

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

B E T W E E N:

1261746 ONTARIO INC., WILNOR HOLDINGS LTD., LIGHTHOUSE
EQUITIES LTD., WILLIAM H. BROWN and ROBERT HART

Applicants

- and -

PETER SABOURIN, SABOURIN AND SUN CANADA INC., SABOURIN AND SUN INC.,
SABOURIN AND SUN (BVI) INC., SABOURIN AND SUN GROUP OF COMPANIES INC.,
GROUP NORTH PROPERTIES LTD., WHISPERING PINES GOLF COURSE LIMITED,
166815 ONTARIO INC., 1684164 ONTARIO LTD., 1692373 ONTARIO LTD., 1692374
ONTARIO LTD., ALMAGUIN PARKLANDS INC., 1670342 ONTARIO INC., carrying on
business as PICKERAL LAKE LODGE LIMITED, 1681114 ONTARIO LTD., carrying on
business as GROUP WEST LTD., 1673227 ONTARIO INC., carrying on business as
BIRCHWOOD CAMP, 1689542 ONTARIO LTD., carrying on business as PINES COTTAGE
RESORT, 1695083 ONTARIO LTD., carrying on business as PRIVILEGE RESORTS
INTERNATIONAL INC., CAMDETON TRADING LTD., VECTOR FINANCIAL SERVICES
LIMITED, HANNA MINSKY, RISA SHARE, HOWIS SHARE, TAMARA WEISZ, SHERRI
WEISZ, ROBERT WEISZ, FLORENE SHUBER, CIBC TRUST CORPORATION as
TRUSTEE for SDRRSP NO. 19499 and CITIZENS BANK OF CANADA

Respondents

**SECOND REPORT TO COURT OF MINTZ & PARTNERS LIMITED, IN ITS
CAPACITY AS RECEIVER OF**

PETER SABOURIN, SABOURIN AND SUN CANADA INC., SABOURIN AND SUN INC.,
SABOURIN AND SUN (BVI) INC., SABOURIN AND SUN GROUP OF COMPANIES INC.,
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Respondents

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Respondents

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INTERNATIONAL INC., and CAMDETON TRADING LTD. (the "Receivership Entities")

INTRODUCTION/BACKGROUND

1. Pursuant to an Order of The Honourable Justice Cumming of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated October 5, 2007 (the "Appointment Order"), Mintz & Partners Limited ("MPL") was appointed as Receiver (the "Receiver"), without security, of all the current and future assets, undertakings and properties (the "Property") of the Receivership Entities. The Appointment Order directed the Receiver to file a report with the Court on or before November 8, 2007. A copy of the Appointment Order is attached as Appendix "A".

2. The Receiver filed its first Report with the Court on November 8, 2007.

3. At the Court hearing on November 8, 2007, The Honourable Justice Cumming gave his Endorsement to the following:

"The mortgagees are to proceed to sell the charged properties by way of powers of sale. The mortgagees have agreed to provide a charge upon the sale proceeds for insurance costs incurred by the Receiver, to compensate the Receiver for inspection services and to pay a portion of the Receiver's costs to date (\$4,000 per property) with the details to be formalized in a draft Order to be provided. The mortgages will report monthly to the Receiver, will provide an accounting to the Receiver as to the property sales, and remit any surplus to the Receiver."

A copy of the Endorsement is attached as Appendix "B".

4. The properties referenced by the Endorsement are under Notice of Sale under Change/Mortgage of Land ("Notice"). They include:

- 419 Owl Lake Road, Katrine, Ontario
- Ontario Street, Burks Fall, Ontario
- 20 Scotia Road, Emsdale, Ontario
- 1032 Oxtongue Lake Road, Dwight, Ontario
- 451 Golf Course Road, Huntsville, Ontario
- 4575 Highway No. 60, Dwight, Ontario
- 2159 Pickeral Lake Road, Burks Fall, Ontario
- 422 Lakeview Drive, Burks Fall, Ontario

Copies of Notices are attached as Appendix "C".

5. In addition to, but not under Notice is the property identified as 689 Evergreen Trail, Huntsville ("Evergreen") registered to Privilege Club Resorts International Inc., one of the Receivership Entities. In this instance, the second mortgagee CIBC Trust Corporation, as

Trustee for SDRRSP No. 596-19499 for Robert Weisz ("Weisz") assumed the first mortgage held by Citizens Bank of Canada ("Citizens") and assumed clear title to the property.

6. Under the Endorsement of Mr. Justice Cumming, Weisz who is the mortgagee on the Receivership Entities undertook to commence the process of selling the properties listed under his Notice, plus the Evergreen property.

7. Weisz received a copy of the appraisal on the Evergreen property of \$750,000 prepared September 20, 2007 on behalf of Citizens, by K.S. Orthner Appraisals, Huntsville, Ontario. A copy of the appraisal is attached as Appendix "D".

8. Subsequently, Weisz got two appraisals on the property identified as The Pines Resort, 1032 Oxtongue Lake Road, Dwight ("Oxtongue"). The first appraisal dated November 13, 2007 was prepared by B.E. Page Appraisal Services, valuing the property at a range of \$700,000 to \$725,000. A copy of the appraisal is attached as Appendix "E".

9. The second appraisal on the same property was prepared by Greg Luciani, dated November 21, 2007 and he valued the property in the range of \$670,000. A copy of the appraisal is attached as Appendix "F".

10. On November 18, 2007, Weisz received an offer on Oxtongue. The amount of the offer was \$650,000. A copy of the offer is attached as Appendix "G".

11. On the same day the offer was received, the Receiver was advised and all indication from Weisz is that he was prepared to accept the offer.

12. We expressed our concern to Weisz's lawyer, Martin Banach, that acceptance of the offer may initiate a court action by the Receiver on behalf of the Applicants upon acceptance of an offer well below market value. The Receiver is unaware if the Oxtongue offer was accepted.

13. In addition, we subsequently became aware that the Oxtongue property was not appraised by a local realtor, listed for sale by a local realtor nor any marketing plan or effort was initiated to solicit other offers.

14. The Receiver has just become aware that Weisz has personally accepted an offer on the Evergreen property and we were advised he has accepted the offer at \$797,000.

15. Again, the Receiver learned that there was no appraisal on the property by a local realtor, no marketing plan or effort was initiated to solicit other offers and we are of the opinion that the offer is well below market value.

16. It has become quite apparent to the Receiver that Weisz has undertaken to market the properties identified without the representation of a local regional realtor who has familiarity with local pricing and marketing tactics.

17. The Receiver has provided a Summary of a Minimal Commercial Real Estate Marketing Procedure – Strategy and Procedures (“Summary”) prepared by Peter Aziz (“Aziz”), AACI, P.App, FRI, Vice President, Real Estate Operations, Mintz & Partners Financial Services. A copy of the Summary is attached as Appendix “H”.

18. This Summary describes what Aziz feels is a prudent methodology that should be applied to the marketing and sales of the Receivership Entities real properties to ensure fairness throughout the process.

19. The Receiver has concerns regarding the two appraisals (Appendices “E” & “F”) that were submitted to Weisz on Oxtongue. In his summary, Aziz concludes that the marketing plan to sell both The Pines Cottage Resort and Evergreen did not meet minimum marketing plan criteria and in regard to any Agreement of Purchase and Sale received for any of the properties should be questioned to determine if the offer price is indicative and reflective of a concise, prudent and responsible marketing plan.

20. The appraisal report prepared by B.E. Page Appraisal Services on Oxtongue (Appendix “E”) is not signed by an accredited commercial appraiser according to Appraisal Institute of Canada requirements and therefore should not be considered valid. Aziz also takes issue with the report stating there were no Income and Expense Statements available even though it is reported by the former listing agent Jack Kuijer of Century 21, Cottage Country Realty Inc., Huntsville who had the initial listing for Oxtongue who stated that the reports were available. Therefore, the lack of these reports in an analysis prepared on the Income Approach could have a significant effect on the range of value. A copy of the Summary Analysis, plus Aziz’s resume is attached as Appendix “I”.

ONGOING EXPENSES

21. Attached as Appendix “J”, is a Summary of Insurance from Firstbrook, Cassie & Anderson Ltd. totaling \$27,467 and maintenance costs of \$3,441 provided by AGC Inc. that have been incurred by the Receiver in order to ensure security of the various Receivership Entities properties. That includes insurance, preservation and other required expenses for each property.

22. During court proceedings on November 8, 2007, it was agreed by counsel for Vector Financial Services (“Vector”) that Vector would pay the Receiver the insurance premiums to insure the three mortgaged properties under its control. These premiums approximate \$6,450 per month and to date the Receiver has not been paid. At these court proceedings, counsel for

Weisz, Martin Banach did not agree to this proposal and stated that costs for insurance would be paid out of proceeds received from a sale of the properties.

23. As a result, it is the Receiver's position that because of the ongoing costs incurred and the lack of proceeds, all parties be ordered to pay the Receiver the respective monthly costs, or in the alternative, we are asking for the Court's approval to transfer all insurance and preservation costs directly to the mortgagees as the Receiver should not be financing these costs.

RECEIVER'S & RECEIVER'S COUNSEL FEES AND EXPENSES

24. The Receiver requests that the Court approve the second interim account of the Receiver. Attached as Appendix "K" is a summary of the Receiver's interim accounts for the period November 1 to November 30, 2007 in the amount of \$56,226.07 plus G.S.T. The Receiver will have additional accounts subsequent to November 30, 2007 relating primarily to finalizing this Report, monitoring the sale of the real properties, attendance in Court, etc.

25. Disbursements to Receiver's Counsel from October 5, 2007 to December 5, 2007 date are \$52,186.74, including. A summary of accounts is attached as Appendix "L".

RECEIVER'S RECOMMENDATIONS

26. The actions of Weisz have cause for concern. The Receiver is of the opinion that the Court should give specific instructions as to the disposal and sale of the properties so that all Applicants and potential creditors have an opportunity to recover their losses. The Receiver recommends that the Court issue an order to:

- approve the actions of the Receiver as described herein;
- ensure that the properties are properly listed and appraised by local realtors, who know the market dynamics of the Huntsville/Muskoka region;
- seek instructions to include a marketing plan and a proper real estate listing which includes both the regional and Toronto markets for a stipulated period of time;
- all offers received on the identified properties be reviewed first by the Receiver prior to acceptance by the seller;
- recovery of ongoing expenses;
- approve the interim accounts of the Receiver and its counsel.

All of which is respectfully submitted this 6th day of December, 2007.

A handwritten signature in black ink that reads "Mintz & Partners Limited". The signature is written in a cursive, flowing style.

**Mintz & Partners Limited, solely in its capacity as Receiver of Sabourin et al
and not in its personal capacity**

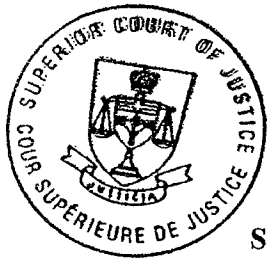
Bryan A. Tannenbaum, FCA, CA•CIRP, FCIRP
President

Jack Richards, CIRP
Senior Manager

Paul McGrath, CFE
Senior Manager

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Appendix “A”



Court File No. 07-CL-7077

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE _____)

FRIDAY, THE 5th DAY

JUSTICE Peter A. Cummings)

OF OCTOBER, 2007

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Respondents

ORDER

THIS MOTION, made by the Plaintiff for an Order pursuant to Section 101 of the *Courts of Justice Act*, R.S.O 1990 c. C.43, as amended (the "CJA") appointing Mintz & Partners

Pal
Camden Town Trading Ltd.
Pal

Limited as receiver and manager (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of the Respondents (collectively, the "Debtor") was heard this day at 393 University Avenue, Toronto, Ontario. *DLK/L attached as schedule A' - JMC*

ON READING the Affidavits of William H. Brown sworn 20 June 2007 and Paul McGrath sworn 1 October 2007 and the Exhibits thereto, Notice of Application, Certificate of Pending Litigation and Consent of Mintz & Partners Limited to act as the Receiver and on hearing the submissions of counsel for the parties.

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion returnable October 4th, 2007, Supplementary Notice of Motion and the Motion Record is hereby abridged so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 101 of the CJA, Mintz & Partners is hereby appointed Receiver, without security, of all of the Debtor's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "Property"). *JMC Limited JMC*

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 and control of the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, protect and maintain control of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging

of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, 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 powers and duties conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- Mac* (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 Debtor, the Property or the Receiver, and to~~

settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding; *PAC*

(k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate; *other than 1670342 Ontario Inc*
COB as Pickeral Lake Lodge, PAC

(l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business, *with the approval of this Court in respect of any transaction, PAC*

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

PAC (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, and in each case the Ontario *Bulk Sales Act* shall not apply. *PAC*

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

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

- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; ^{and} provided however that the Receiver will seek the prior approval of the Court *for*
- (s) to take any steps reasonably incidental to the exercise of these powers,

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting

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

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

^{PAC} 9. THIS COURT ORDERS that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for ~~lien.~~ ^{PAC}

NO INTERFERENCE WITH THE RECEIVER

10. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

11. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each

^{PAC} other than legal services
^{PAC}

case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. 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

13. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts, other than such amounts as the Receiver may specifically agree in writing to pay, or such amounts as may be determined in a Proceeding before a court or tribunal of competent jurisdiction.

14. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not

complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

LIMITATION ON THE RECEIVER'S LIABILITY

16. 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. 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

17. THIS COURT ORDERS that any expenditure or liability which shall properly be made or incurred by the Receiver, including the fees of the Receiver and the fees and disbursements of its legal counsel, incurred at the standard rates and charges of the Receiver and its counsel, shall be allowed to it in passing its accounts and 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 (the "Receiver's Charge"). ^{sec 1} provided however that there is a limit of \$150,000 ^{as a first charge without further approval of the court - sec}

18. THIS COURT ORDERS 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.

19. 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 normal 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

one
20. 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 \$ _____ (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. *sec*

PAC
21. 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.

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

23. 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. *PAC*

GENERAL

24. 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.

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

26. 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.

27. 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.

28. THIS COURT ORDERS that the Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or,

PAC The issue of costs in respect of this motion is renewed for consideration at a later date. *PAC*

OCT 10 2007

if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine. *pac*

PER/PAR:

Mh

29. 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.

30. THIS COURT ORDERS that Group North Properties Ltd., Whispering Pines Golf Course Limited, 166815 Ontario Inc., 1684164 Ontario Ltd., 1692373 Ontario Ltd., 1692374 Ontario Ltd., Almaguin Parklands Inc., 1670342 Ontario Ltd., carrying on business as Pickeral Lake Lodge Limited, 1681114 Ontario Ltd., carrying on business As Group West Ltd., 1673227 Ontario Inc., carrying on business as Birchwood Camp, 1689542 Ontario Ltd., carrying on business as Pines Cottage Resort, 1695083 Ontario Ltd., carrying on business as Privilege Resorts International Inc., *pac* ^{Camelton Trading Ltd. - *pac*} Vector Financial Services Limited, Hanna Minsky, Risa Share, Howis Share, Tamara Weisz Sherri Weisz, Robert Weisz, Florene Shuber, CIBC Trust Corporation as Trustee for SDRRSP No. 19499 and Citizens Bank of Canada ^{*file - to*} are added as Respondents, ~~and shall be included in the term Debtor as defined in the first paragraph of this Order. The added Respondents (Debtor) each claim an interest in the properties listed under the Certificate of Pending Litigation annexed hereto as Schedule "B".~~ *pac*

31. THIS COURT ORDERS that all parties be served with a copy of this Order within seven (7) days.

pac 32 This COURT ORDERS that the Receiver shall provide an interim report to this court on or before Nov 8th 2007 & there shall be a further hearing before this court on that date. *pac* to seek court approval *pac*

pac 33 This Court further orders that the Respondent Peter Sabourin shall be entitled to expend funds which would otherwise be subject to this order, to retain legal counsel & to defray reasonable living expenses pending the return date of Nov 14th, 2007, in amounts to be approved by this court & subject to further order of this court. *pac*

Schedule A

Peter Sabourin
Sabourin and Sun Canada Inc,
Sabourin and Sun Inc, Sabourin and Sun (BVI) Inc.,
Sabourin and Sun Group of Companies Inc.,
Group North Properties Ltd.,
Whispering Pines Golf Course Limited,
166815 Ontario Inc.,
1684164 Ontario Ltd.,
1692373 Ontario Ltd.,
1692374 Ontario Ltd.,
Almaguin Parklands Inc.,
1670342 Ontario Inc., COB Pickeral Lake Lodge Limited,
1681114 Ontario Ltd., COB Group West Ltd.,
1673227 Ontario Inc., COB Birchwood Camp,
1689542 Ontario Ltd., COB Pines Cottage Resort,
1695083 Ontario Ltd COB Privilege Resorts
International Inc,
Camdeton Trading Ltd.

Court File No. 07-CL-7077

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

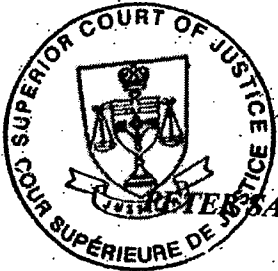
1261746 ONTARIO INC., WILNOR HOLDINGS LTD., LIGHTHOUSE EQUITIES LTD.,
WILLIAM H. BROWN and ROBERT HART

Applicants

- and -

SABOURIN, SABOURIN AND SUN CANADA INC., SABOURIN AND SUN INC.,
SABOURIN AND SUN (BVI) INC., and
SABOURIN AND SUN GROUP OF COMPANIES INC.

Respondents



CERTIFICATE OF PENDING LITIGATION

I CERTIFY that in this proceeding an interest in the following lands is in question:

1. **Municipal Address:** Whispering Pines Golf Course, 451 Golf Course Road, Huntsville, ON; **Legal Description:** Part of Lot 15 in the 4th Concession, former Township of Chaffey, now Town of Huntsville, District Municipality of Muskoka, described in Schedule annexed hereto as "Property No. 1" – Description continued"
2. **Municipal Address:** 157 Yonge Street, Burks Falls, ON; **Legal Description:** Lot 2, Plan 26, North Side of Yonge Street, Village of Burk's Falls, District of Parry Sound

- 3. Municipal Address:** Almaguin Parklands Campground, Township of Armour
Legal Description: PCL 11173 SEC SS; PT LT 15 CPM 2 Armour PT 4, 42R6558; PT BROKEN LT 15 CON 1 Armour PT 3, 42R6558; Armour, District of Parry Sound (all of PIN 52144-0163); Secondly PCL 11174 SEC SS; PT LT 15 CON 2 Armour; Parts 1&2, 42R6558 except 42R10374, PT 1, 42R10647 & 42R13375; S/T LT251216; Armour, District of Parry Sound (all of PIN 52144-0162).
- 4. Municipal Address:** 20 Scotia Road, Emsdale, Ontario
Legal Description: Part of Lot 16, Concession 9, Township of Perry, District of Parry Sound, designated as Part 1, Plan 42R-15544 together with right-of-way over Part of Lot 16, Concession 9, Township of Perry, District of Parry Sound designated as Part 3, Plan 42R-6022
- 5. Municipal Address:** RR #2, Burk's Falls, ON; **Legal Description:** Remainder of Parcel 11669, Parry Sound South Section, Part Broken Lot 30, Concession 10 Township of Armour, District of Parry Sound, Registry: part Lot 29, Concession 10, designated as Firstly: Parts 4, 6, and 9, Plan 42R-14173, described in Schedule annexed hereto as "Property No. 2" – Description continued"
- 6. Municipal Address:** 15467 Ontario Street, Burks Falls, Ontario
Legal Description: Part of Lot 37, Registrar's compiled Plan 315, Designated as Part 2, Plan 42R-15467, Township of Armour, District of Parry Sound
- 7. Municipal Address:** 422 Lakeview Drive, Burks Falls, Ontario
Legal Description: Parcel 5825 in the Register for Parry Sound, South Section, being Part of Lots 16 & 17, Concession 12, Township of Ryerson, District of Parry Sound.
- 8. Municipal Address:** 4575 Highway No. 6, Dwight, ON
Legal Description: Part of Lot 9, Concession 13, Designated as Part 3, Plan 19R-7029, Township of McClintock, County of Hailburton (No. 19)

7

9. **Municipal Address:** 1032 Oxtongue Lake Road, R.R. 1, Dwight, ON
Legal Description: Part of Lots 4 and 5, Concession 12, Township of McClintock,
County of Haliburton, described in Schedule annexed hereto as "Property No.
3" – Description continued"

10. **Municipal Address:** 689 Evergreen Trail, Huntsville, ON
Legal Description: Part of Lot 32, Concession 9, and Part of Lot 32, Concession 0
Township of Stephenson (Now town of Huntsville) District Municipality of Muskoka,
designated as part 12, Plan 35R-10294, as previously described in Instrument No.
318122 and in Schedule annexed hereto as "Property No. 4" – Description
continued"

This certificate is issued under an Order of the Court made on June 29th, 2007.

Date of Issuance:

July 05, 2007



Local Registrar
Address of the Court Office:
393 University Ave., 10th Floor
Toronto, ON

Additional Property Identifier(s) and/or Other Information

DESCRIPTION CONTINUED

That part of Lot 15, Concession 4, Township of Chaffey, now Town of Huntsville, more particularly described as follows:

BEING THAT PART of the said Lot 15, Concession 4, Township of Chaffey that lies south of the lands expropriated by Department of Highways by Instrument No. 6839, the southerly limit of which said Highway may be described as follows:

COMMENCING at a point in the easterly limit of said lot distant fourteen hundred and seventy-four and 94/100 feet (1474.94) measured South 21 degrees 10 minutes East thereon from the northeasterly angle of said lot;

THENCE South 49 degrees 01 minute West a distance of fourteen hundred and forty-two and 51/100 (1442.51) feet to a point in the westerly limit of said lot;

SUBJECT TO AN EASEMENT in favour of the Hydro Electric Power Commission of Ontario as set out and shown on a sketch attached to Instrument No. 5978 (Chaffey) and more particularly described as follows:

ALL THAT PART of Lot 15 lying east of line drawn parallel to and distant 16.5 feet measured westerly from and at right angles to a centre line and centre line produced of wood pole transmission line, which centre line may be located as follows:

COMMENCING at the south-west angle of Lot 16, Concession 4;

THENCE northerly along the western limit of said Lot 16, 149.1 feet;

THENCE South 10 degrees 24 minutes West 127.6 feet to the said point of commencement of the herein described centre line;

THENCE South 10 degrees 24 minutes West 53.2 feet more or less to the southern limit of said Lot 15.

^{SUBJECT} ^{RIGHT OF} RESERVING TO THE GRANTOR IN INSTRUMENT NO. 13666 the right to remove from the lands hereinafter described such sand, gravel, and/or fill as he sees fit for a period expiring one year next following the date on which the New Provincial Highway is constructed and in use by the public on the lands immediately adjoining on the north of the lands hereby conveyed; the lands affected by the reservations hereinbefore set forth being described as follows:

COMMENCING at the northwesterly angle of the lands herein conveyed;

THENCE easterly along the northerly limit thereof, being also the southerly limit of the Highway lands described in Instrument No.

6839 a distance of three hundred (300.0) feet;

THENCE southerly and at right angles to said limit a distance of three hundred (300.0) feet;

THENCE westerly and parallel to said limit a distance of three hundred (300.0) feet;

THENCE northerly and at right angles to said limit a distance of three hundred feet (300.0) to the place of the beginning;

BEING THE LANDS MOST RECENTLY DESCRIBED in Instrument No. 26601.



Additional Property Identifier(s) and/or Other Information

PROPERTY NO. 2

Legal Description continued

Box 5 (Description) cont'd:

Secondly: Part of Lot 29, Concession 10, Township of Armour, more particularly described as follows:

Premising that the westerly limit of Lot 29 has a course of North 22 degrees 06 minutes 30 seconds west and relating all bearings herein thereto:

Commencing at the north west angle of Lot 29, Concession 10 of the said Township:

Thence south 22 degrees 06 minutes 30 seconds east along the westerly limit of said Lot 29, Concession 10 in the said Township a distance of 347.61 feet to an iron bar planted.

Thence continuing south 22 degrees 06 minutes 30 seconds east along the westerly limit of said Lot 29 a distance of 145.04 feet to an iron bar planted which point is the point of commencement of the lands hereinafter particularly described:

Thence in a direction north 67 degrees 53 minutes 30 seconds east a distance of 66 feet to an iron bar planted;

Thence in a direction south 81 degrees 45 minutes 50 seconds east a distance of 109.76 feet to an iron bar planted.

Thence north 68 degrees 53 minutes 30 seconds east a distance of 1,043.75 feet to an iron bar planted;

Thence south 21 degrees 02 minutes 35 seconds east a distance of 66 feet to a point;

Thence north 68 degrees 53 minutes 30 seconds west a distance of 1,203.28 feet to the westerly limit of Lot 29 Concession 10;

Thence north 22 degrees 06 minutes 30 seconds west 118.62 feet along the said westerly limit of Lot 29 Concession 10 to the said place of beginning. As described as Secondly in Instrument No. 75495 and outlined in red on Sketch attached to Instrument No. 44955.

