

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

**FIERA CANADIAN REAL ESTATE DEBT FUND GP INC. and FIERA FP REAL ESTATE FINANCING
FUND, L.P.**

Applicants

-and-

**2250310 ONTARIO INC., P&H DEVELOPMENT HOLDINGS INC., ZHONG CHEN a.k.a. LAWRENCE
CHEN, and OXFORD ROAD DEVELOPMENTS 4 INC.**

Respondents

**FIRST REPORT OF BDO CANADA LIMITED, IN ITS CAPACITY COURT APPOINTED RECEIVER AND
MANAGER OF 2250310 ONTARIO INC. AND P&H DEVELOPMENT HOLDINGS INC.**

July 10, 2025

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Appointment Order dated June 6, 2025

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INTRODUCTION AND PURPOSE OF THIS REPORT

Introduction and Background

1. Pursuant to an Order of the Honourable Justice Kimmel dated June 6, 2025 (the “**Appointment Order**”), BDO Canada Limited was appointed Receiver and Manager (the “**Receiver**”) of all the assets, undertakings and property of 2250310 Ontario Inc. (“**225**”) and P&H Development Holdings Inc. (“**P&H**” and together with 225, the “**Debtors**”), including the real property municipally known as 270 Sheppard Avenue West, Toronto, Ontario (“**270 Sheppard**”) and 5 Addington Avenue, Toronto, Ontario (“**5 Addington**”, and together, the “**Real Property**”) and legally described in Schedule “A” hereto, and all other property, assets and undertakings relating thereto, acquired for, or used in relation to a business carried on by the Debtors. A copy of the Appointment Order is appended hereto as **Appendix “A”**.
2. The Appointment Order empowered the Receiver to conduct the Court-approved Sale Process in accordance with the timelines set out in Schedule “C” to the Pre-filing Report. Such Court-approved Sale Process including marketing any or all of the Property, advertising, and soliciting offers in respect of the Property or any part thereof, and negotiating such terms and conditions of sale as the Receiver may deem appropriate in its discretion; provided, however, that the Receiver shall not publicly market the Real Property or enter into any agreement to sell, convey, transfer, lease, assign or otherwise dispose of the Real Property, or any part thereof, prior to July 15, 2025, without further Order of this Court. The foregoing restriction was included in the Appointment Order as it was the intention of the Respondents to bring an application to commence a proceeding under the Companies’ Creditors Arrangement Act (“**CCAA**”).
3. 225 is the registered owner of the property known municipally as 270 Sheppard Avenue West, Toronto, Ontario (“**270 Sheppard**”). P&H is the registered owner of the property known municipally as 5 Addington Avenue, Toronto, Ontario (“**5 Addington**”).
4. The Debtors intended to build a 9-storey mixed used condominium (the “**Project**” or the “**Addington Condo**”) on the Real Property. The Project was supposed to be a midrise boutique condominium, situated in the Yonge and Sheppard neighbourhood of Toronto. Copies of the Borrower’s marketing materials containing renderings of the proposed Addington Condo, building floor plans, and unit floor plans are included as Exhibit “10” to the affidavit of Henryk Gelbert sworn May 21, 2025 (the “**First Gelbert Affidavit**”). A copy of the First Gelbert Affidavit is included in the Receivership Application record.
5. Construction has not commenced, and the Real Property remains predominately vacant except for a sales centre which was built on the property by the Debtors’ development group. In addition, there are four (4) homes on the site; three (3) of which are tenanted.

6. The Debtors entered into pre-construction sale agreements with individuals for the purchase of units in the Project and have received deposits from the 17 prospective unit purchasers (“**Deposits**”). The Receiver has been advised that the Deposits are currently being held in trust by FIJ Law LLP (“**FIJ**”) as deposit trust agent.
7. This First Report (defined herein), and all other court materials and orders issued and filed in these receivership proceedings are or will be made available on the Receiver’s case website at: <https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/p-h-development> and will remain available on the website for a period of six (6) months following the Receiver’s discharge.

Purpose

8. The purpose of this first report of the Receiver dated July 10, 2025 (the “**First Report**”) is to provide this Court with certain information pertaining to these Receivership Proceedings, including:
 - (i) the activities of the Receiver since filing the Proposed Receiver’s Pre-filing Report;
 - (ii) an update on the Receiver’s Sales Process;
 - (iii) the Receiver’s attempts to obtain the books and records of the Debtors from, Mr. Ting He (“**He**”) and Sun, CPA, Professional Corporation, the external accountant;
 - (iv) comments in respect of He’s affidavit sworn July 3, 2025 (the “**He Affidavit**”);
 - (v) comments in respect of the proposed-Monitor’s Pre-filing report dated July 4, 2025 as prepared by Pollard & Associates Inc. (the “**Monitor’s Pre-Filing Report**”); and
 - (vi) the fees and disbursements of the Receiver.

Disclaimer

9. In preparing this First Report, BDO has relied upon the: He Affidavit, Proposed Monitor’s Pre-Filing Report, the Second Gelbert Affidavit (as defined herein), the CCAA Application Record dated July 3, 2025 and other unaudited information (the “**Information**”). The Receiver has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided, and in consideration of the nature of the evidence provided to this Court, in relation to the relief sought therein. The Receiver has not, however, audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants of Canada Handbook and as such, the Receiver expresses no opinion or other form of assurance in respect of the Information. An examination of the Debtor’s financial forecasts in accordance with the Chartered Professional Accountants of Canada Handbook has not been performed.

10. Capitalized terms not defined in this report are as defined in the Receiver’s pre-filing report dated May 24, 2025 (the “**Pre-filing Report**”) or in the Information. This First Report should be read in conjunction with the He Affidavit, the Proposed Monitor’s Pre-filing Report and the Second Gelbert Affidavit as certain information contained in those documents has not been included herein in order to avoid unnecessary duplication.
11. Unless otherwise stated, all monetary amounts contained in this First Report are expressed in Canadian dollars.

