



**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

**DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE DEBTORS**

PETITIONER

AND:

**COROMANDEL CAMBIE 59 BT LTD.,  
COROMANDEL CAMBIE 59 DEVELOPMENTS LTD.,  
COROMANDEL CAMBIE 59 LIMITED PARTNERSHIP,  
JUN CHAO MO, ZHEN YU ZHONG,  
CM BAY HOLDINGS LTD., COROMANDEL HOLDINGS LTD.,  
JIN-OCEAN MORTGAGE INVESTMENT CORPORATION, and  
HIS MAJESTY THE KING IN RIGHT OF THE PROVINCE  
OF BRITISH COLUMBIA**

RESPONDENTS

**FIRST REPORT OF THE COURT APPOINTED RECEIVER  
OF COROMANDEL CAMBIE 59 BT LTD.,  
COROMANDEL CAMBIE 59 DEVELOPMENTS LTD., and  
COROMANDEL CAMBIE 59 LIMITED PARTNERSHIP**

**DATED NOVEMBER 15, 2024**

**PREPARED BY DELOITTE RESTRUCTURING INC.**

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## INTRODUCTION

- 1) Pursuant to an Order (the "**Receivership Order**") of the Supreme Court of British Columbia (the "**Court**") dated November 7, 2024 (the "**Date of Receivership**"), Deloitte Restructuring Inc. was appointed as receiver (in such capacity, the "**Receiver**"), without security, of the lands and premises located at 7510 Cambie Street, Vancouver, British Columbia, PID: 029-788-89 (the "**Lands**") and all the personal property of Coromandel Cambie 59 BT Ltd. (the "**Nominee**"), Coromandel Cambie 59 Developments Ltd. and Coromandel Cambie 59 Limited Partnership (collectively, the "**Debtors**") located at, related to or derived from the Lands and the share of the Nominee (together with the Lands, the "**Property**"). The Court proceedings in which the Receiver was appointed are referred to herein as the "**Receivership Proceedings**".
- 2) The Receivership Order was granted pursuant to an application by Desjardins Financial Security Life Assurance ("**Desjardins**"), the primary secured creditor of the Debtors. Desjardins provided the Debtors with a mortgage loan facility pursuant to a commitment letter dated October 18, 2018 (the "**Loan**"). Desjardins is owed approximately \$22,547,338 under the Loan as of November 7, 2024, and interest continues to accrue.
- 3) As security for the Loan, the Debtors granted Desjardins, among other things, a mortgage and assignment of rents dated October 30, 2018 (the "**Mortgage**") over the Lands.
- 4) Jin-Ocean Mortgage Investment Corporation ("**Jin-Ocean**") holds a second-ranking mortgage over the Lands and is owed approximately \$8,484,954 as of November 7, 2024, and interest continues to accrue.
- 5) The Receiver has retained the services of Lawson Lundell LLP ("**Lawson**") as its independent legal counsel in these Receivership Proceedings.
- 6) The Receiver has established a website at [www.insolvencies.deloitte.ca/en-ca/cambie59](http://www.insolvencies.deloitte.ca/en-ca/cambie59) (the "**Receiver's Website**"). The Receiver has posted the Receivership Order and copies of other relevant documents to the Receiver's Website and will continue to update the website to ensure that all stakeholders have access to the most current information pertaining to these Receivership Proceedings.
- 7) Unless otherwise provided, all other capitalized terms not defined in this first report of the Receiver (the "**First Report**") are as defined in the Receivership Order.

## Purpose of the First Report

- 8) The purpose of this First Report is as follows:
  - a) To provide the Court with an overview of the Debtors' business and pertinent background information;
  - b) To report on the Receiver's activities since the Date of Receivership;
  - c) To report on the receipts and disbursements in the Receivership Proceedings;

- d) To provide an overview of the proposed sale and investment solicitation process (the **"Proposed SISP"**) for the Property;
- e) To provide an overview of the salient terms of the offer to purchase and contract of purchase and sale agreement between the Receiver and 1475040 BC Ltd. (the **"Purchaser"** or **"Stalking Horse Bidder"**) dated November 15, 2024 (the **"Stalking Horse Bid"**) that is structured as a reverse vesting order transaction and is being presented to the Court for approval; and
- f) To support the Receiver's application(s) (to be filed) for the following orders:
  - i) Approving the activities of the Receiver as described in this First Report;
  - ii) Approving the Proposed SISP;
  - iii) Approving the Stalking Horse Bid; and
  - iv) Approving and granting a reverse vesting order of the Stalking Horse Bid for the SISP.

### **Terms of reference**

- 9) In preparing this First Report, the Receiver has relied upon certain information (the **"Information"**), including financial information provided by the Debtors, information in the First Affidavit of Kathy Wong filed November 5, 2024, and information in the Notice of Application filed November 5, 2024 in these Receivership Proceedings.
- 10) The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the *Chartered Professional Accountants Canada Handbook* and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of this information.
- 11) All dollar amounts in this First Report are in Canadian dollars, unless otherwise indicated.

### **BACKGROUND**

- 12) The Debtors were a part of the Coromandel Properties Ltd. group (**"Coromandel"**), a real estate developer which previously employed approximately 30 employees and had interests in approximately 16 real estate projects located Vancouver, British Columbia (**"BC"**). Coromandel experienced liquidity issues beginning in February 2003 which led to the group seeking protection under the *Companies' Creditor Arrangement Act* (**"CCAA"**).
- 13) The CCAA proceedings ultimately did not proceed and several of Coromandel's projects have been subject to foreclosure and receivership proceedings over the past two years.
- 14) The Debtors' principal asset is the Lands, which comprises a rectangular-shaped parcel of land located on the southeast corner of Cambie Street and West 59<sup>th</sup> Avenue in Vancouver, BC, with a lot area of 29,482 square feet. The Lands include a dilapidated and boarded-up two-storey, mixed-use building, a single family house, and a parking lot.



- 15) As Nominee, Coromandel Cambie 59 BT Ltd. is the legal owner of the Lands. Coromandel Cambie 59 Developments Ltd. and Coromandel Cambie 59 Limited Partnership are the beneficial owners of the Lands and the shareholders of the Nominee.
- 16) A site specific zoning bylaw for the Lands was approved by the City of Vancouver in 2016 for the development of a two building mixed-use medium density development, comprised of stratified condominium and retail units at grade.
- 17) The Receiver understands that the Lands were acquired by Coromandel in 2018 for approximately \$44,000,000. The Lands had an assessed value of \$36,303,000 as of July 1, 2023, of which just \$10,000 was attributed to the buildings.

### **Foreclosure proceedings**

- 18) On August 31, 2023, Desjardins commenced foreclosure proceedings in respect of the Lands. Pursuant to an Order dated October 26, 2023, the Court declared that the Mortgage was in default and granted the Debtors until April 26, 2024 to redeem the amount owing under the Mortgage.
- 19) On March 13, 2023, Jin-Ocean commenced separate foreclosure proceedings and was granted order nisi, which provided for a six month redemption period and judgment against the Debtors and certain other parties.
- 20) On November 30, 2023, Jin-Ocean obtained an Order for conduct of sale in respect of the Lands.

### **Foreclosure sale process**

- 21) On December 11, 2023, Jin-Ocean entered into an exclusive listing agreement with Colliers Macaulay Nicholls Inc. ("**Colliers**") dated December 11, 2023 (the "**Colliers' Listing Agreement**") to conduct a comprehensive marketing and sale process (the "**Foreclosure Sale Process**") for the Lands.
- 22) The Colliers' Listing Agreement provided for a commission of 1.75% of gross sale proceeds to be paid to Colliers on closing of a transaction.
- 23) Colliers prepared a marketing and activity report in respect of the Foreclosure Sale Process, dated March 11, 2024 (the "**Colliers' Marketing Report**"), which was attached as Exhibit "C" to the first affidavit of Milana-Draga Ivanovic in the foreclosure proceedings and is attached hereto as **Appendix "A"**. In summary, Colliers took the following steps in the Foreclosure Sale Process:
  - a) Prepared a customized property brochure and ordered professional drone aerial photographs to highlight the Lands;
  - b) Organized a data room with due diligence documents for potential purchasers;
  - c) On December 27, 2023, installed professional signage on the Lands advertising the property for sale;
  - d) On December 31, 2023, sent an e-blast to a targeted developer and investor marketing list which included over 5,400 recipients (the "**Marketing List**");

- e) On January 14, 2024, sent another e-blast to the Marketing List which was aimed at re-engaging the market following the Christmas break;
  - f) On February 5, 2024, sent an MLS Commercial e-blast to 865 commercial realtors; and
  - g) The Lands were also publicly listed on collierscanada.com and featured in (i) the February print addition and online version of Western Investor; (ii) the February (Lunar New Year) addition of Sing Tao; (iii) the Colliers agent's LinkedIn page in December 2023; and (iv) a Lunar New Post on LinkedIn, WeChat and Instagram.
- 24) As a result of the marketing efforts, the Receiver understands that Colliers received two written offers between January 29, 2024 and March 7, 2024. On March 8, 2024, an offer to purchase the Lands for the purchase price of \$25,800,000 was accepted.
- 25) On April 8, 2024, the Colliers' Listing Agreement was amended (the "**Amended Listing Agreement**") to provide for the payment of a reduced flat commission of \$250,000 plus goods and services tax to Colliers (the "**Flat Fee**") in the event that an offer to purchase the Lands from a purchaser referred by Jin-Ocean was accepted and approved by the Court.
- 26) Thereafter, on April 25, 2024, a new offer was received from the Purchaser for the purchase price of \$32,000,000 (the "**Original Offer**"). The Receiver understands that the Purchaser is a party related to Jin-Ocean. Further, as described below, the Proposed SISP contemplates that the Receiver shall re-engage Colliers as listing agent for the Lands using the same commission structure as provided for in the Amended Listing Agreement. Accordingly, if a transaction closes pursuant to the Original Offer or pursuant to the Stalking Horse Bid, the Flat Fee is payable to Colliers.

