First Report of
Duff & Phelps Canada Restructuring Inc.
as Receiver of Mady Steeles 2011 Ltd.

March 25, 2015

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Appendices

COURT FILE NO: CV-15-10897-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COMPUTERSHARE TRUST COMPANY OF CANADA

APPLICANT

- AND -

MADY STEELES 2011 LTD.

RESPONDENT

FIRST REPORT OF
DUFF & PHELPS CANADA RESTRUCTURING INC.
AS RECEIVER

MARCH 25, 2015

1.0 Introduction

1. This report ("Report") is filed by Duff & Phelps Canada Restructuring Inc. ("D&P") in its capacity as the Court-appointed receiver (the "Receiver") of all the lands and premises municipally described as 5789 – 5951 Steeles Avenue East, Toronto, Ontario (the "Lands") and all the present and after-acquired assets, undertaking and properties of Mady Steeles 2011 Ltd. (the "Company") in any way relating to the Lands (collectively, and together with the Lands, the "Property").

2. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "Court") made on March 5, 2015 (the "Receivership Order"), D&P was appointed as the Receiver of the Property. A copy of the Receivership Order is attached as Appendix "A".

3. The primary purpose of these proceedings is to conduct a sale process for the Lands under the supervision of a Court-appointed receiver ("Sale Process").

1.1 Purposes of this Report

1. The purposes of this Report are to:

   a) provide background information about the Company, including its creditors;

   b) summarize the process carried out by the Receiver to solicit proposals from real estate agents to list the Lands for sale;

   c) summarize the recommended Sale Process pursuant to which the Lands would be marketed for sale, including the Receiver's recommended retention of Cushman & Wakefield Ltd. ("C&W") to act as listing agent for the Lands (the "Listing Agent"); and

   d) recommend that the Court issue an order:

      - approving this Report and the actions of the Receiver described herein;

      - approving the Sale Process, including the retention of C&W as the Listing Agent; and

      - sealing the confidential appendix until further order of this Court.

1.2 Currency

1. All currency references in this Report are in Canadian dollars.

2.0 Restrictions

1. In preparing this Report, the Receiver has relied upon unaudited financial information provided by the Company and its representatives and the Company's books and records. The Receiver has not performed an audit or other verification of such information and, accordingly, it expresses no opinion thereon.

3.0 Background

1. The Company purchased the Lands on December 15, 2011. The Receiver understands that the Company holds the Lands on behalf of its beneficial owners, Mady Steeles Investments Ltd. (90%) and 2118278 Ontario Limited (10%).

2. The Lands comprise approximately 39 acres. The Receiver understands that the Company's plan was to develop the Lands into a 257,000 square foot commercial retail site consisting of 23 leasable units. As part of its pre-construction efforts, the Company entered into leases or offers to lease with 11 tenants. Some of these leases appear to have been terminated; construction on the Lands has not commenced.

3.1 Creditors

3.1.1 Mortgagees

1. Based on the Affidavit of Noah Mintz sworn on February 26, 2015 in connection with these proceedings ("Mintz Affidavit"), the following mortgages are registered on title to the Lands:

    a) a first-registered mortgage in favour of Computershare Trust Company of Canada ("Computershare") in the principal amount of $35 million. Trez Capital Corporation and certain of its affiliates (collectively, the "Trez Group") provided financing to assist the Company to purchase the Lands. The loan was transferred to Computershare as custodian on behalf of entities in the Trez Group. Computershare acts in accordance with a custodian agreement pursuant to instructions given to it by members of the Trez Group;

    b) a subsequent-registered mortgage in favour of Northbridge Financial Corporation ("Northbridge") in the principal amount of $15 million; and

    c) a subsequent-registered mortgage in favour of 2307760 Ontario Ltd. ("230", and together with Computershare and Northbridge, the "Mortgagees") in the principal amount of $6.55 million.

2. The application to appoint the Receiver was brought by Computershare, on behalf of the Trez Group.

3.1.2 Other Creditors

1. According to the Land Titles Office (Toronto), nine liens totalling approximately $2.2 million have been registered on title against the Lands, pursuant to the *Construction Lien Act*, R.S.O. 1990, c. C.30, as amended (the "CLA"). In certain cases, statements of claim and certificates of action have, respectively, been issued and registered on title to the Lands pursuant to the CLA. A schedule summarizing the lien claims is provided in Appendix "B".

2. According to the Company's books and records, as of the date of the Receivership Order, the Company's unsecured obligations totalled approximately $3.3 million, excluding any potential amounts owing to lien claimants. The Company's largest unsecured creditor is David Mady Investments (2008) Inc., a related entity to the Company, which is owed approximately $2.5 million in connection with, among other things, development and interest expenses that it funded on behalf of the Company.

3.1.3 Other

1. Further information about the Company and its background was provided in Mintz Affidavit. A copy of this document and other materials filed in these receivership proceedings can be found on the Receiver's website at: http://www.duffandphelps.com/intl/en-ca/Pages/RestructuringCases.aspx.

4.0 Sale Process

1. On December 30, 2014, Computershare issued a Notice of Sale under its mortgage pursuant to the *Mortgages Act*, R.S.O. 1990, c. M.40, as amended (the "Notice of Sale"). In order to consider a realization process for the Lands, the Mortgagees solicited proposals to list the Lands for sale from the following five real estate brokers (collectively, the "Brokers", and each a "Broker"):

    a) CBRE Limited ("CBRE");

    b) C&W;

    c) MGI Realty Inc. Brokerage;

    d) CIBC World Markets Inc. ("CIBC"); and

    e) Colliers International ("Colliers").