Thirdly: All Lot 29, Concession 10
lying south of Part A, Plan PSR-1890
as described in Instrument No. 75495

All in the Township of Armour,
District of Parry Sound

PROPERTY NO. 3

Legal Description continued

SCHEDULE AND DESCRIPTION

ALL AND SINGULAR that certain parcel or tract of land and premises, situate, lying and being in the Township of McClintock in the County of Haliburton and being composed of Part of Lots 4 and 5 in Concession 12 of the said Township which is shown outlined in red on a blueprint of plan of survey dated May 20, 1952 made by Maurice W. Fitz Maurice, O.L.S., and attached to instrument No. 276 and which said part is described as follows:

COMMENCING at the northeast angle of the said Lot 4;

THENCE south 20 degrees 39 minutes east, 2,160 feet along the easterly limit of the said Lot 4 to an iron post in the southeastern limit of Highway No. 60;

THENCE south 18 degrees 30 minutes west, 37.6 feet along the said southeasterly limit to the place of beginning of the lands herein described;

THENCE south 18 degrees 39 minutes west, 200 feet along the said southeastern limit;

THENCE south 51 degrees 10 minutes east, 747.9 feet to the highwater mark of the Oxtongue Lake;

THENCE in a general northeasterly direction, along the said highwater mark, 200 feet more or less to a point which is intersected by a line drawn on a bearing of south 50 degrees 50 minutes east from the place of beginning;

THENCE north 50 degrees 50 minutes west, 746.7 feet to the place of beginning.

TOGETHER WITH A RIGHT OF WAY over the southwest 6 feet of the lands to the southeast of the within described lands, to a depth of 440 feet from the southeastern limit of Highway No. 60;

AND SUBJECT to a right of way over the northeast 12 feet of the lands herein described to the same depth; these rights of way forming a mutual driveway for the use of the owners and occupants from time to time of the within described lands and the lands to the southeast of these lands.

As described in Instrument No. 266618

Additional Property Identifier(s) and/or Other Information

PROPERTY NO. 4
Legal Description continued

DESCRIPTION BOX 5 continued

Together with a right-of-way for all of the usual purposes in, over, along and upon that Part of Lot 32, Concession 10, Township of Stephenson, now Town of Huntsville, designated as Parts 1, 4, 5, 13 and 15 on Plan 35R-15655;

Together with a right-of-way for all of the usual purposes in, over, along and upon that Part of Lot 32, Concession 10, Township of Stephenson, now Town of Huntsville, and that Part of Lot 32, Concession 9, Township of Stephenson, now Town of Huntsville, designated as Part 14 on Plan 35R-15655

as previously described in instrument number 331457

EXHIBIT K:KSHEET
(If in 4th Under the Rules)
1251746 ONTARIO INC. et al

(Short title of proceeding)

Applicants

- and -

PETER SABOURIN, et al

Respondents

Court file no. 07-CL-7077

Dye & Durham Computerized Forms Service (Litigation v. 3)

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL COURT
Proceeding commenced at TORONTO

ORDER

DANSON, ZUCKER AND CONNELLY
Barristers and Solicitors
70 Bond Street, Ste. 500
TORONTO, Ontario M5B 1X3

SYMON ZUCKER
Tele. (416) 863-9955
Fax. (416) 863-4896
Law Society Registration No. 15832C
Solicitors for the Applicants

Appendix “B”

COURT FILE NO.: 06-CL-006633**07-CL-7077****00-CV-187886CM4****DATE: 20071109****SUPERIOR COURT OF JUSTICE - ONTARIO**

(Commercial List)

RE: **RE:** 1261746 Ontario Inc., Wilnor Holdings Ltd., Lighthouse Equities Ltd., William H. Brown and Robert Hart (Applicants) and Peter Sabourin, Sabourin and Sun Canada Inc., Sabourin and Sun Inc., Sabourin and Sun (BVI) Inc., Sabourin and Sun Group of Companies Inc., Group North Properties Ltd., Whispering Pines Golf Course Limited, 166815 Ontario Inc., 1684164 Ontario Ltd., 1692373 Ontario Ltd., 1692374 Ontario Ltd., Almaguin Parklands Inc., 1670342 Ontario Ltd., carrying on business as Pickeral Lake Lodge Limited, 1681114 Ontario Ltd., carrying on business as Group West Ltd., 1673227 Ontario Inc., carrying on business as Birchwood Camp, 1689542 Ontario Ltd., carrying on business as Pines Cottage Resort, 1695083 Ontario Ltd., carrying on business as Privilege Resorts International Inc., Vector Financial Services Limited, Hanna Minsky, Risa Share, Howis Share, Tamara Weisz, Sherri Weisz, Robert Weisz, Florence Shuber, CIBC Trust Corporation as Trustee for SDRRSP No. 19499 and Citizens Bank of Canada (Respondents)

BEFORE: Justice Cumming

COUNSEL: *Simon Zucker*, for Receiver and for the Applicants

Jordan B. Farkas, for Muskoka North Properties Ltd. and Joe Martins

Martin Banach, for the Weisz group

D. Garbig, for Vector and 1369574

Yvonne Chisholm and *Cullen Price*, for the Ontario Securities Commission

David Sloan, for Citizens Bank

Michael Cassone, for Deere Credit Inc.

Peter R. Jervis and *Caroline Jindar*, for the Defendants - Plaintiffs by Counter-Claim in 06-CL-006633

DATE HEARD: November 8, 2007

ENDORSEMENT

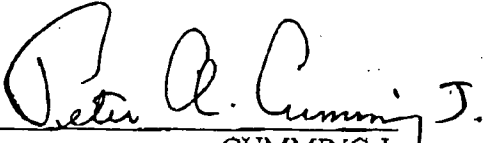
- [1] Mintz & Partners ("Mintz") has filed its First Report as Receiver, dated November 6, 2007.
- [2] The interim accounts of the Receiver are approved. The requested increase in the first charge for the Receiver's and its counsel's fees and disbursements from \$150,000 to \$300,000 is approved.
- [3] Mr. David C. Moore appears. For greater certainty, and in correction of the First Report, it is to be noted that when Mr. Moore appeared on the motion for the appointment of a receiver he made it clear that he and his law firm had not been retained and that he was attending out of courtesy to the Court without instructions. Likewise, he is so attending November 8. I add that Mr. Moore's attendances and comments have been of considerable assistance in properly advancing the issues in the interest of the administration of justice.
- [4] No respondents to the application in #07-CL-7077 (the so-called "Brown application") appear (other than several mortgagees). The Receiver advises all respondents have been served with a copy of the Appointment Order.
- [5] The First Report has also been amended, as requested by counsel for the OSC, to properly reflect the OSC's involvement.
- [6] Counsel for John Deere Credit appears with a motion to approve the sale of a boat subject to its security interest. The motion is granted upon the consent of the Receiver.
- [7] The interests of the various mortgagees has been considered. The Receiver advises that all mortgages are considered to be valid with the possible exception of the Vector second mortgage on the Pickeral Lake property. After discussion, the mortgagees and the Receiver have come to a resolution in respect of issues relating to the mortgagees.
- [8] The mortgagees are to proceed to sell the charged properties by way of powers of sale. The mortgagees have agreed to provide a charge upon the sale proceeds for insurance costs incurred by the Receiver, to compensate the Receiver for inspection services and to pay a portion of the Receiver's costs to date (\$4,000. per property) with the details to be formalized in a draft Order to be provided. The mortgagees will report monthly to the Receiver, will provide an accounting to the Receiver as to the property sales, and remit any surplus to the Receiver.
- [9] An application will be made by Mr. Martins in respect of compelling the completion of the sale of the Pickeral Lake property as scheduled. This application, being opposed by the Receiver, is to be heard Nov. 26, 27, 2007. At that time, motions for judgment may also be heard in respect of both #06-CL-006633 (so-called "Laiken action") and #07-CL-7077 (so-called "Brown application").

Page: 3

[10] Receiver's counsel is directed to type up the Appointment Order and provide same to the Court, and to all remaining parties to the Laiken action and to all parties to the Receivership at hand:

[11] Receiver's counsel has advised that he is preparing an amended Application Record as stipulated in my Endorsement following upon the October 5, 2007 motion for the appointment of a receiver.

[12] It is noted that there is a departure from the normative situation in this receivership inasmuch as the Receiver has selected counsel for the plaintiffs in the Brown application as the Receiver's counsel. Ideally, the Receiver's counsel is independent of any party to the proceeding. The Receiver advises that this exceptional approach is needed given that it is very uncertain as to whether there is sufficient funds in the estate of the Receivership to fund the Receiver and considerable expense has been saved in having Mr. Zucker appointed as counsel given his knowledge of the complex and confusing factual situation underlying the need for the appointment of the Receiver. No one has objected to Mr. Zucker being appointed as counsel to the Receiver.


CUMMING J.

DATE: November 9, 2007

Appendix “C”

Receive

NOTICE OF SALE UNDER CHARGE/MORTGAGE OF LAND

TO: Those parties named in Schedule "A" attached hereto

TAKE NOTICE that default has been made in payment of the moneys due under a certain mortgage dated on the 29th day of April, 2006, made between

1692373 ONTARIO LTD.

as Cha

- and -

**HANNA MINSKY AS TO 38.58% INTEREST,
RISA SHARE AND HOWIE SHARE AS TO 5.71 % INTEREST,
AS TO JOIN ACCOUNT AND RIGHT OF SURVIVORSHIP
TAMARA WEISZ AS TO 28.57% INTEREST
AND SHERRI WEISZ AS TO 27.14 INTEREST**

as Charc

on the security of:

Firstly: The whole of Parcel 11, 173 Parry Sound,
South Section, Part Lot 15, Concession 2, Part 4 on 42R-6558,
Part Broken Lot 15, concession 1 being Part 2 on 42R-6558,
All in The Township pf Armour, District of Parry Sound
(All of PIN 52144-0163)

Secondly: Parcel 11, 174 Parry Sound South Section being Part Lot 15,
Concession 2, parts 1 & 2 on 42R-6558, save and except 42R-10374,
Part 1 on 42R-10647 & 42R-13375; s/t LT251216; All in the
Township of Armour, District of Parry Sound (All of PIN 42144-0162)
municipally known as 419 Owl Lake Road, Katrine, Ontario

which charge/mortgage of land was registered on May 2, 2006 in the Land Registry Office for the Registry Division of Parry Sound (No. 42) as Instrument No. LT273445.

AND I HEREBY GIVE YOU NOTICE that the amount now due on the charge/mortgage for principal money, interest, late payment interest, collection costs, realty taxes and costs respectively, are as follows:

(a)	For principal as at July 1, 2007	\$350,000.00
(b)	For interest from July 1 to August 1, 2007 at 12% per annum	\$ 3,500.00
(c)	For interest from August 1 to August 23, 2007 at 12% per annum	\$ 2,646.58
(d)	For late payment fees for August 1, 2007	\$ 200.00
(e)	For one month prepayment interest	\$ 3,500.00

-2-

(f) For costs in exercise of Power of Sale to
the date of August 23, 2007 \$ 4,750.00

TOTAL DUE AS AT August 23, 2007 **\$364,596.58**

(Per Diem Interest: \$115.07)

(such amount for costs being up to and including the date of service of the notice only and thereafter such further costs and disbursements will be charged as may be proper together with interest at the rate of 12% per annum, on the principal and costs hereinbefore mentioned, from August 23, 2007 to date of payment.

AND UNLESS the said sums together with accrued interest to the date of payment are paid on or before **October 3, 2007**, the undersigned shall sell the property covered by said charge/mortgage under the provisions contained in it.

This notice is given to you as you appear to have an interest in the mortgaged property and you may be entitled to redeem the same.

DATED at Markham the 23rd day of August, 2007.

**HANNA MINSKY AS TO 38.58% INTEREST,
RISA SHARE AND HOWIE SHARE AS TO 5.71 % INTEREST
AS TO JOIN ACCOUNT AND RIGHT OF SURVIVORSHIP
TAMARA WEISZ AS TO 28.57% INTEREST
AND SHERRI WEISZ AS TO 27.14 INTEREST**
by their solicitor and authorized agent

Irving Gleiberman

Barrister and Solicitor

Per 

Irving Gleiberman, B.A., LL.B.

50 McIntosh Drive, Suite 208
Markham, Ontario L3R 9T3

Tel: (905) 940-5525

Fax: (905) 940-5528

NOTICE OF SALE UNDER CHARGE/MORTGAGE OF LAND

TO: Those parties named in Schedule "A" attached hereto

TAKE NOTICE that default has been made in payment of the moneys due under a certain Mortgage dated on the 26th day of January, 2006, made between

GROUP WEST LTD.

as Char

- and -

**ROBERT WEISZ AS TO 55.56% AND
FLORENE SHUBER AS TO 44.44%**

as Charge

on the security of:

Part of Lot 37, Registrar's Compiled Plan 315, Designated as
Part 2, Plan 42R-15467, Township of Armour, District of Parry Sound
municipally known as Ontario Street, Burk's Falls, Ontario

Mortgage Instrument No. 203391 registered on January 30, 2006 which mortgage in
Land Registry Office for the Land Titles Division of Parry Sound (No. 42).

AND I HEREBY GIVE YOU NOTICE that the amount now due on the charge/mortgage
for principal money, interest, late payment interest, collection costs, realty taxes and costs
respectively, are as follows:

- (a) For principal as at July 1, 2007 \$100,000.00
- (b) For interest as of July 1, 2007

(b)	For interest on the principal amount of \$100,000 at 10.5% per annum	\$ 875.00
(c)	For interest from August 1 to August 27, 2007 at 10.5% per annum	\$ 776.79
(d)	For late payment fees	\$ 200.00
(e)	For one month prepayment interest	\$ 875.00
(f)	For costs in exercise of Power of Sale to the date of August 27, 2007	<u>\$ 4,750.00</u>
TOTAL DUE AS AT August 27, 2007		<u>\$107,476.79</u>
(Per Diem Interest: \$28.77)		

(such amount for costs being up to and including the date of service of the notice only; thereafter such further costs and disbursements will be charged as may be proper together with interest at the rate of 10.5% per annum, on the principal and costs hereinbefore mentioned, from August 27, 2007 to date of payment.

-2-

AND UNLESS the said sums together with accrued interest to the date of payment paid on or before **October 7, 2007**, the undersigned shall sell the property covered by said charge/mortgage under the provisions contained in it.

This notice is given to you as you appear to have an interest in the mortgaged property; you may be entitled to redeem the same.

DATED at Markham the 27th day of August, 2007.

**ROBERT WEISZ AS TO 55.56% AND
FLORENE SHUBER AS TO 44.44%**
by their solicitor and authorized agent

Irving Gleiberman
Barrister and Solicitor

Per: 
Irving Gleiberman, B.A., LL.B.

50 McIntosh Drive, Suite 208
Markham, Ontario L3R 9T3

Tel: (905) 940-5525
Fax: (905) 940-5528

Received:

NOTICE OF SALE UNDER CHARGE/MORTGAGE OF LAND

TO: Those parties named in Schedule "A" attached hereto

TAKE NOTICE that default has been made in payment of the moneys due under a certain mortgage dated on the 29th day of April, 2006, made between

1692374 ONTARIO LTD.

as Cha.

- and -

**HANNA MINSKY AS TO 38.58% INTEREST,
RISA SHARE AND HOWIE SHARE AS TO 5.71 % INTEREST,
AS TO JOIN ACCOUNT AND RIGHT OF SURVIVORSHIP
TAMARA WEISZ AS TO 28.57% INTEREST
AND SHERRI WEISZ AS TO 27.14 INTEREST**

as Charg

on the security of:

Part of Lot 16, concession 9, Township of Perry, District of Parry Sound designated as Part 1, Plan 42R-15544 together with right-of-way over Part of Lot 16, Concession 9, Township of Perry, District of Parry Sound, designated as Part 3, Plan 42R-6022 as set out in Instrument No. 175861 municipally known as 20 Scotia Road, Emsdale, Ontario

which charge/mortgage of land was registered on May 2, 2006 in the Land Registry Of for the Registry Division of Parry Sound (No. 42) as Instrument No. 204720.

AND I HEREBY GIVE YOU NOTICE that the amount now due on the charge/mortg: for principal money, interest, late payment interest, collection costs, realty taxes and co

respectively, are as follows:

(a)	For principal as at July 1, 2007	\$350,000.00
(b)	For interest from July 1 to August 1, 2007 at 12% per annum	\$ 3,500.00
(c)	For interest from August 1 to August 23, 2007 at 12% per annum	\$ 2,646.58
(d)	For late payment fees for August 1, 2007	\$ 200.00
(e)	For one month prepayment interest	\$ 3,500.00
(f)	For costs in exercise of Power of Sale to the date of August 23, 2007	<u>\$ 4,750.00</u>
TOTAL DUE AS AT August 23, 2007		<u>\$364,596.58</u>

(Per Diem Interest: \$115.07)

(such amount for costs being up to and including the date of service of the notice only and thereafter such further costs and disbursements will be charged as may be proper together with interest at the rate of 12% per annum, on the principal and costs hereinbefore mentioned, from August 23, 2007 to date of payment.

AND UNLESS the said sums together with accrued interest to the date of payment are paid on or before **October 3, 2007**, the undersigned shall sell the property covered by the said charge/mortgage under the provisions contained in it.

This notice is given to you as you appear to have an interest in the mortgaged property and you may be entitled to redeem the same.

DATED at Markham the 23rd day of August, 2007.

**HANNA MINSKY AS TO 38.58% INTEREST,
RISA SHARE AND HOWIE SHARE AS TO 5.71 % INTEREST
AS TO JOIN ACCOUNT AND RIGHT OF SURVIVORSHIP
TAMARA WEISZ AS TO 28.57% INTEREST
AND SHERRI WEISZ AS TO 27.14 INTEREST**
by their solicitor and authorized agent

Irving Gleiberman
Barrister and Solicitor

Per: 
Irving Gleiberman, B.A., LL.B.

50 McIntosh Drive, Suite 208
Markham, Ontario L3R 9T3

Receiv

NOTICE OF SALE UNDER CHARGE/MORTGAGE OF LAND

TO: Those parties named in Schedule "A" attached hereto

TAKE NOTICE that default has been made in payment of the moneys due under a certain mortgage dated on the 29th day of April, 2006, made between

1689542 ONTARIO LIMITED

as Charg

- and -

**HANNA MINSKY AS TO 38.58% INTEREST,
RISA SHARE AND HOWIE SHARE AS TO 5.71 % INTEREST,
AS TO JOIN ACCOUNT AND RIGHT OF SURVIVORSHIP
TAMARA WEISZ AS TO 28.57% INTEREST
AND SHERRI WEISZ AS TO 27.14 INTEREST**

as Charge

on the security of:

Part of Lots 4 and 5, Concession 12, Township of Mcclintock
County of Hailburton as described in attached Schedule B,
municipally known as 1032 Oxtongue Lake Road
R.R.#1, Dwight, Ontario

which charge/mortgage of land was registered on May 2, 2006 in the Land Registry Office for the Registry Division of Haliburton Minden (No. 19) as Instrument No. 267691.

AND I HEREBY GIVE YOU NOTICE that the amount now due on the charge/mortgage for principal money, interest, late payment interest, collection costs, realty taxes and cost respectively, are as follows:

(a)	For principal as at July 1, 2007	\$350,000.00
(b)	For interest from July 1 to August 1, 2007 at 12% per annum	\$ 3,500.00
(c)	For interest from August 1 to August 23, 2007 at 12% per annum	\$ 2,646.58
(d)	For late payment fees for August 1, 2007	\$ 200.00
(e)	For one month prepayment interest	\$ 3,500.00
(f)	For costs in exercise of Power of Sale to the date of August 23, 2007	\$ 4,750.00
TOTAL DUE AS AT August 23, 2007		<u>\$364,596.58</u>

(Per Diem Interest: \$115.07)

(such amount for costs being up to and including the date of service of the notice only and thereafter such further costs and disbursements will be charged as may be proper together with interest at the rate of 12% per annum, on the principal and costs hereinbefore)

-2-

mentioned, from August 23, 2007 to date of payment.

AND UNLESS the said sums together with accrued interest to the date of payment paid on or before **October 3, 2007**, the undersigned shall sell the property covered by said charge/mortgage under the provisions contained in it.

This notice is given to you as you appear to have an interest in the mortgaged property; you may be entitled to redeem the same.

DATED at Markham the 23rd day of August, 2007.

**HANNA MINSKY AS TO 38.58% INTEREST,
RISA SHARE AND HOWIE SHARE AS TO 5.71 % INTEREST
AS TO JOIN ACCOUNT AND RIGHT OF SURVIVORSHIP
TAMARA WEISZ AS TO 28.57% INTEREST
AND SHERRI WEISZ AS TO 27.14 INTEREST**
by their solicitor and authorized agent

Irving Gleiberman
Barrister and Solicitor

Per: 
Irving Gleiberman, B.A., LL.B.

50 McIntosh Drive, Suite 208
Markham, Ontario L3R 9T3

Tel: (905) 940-5525
Fax: (905) 940-5528

NOTICE OF SALE UNDER CHARGE/MORTGAGE OF LAND

TO: Those parties named in Schedule "A" attached hereto

TAKE NOTICE that default has been made in payment of the moneys due under a certain mortgage dated on the 31st day of August, 2006, made between

WHISPERING PINES GOLF COURSE LIMITED

as Charg

- and -

VECTOR FINANCIAL SERVICES LIMITED

as Charg

on the security of:

Part of Lot 15, Concession 4, Chaffey as in DM262962;

subject to right in DM262962; subject to CH5978,

Town of Huntsville, The District Municipality of Muskoka

PIN 48079-0396 (LT)

municipally known as 451 Golf course Road, Huntsville, Ontario P1H 2C6

which charge/mortgage of land was registered on August 31, 2006 in the Land Registry Office for the Registry Division of Muskoka (No. 35) as Instrument No. MT22625.

AND I HEREBY GIVE YOU NOTICE that the amount now due on the charge/mortgage for principal money, interest, late payment interest, collection costs, realty taxes and costs respectively, are as follows:

(a) For principal as at July 10, 2007

\$650,000.00

(b)	For interest from July 10 to August 10, 2007 at 9.5% per annum	\$ 5,145.83
(c)	For interest from August 10 to September 10, 2007 at 9.5% per annum	\$ 5,145.83
(d)	for interest from September 10 to September 14, 2007 at 9.5%	\$ 845.89
(e)	For late payment fees for August 10, 2007	\$ 300.00
(f)	For late payment fees for September 10, 2007	\$ 300.00
(g)	For one month prepayment interest	\$ 5,145.83
(h)	For costs in exercise of Power of Sale to the date of September 14, 2007	<u>\$ 4,750.00</u>
TOTAL DUE AS AT September 14, 2007		<u>\$671,633.38</u>
(Per Diem Interest: \$169.18)		

-2-

(such amount for costs being up to and including the date of service of the notice only and thereafter such further costs and disbursements will be charged as may be proper together with interest at the rate of 9.5% per annum, on the principal and costs hereinbefore mentioned, from September 14, 2007 to date of payment.

AND UNLESS the said sums together with accrued interest to the date of payment are paid on or before **October 24, 2007**, the undersigned shall sell the property covered by the said charge/mortgage under the provisions contained in it.

This notice is given to you as you appear to have an interest in the mortgaged property and you may be entitled to redeem the same.

DATED at Markham the 14th day of September, 2007.

VECTOR FINANCIAL SERVICES LIMITED
by its solicitor and authorized agent

Irving Gleiberman
Barrister and Solicitor

Per: 
Irving Gleiberman, B.A., LL.B.

50 McIntosh Drive, Suite 208
Markham, Ontario L3R 9T3

Tel: (905) 940-5525
Fax: (905) 940-5528

NOTICE OF SALE UNDER CHARGE/MORTGAGE OF LAND

TO: Those parties named in Schedule "A" attached hereto

TAKE NOTICE that default has been made in payment of the moneys due under a certain Mortgage dated on the 30th day of November, 2005, made between

1668816 ONTARIO INC.

as Chargor

- and -

1369574 ONTARIO LIMITED

as Chargee

on the security of:

**PART OF LOT 9, CONCESSION 13, DESIGNATED AS PART 3,
PLAN 19R-7029, TOWNSHIP OF MCCLINTOCK,
COUNTY OF HALIBURTON,
MUNICIPALLY KNOWN AS 4575 HIGHWAY NO. 60
DWIGHT, ONTARIO P0A 1H0**

Mortgage Instrument No. 265160 registered on December 2, 2005 in the Land Registry Office for the Land Registry Division of Haliburton (No. 19).

