

Notice and Statement of the Receiver
(Subsections 245(1) and 246(1) of the *Bankruptcy and Insolvency Act*)

IN THE MATTER OF THE RECEIVERSHIP OF
MIZRAHI COMMERCIAL (THE ONE) LP,
MIZRAHI DEVELOPMENT GROUP (THE ONE) INC.,
AND MIZRAHI COMMERCIAL (THE ONE) GP INC.

The receiver gives notice and declares that:

1. On October 18, 2023, the Ontario Superior Court of Justice (Commercial List) granted an order (the **“Receivership Order”**), pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended, appointing Alvarez & Marsal Canada Inc. as receiver and manager (the **“Receiver”**), without security, of all of the assets, undertakings and properties (collectively, the **“Assets”**) of Mizrahi Commercial (The One) LP (the **“LP”**), Mizrahi Development Group (The One) Inc. (**“MDG”**), and Mizrahi Commercial (The One) GP Inc. (**“GP Inc.”**) and, together with the LP and MDG, the **“Companies”**) acquired for, or used in relation to a business carried on by the Companies including, without limitation, in connection with the development of an 85-storey condominium, hotel and retail tower located at the southwest corner of Yonge Street and Bloor Street West in Toronto, Ontario known as “The One” (the **“Project”**).
2. The Receivership Order was granted pursuant to an application made by KEB Hana Bank as trustee of IGIS Global Private Placement Real Estate Fund No. 301 and as trustee of IGIS Global Private Placement Real Estate Fund No. 434 (the **“Applicant”**), being a secured creditor of the Companies pursuant to a credit agreement dated August 30, 2019 (as amended, the **“Credit Agreement”**). Security granted by the Companies in connection with the Credit Agreement includes, among other things, a general security agreement dated August 30, 2019, a demand debenture dated August 30, 2019, as amended, and a general assignment of rents and leases dated August 30, 2019. The security granted pursuant to the Credit Agreement is more fully described in the application materials of the Applicant.
3. The estimated book value of the Assets as at September 30, 2023 (based on the unaudited books and records of the Companies) were as follows:

	Book Value (in CAD\$ 000s)
Property Under Development	1,639,365
Deferred sales commissions	34,522
Cash ¹	42,460
Restricted Cash	2,920
GST/HST receivable	2,366
Prepaid expenses	2,002
Total Assets	<u>\$1,723,635</u>

¹ Cash on hand at the date of the Receivership Order has been transferred to the Receiver’s trust accounts.

Note: Realizable values may materially differ from the above. The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy of the foregoing.

4. The Receiver understands that GP Inc. is not an operating entity and does not maintain accounting records. Based on GP Inc.'s most recent tax return for the year ended December 31, 2022, GP Inc.'s Assets were comprised only of its partnership contribution to the LP of CAD\$10. Note that the realizable value may materially differ from this amount.
5. The undersigned took possession and control of the Assets on October 18, 2023.
6. The following information relates to the receivership:

a) Address of head office: 2 Bloor Street West, Toronto, ON

b) Principal line of business:

The LP and MDG are developing the Project. The Project is owned by MDG as nominee for and on behalf of the LP. GP Inc. is the general partner of the LP.

c) Location of business: For the LP and MDG, 1 Bloor Street West, Toronto ON
For GP Inc., 2 Bloor Street West, Toronto, ON

d) Amounts owed to creditors as at October 18, 2023 (based on the Companies' unaudited books and records) were as follows:

	Estimated Amount (in CAD\$ 000s)
Secured (approximate principal balance, excluding accrued interest)	1,384,000
Unsecured	27,184
Total	1,411,184

Attached as Appendix "A" is a list of all known creditors of the Companies as at the date of the Receivership Order. This information has not been audited or verified by the Receiver.

7. The principal purpose of the receivership proceedings is to create a stabilized environment for the continued construction of the Project under the oversight of the Receiver, while the Receiver considers available options and alternatives to maximize value. The Receiver has engaged a project manager and other advisors to assist with the day-to-day operations and oversight related to the continuing construction of the Project. The Receiver will engage additional advisors and consultants going forward, as required.



8. Additional Information:

A copy of the Receivership Order is posted on the Receiver's website at www.alvarezandmarsal.com/theone. Other public information, including court materials, will be posted to this website as that information becomes available.

Contact person for the Receiver:

Name:	Ethan Krieger
Telephone No.:	(416) 847-5495
Email:	ekrieger@alvarezandmarsal.com

Dated at Toronto, this 27th day of October, 2023.

**ALVAREZ & MARSAL CANADA INC.,
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER
AND MANAGER OF MIZRAHI COMMERCIAL (THE ONE) LP,
MIZRAHI DEVELOPMENT GROUP (THE ONE) INC., AND
MIZRAHI COMMERCIAL (THE ONE) GP INC.,
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**


Per: Melanie MacKenzie
Senior Manager

APPENDIX A
IN THE MATTER OF THE RECEIVERSHIP OF MIZRAHI COMMERCIAL (THE ONE) LP, ET. AL.