### **The Original Offer**

- 27) The Original Offer is for the purchase of the Lands and all buildings, structures and improvements thereon, which are understood by Desjardins, Jin-Ocean and the Purchaser to be all, or substantially all, of the Debtors' assets.
- 28) The Original Offer provided for the \$32,000,000 purchase price to be paid by a deposit of \$2,000,000 (the "**First Deposit**"), with a closing date of October 1, 2024.
- 29) On April 29, 2024, this Honourable Court granted an Order (the "**Approval Order**") which, *inter alia*, approved the Original Offer.
- 30) In September, 2024, the Purchaser, Jin-Ocean and Desjardins agreed to an extension of the closing date to January 7, 2025 conditional on the Purchaser making payment of a further deposit of \$900,000 (the "**Second Deposit**"). The Receiver understands that the First Deposit and the Second Deposit were paid by the Purchaser and received by Desjardins on May 29, 2024 and September 26, 2024, respectively, and both deposits have been forfeited.
- 31) If the Original Offer closes pursuant to the Approval Order, the transfer of title to the Lands will attract property transfer tax of approximately \$1,153,225 (the "**PTT**") assuming that 50% of the Lands are classified as residential, and 50% as commercial. The PTT would be payable by the Purchaser. Additionally, there will be a shortfall on

the recovery of Jin-Ocean's indebtedness of between approximately \$3,400,000 and \$3,600,000.

- 32) As a result, the Purchaser advised Jin-Ocean and Desjardins that the Purchaser wanted to restructure the Original Offer by way of a sale or issuance of shares of the Debtors subject to, and to be implemented by, a reverse vesting order ("**RVO**"). The main benefit of the RVO structure is that it would allow the Purchaser to avoid paying the PTT.
- 33) The Purchaser agreed that the Original Offer and the Approval Order would remain in force and be binding upon the parties unless and until an RVO transaction, based on the Stalking Horse Bid or another qualified bid obtained through the Proposed SISP, is completed.
- 34) In addition, to ensure the highest offer is obtained for the Lands, the Purchaser agreed to be the Stalking Horse Bidder in a further sale process to be conducted by the Receiver, as more fully described herein.

### **Books and records**

- 35) To date, the Receiver has been unable to contact management of the Debtors and has not been able to locate or take possession of the Debtors' books and records. For this reason, the Receiver's view is that the proposed RVO should include a term providing that the existing share certificates in respect of the shares of the Nominee be cancelled, and the Receiver be permitted to issue new share certificates in the name of the Purchaser.
- 36) The Receiver understands that the Debtors do not have any employees.

### **Causes of insolvency**

- 37) The Receiver understands that the Debtors' insolvency can be attributed to the following factors:
  - a) An increase in interest rates and construction costs;
  - b) Insufficient working capital to pay debts as they became due;
  - c) Soft conditions in the Vancouver real estate market, specifically an increase in condo inventory and a decrease in demand for new condo projects; and
  - d) An inability to obtain internal financing or financing from external investors.

### **POWERS OF RECEIVER**

- 38) The Receiver's powers are detailed in paragraph 2 of the Receivership Order and include, among other things, the power to take and maintain possession and control of the Property (as defined in the Receivership Order); the power to manage, operate and carry on the business of the Debtors; and, the power to market and solicit offers in respect of the Lands and to negotiate such terms and conditions of sale as the Receiver considers appropriate.

## ACTIVITIES OF THE RECEIVER SINCE THE DATE OF ITS APPOINTMENT

- 39) The Receiver's activities since the commencement of these Receivership Proceedings have included, *inter alia*, the following:
- a) attended at the Lands to inspect its condition and confirm that appropriate security (fencing) is in place;
  - b) arranged for general liability insurance to be put in place in respect of the Lands;
  - c) reviewed relevant materials relating to the foreclosure proceedings with specific focus on the Foreclosure Sale Process, the Original Offer and the Approval Order;
  - d) reviewed Desjardin's receivership application materials, including the application, affidavit and Receivership Order;
  - e) attempted to contact the Debtors and the Debtors' counsel to discuss the Receivership Proceedings, obtain the books and records and information pertaining to the creditors of the Debtors;
  - f) opened a trust account in the name of the receivership estate to facilitate future receipts and disbursements;
  - g) corresponded with Lawson and counsel for Desjardins and Jin-Ocean regarding all aspects of the Receivership Proceedings;
  - h) contacted the City of Vancouver to notify them of the Receivership Proceedings and to determine the outstanding property taxes in respect of the Lands;
  - i) held discussions with Colliers on the marketing activities undertaken in the Foreclosure Sale Process, the nature of the bids received, and the appropriate marketing activities to be undertaken by Colliers in the Proposed SISP;
  - j) reviewed the marketing brochure prepared by Colliers and the data room with materials pertaining to the Lands;
  - k) discussed the terms of an amended listing agreement with Colliers;
  - l) negotiated and drafted the Stalking Horse Bid, together with the Purchaser's and Jin-Ocean's legal counsel;
  - m) drafted and prepared the Proposed SISP;
  - n) responded to creditor and other stakeholder enquiries;
  - o) prepared this First Report;
  - p) set up the Receiver's Website for stakeholders to access the various Court orders and materials pertaining to the Receivership Proceedings; and
  - q) performed the general administration of the Receivership of the Debtors and such other duties as reasonably requested of the Receiver.

## ASSETS OF THE DEBTORS

- 40) As noted above, the Debtors' assets are primarily comprised of the Lands. As of the date of this First Report, the Receiver has not been able to contact management of the Debtors and the Receiver does not have a copy of the financial statements of creditor listing for the Debtors.

## THE PROPOSED SALE AND INVESTMENT SOLICITATION PROCESS

- 41) At the application for the Receivership Order, there was consensus amongst the parties present that the Receiver would prepare a sale and investment solicitation process and return before this Honourable Court for approval of same. To that end, the Receiver has prepared the Proposed SISP, which is attached hereto as **Appendix "B"**.
- 42) Unless otherwise provided, all capitalized terms in this section are as defined in the Proposed SISP.
- 43) The Proposed SISP contemplates that the Receiver shall re-engage Colliers as the listing agent for the Lands using the same commission structure as provided for in the Amended Listing Agreement.
- 44) The Proposed SISP is to be conducted in one phase in which Colliers will:
- a) update the marketing brochure to provide details of the Proposed SISP;
  - b) send an e-blast to targeted developer and investor marketing list and commercial brokers;
  - c) publish the listing on its website and LinkedIn page;
  - d) undertake targeted calls to parties that signed confidentiality agreements and made offers as part of the Foreclosure Sale Process;
  - e) re-establish a virtual data room that contains key information for potential purchasers to evaluate the acquisition opportunity following signing of a confidentiality agreement; and
  - f) seek qualified binding offers by the Final Bid Deadline (as defined herein).
- 45) The Proposed SISP contemplates the Stalking Horse Bid. The Stalking Horse Bid will be considered a Qualified Bid. Other offers will be considered a Qualified Bid if they exceed the Stalking Horse Bid by \$350,000 (the **"SH Bid Increment"**).
- 46) Upon receipt of any Qualified Bid(s), the Receiver will review and assess them and determine the **"Successful Bid"**.
- 47) If the Receiver receives one or more Qualified Bid(s) greater than the Stalking Horse Bid, the Receiver shall provide each of the qualified bidders and the Stalking Horse Bidder with a period of not less than 3 business days to submit their final bids. Forthwith upon the expiry of the aforesaid bidding period, the Receiver shall advise the Qualified Bidder and the Stalking Horse Bidder as to who shall be the Successful Bidder.

## SISP timeline

48) An estimated timeline for the key milestones of the Proposed SISP are as follows:

- a) The commencement date shall be on November 19, 2024 (the "**Commencement Date**"), or as soon as reasonably practical after granting of an order approving the Proposed SISP (the "**SISP Approval Order**").
- b) The Final Bid Deadline shall be 27 days after the Commencement Date (December 16, 2024).
- c) A Definitive Agreement Deadline, as defined in the Proposed SISP, shall be entered into by no later than December 31, 2024.
- d) The outside closing date for a definitive agreement shall be January 7, 2025 (the "**Outside Closing Date**"), or such other date as may be agreed to by the Receiver if a Qualified Bid is received from a third party unrelated to Jin-Ocean, and with the consent of Desjardins and Jin-Ocean.

## Receiver's comments on the SISP

49) The proposed process for preparation and distribution of information to potentially interested parties appears reasonable and preserves the confidentiality of such information where applicable.

50) The proposed timeframe for the Proposed SISP, while condensed, appears appropriate given the following:

- a) Based on the Colliers Marketing Report, the Foreclosure Sale Process was robust in the circumstances, was carried out over 10 weeks, and engaged several interested parties.
- b) A period of approximately 27 days is sufficient time to ensure the Stalking Horse Bid is properly exposed to the market given the interested parties' previous participation in the Foreclosure Sale Process, while allowing for the Stalking Horse Bid to close on January 7, 2025 with the Purchaser if there is no other Qualified Bid(s).
- c) Colliers has the marketing materials prepared, is familiar with the potential interested parties, many of whom have already signed confidentiality agreements, and will be able to canvass the market immediately after the Commencement Date.
- d) The Proposed SISP allows the Receiver to vary any of the deadlines should it be deemed advisable to do so or by further order of this Honourable Court.
- e) The high floor price set by the Stalking Horse Bid (discussed below) limits potential purchasers to only those that have the financial capability to transact on a multimillion-dollar transaction; and
- f) The Proposed SISP is fair, transparent, and necessary in the circumstances and will solicit parties that will be genuinely interested in the opportunity and who have the financial means to close a transaction of this nature.

- 51) The SH Bid Increment considers several variables, including:
- a) The additional commission payable to Colliers in the event that a Qualified Bid is received from a third party bidder (1.75% of gross proceeds rather than the Flat Fee) and the resulting net proceeds to the receivership estate;
  - b) The time and professional costs associated with an extended sale and investment solicitation process; and
  - c) The necessary enhanced return to the estate for the benefit of creditors, beyond that offered by way of the Stalking Horse Bid.
- 52) Overall, the Receiver is of the view that the Proposed SISP is fair and reasonable in the circumstances.