AND I HEREBY GIVE YOU NOTICE that the amount now due on the charge/mortgage for principal money, interest, late payment interest, collection costs, realty taxes and costs, respectively, are as follows:

(a)	For principal as at November 1, 2007	\$1,500,000.00
(b)	For interest as of November 1, 2007 at 10.5% per annum	\$ 13,125.00
(c)	For interest from November 1 to 20, 2007 at 10.5% per annum	\$ 8,705.65
(d)	For late payment fees	\$ 600.00
(e)	For prepayment bonus (one month's interest)	\$ 13,125.00
(f)	For paid legal fees regarding Application	\$ 616.70
(g)	For legal fees for issuing Notice of Intention to Enforce Security	\$ 850.00
(h)	For legal fees for issuing Notice pursuant to Farm Debt Act	\$ 850.00
(i)	For legal fees for issuing Notice of Attornment	\$ 850.00
(j)	For costs in exercise of Power of Sale to the date of November 21, 2007	\$ 4,750.00

(k) For GST on legal fees \$ 438.00

TOTAL DUE AS AT November 21, 2007 **\$1,543,910.35**
(Per Diem Interest: \$437.79)

(such amount for costs being up to and including the date of service of the notice only and thereafter such further costs and disbursements will be charged as may be proper) together with interest at the rate of 10.5% per annum, on the principal and costs hereinbefore mentioned, from November 21, 2007 to date of payment.

AND UNLESS the said sums together with accrued interest to the date of payment are paid on or before **December 31, 2007**, the undersigned shall sell the property covered by the said charge/mortgage under the provisions contained in it.

This notice is given to you as you appear to have an interest in the mortgaged property and may be entitled to redeem the same.

DATED at Markham the 21ST day of November, 2007.

1369574 ONTARIO LIMITED
by its solicitor and authorized agent

Irving Gleiberman
Barrister and Solicitor

Per: 
Irving Gleiberman, B.A., LL.B.

50 McIntosh Drive, Suite 208
Markham, Ontario L3R 9T3

Tel: (905) 940-5525
Fax: (905) 940-5528

NOTICE OF SALE UNDER CHARGE/MORTGAGE OF LAND

TO: Those parties named in Schedule "A" attached hereto

TAKE NOTICE that default has been made in payment of the moneys due under a certain Mortgage dated on the 26th day of January, 2006, made between

1685773 ONTARIO LTD.

as Charge

- and -

**ROBERT WEISZ AS TO 55.56% AND
FLORENE SHUBER AS TO 44.44%**

as Charge

on the security of:

Part of Lots 8 and 9, Concession 13, Plan 19R-7029, designated as Parts 1 and 2, in the Township of McClintock, in the County of Haliburton as described in Instrument No. 206775 for Part 1 and Instrument No. 152637

Mortgage Instrument No. 266127 registered on January 30, 2006 which mortgage in the Land Registry Office for the Land Registry Division of Haliburton Minden (No. 19).

AND I HEREBY GIVE YOU NOTICE that the amount now due on the charge/mortgage for principal money, interest, late payment interest, collection costs, realty taxes and costs respectively, are as follows:

- | | | |
|-----|----------------------------------|--------------|
| (a) | For principal as at July 1, 2007 | \$100,000.00 |
| (b) | For interest as of July 1, 2007 | |

	at 10.5% per annum	\$ 875.00
(c)	For interest from August 1 to August 27, 2007 at 10.5% per annum	\$ 776.79
(d)	For late payment fees	\$ 200.00
(e)	For one month prepayment interest	\$ 875.00
(f)	For costs in exercise of Power of Sale to the date of August 27, 2007	\$ <u>4,750.00</u>
TOTAL DUE AS AT August 27, 2007		<u>\$107,476.79</u>
(Per Diem Interest: \$28.77)		

(such amount for costs being up to and including the date of service of the notice only and thereafter such further costs and disbursements will be charged as may be proper together with interest at the rate of 10.5% per annum, on the principal and costs hereinbefore mentioned, from August 27, 2007 to date of payment.

-2-

AND UNLESS the said sums together with accrued interest to the date of payment a paid on or before **October 7, 2007**, the undersigned shall sell the property covered by tl said charge/mortgage under the provisions contained in it.

This notice is given to you as you appear to have an interest in the mortgaged property ai may be entitled to redeem the same.

DATED at Markham the 27th day of August, 2007.

**ROBERT WEISZ AS TO 55.56% AND
FLORENE SHUBER AS TO 44.44%**
by their solicitor and authorized agent

Irving Gleiberman
Barrister and Solicitor

Per: 
Irving Gleiberman, B.A., LL.B.

50McIntosh Drive, Suite 208
Markham, Ontario L3R 9T3

Tel: (905) 940-5525
Fax: (905) 940-5528

NOTICE OF SALE UNDER CHARGE/MORTGAGE OF LAND

TO: Those parties named in Schedule "A" attached hereto

TAKE NOTICE that default has been made in payment of the moneys due under a certain Mortgages dated on the 30th day of November, 2005, made between

1670342 ONTARIO INC.

as Chargor

- and -

1369574 ONTARIO LIMITED

as Chargee

on the security of:

LAND TITLES:

PARCEL 11669, SEC. 55; BROKEN LOT 30, CONCESSION 10, ARMOUR EXCEPT PLAN PSR1956 & EXCEPT PART 32, PSR 2044; THE SAID LAND ARE BOUNDED BY A STRIP OF LAND ON ONE CHAIN IN PERPENDICULAR WIDTH ALONG THE SHORE OF PICKEREL LAKE; TOWNSHIP OF ARMOUR - PIN 52147-0115 (LT),

REGISTRY:

PART OF LOT 29, CONCESSION 10, DESIGNATED AS FIRSTLY: PARTS 4, 6 AND 9, PLAN 42R-14173, MORE PARTICULAR DESCRIBED ON ATTACHED SCHEDULE 'B' MUNICIPALLY KNOWN AS 2159 PICKEREL LAKE ROAD, BURK'S FALLS, ONTARIO P0A 1C0

Which Mortgage Instrument Nos. LT270739 and 202609 were registered on December 2, 2005 in the Land Registry Office for the Land Registry Division of Parry Sound (No. 42) and Land Registry Office for the Land Titles Division of Parry Sound (No. 42).

AND I HEREBY GIVE YOU NOTICE that the amount now due on the charge/mortgage for principal money, interest, late payment interest, collection costs, realty taxes and costs, respectively, are as follows:

(a)	For principal as at November 1, 2007	\$1,500,000.00
(b)	For interest as of November 1, 2007 at 10.5% per annum	\$ 13,125.00
(c)	For interest from November 1 to 20, 2007 at 10.5% per annum	\$ 8,705.65
(d)	For late payment fees	\$ 600.00
(e)	For prepayment bonus (one month's interest)	\$ 13,125.00
(f)	For paid legal fees regarding Application	\$ 616.70
(g)	For legal fees for issuing Notice of Intention to Enforce Security	\$ 850.00

(h)	For legal fees for issuing Notice pursuant to Farm Debt Act	\$	850.00
(i)	For legal fees for issuing Notice of Attornment	\$	850.00
(j)	For costs in exercise of Power of Sale to the date of November 20, 2007	\$	4,750.00
(k)	For GST on legal fees	\$	<u>438.00</u>
TOTAL DUE AS AT November 20, 2007			<u>\$1,543,910.35</u>
(Per Diem Interest: \$437.79)			

(such amount for costs being up to and including the date of service of the notice only and thereafter such further costs and disbursements will be charged as may be proper) together with interest at the rate of 10.5% per annum, on the principal and costs hereinbefore mentioned, from November 21, 2007 to date of payment.

AND UNLESS the said sums together with accrued interest to the date of payment are paid on or before **December 31, 2007**, the undersigned shall sell the property covered by the said charge/mortgage under the provisions contained in it.

This notice is given to you as you appear to have an interest in the mortgaged property and may be entitled to redeem the same.

DATED at Markham the 21st day of November, 2007.

1369574 ONTARIO LIMITED
by its solicitor and authorized agent

Irving Gleiberman
Barrister and Solicitor

Per: 
Irving Gleiberman, B.A., LL.B.

50 McIntosh Drive, Suite 208
Markham, Ontario L3R 9T3

Tel: (905) 940-5525
Fax: (905) 940-5528

NOTICE OF SALE UNDER CHARGE/MORTGAGE OF LAND

TO: Those parties named in Schedule "A" attached hereto

TAKE NOTICE that default has been made in payment of the moneys due under a certain Mortgage dated on the 30th day of November, 2005, made between

1673227 ONTARIO INC.

as Chargor

- and -

1369574 ONTARIO LIMITED

as Chargee

on the security of:

**PARCEL 5825, SECTION SS, PART LOTS 16 & 17, CONCESSION 12,
TOWNSHIP OF RYERSON AS IN LT283476 - PIN 52134-0174 (LT)
MUNICIPALLY KNOWN AS 422 LAKEVIEW DRIVE, BURK'S FALLS, ONTARIO**

Mortgage Instrument No. LT270741 registered on December 2, 2005 in the Land Registry Office for the Land Titles Division of Parry Sound (No. 42).

AND I HEREBY GIVE YOU NOTICE that the amount now due on the charge/mortgage for principal money, interest, late payment interest, collection costs, realty taxes and costs, respectively, are as follows:

(a)	For principal as at November 1, 2007	\$1,500,000.00
(b)	For interest as of November 1, 2007 at 10.5% per annum	\$ 13,125.00
(c)	For interest from November 1 to 20, 2007 at 10.5% per annum	\$ 8,705.65
(d)	For late payment fees	\$ 600.00
(e)	For prepayment bonus (one month's interest)	\$ 13,125.00
(f)	For paid legal fees regarding Application	\$ 616.70
(g)	For legal fees for issuing Notice of Intention to Enforce Security	\$ 850.00
(h)	For legal fees for issuing Notice pursuant to Farm Debt Act	\$ 850.00
(i)	For legal fees for issuing Notice of Attornment	\$ 850.00
(j)	For costs in exercise of Power of Sale to the date of November 21, 2007	\$ 4,750.00
(k)	For GST on legal fees	\$ 438.00

TOTAL DUE AS AT November 21, 2007
(Per Diem Interest: \$437.79)

\$1,543,910.35

(such amount for costs being up to and including the date of service of the notice only and thereafter such further costs and disbursements will be charged as may be proper) together with interest at the rate of 10.5% per annum, on the principal and costs hereinbefore mentioned, from November 21, 2007 to date of payment.

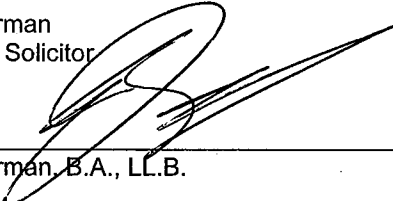
AND UNLESS the said sums together with accrued interest to the date of payment are paid on or before **December 31, 2007**, the undersigned shall sell the property covered by the said charge/mortgage under the provisions contained in it.

This notice is given to you as you appear to have an interest in the mortgaged property and may be entitled to redeem the same.

DATED at Markham the 21st day of November, 2007.

1369574 ONTARIO LIMITED
by its solicitor and authorized agent

Irving Gleiberman
Barrister and Solicitor

Per: 
Irving Gleiberman, B.A., LL.B.

50McIntosh Drive, Suite 208
Markham, Ontario L3R 9T3

Tel: (905) 940-5525
Fax: (905) 940-5528

Appendix “D”

K S ORTHNER APPRAISALS

File No. 27-0717

APPRAISAL OF



Single Family Dwelling

LOCATED AT:

889 Evergreen Trail
Huntsville, ON

FOR:

Citizens Bank of Canada

BORROWER:

AS OF:

September 20, 2007

BY:

Kendra Orthner
K S ORTHNER APPRAISALS

K S ORTHNER APPRAISALS

RESIDENTIAL APPRAISAL REPORT

FILE NO 27-0717

CLIENT: Citizens Bank of Canada	APPRaiser: Kendra Orthner
ATTENTION:	COMPANY: K S Orthner Appraisals
ADDRESS:	ADDRESS: 133 Hwy 80, Unit 8
E-MAIL:	ADDRESS: Huntsville, ON P1H 1C2
PHONE:	E-MAIL: ken@kscoa.ca
FAX:	PHONE: 705-788-0680
	FAX: 705-788-0881

PROPERTY ADDRESS: **689 Evergreen Trail** City: **Huntsville** PROVINCE: **ON** POSTAL CODE:

LEGAL DESCRIPTION: **Con B, Pt Lot 32, Plan 35R10204, Stephenson Ward, Town of Huntsville**

PURPOSE OF THE APPRAISAL: To estimate market value or Other

INTENDED USE OF THE APPRAISAL: **estimate market value**

INTENDED USERS (by name or type): **Citizens Bank of Canada**

REQUESTED BY: Client's agent Other

THIS APPRAISAL IS FOR THE FOLLOWING VALUE: Current Hypothetical Prospective

PROPERTY RIGHTS APPRAISED: Fee Simple Leasehold Cooperative Condominium Strata Maintenance Fee: \$ _____

IS THIS SUBJECT A FRACTIONAL INTEREST, PHYSICAL SEGMENT OR PARTIAL HOLDING? No Yes (if yes see comments)

MUNICIPALITY AND DISTRICT: **District of Muskoka**

ASSESSMENT: Land \$ _____ Total \$ **612,000** Assessment Date: **2004** Taxes \$ **6,567** Year **2004**

EXISTING USE: **Single family dwelling - waterfront** OCCUPIED BY: **Vacant**

HIGHEST AND BEST USE OF SUBJECT PROPERTY: As improved or Other

NATURE OF DISTRICT: Residential Rural Commercial Industrial Waterfront

IRREGULAR OR DISCONTIG: Impeding Suitable Interfering Detracting

BUILT-UP: Over 75% 25 - 75% Under 25%

COMPARABILITY: Age Newer Similar Older

Conditions: Superior Similar Inferior

Size: Larger Similar Smaller

AGE RANGE OF PROPERTIES: **N/A** to **N/A** years

MARKET OVERVIEW: Supply: Good Average Poor Demand: Good Average Poor

PRICE TRENDS: Increasing Stable Declining

PRICE RANGE OF PROPERTIES: \$ **N/A** to \$ **N/A**

SUMMARY: INCLUDES VALUE TRENDS, MARKET APPEAL, PROXIMITY TO EMPLOYMENT AND AMENITIES, APPARENT ADVERSE INFLUENCES IN THE AREA, IF ANY (e.g. railroad tracks, airport proximity, major traffic arteries, hydro facilities, unimproved public or private improvements, commercial/industrial sites, landfill sites, etc.) **The subject property is located on a larger popular lake called Mary lake with access into 3 other lakes situated approximately 15 kms south of the Town of Huntsville. There are no adverse influences in the area. Values have tended to be on a steady increase over the last few years, especially anything located on waterfront.**

SITE DIMENSION: **227 Frontage**

SITE AREA: **± 2 Acres** Source: **Listing 2007**

TOPOGRAPHY: **moderate slope to waterfront**

CONFIGURATION: **Irregular**

ZONING: **residential waterfront**

UTILITIES: Telephone Sanitary Sewer Septic System Municipal Water Well Natural Gas Storm Sewer Open Ditch Lake

ROADS: Paved Road Sidewalk Street Lights Concrete Road Carted

FOUNDATION: Concrete Limestone Other

DRIVEWAY: Private Public None Single Double

PARKING: Garage Carport Driveway Street

LANDSCAPING: Good Average Fair Poor

CLUB AFFILIATION: Good Average Fair Poor

DOES EXISTING USE CONFORM TO ZONING? YES NO (see comments)

EASEMENTS: Easement Access Other None Known

COMMENTS: Includes any positive and negative features such as conformity with zoning, effects of known easements, known restrictions on title, such as judgments or liens, effect of assessments, any known documentation of environmental contamination, etc.) **The subject property conforms to the zoning and to the area in general. There are no easements known which would have a negative impact on the value of the property.**

CONSTRUCTION COMPLETE: **YES** PERCENTAGE COMPLETE: **100**

YEAR BUILT (estimated): **2000** EFFECTIVE AGE: **5 YRS** REMAINING ECONOMIC LIFE (estimated): **55 YRS**

FLOOR AREA: **2,256** Sq. Ft. MAIN **2,256** Sq. Ft. SECOND **0** Sq. Ft. THIRD **0** Sq. Ft. FOURTH **0** Sq. Ft. TOTAL **2,256** Sq. Ft.

BUILDING TYPE: **Single family dwelling** DESIGN STYLE: **Bungalow** ROOFING: **cedar shake**

CONSTRUCTION: **Wood** EXTERIOR FINISH: **WOOD**

BASEMENT: **Slab** BASEMENT AREA: **0** Sq. Ft. Sq. Ft. % Finished

WINDOWS: **double glaze vinyl** FOUNDATION WALLS: **slab**

FOUNDATION: **slab** UFFI APPARENT: Yes No Removal

NO. CONDITIONS	DESCRIPTION	CONDITION	INTERIOR FINISH	Walls	Ceilings	CLOSETS:
1	Large	3 piece <input checked="" type="checkbox"/> Good	Drywall	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Good <input checked="" type="checkbox"/> Average <input type="checkbox"/> Fair <input type="checkbox"/> Poor
2	Average	1 piece <input type="checkbox"/> Average	Plaster	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Ceiling <input checked="" type="checkbox"/> Wye <input type="checkbox"/> Basement <input type="checkbox"/> Chest Space
	Small	1 piece <input type="checkbox"/> Poor	Parquet	<input type="checkbox"/>	<input type="checkbox"/>	Source: Inspection
		1 piece <input type="checkbox"/> Poor	Tile	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PLUMBING LINE: Cu, Abs
			Pine	<input type="checkbox"/>	<input type="checkbox"/>	FLOOR PLAN: <input type="checkbox"/> Good <input checked="" type="checkbox"/> Average <input type="checkbox"/> Fair <input type="checkbox"/> Poor

FLOORING: **carpet, slate tile**

ELECTRICAL: Fuses Breakers

Estimated rated capacity of main panel: **200** amps

HEATING SYSTEM: **In floor radiant** Fuel type: **propane**

WATER HEATER: **type on demand**

BASEMENT FINISHES: **utility: slab**

OVERALL COND.: Good Average Fair Poor

CARAGES/CARPORTS: **driveway**

DECKS, PATIOS, OTHER IMPROVEMENTS: **covered decking off front and side, screened in porch**

COMMENTS: (Building appearance, quality, condition, services, areas, unimproved public or private improvements, etc.) **Custom built home, open concept main living area, back entrance slate flooring, custom kitchen, Large living room area, stone fire place, masterbedroom with 5 pcs ensuite, (hole in drywall) walk in closet, 2 average size bedrooms, 1-3 pcs bath.**

K S ORTHNER APPRAISALS

RESIDENTIAL APPRAISAL REPORT

FRP NO: 27-0717

REFERENCE:					SOURCES OF COST DATA: <input type="checkbox"/> MANUAL <input type="checkbox"/> CONTRACTOR <input type="checkbox"/> OTHER		
LEVEL:	MAIN	SECOND	THIRD	BASEMENT	LAND VALUE	\$ 400,000	
FINISHANCE	2				BUILDING COST NEW	\$ 417,360	
LIVING	1				DEPRECIATED COST	\$ 185.00	
DINING	combo						
KITCHEN	1						
FULL BATH	1-5 pcs						
PART BATH	1-3 pcs						
BEDROOM	3						
FAMILY							
LAUNDRY	1						
OTHER							
TOTAL ROOMS	5				TOTAL REPLACEMENT COST	\$ 417,360	
					LESS: ACCRUED DEPRECIATION	10.0% \$ 41,736	
					INDICATED VALUE	\$ 775,624	
					VALUE BY THE COST APPROACH (rounded)	\$ 776,000	
NOTE: The comparable cost estimates prepared herein were not prepared for insurance purposes and are intended for that use. The Cost Approach is not applicable when appraising individual residential units or dwelling units.							
SUBJECT		COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
689 Evergreen Trail Mary Lake		612 Swallowdale Rd Fairy Lake		1412 Muskoka Rd 10 Mary Lake		307 Echo Bay Rd Fairy Lake	
DATE OF SALE		May 2007		August 2007		August 2007	
SALE PRICE	\$	\$ 689,000		\$ 811,000		\$ 570,000	
LOCATION		Similar		Similar		Similar	
SITE SIZE	227' Frontage	206' Frontage		200' Frontage		107' Frontage 80,000	
BUILDING TYPE	Single family	Single family		Single family		Single family	
DESIGN STYLE	Bungalow	Bungalow		2 story		Bungalow	
AGE/CONDITION	7 Yrs. Custom	15 yrs. Inf. 15 70,000		10 yrs. Sim		15 yrs. Inf. 15 65,000	
FINISHABLE FLOOR AREA	2256 Sq. Ft.	1400 Sq. Ft. 25,500		2600 Sq. Ft. -10,500		1600 Sq. Ft. 19,500	
ROOM-COUNT	Total: Bkms: Bths	Total: Bkms: Bths		Total: Bkms: Bths		Total: Bkms: Bths	
	5 : 3 : 1F 1H	5 : 2 : 1		7 : 5 : 2		6 : 4 : 2	
BASEMENT	slab	Crawl space		Full pt finished -15,000		Full finished -20,000	
PARKING	driveway	driveway		double detach -10,000		attached -10,000	
	On Market Days	155 Days		12 Days		94 Days	
ADJUSTMENTS (rounded)		15.9%	15.0% \$ 95,500	4.4%	-4.4% \$ 35,500	30.6%	20.1% \$ 114,500
ADJUSTED VALUE			\$ 694,500		\$ 775,500		\$ 684,500
CONCLUSIONS: The adjusted sale prices range from a high of \$776,500 down to a low of \$684,500. Based on these sales, I have adopted a value of \$750,000 as being the indicated market value of the subject property.							
SALES HISTORY - ANALYSIS OF KNOWN CURRENTLY AGREEMENTS FOR SALE, PRIOR SALES, OPTIONS, LISTINGS OR MARKETING OF THE SUBJECT (minimum of three years)							
The subject property was listed on May 21, 2003 for \$865,000 expired on October 31, 2003. Listed on July 30, 2007 for \$874,900 is currently active.							
VALUE BY THE DIRECT COMPARISON APPROACH (rounded) \$ 750,000							
COMMENT ON REASONABLE EXPOSURE TIME: Given current market conditions it would be reasonable to expect that the subject would sell within 120 days on the open market. Spring / summer months							
RECONCILIATION AND FINAL ESTIMATE OF VALUE: An analysis & reconciliation of both approaches to value was made before arriving at a final estimate of value. The cost approach does not necessarily reflect the market value of a property. Land value was estimated by the abstraction method and vacant lot sales and adjusted where necessary.							
AS A RESULT OF MY APPRAISAL AND ANALYSIS OF ALL APPLICABLE DATA AND RELEVANT FACTORS, IT IS MY CONCLUSION THAT THE MARKET VALUE OF THE INTEREST IN THE SUBJECT PROPERTY AS AT September 20, 2007 (Effective Date of the Appraisal) is \$ 750,000							
THIS REPORT WAS COMPLETED ON: September 28, 2007							

K S ORTHNER APPRAISALS

RESIDENTIAL APPRAISAL REPORT

FILE NO. 27-0717

DEFINITION OF MARKET VALUE:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale...

Implication in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby buyer and seller are typically motivated...

Source: Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) 10.1. If other than market value is being appraised, see additional comments.

DEFINITION OF HIGHEST AND BEST USE: The reasonably probable and legal use of the property, not in physically possible, appropriately supported, and financially feasible, and that results in the highest value.

The scope of the appraisal encompasses the due diligence undertaken by the appraiser (consistent with the terms of reference from the client, the purpose and intended use of the report) and the necessary research and analysis to prepare a report in accordance with the Canadian Uniform Standards of Professional Appraisal Practice of the Appraisal Institute of Canada.

- 1. The subject property was inspected as at the effective date of this appraisal.
2. Regional, municipal, neighborhood, real estate sales and real estate listing data were acquired from information available in the library and data bases of K S ORTHNER APPRAISALS, and various other real estate industry sources, including but not limited to the Multiple Listing Service for the Muskoka-Haliburton Real Estate Board, and the Perry Sound Real Estate Board

ORDINARY ASSUMPTIONS & LIMITING CONDITIONS

The certification that appears in this appraisal report is subject to the following conditions:

- 1. This report is prepared at the request of the client and for the specific use referred to herein. It is not reasonable for any other party to rely on this appraisal without first obtaining written authorization from the client, the appraiser and any supervisory appraiser...
2. Because market conditions, including economic, social and political factors change rapidly and, on occasion, without warning, the market value indicated expressed as of the date of this appraisal cannot be relied upon as of any other date...
3. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. No registry office search has been performed...
4. The subject property is presumed to comply with government regulations including zoning, building codes and health regulations and, if a consent copy, to conform to any other applicable laws...
5. No survey of the property has been made. Any sketch in the appraisal report shows approximate dimensions and is included only to assist the reader in locating the property...
6. The report is completed on the basis that satisfactory or appropriate in court concerning this appraisal is not required unless specifically stated otherwise...
7. Unless otherwise noted in the report, the appraiser has no knowledge of any hidden or unapproved encroachments of the property (including, but not limited to, its soils, physical structure, mechanical or other operating systems, its foundation, etc.)...
8. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. No registry office search has been performed...
9. The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air...
10. The opinions of value and other conclusions contained herein represent a preliminary completion of any work remaining to be completed in a good and workmanlike manner...
11. The contents of this report are confidential and will not be disclosed by the appraiser to any party except as provided for by the provisions of the Canadian Uniform Standards of Professional Appraisal Practice...
12. The appraiser has agreed to enter into the assignment as requested by the client named in the report for the use specified by the client, which is stated in the report...
13. Written consent from the client and a supervisory appraiser, if applicable, must be obtained before any part of the appraisal report can be used for any purpose by anyone except the client and other intended users identified in the report...
14. If transmitted electronically, this report will have been digitally signed and secured with password protection to both the appraisal file. Due to the possibility of digital modification, only original signed reports and those reports sent directly by the appraiser, can be relied upon without fault.