UPDATE ON COURT APPROVED SALE PROCESS

12. The following summarizes the Receiver’s progress on the Sale Process:

Date(s)	Summary of Sale Process Step(s)	Progress
Friday, June 6, 2025 to Monday, July 15, 2025 (5.5 weeks)	Set up encrypted virtual data room and website Complete CIM Prepare marketing materials and teaser letter Assemble target lists	Complete – the virtual data room has been set up but not yet activated The CIM is drafted and awaiting information from He to finalize The marketing materials and teaser are drafted and awaiting information from He to finalize The target list is completed and will be reviewed with Fiera prior to finalization The Receiver has prepared a marketing budget after consulting with various publications (i.e. NRU, MLS, Global & Mail, etc.)
Tuesday, July 15, 2025 to Tuesday, August 26, 2025 (6 weeks)	Contact interested parties and distribute teaser letter Delivery of executed confidentiality agreements and grant access to encrypted data room Marketing efforts as set out in paragraph 16 (b) to (g) of the Sale Process document Potential Bidder meetings Co-ordinate site visits	On hold until July 15, 2025

DEBTORS LACK OF COOPERATION

13. On June 16, 2025, subsequent to its appointment, the Receiver emailed counsel for the Debtors to arrange a call and obtain information regarding the financial affairs of the Debtors including a list of creditors to allow the Receiver to comply with its obligations under sections 245 and 246 of the *Bankruptcy and Insolvency Act* (the “**BIA**”).
14. On June 17, 2025 the Receiver emailed counsel for the Debtors and again requested a call. Counsel for the Debtor arranged for a call on June 18, 2025 (the “**June 18 Call**”). In advance of the June 18 Call, the Receiver provided the Debtors and its counsel with an information request listing which included requests for information in respect of the Real Property, the Project, the status of the re-zoning and the financial affairs of the Debtors.
15. During the June 18 Call the Receiver requested basic financial and non-financial information from the Debtors. He and his counsel either could not or would not answer many of the Receiver’s questions and deferred answering the questions indicating they would create a “dropbox” and provide information to the Receiver in the upcoming days. During the June 18 Call the Receiver requested that the Debtors prioritize the following information:
 - (a) Listing of all creditors with name, email address, physical address and amount owing
 - (b) Listing of employees including, name, address, wage and vacation arrears
 - (c) Name and contract info for the bookkeeper/accountant
 - (d) The marketing brochure
 - (e) Contact information for FIJ
 - (f) Bank statements
16. Subsequent to the June 18 Call, counsel to the Debtors provided the following table to the Receiver however, no information regarding trade creditors and amounts owing to employees was provided. The table shows property tax arrears of \$580,712.94 and source deductions arrears of \$608,675.15.

Sheppard	Amount	Creditor	Reference
First Mortgage	\$ 29,772,971.76	Fiera	Loan #101072
Second Mortgage	N/A	N/A	N/A
Property Tax	\$ 444,643.13	City of Toronto	270 Sheppard Ave W (2250310 Ontario Inc.)
	\$ 11,936.03	City of Toronto	5 Addington Ave (P&H Development Holdings Inc.)
	\$ 124,133.78	City of Toronto	271 Sheppard Ave W (2250310 Ontario Inc. during lease term)
CRA Tax	\$ -	Canada Revenue Agency	Corporation Income Tax (2250310 Ontario Inc.)
	\$ -	Canada Revenue Agency	GST/HST (2250310 Ontario Inc.)
	\$ 394,387.31	Canada Revenue Agency	Payroll (2250310 Ontario Inc.)
	\$ -	Canada Revenue Agency	Corporation Income Tax (P&H Development Holdings Inc.)
	\$ -	Canada Revenue Agency	GST/HST (P&H Development Holdings Inc.)
	\$ 214,287.84	Canada Revenue Agency	Payroll (P&H Development Holdings Inc.)
Total	\$ 30,962,359.85		

17. During the June 18 Call, the Receiver requested the Debtors provide all information in respect of the re-zoning application (the "**Re-Zoning Applications**"). The Debtor advised that the Re-Zoning Applications had been filed and that the Receiver should conduct an internet search to obtain such information. At the date of this report the Debtors have not provided any information regarding the Re-zoning Applications nor has the Receiver been able to find any publicly available information which provides whether the re-zoning request has been made and the status of such request. Paragraph 35 of the He affidavit filed in support of the CCAA application (the "**He Affidavit**") He states that the Re-Zoning Applications are "currently being finalized for formal submission". Accordingly, it appears that the Re-Zoning Applications are yet to be filed.
18. On June 19, 2025, He provided: i) a listing of condo unit purchasers with their contact information, ii) the names and addresses of the employees; however, the amounts owing to the employees was not provided, iii) the name of the external accountant and iv) the names of various parties He indicated were the deposit trustee (FIJ, Yi Zhou Law Firm and Border Ladner Gervais). No additional information was provided to the Receiver despite the Receiver communicating that a listing of all creditors was necessary for the Receiver to fulfil its obligations pursuant to sections 245 and 246 of the BIA.
19. On June 25, 2025 the Receiver attended the Debtors' head office to meet with He and attempt to obtain the books and records of the Debtors. During this meeting He did not provide any of the requested documents nor could he answer the Receiver's questions. He advised the Receiver that 225 and P&H have approximately 10 employees who have been working but have not been paid for several weeks/months. He further advised that the external accountant, Mr. Sun, was in possession of the majority of the financial information including a listing of the trade creditors, bank statements, financial statements, etc. On June 30, 2025, the Receiver met with Mr. Sun wherein he advised the Receiver that he was not responsible for the day-to-day accounting/bookkeeping, did not have any books and records (including a listing of trade creditors) and that he only completes the bookkeeping once a year, at year end. Sun further advised that he had not been paid for work previously completed for the Debtors.
20. On June 28, 2025 and again on June 30, 2025, the Receiver requested Mr. Sun provide the financial statements, trail balances and copies of bank statements.
21. During discussions with Mr. Sun, he advised that He had recently been in contact with him and advised Mr. Sun that there was a high probability that the Debtors would be able to obtain debtor-in-possession ("**DIP**") financing and would be able proceed with a CCAA filing. Mr. Sun asked, in light of the potential CCAA filing whether he could forgo providing the information. The Receiver advised that pursuant to the Appointment Order, he was obligated to co-operate with the Receiver. As of the date of this report, Mr. Sun had not provided any information.

22. Included as Appendix 'T' to He's Affidavit is a listing of Trade creditors dated June 25, 2025. Despite having this information and the Receiver's repeated requests to provide same, He did not provide this or other requested information.
23. It is the Receiver's view that the Debtor is not cooperating with the Receiver and not complying with its obligations under the Appointment Order. As a result, despite the Receiver's attempts it has not been able to assess the financial condition of the Debtors. In addition, there is insufficient information in He's Affidavit or the Monitor's Pre-Filing Report to make any assessment of the Debtors' current financial position. By way of example, He's affidavit provides financial statements for 225 which are dated December 31, 2022 and no financial statements are provided for P&H.
24. The Receiver respectfully requests that the Court orders the Debtors and its external accountant to provide the Receiver with the information it has requested to date including providing the Debtors' books and records.