### **STALKING HORSE OFFER**

- 53) After the granting of the Approval Order, the Purchaser advised Desjardins that it wished to pursue the restructuring of the Original Offer by way of a sale through the issuance of shares of the Nominee subject to, and implemented by, an RVO.
- 54) The Receiver and the Purchaser have negotiated and prepared the Stalking Horse Bid. The Stalking Horse Bid is substantially on the same commercial terms as the Original Offer but for an increase to the purchase price and structured through the issuance of shares of the Nominee subject to, and implemented by, an RVO rather than an asset sale.
- 55) A copy of the Stalking Horse Bid is attached to this First Report as **Appendix "C"**.
- 56) Key terms of the Stalking Horse Bid include:
- a) A purchase price of \$32,576,612.43 (the "**Purchase Price**") in cash, representing a \$576,612.43 increase over the purchase price contemplated in the Original Offer (half of the expected PTT savings);
  - b) The First Deposit and Second Deposit will be deducted from the Purchase Price on closing; and
  - c) The Purchaser acknowledges that it is purchasing the Lands and shares of the Nominee on an "as is, where is" basis and the Receiver is making no representations or warranties whatsoever with respect to the Property.
- 57) The Stalking Horse Bid is conditional on:
- a) The issuance of the SISP Approval Order by this Honourable Court;
  - b) The issuance of an RVO by this Honourable Court following the declaration of the Stalking Horse Bid as the Successful Bid; and
  - c) Other terms customary in transactions arising in receivership proceedings.

## **The Receiver's comments on the Stalking Horse Bid**

- 58) The principal secured creditor, Desjardins, and the second-secured creditor, Jin-Ocean, are supportive of the Stalking Horse Bid.
- 59) While lower than the assessed value of \$36,303,000 as of July 1, 2023, the Purchase Price is materially higher than the second highest offer received during the Foreclosure Sale Process (by approximately \$6,776,612).
- 60) Due to the structuring of the Stalking Horse Bid via a share sale and RVO, the Purchaser will acquire any tax attributes and intangible assets of the Nominee.
- 61) The Receiver has been unable to assess the value, if any, that may be inherent in any tax attributes of the Debtors since the Receiver has not, as of yet, been able to obtain copies of the Debtors' tax returns. However, the Receiver notes that the Debtors operate under a limited partnership structure which generally complicates and adds risk to the Purchaser's ability to effectively utilize any tax loss attributes.
- 62) While the Debtors' may have tax loss attributes that could be a potential benefit to the Purchaser under a share sale structure, the Receiver and the Purchaser do not attribute significant value to the potential tax loss attributes of the Debtors given the risk and difficulty utilizing these losses as evidenced by the increase in the purchase price of the Stalking Horse Bid being mainly attributable to the PTT savings.
- 63) The development permit application is no longer active for the proposed development that was planned to be built on the Lands and a new submission will be required. However, the required community amenity contribution was paid to the City of Vancouver at the time of the zoning bylaw enactment. Based on correspondence from the City of Vancouver, the Receiver understands that it is almost a certainty that any purchaser of the lands (even via an asset purchase transaction) will not need to repay the community amenity contribution, provided that the purchaser continues the development under the CD-1 zoning. For these reasons, the Receiver and the Purchaser attributed nominal value to any intangible asset associated with the permitting undertaken to date by the Debtors' that would be acquired through the share sale in negotiating the Purchase Price under the Stalking Horse Bid.
- 64) The Receiver is of the opinion that the Purchase Price represents fair value given the robust marketing process already undertaken in the Foreclosure Sale Process, the attributes of the Lands, and the expected PTT savings.
- 65) In summary, the Receiver is of the opinion that the Proposed SISP will sufficiently solicit the interest of third parties to acquire the Lands and will maximize the value of the Debtors' assets. In addition, the terms of the Stalking Horse Bid are reasonable and appropriate under the circumstances.

## **STATEMENT OF RECEIPTS AND DISBURSEMENTS**

- 66) Jin-Ocean has made payment of \$150,000 to the Receiver as a retainer to be held in trust by the Receiver for the payment of its reasonable costs of administering the Receivership Proceedings, including payment of the reasonable fees and disbursements of the Receiver and its counsel for their services. The retainer funds are being held in Deloitte's third party deposit trust account and will be drawn down as required.



- 67) The professional fees of the Receiver and Lawson will be approved by the Court in the Receivership Proceedings in the usual course.
- 68) Other than the retainer funds, as of the date of this First Report, the Receiver does not have any other receipts or disbursements.

### **CONCLUSIONS AND RECOMMENDATIONS**

- 69) Based on the foregoing, the Receiver respectfully requests that the Court grant the Orders cited at paragraph 8(f) of this First Report.

All of which is respectfully submitted at Vancouver, BC this 15th day of November, 2024.

### **DELOITTE RESTRUCTURING INC.**

In its capacity as Court-Appointed Receiver of  
Coromandel Cambie 59 BT Ltd., Coromandel Cambie 59 Developments Ltd.,  
and Coromandel Cambie 59 Limited Partnership  
and not in its personal capacity



Per: Paul Chambers, FCA(UK), CIRP, LIT  
Senior Vice-President



Jeff Keeble, CPA, CMA, CIRP, LIT  
Senior Vice-President

## **Appendix “A”**

**Colliers’ Marketing Report dated March 11, 2024**

March 11<sup>th</sup>, 2024  
ATTN: Brian Markus

**RE: 7510 Cambie Street, Vancouver, BC the "Property"**

**Summary of Marketing, Offering Process and Recommendation**

We are pleased to provide this letter highlighting our comprehensive marketing activities for the Property, a summary of the offering process for the Property and our recommendation. The details of our marketing efforts have been provided in previous marketing reports and are provided again in this letter for consistency and convenience of reference. Multiple offers were received for the Property, details on the offers, both written and verbal, and a detailed summary of the recommended offer are highlighted here.

**Overview of Marketing Campaign:**

- 1) **Exclusive Sale Listing Agreement** was signed on **December 11<sup>th</sup>, 2024** and a **Listing Price of \$32,000,000** was established;
- 2) **Professional drone aeriels** were ordered to showcase the offering;
- 3) **Customized property brochure** was created to highlight the offering;
- 4) **Data Room**, including pertinent due diligence documents uploaded;
- 5) **E-Mail Marketing Campaigns**
  - **December 21<sup>st</sup>, 2023**
    - Colliers Eblast to targeted developer and investor marketing list
    - More than 5,400 Recipients
    - Property Marketing Launch
  - **January 11<sup>th</sup>, 2024**
    - Colliers Eblast to targeted developer and investor marketing list
    - More than 5,400 Recipients
    - Relaunch aimed to reengage the market following the winter school holidays
  - **February 5<sup>th</sup>, 2024**
    - MLS Commercial Eblast to 865 commercial realtors
    - 1,089 opens
- 6) **Property Signage:**
  - Professional Signage installed on **December 27<sup>th</sup>, 2023**
  - Two 4' x 8' sign advertising the property For Sale
  - Signage installed at the north and south end of the Property facing Cambie Street
- 7) **Website Advertising:**
  - The Property was publicly listed on collierscanada.com;
  - Property ID# 2014274
  - 684 views to date
- 8) **Western Investor Advertisement**
  - The Property was featured in the February print edition of the Western Investor
  - Also available in the Online Version
- 9) **Sing Tao Advertisement**
  - The Property was featured in the February 2024 edition of Sing Tao, the Lunar New Year Issue
- 10) **Social Media Exposure:**

- The Property was featured on the designated agent's LinkedIn page in December 2023
- Property was featured again in a Lunar New Year Post via LinkedIn, WeChat and Instagram

11) **Direct Presentations**, Calls and Communication from the Colliers Team

**Review of Buyer Interest:**

As mentioned in our previous updates, we received a strong response from the market throughout the marketing period. Keen interest was driven as this Property due to the medium density and scale, existing approvals with the City of Vancouver and the prepaid Community Amenity Contributions (CACs).

**1) Confidentiality Agreements:**

- Required to receive access to the online data room, as outlined above
- Executed and received from the following developers:
  - Intergulf
  - Mainland West Group
  - KIG Properties Inc.
  - Intracorp
  - Integral Strategic Real Estate Ltd.
  - Hungerford Properties
  - Cressey Projects Corp.
  - Brimming Development
  - Aria Development Group
  - Bucci
  - Red Cedar Investments
  - Polygon Pacific Homes Ltd.
  - Pacific Reach
  - Century Group
  - Porte Acquisitions Corp
  - Gurcharan Bains
  - Westland
  - Alabaster Homes
  - Joe Dhaliwal
  - Modern Green
  - Modella Developments
  - Landa Global
  - Enrich Development

We worked diligently through the marketing period to address questions and concerns raised by interested parties which included, but were not limited to:

- Uncertainty around current market conditions due to the higher interest rates environment, including uncertainty regarding end sales values or lease rates for both residential and commercial portions of the future development;
- Concerns regarding increased construction costs and difficulty in forecasting contingencies;

- Increased difficulty in securing financing for development projects or securing financing at rates acceptable to the Purchaser.

Our team worked to address buyers' concerns and highlight the many benefits of the Property with the goal of soliciting multiple offers for consideration on the bid date.

#### **Offers Received:**

As a result of the marketing efforts undertaken by Colliers, two written offers were received as follows:

- **Intergulf Investment Corporation**
  - Price: \$23,000,000
  - Verbally expressed willingness to increase to \$24,000,000
  - Offer Date: January 29, 2024
  - Buyer's Conditions: 60 days following execution of the Contract
  - Completion: 180 Days following Court Approval
- **1469664 B.C. Ltd.**
  - Price: \$25,800,000
  - Offer Date: March 7, 2024
  - Buyer's Conditions: None
  - Completion: June 16, 2024

In addition to the two written offers received, other established developers in the Vancouver market, including Alabaster Homes, Polygon and Mosaic Homes, provided feedback to Colliers that they would not be pursuing a formal offer at this time but had completed due diligence and underwriting on the opportunity. Feedback from these groups confirmed that they consistently arrived at a value for the property of approximately \$23,000,000.

We were also anticipating a third written offer from a developer familiar with this type of Property and location. This offer was not formally submitted prior to acceptance of the Recommended Offer but we understand that the proposed offering price was to be \$24,500,000. No details regarding Buyer's Conditions or completion timeline were provided.

#### **Summary of Recommended Offer:**

Details of the offer from 1469664 B.C. Ltd. Are highlighted above. As demonstrated from the feedback received from the market and in comparison, to the other written offer received, this offer provides a stronger price and greater certainty as there are no Buyer's Conditions attached.

This offer was accepted on March 8<sup>th</sup>, 2024 and is now firm and binding and subject only to Court approval. The Deposit of \$100,000.00 is to be received by Colliers to be held in trust by no later than Wednesday, March 13<sup>th</sup>, 2024, within 3 business days of Acceptance of the Contract.

