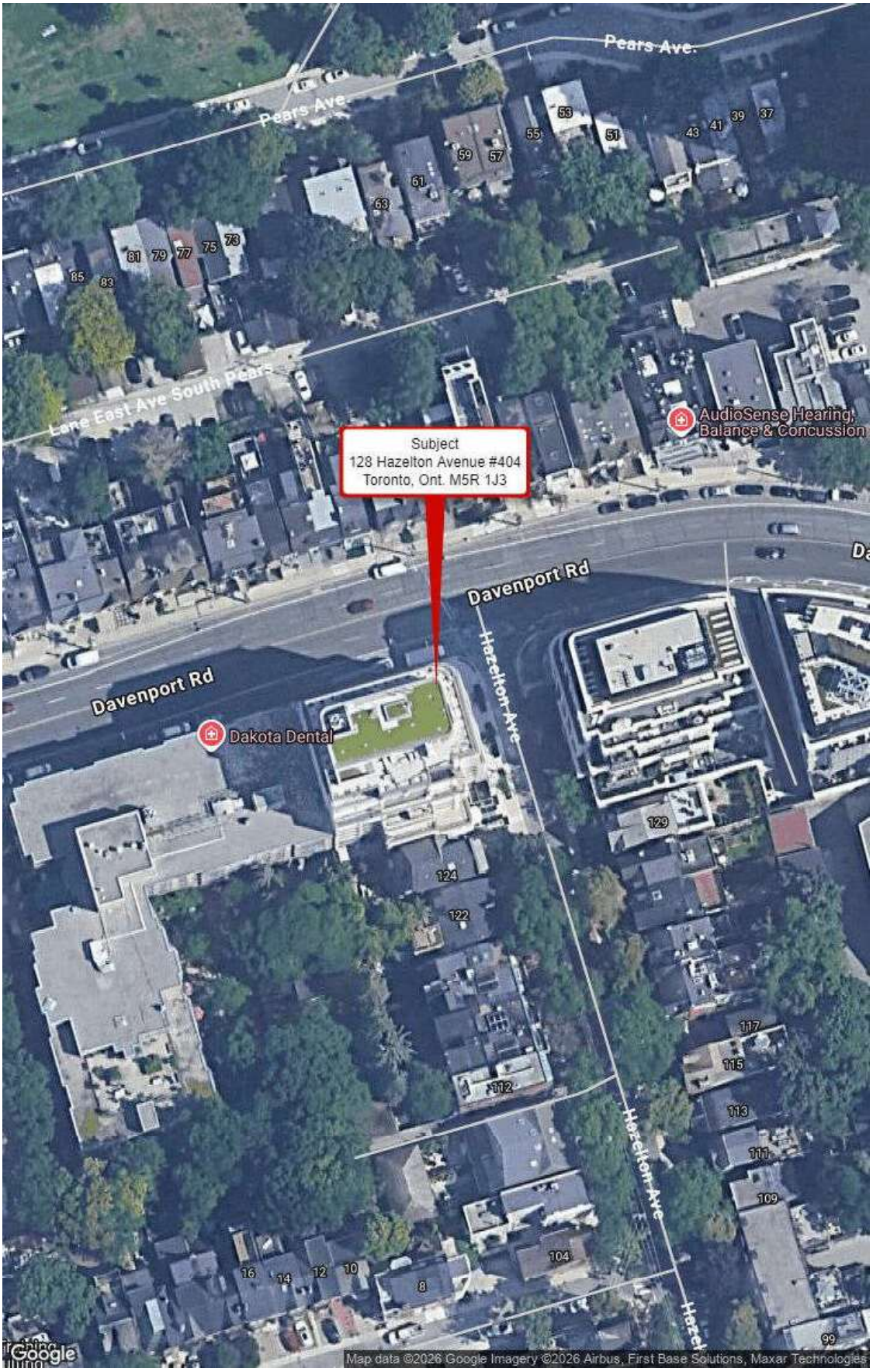
LOCATION MAP

Borrower: Not Applicable		File No.: 26060258
Property Address: 128 Hazelton Avenue #404		Case No.:
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AERIAL MAP

Borrower: Not Applicable		File No.: 26060258
Property Address: 128 Hazelton Avenue #404		Case No.:
City: Toronto	Prov.: Ont.	P.C.: M5R 1J3
Lender: KSV Restructuring Inc.		



SCOPE OF THE APPRAISAL

The Scope of the Appraisal contains the necessary research and analysis to prepare a report in accordance with its intended use. The following are comments which describe the extent of the procedures used in the collection, confirmation and reporting of the information involved in preparing this report.

The following scope of work includes sections for all types of residential assignments. Please disregard those sections not relevant to the property being appraised.

The scope of work refers to the due diligence undertaken by the appraiser including the terms of reference from the client. The scope refers to the type of information researched and analysis applied. Scope includes, but is not limited to, the extent of inspection, research into physical and economic factors that could affect the property, data research, verification, and inspection of comparables and analysis applied.

This current appraisal complies with the Standards of the Appraisal Institute of Canada. We are competent in this type of appraisal analysis and have appraised this type of property previously.

We received our instructions from the client, who provided information on the property. Publications produced by the local authority provided information on applicable land use controls. Sources of market evidence included, as appropriate, the local real estate board, Land Title Office transactions - including those reported by local assessors, real estate agents, vendors and purchasers active in the market. Teranet (GeoWarehouse), Municipal Property Assessment Corporation (MPAC) and location municipalities provided information on the state of title.

We did no completed technical investigations such as : detailed inspections or engineering review of the structure, roof or mechanical systems; an environmental review of the property, a site of building survey; investigations into the bearing qualities of the soils; or audits of financial and legal arrangements concerning the leases, if any.

The analysis set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise slated herein, we did not verify client-supplied information, which we believed to be correct. The mandate for the appraisal did not require a report prepared to the standard appropriate for court purposes or for arbitration, so we did not fully document or confirm by reference to primary sources all information herein.

The local municipality was not contacted to determine if the subject buildings have any municipal property standards work orders registered against them. The local fire department was not contacted to determine if the subject buildings comply with fire regulations. However, the estimate of market value contained in this report requires that the subject buildings are in compliance with the above regulations.

This appraisal provides an assessment of the market value of the subject buildings based on their general conditions and characteristics. This is not a report on the structural integrity of the buildings or whether any major repairs are required. The services of a structural engineer, professional contractor or licensed tradesman may be required to advise on these matters.

The market value for the land has been determined by using the comparison approach to value. The most relevant information has been selected from the market and analyzed to support the site value used in this report. This information is contained in the files of the appraiser at the above address.

The cost approach has been utilized as if it is a requirement of the form and requested by the client. While sometimes requested by lenders, the cost approach is not typically used by purchasers or vendors in the marketplace, particularly with respect to older homes. Further, there is little or no empirical evidence to support the rates of depreciation used in the approach other than that indicated by the comparable sales used in the comparison approach. Accordingly, the cost approach is not necessarily a reliable indicator of market value and the reader is warned not to rely on the value indicated in the cost approach in this report, nor to use it to determine the fire insurance to be placed on the property. If a cost approach has not been included in this report, the rational is that the subject residence is not new and has a significant level of accrued depreciation, an estimate of which would be difficult to substantiate.

The income approach to value has not been used in this appraisal report, as the market does not view the subject property as one that lends itself to the criteria of an investment property.

The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater on air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildew of the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such cases. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the property appraised.