CORRESPONDENCE WITH CANADA REVENUE AGENCY

25. On July 8, 2025, Canada Revenue Agency ("**CRA**") requested the Receiver provide access to the Debtors' books and records in order to allow CRA to conduct at trust examination. The Receiver advised CRA that it was not in possession of the books and record. CRA advised the Receiver that 225 had source deduction arrears of \$556,292.77 plus continuing interest and penalties comprised of:
 - 2023 – \$402,596.16 plus interest and penalties
 - 2024 – \$153,696.65 plus interest and penalties
26. The CRA agent indicated that P&H had not been assigned to CRA agent, and he was unable to provide similar arrears information in respect of P&H.
27. The amount of source deduction arrears provided by CRA exceeds those included in He's Affidavit by approximately \$155,000.

HE'S AFFIDAVIT

28. The Receiver has reviewed the He Affidavit and observed:
 - (a) The He Affidavit states that in accordance with the cash flow forecast prepared by the Monitor, that the Debtors be permitted to pay certain amounts to key participants in their distribution network and to other critical suppliers as necessary. None of the parties are identified, nor are the reasons for classifying these parties as critical suppliers. Further, these payments are not identified in cash flow appended to the Monitor's Pre-Filing Report.

- (b) The relief requested in He's Affidavit includes an order suspending all obligations to make debt service or repayment payments under the existing loan agreements, including but not limited to payments due to Fiera for the duration of the stay period. This is inconsistent with the cash flow included with the Pre-Filing Report which includes \$960,000 in interest payments to Fiera.
- (c) Paragraph 54 of the affidavit states that the appraisal prepared by Colliers dated August 8, 2024 (the "**Colliers Appraisal**") presents an "as-is" current market valuation of the Sheppard property of \$48,150,000. While not highlighted in the He Affidavit, the Colliers Appraisal includes two extraordinary assumptions: i) that the Re-Zoning Applications and increased density are approved and ii) that an adjacent property, 7 Addington which the Debtors have not yet purchased, is included in the appraisal.

Paragraph 54 further states that the Colliers "*valuation significantly exceeds the current indebtedness, supporting the conclusion that completing the development would be sufficient to satisfy all the outstanding secure obligations and leave additional value for other stakeholders*". If the property sold for \$48,150,000 there may be sufficient funds to repay the secured creditors (\$29.7 million). However, there is no correlation between the value of vacant development land and the conclusion that "*completing the development would be sufficient to satisfy all the outstanding secured obligations and leave additional value of other stakeholders*".

Colliers Appraisal conclusion differs significantly from Cushman Wakefield's appraisal dated April 30, 2025 (the "**Cushman Appraisal**") which appraises the Real Property on an "as is" basis excluding the increased density and 7 Addington. The conclusion in the Cushman Appraisal has not been disclosed herein due to the sensitive nature of this information in light of the Receiver's Sales Process.

- (d) The December 31, 2022, financial statements for 225 are provided in the application recorded. No recent financial statements for 225 were provided, making it difficult to understand the financial position of this entity. No financial statements were provided for P&H. The Receiver requested He provide explanations for the assets described as Construction in Progress (\$5,651,780), Building (\$10,097,040) and Loan Receivable (\$3,247,908) included on 225's December 31, 2022, balance sheet. He was unable to provide details regarding these assets.

- (e) The Debtors anticipate selling pre-construction units between July through October and anticipate they will reach the pre-sale threshold during this period in order to secure a construction loan. However, Debtors do not state what the pre-sale threshold which would assist in understanding the reasonability of this assertion. During the period of June 2023 through July 2023, 17 units, or 10%, were sold. Based upon the information provided by the Debtors it does not appear that the Debtors have been able to complete any additional pre-construction sales since July 2023.

MONITOR’S PRE-FILING REPORT

29. The Receiver has reviewed the Monitor’s Pre-Filing Report including the 16-week cash flow for the period of July 21, 2025, through November 10, 2025 (the “Cash-Flow”). The Receiver’s observations include the following. Based upon the Receiver’s observation, the Receiver has concerns regarding the reasonableness and accuracy of the Cash-Flow.

- (a) the estimated draw against the DIP fund during the Cash-Flow period is \$1,987,384 as summarized below. The Cash-Flow does not include any equity injections or other inflows other than the DIP funds.

Summary of Cash Flow		
Soft costs - planning	\$ 588,880	29.6%
Soft costs - legal	100,000	5.0%
Soft costs - marketing	44,000	2.2%
Salaries	66,400	3.3%
Disbursements	12,000	0.6%
Project costs	811,280	40.8%
Interest - Fiera	960,000	48.3%
Professional fees	160,000	8.1%
Interest - Cosman	56,104	2.8%
Interest & Professional costs	1,176,104	59.2%
Total costs	1,987,384	100.0%

- (b) The Pre-Filing Report is silent on the quantum of the total costs required to bring the Re-Zoning Applications. This information would be helpful in assessing whether \$3 million is sufficient or excessive.
- (c) 59.2% of the DIP funds are estimated to be used to pay interest and the costs of the CCAA professional fees. 40.8% of the funds are estimated to be used for Project costs.
- (d) Property taxes are not included in the Cash-Flow.

- (e) The single largest use of funds during the Cash-Flow period, \$960,000 or 48.3%, relates to proposed interest payments to Fiera. At paragraph 37 of the Pre-filing Report, the Proposed Monitor states that it is its view that by making the interest payments to Fiera, the Debtors are more likely to obtain Fiera's support, thereby enhancing the probability that the Debtors will be able to achieve a successful restructuring. The Proposed Monitor does not explain how incurring additional debt to pay interest to Fiera would lead to a "successful restructuring". In addition, it is uncertain what is meant by restructuring particularly given the very preliminary stages of the Project and specifically that the site plan amendments have not been approved by the City nor have there been any improvements to the site.

The DIP term sheet states the purpose of the loan is to "*allow the borrower to apply for an increase density on its development project at the Sheppard Property*". The DIP term sheet is silent in respect of whether interest payments to Fiera are permitted expenditure.

Payment of amounts to Fiera during the CCAA stay period is inconsistent with the relief being sought as described in He's Affidavit where at paragraph 3(g) He requests an order suspending all obligations to make debt service or repayment payments under the existing loan agreements, including but not limited to payments due to Fiera for the duration of the stay period.