#### **Competing Offers to Court:**

In preparation for the Court approval of the accepted offer from 1469664 B.C. LTD, Colliers shall notify the parties who signed confidentiality agreements over the course of the marketing period as well as any other groups who expressed interest in the Property, advising of the opportunity to submit a competing bid via email, to the foreclosing lawyers office; two (2) clear business days prior to the court approval hearing. We shall also update the Colliers website advising of the

pending court approval date for an accepted offer and inviting interested parties to inquire about the process of submitting a competing offer directly to the Court.

**Recommendation:**

It is our recommendation that the accepted Agreement with 1469664 B.C. LTD. be presented to the Court for approval at the purchase price of \$25,800,000. This offer has a strong structure, including a short closing timeline that will provide the stakeholders with as much certainty as possible.

It is our expectation that additional parties may provide competing offers for consideration by the Court. Information about the court date and offering process has been provided to all relevant parties as referenced above.

Please feel free to contact us with any questions.

Sincerely,

**Colliers**



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## **Appendix “B”**

### **Proposed SISP**

## Appendix “B”

### SALES PROCESS

#### INTRODUCTION

1. On August 31, 2023, Desjardins Financial Security Life Assurance (“**Desjardins**”), who holds a first-ranking mortgage over the lands and premises located at 7510 Cambie Street, Vancouver, British Columbia, PID: 029-788-897 (the “**Lands**”) commenced foreclosure proceedings over the Lands. On March 13, 2023, Jin-Ocean Mortgage Investment Corporation (“**Jin-Ocean**”), who holds a second-ranking mortgage over the Lands, commenced separate foreclosure proceedings over the Lands and obtained an Order for conduct of sale.
2. On December 11, 2023, Jin-Ocean entered into an exclusive listing agreement with Colliers Macaulay Nicholls Inc. (“**Colliers**”) to market the Lands. Colliers undertook a comprehensive marketing process (the “**Foreclosure Sale Process**”), as more particularly described in the Receiver’s First Report, dated November 15, 2024 (the “**First Report**”).
3. The Foreclosure Sale Process resulted in two separate offers to purchase the Lands. On April 29, 2024, the B.C. Supreme Court (the “**Court**”) approved the sale of the Lands (the “**Sale**”) for \$32,000,000 by way of a Vesting Order (the “**AVO**”) to 1475040 B.C. Ltd. (“**147**”). 147 and Jin-Ocean are related entities.
4. Notwithstanding the AVO, the Jin-Ocean and 147 (the “**Stalking Horse Bidder**”) seek to restructure the Sale by way of a share purchase and reverse vesting order transaction (“**RVO**”). As a result, Desjardins, at the request of the Jin-Ocean and the Stalking Horse Bidder, made application to the Court to appoint Deloitte Restructuring Inc. (“**Deloitte**”) as Receiver for this purpose. By Order granted by the Court on November 7, 2024, Deloitte Restructuring Inc. was appointed as Receiver (the “**Receiver**”), without security, of the Lands and all personal property located at, related to or derived from the Lands and the shares of the nominee (together with the Lands, the “**Property**”) of Coromandel Cambie 59 BT Ltd., Coromandel Cambie 59 Developments Ltd. and Coromandel Cambie 59 Limited Partnership (collectively, the “**Debtors**”).
5. The purpose of the Sale and Investment Solicitation Process (the “**SISP**”) is to conduct further but focused marketing to certain groups of potential purchasers who expressed an interest in the Property during the Foreclosure Sale Process. The SISP is intended to further maximize recovery from the Property for the benefit of stakeholders.
6. The terms of this SISP, including the requirements, criteria, and timelines may be amended, extended, or waived by the Receiver as it deems appropriate, or by further order of this Court. In determining whether to do so, the Receiver may consult with Desjardins, Jin-Ocean and the Stalking Horse Bidder.



### **“AS IS, WHERE IS” BASIS**

7. Any transaction (in each case, a “**Transaction**”) will be on an “as is, where is” basis and without surviving representation, warranties, covenants or indemnities of any kind, nature or description by the Receiver, or any of its agents, estates, advisors, professionals or otherwise.

### **FREE AND CLEAR**

8. Any right, title and interest in and to the Property that is to be sold or transferred under a Transaction will, at the time of such sale or transfer, be sold or transferred free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options and interests thereon and there against (collectively the “**Claims and Interests**”) pursuant to one or more reverse vesting orders made by the Court. Contemporaneously with such reverse vesting orders being made, all such Claims and Interests shall attach to the net proceeds of the sale of such Property (without prejudice to any claims or causes of action regarding the priority, validity or enforceability thereof), except to the extent otherwise set forth in the relevant sale agreement with a Successful Bidder (as defined in paragraph 27).

### **STALKING HORSE BID**

9. A contract for Purchase and Sale dated November 15, 2024, between the Receiver and the Stalking Horse Bidder (the “**Stalking Horse Bid**”) has been approved, and will be used as, the stalking horse bid for the purposes of this Sales Process.
10. This Sales Process is intended to solicit interest in, and opportunities for, a sale of the Property. Notwithstanding the Stalking Horse Bid, all interested parties are encouraged to submit Qualified Bids (as defined herein).

### **TIMELINE**

11. The following table sets out the key milestones of the SISP:

PHASES	TARGET DATES
Commencement of the SISP	November 19, 2024
Bid Deadline	December 16, 2024 (27 days after Commencement of the SISP)
Definitive Agreement Deadline	No later than December 31, 2024

Outside Closing Date	January 7, 2025, or such later date as may be agreed to by the Receiver, and with the consent of Desjardin, Jin-Ocean and the Stalking Horse Bidder.
----------------------	--

### **RECEIVER'S AGENTS**

12. The Receiver is to re-engage Colliers as the listing agent for the Lands using the same commission structure as provided for in the Amended Listing Agreement, as defined in the First Report.
13. The Receiver may engage such other consultants, agents, or experts and such other person from time to time as it considers necessary to assist with the SISP.

### **SOLICITATION OF INTEREST**

14. The SISP is to be conducted in one phase in which Colliers will:
  - (a) update the marking brochure to provide details of the SISP;
  - (b) e-blast to targeted developer and investor marketing list and commercial brokers;
  - (c) publish the listing on its website and LinkedIn page;
  - (d) undertake targeted calls to parties that signed confidentiality agreements and made offers as part of the Foreclosure Sale Process;
  - (e) re-establish a virtual data room (the "VDR") that contains key information for potential purchasers to evaluate the acquisition opportunity following signing of a confidentiality agreement; and
  - (f) seek qualified binding offers by the Bid Deadline set out in section 11 herein.

### **REQUIREMENTS FOR QUALIFIED BID**

15. A Bid will only be considered a Qualified Bid if it is submitted by a Qualified Bidder (as defined in paragraph 20) and complies with the following conditions (each, a "**Qualified Bid**"):
  - (a) it has been received by the Bid Deadline;
  - (b) it exceeds the Stalking Horse Bid by a minimum of \$350,000;

- (c) it contains a duly executed purchase and sale agreement substantially in the form of the Stalking Horse Bid (the "**Template APS**") and a blackline of the executed purchase and sale agreement to the Template APS;
- (d) it includes a letter stating that the Bid is irrevocable until there is a Successful Bid (as defined below), provided that if such Qualified Bidder is selected as the Successful Bidder, its Bid shall remain an irrevocable offer until the earlier of (i) the completion of the sale to the Successful Bidder and (ii) the Outside Closing Date (each as defined herein);
- (e) it provides written evidence, satisfactory to the Receiver, of (a) a firm, irrevocable financial commitment for all required funding or financing or (b) evidence of the Qualified Bidder's financial wherewithal to close the bid using unencumbered funds on hand;
- (f) it does not include any request for or entitlement to any expense reimbursement or similar type of payment;
- (g) it is accompanied by a refundable deposit (the "**Deposit**") in the form of a wire transfer to a bank account specified by the Receiver, or such other form of payment acceptable to the Receiver, payable to the order of the Receiver, in trust, in an amount of 5% of the purchase price to be held and dealt with in accordance with this Sales Process;
- (h) it is not conditional upon:
  - (i) the outcome of unperformed due diligence by the Qualified Bidder (as defined in paragraph 20);
  - (ii) obtaining financing; or
  - (iii) any other condition precedent other than court approval.
- (i) it includes an acknowledgement and representation that the Qualified Bidder (as defined in paragraph 20):
  - (i) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the assets to be acquired and liabilities to be assumed in making its Qualified Bid;
  - (ii) has not relied upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the assets to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith, including by the Receiver, or any of its advisors, except as expressly stated in the purchase and sale agreement submitted by it;

- (iii) is a sophisticated party capable of making its own assessments in respect of making its Qualified Bid; and
  - (iv) has had the benefit of independent legal advice in connection with its Qualified Bid; and
  - (j) it contains evidence of authorization and approval from the Qualified Bidder's (as defined in paragraph 20) board of directors (or comparable governing body), if applicable.
16. The Stalking Horse Bidder shall be deemed to be a Qualified Bidder (as defined in paragraph 20), and the Stalking Horse Bid shall be deemed to be a Qualified Bid, for all purposes of the SISP.
  17. The Receiver may, in its reasonable discretion, waive compliance with any one or more of the Qualified Bid requirements specified herein, and deem such non-compliant bid to be a Qualified Bid in accordance with the SISP.

### **DUE DILIGENCE**

18. Colliers shall provide Qualified Bidders with access to an electronic data room that will contain information in the possession or control of the Receiver or Colliers in its reasonable business judgment, and subject to competitive and other business conditions, in order to allow Qualified Bidders to evaluate their interest in submitting a bid.

### **PARTICIPATION REQUIREMENTS AND DUE DILIGENCE**

19. In order to participate in the SISP, an interested party must deliver to the Receiver and Colliers:
  - (a) at the address specified herein (including by email); and
  - (b) prior to the distribution of any confidential information by the Receiver or Colliers to such interested party (including access to the VDR);
 an executed non-disclosure agreement in form and substance satisfactory to the Receiver (the "NDA").
20. A potential bidder that has executed an NDA, as described above, and who the Receiver, in its sole discretion, determines has a reasonable prospect of completing a Sale contemplated herein, will be deemed a "**Qualified Bidder**" and will be promptly notified of such classification by the Receiver.
21. Colliers shall provide any person deemed to be a Qualified Bidder with access to the VDR and the Receiver shall provide to the Qualified Bidders further access to such reasonably required due diligence materials and information relating to the Property as the Receiver deems appropriate. The Receiver makes no representation or warranty as to the information to be provided through the due diligence process or otherwise regardless of whether such

information is provided in written, oral or any other form, except to the extent otherwise contemplated under any definitive sale agreement with a Successful Bidder executed and delivered by the Receiver and approved by the Court.

