

District of: Alberta
Division No. 02
Court No.
Estate No.

FORM 87
Notice and Statement of the Receiver
(Subsections 245(1) and 246(1) of the Act)
In the matter of the receivership of
Heritage Plaza Developments Inc.
of the Town of Cochrane, in the Province of Alberta

The receiver gives notice and declares that:

1. On the 14th day of December, 2016, Deloitte Restructuring Inc. (“Deloitte”), was appointed by the Court of Queen’s Bench of Alberta as the receiver and manager (the “Receiver”) of all rents due and accruing due now and hereafter from the lands and premises described as Plan 0710874 Block 7 Lot 59 (the “Property”) and of the undertakings, property and assets of Heritage Plaza Developments Inc. (the “Debtor”) situation upon or relating to the Property that is described below:

Description	Book Value*
Accounts receivable	\$ Unknown
Prepaid expenses and deposits	Unknown
Real estate	Unknown
Total	<u>\$ Unknown</u>

* All asset book values are unknown at this time as the Receiver has not been able to obtain the books and records. Further explanation is provided below.

2. Deloitte became the Receiver by virtue of an order of the Honorable Justice J.L. Mason of the Court of Queen’s Bench of Alberta which is attached to this Notice as **Schedule “A”**.
3. The Receiver took possession and control of the Property described above on the 16th day of December, 2016.

Mr. Ali Ghani, Director of the Debtor Company, advised he was out of town and not able to meet the Receiver on December 16, 2016. The Receiver issued a detailed information request to Mr. Ghani via email and has requested his response. The Receiver continues its efforts to meet with Mr. Ghani and obtain the books and records as quickly as possible.

4. The following information relates to the receivership:

- (a) Mailing Addresses: 228, 1935 – 32 Avenue NE, Calgary AB T2E 7C8
- (b) Principal line of business: Real Estate Development & Commercial Leasing
- (c) Location of business: 228, 1935 – 32 Avenue NE, Calgary AB T2E 7C8

(d) Amount owed to each creditor who holds security on the Property described above:

Creditor	Book Value**
Sterling Bridge Mortgage Corp.	\$7,806,302
HarbourEdge Capital Corp.	237,582
Total	<u>\$8,043,884</u>

** All known liability amounts are based on amounts provided by the creditors as at December 16, 2016.

(e) A list of unsecured creditors is attached to this Notice as **Schedule "B"**.

(f) The intended plan of action of the Receiver during the receivership, to the extent that such a plan has been determined, is as follows:

Secure the Property of the Company and manage the Property until the sale of the Property has been fully executed in accordance with the Redemption Order Listing, attached as **Schedule "C"**.

(g) Contact person for the Receiver:

Naomi McGregor
Deloitte Restructuring Inc.
Suite 700, 850 – 2nd Street SW
Calgary, AB T2P 0R8
Phone: 403-503-1423
Email: naomcgregor@deloitte.ca

Dated at the City of Calgary in the Province of Alberta, this 21st day of December, 2016.

Deloitte Restructuring Inc.
In its capacity as Receiver and Manager
of the Property (as defined herein),
and not in its personal capacity



Bob Taylor, FCFA, FCA, CIRP, LIT, CFE
Senior Vice-President

700 Bankers Court, 850 - 2nd Street SW
Calgary AB T2P 0R8
Phone: (403) 267-0501 Fax: (403) 718-3681

SCHEDULE "A"
RECEIVERSHIP ORDER

I hereby certify this to be a true copy of
the original Order
dated this 14 day of Dec 2016
for Clerk of the Court



COURT FILE NUMBER 1601-08655
COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF(S) STERLING BRIDGE MORTGAGE CORP.
DEFENDANT(S) HERITAGE PLAZA DEVELOPMENTS INC., and
ALI GHANI
DOCUMENT CONSENT ORDER FOR RECEIVER AND
MANAGER
ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT Dentons Canada LLP
Bankers Court
15th Floor, 850 - 2nd Street S.W.
Calgary, Alberta T2P 0R8
Attention: David Mann/Afshan Naveed
Ph. (403) 268-7097/7015 Fx. (403) 268-3100
File No.: 177191-298

DATE ON WHICH ORDER WAS PRONOUNCED:	December 14, 2016
LOCATION WHERE ORDER WAS PRONOUNCED:	Calgary, AB
NAME OF MASTER WHO MADE THIS ORDER:	J.L. Mason