- (f) The DIP term sheet states that the availability is subject to a cash flow approved by the DIP Lender. The Pre-Filing Report does not comment on whether the DIP Lender has reviewed and approved the Cash-Flow which was attached to the Pre-Filing Report. Details regarding the foregoing would assist in understanding whether the DIP Lender will allow the DIP funds to be used to pay Fiera's interest costs.
- (g) There are no notes or assumptions attached to the Cash-Flow. Notes or assumptions would assist the reader to understand how the costs were determined (i.e. based on recent quotes, internally determined, from the initial Project plan, etc.), the proposed payment terms to the various suppliers, whether the payments pertain to pre-Receivership liabilities, the number of employees being paid, whether source deductions are considered, etc.
- (h) The Cash-Flow does not appear to be robust in terms of the timing of payments. The Cash-Flow appears to simply allocate the costs evenly across the 16-week period. For instance, the total costs for the planning consultant is \$40,000 over the Cash-Flow period. The Cash-Flow shows \$2,500 payments per week for 16 weeks. As a result of the manner in which the costs/cash flow are simply allocated evenly across the period it is difficult to understand the true cash requirements of the Debtors.

- (i) In discussion with He, he advised that there are four (4) homes on the premises. Three (3) of the homes are tenanted and the Debtors collect rent from the tenants. The Cash-Flow does not show any cash inflows from rents.

- (j) He advised that there are 10 employees (including himself) who have not been paid in several weeks. While requested, He has not provided the outstanding amounts. The Cash-Flow does not appear to show the payment of the wage arrears which, should the Debtors be successful in their CCAA application, must to be paid immediately upon Court approval.

All of which is respectfully submitted this 10th day of July, 2025.

BDO CANADA LIMITED,

Per:



Name: Josie Parisi, CA, CPA, CBV, CIRP, LIT
Title: Senior Vice President

Schedule "A"

PIN: 10146-1159 (LT)

DESCRIPTION: PART LOT 1 PLAN 2069, PART 1, PLAN 66R31568;
TOGETHER WITH AN EASEMENT OVER PART OF LOT
41, PLAN 2069, PARTS 2, 3 & 4, PLAN 66R31568 AS IN
AT3600015; CITY OF TORONTO

Address: 270 Sheppard Avenue West, Toronto, ON

PIN: 10146-0378 (LT)

DESCRIPTION: PT LT 2 PL 2069 TWP OF YORK AS IN NY428960;
TORONTO (N YORK), CITY OF TORONTO

Address: 5 Addington Avenue, Toronto, ON

APPENDIX A



Court File No.: CV-25-00743191-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE) **FRIDAY, THE 6TH**
)
JUSTICE KIMMEL) **DAY OF JUNE, 2025**

BETWEEN:

**FIERA CANADIAN REAL ESTATE DEBT FUND GP INC. and FIERA FP REAL
ESTATE FINANCING FUND, L.P.**

Applicants

-and-

**2250310 ONTARIO INC., P&H DEVELOPMENT HOLDINGS INC., ZHONG CHEN
a.k.a. LAWRENCE CHEN, and OXFORD ROAD DEVELOPMENTS 4 INC.**

Respondents

**ORDER
(Appointing Receiver)**

THIS APPLICATION made by the Applicants, Fiera Canadian Real Estate Debt Fund GP Inc. and Fiera FP Real Estate Financing Fund LP (collectively, the "**Applicants**") 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 BDO Canada Limited ("**BDO**"), as receiver and manager (in such capacity, the "**Receiver**"), without security, of all of the assets, undertakings and property of the Respondents, 2250310 Ontario Inc. and P&H Development Holdings Inc. (together, the "**Debtors**"), including the real Property municipally known as 270 Sheppard Avenue West, Toronto, Ontario ("**270 Sheppard**") and 5 Addington Avenue, Toronto, Ontario ("**5 Addington**", and together, the "**Real Property**") and legally described in Schedule "A" hereto, and all other

property, assets and undertakings relating thereto, acquired for, or used in relation to a business carried on by the Debtors, and for other relief, was heard this day by way of video-conference.

ON READING the affidavit of Henryk Gelbert, sworn May 21, 2025 and the Exhibits thereto, the Receiver's Pre-Filing Report dated May 24, 2025, and on hearing the submissions of counsel acting for the Applicants, the Respondents and such other parties as were present, and on reading the consent of BDO to act as the Receiver,

SERVICE

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

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, BDO is hereby appointed Receiver, without security, of all the assets, undertakings and properties of the Debtors acquired for, or used in relation to a business carried on by the Debtors, including, without limitation, the Real Property, and all proceeds thereof (collectively, 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 Debtors, 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 Debtors;
- (d) to engage consultants, appraisers, agents, 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 any of them, or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (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 Debtors, for any purpose pursuant to this Order;
- (i) to undertake environmental assessments of the Property;
- (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, 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 conduct a sale process in accordance with the timeline set out in the Sale Process attached hereto as Schedule "C", including marketing any or all of the Property;

advertising, and soliciting offers in respect of the Property or any part thereof, and negotiating such terms and conditions of sale as the Receiver may deem appropriate in its discretion; provided, however, that the Receiver shall not publicly market the Real Property or enter into any agreement to sell, convey, transfer, lease, assign or otherwise dispose of the Real Property, or any part thereof, prior to July 15, 2025, without further Order of this Court;

- (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 \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$250,000.00; 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 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 Debtors, or any of them;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, or any 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 any of them;

- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors, or any of them, may have;
- (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 Debtors, 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 shareholders, limited partners 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 Debtors in respect of the Property, 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 DEBTORS OR THE PROPERTY

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtors, or any 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 any 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, the Receiver, or affecting the Debtors, or any of them, or the Property, including without limitation, licences 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 to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors, or any 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.

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 any of them, 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 Debtors, or any of them, 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 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' 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 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 Debtors shall remain the employees of the Debtor(s) until such time as the Receiver, on the Debtors' 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 of the 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, 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 Real 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 by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the 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/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: [NTD: url needed]

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 or facsimile transmission to the Debtors' creditors or other interested parties at their respective addresses as

last shown on the records of the Debtors, or any 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.

SALE PROCESS

27. **THIS COURT ORDERS** that the Sale Process as set out in Schedule “C” to this Order (the “**Sale Process**”) is hereby approved, and that the Receiver is authorized and directed to continue and complete the Sale Process for the purpose of soliciting interest in and opportunities for the sale of the Property of the Debtors.