22. Upon the reasonable request of a Qualified Bidder, on-site inspections of the Property may be arranged by the Receiver in its sole discretion. Only one site visit will be organized for each Qualified Bidder.

### **NO QUALIFIED BIDS RECEIVED**

23. If the Receiver does not receive any Qualified Bids other than the Stalking Horse Bid before the Bid Deadline, then the Stalking Horse Bid will be automatically approved and accepted by the Receiver and the Receiver shall take steps to close a sale in accordance with the Stalking Horse Bid, including filing a certificate with the Court that no Qualified Bids (other than the Stalking Horse Bid) were received by the Receiver by the Bid Deadline.

### **ASSESSMENT OF QUALIFIED BIDS**

24. If the Receiver receives Qualified Bids before the Bid Deadline, it will assess the Qualified Bids received to determine whether it is likely that the transactions contemplated by such Qualified Bids are likely to be consummated. Such assessments will be made promptly as practicable by the Receiver in its sole discretion.

### **REVIEW OF BIDS AND SELECTION OF SUCCESSFUL BID(S) AND BACKUP BID(S)**

25. In reviewing Qualified Bids received, the Receiver retains full discretion and authority to discuss the Bids received, and their terms, with the applicable Qualified Bidders.
26. The Receiver will review all Bids received to determine the highest or otherwise best Bid(s). Evaluation criteria will include, but are not limited to:
  - (a) the purchase price or net value being provided;
  - (b) the terms of the proposed transaction documents include timeline to closing;
  - (c) the identity, circumstances, and ability of the bidder to successfully complete the contemplated Transaction;
  - (d) the impact of the Bid on the Debtors' stakeholders;
  - (e) the assets included, or excluded, from the proposed Transaction;
  - (f) the costs associated with the Bid and its consummation, including restructuring costs.
27. The Receiver shall identify the highest or otherwise best Qualified Bid received for the Property, as applicable (each, a "**Successful Bid**") and the next highest or otherwise best

Qualified Bid as applicable (each, a “**Backup Bid**”). A person or person who make a Successful Bid shall be a “**Successful Bidder**” and a person or person who makes a Backup Bid shall be a “**Backup Bidder**”.

28. The Receiver shall notify all Successful Bidders, if any, all Backup Bidders, if any, and any other Qualified Bidders of their respective status as soon as practicable in the circumstances.
29. The Receiver will notify a Backup Bidder, if any, that their bid is a successful Backup Bid and the Backup Bid shall remain open and capable of acceptance by the Receiver until the earlier of (i) the consummation of the Transaction contemplated by a Successful Bid; and (ii) the Outside Closing Date. For greater certainty, the Receiver shall be entitled to continue to hold the Deposit in respect of a Backup Bid until the Outside Closing Date.
30. Upon selection of the Successful Bidder, the Successful Bidder, or a Backup Bidder, as applicable, shall enter into a definitive agreement (the “**Definitive Agreement**”) with the Receiver, in accordance with the Template APS on or before the Definitive Agreement Deadline set out in section 11 herein.

### **APPROVAL ORDER**

31. The Receiver shall apply to the Court (the “**Approval Application**”) for an order approving the Successful Bid and the Backup Bid (as applicable) and vesting title to any purchased Property in the name of the Successful Bidder or the Backup Bidder (as applicable) (the “**Approval Order**”). The Approval Application will be held on a date to be scheduled by the Receiver and confirmed by the Court. Subject to Court availability, the Receiver shall use best efforts to schedule the Approval Application as soon as possible following execution and delivery of the Definitive Agreement.
32. If, following approval of the Successful Bid by the Court, the Successful Bidder fails to consummate the transaction for any reason, then such Successful Bidder will forfeit its Deposit and the Backup Bid, if there is one, will be deemed to be the Successful Bid hereunder and the Receiver shall effectuate a transaction with the Backup Bidder subject to the terms of the Backup Bid, without further order of the Court.
33. All Qualified Bids (other than the Successful Bid) shall be deemed rejected on and as of the Closing Date of the Successful Bid.

### **DEPOSITS**

34. Deposits paid pursuant to this Sale Process shall be held in trust by the Receiver in a non-interest-bearing account. The Receiver shall hold Deposits paid by the Successful Bidder and any Backup Bidders in accordance with the terms of the Definitive Agreement or as may be ordered by the Court.
35. If a Qualified Bidder breaches any of its obligations under its Qualified Bid, any Definitive Agreement, or the terms of this SISP (including the Confidentiality Agreement) then, in each case, such Qualified Bidder’s Deposit will be forfeited as

liquidated damages and not as a penalty.

### **NOTICE**

36. The addresses used for delivering documents to the Receiver as required by the terms and conditions of the SISP are set out below. A bid and all associated documentation shall be delivered to the Receiver by electronic mail, personal delivery or courier.
37. To the Receiver:

Deloitte Restructuring Inc.  
Level 19 – 410 West Georgia Street,  
Vancouver, BC V6B 0S7

Attn: Paul Chambers  
Email: [pchambers@deloitte.ca](mailto:pchambers@deloitte.ca)

copy to:

Lawson Lundell LLP  
1600 – 925 West Georgia Street,  
Vancouver, BC V6C 3L2

Attn: Bryan Gibbons  
Email: [bgibbons@lawsonlundell.com](mailto:bgibbons@lawsonlundell.com)

### **RESERVATION OF RIGHTS**

38. The Receiver may reject, at any time any bid (other than the Stalking Horse Bid) that is inadequate or insufficient, or not in conformity with the requirements of the SISP or any orders of the Court applicable to the Debtors and in accordance with the terms hereof, may further impose additional terms and conditions and otherwise seek to modify the SISP at any time in order to maximize the results obtained, and may accept bids not in conformity with this SISP to the extent that the Receiver determines, in its reasonable business judgment, that doing so would benefit the Debtors' estates and their stakeholders.
39. The Receiver may, in its reasonable discretion, extend the Bid Deadline, the Outside Closing Date, the date for selection of the final Successful Bid(s) and the Backup Bid(s), the date for finalization and execution of definitive documentation in respect of the Successful Bid, and/or the date for hearing of the Approval Application.

### **NO AMENDMENT**

40. There shall be no amendments to the SISP without the prior written consent of the Receiver or further order of the Court.

**FURTHER ORDERS**

41. At any time during the SISP, the Receiver may apply to the Court for advice and directions with respect to the discharge of its powers and duties hereunder.

**OTHER MATTERS**

42. This SISP does not, and shall not be interpreted to, create any contractual or other legal relationship between the Receiver and any potential bidder, Qualified Bidder, Successful Bidder or Backup Bidder, other than as specifically set forth in definitive documentation that may be executed by the Receiver.
43. Participants in the SISP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any bid herein, due diligence activities, and any other negotiations, steps, or actions, whether or not they lead to the consummation of a Transaction.



## **Appendix “C”**

### **Stalking Horse Bid**

## OFFER TO PURCHASE AND CONTRACT OF PURCHASE AND SALE AGREEMENT

**7510 Cambie Street, Vancouver, B.C.**

**THIS AGREEMENT** dated for reference the 15th day of November, 2024 is made

**BETWEEN:**

**1475040 B.C. LTD.**, a British Columbia company with an office at 750-5900 No. 3 Road, Richmond, BC V6X 3P7

(the “**Purchaser**”)

OF THE FIRST PART

**AND:**

**DELOITTE RESTRUCTURING INC.**, solely in its capacity as the court-appointed receiver and manager of Coromandel Cambie 59 BT Ltd., Coromandel Cambie 59 Developments Ltd. and Coromandel Cambie 59 Limited Partnership, and not in its personal capacity

(the “**Vendor**”)

OF THE SECOND PART

**WHEREAS:**

- A. Pursuant to a Contract of Purchase and Sale dated for reference April 18, 2024, between the Purchaser, as purchaser and the Vendor, as vendor, the Purchaser agreed to purchase, and Jin-Ocean Mortgage Investment Corporation agreed to sell, the Lands (as defined below) for a total purchase price of \$32,000,000 (the “**Initial Offer**”);
- B. By order pronounced on April 29, 2024, the Supreme Court of British Columbia (the “**Court**”) approved a sale of the Lands pursuant to the Initial Offer, in foreclosure proceedings commenced in Vancouver registry action no. H230653 (the “**Proceedings**”);
- C. By order (the “**Receivership Order**”) of the Court made in the Proceedings on November 7, 2024, the Vendor was appointed receiver of all the assets, undertakings, and property of Coromandel Cambie 59 BT Ltd., Coromandel Cambie 59 Limited Partnership and Coromandel Cambie 59 Limited Partnership, which assets include the Purchased Assets (as defined below);
- D. Subject to the terms and conditions contained herein, the Purchaser has agreed to make a “stalking horse bid” to purchase the Purchased Assets, such that in the absence of the Vendor accepting a bid pursuant to the Sale Procedure (as defined below) that is superior to the bid contained in this Offer to Purchase, as determined by the Vendor and in accordance with the Sale Procedure, the Purchaser has agreed to purchase the Purchased Assets on the terms set out in this Agreement, in accordance with the Sale Procedure; and

- E. Following execution of this Agreement, the Vendor intends to seek approval of the SISP/Reverse Vesting Order (as defined below), which will, among other things, approve: (a) the Sale Procedure; (b) this Offer to Purchase as a 'stalking horse bid' pursuant to the Sale Procedure; and (c) the completion of the transactions contemplated in this Offer to Purchase in the event it is selected as the Successful Bid (as defined below).