OWN:

EXTRAORDINARY ASSUMPTIONS & LIMITING CONDITIONS

- An extraordinary assumption or limiting condition has been involved in this appraisal report. YES NO
IMPOSSIBLE CONDITIONS
A hypothetical condition has been involved in this appraisal report. YES NO
JURISDICTIONAL EXCEPTION
A jurisdictional exception has been involved in this appraisal report. YES NO

- I certify that, to the best of my knowledge and belief:
1. The statements of fact contained in this report are true and correct
2. The reported analyses, opinions and conclusions are based only on the reported assumptions and limiting conditions and my personal, impartial and unbiased professional analyses, opinions and conclusions
3. I have no past, present or prospective interest in the subject of the report, and I am not related to any party who has an interest in the subject property, except as indicated herein
4. My engagement in this assignment is not contingent upon developing or reporting a predetermined result, upon the attainment of a certain objective, upon a direction to value for the purpose of the client, upon the attainment of a stipulated result or the occurrence of a subsequent event
5. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards of Professional Appraisal Practice
6. I have the knowledge and experience to complete this assignment competently. Except as herein disclosed, no other person has provided me with significant professional assistance in the completion of this appraisal assignment
7. The Appraisal Institute of Canada has a mandatory Continuing Professional Development Program for all members. As at the date of this report, the requirements of this program have been fulfilled

SUPERVISORY APPRAISER'S CERTIFICATION: If a supervisory appraiser has signed this appraisal report, he or she certifies and agrees that he directly supervised the appraiser who prepared the appraisal report and having reviewed the report, agrees with the statements and conclusions of the appraiser, agrees to be bound by the appraiser's certification and also takes full responsibility for the appraisal and the appraisal report.

PROPERTY IDENTIFICATION

ADDRESS: 689 Evergreen Trail city: Huntsville PROVINCE: ON POSTAL CODE:
LEGAL DESCRIPTION: Con B, Pt Lot 32, Plan 35R10294, Stephenson Ward, Town of Huntsville

AS A RESULT OF MY APPRAISAL AND ANALYSIS OF ALL APPLICABLE DATA AND RELEVANT FACTORS, IT IS MY CONCLUSION THAT THE MARKET VALUE OF THE INTEREST IN THE SUBJECT PROPERTY AS AT September 20, 2007 (Effective Date of the Appraisal) IS \$ 750,000

APPRAISER

SIGNATURE: [Signature]
NAME: Kendra Orthner
DATE SIGNED: September 28, 2007
DATE OF INSPECTION: September 20, 2007

SUPERVISORY APPRAISER (if applicable)

SIGNATURE: [Signature]
NAME: Ken S Orthner
DESIGNATION: AACI, P.App
DATE SIGNED: September 28, 2007

NOTE: For this appraisal to be valid, an original or a password protected digital signature is required.

NOTE: For this appraisal to be valid, an original or a password protected digital signature is required.

ATTACHMENTS

- ADDITIONAL SALES EXTRAORDINARY ITEMS ADDENDUM NARRATIVE ADDENDUM PHOTO ADDENDUM SKETCH ADDENDUM
MAP ADDENDUM Comp photos

K S ORTHNER APPRAISALS

Borrower:		File No.: 27-0717
Property Address: 689 Evergreen Trail		Case No.
City: Huntsville	Province: ON	Postal Code:
Lender: Citizens Bank of Canada	Appraiser Name: Kendra Orthner	Designation:

- 1) The depreciation as shown includes not only physical depreciation but also functional and locational depreciation as well.)
- 2) In the process of attempting to locate comparable sales, every effort is made to find sales that have sold within a reasonable amount of time, and that are the most similar to the subject in all aspects. In choosing sold properties on which to base a comparison, especially in the winter months, it is often necessary to utilize sales that may be considered "stale dated", but are the only sales available which bear a reasonable similarity to the subject.
- 3) It is imperative that the reader or any other interested party be aware that the Appraiser did not inspect the premises for fire detection or smoke detection systems, or for the presence of carbon monoxide detectors, nor did the Appraiser inspect the condition of such equipment, if present. The Appraiser takes no responsibility whatsoever for the lack of, or condition of, detection devices that may be located on the premises, nor the compliance of any manner of such equipment, if present. The cost approach as utilized in this appraisal is included at the request of the client. It is not meant to be used for insurance purposes, and is invalid if so used.

Signature: *Kendra Orthner*
 Appraiser Name: Kendra Orthner
 Date Signed: September 28, 2007

Appendix “E”

B.E. Page
Appraisal Services
97 Neywash Street, Orillia, ON L3V 6R9

November 13, 2007

Robert Weisz
421 Bantry Ave.
Richmond Hill, ON
L34B 4E9

INVOICE

For Appraisal Services:

***Part Lots 4 and 5
Concession 12
Algonquin Highlands Township
(formerly McClintock Township)
County of Haliburton
Province of Ontario
Canada***

\$ 4,250.00

G.S.T 255.00

TOTAL \$ 4,505.00

Retainer Paid on Account **\$2,250.00**

BALANCE DUE **\$ 2,255.00**

Please Make Cheques Payable to Barry Page

GST REG. #R140512484

(705) 689-3556 (Res.)

(705) 325-1373 (Bus.)

**SUMMARY NARRATIVE
APPRAISAL REPORT**

of

**Part Lots 4 and 5
Concession 12
Algonquin Highlands Township
(formerly McClintock Township)
County of Haliburton
Province of Ontario
Canada**

prepared as of

November 13, 2007

for

Robert Wiesz

by

Barry E. Page

B.E. Page Appraisal Services

97 Neywash Street, Orillia, ON L3V 6R9

B.E. Page
Appraisal Services
97 Neywash Street, Orillia, ON L3V 6R9

November 13, 2007

Robert Weisz
421 Bantry Ave.
Richmond Hill, ON
L34B 4E9

Dear Sir :

RE: THE PINES, COTTAGE RESORT

In accordance with your request, I have completed a summary narrative appraisal of the property located at:

Part Lots 4 and 5
Concession 12
Algonquin Highlands Township
(formerly McClintock Township)
County of Haliburton
Province of Ontario
Canada

The purpose of this appraisal is to render an opinion of the Market Value for the property as of:

November 13, 2007

The Income Approach to Value, The Coast Approach to Value and the Direct Sales Comparison Approaches to value have been utilized in this appraisal. I have personally inspected the property and analyzed available information considered pertinent to the valuation thereof. Based on this inspection and analysis, Market Value as at the specified date is estimated at:

A range of \$700,000.00 to \$725,000.00
(Seven Hundred Thousand Dollars to Seven Hundred & Twenty Five
Thousand Dollars)

... Page 2

The Pines
Page 2
November 13, 2007

As stated in the Limiting Conditions section of this report, the property, including the water supply and sewage treatment system and hence the value estimate contained in this report, is deemed to be in compliance with all applicable environmental regulations and laws. Should this not be the case, the value estimate would require downward adjustment to reflect the cost of correction of any existing environmental concerns.

The estimated exposure time for subject is 90 to 180 days. The report which follows contains pages including an Addenda of Exhibits in support of my findings.

Respectfully submitted,,



Barry E. Page
Appraiser

Gary Forster, AACI, P.App.
Accredited Appraiser

BEP:ETS/ld

(705) 689-3556 (Res.)

(705) 325-1373 (Bus.)

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STATEMENT OF LIMITING CONDITIONS

CONTINGENT AND LIMITING CONDITIONS: This certification that appears in the appraisal report is subject to the following conditions:

1. Because market conditions, including economic, social and political factors change rapidly and, on occasion, without warning, the market value estimate expressed as of the date of this appraisal cannot be relied upon as of any other date except with further advice from the appraiser confirmed in writing.
2. No responsibility is assumed for matters of a legal nature that affect either the property being appraised or the title to it. It has been assumed that the title is good and marketable and, therefore, no opinion is rendered about the title. The subject property must comply with government regulations, including zoning, building code and health regulations and, if it doesn't comply, its non-compliance may affect market value. To be certain of compliance, further investigation may be necessary. The property is appraised on the basis of it being under responsible ownership.
3. No survey of the property has been made. Any sketch in the appraisal report shows approximate dimensions and is included only to assist the reader of the report in visualizing the property.
4. This report is completed on the basis that testimony or appearance in court is not required as a result of the appraisal unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to, adequate time to review the appraisal report and data related thereto and the provision of appropriate compensation.
5. Unless otherwise stated in the appraisal report, there are no known unapparent or hidden conditions of the property (including but not limited to its soils, physical structure, mechanical or other operating systems, its foundation, etc.) or adverse environmental conditions (on it or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in completing the appraisal. The attached report should not be construed as an environmental audit or a detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the appraiser. Responsibility is not accepted for any such unapparent or hidden conditions that do exist, or for any research, testing or engineering that might be required to discover whether such conditions exist.

(Continued)

STATEMENT OF LIMITING CONDITIONS *(Continued)*

6. Information, estimates, and opinions that have been expressed in the appraisal report are obtained from sources considered to be reliable and they are believed to be true and correct. No responsibility is assumed for the accuracy of such items that were furnished by other parties.
7. The opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good workmanlike manner. Further inspection may be required to confirm completion of such work.
8. The contents of this report are considered confidential and will not be discussed by the author to any party except as provided for in the Standards of Professional Practice of the Appraisal Institute of Canada and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body.
9. Written consent from the author and supervisory appraiser must be obtained before all (or any part) of the content of the appraisal report can be used for any purpose by anyone except: the client specified in the report and, where the client is the mortgagee, its insurer and the borrower, if he/she paid the appraisal fee. The author's written consent and approval must also be obtained before the appraisal (or any part of it) can be conveyed by anyone to any other parties, including mortgagees other than the client and the public through prospects, offering memo, advertising, public relations, news, sales or other media.

ASSUMPTIONS AND LIMITING CONDITIONS ***DEFINITION OF EXPOSURE TIME**

The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market.

The reasonable exposure time inherent in the market value concept is always presumed to precede the effective date of the appraisal.

Exposure time is different for various types of real estate and under various market conditions. A reasonable exposure time for subject property is estimated at 90 days to 180 days.

CONTINGENT AND LIMITING CONDITIONS

The certification that appears in the appraisal report is subject to the following conditions:

- (1) This report is prepared at the request of the addressee for the

purpose of an appraisal to estimate market value. There may in the text of the report be additional Qualifications, Assumptions or Limiting Conditions in addition to those set out below. These Assumptions and Limiting Conditions shall be read with all changes in number and gender as may be appropriate or required by the context or by the particulars of this mandate.

- (2) This report is prepared on the assumption that no other person will rely on it for any other purpose and that all liability to all such persons is denied. Neither possession of this report nor a copy of it carries with it the right of publication. All copyright is reserved to the author and is considered confidential provided that in addition to supplying this report to the addressee the author at its discretion, and on terms deemed by it to be appropriate, may release this report (provided the property owner paid the appraisal fee directly to the author(s) to the property owner where the addressee is an intended mortgagee. It shall not be disclosed, quoted from or referred to, in whole or in part, or published in any manner, without the express written consent of the author. However, should the addressee knowingly provide a copy of this report, in whole or in part, to any other party, then the addressee is deemed to have released the author from any obligation of confidentiality, to the addressee herein. Nothing herein is intended to constitute the consent of the author for this report to be provided or released by the addressee to any other party. The addressee, to whom this report is addressed, may use the appraisal report only for its stated function in deliberations affecting the subject property, and in so doing, the appraisal report should not be extracted, but used in its entirety.

- (3) While considered an expert in appraisal matters, the author is not qualified and does not purport to give legal advice. It is assumed that:
 - (a) the legal description as furnished by the addressee is correct;
 - (b) title to the property is good and marketable;
 - (c) there are no encroachments, encumbrances, restrictions, leases or covenants that would in any way affect the valuation, except as expressly noted herein;
 - (d) the existing use is a legally conforming use which may be continued by any purchaser from the existing owner, unless otherwise specified;
 - (e) rights of way, easements or encroachments over other real property and leases or other covenants noted herein are legally enforceable;
 - (f) unless a new survey is included, lot sizes have been obtained from sources believed to be reliable;
 - (g) the property rights appraised exclude mineral rights, if any.

Because these assumptions have been made, no investigation, legal or otherwise, has been undertaken which would verify these assumptions except as expressly noted herein.

- (4) It is assumed there are no charges against the subject property which would have a bearing on the market value, except for those, if any, noted in the report and/or addendum. The property has been valued on the basis that there is no action, suit, expropriation proceeding or investigation pending or threatened against the real estate or affecting the titular owners of the property, at law or in equity or before or by any federal, provincial or municipal department, commission, board, bureau, agency or instrumentality which may adversely influence the value of the real estate herein appraised.
- (5) On all reports of property that are subject to satisfactory completion, repairs or alterations, the appraisal report and value conclusion are contingent upon completion of the improvements in a workmanlike manner and in compliance with all regulatory authorities and within a reasonable time period.
- (6) The author is not a qualified surveyor and thus where no legal survey concerning the subject property has been provided, sketches, drawings, diagrams, photographs, etc. are presented in the report for the limited purpose of illustration and are not to be relied upon in themselves.
- (7) The author is not qualified to give engineering advice. It is assumed that there are no patent or latent defects in the subject improvements, that no objectionable materials such as Urea Formaldehyde Foam are present, that they are structurally sound and in need of no immediate repairs, unless expressly noted within this report. The author assumes that there are no hidden or unapparent conditions of the property, subsoil or structures or unusual engineering and/or servicing problems, which would render it more or less valuable. The author assumes no responsibility for such conditions, or for engineering which might be required to discover such factors. No tests have been done of the heating, plumbing, electrical, air-conditioning or other systems and, for the purpose of this opinion, they are assumed to be in good working order. No water potability tests have been performed.
- (8) No investigation has been undertaken with the local zoning office, the fire department, the building inspector, the health department or any other government regulatory agency unless such investigations are expressly represented to have been made in this report. It is assumed that the subject property meets all requirements of the Fire Marshall, Health Inspector, and any other Government Regulatory

Agency, unless noted within this report and/or addendum. The subject property must comply with such government regulations and, if it does not comply, its non-compliance may affect market value. To be certain of compliance, further investigations may be necessary by the addressee.

- (9) In preparing this report we have acting reasonably, relied on information supplied to us by the owner and/or its representative, and/or the addressee, including current lease rates and tenant information (where applicable). We have assumed that all information provided to us is correct, and we take no responsibility for error or misrepresentation of such information. It is assumed any leases or offers to lease are enforceable.
- (10) Comparable sales prices and/or lease rates have been obtained from the documents at the Land Titles, Registry Offices, Teela Market Surveys, or as reported to us by local Real Estate Boards and other Real Estate practitioners active in the subject area. As well as using such documented and generally reliable evidence of market transactions, it was also necessary to rely on hearsay evidence.
- (11) Because market conditions, including economic, social and political factors change rapidly and, on occasion, without warning, the market value expressed as of the date of this report cannot be relied upon to estimate the market value as of any other date except with further advice of the author.
- (12) The agreed upon compensation for services rendered in preparing this report is not dependent on the conclusion and does not include any fee for court preparation or court appearance. Should a court appearance be required in connection with this report, additional fees will have to be agreed upon. However, neither this nor any other of these limiting conditions is an attempt to limit the use that might be made of this report should it properly become evidence in a judicial proceeding. In such a case, it is acknowledged that it is the judicial body which will decide the use of the report which best serves the administration of justice.
- (13) The value stated in this report has been completed without any environmental impact study being ordered or made. Full compliance with applicable environmental regulations and laws is assumed unless otherwise stated, defined and considered in our report. No legal survey, engineering reports, soil analysis, geological studies, or chemical hazard inspections have been ordered or made in conjunction with our report. Accordingly, no responsibility is assumed concerning these matters and other technical or engineering techniques which would be required to discover any inherent or

hidden condition in the subject property. Should perilous, toxic or other potentially hazardous materials exist in the buildings, the soils of the subject property or abutting lands, such could cause a loss in value. The author is not qualified to detect, test for, investigate or otherwise ascertain the existence of such substances, and assumes no responsibility relative to the possible presence of such. Further, it is beyond the scope of the report to address the matter or any costs that might be associated with the detection, removal, correction or treatment in the event such substances exist on the subject or adjacent lands. No steps have been taken to retain experts or other qualified persons to ascertain the possible existence of such materials, as such engineering fact finding is not part of the appraiser's undertaking. It is respectfully suggested that the addressee retain appropriate experts or qualified persons to address such matters. It is possible that tests and inspections made by a qualified hazardous substance and environmental expert may reveal the existence of hazardous materials and environmental conditions on or around the property that would negatively affect its value.

- (14) The distribution of value between land, buildings and other improvements applies only in regard to the purpose and function of this report, as outlined in the body of this report. The separate evaluations, as estimated herein, must not be used in conjunction with any other appraisal, and are invalid if so used.
- (15) The value expressed herein is in Canadian dollars.
- (16) This report is only valid if it bears the original blue ink signature(s) of the author(s).

CERTIFICATION

The appraiser certifies and agrees that:

- (1) The subject market area has been researched and an adequate number of recent sales of properties have been selected that are the most similar and proximate to the subject property for consideration in sales comparison analysis and a dollar adjustment have been made where appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favourable than, the subject property, a negative adjustment is made to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favourable than the subject property, a positive adjustment is made to increase the adjusted sales price of the comparable.
- (2) All factors known to the appraiser (and to the extent that the data permits) that have an impact on value have been taken into consideration to the extent felt necessary in rendering a considered opinion of value. No

significant information has been knowingly withheld from the appraisal report and it is believed to the best of my knowledge, that all statements and information in the appraisal report are true and correct.

- (3) Only my personal, unbiased and professional analysis, opinions and conclusions are stated in the appraisal report. Included on this form are all contingent and limiting conditions affecting the analysis, opinions and conclusions, whether they were imposed by the terms of the assignment or by the appraiser.
- (4) I have no past, present or prospective interest in the property that is the subject to this report and I have no present or prospective personal interest in the property or bias with respect to the parties involved.
- (5) The opinion of value stated within this report does not result from a requirement to report a predetermined value or direction in value that favours the cause of the client or any related party, the attainment of a specific result, or the occurrence of a subsequent event in order to receive the compensation and/or employment for performing the appraisal. The reported value is not based on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
- (6) The subject property was personally inspected on the date shown in the attached report. It is hereby certified that any apparent or known adverse conditions have been noted herein, in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property which were apparent as of the date of inspection and that adjustments have been made for these adverse conditions in the analysis of the property value to the extent that market evidence was available to support them.
- (7) All conclusions and opinions about the real estate were personally prepared as same are set forth in the appraisal report. If there was reliance on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, such individual(s) have been named herein including the disclosure of specific tasks performed by them. No authorization has been given to anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, no responsibility for such changes is assumed.

The effective date is: November 13, 2007

The subject was inspected on: October 1, 2007

The completion date is : November 15, 2007

APPRAISER

Signature: _____

Name: _____ Barry Page _____

Inspected Property: Yes No _____

Date/Effective Date:

_____ November 15, 2007 _____

Date Signed: _____

Designation: _____ N/A _____

Recertified: Yes No _____

APPRAISER

Signature: _____

Name: _____ Gary Forster _____

Inspected Property: Yes _____ No

Date: _____ N/A _____

Date Signed: _____

Designation: _____ AACI _____

Recertified: Yes No _____

CONCLUDED VALUE:

**A range of \$700,000.00 to \$725,000.00
(Seven Hundred Thousand Dollars to
Seven Hundred & Twenty Five Thousand Dollars)**

SUBJECT PROPERTY:

**Part Lots 4 and 5
Concession 12
Algonquin Highlands Township
(formerly McClintock Township)
County of Haliburton
Province of Ontario
Canada**

SCOPE OF THE ANALYSIS

Each appraisal assignment is unique, depending upon the type and size of property being appraised, the complexity and significance of the appraisal problem, and the intended function of the appraisal.

The appraisal problem that is the focus of this engagement has been discussed and defined with the client, the work required to solve the problem planned, and the necessary market data acquired, analyzed, and reconciled into an estimate of the Market Value.

The specific tasks and items necessary to complete this assignment, although limited in scope, include the following:

- assembly and analyses of relevant information pertaining to the property being appraised;
- an inspection of the subject property and the surrounding area;
- assembly and analyses of pertinent economic and market data;
- an analysis of land use controls pertaining to the subject property;
- an in-depth discussion and statement of Highest and Best Use;
- a discussion of the appraisal methodologies and procedures employed in arriving at indications of value;
- inclusion of all appropriate photographs, maps, graphics, and addenda/exhibits;
- reconciliation of the collected data into an estimate of Market Value as at the effective date of the appraisal.

All data considered appropriate for inclusion in the appraisal is to the best of our knowledge factual. Due to the type of property being appraised and the importance of the appraisal problem, although the assignment is limited in scope, the findings have been conveyed in narrative format.

HISTORY OF PROPERTY

Subject lands were purchased by the current owner for \$750,000.00 on March 3, 2006 (See attached Sales History Report and MLS Listings).

Note: A Title search shows the purchase price as \$300,000.00 (see attached abstract).

PART 1

PURPOSE OF THE APPRAISAL

The purpose of the appraisal is to estimate the Market Value of the property described herein, as of the effective date, for the purposes of disposition under the provisions of the Power of Sale granted the Mortgage (Robert Weisz) in the mortgage document.

LEGAL DESCRIPTION

Part Lots 4 and 5
Concession 12
Algonquin Highlands Township
(formerly McClintock Township)
County of Haliburton
Province of Ontario
Canada

DEFINITION OF MARKET VALUE

Market Value for the purpose of this report, is defined as follows:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (1) buyer and seller are typically motivated;
- (2) both parties are well informed or well advised, with each acting in what he considers his own best interest;
- (3) a reasonable time is allowed for exposure in the open market;
- (4) payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto; and,
- (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

PROPERTY RIGHTS APPRAISED

Property rights appraised are those of the “**fee simple**”.

DATE OF APPRAISAL

The effective date of the appraisal is: November 13, 2007.

NEIGHBOURHOOD AND SITE ANALYSIS

The subject property is located on Oxtongue Lake Road on the westerly shore of Oxtongue Lake just outside the boundary of Algonquin Park. Subject is located just north of the Village of Dwight, 240 kms. North of the City of Toronto via Highway 11 North.

Subject is an irregular shaped parcel of land that has 200 feet frontage on the west shore of Oxtongue Lake x 747.9' x 200 on the road x 746.7' (see attached metes and bound). The area in which the subject is located is Recreational in nature.

ASSESSMENT AND TAXES

Subject current value assessment is \$265,000.00

Tax Rate: .00725544

Taxes: \$1922.00 (2007)

*see attached MPAC, Assessment Data

ZONING AND OFFICIAL PLAN

Subject is zoned C-3 recreational – Commercial as per the Algonquin Highlands Township Zoning By-Laws 03-22 (see attached Zoning By-Law Map and Excerpt). The Official Plan Designation is “Settlement Area” (see attached “OP” Excerpt and Map)

SUPPLY AND DEMAND

Briefly stated, the principal of supply and demand asserts”

“Value will react to the change in the supply and/or demand of any commodity.”

Demand in the Haliburton area in general has increased over the past 10 to 20 years. Along with the increased demand has come a significant demand for recreational property, in particular waterfront properties. Sales activity of both improved and unimproved sites has greatly increased during the past 10 to 11 years, as compared to the historical average. Continued demand has had an upward pressure on residential market values. Value of real properties is therefore, directly related to the benefits that are enjoyed at the exercise of the rights of its ownership, its value at any given moment representing the typical, prudent, informed purchaser’s or vendor’s interpretation of the present worth and anticipated future benefits.

HIGHEST AND BEST USE

As defined in "Real Estate Appraising in Canada" (the Appraisal Institute of Canada), "Highest and Best Use"

"that use which at the time of the appraisal is most likely to produce the greatest net return in money or amenities over a given period of time".

Some schools of thought tend to modify the noted Highest and Best Use scenario to include a "Most Probable Use" scenario.

"Most Probable Use" is generally defined as,

"that reasonable and possible use that will support the highest present value as of the effective date".

Alternately, same could be defined as,

"that use, from among reasonably probable and legal alternative uses, found to be physically possible, appropriately supported, financially feasible and which results in the highest land value".

Considering the Highest and Best Use definition, it is agreed that net return may be monetary as with an income producing property, or may, in the case of a single family dwelling unit, take the form of amenities, such as pride of ownership, comfort, convenience, etc.