28. **THIS COURT ORDERS** that the Receiver and its respective affiliates, partners, employees and agents shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to any person in connection with or as a result of the Sale Process, except to the extent such losses, claims, damages or liabilities result from gross negligence or wilful misconduct of the Receiver in performing its obligations under the Sale Process (as determined by this Court).

RETENTION OF LAWYERS

29. **THIS COURT ORDERS** that the Receiver may retain lawyers, including the Applicants’ lawyers, to represent and advise the Receiver in connection with the exercise of the Receiver’s powers and duties, including without limitation, those conferred by this Order. Such lawyers may be the lawyers for the Applicants herein, in respect of any aspect, where the Receiver is satisfied that there is no actual or potential conflict of interest. The Receiver shall, however, retain

independent lawyers in respect of any legal advice or services where a conflict exists, or may exist.

CCAA PROCEEDINGS

30. **THIS COURT ORDERS** that this Order, and the relief granted herein, is made without prejudice to the right of the Debtors to bring an application for relief under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 ("**CCAA**"), on or before July 15, 2025.

DEPOSITS

31. **THIS COURT ORDERS** that notwithstanding anything else contained herein, the "Property" as defined in this Order shall not include any current or future funds related to deposits held by the Debtors or the Debtors' lawyers in trust, with respect to the purchase of residential units located on the Property.

GENERAL

32. **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.

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

34. **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.

35. **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.

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

37. **THIS COURT ORDERS** that the relief sought in paragraph 1(c) of the Applicants' Notice of Application, issued May 13, 2025, is hereby adjourned *sine die*, without prejudice to the Applicants' right to seek such relief in the future upon providing proper notice.

38. **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.

Jessica
Kimmel

Digitally signed by
Jessica Kimmel
Date: 2025.06.09
09:10:51 -04'00'

SCHEDULE "A" -- THE REAL PROPERTY

270 Sheppard

PIN: 10146-1159 (LT)

DESCRIPTION: PART LOT 1 PLAN 2069, PART 1, PLAN 66R31568;
TOGETHER WITH AN EASEMENT OVER PART OF LOT 1,
PLAN 2069, PARTS 2, 3 & 4, PLAN 66R31568 AS IN
AT3600015; CITY OF TORONTO

Address: 270 Sheppard Avenue West, Toronto, Ontario

5 Addington

PIN: 10146-0378 (LT)

DESCRIPTION: PT LT 2 PL 2069 TWP OF YORK AS IN NY428960;
TORONTO (N YORK); CITY OF TORONTO

Address: 5 Addington Avenue, Toronto, Ontario

SCHEDULE "B"

RECEIVER'S CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that BDO Canada Limited, the receiver (the "**Receiver**") over 2250310 Ontario Inc. and P&H Development Holdings Inc. (together, the "**Debtors**"), including all other property, assets and undertakings relating thereto, and all proceeds thereof (collectively, the "**Property**"), and specifically including the Property municipally known as 270 Sheppard Avenue West, Toronto, Ontario ("**270 Sheppard**") and 5 Addington Avenue, Toronto, Ontario ("**5 Addington**", and together, the "**Real Property**"), appointed by Order of the Ontario Superior Court of Justice (the "**Court**") dated the 6th of June, 2025 (the "**Order**") made in an application having Court file number CV-25-00743191-00CL, 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 Real 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 Real 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__.

BDO Canada Limited, solely in its capacity as
Receiver of the Debtors, and not in its personal
capacity

Per: _____

Name: Josie Parisi

Title: Senior Vice-President

SCHEDULE “C” – SALE PROCESS

Sale Process

Set forth below is the sale process (the “**Sale Process**”) to be employed with respect to the proposed sale of all or substantially all of the business and assets (the “**Assets**”) of 2250310 Ontario Inc. (“**225**”) and P&H Development Holdings Inc. (“**P&H**” and together with 225, the “**Debtors**”).

On June 6, 2025, Fiera Canadian Real Estate Debt Fund GP Inc. and Fiera FP Real Estate Financing Fund, LP is bringing a motion before the Ontario Superior Court of Justice (the “**Court**”) on consent of the Debtors to have an Order issued (the “**Receivership Order**”), appointing BDO Canada Limited as the receiver and manager (in such capacity, the “**Receiver**”) of all of the assets, undertakings and properties of the Debtors.

Pursuant to the Receivership Order, the Receiver is authorized to market, advertise and solicit offers in respect of the sale, in whole or in part, of the Assets.

The Sale Process is intended to solicit interest in an acquisition of the Assets, under a fair and competitive sale process pursuant to which all qualified interested parties will be provided with a fair and equal opportunity to participate in the Sale Process.

Notwithstanding anything contained herein, the Receiver shall have the right to enter into an exclusive transaction for the sale of the Assets, or any portion thereof, outside of the Sale Process prior to the selection of a Successful Bidder (as defined herein).

Timeline

The following table sets out the key milestones under the Sale Process:

Date(s)	Summary of Sale Process Step(s)
Friday, June 6, 2025 to Monday, July 15, 2025 (5.5 weeks)	Set up encrypted virtual data room and website Complete CIM Prepare marketing materials and teaser letter Assemble target lists
Tuesday, July 15, 2025 to Tuesday, August 26, 2025 (6 weeks)	Contact interested parties and distribute teaser letter Delivery of executed confidentiality agreements and grant access to encrypted data room Marketing efforts as set out in paragraph 16 (b) to (g) below Potential Bidder meetings Co-ordinate site visits
Tuesday, August 26, 2025	Non-Binding APAD deadline – 5:00 pm (Eastern Standard Time)

Date(s)	Summary of Sale Process Step(s)
Wednesday, August 27, 2025 to Friday, September 5, 2025 (1.5 weeks)	Review and evaluate Non-Binding APAs Negotiate Non-binding APAs Qualify Phase II Qualified Bidders
Monday, September 8, 2025 to Friday, September 19, 2025 (2 weeks)	Phase II Qualified Bidder due diligence period Co-ordinate any legal and tax issues Assist in any reasonable diligence requests
Friday, September 19, 2025	Binding APA Deadline – 5:00 pm (Eastern Standard Time)
Monday, September 22, 2025 to Friday, September 26, 2025 (1 week)	Selection of Successful APA, and finalization and execution of Successful APA
Friday, October 10, 2025 (or first available court date available) (2 weeks)	Court approval of Successful APA and transaction
Tuesday, October 21, 2025 (11 days)	Closing

Subject to the terms contained herein and any order of the Court, the dates set out in the Sale Process may be extended by the Receiver, in its sole discretion acting reasonably, all with a view of maximizing the value of the Assets.

