Court File No. CV-25-00738613-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF HUDSON'S BAY COMPANY ULC COMPAGNIE DE LA BAIE D'HUDSON SRI, HBC CANADA PARENT HOLDINGS INC., HBC CANADA PARENT HOLDINGS 2 INC., HBC BAY HOLDINGS I INC., HBC BAY HOLDINGS II ULC, THE BAY HOLDINGS ULC, HBC CENTERPOINT GP INC., HBC YSS 1 LP INC., HBC YSS 2 LP INC., HBC HOLDINGS GP INC., SNOSPMIS LIMITED, 2472596 ONTARIO INC., and 2472598 ONTARIO INC**.**

Applicants

RESPONDING MOTION RECORD OF
MORGUARD INVESTMENTS LIMITED,
the authorized agent and manager for various landlords
wherein the Applicants operated retail stores
(Returnable August 28, 2025)
(Volume III of III)

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Lawyers for the Lawyers for Morguard Investments Limited as authorized agent and manager for the landlords of its retail stores leased to one or more of the Applicants

TO: THE E-SERVICE LIST (as at July 30, 2025)

Court File No. CV-25-00738613-00CL

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Applicants

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ONTARIO
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AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF HUDSON'S BAY COMPANY ULC COMPAGNIE DE LA BAIE D'HUDSON SRI, HBC CANADA PARENT HOLDINGS INC., HBC CANADA PARENT HOLDINGS 2 INC., HBC BAY HOLDINGS I INC., HBC BAY HOLDINGS II ULC, THE BAY HOLDINGS ULC, HBC CENTERPOINT GP INC., HBC YSS 1 LP INC., HBC YSS 2 LP INC., HBC HOLDINGS GP INC., SNOSPMIS LIMITED, 2472596 ONTARIO INC., and 2472598 ONTARIO INC**.**

Applicants

AFFIDAVIT OF DAVID WYATT

I, DAVID WYATT, of the city of Burlington, **MAKE OATH AND SAY**:

1. I am the Senior Vice President, Retail with Morguard Investments Limited ("**Morguard**"), the authorized agent and manager for various landlords wherein the Applicants (the "**Applicants**" and/or "**HBC**") operated retail stores and as such have knowledge of the matters hereinafter deposed.

2. Where the knowledge in this affidavit is based upon the information of others, I have stated the source of my knowledge and do verily believe it to be true.

3. I am swearing this affidavit in response to the affidavits filed by the Applicants and Ms Liu in connection with the motion brought by the Applicants for an Order assigning four of Morguard's leases to Ruby Liu Commercial Investment Corp. ("**Liu CIC**"). For the reasons set out below, Morguard opposes the Applicant's requested relief.

4. It should be noted that although Morguard has been impacted by hundreds of retail insolvencies during its tenure, and many motions to assign leases to new tenants, Morguard has never opposed such motions. In fact, in many insolvency proceedings, Morguard has consented to the assignment of its leases. Such was the case in Target Canada where Morguard consented to the assignment of certain of its leases to Walmart and Canadian Tire.

Industry Knowledge and Expertise

5. I have over 35 years of experience in retail real estate operations and leasing. During my career I have worked in major markets in both Eastern and Western Canada. For the past 27 years I have held senior leasing roles with Ivanhoe Cambridge, Redcliff Realty, Bentall Kennedy and Morguard identifying and executing real estate strategies with both an operational and asset optimization objective.

6. I hold an Honours BA in Urban Development as well as a Senior Certified Leasing Specialist designation with the International Council of Shopping Centres. Over the years I have had extensive hands-on direct experience with tenants across the country addressing their leasing/operational needs.

7. I was the Senior Vice President, Leasing & Operations with Morguard when Sears filed for insolvency protection and directed the leasing and redevelopment efforts undertaken by Morguard when stores were assigned and disclaimed in those insolvency proceedings.

8. I currently lead the asset management leasing and operations group for Morguard's retail portfolio (which real estate portfolio exceeds 15.5M square feet of commercial retail space -

valued at over $4.7B). I oversee more than 100 employees working to develop and implement property specific strategies designed to optimize market positioning and value.

9. In fulfilling the objective of optimize market positioning and value, Morguard continually assesses local, regional and national factors that may impact our shopping centres. These assessments include market studies, trends and review of our position in the markets as compared to our competitors. We regularly retain outside experts (brokers, market analysis, environics analytics, appraisers) to assess the primary and secondary trade areas which support our shopping centres to ensure each of our shopping centre merchandising plans are appropriate for the market they serve.