**NOW THEREFORE**, in consideration of the mutual covenants and agreements set forth in this Agreement, including the Purchase Price and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Purchaser and the Vendor covenant and agree as follows:

## 1. **INTERPRETATION**

### 1.1. **Definitions**

In this Offer to Purchase:

- 1.1.1. **"Beneficial Owners"** means Coromandel Cambie 59 Developments Ltd. and Coromandel Cambie 59 Limited Partnership;
- 1.1.2. **"Buildings"** means the buildings and other improvements on the Lands including, without limitation, mechanical and electrical systems;
- 1.1.3. **"Business Day"** means any day that is not a Saturday, Sunday or statutory holiday in British Columbia;
- 1.1.4. **"Claims"** means all past, present and future claims, suits, proceedings, liabilities, obligations, losses, damages, penalties, judgements, costs, expenses, fines, disbursements, legal fees (on a substantial indemnity basis) and other professional fees and disbursements, interest, demands and actions of any kind or any nature whatsoever;
- 1.1.5. **"Closing"** has the meaning set out at Section 8.1;
- 1.1.6. **"Closing Date"** means January 7, 2025, or such other date as the Vendor and the Purchaser may agree upon in writing;
- 1.1.7. **"Contaminants"** means, without limitation, asbestos, poly-chlorinated biphenyls and any substance or material which falls within the definition of "waste", "special waste", "hazardous chemicals", "hazardous waste", "dangerous goods", "toxic substances", any variation of such terms or any terms of similar import in the *Canadian Environmental Protection Act* (Canada), the *Environmental Management Act* (British Columbia), each as at the date hereof, or in any other applicable Environmental Laws;
- 1.1.8. **"Environmental Laws"** means any and all federal, provincial, municipal or other governmental or regulatory laws and rules in effect from time to time relating to the environment, occupational safety, health or transportation;

- 1.1.9. **“Execution Date”** means the date on which Vendor and the Purchaser have each executed and delivered this Offer to Purchase;
- 1.1.10. **“GST”** means goods and services tax payable pursuant to the *Excise Tax Act* (Canada);
- 1.1.11. **“GST Certificate”** has the meaning set out in Section 9.5.2;
- 1.1.12. **“Lands”** means the lands and premises in Vancouver, British Columbia, legally described in Part 1 of Schedule “A” attached hereto;
- 1.1.13. **“Land Title Office”** means the Lower Mainland Land Title Office;
- 1.1.14. **“Mutual Conditions”** has the meaning set out in Section 7.2;
- 1.1.15. **“Mutual Waiver Date”** means the day that is twenty one (21) days after the Execution Date;
- 1.1.16. **“Nominee”** means Coromandel Cambie 59 BT Ltd.;
- 1.1.17. **“Permitted Encumbrances”** means:
  - 1.1.17.1. the notations and encumbrances set forth in Part 2 of Schedule “A” attached hereto; and
  - 1.1.17.2. any other leases, agreements, liens, charges or encumbrances expressly permitted in writing by the Purchaser;
- 1.1.18. **“Purchase Price”** means Thirty Two Million Five Hundred Seventy Six Thousand Six Hundred Twelve Dollars and Forty Three Cents (\$32,576,612.43);
- 1.1.19. **“Purchased Assets”** means all of the (i) legal and beneficial right, title, and interest in and to the Shares; and (ii) beneficial right, title, and interest in and to the Lands and the Buildings;
- 1.1.20. **“Purchaser’s Solicitors”** means Koffman Kalef LLP;
- 1.1.21. **“Sale Procedure”** means a sales and marketing procedure in respect of the Purchased Assets conducted by the Vendor following the Execution Date, in form and content satisfactory to the Vendor in its sole discretion, which Sale Procedure the Vendor intends to have approved by the Court pursuant to the SISP/Reverse Vesting Order;
- 1.1.22. **“Shares”** means all of the issued and outstanding shares in the capital of the Nominee;
- 1.1.23. **“SISP/Reverse Vesting Order”** means an order of the Court approving, among other things:
  - 1.1.23.1. the Sale Procedure;

1.1.23.2. a reverse vesting order of the Court, pursuant to which the Nominee continues to hold all of its right, title, and interest in the Lands and the Buildings, and all Claims and encumbrances against the Nominee, including all Claims and encumbrances against the Nominee's interest in the Lands and the Buildings are vested in a new entity incorporated for that purpose;

1.1.24. **"Successful Bid"** shall have the meaning set out in the Sale Procedure;

1.1.25. **"Trust Declaration"** means the declaration of bare trust and agency agreement dated November 13, 2018 pursuant to which the Nominee holds legal title to the Lands for and on behalf of the Beneficial Owners; and

1.1.26. **"Vendor's Solicitors"** means Lawson Lundell LLP.

## 1.2. **Currency**

All dollar amounts referred to are Canadian dollars.

## 1.3. **Construction**

The division and headings of this Offer to Purchase are for reference only and are not to affect construction or interpretation.

## 1.4. **Governing Law**

This Offer to Purchase shall be governed by the laws of British Columbia.

## 2. **PURCHASE AND SALE**

### 2.1. **Offer to Purchase**

Upon acceptance of this Offer to Purchase, the Purchaser agrees to purchase and the Vendor agrees to sell the Purchased Assets on the Closing Date free and clear of all encumbrances other than Permitted Encumbrances for the Purchase Price and on the terms and conditions of this Offer to Purchase.

### 2.2. **Payment of Purchase Price**

The Purchase Price for the Purchased Assets, subject to adjustments in accordance with Article 4, shall be paid by the Purchaser to the Vendor's Solicitors on the Closing Date by solicitor's certified trust cheque, certified cheque, bank draft or wire and/or the Large Value Transfer System as required, drawn on one of the five largest Canadian chartered banks as provided in Article 8 of this Offer to Purchase.

### 2.3. **Allocation of Purchase Price**

2.3.1. The Vendor and the Purchaser hereby agree that for the purpose of this Offer to Purchase, the Purchase Price set out above shall be allocated among the Purchased Assets as agreed upon between the parties prior to the Closing Date

(the “**Allocated Purchase Price**”). The parties will use commercially reasonable efforts to agree upon an allocation of the Purchase Price among the Purchased Assets prior to the Closing Date, provided that a failure to reach an agreement prior to the Closing Date will not be a condition to the Vendor’s or the Purchaser’s obligation to complete the purchase and sale contemplated by this Offer to Purchase or affect or impair any of the rights or obligations of the parties under this Offer to Purchase. If, despite the commercially reasonable efforts of the Vendor and the Purchaser, the parties fail to agree upon the allocation of the Purchase Price among the Purchased Assets, then the Vendor and the Purchaser will be entitled to allocate the amount of the Purchase Price among the Purchased Assets as each such party may so choose.

2.4. **Termination of Contract** This Offer to Purchase may be terminated at the Vendor’s sole option if:

- 2.4.1. at any time, the Court varies or vacates the Receivership Order to remove or impede the Vendor’s ability to market the Purchased Assets for sale;
- 2.4.2. upon the selection by the Vendor of a Successful Bid, if this Agreement is not the Successful Bid; or
- 2.4.3. the Vendor determines, in its sole discretion, that it is inadvisable to present this Offer to Purchase to the Court for any reason whatsoever,

and in any such event the Vendor shall have no further obligations or liability to the Purchaser under this Offer to Purchase or otherwise.

3. **INSPECTION**

3.1. **Inspection**

The Purchaser shall be entitled upon reasonable notice to the Vendor to enter the Lands and carry out tests and inspections of the Lands provided that a representative of the Vendor shall be provided the opportunity and shall be entitled to accompany the Purchaser during tests and inspection of the Lands, and the Vendor shall have the right to approve invasive or intrusive inspections, tests and audits, if any are proposed by the Purchaser, prior to such inspections, tests and audits being undertaken. The Purchaser agrees to indemnify and hold the Vendor harmless from any physical damage to the Lands or to the Vendor, its agents or employees, arising out of such entry.

4. **ADJUSTMENTS AND RELATED MATTERS**

4.1. **Adjustments**

On the Closing Date, the Purchaser and Vendor will adjust for property taxes, and other items normally adjusted between a vendor and purchaser in the sale of similar properties. For certainty, the Vendor will bear and pay all expenses related to the Purchased Assets accrued in respect of any time prior to the Closing Date, including, without limitation, any penalties and interest on outstanding property taxes and interest accrued thereon, and the Purchaser will bear

and pay all expenses related to the Purchased Assets which accrues in respect of any time from and including the Closing Date.

#### 4.2. **Deposit Credit**

The Purchaser and the Vendor acknowledge and agree that the Purchaser has previously paid a deposit in the amount of Two Million Nine Hundred Thousand Dollars (\$2,900,000) to Desjardins Financial Security Life Assurance Company (the holder of the first position mortgage registered against the Lands) pursuant to the Initial Offer. On the Closing Date, the Purchaser will receive a credit on the statement of adjustments equal to such amount.

#### 5. **POSSESSION**

##### 5.1. **Possession Date**

The Purchaser shall, upon completion of the sale and purchase, and subject to the Permitted Encumbrances, have possession of the Purchased Assets as of the Closing Date.

#### 6. **REPRESENTATIONS AND WARRANTIES**

##### 6.1. **Vendor's Representations and Warranties**

The Vendor hereby represents and warrants to the Purchaser, that the Vendor has, or will have after obtaining the court approval referred to in Section 7.2, all necessary authority to complete the transactions herein, including but not limited to the sale of the Purchased Assets and to execute and deliver this Agreement and all other documents and instruments contemplated herein or therein to which it is or will be party and to perform its obligations hereunder and thereunder.