Sale Process

The Sale Process set forth herein describes, among other things: (i) the Assets available for sale, (ii) the manner in which prospective bidders may gain access to or continue to have access to due diligence materials concerning the Assets, (iii) the manner in which bidders can be determined to be a Phase 1 Qualified Bidder (as defined herein), (iv) the timing of delivering a Non-Binding APA (as defined herein), (v) the manner in which bids are to be received and negotiated, (vi) the ultimate selection of any Successful Bidder (as defined herein) and the process leading up to that selection, and (vii) the approval thereof by the Court.

Assets To Be Sold

The Receiver, in accordance with this Sale Process, is offering for sale, in one or more transactions, the Assets. The Receiver reserves the right to eliminate certain assets available for sale pursuant to the Sale Process prior to the Non-Binding APA Deadline (as defined below).

“As Is, Where Is”

The sale of the Assets will be on an “as is, where is” basis without representations or warranties of any kind, nature or description by the Receiver, or any of their respective directors, officers, partners, employees, agents, advisors or estates, except to the extent as may be set forth in a Binding APA (as defined herein), and approved by the Court. By submitting a bid, each Potential Bidder (as defined herein) shall be deemed to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Assets prior to making its bid, that it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Assets in making its bid, and that it did not rely upon any written or oral statements, representations, warranties, or guarantees, express, implied, statutory or otherwise, regarding the Assets or the completeness of any information provided in connection therewith, except as expressly stated in this Sale Process or as set forth in a Binding APA and approved by the Court.

Free Of Any And All Claims And Interests

Except as may otherwise be provided in the Successful Bidder’s Binding APA, all of the rights, title and interests of the Debtors in and to the Assets, or any portion thereof, will be sold free and clear of all liens and claims (which may be defined in an Approval and Vesting Order (as defined herein)), subject to any permitted encumbrances (which may be defined in an Approval and Vesting Order), pursuant to an order by the Court approving the sale of the Assets, or a portion thereof, and vesting in the Successful Bidder all of the Debtors’ rights, title and interests in and to such Assets, or a portion thereof, by way of an approval and vesting order (the “**Approval and Vesting Order**”). For greater certainty, such liens and claims are to attach to the net proceeds of the sale of such Assets following the granting of the Approval and Vesting Order.

Publication Notice

Within seven (7) business days of the granting of the Sale Process order by the Court (the “**Sale Process Order**”), or as soon as practicable thereafter the Receiver shall publish notice of this Sale Process: (i) in The Globe and Mail (National Edition), the Daily Commercial News, the NRU GTA Weekly Newsletter, the MLS and / or ICX (through a third party provider), and (ii) in any other relevant publication that may advertise and potentially solicit interest in the Assets.

Solicitation of Interest

As soon as reasonably practicable after the granting of the Sale Process Order, the Receiver will prepare an initial offering summary (the “**Teaser Letter**”) notifying prospective purchasers of the existence of the Sale Process and inviting prospective purchasers to express their interest in making an offer for the Assets pursuant to the terms of the Sale Process.

Participation Requirements

Unless otherwise ordered by the Court or as otherwise determined by the Receiver, each person who wishes to participate in the Sale Process, (a “**Potential Bidder**”) must deliver to the Receiver,

an executed non-disclosure agreement (“NDA”), in the form attached herein as **Appendix “A”**, prior to the distribution of any confidential information by the Receiver.

If it is determined by the Receiver, in its reasonable business judgment, that a Potential Bidder: (i) has a *bona fide* interest in an acquisition of the Assets; and (ii) has delivered the NDA, then such Potential Bidder will be deemed by the Receiver to be a “**Phase 1 Qualified Bidder**”.

The Receiver will prepare and send to each Phase 1 Qualified Bidder, as soon as reasonably practicable, a confidential information memorandum which will provide, among other things, information considered relevant to the Sale Process.

Due Diligence

The Receiver, in its reasonable business judgment, and subject to competitive and other business considerations, may give each Phase 1 Qualified Bidder, such access to due diligence materials and information relating to the Assets as the Receiver deems appropriate. Due diligence access may include access to an electronic data room (a “**Data Room**”), on-site inspections, and other matters which a Phase 1 Qualified Bidder may reasonably request and as to which the Receiver, in its reasonable business judgment, may agree. The Receiver may designate a representative to coordinate all reasonable requests for additional information and due diligence access from Phase 1 Qualified Bidders and the manner in which such requests must be communicated. Neither the Receiver nor any of its affiliates (or any of its respective representatives) will be obligated to furnish any information relating to the Assets to any person, in its discretion. The Receiver makes no representation or warranty as to the information to be provided through this due diligence process or otherwise, except as may be set forth in a Binding APA with the Successful Bidder.

Non-Binding APA Deadline

A Phase 1 Qualified Bidder that desires to make a bid shall deliver written copies of its bid, in the form of the template asset purchase agreement located in the Data Room (the “**APA**”), together with a blackline outlining all changes made to the APA (a “**Non-Binding APA**”), to the Receiver so as to be received by the Receiver no later than August 26, 2025 at 5:00 p.m. (ET) (as may be extended as set out below, the “**Non-Binding APA Deadline**”). The Receiver, may extend the Non-Binding APA Deadline, once or successively, but is not obligated to do so. If the Non-Binding APA Deadline is extended, the Receiver will promptly notify all Phase 1 Qualified Bidders.

Qualified APA

A Non-Binding APA will be considered a qualified APA only if the Non-Binding APA is submitted by a Phase 1 Qualified Bidder and complies with all of the following (a “**Qualified APA**”):

- a. the bid (either individually or in combination with other bids that make up one Qualified APA) is an offer to purchase some or all of the Assets on terms and conditions reasonably acceptable to the Receiver;

- b. it is duly authorized and executed, and includes a purchase price for the Assets expressed in Canadian dollars (the “**Purchase Price**”), together with all exhibits, schedules and all applicable ancillary agreements thereto;
- c. it includes written evidence of a firm, irrevocable commitment for financing or other evidence of ability to consummate the proposed transaction, that will allow the Receiver to make a reasonable determination as to the Phase 1 Qualified Bidder’s financial and other capabilities to consummate the proposed sale and pay the Purchase Price;
- d. it provides all of the conditions associated with unperformed due diligence that is required to be conducted in order to proceed with a Binding APA. For greater certainty, such conditions cannot relate to any financing condition;
- e. it fully discloses the identity of each entity that will be bidding for the Assets or otherwise sponsoring, financing, participating or benefiting from such bid;
- f. it includes an acknowledgement and representation of the Phase 1 Qualified Bidder that: (i) it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Assets in making its bid, and (ii) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Assets or the completeness of any information provided in connection therewith;
- g. it includes evidence, in form and substance reasonably satisfactory to the Receiver, of authorization and approval from the Phase 1 Qualified Bidder’s board of directors (or comparable governing body) with respect to the submission, execution and delivery of the Qualified APA submitted by the Phase 1 Qualified Bidder;
- h. provides a deposit in the amount of not less than 5% of the Purchase Price offered by the Phase 1 Qualified Bidder (the “**Deposit**”); and
- i. it is received by the Receiver by the Non-Binding APA Deadline.

