FAQ – Purchaser Inquiries

CCAA Proceedings

1. **What is the purpose of the CCAA proceedings?**

   *The Companies' Creditor Arrangement Act ("**CCAA**") is Canada's primary restructuring statute.*

   *In this case, MarshallZehr Group Inc., the senior lender and loan administrator to 2055226 Ontario Inc. (the "**Company**") commenced CCAA proceedings in respect of the Company and the project. The proceedings were commenced as a result of liquidity constraints of the builder and liens that had been registered on title to the construction project. The purpose of the CCAA proceedings is to provide funding and protection in order to complete construction and sell certain partially completed units and sell the balance of the project pursuant to a Court supervised sale process.*

2. **What is a sale process and who are the key parties involved?**

   *The Court approved a sale process on September 28, 2026 (the "**Sale Process**") relating to the Phase 1, 2 and 3 Property. The sale process is a stalking horse two phase sale process.*

   *Ducimus Capital Inc. ("**Ducimus**") is the stalking horse bidder in the Sale Process, and the share and asset purchase agreement between the Monitor and Ducimus dated as of September 21, 2026 (the "**Stalking Horse Agreement**"). The purpose of the Stalking Horse Agreement is to set a base price for the project in the Sale Process as well as provide assurance as to the future completion of the project.*

   If the Stalking Horse Agreement is selected as the Successful Bid, Ducimus has advised that it currently anticipates continuing the development of the project, including common areas, trails and roads and completing future phases of construction and home closings.

3. **Are there any immediate actions, formal notices or deadlines that purchasers should be aware of both at this stage, and during the ongoing CCAA proceedings?**

   As set out above, the Monitor is currently undergoing a sale process. It is expected that this process will be complete and the next Court date will occur no later than the end of November. Further information will be known regarding the future owners of the project at that time.

   We encourage you to check back on the BDO Website (Monitor's Website) regularly for updates or request to be added to the Service List.

Agreements of Purchase and Sale

4. **What is the status of my home/purchase agreement (APS)?**

   As a result of the CCAA proceedings, construction has been able to resume. It is expected that certain units will be completed during the CCAA proceedings and that others will only be completed after the completion of a larger sale transaction.

   If your lot is expected to be completed during the CCAA proceedings, the construction manager or the Monitor will have provided you with information as to your anticipated closing date.

5. **What if I have not been given a new closing date?**

   If you have not received any such communication, your lot may either be completed after the sale transaction or it may be determined by a purchaser under the sale process that your purchase agreement is not economically viable. In the event of the latter, it is anticipated that a motion will be brought seeking authorization to disclaim your contract at the time the sale transaction is approved by the Court. Information on those units which fall into this category in the event the Stalking Horse Bidder is the successful bidder under the sale process is available in the Monitor's Third Report (Monitor's Third Report).

   In the event that your APS is to be disclaimed, you will receive notice of the motion seeking this relief and further information as to your entitlements and claims will be provided.

6. **What rights do I have to object to the disclaimer of my APS?**

   The disclaimer of APSs will be subject to a motion before the Court in the CCAA proceedings. All buyers who will have their APSs disclaimed will be provided notice of that motion and may object on their own or retain legal counsel to represent them in connection with such motion.

7. **If my APS is on the list to be disclaimed, can I renegotiate at a higher price?**

   All remaining lots are currently subject to a sale process being conducted with Colliers. During this time, neither the Company nor the Monitor are in a position to re-negotiate any existing APSs. This is something you may be able to do with the successful bidder and the Monitor after the successful bidder is known and in advance of the motion to disclaim the APSs.

8. **Can I terminate my APS as a result of the CCAA proceedings and delayed occupancy?**

   As a result of the CCAA proceedings and the Initial Order (Amended & Restated Initial Order), the termination of any APS is not permitted (i.e. stayed). Any ability to terminate without the consent of the Monitor (and the CCAA parties) would require a Court motion to be brought seeking to lift the stay of proceedings.

Deposits

9. **Where are the deposits for the units being held, and are the deposits in trust?**

   *Deposits are being held at Goldman Sloan Nash & Haber LLP ("**GSNH**") and are held/released in accordance with the deposit trust agreement dated February 14, 2024 among Tarion, 2055226 Ontario Inc. and GSNH.*

10. **What is the current status of the deposits paid for upgrades?**

    For homes that are closing, amounts paid to the vendor on account of upgrades will be credited to the Purchaser in the normal course on closing.

11. **What will happen to my deposit if my APS is not closed?**

    In the event that your unit is part of a transaction to the successful bidder, the deposit held with GSNH will be transferred as part of the closing of the sale transaction. Information regarding deposit claims for any disclaimed APSs will be provided at a future date.

Homes

12. **Are purchasers eligible for certain payments, i.e. delayed closing compensation, and what is the process for pursuing such claims?**

    No compensation payments will be made for any delay. Information for pursuing claims resulting from any disclaimed APSs will be provided at a future date.

13. **Will the homes be completed to the exact specifications agreed upon including all existing upgrades?**

    For homes being completed, the construction manager has advised that homes are being completed to specifications (subject to standard product availability and re selection process).

14. **Will there be any pre-closing inspection to ensure all specifications have been met? There is a concern that there may be issues with the home due to the long period of construction.**

    For homes that are being completed during the CCAA proceedings, the usual pre-closing inspection process will be followed.

15. **Are purchasers able to inspect the homes now to identify any additional issues with the agreement, and see what has been constructed? Are purchasers permitted to bring external inspectors (such as engineers) to their early inspection?**

    Presently, only those homes that will be ready for pre-closing inspection will be subject to home buyer inspections.

16. **What is Ducimus' proposed plan with respect to the development of the project?**

    On a preliminary basis, Ducimus expects to complete and close the Phase 2 homes through late 2026 and early 2027, commence construction of Phase 3 in late 2026, and complete closings for Phase 3 homes in spring 2027. Ducimus intends to work with the municipality with respect to trails, roads, and the clubhouse in accordance with existing project milestones which are largely dependent on, among other things, market conditions and the pace of sales, construction and closings.

    Please note that the plan described above applies only to the agreements that Ducimus elects to retain. The foregoing is provided for informational purposes only and reflects a brief summary of Ducimus' current development plans. It is not binding and should not be construed as a commitment to complete any particular phase, amenity, or development milestone by a specified date. Ducimus may amend the schedules to the Stalking Horse Agreement, including the schedule of Excluded Contracts (as defined therein), in accordance with the terms of the Stalking Horse Agreement.

17. **What will happen to common areas and community amenities, including:**

    - **Finishing of the community sidewalks, roads and landscaping**
    - **Building of the community clubhouse and pool**
    - **Building of the waterfront deck/dock**
    - **Finishing of planned nature trails on the property**

    See Question 16 above

18. **What is the status of outstanding obligations under APSs that for homes that have already closed? Will remaining work, such as driveway paving, be completed?**

Similar to the response to paragraph 14 above, the Monitor expects that future remaining work will be addressed after the completion of the sale transaction

19. **What could affect the purchasers' title to the property?**

It is expected that vesting orders will be obtained to clear encumbrances, liens, etc. off title to homes that close during the CCAA proceedings and in connection with the sale of the balance of the project to a purchaser of all or part of the project during the sale process.