The basic requirements for a property to be utilized according to its Most Probable Use are as follows:

1. Conform to existing zoning by-laws, be a legal non-conforming usage, or be subject to a zoning/use change that is certain and imminent.
2. Be in reasonable conformity with its surroundings.
3. If vacant land, the proposed use, aside from the aforementioned, must be probable, possible and profitable.
4. In addition, as long as the structure(s) contributes something to the total property value in excess of the value of the vacant site, then it would pay the owner to continue the use of same. In other words, the structure must have a remaining economic life of reasonable duration.

Value of real properties is therefore, directly related to the benefits that are enjoyed

at the exercise of the rights of its ownership, its value at any given moment representing the typical, prudent, informed purchaser's or vendor's interpretation of the present worth and anticipated future benefits.

HIGHEST AND BEST USE CONCLUSION

Under the current zoning by-law, subject has the following permitted used:

- a. Camping Establishment (1)
- b. Conservation
- c. Equestrian Facility
- d. Golf Course
- e. Golf Driving Range
- f. Marina
- g. Marina Sales & Service
- h. Public Use
- i. Recreational Vehicle Sales & Service
- j. Restaurant
- k. Tourist Establishment

Section 5 Land Use designations

5.1 Settlement Areas

5.1.1 Settlement Areas in the Township of Algonquin Highlands are shown on Schedule "A", and include:

- Carnarvon;
- Dorset;
- Hall's Lake; and,
- Oxtongue Lake.

5.1.2 These settlement areas are the focal points of the community, have a relatively well-defined structure, and are recognized for their historical significance in the development of the Township.

5.1.3 The predominant use of the land in Settlement Areas is for residential use, but commercial, community facilities, recreational open space and industrial uses may be developed, on individual private services.

Infill development and development on lots smaller in size than generally permitted in the rural area may be considered, so long as the development is still serviced with private, individual water and septic services.

5.1.5 Access to individual residential lots shall be from internal roads constructed to

municipal standards. New residential development shall not proceed on private roads.

- 5.1.6 Limited new development is anticipated in these areas, with the exception of Carnarvon, where the development potential is greater.
- 5.1.7 A business core in Dorset shall contain of a variety of land uses such as commercial, recreational, residential, industrial, community facilities and open space. The business core should be the primary focus for further development where practicable. Where this is not possible because of limitations of servicing, land area, etc, development shall be encouraged to locate in other designated areas within the Settlement Area. Landscaping and design elements that maintain and emphasize the unique setting and special character of this area shall be a priority when reviewing development applications in the business core of Dorset.
- 5.1.8 A future road connection is proposed in Dorset in Part of Lot 29, Concession A (re-alignment of Harvey Street, east of Highway 35) as shown on Schedules "A" & "B". Industrial/Commercial lands abutting the future road connection shall not be developed until the road is constructed up to municipal standards and is in a condition appropriate for the intended use. Entrances shall be constructed so as to not create a traffic hazard and the design efficiency or intended use of the road shall not be impaired. The lands may be subject to a (H) holding symbol in the zoning by-law. (formerly Section 3.4.3.3h of the existing Official Plan)
- 5.1.9 Regardless of a property's identification in a settlement area, the Waterfront policies of this plan shall apply to any lot with frontage on a shoreline located within an identified settlement area.

APPROACH TO VALUE

The market value of the subject property is contingent upon a number of factors which are incorporated into several approaches to value.

1. The Cost Approach values the land as if vacant, and to this amount is added the estimated cost of replacement of the improvements, less wear and tear, deterioration, functional and economic obsolescence.
2. The Income Approach is one in which the value is estimated by converting the projected, net rental income through the use of an overall capitalization rate (Direct Capitalization) or through an analysis and discounting of anticipated growth in earnings during the length of the prescribed investment horizon (Discounted Cash Flow).
3. The Direct Comparison Approach requires an estimate based on a comparison of arms length sales of similar properties. Since no two properties are completely alike, adjustments must be made between the comparables and the subject property to compensate for differences in property rights, financing terms, market conditions, location, zoning and physical characteristics.

All three Approaches to Value have been utilized in this report.

PART II

COST APPROACH TO VALUE

LAND (Commercial Lot including water & sanitary services)		\$400,000.00
RESIDENCE		
1064 sq.ft. @ \$130.00/sq.ft.	\$138,320.00	
OTHER IMPROVEMENTS		
Cabin with Laundry area 648 sq.ft. @ 90.00/sq.ft.	58,320.00	
5 Cabins (2 Bedroom) 360sq.ft. @ 80.00/sq.ft.	144,000.00	
4 Cabins (1 Bedroom) 300 sq.ft. @ 80.00/sq.ft.	96,000.00	
Decking 80 sq.ft. x 10 cabins @ 10.00/sq.ft.	8,000.00	
Garage	15,600.00	
Shed	7,500.00	
Landscaping	<u>10,000.00</u>	
Estimated Total Reproduction Cost New	467,740.00	
Less Depreciation (40% from all causes)	<u>187,096.00</u>	
Depreciated Value of Improvements	\$280,644.00	
		\$280,000.00 (rounded)
Estimated Replacement Value by Cost Approach		\$690,000.00

DESCRIPTION & ANALYSIS OF IMPROVEMENTS AND SERVICING

Subject is an 884 square foot frame single family dwelling with a 10' x 18' heated sunroom. The exterior siding is beveled wood, the roofing is asphalt shingles (in need of replacement). Rooms include the following: A small office / kitchen / livingroom / 2 bedrooms / sunroom / a 4 piece bath. The flooring is broadloom and vinyl, the walls are a combination of drywall and panelling. The windows are thermo-pane vinyl. Subject has a 100 amp (fuses) electrical panel. The residence and laundry area are serviced with a drilled well and septic system of unknown age and or condition.

Note: A property inspection was completed upon disposition by the 1st mortgagee in 2006. It is purported not to made any negative comments about either the water supply or the septic.

"A further note re water supply" Only the residence and the laundry cabin are serviced by the well. The balance of the cabins are serviced by lake water. The Sanitary services and the well are deemed to be in good working order for purposes of this report. Should this not prove to be the case, the value indication in this report will not be accurate. No property inspection report or any material related to services has been provided to the appraiser. In addition to the residence and the laundry house (which also contains a 2 bedroom unit) there are 5 – two bedroom and 4 – 1 bedroom wood frame cabins with wood (mack log) siding. The two bedroom units are 360 square feet and the one bedroom units are 300 square feet . Each unit has a wood deck, approximately 80 square feet.

There is a 24' x 26' frame garage with hydro service and a concrete floor and a shop of the same construction that is 15' x 20'.

Subject improvements are estimated to have been constructed in the period of 1930 – 1960.

There are stone walkways and stairs and a well maintained beach are along Oxtongue Lake.

INCOME APPROACH

Based on subject Historical Income & Expense

Reconstruction of the income & expense statement for 2002—2005 (see statement attached), indicated a net income of \$60,000 to \$70,000. If this net income is capitalized at a rate of 9%, the following estimate of value results: (no statements were available for 2006/2007).

$$\begin{array}{rcl} & 9\% & \\ & & = \$670,000.00 \text{ (rounded)} \\ \$60,000.00 & & \\ & & \text{to} \\ & 9\% & \\ & & = \$770,000.00 \text{ (rounded)} \\ \$70,000.00 & & \end{array}$$

INCOME APPROACH

Based on subjects Projected Income based on area

seasonal vacancy rates

High Season Rentals:

$$\begin{array}{rcl} \$6,305/\text{wk} \times 5 \text{ wks (May 24th — July 15th)} \times 40\% & & = \$12,610.00 \\ \$6305/\text{wk} \times 9 \text{ wks (July 1}^{\text{st}} \text{ August 31}^{\text{st}}) \times 95\% & & = \$53,908.00 \\ \$6305/\text{wk} \times 6 \text{ wks (Sept 1}^{\text{st}} \text{ — Oct 12}^{\text{th}}) \times 50\% & & = \$18,915.00 \end{array}$$

Off Season Rentals:

$$\begin{array}{rcl} \$ 6305.00 \text{ per week} \times 6 \text{ weeks} \times 20\% & & = \$ 7,566.00 \\ \text{Total rental income on a weekly basis} & & = \$92,999.00 \\ \text{Plus a 5\% premium for overnight rentals} & & = \mathbf{\$97,649.00} \text{(Rounded)} \end{array}$$

Expenses:

Expenses for cottage rental resorts in subjects' area are 40% + -of gross income. Subjects estimated market value, by the income approach, based on projected income is as follows:

Gross Income \$97,600 -Expenses (40%) \$39,040 =Net Income \$58,560

Hence:

Net Income \$58,560
= \$650,666
Capitalization Rate 9%

Estimate of Value (rounded) **\$650,000.00**

This income data is historical in nature, but can be supported and considered reliable and applicable to the current market.

By applying the following vacancy rates to subjects actual room charges for the period; May 24th through October 12th, which is the standard operation (high)season for cabin resorts in subjects' area. An allowance has also been made for inconsistence "low season" rental income.

INCOME APPROACH CORRELATION

The two methods of the Income Approach employed above, resulted in the following:

Estimated value, using Historical actual income and expenses:

\$670,000.00 to \$780,000.00

Estimated value, using Projected income & expenses:

\$650,000.00

The actual income & expense is deemed more reliable. Final estimate of value by the income approach is the mid-point of that range:

\$725,000.00

DIRECT COMPARISON APPROACH COMPARABLE SALES

Sale #1

58 Chapman Drive, Burks Falls. Known as "Manor Park". Sold May 2nd, 2007 for \$825,000. List price was \$875,000. 3 bedroom brick bungalow & 9 rental cottages. A total of 5.16 acres of land with 1,358 feet of Shoreline on Lake Cecebe, near Magnetawan. Assessed Value is \$615,000. The "Manor Park" is similar to subject with respect to the improvements but has greater land value, and hence is deemed superior to subject.

Sale #2

2978 Muskoka Road 118 West, Muskoka Lakes. Known as "Brandy Lake Cottages". Sold Jan. 26th 2007 for \$790,000. List price was \$837,000. 2 bdrm, 2 bath owner's residence plus 8 fully furnished cottages, 4 motor boat rentals, 2 canoes & 2 paddle boats. Docking, sand beach & children's play ground. A total of 1.8 acres of land with 585 feet of Shoreline on Brandy Lake between Bracebridge and Port Caning. Assessed Value is \$790,000. Brandy Lake cottages is similar to subject with respect to improvements but has a greater land value and hence is deemed superior to subject.

Sale #3

1150/1160 Maebar Road, Minden. Known as "Tall Pines Cottages"~ Sold Sept. 18th 2007 for \$725,000. List price was \$749,000. Year round residence, 7 apartments, 1 winterized cottage & 5 seasonal units plus a waterfront rec hall. A total of 4.92 acres of land with 260 feet of Shoreline on Twelve Mile Lake, North of Minden. Assessed Value is \$706,000. Tall Pines Cottages is similar with respect to improvements and land value.

Sale #4

1020-1006 Clear Lake Road, Torrance. Known as "Clear Lake Village Resort". Sold Dec. 18th, 2006 for \$750,000. List price was \$795,000. 3 bedroom residence plus cottages & a tennis court. A total of 10.89 acres of land with 82 feet of Shoreline on Clear Lake between Gravenhurst and Bala. Assessed Value is \$750,000. Clear Lake Village Resort is similar to subject with respect to improvements but the land value (although only 82 feet frontage) is greater than subject as it is in a hamlet zoning that will allow for 60 residential units, hence it is deemed superior to subject.

Sale #5

1023 Ogopogo Lane, Minden. Known as "Ogopogo Resort". Sold Aug. 24th, 2007 for \$1,290,000. List price was \$1,375,000. Year round resort with 8 luxuriously appointed cottages, most with fireplaces & some with Jacuzzi baths. Heated inground pool, safe sandy beach & great docking plus owner's residence overlooking the lake. A total of 4.26 acres of land with 258 feet of Shoreline on Mountain Lake, North of Minden. Assessed Value is \$595,000. Ogopogo Resort is superior to subject with respect to improvements and land value.

Sale #6

1127 Sir Sam's Road, Haliburton. Known as "Silver Eagle Resort". Sold Oct. 17th 2007 for \$1,388,000. List price was \$1,600,000. Main residence overlooking Lake, 14 winterized cabins, fully licensed restaurant with capacity for 114 people. A total of 4.5 acres of land with 1,200 feet of Shoreline on Eagle Lake 15 minutes from Hwy 35 Minden. Assessed Value is \$990,000. The Silver Eagle Resort is superior to subject with respect to improvements and land value.

Sale #7

1 Dunsford Lane, Tiny Township. Known as "Dunsford Family Resort". Sold Jan. 10th, 2006 for \$610,000. List price was \$659,000. 9 units in total with 310.83 feet of Shoreline on Georgian Bay. Assessed Value is \$645,000. Dunsford Family Resort is inferior to subject with respect to improvements and similar in terms of land value. Dunsford Family Resort is deemed to be inferior to subject.

Sale #8

1444 Peninsula Road, Port Sandfield. Known as "Historic Cherokee Lodge". Sold Mar. 30th 2006 for \$875,000. List price was \$1,350,000. Restaurant, 1600 sq. ft. residence plus 5 cottages. A total of 1.84 acres of land with 187 feet of Shoreline located in Port Carling. Assessed Value is \$813,000. The Cherokee Lodge is in a superior location to subject and has improvements of comparable value, and hence is deemed superior to subject.

Sale #9

28/32 Armstrong-Jacklin Road, Archipelago. Known as "Blackstone Landing". Sold Sept. 18th 2007 for \$860,000. List price was \$945,000. 4 rental cottages, small marina, store and designer quality owner's home with a guest apartment in lower level. All buildings have been recently renovated. Newer steel docks, gas pump.

A total 550 feet of Shoreline on Blackstone Lake Assessed Value is \$860,000 Blackstone Landing is superior to subject with respect to both improvements and land value.

Sale #10

1465 Fire Route 82, Galway-Cavendish-Harvey. Known as "Catalina Bay Resort". Sold Dec. 14th 2006 for \$1,350,000. List price was \$1,900,000. 19 cottages & cabins, modern owners home with 3 car garage, restaurant & pub, newer detached retail store with 2 bdrm apartment above. Maintenance building and storage building. 9 hole golf course in process of being approved and partially cleared. A total of 75 acres of land with 1,000 feet of Shoreline on Big Bald Lake. Assessed Value is \$657,000. Catalina Bay Resort is superior to subject with respect to both improvements and land value.

DIRECT COMPARISON APPROACH CORRELATION

The survey time period was broadened to include 2006 sales in addition to 2007 sales. This is not deemed to compromise the quality of the comparables. Likewise the geographic area of the subject is broad, as to find an adequate number of relevant sales. The sales data has been presented in two forms: A descriptive long form and a "Salient Sales Data" grid for easy reference. A grid of properties currently competing with subject and titled "Comparable Active Listings" has also been included as a check against gross error.

Comparable sale prices ranged from a low of \$595,000 to a high of \$1,388,000. Sales # 1, #2, #3 and #4 are the most comparable narrowing the indicated range to \$615,000 to \$790,000.

Subjects Estimate of Market Value by the Direct Comparison Approach is deemed to be at or near the midpoint of this range, say:

\$700,000.00

(SEVEN HUNDRED THOUSAND DOLLARS)

CORRELATION AND FINAL ESTIMATE OF VALUE

In arriving at an estimate of market value for subject property, regard has been given to its location, access, size, topography and land use restrictions. Consideration was also given to development and sales trends in the area in which subject is located.

The subject property was appraised via the Direct Sales Comparison Approach, The Income Approach and The Cost Approach to value.

An investigation of the appraiser's Market Data bank revealed numerous sales of improved properties comparable to subject. Those sales deemed to be most relevant were selected for use in this report. Those sales selected were narrowed down and the following estimate of market value by the Direct Comparison Approach

\$700,000.00
(SEVEN HUNDRED THOUSAND DOLLARS)

A Cost Approach was conducted resulting in the following conclusion. Estimate of Market Value by the Cost Approach :

\$690,000.00
(SIX HUNDRED AND NINETY THOUSAND DOLLARS)

The Income Approach to Value resulted in the following estimate of Market Value by the Income Approach:

\$725,000.00
(SEVEN HUNDRED AND TWENTY FIVE THOUSAND DOLLARS)

The Direct Comparison Approach and the Income Approaches to Value are deemed more reliable than the Cost Approach to value hence the final estimate of subject's Market Value as of November 13, 2007 is estimated to be:

\$700,000.00 to \$725,000.00
(SEVEN HUNDRED THOUSAND DOLLARS TO SEVEN HUNDRED AND TWENTY FIVE THOUSAND DOLLARS)

Appendix “F”



"Martin Banach"
<mbanach@Mwb.ca>
11/22/2007 10:27 AM

To "Paul McGrath" <Paul_McGrath@mintzca.com>
cc
bcc
Subject FW: Valuation analysis for Pines Cottage Resort,
McClintock/ Oxtongue Lake

History: This message has been forwarded.

Further to your email of Tuesday, I enclose a copy of part of an email from Mr. Weisz, together with an appraisal. It seems that the value that the receiver had cannot be justified. We intend to deal with the offer that we have with a slightly higher purchase price. My client has a GSA which we are issuing a POS which will enable us to sell any personal property on the real estate. If though you wish to sell the personal property on a as is whereas basis as we may not be able to transfer the telephone number, would you please advise the price you wish for the assets. We though do intend, if your price is to high to give a purchaser whatever we have under our GSA.

From: Robbie Weisz [mailto:robbiew1@yahoo.com]
Sent: Wednesday, November 21, 2007 11:11 PM
To: Martin Banach
Subject: Fwd: Valuation analysis for Pines Cottage Resort, McClintock/ Oxtongue Lake

Hi Marti

Enclosed please find evaluation of the Pines Resort. Another one should be available in a day or two. The second appraisal will come at 700,000 to 725,000

Greg Luciani <greg@fastfood.ca> wrote:

From: "Greg Luciani" <greg@fastfood.ca>

To: "Robbie Weisz" <robbiew1@yahoo.com>

Subject: Valuation analysis for Pines Cottage Resort, McClintock/ Oxtongue Lake

Date: Wed, 21 Nov 2007 16:23:32 -0500

Hi Robbie,

Mike and I have given this a quick review, and adjusted the inflation rate a tiny bit to reflect the same rate used in all our other analyses. We think the valuation of the property is approximately \$670,000, in the current marketplace, in its current condition. The analysis is contained in the attached spreadsheet. If there are any questions about the analysis, and you would like to discuss it, you are welcome to call me at home at (905) 523-8501 any time this evening.

Thanks,

Best Regards,

-- Greg Luciani

greg@fastfood.ca

tel: (905) 523-8501

fax: (905) 577-6912

cell: (905) 379-9237

The Pines Cottage Resort
 No 1032 Oxtongue Lake Road, McClintock, Haliburton

Effective Date of Valuation: 03-Oct-07
 Printed: 21-Nov-07

Reconciliation of Value

AS-IS VALUE Estimated by:	Value:	Weight:	Extended
Cost Approach	\$470,332	0%	\$0
Income Approach:	\$631,587	40%	\$252,635
Direct Comparison Approach:			
Adj Avg Price/Bedroom:	\$682,323		
Closest Comparable:	\$695,389	60%	\$417,234
Adj Avg Land/WF foot+Avg Bdrm:	\$641,441		
Closest Comparable:	\$689,706		
Reconciled Above Comparisons:	\$677,215		
FINAL ESTIMATE OF VALUE - AS IS:			\$669,868
(rounded to)			\$670,000
(equivalent to)	18 bedrooms		\$37,215 per room

The Pines Cottage Resort														
		Value Date:		03-Oct-07										
Vacant Land Valuation by Direct Comparison Approach										Water	Adjusted	Selected	Adjusted	Selected
Comp	Name	City	Adjustment Date	Months	Sale Price	Adjusted Sale Price	Frontage (feet)	Lot Size (acres)	Sale Price per wfront ft	Sale Price per wfront ft	Sale Price per acre	Sale Price per acre		
SP	Pines Cottage Resort	McClintock	01-Mar-06	19	\$300,000	\$338,133	202.6	3.280						
Lot Sales containing buildings														
	1160 Frances St	SC	01-Jan-06	21	\$100,000	\$114,044		0.88			\$129,596	\$129,596		
								Average:			Average:	Average:		
								0.88			\$129,596	\$129,596		
Vacant Waterfront Land Sales / Listings in Vicinity														
1	166 Silver Birch Dr	Tiny (Thunder Beach)	21-Sep-05	24	\$330,000	\$383,680	247	7.9	\$1,553	\$1,553	\$48,567	\$48,567		
2	196 Silver Birch Dr	Tiny (Thunder Beach)	31-May-05	28	\$540,000	\$641,160	328	9.2	\$1,955	\$1,955	\$69,691	\$69,691		
3	Pt Lot 4 Conc 5	Haliburton	12-May-05	29	\$455,000	\$542,057	350	4.8	\$1,549	\$1,549	\$112,928	\$112,928		
4	S Menominee Lk Rd	Lake of Bays Twp	curr listing	-1	\$700,000	\$695,333	1500	90	\$464	\$464	\$7,726			
5	L2 North Shore Rd	Maple Lk (Haliburton)	23-Sep-05	24	\$116,500	\$135,399	260.3	7.3	\$520	\$520	\$18,548	\$18,548		
6	L3 North Shore Rd	Maple Lk (Haliburton)	04-Sep-05	25	\$112,500	\$131,225	210.4	5.59	\$624	\$624	\$23,475	\$23,475		
7	L4 North Shore Rd	Maple Lk (Haliburton)	08-Aug-05	26	\$105,000	\$123,083	202	5.4	\$609	\$609	\$22,793	\$22,793		
8	L140 Little Beaver Blvd	Sequin	exp listing	-1	\$599,900	\$595,901		42.9			\$13,890			
9	374 Brewery Ln	Orillia	24-Jan-05	32	\$415,000	\$504,363	90	0.47	\$5,604		\$1,073,113			
10	3786 Tuppy Dr	Ramara	03-Jun-05	28	\$260,000	\$308,533	120	0.69	\$2,571		\$447,150			
	1299 Furniss Dr	Ramara	12-May-05	29	\$120,000	\$142,960	140	0.29	\$1,021		\$492,966			
					Average:	Average:		Average:	Average:	Average:	Average:	Average:		
					\$341,264	\$382,154		15.87	\$1,647	\$1,039	\$211,895	\$49,334		
												Per sq.ft.		
												\$1.13		
A) Valuation based on Lot Sales with Buildings														
Valuation Based On:														
Average Adj Sale Price/acre:		\$425,075												
B) Valuation based on Vacant Lot Sales in Vicinity														
Valuation Based On:														
Average Adj Sale Price/acre:		\$695,016												
Selected Sale Price/acre:		\$161,815												
Sale Price/acre from Comp 6:		\$76,998												
Average Price/Waterfront ft:		\$333,680												
Selected Price/Waterfront ft:		\$210,518												
Valuation to Use:		\$186,166.63												
		lot value per acre												
		\$56,758												

The Pines Cottage Resort

Cost Approach Valuation - As Is

Based on Hanscombe (2007), *Rough Guide to Construction Costs*

Land & Buildings, Excludes chattels, room furniture, equipment, business assets, etc.