NAME OF CREDITOR	ADDRESS	Amount Due (CAD\$)
SECURED CREDITORS (approximate principal balance, excluding accrued interest)		
IGIS Global Private Placement Real Estate Fund No. 301		632,000,000.00
IGIS Global Private Placement Real Estate Fund No. 434		325,000,000.00
AVIVA Insurance Company of Canada		130,000,000.00
Hana Private Real Estate Investment Trust No. 137		55,000,000.00
Coco International Inc.		60,000,000.00
CERIECO		182,000,000.00
TOTAL SECURED CREDITORS (approximate principal balance, excluding accrued interest)		\$ 1,384,000,000.00
UNSECURED CREDITORS		
Aercooustics Engineering Ltd.	1004 Middlegate Road, Suite 1100, Mississauga ON L4Y 0G1	16,028.93
Altus Group Limited	33 Yonge Street, Suite 500, Toronto ON M5E 1G4	31,997.85
Avison Young	222 Bay Street, Suite 2500, Box 245, Toronto, ON M5K 1J5	10,170.00
BA Consulting Group Ltd.	300 - 45 St. Clair Ave. West, Toronto ON M4V 1K9	1,169.55
Bell Canada	2500 Daniel-Johnson, 8th Floor, Laval QC H7T 2P6	14.28
Borden Ladner Gervais LLP	Bay Adelaide Centre, East Tower, 22 Adelaide Street West, Toronto ON M5H 4E3	6,092.97
Chart Communications Inc.	5255 Yonge St, Suite 709, Toronto ON M2N 6P4	1,576.35
City of Toronto	55 John Street, Stn 1260, 26th Floor, Metro Hall, Toronto ON M5V 3C6	9,054.63
ClaimsPro LP	8560 Roper Road, Suite 200, Edmonton AB T6E 6V4	3,915.00
Coco International Inc.	271 Spadina Rd., 5th Floor, Toronto ON M5R 2V3	142,200.92
Conway and Partners LLC	7261 NE 4th Ave, Unit 101, Miami FL 33138, USA	12,240.00
Core Architects Inc	130 Queens Quay East, Suite 700, West Tower, Toronto ON M5A 0P6	147,234.19
Daoust Vukovich LLP	20 Queen Street West, Suite 3000, Toronto ON M5H 3R3	415,422.68
Dentons Canada LLP	99 Bank Street, Suite 1420, Ottawa ON K1P 1H4	303,029.32
Design Agency	845 Adelaide St. West, Toronto ON M6J 3X1	2,470.17
Dolce Magazine Publishing Inc.	111 Zenway Blvd, Unit 30, Vaughan ON L4H 3H9	15,481.00
Foster + Partners Limited	Riverside, 22 Hester Road, London SW11 4AN, United Kingdom	75,000.00
Goldsmith Borgal & Company Ltd.	362 Davenport Road, Suite 200, Toronto ON M5R 1K6	1,059.38
Hampson Writes Communications Ltd.	8 Freda's Point Ext, PO Box 497, Chester PO, Chester NS B0J 1J0	5,424.00
Handverk Design Inc.	24 Sunnybrae Cres, Toronto ON M6M 4W5	16,207.02
Henein Hutchison Robitaille LLP.	235 King Street East, Toronto ON M5A 1J9	3,465.26
Isherwood Geostuctural Engineers	3100 Ridgeway Drive, Unit 3, Mississauga ON L5L 5M5	1,341.88
Joy von Tiedemann Photography Inc.	24 Tennis Crescent, Toronto ON M4K 1J3	5,073.71
Krcmar Surveyors Ltd.	1137 Centre Street, Suite 101, Thornhill ON L4J 3M6	22,719.80
Laughlin Solutions Incorporated	4 Beran Drive, Toronto ON M1G 1G1	260.00
Masters Insurance Limited	7501 Keele Street, Suite 400, Vaughan ON L4K 1Y2	269,616.17
McIntosh Perry Limited	6240 Highway 7, Suite 200, Woodbridge ON L4H 4G3	3,932.40
MCW Consultants Ltd.	207 Queens Quay W. Suite 615, Toronto ON M5J 1A7	13,514.80
Mizrahi Inc.	125 Hazelton Ave, Toronto ON M5R 2E4	25,337,307.37
PMF Plumbing Supplies (Toronto)	1775 Bonhill Road, Mississauga ON L5T 1C1	283.04
Read Jones Christoffersen Ltd.	100 University Ave, North Tower, Suite 400, Toronto ON M5J 1V6	38,888.95
Rogers	PO Box 9100, Don Mills ON, M3C 3P9	283.27
St. Joseph Media	15 Benton Road, Toronto ON M6M 3G2	26,574.48
Sun-Brite	7695 Jane St., Unit 11, Concord ON L4K 1A8	4,811.94
Westmount Guarantee Services Inc.	600 Cochrane Drive, Suite 205, Markham ON L3R 5K3	240,546.00
TOTAL UNSECURED CREDITORS		27,184,407.31
GRAND TOTAL		\$ 1,411,184,407.31