2. The Mortgagees were unable to agree on a choice of Broker.

4.1 Request for Proposals from the Brokers

1. Pursuant to the Receivership Order, the Receiver was authorized to solicit proposals from real estate brokers to act as Listing Agent to sell the Lands. The terms of any sale process, including the retention of a Broker, are subject to Court approval.

2. Immediately following the commencement of these proceedings, the Receiver sent a Request for Proposal ("RFP") to the Brokers. A copy of the RFP is attached as Appendix "C". Proposals from the Brokers were due on March 16, 2015 (the "Proposal Deadline").

3. The Receiver only solicited listing proposals from the Brokers as:

    a) all the Brokers are national and reputable firms; and

    b) a primary objective of the Mortgagees is to conduct a thorough but expedited sale process. As the Brokers were familiar with the Lands prior to these receivership proceedings, they were quickly able to prepare and submit proposals.

4. Each of the Brokers submitted a proposal by the Proposal Deadline.

5. As set out in the RFP, the Receiver evaluated the proposals based on, *inter alia*, the following criteria:

    a) the Brokers' marketing plan;

    b) the Brokers' global reach;

c) the qualifications of the individuals to be assigned to the project;

d) the proposed compensation structure; and

e) other factors as determined by the Receiver.

6. A summary of the proposals is provided below:

Marketing Plans

- all the Brokers contemplate that they can enter into a binding agreement with a purchaser within 16 weeks, although the closing date may be after that date. As a follow-up to the proposals, the Receiver requested that each of the Brokers provide evidence of its experience completing transactions of the Lands' magnitude within a 16-week timeframe. The Receiver received case studies from C&W, Colliers and CBRE reflecting their success in this regard;

- the valuations provided by the Brokers suggest that the Lands would have greater value with leases in place. C&W's proposal differentiated itself in that it contemplated partnering with Northwest Atlantic Canada, a brokerage firm that represents many of the prospective tenants. A summary of the valuations provided by the Brokers (the "Valuations") is provided in Confidential Appendix "1";

- CBRE indicated that value of the Lands may be maximized by trying to develop the Lands differently than the Company had intended, including severing and/or re-zoning the Lands. Pursuant to a Notice of Decision dated February 19, 2015, the City of Toronto consented to sever a portion of the Lands into two parcels,[1] provided that a number of conditions are fulfilled by February 19, 2016. A copy of the Notice of Decision is attached as Appendix "D";

Global Reach

- each of the Brokers has the capability to reach national and international buyers. Colliers, CBRE and C&W focussed on this criterion to a greater extent than the others and advised that they:

  I. have global offices;

  II. hold regularly scheduled conference calls among global senior management to discuss current opportunities; and

[1] A small portion of the Lands would also need to be dedicated to the City to extend its streets.

III. intend to have this opportunity marketed in relevant publications to have the Lands exposed to Asian and other markets.

Compensation Structure

- commission structures ranged from 0.85% (in the case of C&W) to 1.5% (in the case of Colliers) of the Lands' gross selling price. All the Brokers advised that any amounts due to a cooperating broker would either be the responsibility of the Receiver, as vendor, or of the purchaser.

7. Prior to recommending a Broker, the Receiver consulted with the Mortgagees in order to attempt to build a consensus on the selected Broker. In this regard:

   - The Trez Group advised that it consented to the retention of C&W;
   - Based on discussions with and feedback from Northbridge, it appears that Northbridge is not opposed to the retention of C&W provided that its marketing materials highlighted different approaches to developing the Lands, including severing and re-zoning the Lands. In Northbridge's view, a fresh approach may be required to maximize the value of the Lands; and
   - 230 indicated that it would support Northbridge's position.

8. In order to address the concerns raised by Northbridge and 230, the Receiver requested that C&W include in its marketing efforts a focus on international markets and alternative redevelopment opportunities. C&W has advised that it would do so.

9. Based on the foregoing, the Receiver recommended to the Mortgagees that C&W be retained to market the Lands for sale.

4.2 Confidentiality

1. The Receiver respectfully requests that the Valuations be filed with the Court on a confidential basis and be sealed ("Sealing Order"). If the Valuations are not sealed, bidders for the Lands would have access to the information which could be prejudicial to the Sale Process. The Receiver is not aware of any party that would be prejudiced by the proposed Sealing Order. The Mortgagees have been provided with the Receiver's summary of the Brokers' proposals. Accordingly, the Receiver believes that the proposed Sealing Order is appropriate in the circumstances.

4.3 Sale Process

1. A summary of the recommended Sale Process is provided in the following table:

Summary of Sale Process		
Milestone	**Description of Activities**	**Timeline**
Phase 1 – Underwriting		
Pre-market due diligence	➢ C&W to review all available documents concerning the Lands, including environmental reports and planning and development reports	First two weeks
Target market surveys	➢ C&W to have pre-marketing discussions with targeted developers both in the area and globally ➢ C&W to present the opportunity to global senior management in weekly conference calls	
Finalize marketing materials	➢ C&W and the Receiver to: o prepare a teaser; o populate an online data room; o prepare a Vendor's form of Purchase and Sale Agreement (the "PSA"); o prepare a confidentiality agreement ("CA"); and o prepare a Confidential Information Memorandum ("CIM")	
Phase 2 – Marketing		
Stage 1	➢ C&W to introduce itself to targeted prospects	Week 3
Stage 2	➢ Mass market introduction, including: o posting on Multiple Listing Service (Toronto); o publication of the acquisition opportunity in *The Globe and Mail* (National Edition); and o offering to be translated and published in relevant publications to have the Lands exposed to Asian and other markets	Week 4
Stage 3	➢ C&W to provide detailed information to qualified prospects which sign the CA, including the CIM, access to the data room and a form PSA	Weeks 4 – 6
Bid date	➢ Prospective purchasers to submit PSAs	End of week 6