Tenant Review

10. We strategically curate our tenant mix to align with our investment criteria, prioritizing financial strength, potential for long-term success, and alignment with our merchandising strategy and overall vision for the shopping centre. We are a seasoned operator of regional shopping centres, committed to delivering best-in-class management and operational excellence. We consistently make thoughtful leasing decisions, choosing to exclude tenants who don't meet our investment standards, to protect and enhance the long-term success of all our tenant partners—regardless of their size.

11. Prospective tenants seeking larger spaces (20,000 sq. ft. or more) are subject to heightened evaluation, as underperforming anchors can significantly diminish a shopping centre's appeal and market position—damage that can take years to reverse. To safeguard and strengthen our long-term investment goals, we carefully select major tenants who will enhance, not undermine, the centre's overall performance and reputation.

12. In addition to ensuring prospective tenants meet our merchandising objective, we always carefully review the financial viability of the proposed business. With extensive experience evaluating retail performance, we've identified key traits that consistently drive success. Top-performing retailers demonstrate a deep understanding of their target customers, competitive landscape, supply chain, operational infrastructure, and brand presentation. They are also well-positioned to secure financing when needed. This comprehensive command of both front- and back-end operations enables them to attract customers, meet expectations, and convert traffic into sales.

13. With regard to financing, it is essential that our tenants are well financed with a strong covenant. We typically request financial statements to assess the financial wherewithal of the tenant. New tenants to the market that meet all other criteria are customarily asked to provide guarantees or letters of credit as security for the financial obligations of the lease. By way of example, when Target came to Canada, although it had a proven track record in the U.S. and it had a full and well-planned strategy for entering the Canadian market, we required that the U.S. parent company guarantee the performance of 13 Target leases in our portfolio.

14. When meeting with start-up tenants or tenants with an unproven concept, we typically ask the following questions:

Business Model & Value Proposition

- What problem are you solving, and for whom?
- What makes your retail concept unique?
- Who is your target customer?
- How do you acquire customers, and what does it cost?

Market Opportunity

- What is the size of your addressable market?

- Who are your main competitors?
- What is your competitive advantage or differentiation?
- How do you plan to gain market share?

Product & Merchandising

- What are your best-selling products?
- How do you decide what to stock or sell?
- What is your pricing strategy?
- Do you plan to design, manufacture, or white-label products?
- Who are your biggest and most important suppliers/vendors?

Operations & Supply Chain

- What does your supply chain look like?
- Are you working with manufacturers, distributors, or wholesalers?
- How do you manage inventory?
- What systems or technologies are you using for operations?

Store Set up

- What is your store set up?
- Store size and layout?

Financials

- Provide your revenue, gross margin, and net margin forecast.
- Provide 3 years of audited financial statements (if not publicly available).
- What funding have you raised so far (if any)?

Sales & Marketing

- What are your most effective marketing channels?
- What's your expected retention or repeat purchase rate?
- How are you building brand awareness?

Team & Execution

- Who is on your founding team and what are their backgrounds?
- What experience does your team have in retail or e-commerce?
- What gaps exist in your team?
- How do you handle hiring and scaling of operations?

Technology & Tools

- Are you using any proprietary technology?

- How do you handle customer data and privacy?

Scalability & Growth

- How scalable is your current model?
- What are your goals for the next 12–24 months?
- What are the biggest risks or challenges to your growth?

Exit Strategy

- What is your long-term vision for your business?

15. Where we are not familiar with the retailer (merchandising products, store set up with department floor sizes, quality of fixture, store atmosphere, etc.) in addition to asking for such information and depending on the expansion plans and the size of the proposed leased premises, we will send a team to visit the tenant's other retail locations. This was the case before Target was approved to lease locations in Morguard's portfolio. Morguard visited U.S. Target stores to meet with key management personnel and to ensure the concept, merchandise, quality, etc. were appropriate in our shopping centres.

16. In no circumstance has Morguard ever agreed to lease a premises of over 100,000 sq. ft. in any of our shopping centres to a new, unknown retailer.

<u>HBC - Anchor Tenant</u>

17. During my over 35 years in the retail leasing sector, I have had the opportunity to review many HBC leases and negotiate amendments. As a result I am very familiar with HBC's retail operations and more specifically with HBC's leases in Morguard's portfolio.