##### 6.2. **As Is Where Is**

The Purchaser acknowledges, covenants and agrees that:

- 6.2.1. except as expressly set forth herein, it is purchasing the Purchased Assets on a strictly "as is, where is" basis;
- 6.2.2. the Vendor is not the owner of the Purchased Assets and is making no representations or warranties whatsoever with respect to the Purchased Assets;
- 6.2.3. it enters into this Offer to Purchase relying solely on its own inspections, it has not relied on any documents or information provided by the Vendor or any representation or warranty given by or on behalf of the Vendor concerning the Purchased Assets except as otherwise expressly set out herein and it is the obligation of the Purchaser to satisfy itself (at the Purchaser's sole cost and expense) on all matters relating to or affecting the Purchased Assets, including the following:
  - 6.2.3.1. the latent or patent defects, state of repair or condition of the Lands and Buildings, environmental, soils, surface and ground water, physical or otherwise, including the presence or absence of

- Contaminants on, in, under or about the Lands and Buildings or any surrounding or neighbouring property;
- 6.2.3.2. the development potential or the fitness of the Lands and Buildings for the intended use of it by the Purchaser;
- 6.2.3.3. the general condition and state of any improvements, equipment, utilities or other facilities or systems in, on, under or servicing the Lands and Buildings;
- 6.2.3.4. the boundaries and dimensions of the Lands and Buildings;
- 6.2.3.5. the access to and egress from, or past, present or future permitted uses or zoning of the Lands and Buildings and the bylaws of the municipality or any other governing authority which relate to any of the Lands and Buildings;
- 6.2.4. the Purchaser understands and agrees that the Vendor has no obligation to conduct any investigations, tests or studies or any due diligence review of any kind whatsoever with respect to the any matter relating to the Purchased Assets;
- 6.2.5. the Purchaser forever releases the Vendor and its directors, officers, shareholders, agents and employees from any and all Claims relating to any of the matters set out above in this Section 6.2 and the Purchaser further covenants and agrees that the Vendor and its directors, officers, shareholders, agents and employees shall have no liability or obligation with respect to any of the matters described in this Section 6.2 any and all of which shall, on the Closing Date, be accepted and assumed by the Purchaser;
- 6.2.6. upon completion of the Purchaser's acquisition of the Purchased Assets, the Purchaser shall be deemed to have unconditionally and irrevocably waived and released the Vendor and its officers, directors, shareholders, agents, consultants and representatives from any Claims relating to the environmental condition of the Lands and Buildings or neighbouring properties including any Claims related to the presence of any contaminants on, under or within the Lands and Buildings or neighbouring properties or the non-compliance of the Lands and Buildings or neighbouring properties with any Environmental Laws;
- 6.2.7. if on the Closing Date the Vendor is in default in any material respect under any of the covenants and agreements to be observed or performed by the Vendor under this Offer to Purchase, the Purchaser may elect not to complete the purchase of the Purchased Assets under this Offer to Purchase. Upon completion of the purchase and sale of the Purchased Assets on the Closing Date as herein provided, each party shall be deemed to have waived, to the extent it has actual knowledge of, any non-compliance with any term, covenant or condition by, or any inaccurate representation and warranty of, any other party;



- 6.2.8. the Vendor will present this Offer to Purchase to the Court for approval, and in so doing is not contractually or otherwise liable to the Purchaser or any other party in any way;
- 6.2.9. the assets to be purchased under this Agreement does not include any personal property or chattels, and that any personal property or chattels remaining in the premises on the Lands which are taken by the Purchaser, are taken at their own risk and expense, without representation or warranty of any kind from the Vendor as to the ownership or state of repair of any such personal property or chattels; and
- 6.2.10. the provisions of this Section 6.2 shall survive the Closing.

### 6.3. **Purchaser's Representations and Warranties**

The Purchaser hereby represents and warrants to the Vendor, regardless of any independent investigations that the Vendor may cause to be made, that as at the date of this Offer to Purchase:

- 6.3.1. the Purchaser has the power, authority and capacity to purchase the Purchased Assets;
- 6.3.2. except for the Initial Offer which may be replaced with this Offer to Purchase if and only if the SISP/Reverse Vesting Order is granted, the execution and delivery of this Offer to Purchase does not conflict with any other agreement binding on the Purchaser and has been and the completion of this Offer to Purchase will have been by the Closing Date duly authorized by all necessary corporate action on the part of the Purchaser;
- 6.3.3. the Purchaser acknowledges and agrees that the Vendor is not the registered owner of the Lands and can make no representations as to the use of the Lands, its occupancy or vacancy, or the residency of the registered owner. To the extent any information or declaration is made by the Vendor in respect of such matters and to enable closing, they are made on information and belief and are not to be relied upon by the Purchaser; and
- 6.3.4. to protect their interests in purchasing the Purchased Assets, the Purchaser acknowledges and agrees that they should attend at the Court hearing in person or by agent.

## 7. **CONDITIONS PRECEDENT**

### 7.1. **Purchaser's Condition**

The Purchaser confirms that this Offer to Purchase is not subject to any conditions that are for the sole benefit of the Purchaser.

### 7.2. **Mutual Conditions**

The parties' obligation to complete the transactions contemplated by this Offer to Purchase is subject to the following mutual conditions:

- (a) the Vendor and the Purchaser each being satisfied with the form of the SISP/Reverse Vesting Order;
  - (b) the Court granting the SISP/Reverse Vesting Order,
- (together, the "**Mutual Conditions**").

These Mutual Conditions must be fulfilled on or before 5:00 p.m. Vancouver time on the Mutual Waiver Date. These conditions are for the benefit of each of the parties and may not be unilaterally waived by either party.

### 7.3. **Satisfaction and Waiver**

The parties agree that if the parties do not give written notice to the other party by the applicable time limited in Section 7.2 that the Mutual Conditions are fulfilled then this Offer to Purchase shall automatically be null and void upon the expiry of the applicable time

### 7.4. **Consideration for and Nature of Conditions**

The Purchaser and the Vendor have each paid the other the sum of \$1.00 as consideration for their respective rights to remove or waive the conditions set forth in this Article 7 and the parties acknowledge the receipt and sufficiency in all respects of such consideration and the parties acknowledge and agree that although their obligations to complete the sale and purchase contemplated by this Offer to Purchase are subject to fulfilment or waiver of such conditions:

- 7.4.1. the Mutual Conditions are not a condition to there being a binding agreement of purchase and sale between the parties respecting the Purchased Assets; and
- 7.4.2. until the time limited for the fulfilment of the Mutual Conditions has expired, this Offer to Purchase is not void, voidable, revocable or, except in the case of default, otherwise capable of being terminated by either of the parties, subject always to Section 2.4.

## 8. **CLOSING**

### 8.1. **Closing**

The closing of the purchase and sale of the Purchased Assets (the "**Closing**") shall commence at 9:00 a.m. on the Closing Date in the offices in Vancouver of the Vendor's Solicitors and the parties shall co-operate to arrange submission of registrable documents to the Land Title Office early on the Closing Date.

### 8.2. **Vendor's Closing Documents**

At the Closing, the Vendor will deliver to the Purchaser's Solicitors in trust to be held in escrow as hereinafter provided the following, duly executed as appropriate and applicable:

- 8.2.1. a Court certified copy of the SISP/Reverse Vesting Order and any other orders as are necessary, all in a form registrable, in all necessary offices required to effect the transactions contemplated herein;
- 8.2.2. letters from legal counsel to the Vendor to the Land Title Survey Authority or other agency as may be required by the SISP/Reverse Vesting Order;
- 8.2.3. a beneficial transfer conveying the beneficial interest in the Lands to the Purchaser;
- 8.2.4. an instrument of transfer conveying the Shares to the Purchaser;
- 8.2.5. a termination of the Trust Declaration;
- 8.2.6. a statement of adjustments approved by the Vendor;
- 8.2.7. if applicable, either:
  - 8.2.7.1. registrable releases of any liens, charges and encumbrances against all or any part of the Purchased Assets other than Permitted Encumbrances; or
  - 8.2.7.2. solicitor's undertakings in favour of the Purchaser's Solicitors and satisfactory to the Vendor's Solicitors and the Purchaser's Solicitors, each acting reasonably, providing for delivery and registration of such releases after completion upon receipt of the adjusted Purchase Price due to the Vendor on the Closing Date;
- 8.2.8. all keys and master keys to all units and facilities of the Lands in the Vendor's possession;
- 8.2.9. such other documents as the Vendor's Solicitors may reasonably require to document the sale and purchase contemplated herein.

### 8.3. **Purchaser's Closing Documents**

At the Closing, following delivery into escrow by the Vendor of those documents described in Section 8.2, the Purchaser will execute and deliver to the Purchaser's Solicitors in escrow as hereinafter provided the following:

- 8.3.1. a bank draft, certified cheque or wire payable to the Vendor or as the Vendor may direct, in an amount equal to the adjusted Purchase Price due to the Vendor on the Closing Date;
- 8.3.2. a statement of adjustments approved by the Purchaser;
- 8.3.3. the GST Certificate; and
- 8.3.4. such other documents as the Purchaser's Solicitors may reasonably require to document the sale and purchase herein.

#### 8.4. **Form of Documents**

All documents referred to in Sections 8.2 and 8.3 and not scheduled to this Offer to Purchase shall be prepared by the Purchaser's Solicitors (and delivered to the Vendor's Solicitors for review no later than five (5) Business Days prior to the Closing Date) and shall be in form and substance approved by the Purchaser's Solicitors and the Vendor's Solicitors, each acting reasonably. Certificates of officers of parties shall be on behalf of the party and not personally.

#### 8.5. **Closing Escrow**

All documents, funds and cheques or bank drafts delivered by the Purchaser and the Vendor, except the letter referred to in Section 8.2.2, and any releases delivered pursuant to paragraph 8.2.7.1 shall be held in trust by the Purchaser's Solicitors in the Purchaser's Solicitor's offices until the letter referred to in Section 8.2.2, and any releases delivered pursuant to paragraph 8.2.7.1 have been accepted for registration in the Land Title Office and a satisfactory post index check search has been received showing that title to the Lands will remain registered in the name of the Nominee subject only to the Permitted Encumbrances and any encumbrances granted by or claimed through the Purchaser at which time all documents and monies will be released to the appropriate parties.

It will be a condition of the Closing that all matters of payment, execution and delivery of documents by each party to the other and the acceptance for registration of documents in the Land Title Office, all pursuant to the terms hereof, shall be deemed to be concurrent requirements and it is specifically agreed that nothing will be complete at the Closing until everything required as a condition precedent at the Closing has been paid, executed and delivered.

#### 8.6. **Purchaser's Financing**

If the Purchaser is relying upon a new mortgage to finance the Purchase Price, the Purchaser, while still required to pay the Purchase Price on the Closing Date, may wait to pay the Purchase Price to the Vendor until after the new mortgage documents have been submitted for registration in the Land Title Office, but only if, before such submission, the Purchaser has:

- 8.6.1. deposited with the Purchaser's Solicitors that portion of the Purchase Price not secured by the new mortgage;
- 8.6.2. fulfilled all the new mortgagee's conditions for funding except submitting the mortgage for registration; and
- 8.6.3. made available to the Vendor, a lawyer's undertaking to pay the Purchase Price upon the submission for registration of the new mortgage documents and the advance by the mortgagee of the mortgage proceeds.

#### 8.7. **Vendor's Financing**

If the Vendor has existing financial charges to be cleared from title the Vendor, while still required to clear such charges, may wait to pay and discharge existing financial charges until immediately after receipt of the Purchase Price, but in this event, the Purchaser shall pay the

Purchase Price to the Vendor's Solicitors, in trust, on undertakings to pay and discharge the financial charges and remit the balance, if any to the Vendor.