Summary of Sale Process		
Milestone	**Description of Activities**	**Timeline**
Phase 3 – Negotiations and Closing		
2nd Round Bids	➢ Prospective purchasers will be shortlisted and be asked to re-submit PSAs ➢ Bidders to be qualified by C&W and the Receiver	Week 7
Selection of Successful Bid	➢ The Receiver, C&W and the successful bidder will finalize the definitive documents, including the PSA	Weeks 8 -11
Sale Approval Motion	➢ The Receiver will bring a motion for the approval of the successful offer	As soon as practicable
Closing	➢ Closing of the transaction(s)	As soon as practicable

2. In addition to the activities set out above:

   a) the Lands will be marketed on an “as is, where is” basis;

   b) Based on feedback from the Brokers, it is the Receiver’s expectation that a binding offer can be executed within the timelines contemplated by the Sale Process. However, the Receiver will be entitled to extend the Sale Process if it considers necessary and appropriate in the circumstances;

   c) the Receiver will have the right to reject any and all offers, including the highest offer; and

   d) any transaction(s) resulting from the Sale Process will be subject to Court-approval.

3. C&W’s proposed listing agreement has not been finalized. A copy of the listing agreement will be filed with the Court prior to April 1, 2015, being the comeback date of the Receiver’s motion.

4.4 Sale Process Recommendation

1. The Receiver recommends that this Court issue an order approving the Sale Process, including the retention of C&W, for the following reasons:

   a) C&W is an international and reputable firm that has the experience and capabilities to complete the Sale Process;

   b) in the Receiver’s view, the proposed Sale Process is commercially reasonable;

c) the Receiver understands that Trez Group consents to the appointment of C&W and that each of Northbridge and 230 is unlikely to oppose its retention provided C&W includes as part of its marketing efforts alternative means to enhance value for the Lands and agrees to canvass foreign markets for prospective purchasers; and

d) the duration of the Sale Process is reasonable as:

- C&W is familiar with the Lands and advises that it can prepare the Sale Process marketing materials within the timelines provided;
- in the views of the Receiver and C&W, the duration of the Sale Process is sufficient to allow interested parties to perform due diligence and submit their offers;
- the Receiver can extend the Sale Process as it considers appropriate; and
- the Mortgagees have indicated that they prefer an expedited process.

2. Based on the foregoing, the Receiver recommends that the Court approve the Sale Process, including the retention of C&W as the Listing Agent.

5.0 Conclusion and Recommendation

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

* * *

All of which is respectfully submitted,

Duff + Phelps Canada Restructuring Inc.

DUFF & PHELPS CANADA RESTRUCTURING INC.,
IN ITS CAPACITY AS THE COURT-APPOINTED RECEIVER OF ALL THE LANDS AND PREMISES MUNICIPALLY DESCRIBED AS 5789 – 5951 STEELES AVENUE EAST, TORONTO, ONTARIO AND ALL THE PRESENT AND AFTER-ACQUIRED ASSETS, UNDERTAKING AND PROPERTIES OF MADY STEELES 2011 LTD. IN ANY WAY RELATING TO THESE LANDS AND PREMISES,
AND NOT IN ITS PERSONAL CAPACITY

Appendix “A”

Court File No. CV-15-10897-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE	)	THURSDAY, THE 5th
JUSTICE NEWBOULD	)	DAY OF MARCH, 2015
	)	

SUPERIOR COURT OF JUSTICE COUR SUPÉRIEURE DE JUSTICE JUSTITIA

COMPUTERSHARE TRUST COMPANY OF CANADA

Applicant

\- and -

MADY STEELES 2011 LTD.

Respondent

ORDER

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 Duff & Phelps Canada Restructuring Inc. ("**D&P**") as receiver (in such capacity, the "**Receiver**") without security, of all of the lands and premises municipally described as 5789 – 5951 Steeles Avenue East, Toronto, Ontario, and all of the present and after-acquired assets, undertakings and properties of Mady Steeles 2011 Ltd. (the "**Debtor**"), in any way relating to such lands and premises was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Noah Mintz sworn February 26, 2015 (the "**Mintz Affidavit**") and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, D&P and such other counsel as were present, no one else appearing although duly served as appears from the affidavit of service of [•] sworn [•], and on reading the consent of D&P 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 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, D&P is hereby appointed Receiver, without security, of all of the lands and premises legally described in Schedule "A" hereto and municipally described as 5789-5951 Steeles Avenue East, Toronto, Ontario (the "**Lands**"), and all of the present and after-acquired assets, undertaking, and properties of the Debtor in any way relating to the Lands (collectively, including the Lands, 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;

   (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 Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

(d) to engage consultants, appraisers, agents (other than as provided for in s. 3(j), below), 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 Debtor or any part or parts thereof;

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

(g) to settle, extend or compromise any indebtedness owing to the Debtor;

(h) 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 Debtor, for any purpose pursuant to this Order;

(i) 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 Debtor, 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;

(j) to solicit proposals for the listing of the Lands by a broker or listing agent, utilizing the "Request for Proposal" process detailed in Exhibit MM to the Mintz Affidavit; provided, however, that the engagement of such broker or listing agent and the implementation of its corresponding proposal and the contemplated sale and marketing process shall require the further approval of this Court;

(k) with the approval of this Court, 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) with the approval of this Court, to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business; provided, however, that 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, and in each case the Ontario *Bulk Sales Act* shall not apply;

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

(p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

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

(r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and

(s) 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 Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the 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 Debtor, 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 the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

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 DEBTOR OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor 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 Debtor 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 Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that 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 Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

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 Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor 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 Debtor 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 Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor 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, 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 Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, 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 Debtor, 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 its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the 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 from any entity in the Trez Group (as defined in the Mintz Affidavit), 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 $300,000 (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, 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.

