

October 4, 2022

Tel: 416-202-2800
Fax: 416-601-6690
www.deloitte.ca

Private and confidential

Notice to Life Lease Buyers of Trinity Ravine Community Inc.

This notice is intended to provide Life Lease Buyers with information regarding (i) a future claims process and distribution of available sale proceeds to creditors and (ii) queries in applying a Life Lease Buyers deposit to a new project unit.

On February 23, 2022, Trinity Ravine Community Inc. ("**Trinity**") sought and obtained protection pursuant to the Companies' Creditors Arrangement Act (the "**CCAA**") before the Ontario Superior Court of Justice (Commercial List) (the "**Court**"). Trinity was incorporated under the name Global Kingdom Ministries Inc. and its name was changed to Trinity Ravine Community Inc. effective October 21, 2020.

Pursuant to the Initial Order of the Court dated February 23, 2022 as amended on March 4, 2022:

1. Deloitte Restructuring Inc. was appointed as monitor in Trinity's CCAA proceedings (the "**Monitor**") which set out the Monitor's powers and *did not* include investigative powers in these CCAA proceedings; and
2. Provided for a stay of proceedings which was most recently extended to October 31, 2022 during which time no action or litigation can be initiated against Trinity.

On September 15, 2022, the Court issued an Approval and Vesting Order, which among other things, approved a sale transaction for Trinity's primary asset - the development lands located at 1256 Markham Rd to 1256 Markham Road Limited Partnership (by its general partner 1000307599 Ontario Incorporated) (the "**Purchaser**")¹. **The sale transaction closed effective September 26, 2022.**

As such, please take note of the following:

A. Claims Process and Distribution of Sale Proceeds

- The Monitor is holding the sale proceeds subject to the existing Court orders and a claims process as described below.
- The sale proceeds are not sufficient to repay the unsecured creditors in full, this includes the Life Lease Buyers. The Life Lease Buyers will not receive 100% of their Life Lease Deposit back, nor interest. An expected distribution amount cannot be provided today, as the calculation will be completed after each creditor proves their claim.
- On September 15, 2022 the Court issued an Ancillary Order which permitted Trinity to assign itself into Bankruptcy. At this time it is contemplated that Deloitte will be appointed as Trustee in Bankruptcy to oversee the bankruptcy proceedings (the "**Trustee**").
- If appointed, the Trustee will conduct a claims process to facilitate an orderly distribution of available sale proceeds to unsecured creditors. **Please note, a claims package will be sent separately by the Trustee with specific details on this process and what is required from you.**
- Please contact Deloitte with respect to these CCAA proceedings and the claims process at: trinityravine@deloitte.ca or 416-202-2800.

¹ Note – the original purchaser named on the Purchase Agreement dated August 23, 2022 was "Madison Home Décor Ltd., in trust for a corporation to be incorporated". As permitted under the Purchase Agreement the original purchaser legally assigned its rights to the Purchaser.

B. Life Lease Deposits and New Project Development

- The Purchaser has agreed to allow Life Lease Buyers to apply their deposit (less any distribution as described in Section A above) to a new project unit, subject to certain terms.
- The Purchaser will communicate with all Life Lease Buyers directly regarding the new development prior to November 30, 2022.
- In this communication, the Purchaser will provide their representatives' contact information and pertinent details on the new project so that the Life Lease Buyers may contact the Purchaser's representatives directly to discuss their options going forward.
- It is the Purchaser's intention to work on and submit an application to the City for a zoning bylaw amendment and other development applications, which will likely take 18-24 months to complete.
- Life Lease Buyers will be updated regularly and given a priority opportunity to purchase a unit in the new project.

If you know Life Lease Buyers who have not received any communication regarding these CCAA proceedings, please direct them to the Monitor at the email and/or phone number listed above.