UPON the Application of Sterling Bridge Mortgage Corp. ("Sterling") in respect of Heritage Plaza Developments Inc. (the "Heritage"); **AND UPON** having read the Application, the Affidavit of Keith Prosser sworn, October 11, 2016; **AND UPON** hearing counsel for Sterling; **AND UPON** noting the consent of counsel for the Defendants endorsed hereon;

AND UPON IT APPEARING that the Plaintiff's mortgage is in default and that rents and profits are arising out of the lands that are subject to that mortgage; **AND UPON IT APPEARING** to be just and equitable to appoint a Receiver and Manager;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Pursuant to section 49 of the *Law of Property Act*, RSA 2000, c L-7 and section 13(2) of the *Judicature Act*, RSA 2000, c J-2, Deloitte Restructuring Inc., (the "Receiver and Manager") be and is hereby appointed as Receiver of all the rentals due and accruing due now or hereafter from the lands and premises described as:

PLAN 0710874

BLOCK 7
LOT 59
EXCEPTING THEREOUT ALL MINES AND MINERALS
Area: 1.118 Hectares (2.76 Acres) More or Less
("the Mortgaged Lands")

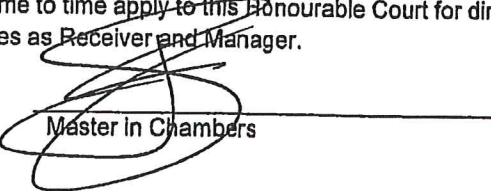
and appointed as Manager of the undertaking, property and assets of the Defendant, Heritage Plaza Developments Inc., situate upon or relating to the Mortgaged Lands and premises.

2. The Receiver and Manager shall have all such powers as this Court may from time to time deem expedient, or as are inherent in the office, and without restricting the generality of the foregoing, shall have the power from time to time:
 - (a) to manage, administer, maintain and operate the Mortgaged Lands;
 - (b) to lease and re-let the Mortgaged Lands, or any part thereof, and to renegotiate leases thereof, as it may in its discretion deem advisable;
 - (c) to investigate any charges or liens registered against the Mortgaged Lands;
 - (d) to terminate leases or obtain possession, or both with respect to the Mortgaged Lands, or any part thereof;
 - (e) to collect the rents, profits and other receipts arising from the Mortgaged Lands, or any part thereof;
 - (f) to distrain and pursue other remedies available at law or in equity for rent in arrears in the same manner and with the same right of recovery as a landlord;
 - (g) from time to time to borrow moneys for the purpose of carrying out duties and powers hereunder, including (without limitation) borrowing moneys from the Plaintiff, (provided that no more than \$ 100,000.00 in the aggregate shall be borrowed without further leave of this Court) and to repay and again borrow moneys within the aforesaid limits; all moneys so borrowed to be a charge upon the Mortgaged Lands bearing the same priority as the Plaintiffs mortgage described in the Statement of Claim;
 - (h) to affect repairs and to make Improvements needed to render the Mortgaged Lands rentable and to pay for the cost of the same;
 - (i) to collect and administer damage deposits and other security deposits;
 - (j) such other powers as may be deemed just and necessary by this Court from time to time.
3. The Receiver and Manager shall be at liberty to employ such agents and assistants, including the appointment of solicitors, as it may consider necessary for the purpose of preserving the said property and assets of the Defendant, Heritage, carrying on the business and undertaking on the Mortgaged Lands and exercising any of the powers granted hereunder, and that any expenditure which shall properly be made or incurred by the Receiver and Manager in so doing shall be allowed it in passing its accounts and shall for all purposes be deemed to be a disbursement referred to in paragraph 6(a) hereof.