The Receiver may determine whether to entertain bids for the Assets that do not conform to one or more of the requirements specified herein and deem such bids to be a Qualified APA.

The Receiver shall notify each Phase 1 Qualified Bidder in writing as to whether such Phase 1 Qualified Bidder’s APA constituted a Qualified APA within five (5) business days following the expiration of the Non-Binding APA Deadline, or at such later time as the Receiver deems appropriate. If such notification is provided, then such Phase 1 Qualified Bidder will be deemed to be a “**Phase 2 Qualified Bidder**”.

If the Receiver is not satisfied with the number or terms of bids submitted by the Non-Binding APA Deadline, the Receiver may extend the Non-Binding APA Deadline or cancel the Sale Process.

Binding APA Deadline

The Receiver will take all reasonable steps to negotiate and assist Phase 2 Qualified Bidder(s) in completing its unperformed due diligence, or any other bid matters including any discussions or negotiations required to be completed with any stakeholders in the receivership proceedings of the Debtors, with a view of submitting: (i) a further binding APA (a “**Binding APA**”) on or before September 19, 2025 (the “**Binding APA Deadline**”), and (ii) a blackline outlining all changes made to the APA, for consideration by the Receiver. For greater certainty, a Binding APA shall:

- a. be delivered to the Receiver prior to the Binding APA Deadline;
- b. replace and supersede the Non-Binding APA submitted by a Phase 2 Qualified Bidder;
- c. comply with all of the requirements set forth in respect of a Qualified APA;
- d. include a letter stating that the Phase 2 Qualified Bidder's offer is irrevocable and open for acceptance until the Successful APA (as defined herein) is selected by the Receiver;
- e. include written evidence of a firm, irrevocable commitment for financing or other evidence of ability to consummate the proposed transaction, that will allow the Receiver to make a determination as to the Phase 2 Qualified Bidder's financial and other capabilities to consummate the proposed transaction;
- f. not to be conditioned on: (i) the outcome of unperformed due diligence by the Phase 2 Qualified Bidder, and/or (ii) obtaining financing;
- g. fully disclose the identity of each entity that will be entering into the transaction or the financing, or that is participating or benefiting from such bid;
- h. provide the Deposit (as may be adjusted);
- i. include acknowledgments and representations of the Phase 2 Qualified Bidder that: (i) it has had an opportunity to conduct any and all due diligence regarding the Assets and the Debtors prior to making its bid, (ii) it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Assets in making its bid, and (iii) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Assets or the completeness of any information provided in connection therewith; and
- j. the bid contemplates closing the transaction set out therein on or before October 21, 2025 (the "**Closing Date**").

The Receiver may determine whether to entertain bids for the Assets that do not conform to one or more of the requirements specified herein and deem such bids to be a Binding APA.

Evaluation of Binding APA

A Binding APA will be valued based upon several factors including, without limitation, items such as the Purchase Price and the net value provided by such bid, the claims likely to be created by such bid in relation to other bids, the counterparties to such transactions, the proposed transaction documents, other factors affecting the speed and certainty of the closing of the transaction, the value of the transaction, the assets included or excluded from the bid, the transition services required from the Receiver (if any), any related transaction costs, and the likelihood and timing of consummating such transactions, each as determined by the Receiver.

Each Phase 2 Qualified Bidder shall comply with all reasonable requests for additional information by the Receiver regarding the Phase 2 Qualified Bidder or the Binding APA. Failure of a Phase 2 Qualified Bidder to comply with requests for additional information will be a basis for the Receiver to reject a Binding APA.

Selection of Successful APA

The Receiver will review and evaluate each Binding APA. Each Binding APA may be negotiated by the Receiver and the applicable Phase 2 Qualified Bidder submitting the Binding APA (the “**Unconditional Bidder**”), and may be amended, modified or varied to improve such Binding APA and as a result of such negotiations, the Receiver may: (i) identify the highest or otherwise best offer for the Assets (the “**Successful APA**”, and the Unconditional Bidder making such Successful APA, the “**Successful Bidder**”), or (ii) in the event no Successful Bidder is declared, reject each Binding APA and may ask any Unconditional Bidder to resubmit a revised Binding APA. The determination of a Successful APA by the Receiver, shall be subject to approval by the Court.

Notwithstanding the foregoing, a Binding APA may not be withdrawn, modified or amended without the written consent of the Receiver prior to the Successful APA being determined. Any such withdrawal, modification or amendment made without the written consent of the Receiver prior to the Successful APA being determined shall result in the forfeiture of such Unconditional Bidder’s deposit as liquidated damages and not as a penalty.

In the event an Unconditional Bidder is not selected as a Successful Bidder, the Deposit shall be returned to the Unconditional Bidder as soon as reasonably practicable.

The Receiver shall have no obligation to select a Successful APA, and it reserves the right to reject any or all Binding APAs.

Sale Approval Motion Hearing

The motion for an order of the Court approving any Successful APA (the “**Sale Approval Motion**”) shall be sought and include, among other things, the approval from the Court to consummate the Successful APA. The Sale Approval Motion shall be heard on or before October 10, 2025.

All of the Binding APAs other than the Successful APA, if any, shall be deemed rejected by the Receiver on and as of the date of closing of the transaction contemplated by the Successful APA.

Reservation of Rights

The Receiver may: (a) determine which Binding APA, if any, is the highest or otherwise best offer; (b) reject at any time before the issuance and entry of an order approving a Binding APA, any bid that is (i) inadequate or insufficient, (ii) not in conformity with the requirements of the Sale Process or any order of the Court, or (iii) contrary to the best interests of the receivership estate, and (c) may modify the Sale Process or impose additional terms and conditions on the sale of the Assets.

Miscellaneous

This Sale Process is solely for the benefit of the Receiver and nothing contained in the Sale Process Order or this Sale Process shall create any rights in any other person or bidder (including without limitation rights as third party beneficiaries or otherwise).