18. At the commencement of the Applicants' CCAA proceeding, HBC operated seven retail stores in Morguard's portfolio. Following the completion of the Lease Monetization Process,

the Applicants disclaimed three leases. The remaining four leases are the subject of the Liu CIC bid.

19. In every case, HBC served as an "anchor" tenant of the shopping centres.

20. Anchor tenants play a critical role in the financial viability of a shopping centre for both the landlord and other tenants in the shopping centre. Anchor tenants provide the single largest or one of the largest draws of customers to the shopping centres. In addition, anchor tenants will enhance and contribute to the mall atmosphere, ambiance, and merchandising mix.

21. In fact, most shopping centres are built and configured with a view to placing anchor tenants, in large premises, at the end of wings/hallways to encourage customers to walk through the shopping centre. In so doing, customers will frequent other retailers located between anchor tenants. Often other retail tenant in a shopping centre will include provisions in their leases that require the anchor tenants to be open and operating failing which rents may be reduced or abated. This is the case for Morguard's shopping centre where HBC was an anchor tenant.

22. Anchor and major tenants are critical to the overall success of a shopping centre, as they drive foot traffic, influence the leasing appeal for other retailers, and help support market lease rates. The identity, performance, and brand strength of these key tenants play a major role not only in attracting new tenants but also in retaining existing ones. In many cases, the long-term viability of a shopping centre is closely tied to the quality and recognition of these key tenants.

23. HBC was aware of its role as an anchor tenant and its impact on Morguard's shopping centres and the other tenants in the shopping centres. In this regard, HBC occupied the largest and most prominent premises in the shopping centres. In all cases, HBC's premises had

both inside mall entrances and direct outside access for its customers, with an abundance of easy access parking.

24. As a nationally recognized brand and prominent anchor tenant, HBC secured highly favourable lease terms from developers and landlords—including Morguard—both at inception and throughout its tenancy, leveraging its strategic importance. Even as HBC's performance declined in recent years, particularly during COVID-related retail shutdowns, it was able to obtain rent relief from Morguard and others—relief that was not extended to many smaller tenants. This was due to HBC's market significance and the impact its presence had on co-tenancy clauses in other leases. Morguard provided such relief in part to preserve the operational continuity and tenant stability across its centres.

25. Immediately upon learning that HBC had filed for insolvency protection in March, 2025, Morguard mobilized its leasing and development teams of over 20 people (which team includes leasing personnel, asset managers, consultants, and development personnel) to consider and assess all options for re-demising and re-leasing the locations.

26. Given that HBC occupied one of the most prominent and strategically important retail spaces within our shopping centres, it is critical for Morguard to ensure that any re-leasing or reconfiguration results in a high-impact replacement. The goal is to enhance market positioning and maximize the long-term value of the property. Introducing an unproven tenant with an undeveloped concept or untested business model into such a key space poses a significant risk, potentially creating a negative ripple effect throughout the centre. Morguard understands that the retail leasing market is dynamic, and that the most suitable replacement tenants may not always be immediately available. In such cases, we believe it is prudent to exercise patience in securing

the right fit rather than rushing into a lease with a poorly aligned operator. An ill-suited tenant not only risks underperformance and early failure but can also undermine the centre's reputation and delay the opportunity for a successful long-term replacement. In our view, short-term income does not justify probable long-term reputational damage.

27. To ensure prime locations are only leased long term to appropriate best in class tenants, if necessary, Morguard will enter into temporary leases terminable by the landlord on 90 days notice with fashion tenants (Urban Behavior, Ardene) until an appropriate long term tenant is found. In no circumstance would Morguard enter into a long term lease with a tenant that did not fit within its goals for the asset.

Morguard's four HBC Leases – Liu CIC Bid

28. As noted above, Morguard has four leases which are the subject of the Liu CIC Bid:

(i) Centrepoint Mall;
(ii) Bramalea City Centre;
(iii) Coquitlam Shopping Centre; and
(iv) St. Laurent Shopping Centre.

Below is a summary of the more salient provision of each of the four leases.

(i) Centerpoint Mall

29. The Centerpoint Mall is located at 6464 Yonge St. (at Steeles Avenue) in North York, Ontario. Morguard (via related entities) owns and operates this mall. The landlord of the leased premises with HBC is Revenue Properties Company Limited.

30. Centerpoint Mall is comprised of 519,210 square feet ("**SF**") of retail space on two levels inclusive of 48,197 SF of office space. There are over 135 tenants operating in the Mall.