\$81.20 cost/sq.ft. 3% 0.83 \$83.22 for motel over 20 units, without convention facilities
 \$104.25 cost/sq.ft. 3% 0.83 \$106.85 for single-storey owners res & office

Section:	Size (sq.ft.)	Rate (\$/sq.ft.)	Value - New (\$)	Effective Age (yrs)	Max Lifespan (yrs)	Deprec (%)	DeprecAmt (\$)	CurrentValue (\$)
Buildings:								
Owners res 2BR	884	\$106.85	\$94,455.23	25	120	21%	\$19,678.17	\$74,777.06
sunroom	180	\$65.00	\$11,700.00	20	120	17%	\$1,950.00	\$9,750.00
Cottage-2BR+laundry	648	\$83.22	\$53,929.79	30	70	43%	\$23,112.77	\$30,817.02
Cottages-2BR qty 5	1,800	\$83.22	\$149,804.97	30	70	43%	\$64,202.13	\$85,602.84
Cottages-1BR qty 4	1,229	\$83.22	\$102,276.85	30	70	43%	\$43,832.93	\$58,443.91
Buildings - Subtotal:	4,740.9		\$412,166.84				\$152,776.00	\$259,390.83
Landscaping & Site Improvements:								
Wood decks	920.0	\$30.00	\$27,600.00	30	45	67%	\$18,400.00	\$9,200.00
2 car garage	430.0	\$30.50	\$13,115.00	30	45	67%	\$8,743.33	\$4,371.67
Caretaker office	342.0	\$40.00	\$13,680.00	30	40	75%	\$10,260.00	\$3,420.00
Concrete stairs:	194.0	\$25.00	\$4,850.00	15	50	30%	\$1,455.00	\$3,395.00
Gravel paving	468.0	\$15.00	\$7,020.00	15	40	38%	\$2,632.50	\$4,387.50
Landscaping - Subtotal:			\$66,265.00				\$41,490.83	\$24,774.17
LAND VALUE:	3.280 acres	\$56,758	\$186,166.63					\$186,166.63
TOTALS:			\$664,598.46				\$194,266.84	\$470,331.62 as-is value
Equivalent to:	18 12	rooms bungalows	\$36,922.14				per room per bungalow	\$26,130 \$39,194

The Pines Cottage Resort

2007-11-21

Income Approach Valuation - Prospective

ESTIMATED GROSS ANNUAL INCOME

Summer Cottage Rentals (22 weeks - May 15 to Oct 15):

							optimal guest nights	
							max guests	
							50%	
Cottage 1	2BR	65% occ wkly:	\$680	\$9,724.00			4	200
Cottage 2 & 3	1BR	65% occ wkly:	\$615	\$8,794.50			4	200
Cottage 4	2BR	65% occ wkly:	\$665	\$9,509.50			4	200
Cottage 5	1BR	65% occ wkly:	\$625	\$8,937.50			4	200
Cottage 6	2BR	65% occ wkly:	\$625	\$8,937.50			4	200
Cottage 7	2BR	65% occ wkly:	\$715	\$10,224.50			6	300
Cottage 8	2BR	65% occ wkly:	\$715	\$10,224.50			6	300
Cottage 9	2BR	65% occ wkly:	\$990	\$14,157.00			6	300
Cottage 10	1BR	65% occ wkly:	\$675	\$9,652.50			5	250
Avg Daily Rate/Cottage:	10	65% occ rate:	\$90.07	\$90,161.50	\$90,161.50			2150
Telephone Charges	2150	nites call:	\$1.00	\$2,150.00				
Sub-Total				\$92,311.50	\$	92,311.50		guest nights

Effective Gross Income (EGI)

\$ 92,311.50

OPERATING EXPENSES

(IN)

Advertising & Marketing fees				\$4,000.00
Payroll, Wages & Fees				\$8,800.00
Property Taxes				\$1,937.44
Insurance				\$4,000.00
Legal & Accounting				\$1,200.00
Utilities-Elect, Heat, Water	2150	guest mont	\$55.00	\$5,741.67
Telephone	2150	nites call:	\$0.50	\$1,075.00
Satellite TV & Internet				\$1,440.00
Cleaning, Laundry, Room Supplies		307 guest wks	\$5.00	\$1,535.71
Maintenance & Repair		5225 sq.ft. @	\$0.50	\$2,612.46
Sub-Total Operating Expenses				\$32,342.28

Total Expenses

\$32,342.28

NET OPERATING INCOME (NOI)

\$ 59,969.22

Capitalisation Rate:

10.599% 9.495% 9.965% 10.600%

VALUE BY INCOME APPROACH:

value per bedroom: 18 **\$ 631,587.35**

\$ 35,088.19

The Pines Cottage Resort													
		Valuation Date:		03-Oct-07									
Direct Comparison Approach Valuation - AS IS													
Comp	Name	Location	Adjustment Date	Months	Price	Adjusted Price	No. of Bdrms	Price / Bdrm	Adjusted Price / Bdrm	Selected Price / Bdrm	Water Front (feet)	Lot Size (acres)	
SP	Pines Cottage Resort	1032 Oxtongue Lk Rd		0		As-Is=	18				202.6	3.28	
Resort Lodge Sales / Listing													
1	Cecebe Lk/58 Chapman Dr	Burks Falls	02-May-07	5	\$825,000	\$852,683	22	\$37,500	\$38,758	\$38,758	1358	5.16	
2	Clear Lk/68 Bay Lake Rd	Emsdale	05-Apr-04	42	\$785,000	\$1,004,451	26	\$30,192	\$38,633	\$38,633	300	4.70	
3	HollowValley/1326 Kawagama Lk Rd	Dorset (Muskoka)	05-Mar-05	31	\$680,000	\$820,231	22	\$30,909	\$37,283	\$37,283	1126	10.80	
4	GeorgianStrand/739 C15 Tiny Rd W	Tiny (Tiny Beach)	22-Apr-05	29	\$1,500,000	\$1,793,667	23	\$65,217	\$77,986		258	3.03	
5	GranadaMotel/165 River Rd E	Wasaga Beach	04-Jan-05	33	\$520,000	\$634,284	20	\$26,000	\$31,714	\$31,714		0.79	
6	Bryer Lodge	Wolsely Bay/French Rive	04-Apr-03	54	\$620,000	\$843,062	24	\$25,833	\$35,128	\$35,128		6.96	
7	Tony B's Place/701 River Rd E	Wasaga Beach	curr listing	-24	\$649,000	\$545,160	17	\$38,176	\$32,068	\$32,068		0.17	
8	Belwood Cottages/1330 Mosley St	Wasaga Beach	curr listing	-24	\$699,000	\$587,160	15	\$46,600	\$39,144	\$39,144		0.54	
9	Angler's Retreat/723 Bolin Rd	Keene	curr listing	-24	\$1,099,990	\$923,992	35	\$31,428	\$26,400	\$26,400	318	1.37	
10	ElmGrove/274 Paudash St	Keene/Otonabee	curr listing	-24	\$1,150,000	\$966,000	44	\$26,136	\$21,955	\$21,955	480	12.20	
Average Values:						\$897,069		\$35,799	\$37,907	\$33,454		4.57	
Older Resort Lodge Sales / Listing													
1	Pickereel Lake Lodge	Pickereel Lk (Huntsville)	03-Oct-07	-24	\$1,775,000	\$1,491,000	45	\$39,444	\$33,133	\$33,133		147.00	
2	Wolsely Lodge	Wolsely Bay/French Rive	03-Oct-07	-24	\$895,000	\$751,800	19	\$47,105	\$39,568	\$39,568			
3	Auld Reekie Lodge	Gowganda (Timiskaming)	03-Oct-07	-24	\$795,000	\$667,800	14	\$56,786	\$47,700	\$47,700			
4	Houston Lake Camp	Shining Tree	03-Oct-07	-24	\$695,000	\$583,800	14	\$49,643	\$41,700	\$41,700			
5	Tama Kwa Cottage Resort	Lake Nipissing	curr listing	-24	\$1,500,000	\$1,260,000	10	\$150,000	\$126,000				
6	750 Mattawan St	Mattawa (on river)	exp listing	-12	\$599,900	\$551,908	14	\$42,850	\$39,422	\$39,422		13.00	
7	Kottage Village	670 Lakeshore, North Ba	exp listing	-12	\$2,400,000	\$2,208,000	22	\$109,091	\$100,364			4.00	
8	Tapatoo Resort	Sequin	curr listing	-24	\$7,000,000	\$5,880,000	61	\$114,754	\$96,393			52.00	
9	Kag Lake Lodge	Nakina	exp listing	-12	\$3,850,000	\$3,542,000	21	\$183,333	\$168,667				
10	Sturgeon River Inn	Sturgeon Falls	exp listing	-12	\$800,000	\$736,000	20	\$40,000	\$36,800	\$36,800		4.18	
11	Falcon Lodge	Huntsville	11-Apr-05	30	\$1,025,000	\$1,228,178	11	\$93,182	\$111,653		730	3.25	
12	HighFalls/50 Brodie Cr	Bracebridge	curr listing	-24	\$5,800,000	\$4,872,000	46	\$126,087	\$105,913		1200	33.00	
13	GranadaMotel/165 River Rd E	Wasaga Beach	04-Jan-05	33	\$520,000	\$634,284	20	\$26,000	\$31,714	\$31,714		0.79	
14	211 Arrowhead Pk Rd	Arrowhead Prov Park	18-Nov-02	59	\$785,000	\$1,091,150	28	\$28,036	\$38,970	\$38,970	1000	11.00	
Average Values:						\$1,821,280		\$79,022	\$72,714	\$38,626		29.80	
AS-IS VALUATION (18 BRs/18 beds)													
					Valuation Based On:		New	Old					
					Adj Avg Price/Bedroom:		\$682,323	\$1,308,853					
					Selected Price/Bedroom:		\$602,165	\$695,267					
					Closest Comparable:		\$695,389	\$671,098					
					Adj Avg Land/WF foot+Avg Bdrm:		\$641,441	\$1,026,400					
					Closest Comparable:		\$689,706	\$496,593					
					Adj Avg Land/acre+Avg Bdrm:		\$1,218,312	\$1,154,094					
					Reconciled Values:		\$677,215						

Appendix “G”

Offer - The Pines

From: Robert To: Mr. Paul McGrath

Date: 11/19/2007 Time: 1:58:16 PM

FACSIMILE COVER PAGE

To : Mr. Paul McGrath
Sent : 11/19/2007 at 1:58:14 PM
Subject : PINES RESORT OFFER

From : Robert
Pages : 13 (including Cover)

November 19, 2007

Attention: Mr. Paul McGrath

Re: The Pines Resort

Dear Mr. McGrath

Enclosed please find an offer for the above property. The purchaser also wished to purchase the chattel you please contact my lawyer, Mr. Banach, or me and indicate if they need to pay for the chattels. It is my observation from inspecting the above property that the chattels are not in a good shape.

Thank you for your help
Robert Weisz

You may reach me at 905-709-1612, or 416-505-3234
Mr. M. Banach at: 416-223-9191 ext220



Agreement of Purchase and Sale Commercial

43

SB

Comm
Toronto

This Agreement of Purchase and Sale dated this ~~17th~~ *18TH* day of ~~November~~ *NOVEMBER*.

BUYER, TREVOR MCAULEY & STELLA BRITTON
(Full legal names of all Buyers), agrees to purchase

SELLER, ROBERT WEISZ IN TRUST
(Full legal names of all Sellers),

REAL PROPERTY:

Address: 1032 OXTONGUE LAKE ROAD, fronting on the SOUTH

of OXTONGUE LAKE ROAD in the TOWN MCCLINTOCK

and having a frontage of 200 FEET more or less by a depth of IRREGULAR

and legally described as PT. LOT 4 & 5 CON 12, McClintock, Districk of Haliburton, together with and

subject to right of way as described in Instrument numbers 170358 and 125225 (the
(Legal description of land including easements not described elsewhere)

PURCHASE PRICE: Dollars (CDN\$) 650,000.00

Six Hundred and Fifty Thousand

DEPOSIT: Buyer submits UPON ACCEPTANCE
(Herewith/Upon Acceptance/as otherwise described in this Agreement)

Twenty Thousand Dollars (CDN\$) 20,000.00

by negotiable cheque payable to COLDWELL BANKER TERREQUITY REALTY "Depo
to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on
For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the de
Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknow
unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Depo
non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A "B", C, D and E attached hereto form(s) part of this Ag

1. **IRREVOCABILITY:** This Offer shall be irrevocable by BUYER until 11:59 p.m.
(Seller/Buyer)

43

the ~~17th~~ *20TH* day of NOVEMBER 2007, after which time, if not acc
Offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. **COMPLETION DATE:** This Agreement shall be completed by no later than 6:00 p.m. on the ~~17th~~ *27th*

of DECEMBER, 2007. Upon completion, vacant possession of the property shall be g
Buyer unless otherwise provided for in this Agreement.

3. **NOTICES:** Seller hereby appoints the Listing Brokerage as Agent for the purpose of

6. ~~However~~ Seller hereby appoints the listing brokerage as Agent for the purpose of giving and receiving notice to this Agreement. **Only if the Co-operating Brokerage represents the interests of the Buyer transaction,** the Buyer hereby appoints the Co-operating Brokerage as Agent for the purpose of giving and notices pursuant to this Agreement. Any notice relating hereto or provided for herein shall be in writing. This counter offer, notice of acceptance thereof, or any notice shall be deemed given and received, when hand c the address for service provided in the Acknowledgement below, or where a facsimile number is provided he transmitted electronically to that facsimile number.

FAX No. (For delivery of notices to Seller) FAX No. (For delivery of not

INITIALS OF BUYER(S):

SH

INITIALS OF SELLER(S): (



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- 4. **CHATELS INCLUDED:** SEE SCHEDULES "D" and "E" ATTACHED HERETO.....

- 5. **FIXTURES EXCLUDED:**.....

- 6. **RENTAL ITEMS:** The following equipment is rented and **not** included in the Purchase Price. The Buyer agree the rental contract(s), if assumable: HOT WATER TANKS.....

- 7. **GST: If this transaction is subject to Goods and Services Tax (GST), then such tax shall be i to the Purchase Price.** The Seller will not collect GST if the Buyer provides to the Seller a warranty that registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warr Buyer shall self-assess and remit the GST payable and file the prescribed form and shall indemnify the Sell of any GST payable. The foregoing warranties shall not merge but shall survive the completion of the transac transaction is not subject to GST, Seller agrees to certify on or before closing, that the transaction is not sub

- 8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the ~~13th~~ 13th day of DECEMBER..... (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty d later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise (ii) five days prior to completion, to satisfy himself that there are no outstanding work orders or deficiency r affecting the property, that its present use (.....) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders r property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may require.

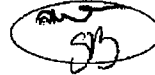
- 9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the futu use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreeme

- 10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) an restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal and registered agreements with publicly regulated utilities providing such have been complied with, or securi posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulat any minor easements for the supply of domestic utility or telephone services to the property or adjacent proper any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lii services which do not materially affect the use of the property. If within the specified times referred to in paraç valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present i lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing b which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against r favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer wi this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating shall not be liable for any costs or damages. Save as to any valid objection so made by such day and exc objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the

- 11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of F Sale of the Property, and where the transaction will be completed by electronic registration pursuant to Part III Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 4 amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrabl and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the s

the registration of the transfer/deed (and any other documents intended to be registered in connection with the comp transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be hold same in trust and not release same except in accordance with the terms of a document registration agreement said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agre is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lc exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to t

INITIALS OF BUYER(S):



INITIALS OF SELLER(S): (



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12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, sui evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form, register same, or cause same to be registered, on title within a reasonable period of time after completion, and on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee showing the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.
13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understand the acceptance of this Offer there shall be a binding agreement of purchase and sale between Buyer and Seller.
14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds therefor for the parties as their interests may appear and in the event of substantial damage, Buyer may either take the proceeds of an insurance policy and have all monies paid returned without interest or deduction or else take the proceeds of an insurance policy and complete the purchase. No insurance shall be transferred on completion. If Seller is taking a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable adequate insurance to protect Seller's or other mortgagee's interest on completion.
15. **PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently to obtain any necessary consent by completion.
16. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.
17. **RESIDENCY:** Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate or a statutory declaration that Seller is not then a non-resident of Canada.
18. **ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to completion, the day of completion itself to be apportioned to Buyer.
19. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing a particular act provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer and their respective lawyers who may be specifically authorized in that regard.
20. **TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money may be tendered by bank draft or cheque certified by a Chartered Bank, Province of Ontario Savings Office, Credit Union or Caisse Populaire.
21. **FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless Seller's spouse has executed the consent hereinafter provided.
22. **UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has had no building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multi-unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
23. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
24. **CONSUMER REPORTS:** The Buyer is hereby notified that a consumer report containing credit information may be referred to in connection with this transaction.

personal information may be referred to in connection with this transaction.

25. **AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall prevail over the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedules attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender required by the context.

INITIALS OF BUYER(S):

SB

INITIALS OF SELLER(S):



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Form 500

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26. **SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the und bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of:

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

[Witness] [Signature]

[Buyer/Authorized Signing Officer] [Signature]

{Seal} DATE... 11.19.07

[Buyer/Authorized Signing Officer] [Signature]

{Seal} DATE... 11.19.07

I, the Undersigned Seller, agree to the above Offer. I hereby irrevocably instruct my lawyer to pay directly to Brokerage the unpaid balance of the commission together with applicable Goods and Services Tax (and any other taxes that may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on condition that the Listing Brokerage be advised by the Listing Brokerage to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of:

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

[Witness] [Signature]

[Seller/Authorized Signing Officer] [Signature]

{Seal} DATE.....

[Witness] [Signature]

[Seller/Authorized Signing Officer] [Signature]

{Seal} DATE.....

SPOUSAL CONSENT: The Undersigned Spouse of the Seller hereby consents to the disposition evidenced hereon to the provisions of the Family Law Act, R.S.O. 1990, and hereby agrees with the Buyer that he/she will execute all necessary documents or incidental documents to give full force and effect to the sale evidenced herein.

[Witness] [Signature]

[Spouse] [Signature]

{Seal} DATE.....

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement and all changes both typed and written was finally accepted by all parties at a.m./p.m. this of NOVEMBER 2007

INFORMATION ON BROKERAGE(S)

(Signature of Seller or Buyer)

Listing Brokerage..... Tel.No.....

Co-op/Buyer Brokerage... Coldwell Banker Terrequity Realty Tel.No. 416-496-9220
211 CONSUMERS RD., STE. 105 TORONTO, ON

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Agent to forward a copy to my lawyer.

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Agent to forward a copy to my lawyer.

[Seller] DATE.....

[Buyer] DATE.....

[Seller] DATE.....

[Buyer] DATE.....

Address for Service..... Tel.No.....

Address for Service..... Tel.No.....

Seller's Lawyer.....
Address.....

Buyer's Lawyer.....
Address.....

Tel.No.

FAX No.

Tel.No.

FAX No.

FOR OFFICE USE ONLY

COMMISSION TRUST AGREEMENT

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

DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale.

Acknowledged by:

.....
{Authorized to bind the Listing Brokerage}

.....
{Authorized to bind the Co-operating Brokerage}



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Form 500

2008

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Schedule A Agreement of Purchase and Sale - Commercial

Comm
Toronto

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

BUYER, TREVOR MCAULEY & STELLA BRITTON

SELLER, ROBERT WEISZ IN TRUST

for the purchase and sale of 1032 OXTONGUE LAKE ROAD,

MCCLINTOCK

dated the ~~12th~~ 18th day of ~~November~~ NOVEMBER

Buyer agrees to pay the balance as follows:

The Buyer agrees to pay the balance of the purchase price, subject to adjustments, by bank draft or certified cheque to the Seller on the completion of this transaction.

The Seller will execute on closing all the necessary documents for the transfer and the continuation of the use of "The Pines Cottage Resort" and the existing telephone number, to the Buyer.

Legal Description continued:

ALL AND SINGULAR that certain parcel or track of land and premises, situate, lying and being in the Township of McClintock in the County of Haliburton and being composed of Part of Lots 4 and 5 in Concession 12 of the said Township which is shown outlined in red on a blueprint of plan of survey dated May 20, 1952 made by Maurice FitzMaurice, O.L.S., and attached to instrument No. 276 and which said part is described as follows:

COMMENCING at the northeast angle of the said Lot 4;

THENCE south 20 degrees 39 minutes east, 2,160 feet along the easterly limit of the said Lot 4 to an iron post in the southeastern limit of Highway No. 60;

THENCE south 18 degrees 30 minutes west, 37.6 feet along the said southeasterly limit to the place of beginning of the lands herein described;

THENCE south 18 degrees 39 minutes west, 200 feet along the said southeastern limit;

THENCE south 51 degrees 10 minutes east, 747.9 feet to the highwater mark of the Oxtongue Lake;

THENCE in a general northeasterly direction, along the said highwater mark, 200 feet more or less to a point which is intersected by a line drawn on a bearing of south 50 degrees 50 minutes east from the place of beginning;

THENCE north 50 degrees 50 minutes west, 746.7 feet to the place of beginning.

TOGETHER WITH A RIGHT OF WAY over the southwest 6 feet of the lands to the southeast of the within described lands, to a depth of 440 feet from the southeastern limit of Highway No. 60;

AND SUBJECT to a right of way over the northeast 12 feet of the lands herein described to the same depth; these of way forming a mutual driveway for the use of the owners and occupants from time to time of the within described lands and the lands to the southeast of these lands.
As described in Instrument No. 170358.

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

INITIALS OF BUYER(S):

JB

INITIALS OF SELLER(S):

(



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Form 500

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SCHEDULE "A"



1. It is understood that the Vendor is selling as mortgagee under the Power of Sale provisions of its mortgage. The Purchaser agrees to accept title to the property pursuant to The Mortgages Act
2. It is further understood that on the date of acceptance of this offer there is default under the mortgage which entitles the Vendor to exercise the power of sale. The only evidence of default the Purchaser may require, shall be a statutory declaration made by the Vendor setting forth the fact: the Vendor to sell under power of sale, including the particulars of the notice of exercising the sale, the names of the persons upon whom service of the notice has been effected, and declaration of default under the mortgage entitling the Vendor to exercise the power of sale has continued including the date of acceptance of this offer.
3. If the Vendor has agreed to take back a mortgage, the Purchaser shall complete the Vendor's assignment form and the mortgage back shall contain such standard charge terms as selected by the Vendor and other additional provisions as are normally utilized by the Vendor or its solicitor in mortgages/charges on like properties. The Purchaser also agrees to provide the Vendor with an Acknowledgment of Sale that there are no holdbacks, set-offs and/or undisclosed equities existing between the parties. If the property is other than an owner occupied single family residential home, the Purchaser shall provide the Vendor as additional security with an Assignment of Rents and Leases, a General Security Agreement and such other documentation as is customarily obtained by the Vendor on transactions of this nature.
4. The Purchaser agrees to accept title and the property subject to: any subdivision agreements, restrictions, easements or agreements of a like nature; restrictions; easements for the supply of utilities, services or otherwise; rights-of-way; encroachments on the subject property or encroachments by the subject property onto adjoining properties; notices of conditional sales contracts; leases or licences including but not limited to laundromat leases; a designation as a designated property or Council of the municipality pursuant to the Notice of Intention to Designate pursuant to the Ontario Heritage Act, as amended; (and if the property is part of a condominium, the Declaration and by-laws, any special assessments and any outstanding lawsuits against the condominium corporation and if the property is a co-ownership or co-op, subject to the co-ownership agreement, any exclusive use agreements, lease agreements and like agreements and any special assessments and any outstanding lawsuits which the Purchaser agrees to assume).
5. The Purchaser acknowledges that he/she/it has relied entirely upon his/her/its own inspection and investigation with respect to quantity, quality and value of the property.
6. The Purchaser agrees that it is purchasing and accepts the property on an "as is" basis, as of the date of acceptance and as of the closing date including without limiting the generality of the foregoing, the Purchaser assumes the obligation and liability of all outstanding work orders, deficiency notices, code violations, directions, retrofit requirements of the applicable fire department, infractions or non-compliance of municipal zoning by-laws, provincial or federal laws, outstanding levies, charges, sewer charges and any other development charges, any outstanding Ontario Rental Tribunal rent review orders, notices or rental rebates due to tenants. The Vendor makes no representations or warranty with respect to any workmanship or any defects therein, state of

representations or warranties with respect to any workmanship or any defects therein, state or location of structures, walls, retaining walls or fences, soil conditions, urea formaldehyde, asbestos, hazardous substances, termites or any other environmental matter or any like condition representations and/or warranties with respect to any matter are contained in the Agreement of Purchase and Sale, the Purchaser hereby agrees that the same shall be deemed to be deleted from the Agreement of Purchase and Sale.

7. The Vendor has the right in its sole, subjective and arbitrary discretion to terminate this Agreement

- 2 -

notice in writing delivered to the Purchaser or his/her/its solicitor at any time prior to closing, an injunction application restraining the sale, an improvident sale action, or any other application which may adversely affect the Vendor's ability to collect the amounts due to it, has been threatened to be commenced by any party having an interest in the lands. Upon such termination, the Vendor's obligations hereunder shall be at an end and the Vendor shall not be liable to the Purchaser for any costs, damages, losses or expenses incurred by the Purchaser and the Purchaser's deposit shall be returned in full.

8. The Purchaser acknowledges that the Vendor is selling this property pursuant to the provisions contained in its mortgage and in the event that the mortgagor, or any party having an interest in the land, redeems same or enters into an Agreement of Purchase and Sale to sell the property, then the Vendor shall at its sole, subjective and arbitrary discretion have the right to terminate the Agreement by notice in writing delivered to the Purchaser or his/her/its solicitor and upon termination, all of the Vendor's obligations hereunder shall be at an end and the Vendor shall not be liable to the Purchaser for any costs, damages, losses or expenses incurred by the Purchaser and the Purchaser's deposit shall be returned in full.
9. If there is any conflict between any of the terms and provisions contained in this Schedule and the terms and provisions contained in the Agreement of Purchase and Sale herein, and any other schedules hereto, the terms and conditions of this Schedule shall prevail.
10. This Agreement, any amendments thereto, and any notices given pursuant to this Agreement of Purchase and Sale may be transmitted by telecopier and shall be binding upon the parties hereto as if executed and delivered in the original.
11. The Purchaser covenants and agrees not to register Notices of this Agreement, any assignment, Caution, Certificate of Pending Litigation, or any other instrument or reference to this Agreement against his/her/its interest in this property. If any such registration occurs, the Vendor may, at its discretion, terminate this Agreement and all deposit monies shall be forfeited by the Vendor as liquidated damages and not as a penalty. The Purchaser hereby irrevocably consents to a court order removing such registrations and agrees to bear all costs incurred in obtaining such order.
12. The Purchaser agrees to assume any existing tenancies in accordance with the terms of any tenancy agreements or leases and the Vendor will only have to provide such information in respect of tenancies as is in its possession. The Vendor shall not be required to obtain any confirmation from tenants as to the terms of the tenancies nor shall there be an adjustment on closing for prepaid security deposits, interest due on prepaid rents, any tenant inducements outstanding, rental arrearages, defaults or any other like amounts. The Purchaser agrees to close the transaction notwithstanding any tenant who has been served with a notice of termination to vacate the property by reason of the Purchaser's intended personal use fails to vacate as at closing. The Vendor makes no representations or warranties in respect of the tenancies, including without limitation, the liability of any rents being charged.

respect of the tenancies including without limitation, the legality of any rents being charged collected and the Purchaser agrees to accept the tenants on an "as is" basis without any recourse Vendor for any rebates which may be due at law to the tenants. The Vendor shall not be liable Purchaser for any damages, losses, claims or costs incurred in respect of any matter arising out of tenancies assumed by the Purchaser including the failure of a tenant to vacate pursuant to any notice termination served upon them.