4. The Defendants shall at once deliver over to the Receiver and Manager all the books, documents and papers of every kind, all damage or security deposits received from or in respect of the Mortgaged Lands, all post-dated cheques and any and all rent and other payments which may hereafter fall due from the tenants, which the Defendants have or will have in their power or possession, relating to the business and undertaking on the Mortgaged Lands.
5. The Defendants shall respond to any inquires reasonably made by the Receiver and Manager with respect to any information relating to the business and undertaking on the Mortgaged Lands.
6. The Receiver and Manager shall pay the proceeds of any rents, profits and other moneys collected or received by it as follows:
 - (a) first, towards fees and disbursements allowed to the Receiver and Manager as and by way of remuneration for its services as Receiver and Manager, including any disbursements for normal operating expenses and utilities; the Receiver and Manager shall be entitled to and is hereby granted a charge (the "Receiver's Charge") on the Mortgaged Lands, as security for such fees and disbursements, incurred both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge shall form a first charge on the Mortgaged Lands in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any person;
 - (b) second, in payment of taxes accruing due or owing on the Mortgaged Lands;
 - (c) third, to repay any moneys borrowed by the Receiver and Manager as permitted hereby;
 - (d) fourth, in reduction of the claims of the Plaintiff for the outstanding balance owing from time to time in care of its solicitors, Dentons Canada LLP, as may be proved to the satisfaction of the Receiver and Manager, and such costs and expenses, including legal costs on a solicitor and client (or other appropriate) basis, as may be allowed by this Court;
 - (e) the balance, if any, remaining shall be paid into Court subject to the further order of this Court upon application by an interested party.
7. Prior to payment of the fees which it proposes to charge by way of account or interim account for remuneration in its capacity as Receiver and Manager, the Receiver and Manager shall from time to time provide to the Solicitors for the Plaintiff statements of the said fees.
8. Prior to discharge, the Receiver and Manager shall have its accounts approved by the Court.
9. The Receiver and Manager shall not be required to furnish any security or bond for the due performance of its duties.
10. Service of this Order on the Defendants may be sufficiently effected by upon the Defendants by serving their counsel David Grossman of Henning Byrne LLP by e-mail at the address of grossman@henningbyrne.com.
11. A true copy of this Order shall be served upon the person appointed or employed by the Defendants to collect the rents and all other payments from the Mortgaged Lands, or alternatively upon the tenant(s) presently or in future occupying the unit(s) on the Mortgaged Lands, which

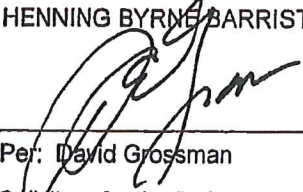
service may be effected by personally serving the said employee, or alternatively any adult apparently living in the unit(s) in question or by leaving a true copy of this Order at the unit(s) in question, as the case may be.

12. Forthwith upon service of a true copy of this Order as aforesaid, any and all rental payments which may then be due or may thereafter fall due from time to time relating to the Mortgaged Lands, or any part thereof, shall be paid to the Receiver and Manager, and that payment of the rentals to the Receiver and Manager as aforesaid, shall be deemed, as to those rentals received, to be an effective payment of such rental to the landlord.
13. The Plaintiff shall be entitled to its costs, taxed as between solicitor and client, including all costs and expenses of the Receiver and Manager.
14. 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.
15. No Proceeding against or in respect of the Mortgaged Lands shall be commenced or continued except with the written consent of the Receiver and Manager or with leave of this Court and any and all Proceedings currently under way, with the exception of the within Action by the Plaintiff, against or in respect of the Mortgaged Lands are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent the Plaintiff from continuing the within Action; (ii) prevent any person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph 13; and (iii) affect a Regulatory Body's investigation in respect of the Defendants or the Mortgaged Lands or an action, suit or proceeding that is taken in respect of the Defendants or the Mortgaged Lands by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. "Regulatory Body" means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a province.
16. The Receiver and Manager, may from time to time apply to this Honourable Court for direction and guidance in the discharge of its duties as Receiver and Manager.


Master in Chambers

CONSENTED TO THIS 23 DAY OF OCTOBER, 2016

HENNING BYRNE BARRISTERS AND SOLICITORS


Per: David Grossman

Solicitors for the Defendants

SCHEDULE "B"
UNSECURED CREDITORS

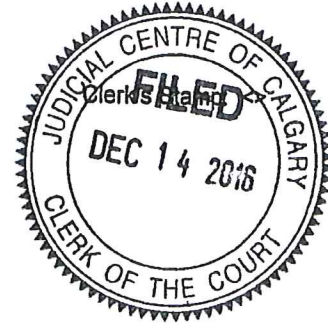
**Heritage Plaza Developments Inc.
Schedule B – Unsecured creditors**