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List

website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/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 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol on D&P's website at www.duffandphelps.ca.

26. 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, facsimile or electronic transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery, facsimile or electronic 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

27. 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.

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

29. 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.

30. 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.

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

32. 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, to the Applicant and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

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

MAR 5 2015

SCHEDULE "A"

LEGAL DESCRIPTION

PIN 06050-0199 (LT)

PT LOTS 18 & 19, CON 5; PT ROAD ALLOWANCE BETWEEN LOTS 18 & 19 CON 5, AS CLOSED BY-LAW 406 BEING PT OF PT 1 66R12477 LYING NORTH OF PLAN 66M1996; SAVE & EXCEPT PT OF LOTS 18 & 19 CON 5 PT 1 66R16987...SUBJ. TO EASE. OVER PTS 1 & 2 66R17070 AS IN C981858. SCARBOROUGH, CITY OF TORONTO; S/T EASEMENT OVER PART 37 PL 66R23655 AS IN AT1787207; TORONTO; T/W EASEMENT OVER PT 35 PL 66R23655 AS IN AT1787250; T/W EASEMENT OVER PTS 24 & 25 PL 66R23655 AS IN AT1787250

PIN 06050-0266 (LT)

PT LT 20 CON 5 SCARBOROUGH DESIGNATED AS PT 1 PL 66R23210; SCARBOROUGH; CITY OF TORONTO

PIN 06050-0263 (LT)

PART OF LOT 19 CON 5, SCARBOROUGH, DESIGNATED AS PART 1 ON PLAN 66R-23217, CITY OF TORONTO; T/W EASEMENT OVER PT 35 PL 66R23655 AS IN AT1787250; T/W EASEMENT OVER PTS 24 & 25 PL 66R23655 AS IN AT1787250

PIN 06050-0264 (LT)

PART LOT 18 CON 5, SCARBOROUGH; PT RDAL BTN LOTS 18 AND 19, CON 5, SCARBOROUGH (CLOSED BY BY-LAW NO. 406 AS IN SC608215), CITY OF TORONTO, DESIGNATED AS PART 2 ON PLN 66R-23217; S/T EASEMENT OVER 38 PL 66R23655 AS IN AT1787207; TORONTO; T/W EASEMENT OVER PT 35 PL 66R23655 AS IN AT1787250; T/W EASEMENT OVER PTS 24 & 25 PL 66R23655

PIN 06050-0272 (LT)

PT LOT 18 CON. 5 SCARBOROUGH, PT 3 PL 66R23217 SAVE AND EXCEPT PT 32 PL 66R23655; CITY OF TORONTO; S/T EASEMENT OVER PT 36 66R23655 AS IN AT1787207; T/W ROW OVER PT 32 66R23655 AS IN AT1787644; T/W EASEMENT OVER PT 35 66R23655 AS IN AT1787250; T/W EASEMENT OVER PTS 24 & 25 PL 66R23655 AS IN AT1787250

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. ______________

AMOUNT $_____________________

1. THIS IS TO CERTIFY that Duff & Phelps Canada Restructuring Inc., the receiver (the "**Receiver**") of all of the lands and premises legally described in the schedule hereto and municipally described as 5789-5951 Steeles Avenue East, Toronto, Ontario (the "**Lands**"), and all of the present and after-acquired assets, undertaking, and properties of the Debtor in any way relating to the Lands (collectively, including the Lands, the "**Property**"), appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 5th day of March, 2015 (the "**Order**") made in an application having Court file number __-CL-_______, 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 $300,000 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 monthly not in advance on the last day of each month at the rate of 10% per annum.

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 ______________, 20__.

Duff & Phelps Canada Restructuring Inc., solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: ______________________________

Name:

Title:

SCHEDULE

LEGAL DESCRIPTION

PIN 06050-0199 (LT)

PT LOTS 18 & 19, CON 5; PT ROAD ALLOWANCE BETWEEN LOTS 18 & 19 CON 5, AS CLOSED BY-LAW 406 BEING PT OF PT 1 66R12477 LYING NORTH OF PLAN 66M1996; SAVE & EXCEPT PT OF LOTS 18 & 19 CON 5 PT 1 66R16987...SUBJ. TO EASE. OVER PTS 1 & 2 66R17070 AS IN C981858. SCARBOROUGH, CITY OF TORONTO; S/T EASEMENT OVER PART 37 PL 66R23655 AS IN AT1787207; TORONTO; T/W EASEMENT OVER PT 35 PL 66R23655 AS IN AT1787250; T/W EASEMENT OVER PTS 24 & 25 PL 66R23655 AS IN AT1787250

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PIN 06050-0263 (LT)

PART OF LOT 19 CON 5, SCARBOROUGH, DESIGNATED AS PART 1 ON PLAN 66R-23217, CITY OF TORONTO; T/W EASEMENT OVER PT 35 PL 66R23655 AS IN AT1787250; T/W EASEMENT OVER PTS 24 & 25 PL 66R23655 AS IN AT1787250

PIN 06050-0264 (LT)