9. **GENERAL**

9.1. **Further Assurances**

Each of the parties shall execute and deliver all such further documents and do such further acts and things as may be reasonably required from time to time to give effect to this Offer to Purchase.

9.2. **No Merger**

The parties agree that the execution and delivery of the closing documents according to Article 8 is not intended to and shall not in any way merge or otherwise restrict the terms, covenants, conditions, representations, warranties or provisions made or to be performed or observed by the parties contained in this Offer to Purchase other than their respective obligations to deliver the said closing documents.

9.3. **Entire Offer to Purchase**

Save and except for the Initial Offer, this Offer to Purchase constitutes the entire agreement between the Vendor and the Purchaser pertaining to the purchase and sale of the Purchased Assets and supersedes all prior agreements and undertakings, negotiations and discussions, whether oral or written, of the Vendor and the Purchaser and there are no warranties, representations, covenants or agreements between the Vendor and Purchaser except as set forth herein.

9.4. **Notices**

Any notice, document or communication required or permitted to be given hereunder shall be in writing and delivered by hand or electronic transmission to the party to which it is to be given as follows:

To the Vendor:

**DELOITTE RESTRUCTURING INC.**

Level 19, 410 West Georgia Street  
Vancouver, BC V6B 0S7  
Attention: Jeff Keeble and Paul Chambers  
Telephone: 604-235-4197  
Email Address: [Jkeeble@deloitte.ca](mailto:Jkeeble@deloitte.ca) and [pachambers@deloitte.ca](mailto:pachambers@deloitte.ca)

With a copy to:

Lawson Lundell LLP  
1600-925 West Georgia Street  
Vancouver, B.C. V6C 3L2  
Attention: Bryan Gibbons, Baylee Hunt and Nicholas Shon  
Email: [bgibbons@lawsonlundell.com](mailto:bgibbons@lawsonlundell.com) and [bhunt@lawsonlundell.com](mailto:bhunt@lawsonlundell.com) and [nshon@lawsonlundell.com](mailto:nshon@lawsonlundell.com)

To the Purchaser:

**1475040 B.C. LTD.**

750-5900 No. 3 Road  
Richmond, B.C. V6X 3P7  
Attention: Kathy Wang  
Email Address: [Kathy@Jin-Oceanmic.com](mailto:Kathy@Jin-Oceanmic.com)

With a copy to:

Koffman Kalef LLP  
19<sup>th</sup> Floor - 885 West Georgia Street  
Vancouver, B.C. V6C 3H4  
Attention: Shawn Poisson  
Email: [sap@kkbl.com](mailto:sap@kkbl.com)

or to such other address in the province of British Columbia as either party may in writing advise. Any notice, document or communication will be deemed to have been given when delivered or when transmitted by electronic means and received.

## 9.5. **Fees and Taxes**

- 9.5.1. Each of the parties will pay its own legal fees and fees of its consultants. The Purchaser shall pay all registration and property transfer taxes payable in connection with its purchase of the Purchased Assets, if any.
- 9.5.2. The Purchaser shall be responsible for and pay all federal and provincial sales and other taxes payable by a purchaser upon or in connection with the conveyance or transfer of the Purchased Assets, including GST, or provincial retail sales tax, provided, however, that the Purchaser shall not be required to pay GST to the Vendor on Closing if it delivers a certificate containing an undertaking and indemnity (the “**GST Certificate**”) certifying, *inter alia*, that it is purchasing the Purchased Assets on its own behalf and not as trustee or agent for any third parties, confirming the Purchaser’s GST registration number (which registration number shall be provided to the Vendor’s Solicitors no later than two (2) Business Days before the Closing Date) and confirming that its registration is in full force and effect on Closing and has not been revoked or waived and that the Purchaser will indemnify and save harmless the Vendor and their shareholders, directors,

officers, employees, advisors and agents from all Claims incurred, suffered or sustained as a result of a failure by the Purchaser:

- 9.5.2.1. to pay any federal, provincial or other taxes payable by the Purchaser in connection with the conveyance or transfer of the Purchased Assets whether arising from a reassessment or otherwise, including GST, and provincial retail sales tax, if applicable; and/or
- 9.5.2.2. to file any returns, certificates, filings, elections, notices or other documents required to be filed by the Purchaser with any federal, provincial or other taxing authorities in connection with the conveyance or transfer of the Purchased Assets.

9.5.3. This Section 9.5 shall survive and not merge on Closing.

#### 9.6. **Time**

Time shall be of the essence of this Offer to Purchase, provided that the time for doing or completing any matter provided for herein may be extended or abridged by an agreement in writing signed by the Vendor and the Purchaser or by their respective solicitors who are hereby expressly appointed in this regard.

If the time limited for the performance or completion of any matter under this Offer to Purchase expires or falls on a day that is not a Business Day, the time so limited shall extend to the next following Business Day.

#### 9.7. **Tender**

Any tender of documents or money may be made upon the party being tendered or upon its solicitors and money may be tendered by wire transfer (including by way of the Large Value Transfer System as required), solicitor's certified trust cheque, certified cheque or bank draft drawn on one of the five largest Canadian chartered banks.

#### 9.8. **Enurement**

This Offer to Purchase shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns and reference to any party includes reference to its successors and permitted assigns.

#### 9.9. **Assignment**

The parties hereto expressly acknowledge and agree that the rights of the Purchaser under this Offer to Purchase may not be assigned without the prior written consent of the Vendor.

**9.10. Counterparts**

This Offer to Purchase may be executed in counterparts and when each party has executed a counterpart each of such counterparts shall be deemed to be an original and all of such counterparts when taken together shall constitute one and the same agreement.

**9.11. Execution Electronically**

This Offer to Purchase or a counterpart hereof may be executed by a party hereto and transmitted electronically and if so executed and transmitted this Offer to Purchase will be for all purposes as effective and binding upon such party as if such party had delivered an originally executed document.

**9.12. Confidentiality**

The parties shall keep confidential all information provided to them respectively by any other party hereto pursuant to this Offer to Purchase and shall keep confidential the terms of this Offer to Purchase, except:

- 9.12.1. for the purposes of any litigation which ensues relating to this Offer to Purchase;
- 9.12.2. for the purposes of any reports required to be made by them respectively under any statute or by law;
- 9.12.3. for the purpose of dealings with their accountants, lawyers and other professionals in the administration of their respective business; and
- 9.12.4. for the purpose of anything required under this Offer to Purchase, including obtaining the SISP/Reverse Vesting Order.

**10. SCHEDULES**

The following Schedules are incorporated into and form an integral part of this Offer to Purchase:

Schedule "A" – Legal Description and Permitted Encumbrances

*[the next page is the signature page]*



This Offer to Purchase is irrevocable and is open for acceptance by the Vendor up to 6:00 p.m. (Vancouver time) on the 15th day of November, 2024 and, upon acceptance by the Vendor, will constitute a binding agreement for the purchase and sale of the Purchased Assets on the terms and conditions contained herein. In the event that this Offer to Purchase is not accepted by the Vendor on or before the aforesaid time and date, then this Offer to Purchase shall be null and void.

**IN WITNESS WHEREOF** this Offer to Purchase has been executed as of the day and year first above written.

**PURCHASER**

**1475040 B.C. LTD.**

Per: \_\_\_\_\_  
Authorized Signatory

This Offer to Purchase is accepted by the Vendor this 15th day of November, 2024

**VENDOR**

**DELOITTE RESTRUCTURING INC.,**  
solely in its capacity as the court-appointed  
receiver and manager of Coromandel Cambie  
59 BT Ltd., Coromandel Cambie 59  
Developments Ltd. and Coromandel Cambie 59  
Limited Partnership, and not in its personal  
capacity

Per: Paul Chambers  
Authorized Signatory  
Paul Chambers, Senior Vice President

This Offer to Purchase is irrevocable and is open for acceptance by the Vendor up to 6:00 p.m. (Vancouver time) on the 15th day of November, 2024 and, upon acceptance by the Vendor, will constitute a binding agreement for the purchase and sale of the Purchased Assets on the terms and conditions contained herein. In the event that this Offer to Purchase is not accepted by the Vendor on or before the aforesaid time and date, then this Offer to Purchase shall be null and void.

**IN WITNESS WHEREOF** this Offer to Purchase has been executed as of the day and year first above written.

**PURCHASER**

**1475040 B.C. LTD.**



Per: \_\_\_\_\_  
Authorized Signatory

This Offer to Purchase is accepted by the Vendor this \_\_\_\_\_ day of November, 2024

**VENDOR**

**DELOITTE RESTRUCTURING INC.,**  
solely in its capacity as the court-appointed  
receiver and manager of Coromandel Cambie  
59 BT Ltd., Coromandel Cambie 59  
Developments Ltd. and Coromandel Cambie 59  
Limited Partnership, and not in its personal  
capacity

Per: \_\_\_\_\_  
Authorized Signatory

## **SCHEDULE “A”**

### **PART 1 - LEGAL DESCRIPTION OF THE LANDS**

PID: 029-788-897, Parcel 1 District Lot 323 Group 1 New Westminster District Plan EPP59445

(the “**Lands**”)

### **PART 2 - PERMITTED ENCUMBRANCES**

1. The subsisting conditions, provisos, restrictions, exceptions and reservations, including royalties, contained in the original grant or contained in any other grant or disposition from the Crown;
2. The following legal notations, charges, liens and interests:
  - (a) Statutory Right of Way registered March 23, 2016 in favour of the City of Vancouver, CA5061285
  - (b) Covenant registered March 23, 2016 in favour of the City of Vancouver, CA5061288
  - (c) Covenant registered March 23, 2016 in favour of the City of Vancouver, CA5061291
  - (d) Equitable Charge registered March 23, 2016 in favour of the City of Vancouver, CA5061294
  - (e) Statutory Right of Way registered March 23, 2016 in favour of the City of Vancouver, CA5061297
  - (f) Covenant registered March 23, 2016 in favour of the City of Vancouver, CA5061300
  - (g) Covenant registered March 23, 2016 in favour of the City of Vancouver, CA5061303
  - (h) Statutory Right of Way registered March 23, 2016 in favour of the City of Vancouver, CA5061306
  - (i) Covenant registered March 23, 2016 in favour of the City of Vancouver, CA5061309