Unsecured Creditors

715942 Alberta Ltd.	\$ Unknown
Canada Revenue Agency	Unknown
Direct Energy	Unknown
EPCOR Energy Services Inc.	Unknown
Flynn Canada Ltd.	Unknown
Hardwall Outdoor Living	Unknown
Primetime Electric Limited	Unknown
Telus Communications	Unknown
Toronto Dominion Bank	Unknown
Town of Cochrane	Unknown
Whitehead Yard Care	Unknown
Total Unsecured Creditors	<u>\$ Unknown</u>

SCHEDULE "C"
CONSENT REDEMPTION ORDER LISTING

I hereby certify this to be a true copy of
the original Order
dated this 14 day of Dec 2016
_____ |
for Clerk of the Court



COURT FILE NUMBER 1601-08655
COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF **STERLING BRIDGE MORTGAGE CORP.**
DEFENDANTS **HERITAGE PLAZA DEVELOPMENTS INC., and
ALI GHANI**
DOCUMENT **CONSENT REDEMPTION ORDER LISTING**
ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT
Dentons Canada LLP
Bankers Court
15th Floor, 850 - 2nd Street S.W.
Calgary, Alberta T2P 0R8
Attention: David Mann/Afshan Naveed
Ph. (403) 268-7097/7015 Fx. (403) 268-3100
File No.: 177191-298

DATE ON WHICH ORDER WAS PRONOUNCED:	December 14, 2016
LOCATION WHERE ORDER WAS PRONOUNCED:	Calgary, AB
NAME OF MASTER WHO MADE THIS ORDER:	J.L. Mason

UPON the application of the Plaintiff; AND UPON reading the Statement of Claim, the Affidavit of Keith Prosser, sworn October 11, 2016, the Certified copy of Title and the Affidavit of Value and Valuator's Report and evidence of service thereof; AND UPON hearing counsel for the Plaintiff; AND UPON noting the consent of counsel for the Defendants endorsed hereon;

IT IS HEREBY ORDERED AND DECLARED THAT:

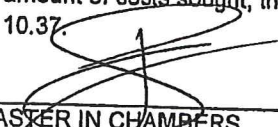
- The Plaintiff is entitled to Summary Judgment *as against the corporate vsm defendant only. vsm.*
- In this order the mortgaged lands are the following:

PLAN 0710874
BLOCK 7
LOT 59
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 1.118 HECTARES (2.76 ACRES) MORE OR LESS

(the "Mortgaged Lands")
- The mortgage described in the Statement of Claim is a valid and enforceable mortgage over the Mortgaged Lands.

4. ✓
J.M. There is outstanding, due and owing to the Plaintiff under the mortgage the sum of \$ 7,806,301.95 as at the 30 day of September, 2016 (as set forth in the statement of secured indebtedness which is attached to this Order), plus costs on a solicitor and client basis, plus interest thereafter at the mortgage rate, plus other amounts chargeable under the mortgage (the "Indebtedness"). Prior to the entry of this order the assessment officer shall check the amounts claimed in the statement of secured indebtedness, including the particulars provided in the Affidavit of Default and the Plaintiff's calculations. If the assessment officer returns this order unentered then the Plaintiff may either submit a corrected order or seek the advice and direction of the court. The requirement for service of documents prior to entry of this order, set out in Rule 9.35(1)(a), is hereby waived.
5. The Defendants and subsequent encumbrancers have one month from service of this order upon them to apply to vary the amount declared owing pursuant to the preceding paragraph with respect to any amounts not disclosed in the Affidavit of Default served in support of the application for this order.
6. The Defendants or anyone else entitled to do so shall have until one day from the date of service of this order upon the Defendants (the "Redemption Date") to repay the Indebtedness, failing which the Mortgaged Lands shall be offered for sale in the manner described in the judicial listing agreement attached to this order. Subject to further Order of the Court, and subject to paragraph 12 of this order, this Action is stayed until the Redemption Date.
7. If the Defendants, or anyone entitled to do so, repays the Indebtedness prior to the Mortgaged Lands being sold or foreclosed in these proceedings, then the Plaintiff shall provide to the person who paid the Indebtedness, at the election of such person, either a registrable discharge of the mortgage, or a registrable transfer of the mortgage.
8. ~~Provided that the mortgage has not matured, if the defendants, or anyone entitled to do so, pays all arrears owing under the mortgage, including solicitor and client costs, then this Action is stayed so long as payments under the mortgage remain current.~~ J.M.
9. If the Indebtedness has not been repaid by the Redemption Date then the Mortgaged Lands shall be listed for sale with a licensed real estate agent (the "Realtor") to be selected at the sole discretion of the Plaintiff, upon the terms and conditions mentioned in the directions to realtor attached to this order.
10. The Realtor shall be entitled to post a "FOR SALE" sign of the type customarily posted by a realtor at a conspicuous location on the Mortgaged Lands, which sign shall remain during the period of the judicial listing and shall not be interfered with by any person.
11. During the period of the judicial listing ordered herein, the Defendants and any person in possession of the Mortgaged Lands shall cooperate with the Realtor, and shall allow access to the Mortgaged Lands to the Realtor, any representative of the Realtor, any other realtor approved by the Realtor, and any prospective purchaser, upon receiving (24) hours written notice given by the Realtor for a viewing between 8:00 A.M. and 8:00 P.M. The written notice may be posted on the front door of the premises located on the Mortgaged Lands.
12. Any and all other real estate listings relative to the Mortgaged Lands shall be cancelled during the period of the judicial listing ordered herein.