PART LOT 18 CON 5, SCARBOROUGH; PT RDAL BTN LOTS 18 AND 19, CON 5, SCARBOROUGH (CLOSED BY BY-LAW NO. 406 AS IN SC608215), CITY OF TORONTO, DESIGNATED AS PART 2 ON PLN 66R-23217; S/T EASEMENT OVER 38 PL 66R23655 AS IN AT1787207; TORONTO; T/W EASEMENT OVER PT 35 PL 66R23655 AS IN AT1787250; T/W EASEMENT OVER PTS 24 & 25 PL 66R23655

PIN 06050-0272 (LT)

PT LOT 18 CON. 5 SCARBOROUGH, PT 3 PL 66R23217 SAVE AND EXCEPT PT 32 PL 66R23655; CITY OF TORONTO; S/T EASEMENT OVER PT 36 66R23655 AS IN AT1787207; T/W ROW OVER PT 32 66R23655 AS IN AT1787644; T/W EASEMENT OVER PT 35 66R23655 AS IN AT1787250; T/W EASEMENT OVER PTS 24 & 25 PL 66R23655 AS IN AT1787250

COMPUTERSHARE TRUST COMPANY OF CANADA – and – MADY STEELES 2011 LTD.

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at TORONTO

ORDER

BENNETT JONES LLP
One First Canadian Place
Suite 3400, P.O. Box 130
Toronto, Ontario
M5X 1A4

Mark S. Laugesen (LSUC #32937W)
Sean H. Zweig (LSUC #57307I)
Tel. (416) 863-1200
Fax (416) 863-1716

Lawyers for the Applicant, Computershare Trust Company of Canada

WSLegal\072996\00003\11556026v5

Appendix “B”

Receivership of Mady Steeles 2011 Ltd.
Summary of Construction Lien Claims filed on 5789 – 5951 Steeles Avenue East, Toronto, Ontario
(Unaudited; C$)

	Properties Against Which Lien Claims Have Been Filed					
Plaintiff(s)	5789	5811	5933	5945	5951	Amount ($)
Hammerschlag & Joffe Inc.	Yes	Yes	Yes	Yes	Yes	54,209.36
Turner Fleischer Architects, Inc.	Yes	Yes	Yes	Yes	Yes	51,539.59
Turner Fleischer Architects, Inc.	Yes	Yes	Yes	Yes	Yes	51,976.38
Turner Fleischer Architects, Inc.	Yes	No	No	No	No	41,636.60
CRS Contractors Rental Supply General Partner Inc.	Yes	Yes	No	No	No	14,969.23
Con-Drain Company (1983) Ltd.	Yes	Yes	Yes	Yes	Yes	1,279,487.70
McNaughton Hermsen Britoon Clarkson Planning Limited	Yes	No	No	No	No	30,105.00
EXP Services Inc.	Yes	Yes	Yes	Yes	Yes	455,288.00
SCS Consulting Group Ltd.	Yes	Yes	Yes	Yes	Yes	185,734.00
						2,164,945.86

Appendix “C”

Request for Proposal for
REAL ESTATE BROKER SERVICES
Re: 5789 – 5951 Steeles Avenue East, Toronto, ON

Duff & Phelps Canada Restructuring Inc., in its capacity as Court-appointed Receiver of Mady Steeles 2011 Ltd., invites proposals to provide real estate broker services for 5789 – 5951 Steeles Avenue East.

Proposals must be submitted to Noah Goldstein, Vice-President, Duff & Phelps Canada Restructuring Inc., 333 Bay Street, 14th Floor, Toronto, Ontario M5H 2R2 at the later of: (i) on or before 5:00 p.m. (Toronto time) on March 16, 2015; and (ii) on or before 5:00 p.m. (Toronto time) two weeks after the Court issues the Receivership Order.

For more information or questions, please contact Mr. Goldstein at (416) 932-6207 or at noah.goldstein@duffandphelps.com.

A. Background

- Duff & Phelps Canada Restructuring Inc. was appointed as receiver ("Receiver") of the property, assets and undertaking of Mady Steeles 2011 Ltd. (the "Company") pursuant to an order (the "Order") of the Ontario Superior Court of Justice dated March 5, 2015. A copy of the Order is available on the Receiver's website at www.duffandphelps.ca.

- The Company's primary asset is lands located at 5789 – 5951 Steeles Avenue East, Toronto ON (the "Lands") together with all of the Company's present and after acquired personal property situated on the Lands or which at any time was annexed to, comprised in, pertaining or relating to or used in connection with the Lands (collectively, together with the Lands, the "Property").

- The Order authorizes the Receiver to market the Property.

- The Receiver is now accepting proposals to act as listing agent to market the Property for sale.

B. Proposal Submission Deadline

- The later of: (i) on or before 5p.m. (Toronto time) on March 16, 2015; and (ii) on or before 5p.m. (Toronto time) two weeks after the Court issues the Receivership Order.

C. Agent's Role

The agent's role will include, *inter alia*, the following:

1. Assisting the Receiver to prepare a detailed marketing process, including timelines for the sales process.

2. Establishing an estimated value for the Property.

3. Developing a marketing plan for the Property, with the assistance of the Receiver.

4. Preparing and providing all marketing materials, with input from the Receiver.

5. Advertising the Property for sale at the agent's expense, including to international buyers.

6. Working with the Receiver to obtain confidentiality agreements ("CA") from interested parties and negotiating same.

7. Showing the Property to interested parties and establishing and maintaining a data room to facilitate the sale process.

8. Qualifying interested parties from a financial prospective.

9. Assisting interested parties in their due diligence.

10. Assisting the Receiver to assess offers submitted.

11. Providing the Receiver with a report summarizing the sale process (to be relied upon by the Receiver to support the Receiver's recommended transaction).