31. Market Demographics for 2024 indicate that the primary trade area has a population of 363,646 with 139,148 households. Over 27% of the primary trade area has household income of over $135,000. The secondary trade area population is 509,898 with 186,601 homes and an average household income of $139,199.

32. The Mall is shaped like a cross (+) with major/anchor tenants at each point. HBC occupied the largest premises in the mall with over 120,000 SF on two levels. The other major tenants are: Canada Computers & Electronic with 93,788 SF; Canadian Tire with 91,514 SF and No Frills grocery store with 68,630 SF.

> Appended to my affidavit as **Exhibit "A"** is a copy of the map for the Centrepoint Mall.

HBC Lease at Centrepoint Mall

33. In 1974 the then landlord agreed with HBC to expand the shopping centre (then known as Town & Country Square Shopping Centre) to build a premises to be leased by HBC. The HBC lease is dated April 3, 1974.

> Appended to my affidavit as **Exhibit "B"** is a copy of the April 3, 1974 HBC Lease.

34. The more salient provisions of the lease are summarized below.

(1) **Term s. 3**: The initial Term of the Lease was for 30 years and 28 days ending on April 30, 2004. HBC was granted seven 10 year options. If all seven option are exercised, the Lease will expire on **April 30, 2074**. The current terms ends April 30, 2034.

(2) **Premises size:** 122,502 SF.

(3) **Rent:** The currently monthly rent is $9,790.10 (being $0.96 psf).

Common Area Maintenance ("**CAM**"): CAM monthly charges are $39,273.15.
Realty Taxes: Monthly Realty Tax charges are $26,177.17
Total monthly payment: **$75,240.42.**

(4) **Current Arrears of rent**: $137,889.63

(5) **Use and Operating Covenant s.6.00(1)**: HBC to continuously operate its business in the leased premises as a **first-class, high quality retail department store**. See also s. 21.01(2) requirement on landlord only to lease to tenants that will occupy locations.

(6) **Use limitation s.6.00(i)**: limited restaurant permitted however no alcohol can be served.

(7) **Landlord's Operation obligations s.7.00**: Landlord to operate a First Class regional Shopping Centre, (7.01) manage and maintain the shopping centre in accordance with best standards of shopping centre management which have been adopted by first-class centres in Canada and (7.02) ensure other tenants are open and operating during established hours of business.

(8) **Tenant Repair obligations s.12:00**: Tenant to maintain and keep in good and substantial state of repair the store building in accordance with the standards of a careful owner, including all repairs, major and minor, structural or otherwise, exterior or interior including those made necessary by age and damage (including HVAC, electrical, pluming etc).

(9) **No Assignment s.21.00:** HBC may not assign the lease without landlord consent.

(10) **Disputes to be resolved by experts 22.00**: Disputes between the Landlord and HBC are to be resolved by a shopping centre consultant for questions relating to the operation and standards of the shopping centre.

Special Lease Restrictions/Terms granted in favour of HBC

(11) **Restrictions on landlord's Sign Policy .7.01(5):** HBC's approval is required with respect to the landlord's sign policy for other tenants in the shopping centre**.**

(12) **Restrictions on Parking s.7.04(b):** Landlord may not impose any charges for parking without HBC approval.

(13) **Parking Ratios s.7.04(c)(2):** Landlord is to maintain minimum parking stalls as ratio of number of stalls per 1000 SF of rentable space of the shopping centre.

(14) **Restrictions on landlord's Rules and Regulations s.7.05**: HBC has consent rights over landlord rules and regulations which are applicable to all tenants in the shopping centre.

(15) **Restrictions on landlord Merchandising Plan s.14.00**: Landlord is obligated to comply with Merchandising Plan when leasing to other tenants; HBC consent required to amend Merchandising Plan (s.14.00(c)) – **proposed tenants must be in "best interest" of shopping centre**. HBC's consent maybe withheld if proposed type and quality or class of use would not maintain in all material respects a fair balance of customer attraction throughout the shopping centre (s.14.00(c)(2))

(16) **Restrictions on Leasing to other Tenants s.14.00(2):** Landlord to lease only to tenants whose business and reputation is consistent with good leasing practice in first class regional shopping centre, and if the tenant will be within 100 feet of the HBC store, HBC must approve the tenant;

(17) **Restrictions on Provisions in leases with other Tenants s.14.02:** Landlord is to ensure that, subject to certain exceptions, leases with other tenants prohibit such tenants from assigning their leases including changing the identity of the tenant without landlord consent, and no landlord consent to be granted without HBC approval. Also (**Most Favoured Nation Provision**) in that no other department store to have more favourable assigning etc. rights that HBC.