13. If the Mortgaged Lands become vacant or abandoned during the course of this action then the Plaintiff may enter the Mortgaged Lands for the purpose of doing any and all things necessary to preserve them, and the Plaintiff shall not be considered a mortgagee in possession or trespasser.
14. With respect to the annexed statement of secured indebtedness:
 - (a) where nothing is claimed with respect to a listed category, the word "nil" shall be inserted opposite, and,
 - (b) where amounts are claimed for any of items 4 through 12, documents substantiating such claims shall be provided in affidavit form to the assessment officer for review prior to the entry of this order.
15. Service of this order and all subsequent documents in this action may be served upon the Defendants, by serving their counsel David Grossman of Henning Byrne LLP by e-mail at the address of grossman@henningbyrne.com.
16. The Plaintiff is awarded costs of this action on a solicitor and own client basis, which shall be assessed at a future date without notice unless the defendant filed a Statement of Defence, or filed a Demand for Notice, or appeared at the application where this order was granted, in which case, unless the Defendants have approved the amount of costs sought, the Plaintiff shall have such costs assessed on notice pursuant to Rule 10.37.



MASTER IN CHAMBERS

CONSENTED TO THIS 27 DAY OF OCTOBER, 2016

HENNING BYRNE BARRISTERS AND SOLICITORS



Per: David Grossman

Solicitors for the Defendants

JUDICIAL LISTING AGREEMENT

TO: The Realtor

1. You are hereby given authority as an officer of the Court to list for sale the mortgaged lands with the Multiple Listing Service, if any, in effect in the area in which the property is located.
2. The mortgaged lands shall be offered for sale subject to registered encumbrances, liens and interests prior to the plaintiff's mortgage but free and clear of all registered encumbrances, liens and interests subsequent to the plaintiff's mortgage.
3. The listing price shall be \$9,500,000.00 or such higher price as you may recommend after a comparative market analysis is conducted by you prior to the commencement of this judicial listing.
4. The listing shall take effect on the later of the day after the Redemption Date or the date the listing is accepted in writing by the realtor, and shall continue for a period of 90 days thereafter.
5. Within a reasonable time of receiving any offer, you shall forward a true copy of the said offer to counsel for the plaintiff. If the offer is insufficient to pay out the plaintiff it may be rejected by the plaintiff. Otherwise counsel for the plaintiff shall either apply without notice to reject an offer or apply on notice for the court to consider that offer. Where the plaintiff rejects an offer, or obtains an order without notice rejecting an offer, it shall forthwith serve the defendants and subsequent encumbrancers with a copy of such offer.
6. If no offers are received during the listing period, you shall so advise counsel for the plaintiff in writing, immediately following the expiry of the judicial listing.
7. In the event that, as a result of the listing, a purchaser is introduced whose offer is accepted by the Court, and the transaction is completed by the purchaser paying the full purchase price and title is registered in the name of the purchaser or its nominee, then, in such event, you will receive a commission as follows:

2.75% of the gross purchase price plus applicable taxes thereon
8. You shall have a first charge against the sale proceeds in the amount of any commission payable hereunder. If the Court accepts an offer to purchase and the purchaser fails to complete the purchase, and the Court does not order relief from forfeiture of the deposit, you will retain, as compensation for services rendered, fifty per cent (50%) of the said deposit (provided such amount does not exceed the commission payable had the sale been fully completed) and you will pay the balance of the deposit to counsel for the plaintiff to be applied against the indebtedness.
9. If the defendant, any subsequent encumbrancer, or anyone else entitled to do so, pays all principal, interest and other amounts owing under the mortgage at any time after the judicial listing takes effect, or brings the mortgage current after the judicial listing takes effect, there shall be paid as part of the costs of redemption, the reasonable expenses incurred by you as the Realtor during this judicial listing.
10. All offers submitted pursuant to the judicial listing shall, subject to further order of the Court:

- (a) be in writing and shall be signed by the offeror; and
 - (b) be subject to the approval and acceptance by the Court on such terms as the Court considers appropriate; and
 - (c) provide for a possession date to be determined by the Court; and
 - (d) contain and be subject to the terms and conditions as are contained in Schedule "A" which is attached to these directions; and
 - (e) be accompanied by a certified cheque or money order payable to your real estate company for the deposit amount referred to in the offer.
11. Nothing in the listing shall:
- (a) affect the plaintiff's right to make a proposal to purchase the mortgaged property, if applicable or otherwise acquire the mortgaged property after the expiry of the judicial listing without liability for any real estate commission or any other compensation payable to the Realtor hereunder;
 - (b) create or impose any liability on the plaintiff or the Court for the payment of any real estate commission or other compensation arising out of this listing.
12. The terms of the listing may be modified by the Court on application of any party or subsequent encumbrancer on five days notice.

ACCEPTED THIS __ DAY OF _____, 20__

By: _____

An Agent licensed pursuant to the *Real Estate Act*, R.S.A. 2000, c. R-5

APPROVED THIS 14 DAY OF December 2016



MASTER IN CHAMBERS

SCHEDULE "A" TO THE REAL ESTATE PURCHASE CONTRACT entered into between
THE COURT OF QUEEN'S BENCH OF ALBERTA (the "Seller")

and

<> (the "Buyer")

The terms of this schedule replace, modify or add to the terms of the agreement of purchase and sale (the "Real Estate Purchase Contract") to which this schedule is attached. Where there is any inconsistency between the terms of this Schedule and the Real Estate Purchase Contract, the provisions of this Schedule shall prevail.

AS IS - WHERE IS

1. The Buyer acknowledges and agrees to purchase the mortgaged lands, all buildings and improvements located on the mortgaged lands (the "Property"), and any and all fixtures ("Attached Goods") and chattels ("Unattached Goods") included in the Real Estate Purchase Contract or included in the sale of the property, "as is" and agrees with the Seller that neither the Seller, nor its agents or representatives have made any representations or warranties with respect to the Property or any Attached Goods or Unattached Goods included in the sale of the Property. Without limiting the generality of the foregoing, the Buyer agrees that neither the Seller nor its agents have made any representations or warranties with respect to:
 - (a) the condition of any buildings or improvements located on the Property;
 - (b) the condition of any Attached Goods or Unattached Goods included in the Real Estate Purchase Contract or otherwise sold with the Property;
 - (c) whether the Property complies with any existing land use or zoning bylaws or regulations, or municipal development agreements or plans;
 - (d) the location of any buildings and other improvements on the Property and whether such location complies with any applicable municipal bylaws or regulations;
 - (e) whether or not any buildings or improvements located on the Property encroach onto any neighbouring lands or any easements or rights of way;
 - (f) whether or not any buildings or improvements located on any neighbouring lands encroach onto the Property;
 - (g) the size and dimensions of the Property or any building or improvements located thereon;
 - (h) whether or not the Property is contaminated with any hazardous substance; and
 - (i) whether or not any of the buildings or other improvements located on the Property have been insulated with urea formaldehyde insulation.

OWNERSHIP OF UNATTACHED GOODS

2. The Buyer agrees that the Seller is selling only such interest as it may have in any Attached goods or Unattached Goods referred to in the Real Estate Purchase Contract, or which may be located on the Property, and the Seller does not warrant that it has title to such Attached Goods or Unattached Goods. Further, the Buyer agrees that the Seller will not be liable for the removal of any chattels found on the Property prior to or on the date of closing. On closing, the Buyer may have possession of the Attached Goods and Unattached Goods which are then on or about the Property on an "as is" basis, and the Seller will not provide a Bill of Sale, Warranty, or other title document to the Buyer. Further, there will be no adjustment or abatement of any kind to the Purchase Price with respect to any Attached Goods or Unattached Goods.