13. Notwithstanding anything contained to the contrary in this Agreement of Purchase and Sale, the P



- 3 -

acknowledges that the Vendor has no proprietary interest in, nor title to the chattels or fixtures located on, upon, around or forming part of the property or used in connection therewith and if left at the property, it shall be on an "as is" basis with no warranty or representation that the Vendor has any proprietary rights to same. The Vendor shall not provide a bill of sale on closing in respect to any chattels or fixtures nor be liable to the Purchaser if same have been removed from the property at closing. The Vendor shall not be obligated to remove any chattels or moveables which may have been on the property.

14. In the event any issue is raised with respect to the Vendor's title, the Agreement of Purchase and Sale, or possession, the Vendor may at its sole option and subjective arbitrary discretion extend the closing from time to time, for a period or periods of time not exceeding 90 days in total. The Purchaser agrees that if a title insurance company is willing to insure over any such issue raised, the Purchaser shall purchase a title insurance policy at the Purchaser's sole expense and close the transaction. If the Vendor is unable to resolve any such issue by the expiry of the extension period or periods and title insurance coverage cannot be obtained, then the Vendor at its sole, arbitrary and subjective discretion may terminate this agreement by notice in writing to the Purchaser and without having to provide any reason for such termination. Upon such termination, the Vendor's obligations hereunder shall be at an end and the Vendor shall not be responsible to the Purchaser for any costs, damages, losses or expenses incurred by the Purchaser and the Purchaser's deposit shall be returned in full. The Purchaser acknowledges that the sole remedy with respect to any of the matters raised by it shall be rescission of the Agreement of Purchase and Sale and the right to the return of its deposit. The Purchaser agrees that it shall have no right to bring an action for specific performance with or without an abatement of the purchase price and/or for damages.
15. The Purchaser shall be obliged to pay on closing, in addition to the purchase price, any Goods and Services Tax ("GST") applicable to this transaction and will indemnify the Vendor with respect to any GST. No GST shall be collected by Vendor if the Purchaser satisfies the Vendor, acting reasonably, that the Vendor is not required to collect the same pursuant to the provisions of the Excise Tax Act (Canada) which provides an indemnity on closing in this regard in Vendor's solicitor's form.
16. The Vendor shall not supply any Warranty, Statutory Declaration or Certificate with respect to the property's status as a used residential property or as to whether this transaction is an exempt transaction in accordance with the provisions of the Excise Tax Act (Part VII) (GST).
17. The Purchaser agrees to accept Vendor's solicitor's personal Undertaking to discharge any outstanding liens and encumbrances except those extinguished by the power of sale proceedings or otherwise to be assumed by the Purchaser.
18. The Purchaser acknowledges that it is relying on its own inspections and investigations of the property, its costs, expenses and all other matters incidental thereto and that the Vendor has not made any representations or warranties in this regard or otherwise. The Purchaser acknowledges and agrees that subsequent to closing it shall have no claims with respect to any matter against the Vendor.

Subsequent to closing, it shall have no claims with respect to any matter against the vendor.



From: Robert To: Mr. Paul McGrath

Date: 11/19/2007 Time: 1:58:16 PM

11/18/2006 19:45 9057131680

C PUCCI & G DEAR

10/23/2007 TUE 10:26

FAX 4164962144 CB TERREQUITY-211CONSUMR --- TREB FAX ATTACHMENT

P4



Schedule Agreement of Purchase and Sale

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This Schedule ^C is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER, TREVOR MCMAULEY & STELLA BRITTON

SELLER, ROBERT WEISZ IN TRUST

for the property know as 1032 OXTONGUE LAKE ROAD

Agreement of Purchase and Sale dated NOVEMBER 19 2008 2007

The parties to this Agreement acknowledge having been advised that Coldwell Banker Terrequity Realty ("the Broker maintains an Interest Bearing Statutory Trust Account for the benefit of all parties to the transaction. The account ea interest calculated as the Prime Rate for TD Canada Trust less 2.5% calculated on a daily basis, for each full calend the money is deposited.

The Brokerage calculates and disburses all interest earned to the beneficial owner of the trust money (the "Recipient" Unless otherwise indicated in the Agreement of Purchase and Sale/Lease Agreement, the Recipient of any interest of monies is the Buyer/Tenant in the transaction. The interest earned is paid to the Recipient minus an Administrative F follows:

The interest earned on all deposits for a transaction is subject to one Administrative Fee of ninety five dollars (\$95.00) transaction;

In the event interest earned equals or does not exceed the Administrative Fee the Administrative Fee will not be charg the Recipient and, no interest will be paid and no statement of accounting will be provided;

In the event the interest exceeds the Administrative Fee, the Recipient will be paid the amount of interest earned less Administrative Fee and the Recipient will be provided with a statement of accounting;

Where the deposit is from a private individual (not a corporation) no interest will be paid to the Recipient unless that Recipient provides the Brokerage with a Social Insurance Number and mailing address for Income Tax purposes, not than 14 days prior to the transaction closing. This information must be delivered in writing to 211 Consumers Road, Toronto, Ontario M2J 4G8

All interest on deposit cheques not cashed within six (6) months shall become stale dated and will only be reissued sul to an additional Administrative Fee (i.e. \$95.00). Should the Administrative Fee exceed the amount of the stale dated cheque, no amount will be owing or payable to the Recipient;

The Buyer and Seller hereby give permission to both Real Estate Brokerages so named in this agreement to use information relating to the sale of the subject property, including the price, in future marketing materials and for the purposes of Market Evaluations.

The Parties to this Agreement acknowledge that no information provided by the Real Estate Broker(s) named in this Agreement is to be construed as expert legal, tax or environmental advice.

The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment an properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or a Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the propo

Any uncertified deposit cheques will be held for no less than 28 days from the date of deposit to ensure the funds have cleared the bank.

Business days, for purposes of this Agreement, shall be any day on which Registry offices are open.

This page must be initiated by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

NSB

INITIALS OF SELLER(S):



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Coldwell Banker Terrequity Realty

easyOFFER by



Form 105
Reagency Systems Corp.
www.Reagency.ca

SCHEDULE D

THE PINES COTTAGE RESORT – CHATTEL LIST

Main House:

Included: Fridge, Stove, Dishwasher, Airtight Wood Stove, Office Desk and Chair
Hot water tank in house

Excluded: All personal effects, dishes, kitchen utensils & small appliances, furniture
Stain glass window ornament and desk ornament in office – all pictures &
Wall ornaments throughout house and all lawn ornaments.

Rental Items: 1-60 gallon hot water tank – services laundry room & 3 cottages
1-60 gallon hot water tank – services cottages 9 & 1

Additional Chattels Included from the Resort:

4 – Rowing oars
3 – Canoes
6 – Paddles
2 – Kayaks
2 – Kayak oars (paddles)
Floation Tubes
An assortment of adult & childrens' life jackets

Laundry Room:

2 washers & dryers
1 fridge

Bedding:

Flat sheets (double no less than 42)
Flat sheets (twin no less than 10)
Fitted sheets (double no less than 42)
Fitted sheets (twin no less than 10)
Pillow Cases (no less than 94)
Pillows (no less than 47)
Blankets (no less than 47)

Additional Chattels for Cottages:

All cottages – 4 deck chairs on each deck plus picnic tables and new BBQ's

All beds have comforters or bedspreads

All mattresses have protective covers including bed chesterfields

All cottages are equipped with an abundance of cutlery, dishes, pots & pans, glasses & mugs, etc.

All cottages have toaster, kettle, stovetop coffee makers, roast pans

SCHEDULE E

THE PINES COTTAGE RESORT-COTTAGE CHATTELS

Cottage #1 - 2 double beds & dressers, bedroom side tables attached to wall, 2 side lamps, 1-2 door frost free fridge, 1-24" electric stove, 1 microwave, 1 pine table, 2 pine benches, 1 love seat, 1 easy chair, 1 side table, 1 lamp, 1 carpet sweeper, 1 table fan broom & dust pan.

Cottage #2 - 1 double bed, 1 dresser, 1 lamp, 1-2 door frost free fridge, 1-24" electric stove, 1 microwave, 1 pine table, 2 pine benches, 1 bed chesterfield, 2 easy chairs, 1 table, 1 lamp, 1 carpet sweeper, 1 table fan, 1 broom & dust pan.

Cottage #3 - 1 double bed & dresser & lamp, 1 frost free fridge, 1-24" electric stove, microwave, 1 pine table, 2 pine benches, 1 bed chesterfield, 1 side table, 1 lamp, 2 easy chairs, 1 table fan, 1 carpet sweeper, broom & dust pan.

Cottage #4 - 2 double beds & dressers, 2 side tables, 2 lamps, 1 frost free 2-door fridge 1-24" electric stove, 1 microwave, 1 pine table & 2 pine benches, 1 love seat, 1 easy chair, 1 broom, dust pan & carpet sweeper & 1 table fan.

Cottage #5 - 1 double bed, dresser, side table & lamp, 1-2 door frost free fridge, 1-24" electric stove, 1 microwave, 1 pine table and 2 pine benches, 1 bed chesterfield, 1 side table, 1 lamp, 2 easy chairs, 1 foot stool, 1 carpet sweeper, broom & dust pan, 1 table fan.

Cottage #6 - 2 double beds & dressers, 1 lamp, 1-2 door frost free fridge, 1-24" electric stove, 1 microwave, 1 pine table & 2 pine benches, 1 love seat, 1 easy chair, 1 side table, 1 carpet sweeper, broom & dust pan.

Cottage #7 - 1 double bed, 2 twin beds, 2 dressers, 2 lamps, 2 side tables, 1-2 door frost free fridge, 1-24" electric stove, 1 microwave, 1 pine table, 2 pine benches, 1 bed chesterfield, 1 easy chair, 2 kitchen chairs - 1 carpet sweeper, broom & dust pan, 1 floor fan.

Cottage #8 - not carpeted, 1 double bed, 2 twin beds, 2 dressers, 3 side tables, 3 lamps, 1-2 door frost free fridge, 1-24" electric stove, 1 microwave, 1 bed chesterfield, 1 lamp, side table, 1 easy chair, 2 kitchen chairs, 1 pine table & 2 pine benches, 1 table fan, 1 broom & dust pan.

Cottage #9 - 2 double beds, 3 dressers, 3 side tables, 3 lamps, 1-2 door frost free fridge 1-30" electric stove, 1 microwave, 1 pine table & 6 pine chairs, 1 bed chesterfield, 3 easy chairs, 1 foot stool, 1 coffee table, 1 side table & lamp, 1 octagonal table & lamp, 1 air tight wood stove, 1 glass top round table, 1 table fan, 1 vacuum, 1 broom & dust pan.

Cottage #10 - 1 double bed & 2 dressers, 1 side table & 2 lamps, 1 carpet sweeper, 1 broom & dust pan.

1 double bed w/ 2 dressers, 1 side table & 2 lamps, 1 single couch, 1 bed
chesterfield, 1 table, 1 lamp, 1 easy chair, 1 kitchen chair, 1 pine table & 2 pine benches
1-30" electric stove, 1-2door frost free fridge, 1 microwave, 1 carpet sweeper, table fan,
broom & dust pan.



Confirmation of Co-operation and Representation

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Real
Bo

BUYER: TREVOR MCAULEY & STELLA BRITTON

SELLER: ROBERT WEISZ IN TRUST

For the transaction on the property known as: 1032 OXTONGUE LAKE ROAD, MCCLINTOCK

For the purposes of this Confirmation of Co-operation and Representation, a "Seller" includes a vendor, a landlord, or a prospective, seller, vendor or a "Buyer" includes a purchaser, a tenant, or a prospective, buyer, purchaser or tenant and a "safe" includes a lease.

The following information is confirmed by the undersigned salesperson/broker representatives of the Brokerage(s). If a Co-operation is involved in the transaction, the brokerages agree to co-operate, in consideration of, and on the terms and conditions as set out

DECLARATION OF INSURANCE: The undersigned salesperson/broker representative(s) of the Brokerage(s) hereby declare the insured as required by the Real Estate and Business Brokers Act (REBBA) and Regulations.

PROPERTY SOLD BY BUYER BROKERAGE - PROPERTY NOT LISTED

The Brokerage represents the Buyer and the property is not listed with any real estate brokerage. The Brokerage will be paid

by the Seller in accordance with a Seller Customer Service Agreement

or: by the Buyer directly

Additional comments and/or disclosures by Buyer Brokerage:

SIGNED BY THE BROKER/SALESPERSON REPRESENTATIVE(S) OF THE BROKERAGE(S) (Where applicable)

(Name of Listing Brokerage)

Tel: Fax:

(Authorized to bind the Listing Brokerage) Date:

Coldwell Banker Terrequity Realty

(Name of Co-operating/Buyer Brokerage)
211 CONSUMERS RD. STE. 105 TORONTO

Tel: [416]496-9220 Fax: [416]496-2144

(Authorized to bind the Co-operating/Buyer Brokerage) Date: 11/19/07

CARLO PUCCI

(Print Name of Broker/Salesperson Representative of the Brokerage)

(Print Name of Broker/Salesperson Representative of the Brokerage)

CONSENT FOR MULTIPLE REPRESENTATION (To be completed only if the Brokerage represents more than one client for the trans

The Seller/Buyer consent with their initials to their Brokerage representing more than one client for this transaction.

SELLER'S INITIALS

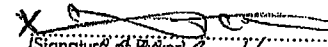
BUYER'S INITIALS

ACKNOWLEDGEMENT

I have received, read, and understand the above information.

(Signature of Seller) Date:

(Signature of Seller) Date:

X  Date: Nov 18,

X Stella Butta Date: Nov 18/11
(Signature of Buyer)

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Appendix “H”

A Summary of a Minimal Commercial Real Estate Marketing Procedure, Strategy and Standards

RE: Sabourin Properties

It is our understanding that many of the subject properties including The Pines Cottage Resort had been listed for sale with a Jacob Kuijer who is a sales representative with Century 21 Cottage Country Realty Inc whose offices are located in the Town of Huntsville, Ontario.

We had a number of conversations with Mr. Kuijer about the procedure he used to market in particular, The Pines Cottage Resort and The Pickerel Lake Lodge. Mr Kuijer advised that he normally advertised properties of this nature locally and on his electronic web site and by other forms of correspondence to his established list of buyers who are interested in similar resort type properties located in northern Ontario.

Mr. Kuijer further stated that he does normally advertise properties of the subject nature in larger buyer communities such as the Greater Toronto Area (GTA) via The Toronto Real Estate Board (TREB), the Ottawa Real Estate Board or via newspapers such as the Globe & Mail and the National Post, which have a popular real estate section. Many properties located across Canada are successfully advertised for sale in these newspapers. In this regard and in our view, for properties such as The Pines Cottage Resort and the Pickerel Lake Lodge, advertising in these newspapers along with a property listing posted with TREB are considered the minimal level of advertising necessary to properly and adequately expose a significant property to the greatest number of potential purchasers.

In addition and in order for a marketing program to meet its capacity audience, it is advised that a property could be jointly listed with a local sales agent as well as with a larger brokerage firm located in the GTA. A larger boutique Broker would have access to a broad target market.

The following is a recommended minimal real estate marketing plan

Marketing Plan

As standard and prudent policy a real estate Broker would be expected to do the following:

- the objective is to achieve the maximum net sales proceeds
- advertise locally and in the Globe & Mail and or National Post newspapers
- erect a sign on the property
- produce and distribute a marketing brochure to be distributed to the public at large

- produce a short form flyer to be distributed to the Broker's client base of potential recreation or commercial property buyers
- install the property listing on the Broker's web site
- post a listing with the Toronto Real Estate Board
- advertise the property for a minimum period of 30 to 40 days
- the advertising period would depend on the property type, the time of year, supply and demand conditions and the general state of the economy
- consider offers only after a 30 to 40 day marketing period has elapsed
- a significant weighting will be placed on offers with reduced conditionality
- negotiate with short listed purchasers
- negotiate transactions/Agreements of Purchase and Sale

Summary

In our view, based on the available information, it appears that the marketing plan used to sell The Pines Cottage Resort and The Pickerel Lake Lodge did not meet the minimum marketing plan criteria.

Prepared By
Peter W. Aziz, AACI, P. App, FRI
Vice-President Real Estate Operations
Mintz & Partners Financial Services

Appendix “I”

Summary Analysis

Subject : Appraisal prepared by B.E. Page Appraisal Services

Subject Property: Part of lots 4 and 5, Concession 12, Algonquin Highlands Township, County of Haliburton, Ontario.
(The Pines Cottage Resort)

Prepared For: Robert Wiesz

Estimated Market Value: \$700,000 to \$725,000

Effective Date: November 13, 2007

This summary is not to be considered as a "Review Report".

I have been asked to read the B. E. Page Appraisal Services report and address certain issues relative to the methodology and format.

The report which is in our possession is signed by a Barry E. Page. This person is assumed to be an employee of B.E. Page Appraisal Services. The report is not signed by Gary Forster, AACI, P. App who is an accredited appraiser and whose name also appears in the report. In this regard, the report is not valid as it is not signed by an AACI. A person who prepares a commercial report of this nature and who does not hold an AACI designation is not permitted by the Appraisal Institute of Canada to prepare an appraisal report if the report is not reviewed and signed by an AACI accredited appraiser.

Under the title History of Property the report states, that the property was purchased on March 3, 2006 by the current owner for \$750,000. The abstract page for the property shows that the property was purchased for \$300,000.

In the Income Approach analysis, the report states "that no income and expense statements were available for 2006/2007". The listing real estate Broker, Mr. Jacob Kuijer forwarded to our company a profit and loss statement for The Pines Cottage Report that shows income and expense entries for the year 2006. The appraisal report indicated a range of value of \$670,000 to \$780,000 using historical income and expense data. The report also shows a value of \$650,000 using projected income and expense figures. The report relied on a value of \$725,000 using the Income Approach to Value.

The report also proved an estimate of value using the Direct Comparison Approach. The report indicates a range of value from \$615,000 to \$790,000 while the appraiser relies on a value of \$700,000. The report also includes a Cost Approach analysis, which indicates a value of \$690,000, which is lower than the other two approaches to value. The Cost Approach normally results in an estimated value that is most often higher than both the Income and Direct Comparison Approaches.

Peter W. Aziz, AACI, P. App, FRI
Vice-President Real Estate Operations
Mintz & Partners Financial Services

PETER AZIZ BA, AACI, P. App, FRI

Member of

Appraisal Institute of Canada
Accredited Appraiser Designation - AACI, P. App

Canadian Real Estate Institute
Member Designation - FRI

Granted the use of AACI designation on November 17th, 1997. Certificate No. 3498.

Education

Post Secondary: Trent University – Graduated in 1974, Peterborough, Ontario.

University of Guelph – Graduate Level Courses

Other: Appraisal Institute of Canada –Member 1980

Real Estate Institute of Canada – Designated Member 1995

Employment

2007 - Present	Mintz & Partners Financial Services – Vice-President, Real Estate Operations
2003 - 2007	Cornwall Property Consultants Ltd. – Real Estate Consultant
2001 - 2003	City of Toronto – Portfolio Planner/Project Manager
1999 - 2001	Peter W. Aziz Associates – Real Estate Consultant
1990 -1999	City of Toronto – Real Estate Appraiser/Project Manager
1985 -1990	Kellough Pestl & Associates – Litigation Real Estate Consultant
1978 - 2006	Sales agent for various companies

Professional Experience

- Asset Manager for a pension fund. Duties include managing the redevelopment of a 600,000 square foot mixed use mall with retail and offices tenants;
- Managed a team of consultants including a construction project consultant, a national property management company, two real estate brokerage firms; approved budget schedule, lease agreements, tender documents and legal agreements and ensured construction schedule was met.
- Portfolio Planner respecting City of Toronto-owned properties including Toronto Transit Commission properties. Project manager for WES property consolidation project.

-
- Project manager for municipal property disposal program. Real estate consultant for a City of Toronto agency.
 - Transaction management of many types of real property acquisition/sale and leased properties.
 - Valuation consultant on a wide variety of residential, commercial, industrial and investment real estate for mortgage purposes, acquisition, disposition, and expropriation and litigation purposes.
 - Interest in real property includes Freehold Estates (fee simple ownership) and Leasehold Estates (Leased fee interest and leasehold interest).

Appendix “J”

PETER SABOURIN AND THE SABOURIN GROUP OF COMPANIES
Summary of Insurance Costs

<u>Property</u>	<u>Mortgagee</u>	<u>Insurance</u>
1. Evergreen Trail	Weisz	2,892
2. Whispering Pines Golf Course	Vector	4,486
3. The Pines Resort	Weisz	5,553
4. Birchwood Camp	Vector	4,404
5. Almaguin Parkland	Weisz	5,242
6. Scotia Property, Emsdale	Weisz	432
7. Ontario Street, Burks Falls	Weisz	432
8. Timber Trail	Vector	<u>4,026</u>
Total		<u><u>\$ 27,467</u></u>



P.O Box 299
 Kleinburg, Ontario
 LOJ 1C0
 TEL # 1-800-561-4133
 Fax # 1-800-420-4058
 GST 136569142RT0001

Invoice

Date	Invoice #
11/30/2007	15,691

Bill To:
MINTZ & PARTNERS 1 CONCORDE GATE SUITE NORTH YORK , ONTARIO M3C 4G4

10

Property Info.
Ref. No. 1692374 ONTARIO L 20 SCOTIA RD EMSDALE , Ontario

Attention:	Terms:
Paul McGrath	Net 30

Date	Description	Unit Cost	GST	Ext. Price
11/14/2007	1st Inspection-thorough walk threw of premises & pictures	\$75.00	\$4.50	\$79.50
11/30/2007	Inspections-Nov 20,22,27,29/07 - 4 @ \$40ea	\$160.00	\$9.60	\$169.60
		\$235.00	\$14.10	\$249.10





P.O Box 299
 Kleinburg, Ontario
 LOJ 1C0
 TEL # 1-800-561-4133
 Fax # 1-800-420-4058
 GST 136569142RT0001

Invoice

Date	Invoice #
11/30/2007	15,692

Bill To:

MINTZ & PARTNERS
 1 CONCORDE GATE SUITE
 NORTH YORK , ONTARIO
 M3C 4G4

10

Property Info.

Ref. No. BURK FALLS
 15467 ONTARIO ST
 HUNTSVILLE , Ontario

Attention:

Paul McGrath

Terms:

Net 30

Date	Description	Unit Cost	GST	Ext. Price
11/14/2007	1st Inspection-thorough walk threw of premises	\$75.00	\$4.50	\$79.50
11/30/2007	Inspections-Nov 20,22,27.29/07 - 4 @ \$40ea	\$160.00	\$9.60	\$169.60
		\$235.00	\$14.10	\$249.10



P.O Box 299
 Kleinburg, Ontario
 L0J 1C0
 TEL # 1-800-561-4133
 Fax # 1-800-420-4058
 GST 136569142RT0001

Invoice

Date	Invoice #
11/30/2007	15,693

Bill To:
MINTZ & PARTNERS 1 CONCORDE GATE SUITE NORTH YORK , ONTARIO M3C 4G4

10

Property Info.
Ref. No. ALMAGUIN PARK 419 OWL LAKE RD KATRINE , Ontario

Attention:	Terms:
Paul McGrath	Net 30

Date	Description	Unit Cost	GST	Ext. Price
11/14/2007	1st Inspection-thorough walk threw of premises & pictures	\$75.00	\$4.50	\$79.50
11/30/2007	Inspections-Nov 20,22,27,29/07 4 @ \$40ea	\$160.00	\$9.60	\$169.60
11/30/2007	Management Fee	\$75.00	\$4.50	\$79.50
		\$310.00	\$18.60	\$328.60





P.O Box 299
Kleinburg, Ontario
LOJ 1C0
TEL # 1-800-561-4133
Fax # 1-800-420-4058
GST 136569142RT0001

Invoice

Date	Invoice #
11/30/2007	15,694

Bill To:

MINTZ & PARTNERS
1 CONCORDE GATE SUITE
NORTH YORK, ONTARIO
M3C 4G4

10

Property Info.