Except as provided in the Sale Process Order and Sale Process, the Court shall retain jurisdiction to hear and determine all matters arising from or relating to the implementation of the Sale Process Order and the Sale Process.

Limitation of Liability

The Receiver shall not have any liability whatsoever to any person or party, including without limitation any Potential Bidder, the Debtors, or any creditor or other stakeholder, for any act or omission related to the Sale Process. By submitting a bid, each Potential Bidder shall be deemed to have agreed that it has no claim against the Receiver for any reason whatsoever.

Appendix "A"
Non-Disclosure Agreement

PRIVATE & CONFIDENTIAL

► **[Potential Bidder Organization Name and Address]**

Dear Sirs:

Re: Confidential Information with respect to 2250310 Ontario Inc. ("225") and P&H Development Holdings Inc. (the "Debtors")

In accordance with the terms of the Sale Process approved by the Ontario Superior Court of Justice (Commercial List) on _____ (the "**Sale Process**") you have requested access to due diligence and other materials relating to the business and assets (the "**Assets**") of the Debtors, such access to be coordinated by BDO Canada Limited, in its capacity as the Court-appointed Receiver in the receivership proceedings (the "**Receivership Proceedings**") of the Debtors (the "**Receiver**"). You will treat confidentially any information the Receiver or its representatives furnish to you in connection with the Assets (the "**Evaluation Material**"), provided, however, that the term "Evaluation Material" does not include information that: (a) was or becomes generally available to the public or to you on a non-confidential basis through no fault or breach of this agreement on your part or on the part of any of your directors, officers, employees or agents (including investment bankers, financing sources, accountants, and attorneys) (all such directors, officers, employees or agents referred to collectively as, "**Representatives**"); (b) was independently developed by you or your affiliates without reference to the Evaluation Material; or (c) was provided to you by a third party not known to you, after due inquiry, to be subject to confidentiality obligations.

You shall use the same degree of care as you use to protect your own confidential information of a similar nature, but not less than reasonable care, to prevent the unauthorized use, dissemination or publication of the Evaluation Material.

You agree that you will not use the Evaluation Material for any purpose other than evaluating your interest in purchasing some or all of the Assets; provided, however, that you may disclose any Evaluation Material to your Representatives who need to know such information for the purpose of evaluating the possible purchase of the Assets (it being understood that you shall inform such Representatives of the confidential nature of such information and that, by receiving such information, they agree to abide by the terms this Agreement), provided that you will be responsible for any breach of the provisions of this Agreement by any such Representatives.

Upon gaining access to the Evaluation Material, you will not contact any director, officer, employee or stakeholder of the Debtors or its affiliates with respect to the Evaluation Material or any other matter contemplated in this Agreement, without the express consent of the Receiver. In the event you are deemed a "Phase 2 Qualified Bidder" in accordance with the terms of the Sale

Process, the Receiver may assist and coordinate meetings, discussions, and other communications between you and the aforementioned parties, all with a view of assisting you in submitting a "Binding APA" pursuant to the Sale Process.

In the event that you are required by applicable law or legal process or regulatory body or agency to disclose any part of the Evaluation Material, you will, to the extent permitted by law, give the Receiver prompt notice of such request so that the Receiver may seek an appropriate protective order. If in the absence of a protective order you are nonetheless compelled to disclose any part of the Evaluation Material, you may disclose such information (but only to the extent necessary to comply with your legal obligations) without liability hereunder, provided, however, that you give the Receiver written notice of the information to be disclosed as far in advance of its disclosure as is practicable and legally permitted. Upon the Receiver's request, you will use your commercially reasonable efforts to obtain assurances that confidential treatment will be accorded to such information.

Upon the Receiver's written request, you shall return promptly to the Receiver or destroy all copies of the Evaluation Material and you shall provide promptly a written certificate to the Receiver confirming your compliance with this Agreement. Notwithstanding the foregoing, on written notice to the Receiver concurrently with the provision of the aforementioned written certificate, you may retain a copy of the Evaluation Material to the extent required in order to comply with regulatory and internal record retention requirements.

You agree that (a) the Receiver reserves the right, in its reasonable business judgment, and subject to competitive and other business considerations, to decline access to all or part of the Evaluation Material, and (b) the Receiver reserves the right to reject any and all offers for the Assets or to terminate discussions and negotiations with you at any time all in accordance with the terms of the Sale Process. The exercise by the Receiver of these rights shall not affect the enforceability of any provision of this Agreement.

You acknowledge and agree that neither the Debtors nor the Receiver nor their representatives have made or make any representation or warranty as to the accuracy or completeness of the Evaluation Material. You agree that neither the Debtors nor the Receiver nor their representatives shall have any liability to you or any of your Representatives resulting from the use of, or reliance on, the Evaluation Material. You agree that if you determine to engage in a transaction with the Receiver, such determination will be based solely on the terms of any definitive written agreement covering that transaction and on your own investigation, analysis and evaluation of the transaction.

You agree that damages may not be a sufficient remedy for any breach of this Agreement by you or your Representatives, and that in addition to all other remedies, the Receiver shall be entitled to seek specific performance, injunctive relief or other equitable relief as a remedy for any such breach.

You agree that this Agreement, and any rights of the Debtors or Receiver hereunder, shall inure to the benefit of any party that enters into a transaction contemplated by the Sale Process.

The Receiver may disclose the existence of this agreement, the identities of the parties hereto and any other information in respect of this agreement, or a transaction proposed by any party hereto, to the extent required in connection with the Receivership Proceedings or applicable laws, to any other person.

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. This Agreement and the rights and obligations of the parties will terminate two years from the date hereof.

Please indicate your agreement with the foregoing by signing and returning one copy of this agreement to:

[BDO CANADA LIMITED CONTACT INFORMATION]

Yours very truly,

2250310 Ontario Inc. and P&H Development Holdings Inc., by its court-appointed receiver BDO Canada Limited., and not in any other capacity

Per:

Name:

Title:

Confirmed and agreed to this _____ day of _____, 2025

► **[Potential Bidder Organization Name]**

Per: _____

Name:

Title:

(I have the authority to bind the corporation)

**FIERA CANADIAN REAL ESTATE DEBT - and- 2250310 ONTARIO INC. ET AL
FUND GP INC. and FIERA FP REAL
ESTATE FINANCING FUND, L.P.**

Applicants

Respondents

Court File No.: CV-25-00743191-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT TORONTO

ORDER

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