REAL PROPERTY REPORT & COMPLIANCE

3. The Seller is not required to provide the Buyer with a real property report or compliance certificate. Should the Seller provide the Buyer with a copy of a survey or real property report, the Buyer agrees that any use of or reliance upon such document shall be at the Buyer's own risk. The Buyer must satisfy itself that the survey or real property report which the Seller might provide accurately reflects the Property and the buildings and improvements located thereon as they currently exist and the Seller shall not be responsible for any errors or omissions which might exist on such document. The Seller does not represent or warrant the accuracy or validity of the said survey or real property report or compliance certificate.

CONDOMINIUM

4. If the Property is a condominium:
 - (a) the Seller is not required to provide any condominium documentation to the Buyer and the Buyer shall be solely responsible to obtain any condominium documentation he may require. Without limiting the generality of the foregoing, the Buyer may obtain on his own and at his sole costs and expenses any estoppel certificate, copy of the condominium bylaws and financial statement for the Condominium Corporation that he may require;
 - (b) the Buyer must satisfy himself with the condition of the condominium unit, the common property, and the financial condition of the condominium corporation and agrees that neither the Seller nor its agents, have made any representations or warranties pertaining to same including, without limiting the generality of the foregoing, the adequacy of any reserve fund the condominium corporation might have, any potential special assessments which might be levied by the condominium corporation or the existence of any legal actions pending against the condominium corporation;
 - (c) the Seller shall be responsible for amounts payable up to the closing date on account of any condominium fees and special assessments levied by the condominium corporation.

GOODS AND SERVICES TAX (G.S.T.)

5. In addition to the purchase price payable thereunder, the Buyer shall pay to the Seller and indemnify the Seller against all Goods and Services Tax ("G.S.T.") payable on the purchase price as required by the Excise Tax Act. The Seller will not provide to the Buyer a Certificate of Exempt Supply, or any other certificate certifying that this purchase and sale transaction is not

subject to the Goods and Services Tax. Should the Seller fail to collect G.S.T. from the Buyer, it shall not be construed by the Buyer as a certification by the Seller that no G.S.T. is payable by the Buyer hereunder, and the Buyer shall remain liable for any G.S.T. which might be payable with respect to this transaction.

ACCEPTANCE BY FACSIMILE

6. The Seller and Buyer agree that this contract may be signed in counterpart, and the acceptance of this offer communicated or confirmed by facsimile transmission shall be binding upon the parties. The Buyer agrees to promptly deliver an executed original Real Estate Purchase Contract to the Seller.

FORECLOSURE PROCEEDING

7. This offer is being made pursuant to or in a Court of Queen's Bench foreclosure proceeding and, as such, the Offer may be accepted only by Order of said Court and is subject to the terms of that Order. Any agreement arising out of the Seller's acceptance of this Offer is conditional upon the approval thereof by the said Court.

Buyer's Initial

Date

STATEMENT OF SECURED INDEBTEDNESS

1.	Principal	\$ 7,749,684.70
1(a).	Amounts included in principal other than the amount lent (such as enforcement legal fees already paid by the Plaintiff) <ul style="list-style-type: none">• Altus Appraisal Fees (\$3,385.76)	\$ 12,215.99
2.	Interest at date of Affidavit of Default (owing as at <u>September 30, 2016</u>)	\$ 56,617.23
3.	Interest at the mortgage rate from date of Affidavit of Default (<u>Sept 30, 2016</u>) to date of Order (<>, 20<>) [Per diem: \$1,944.54 x <> days]	\$
4.	Tax paid	NIL
5.	Property maintenance paid	NIL
6.	Occupancy inspections paid	NIL
7.	Insurance paid	NIL
8.	NSF Fees paid (\$25 x ___)	NIL
9.	Prior mortgage arrears paid	NIL
10.	Condominium Fees paid	NIL
11.	Homeowners Association Fees paid	NIL
12.	Any other amounts paid under the mortgage	NIL
	TOTAL DUE TO PLAINTIFF AT DATE ORDER GRANTED (excluding costs)	\$ 7,806,301.95