Ref. No. TIMBER TRAIL RES
4575 HIGHWAY 60
DWIGHT, Ontario

Attention:

Paul McGrath

Terms:

Net 30

Date	Description	Unit Cost	GST	Ext. Price
11/14/2007	1st Inspection-thorough walk threw of premises & pictures	\$75.00	\$4.50	\$79.50
11/30/2007	Inspections-Nov 20,22,27,29/07 4 @ \$40ea	\$160.00	\$9.60	\$169.60
11/30/2007	Management fee	\$75.00	\$4.50	\$79.50
		\$310.00	\$18.60	\$328.60



P.O Box 299
Kleinburg, Ontario
LOJ 1C0
TEL # 1-800-561-4133
Fax # 1-800-420-4058
GST I36569142RT0001

Invoice

Date	Invoice #
11/30/2007	15,695

Bill To:

MINTZ & PARTNERS
1 CONCORDE GATE SUITE
NORTH YORK , ONTARIO
M3C 4G4

10

Property Info.

Ref. No. BIRCHWOOD CAM
422 LAKEVIEW DRIVE
BURKS FALLS , Ontario

Attention:

Paul McGrath

Terms:

Net 30

Date	Description	Unit Cost	GST	Ext. Price
11/14/2007	1st Inspection-thorough walk threw of premises & pictures	\$75.00	\$4.50	\$79.50
11/30/2007	Inspections-Nov 20,22,27,29/07 - 4 @ \$40ea	\$160.00	\$9.60	\$169.60
11/30/2007	Management Fee	\$75.00	\$4.50	\$79.50
		\$310.00	\$18.60	\$328.60



P.O Box 299
 Kleinburg, Ontario
 LOJ 1C0
 TEL # 1-800-561-4133
 Fax # 1-800-420-4058
 GST 136569142RT0001

Invoice

Date	Invoice #
11/30/2007	15,696

Bill To:
MINTZ & PARTNERS 1 CONCORDE GATE SUITE NORTH YORK , ONTARIO M3C 4G4

10

Property Info.
Ref. No. PINES COTTAGE RE 1032 OXTONGUE LAKE RD HUNTSVILLE , Ontario

Attention:	Terms:
Paul McGrath	Net 30

Date	Description	Unit Cost	GST	Ext. Price
11/14/2007	1st Inspection-thorough walk threw of premises & pictures	\$75.00	\$4.50	\$79.50
11/30/2007	Inspections-Nov 20,22,27,29/07 - 4 @ \$40ea	\$160.00	\$9.60	\$169.60
11/30/2007	Management Fee	\$75.00	\$4.50	\$79.50
11/30/2007	Cut & delivered 2 sets of keys to Robert Weisz	\$60.00	\$3.60	\$63.60
		\$370.00	\$22.20	\$392.20





INCORPORATED

P.O Box 299
Kleinburg, Ontario
L0J 1C0
TEL # 1-800-561-4133
Fax # 1-800-420-4058
GST 136569142RT0001

Invoice

Date	Invoice #
11/30/2007	15,698

Bill To:

MINTZ & PARTNERS
1 CONCORDE GATE SUITE
NORTH YORK, ONTARIO
M3C 4G4

10

Property Info.

Ref. No. WHISPERING PINE
451 GOLF COURSE RD
HUNTSVILLE, Ontario

Attention:

Paul McGrath

Terms:

Net 30

Date	Description	Unit Cost	GST	Ext. Price
11/07/2007	Courier charge-keys	\$25.00	\$1.50	\$26.50
11/08/2007	Courier charge-keys	\$25.00	\$1.50	\$26.50
11/08/2007	Cut 57 keys @ \$1.25ea	\$71.25	\$4.28	\$75.53
11/13/2007	Provided supervised access to Barry Pete-Appraiser	\$60.00	\$3.60	\$63.60
11/16/2007	Cut & delivered 2 sets of keys to Robert Weisz	\$60.00	\$3.60	\$63.60
11/14/2007	1st Inspection-thorough walk threw of property & pictures	\$75.00	\$4.50	\$79.50
11/19/2007	Deliver & pick up keys to Royal Lepage	\$60.00	\$3.60	\$63.60
11/30/2007	Inspections-Nov 20,22,27,29/07 - 4 @ \$40ea	\$160.00	\$9.60	\$169.60
11/30/2007	Management Fee	\$75.00	\$4.50	\$79.50
		\$611.25	\$36.68	\$647.93



P.O Box 299
Kleinburg, Ontario
L0J 1C0
TEL # 1-800-561-4133
Fax # 1-800-420-4058
GST 136569142RT0001

Invoice

Date	Invoice #
11/30/2007	15,699

Bill To:

MINTZ & PARTNERS
1 CONCORDE GATE SUITE
NORTH YORK , ONTARIO
M3C 4G4

10

Property Info.

Ref. No. MARY LAKE COT
689 EVERGREEN TRAIL
HUNTSVILLE , Ontario

Attention:

Paul McGrath

Terms:

Net 30

Date	Description	Unit Cost	GST	Ext. Price
11/30/2007	Inspection-Nov 22,27,29/07 - 3 @ \$40ea	\$120.00	\$7.20	\$127.20
11/22/2007	Courier keys to our inspector	\$30.00	\$1.80	\$31.80
11/23/2007	Provide access to Heating contractor	\$90.00	\$5.40	\$95.40
11/23/2007	Provide access to Mr. Dickson	\$90.00	\$5.40	\$95.40
11/23/2007	Replace Venturi in venting, fire appliance & check operations	\$460.00	\$27.60	\$487.60
11/30/2007	Management Fee	\$75.00	\$4.50	\$79.50
		\$865.00	\$51.90	\$916.90

Appendix “K”



200 - 1 Concorde Gate
North York, ON M5C 4G4

Invoice Date: 11/15/2007
Invoice No.: 117578
Client No.: 20639.CKR01

T: 416.591.2900
F: 416.644.4505
Web site: www.mintz.ca

Mintz & Partners Limited
1 Concorde Gate
Suite 200
North York, Ontario
M3C 4G4

INVOICE # 2

Sabourin et. al. ("Sabourin" or the "Companies") – Court-appointed Receivership

To professional services rendered by Mintz & Partners Limited ("MPL") as Court-appointed Receiver ("Receiver") ending November 9, 2007, including:

- Review, discuss and revisions on November 1, 2007 to the First Report to Court ("First Report");
- Discussion on November 1, 2007 with John Vinklers Surveying Ltd. ("Vinklers") with respect to Pickeral Lake survey;
- Attendance on November 1, 2007 at the office of Mr. Symon Zucker of Danson Zucker & Connelly ("DZ&C") to discuss the First Report and filing at Court of same;
- Telephone discussion on November 1, 2007 with Firstbrook Cassie & Anderson LLP ("FC&A") with respect to insurance forms and subsequent review and execution of final insurance forms;
- Review on November 1, 2007 of Mr. Symon Zucker's correspondence to the mortgagors counsel;
- Review, discuss and revisions on November 2, 2007 to the First Report and schedules;
- Correspondence of November 5, 2007 to Mr. David Preger of Solomon Grosberg LLP ("SG") with respect to copies of payment information made by his client;
- Final review on November 5, 2007 of First Report as per telephone discussion with Mr. Zucker;
- Review on November 5, 2007 of documents with respect to Oxtongue property ownership;
- Discussion on November 5, 2007 with Mr. David Sloan with respect to status;
- Telephone conference call on November 5, 2007 with Mr. Symon Zucker with respect to First Report and make various amendments to same;
- Finalize on November 6, 2007 the First Report and send copies to Mr. Zucker;
- Discussions on November 6, 2007 with respect to issues to the status of various issues;

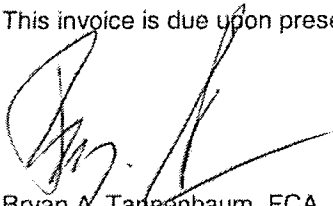


- Review on November 6, 2007 of AGC insurance policy from Lombard;
- Review on November 6, 2007 of various PPSA reports for additional entities;
- Discussion on November 6, 2007 with AGC with respect to liability insurance policy;
- Discussions on November 6, 2007 with respect to status of the receivership;
- Preparation on November 7, 2007 of an analysis of real estate equity and there moving collateral mortgages;
- Review on November 7, 2007 of FCA insurance invoices;
- Telephone discussion on November 7, 2007 with Mr. n Zucker, with respect to the First Report and attendance at Court;
- Correspondence of November 7, 2007 to Mr. Zucker with respect to additional points for Court with respect to the First Report;
- Telephone discussion on November 7, 2007 with Mr. Zucker with respect to letter received from Mr. Martin Banach of Meyer, Wassenaar & Banach, LLP ("MW&B") and Mr. David Sloan of Baker Schneider Ruggiero LLP ("BSR") re Citizens Bank of Canada and Privilege Clubs Resorts;
- Correspondence on November 7, 2007 to Mr. Martin Banach and Mr. David Sloan responding to their letter re Citizens Bank of Canada and Privilege Clubs Resorts;
- Telephone discussion on November 7, 2007 with Mr. David Sloan with respect to Citizens Bank of Canada and Privilege Clubs Resorts;
- Attendance on November 8, 2007 at Court for hearing and filing of the First Report;
- Discussions on November 8, 2007 with Mr. Zucker, and various counsel before and after court hearing, etc.;
- Review on November 9, 2007 of insurance invoices from FCA;
- Discussions on November 9, 2007 with respect to status of the receivership, court results and planning issues;
- Discussions on November 9, 2007 with Mr. Peter Aziz with respect to implementing the Court Order as to who sells real estate;
- Review on November 9, 2007 of CIT tractor buyout information; and
- Generally all meetings/discussions/conferences to effect the foregoing.

- A detailed summary of time is as follows:

Team Members	Hours	Hourly Rates	Total fees
Fees			
Bryan A. Tannenbaum, FCA, CACIRP, FCIRP, President	8.9	525.00	\$ 4,672.50
Jack Richards, CIRP, Senior Manager	25.5	425.00	10,837.50
Paul McGrath, CFE, Senior Manager	49.5	325.00	16,087.50
Peter Aziz, Vice President, Real Estate Operations	2.0	275.00	550.00
Anna Koroneos, Insolvency Specialist	<u>3.3</u>	\$145.00	<u>478.50</u>
Total fees	<u>89.2</u>		\$ 32,626.00
Add: Disbursements:			
Travel		\$ 108.00	
Parking		35.32	
Invoice re: Almaguin Parklands (winterize the park sites & to re-hab the pool for winter)		377.36	
Invoice re: Mary Lake Marina (removal & storage of dock & aluminum structure)		<u>280.00</u>	<u>800.68</u>
Total fees and disbursements			33,426.68
Add: GST			<u>2,005.60</u>
Total balance due			<u>\$35,432.28</u>

This invoice is due upon presentation.



Bryan A. Tannenbaum, FCA, CA•CIRP, FCIRP
President

GST #: 13188 5782 RT0001

.ODMA\PCDOCS\MINTZ\37248A1



Invoice Date: 12/07/2007
Invoice No.: 118191
Client No.: 20639.CKR01

200 - 1 Concorde Gate
North York, ON M3C 4G4

T. 416.391.2900
F. 416.644.4303

Web site: www.mintzca.com

Mintz & Partners Limited
Court-appointed Receiver of
Sabourin et. al
1 Concorde Gate,
Suite 200
North York, Ontario
M3C 4G4

INVOICE #3

Sabourin et. al. ("Sabourin" or the "Companies") – Court-appointed Receivership

To professional services rendered by Mintz & Partners Limited ("MPL") as Court-appointed Receiver ("Receiver") for the period November 10, 2007 to November 30, 2007, including:

- Review on November 12, 2007 of the PPSA searches for the various Companies;
- Review on November 12, 2007 of the draft Order of Mr. Symon Zucker of Danson Zucker & Connelly ("DZ&C");
- Telephone discussion on November 12, 2007 with Mr. Zucker with respect to the trust accounts;
- Review on November 12, 2007 of the price of the chattels on the real property, including preservation costs;
- Correspondence on November 14, 2007 to DZ&C with respect to the trust accounts;
- Meeting on November 15, 2007 with Mr. Zucker to review the Companies' records;
- Review on November 15, 2007 of the Kawartha Credit Union bank accounts;
- Telephone discussion on November 15, 2007 with Mr. David Preger with respect to the Pickeral Lake property offer;
- Discussions on November 15, 2007 with respect to a detailed analysis of the PPSA searches;
- Review on November 15, 2007 of the decision of Justice Cummings on the Court hearing;
- Telephone discussion on November 16, 2007 with a representative of John Deere Credit with respect to the status of the leased assets;
- Review on November 16, 2007 of an invoice from Mr. Hugh Parker of Whispering Pines Golf Course in Huntsville and initiate payment of same;
- Telephone discussion on November 19, 2007 with Mr. Rob Lerner, a reporter from the Amalguin News with respect to the status;

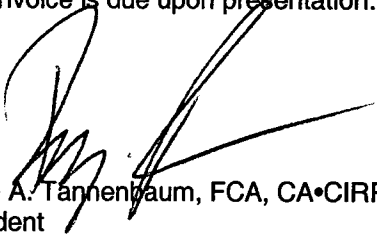
- Review on November 19, 2007 of the offer to purchase the Pines property, including correspondence to the interested parties;
- Meeting on November 20, 2007 with Mr. Zucker, with respect to the offer to purchase the Pines property;
- Review on November 21, 2007 of various issues with respect to the chattels and property appraisals;
- Receipt and review on November 22, 2007 of an e-mail from Mr. Lerner with respect to the status of the receivership;
- Review on November 22, 2007 of the appraisal report and prepare comments re: same;
- Review on November 22, 2007 of the status of the offer to purchase the Pines and Evergreen properties;
- Review and update on November 22, 2007 of correspondence to Mr. Martin Banach with respect to the offer to purchase;
- Discussions on November 23, 2007 with respect to securing the properties and the status of the sale of the assets;
- Review on November 23, 2007 of correspondence from Mr. Zucker with respect to the application to Court to approve the sales process;
- Discussions on November 23, 2007 with respect to requests for information received from the press re: Pickeral Lake Lodge;
- Review on November 23, 2007 of the status of the Evergreen offer and subsequent discussions with Mr. Zucker re: same;
- Correspondence of November 23, 2007 to Almaguin News with respect to the status of the Pickeral Lake Lodge property;
- Prepare for and attend on November 26, 2007 at the Ontario Superior Court of Justice ("Court") with respect to the Receiver's application to Court;
- Telephone discussion on November 26, 2007 with Mr. Zucker with respect to the application to Court for approval of the sale process and the sale of the assets;
- Attendance on November 27, 2007 in Court to finalize the judgment on the Receiver's application to Court;
- Discussions on November 30, 2007 with respect to the sale of the properties, insurance and the status of the Court Report;
- Review on November 30, 2007 of the appraisal and prepare an Real Estate Marketing Summary re: same;

- File review on November 30, 2007 with respect to initiating the preparation of the Receiver's Second Report to Court;
- Generally all meetings/discussions/conferences to effect the foregoing.

A detailed summary of time is as follows:

Team Members	Hours	Hourly Rates	Total fees
Fees			
Bryan A. Tannenbaum, FCA, CA•CIRP, FCIRP, President	3.5	\$550.00	\$ 1,925.00
Jack Richards, CIRP, Senior Manager	1.8	425.00	765.00
Paul McGrath, CFE, Senior Manager	59.0	325.00	19,175.00
Peter Aziz, Vice President, Real Estate Operations	<u>5.5</u>	275.00	<u>1,512.50</u>
Total fees	<u>69.8</u>		\$23,377.50
Add: Disbursements:			
Maintenance – Whispering Pines		\$ 200.00	
Parking		<u>40.89</u>	<u>240.89</u>
Total fees and disbursements			23,618.39
Add: GST			<u>1,417.10</u>
Total balance due			<u>\$25,035.49</u>

This invoice is due upon presentation.


Bryan A. Tannenbaum, FCA, CA•CIRP, FCIRP
President

GST #: 13188 5782 RT0001

::ODMA\PCDOCS\MINTZ\377186\1

Appendix “L”

IN ACCOUNT WITH
DANSON & ZUCKER
BARRISTERS & SOLICITORS

TEL. NO.: (416) 863-9955

FAX NO.: (416) 863-4896

G.S.T. NO. R121411045

DIRECT EXTENSIONS/EMAIL:

224 – sz@bondlaw.net *Symon Zucker*

227 – bescujuri@bondlaw.net *Bernadette Escujuri*

December 5th, 2007

ACCOUNT NO.: 110

FILE NO.: 207085

MINTZ & PARTNERS

1 Concorde Gate, Suite 200

North York, ON

M3C 4G4

INTERIM ACCOUNT

RE: Receivership - Peter Sabourin, Sabourin Group of Companies, et al

To professional services rendered in connection with this matter from October 5th, to date including the following:

Oct/5/07 To preparation and attendance before Justice Cummings re; approval of Receiver, Mintz & Partners; To all discussions with Mr. McGrath;

Oct/9/07 To receipt and review of correspondence from Mr. Tannebaum re; Order of Justice Cummings be registered on title and further application to Court re; Ontario Securities Commission to disclose information relating to Sabourin; To reviewing letter to Mr. Moore and Mr. Preger re; disclosing property information; To receipt and review of

correspondence from Ms. Chisholm re; motion to appointing Receiver;

Oct/10/07 To speaking with Mr. McGrath; To receipt and review of Notice and Report of Receiver; To reviewing all property searches; To all discussions with Mr. McGrath re; property review and providing mortgage information; To receipt of Notice of Sale under mortgage and correspondence from Mr. Gleiberman; To correspondence to Ms. Chisholm re; pleadings

Oct/11/07 To speaking with Mr. McGrath; To corporate search re; Camdeton Trading; To electronic mail to Paul McGrath re: corporate search for Camdeton Trading Ltd. (Order 171308) and Order of Justice Cummings of October 5th, 2007; To receipt and review of correspondence from Mintz & Partners to Mr. Preger re; Pickeral Lake Lodge;

Oct/16/07 To receipt and review of electronic mail from Nick Holland re; researching law; To all electronic mail to/from Mr. Holland re; discussions with Ms. Chisholm of the Ontario Securities Commission; To reviewing case law re; application to Court for disclosure; To receipt and review of correspondence from Mr. Tannebaum re; status of documentation; To receipt and review of correspondence from Mr. Tannenbaum to Mr. Holland re; OSC; To receipt and review of correspondence from Mr. Garbig to Mr. McGrath re; 1369575 Ontario Limited and Vector Financial Services;

Oct/17/07 To speaking with Mr. McGrath; To corporate search re; 1902512 Ontario Inc., Privilege Clubs Resorts International Inc. and 1526206 Ontario Ltd., 1720460 Ontario Inc., and 1902512 Ontario Inc.; To electronic mail to Paul McGrath re: corporate search for (Order No. 171738, 173143, 173151 and 173689); To receipt and review of correspondence from Mr. Garbig to Mintz & Partners re; Evergreen Trail, 1032 Oxtongue Lake Road and Part Lots 8 & 9 Township of McClintock; to receipt and review of correspondence from Mr. Tannebaum re; numbered companies;

Oct/18/07 To speaking with Mr. McGrath; To receipt and review of electronic mail from Mr. McGrath re; current property searches (abstracts for all properties listed on

Certificate of Pending Litigation); To speaking with Mr. McGrath re; further property search on additional property not listed 4575 Highway 60, Dwight, ON (1685773 Moose Lodge Properties Ltd.); To speaking with Paola Scarcello (Real Estate Clerk) re; property searches; To electronic mail to/from Ms. Scarcello;

Oct/19/07 To receipt and review of correspondence re; Mary Lake cottage and reviewing correspondence from Baker Schneider Ruggiero counsel for Citizen's Bank;

Oct/22/07 To receipt and review of electronic mail from Bryan Tannenbaum re: off-shore property in Barbados; To receipt and review of correspondence from Mr. McGrath re; copy of letter from Mr. Miller re; Township of Armour; To speaking with Mr. Tannebaum re; discussions of Court report being prepared;

Oct/23/07 To receipt and review of correspondence from Mr. McGrath re; mortgage material for Certificate of Pending Litigation properties; To receipt and review of correspondence from Mr. Preger re; property disclosure – *Joe Martins, in trust v. 1670342 Ontario Inc.*; To speaking with Mr. McGrath re; Citizen's Bank mortgage;

Oct/26/07 To preparation and meeting with Mr. McGrath and Mr. Richards re; status of receivership;

Oct/29/07 To speaking with Mr. Holland re; law research for Factum; To preparation of Book of Authorities; To speaking with Mr. McGrath; To receipt and review of correspondence from Mr. Richards re; letter from Township of Armour;

Oct/30/07 To preparation and attendance at meeting with Mr. McGrath, Mr. Martin and counsel re; Pickeral Lake Lodge sale;

Oct/31/07 To receipt and review of electronic mail to/from Mr. McGrath; To reviewing three boxes of disclosure from the OSC;

Nov/1/07 To reviewing file and preparation of meeting with Mr. McGrath, Mr. Richards and Mr. Tannebaum re; First Report; To correspondence to the mortgagor's counsel;

Nov/2/07 To further discussions with Mr. McGrath re; revisions to First Report; To reviewing file and forwarding facsimile to Mr. McGrath re; letter from Ms. Skultety;

Nov/5/07 To final review of First Report and various telephone discussions with Mr. McGrath, et al re; revisions; To service of First Report upon all counsel; To receipt and review of correspondence from Ms. Chisholm re; disclosure;

Nov/6/07 To receipt and review of electronic mail from Ms. Nishimura re; First Report to Court prepared by Mintz & Partners; To electronic mail to Ms. Nishimura re Order at Appendix "A" ; To electronic mail to Mr. McGrath re; property searches (9 abstracts); To Memo to Process Server re; filing of First Report and Motion Record returnable November 8th, 2007; To preparation for registration of Order of Justice Cummings of October 5th, 2007 on Certificate of Pending Litigation properties;

Nov/7/07 To reviewing First Report and correspondence from Mintz & Partners re; further facts to be addressed to Court; To speaking with Mr. McGrath re; letter from Mr. Banach and Mr. Sloan and reviewing contents of letters with Mintz & Partners; To reviewing file and preparation of Notice of Motion (Commercial Court) re; approval of First Report and approval of fees and disbursements of Receiver; To drafting Affidavit of William Brown in support of motion;

Nov/8/07 To preparation and attendance at Court re; approval of First Report prepared by Mintz & Partners; To all preparation and discussions after attendance before Justice Cummings (Commercial Court);

Nov/9/07 To receipt and review of electronic mail to/from Mr. McGrath; To receipt and review of letter from Mr. Moore; To speaking with Mr. McGrath and forwarding Mr. Moore's letter; To further discussions re; status of receivership and Order of Justice Cummings;

Nov/14/07 To receipt and review of electronic mail from Mr. McGrath; To review letter to Mr. Preger; To speaking with Mr. McGolderick re; registered Justice Cummings Order of October 5th, 2007 on title re; Evergreen Trial, Huntsville and Armour Property; To speaking with Mr. McGoldrick re; e-reg confirmed; To receipt and review of correspondence

from Ms. Price, counsel OSC re; First Report to Court and Motion Record of November 8th, 2007;

Nov/16/07 To receipt and review of correspondence from Mr. Tannebaum; To reviewing file; To all preparation re; Order of Justice Cummings of October 5th, 2007, registered on all properties;

Nov/27/07 To electronic mail to Mr. McGrath, Mr. Jarvis and Ms. Snow; To reviewing correspondence from Mr. Jarvis; To speaking with Mr. McGrath; To receipt and review of correspondence from Mr. Banach re; sale of Evergreen (\$797,000);

Nov/29/07 To speaking with Mr. McGrath; To corporate search re; Canadian Shield Log Homes; To electronic mail to Paul McGrath re; no match for Canadian Shield Log Homes; To reviewing Order of Justice Cummings of November 8th, 2007 drafted by Mr. Banach;

Nov/30/07 To speaking with Mr. McGrath; To correspondence to Mr. Banach; To reviewing Order of Justice Cummings of November 8th, 2007 and amendments thereto;

Dec/3/07 To all electronic mail to/from Mr. McGrath and Mr. Tannenbaum; To receipt and review of motion material from Mr. Preger;

Dec/4/07 To speaking with Mr. McGrath; To correspondence to Mr. Banach;

Dec/5/07 To reviewing law re: rights and duties of Receiver and to reviewing Second Report of Receiver;

To all ancillary telephone conversations, correspondence and advice.

OUR FEE HEREIN:	\$48,042.00
GST (6%):	2,882.52
<u>TOTAL FEES/GST:</u>	<u>\$50,924.52</u>

DISBURSEMENTS:

Process Server Fee (parcel abstracts)*	114.00
Process Server Fee (registrations on title- Order)*	

Including Minister of Finance disbursement fees	331.36	
Dye & Durham (corporate searches)*	170.14	
Cindy McGoldrick re; e-reg*	219.20	
Couriers	106.21	
Process Server fee* (Rush Order entry-Oct/5/07	122.86	
Minister of Finance (Motion Record of Nov/8/07)	127.00	1,190.77
GST on disbursements*		71.45

TOTAL FEES/GST/DISBURSEMENTS: (104 hours x \$500)

\$52,186.74

THIS IS OUR ACCOUNT HEREIN

DANSON & ZUCKER

SYMON ZUCKER

SZ:be

E.& O.E