12. Assisting the Receiver to close the transaction.

D. Proposal Content

The Proposal must contain the following:

1. Work Plan: all bidders shall provide a detailed work plan.

2. Firm Background and Staff Experience: all bidders shall provide background of the firm, including the experience of their staff on this assignment (including résumés).

3. Bidder's Liability Insurance Certificate: a copy of the bidder's liability insurance certificate should be included with the proposal.

4. Compensation Structure: all proposals shall indicate the proposed compensation structure.

5. Conflict of Interest Statement: bidder shall disclose any professional or personal financial interests which could be a possible conflict of interest. In addition, all bidders shall further disclose any arrangements to derive additional compensation.

E. Proposal Consideration

The factors on which each proposal will be considered include the following:

- Bidder's marketing plan.
- Depth of reach, including international targets.
- Professional qualifications of individuals assigned to the project.
- Compensation structure.
- Other factors as determined by the Receiver at its sole discretion.

Appendix “D”

TORONTO
City Planning Division

Committee of Adjustment
150 Borough Drive
Toronto ON M1P 4N7
Tel 416-396-7019
Fax 416-396-7341

RECEIVED
MAR 0 2 2015

Thursday, February 19, 2015

NOTICE OF DECISION

CONSENT

(Section 53 of the Planning Act)

File Number:	B051/14SC	Zoning	Special District Commercial (SDC) & Industrial (M) Zone
Owners:	MADY STEELES 2011 LTD	Ward:	Scarborough-Rouge River (41)
Agent:	MADY STEELES 2011 LTD		
Property Address:	**5789 - 5951 STEELES AVE E**	Employment District:	Tapscott Employment District
Legal Description:	CON 5 PT LOTS 18 19 PT RD ALLOW RP 66R12477 PT PART 1		

Notice was given and the application considered on Thursday, February 19, 2015, as required by the Planning Act.

THE CONSENT REQUESTED:

This application is for consent to sever the land at 5789, 5827, 5883, 5933, 5945, and 5951 Steeles Avenue East into two parcels, as shown on the attached Consent Sketch. The Committee of Adjustment previously gave provisional consent to this severance on two occasions, but each approval lapsed because the conditions were not fulfilled within one year.

The conveyed lot would have a frontage of 302.2 m, with a depth of 272.4 m and an area of 83,780 m^2. The retained lot would have a frontage of 627.6 m, with depth of 266.6 m and an area of 80,420 m^2. The land shown as Part 2 would be dedicated to the City for an extension of State Crown Boulevard. The land shown as Part 4, 5, and 6 would be dedicated to the City for the widening of Steeles Avenue East.

In August, 2014, the Committee gave provisional consent to the creation of six parcels of land on the west side of the proposed State Crown Boulevard extension. Five of the proposed parcels would comprise part of Phase 1 of the Mosaic Shopping Centre development with frontages on Steeles Avenue East. The severance is not complete.

(This property is also the subject of an application to amend for Site Plan Approval under file number 14 143954 ESC 42 SA).

IT WAS THE DECISION OF THE COMMITTEE OF ADJUSTMENT THAT:

The Consent Application is Approved on Condition

The Committee has considered the provisions of Section 51(24) of the Planning Act and is satisfied that a plan of subdivision is not necessary. The Committee therefore consents to create new lots as shown on the attached lot division plan on the condition that before a Certificate of Consent is issued, as required by Section 53(42) of the

Planning Act, the applicant is to file the following with the Committee office:

(1) Confirmation of payment of outstanding taxes to the satisfaction of Revenue Services Division, Finance Department.

(2) Municipal numbers for the subject lots indicated on the applicable Registered Plan of Survey shall be assigned to the satisfaction of the Manager of Land and Property Surveys, Engineering Services, Engineering and Construction Services. Contacts: John House, Supervisor, Land and Property Surveys, at 416-392-8338; jhouse@toronto.ca, or his designates, Elizabeth Machynia, at 416-338-5029; emachyni@toronto.ca, John Fligg at 416-338-5031; jfligg@toronto.ca.

(3) **Two copies of the registered reference plan of survey** integrated to NAD 83 CSRS (3 degree Modified Transverse Mercator projection), delineating by separate Parts the lands and their respective areas, shall be filed with the Manager of Land and Property Surveys, Engineering Services, Engineering and Construction Services. Contact: John House, Supervisor, Land and Property Surveys, at 416-392-8338; jhouse@toronto.ca, or his designate, Virgil Gomes at 416-338-5033; vgomes@toronto.ca.

(4) **Three copies of the registered reference plan of survey** satisfying the requirements of the Manager of Land and Property Surveys, Engineering Services, Engineering and Construction Services shall be filed with the Committee of Adjustment.

(5) Part 2, 4, 5, & 6 and the easements are to be conveyed to the City free and clear to the satisfaction of the Executive Director of Engineering and Construction Services.

(6) The owner is to provide **$125**,000.00 security for the proposed traffic signals at the intersection of Passmore Avenue and State Crown Boulevard. This security is to be held for 5 years for Transportation to assess the impact of the development and to assess if a signal is required at this location. If the signal is required the funds are to be used to construct the signal, if the signal is not required the security is to be returned to the Owner.

(7) The applicant must enter into a financially secured Consent Agreement for the conveyance of land, creation of the necessary easements and construction of all works required for the completion of the widening of Steeles Avenue East and State Crown Boulevard as fully serviced roads in accordance with the City of Toronto requirements, standards and specifications, including service connections to the buildings on the lots as shown on the Consent Sketch by Schaefer's & Dzaldov Limited, received by the office on May 2, 2012, all to the satisfaction of the Executive Director of Engineering and Construction Services.

(8) There is additional land required for right-of-way purposes. To satisfy the requirements of a 36.0 metre wide right-of-way for Steeles Avenue East, as illustrated in the Official Plan, a widening measuring approximately 7.9 metres on the entire section fronting Steeles Avenue East must be conveyed to the City of Toronto in fee simple, such lands to be free and clear of all physical and title encumbrances, and subject to a right-of-way for access in favour of the Grantor until such time as said lands have dedicated as a public highway, all to the satisfaction to the Executive Director of Engineering and Construction Services and the City Solicitor. The owner shall submit to the Executive Director of Engineering and Construction Services, for review and deposit in the Land Registry Office, a draft Reference Plan of Survey in metric units and integrated into the Ontario Co-ordinate System with co-ordinate values shown on the face of the plan, and delineating thereon by separate PARTS the lands to be conveyed to the City, the remainder of the site, and any appurtenant easements. The applicant must contact the Supervisor of Property Records (416-392-8338) in this regard.

(9) The owner must convey a 23.0 metre wide right-of-way for the extension of State Crown Boulevard from its existing terminus northerly to Steeles Avenue to the City of Toronto in fee simple, such lands to be free and clear of all physical and title encumbrances, and subject to a right-of-way for access in favour of the Grantor until such time as said lands have dedicated as a public highway, all to the satisfaction to the Executive Director of Engineering and Construction Services and the City Solicitor. The owner shall submit to the Executive Director of Engineering and Construction Services, for review and deposit in the Land Registry Office, a draft Reference Plan of Survey in metric units and integrated into the Ontario Co-ordinate System with co-ordinate values shown on the face of the plan, and delineating thereon by separate PARTS the lands to be conveyed to the City, the remainder of the site, and any appurtenant easements. The applicant must contact the Supervisor of Property Records (416-392-8338) in this regard.

(10) A corner rounding (street line radius) of 15.0 metres, where State Crown Boulevard intersects Steeles Avenue East, must be conveyed to the City of Toronto in fee simple, such lands to be free and clear of all physical and title encumbrances, and subject to a right-of-way for access in favour of the Grantor until such time as said lands have dedicated as a public highway, all to the satisfaction to the Executive Director of Engineering and Construction Services and the City Solicitor. The owner shall submit to the Executive Director of Engineering and Construction Services, for review and deposit in the Land Registry Office, a draft Reference Plan of Survey in metric units and integrated into the Ontario Co-ordinate System with co-ordinate values shown on the face of the plan, and delineating thereon by separate PARTS the lands to be conveyed to the City, the remainder of the site, and any appurtenant easements. The applicant must contact the Supervisor of Property Records (416-392-8338) in this regard.

(11) Prepare all documents and convey to the City, at nominal cost, (a widening measuring approximately 7.9 metres on the entire section fronting Steeles Avenue East, a 23.0 metre wide right-of-way for the extension of State Crown Boulevard from its existing terminus northerly to Steeles Avenue and a corner rounding (street line radius) of 15.0 metres, where State Crown Boulevard intersects Steeles Avenue E., in fee simple, such lands to be free and clear of all physical and title encumbrances, and subject to a right-of-way for access in favour of the Grantor until such time as said lands have dedicated as a public highway, all to the satisfaction to the Executive Director of Engineering and Construction Services and the City Solicitor.

(12) Submit a draft Reference Plan of Survey to the Executive Director of Engineering and Construction Services, for review and approval, prior to depositing it in the Land Registry Office. The plan should:

  i. be in metric units and integrated with the Ontario Co-ordinate System (3° MTM, Zone 10, NAD 27, 1974 Adjustment);
  ii. delineate by separate PARTS the lands to be conveyed to the City, the remainder of the site and any appurtenant rights-of-way and easements; and
  iii. show the co-ordinate values of the main corners of the subject lands in a schedule on the face of the plan;

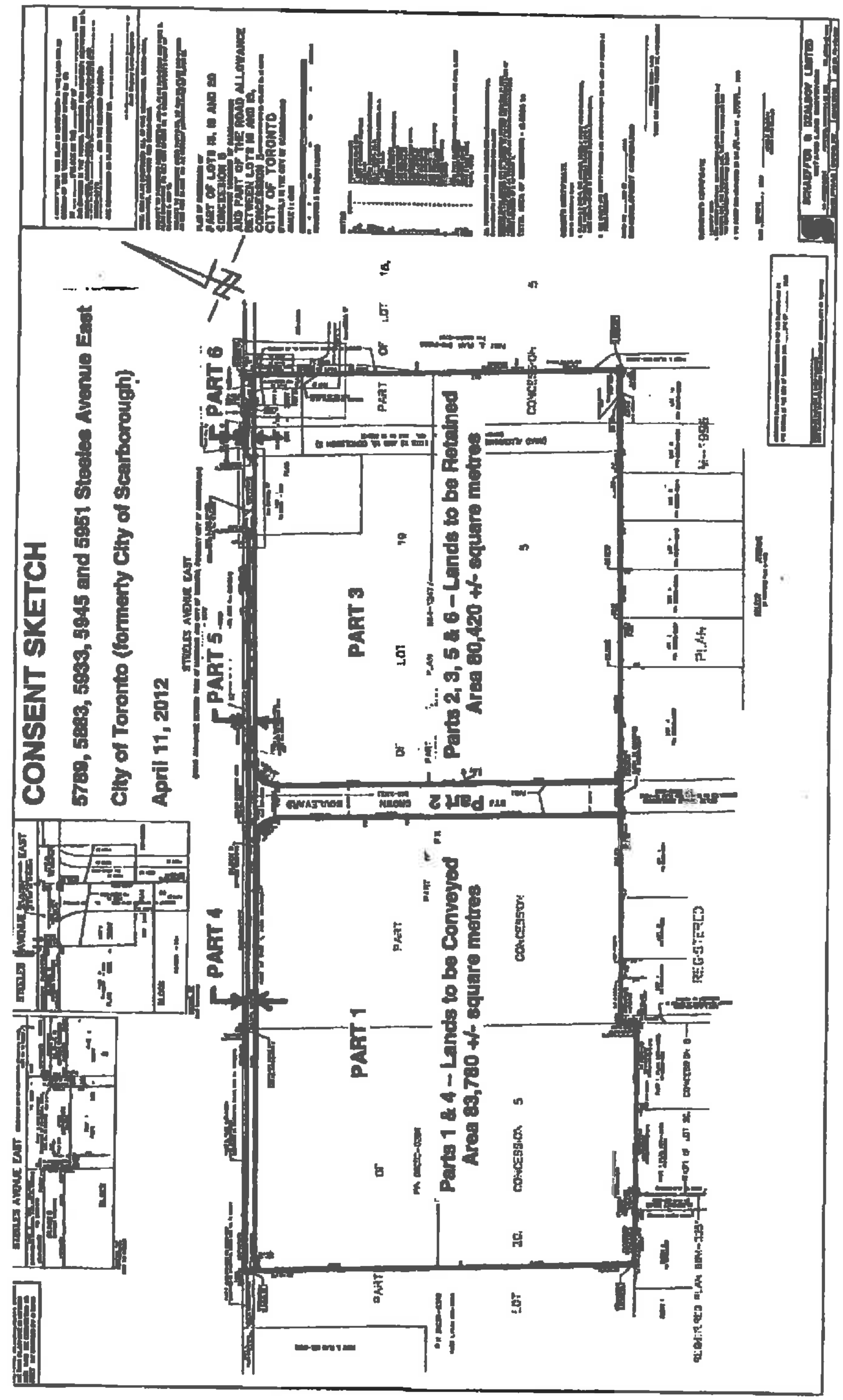
(13) Pay all costs for registration and preparation of reference plan(s).

(14) Retain a Qualified Person to conduct environmental site assessments for the lands to be conveyed to the City.

(15) Submit all environmental site assessment reports prepared in accordance with the Record of Site Condition Regulation (O.Reg.153/04) describing the current conditions of the land to be conveyed to the City and the proposed remedial action plan based on the site condition standards approach, to the Executive Director; Engineering and Construction Services, for peer review.

(16) The City is in receipt of a claim for lien from Con-Drain Company (1983) Ltd. related to "underground services, road works, asphalt, surface works" allegedly performed for Mady Steeles 2011 Ltd adjacent to Steeles Avenue E. from Middlefield Road to Markham Road; also Select Avenue from Middlefield Road, which work and/or lands include, but is not limited to PIN NOS. 06050-0177, 06050-0202; 06050-0198; 06050-0060, 06050-0067 and 06050-0061. The date the services were provided is listed as October 27, 2012 to December 3, 2014. The above noted claim for lien must be cleared prior to approval of consent application.

(17) Within **ONE YEAR** of the date of the giving of this notice of decision, the applicant shall comply with the above-noted conditions and prepare for electronic submission to the Deputy Secretary-Treasurer, the Certificate of Official, Form 2 or 4, O. Reg. 197/96, referencing either subsection 50(3) or (5) or subsection 53(42) of the *Planning Act*, as it pertains to the conveyed land and/or consent transaction.



Lot Division Plan

Applicant's Submitted Drawing

Not to Scale

19/02/2015

5789 – 5951 Steeles Avenue East

File # B051/14SC

Attachment 1

SIGNATURE PAGE

File Number:	B051/14SC	Zoning	Special District Commercial (SDC) & Industrial (M) Zone
Owners:	MADY STEELES 2011 LTD	Ward:	Scarborough-Rouge River (41)
Agent:	MADY STEELES 2011 LTD		
Property Address:	**5789 - 5951 STEELES AVE E**	Employment District:	Tapscott Employment District
Legal Description:	CON 5 PT LOTS 18 19 PT RD ALLOW RP 66R12477 PT PART 1		

Cynthia Lai (signed) Rolf Rogde (signed) Sean Karmali (signed)

Worrick Russell (signed)

DATE DECISION MAILED ON: Tuesday, February 24, 2015

LAST DATE OF APPEAL TO THE ONTARIO MUNICIPAL BOARD: Monday, March 16, 2015

CERTIFIED TRUE COPY

P. Galvin

Denise Rundle
Manager & Deputy Secretary Treasurer
Scarborough Panel

To appeal this decision to the Ontario Municipal Board, send a completed OMB Appellant Form (A1) to the Manager & Deputy Secretary-Treasurer, Committee of Adjustment. You must pay a filing fee of $125.00, by certified cheque or money order, in Canadian funds, payable to the Minister of Finance. An additional reduced fee of $25.00 is required for each connected appeal filed by the same appellant. To obtain a copy of Appellant Form (A1) and other information about the appeal process please visit the Ontario Municipal Board web site at www.omb.gov.on.ca.

NOTE: Only individuals, corporations and public agencies may appeal a decision to the Ontario Municipal Board. The appeal may not be filed by an unincorporated association or group. However, the appeal may be filed in the name of an individual who is a member of the association or group on its behalf.