(18) **Prohibited Uses s.14.04**: Landlord is not to lease to tenants for listed prohibited uses, including discount department stores or businesses whose merchandising or pricing methods likely to lower the "character" of the shopping centre.

(19) **Restrictions on Outdoor selling areas s.17.01:** Outdoor selling areas of other departments stores are not to exceed 10,000 SF and (**Most Favoured Nation Provision**) in that no other department store to have more favourable terms for outdoor area than HBC.

(20) **Automotive Centre s.18.00 and 18.02**: HBC has right of first refusal for an automotive centre.

(21) **Expansion Rights s.19.00**: HBC granted the right to alter, reconstruct or expand the HBC store.

(22) **Restrictions on Landlord rights to expand the Shopping Centre s.20.00**: Landlord redevelopment rights for the shopping centre are limited and require HBC's consent.

35. The monthly minimum rent is very low compared to rates that would be negotiated today due to the time that this lease was negotiated and the anchor status of the lessee, that enabled them to negotiate a long initial term with rights to a series of fixed rate, flat options, that provided the lessee the significant benefit of a long term low rate rent structure.

36. The special lease restrictions and terms listed above, granted in favour of HBC are not granted to other non-anchor tenants and in fact, no other anchor tenants have such significant/expansive restrictions over what Morguard can and cannot do in and with the shopping centre. These provision were granted to HBC as it was a nationally recognized brand, that would act as the anchor tenant of the shopping centre driving sales, contributing to the first class mall character and drawing foot traffic into the shopping centre.

(ii) Bramalea City Centre

37. Bramalea City Centre ("BCC") is located at 25 Peel Centre Drive (Queen Street and Dixie Road), in Brampton, Ontario.

38. BCC has 1.5M SF of retail space on two levels with an additional 100,000 SF of office space. BCC is the fifth largest shopping centre in Ontario and the seventh largest in Canada. There are over 300 tenants operating in BCC.

39. Market Demographic for 2024 indicate that the primary trade area has a population of 595,987 with 160,690 households. The average household income in the primary trade area is $130,000. The secondary trade area population is 388,387 with 122.365 homes and an average household income of $169,525.

40. HBC occupied the largest premises in BCC with over 130,000 SF on two levels. Other major tenants include: Designer Depot with 70,418; Metro Grocery store with 63,904 SF and GoodLife Fitness 48,335, Best Buy with 31,108 SF.

Appended to my affidavit as **Exhibit "C"** is a copy of the shopping centre mall map for the BCC.

HBC Lease at BCC

41. In or about May 1972 the landlord agreed with an entity now known as HBC to construct a shopping centre (now known as Bramalea City Centre) which shopping centre was to include a shopping centre intended for occupancy by HBC. The shopping mall was constructed and by lease agreement dated March 28, 1973 the landlord and HBC entered into a lease for a premises at the shopping centre. The current landlords of the shopping centre are Morguard Corporation and Bramalea City Centre Equities Inc

Appended to my affidavit as **Exhibit "D"** is a copy of the March 28, 1973 HBC Lease together with a Lease Amending Agreement dated March 8, 2007.

42. The more salient provisions of the lease are summarized below.

(1) **Term (s. 3)**: The Term of the Lease was for **101 years ending on March 31, 2074** The lease was amended to grant HBC the right to terminate the lease commencing as of March 31, 2029 and each successive 10 year anniversary thereafter.

(2) **Premises size:** 131,438 SF.

(3) **Rent:** The current monthly rent is $33,123.75 (being $3.02 psf).
Common Area Maintenance: CAM monthly charges are $31,326.06 (CAM cost are subject to a cap and are significantly lower than actual costs).
Realty Taxes: Monthly Realty Tax charges are $29,156.25
Total monthly payment: $93,606.06.

(4) **Current Arrears of rent**: $156,635.68

(5) **Use and Operating Covenant s.5(1)**: HBC is to continuously operate its business in the leased premises as a **first-rate merchandising activity in the business of retail department store**. Licensees permitted for up to 20% of the store premise. See also s. 6(1) requirement on landlord ensure other tenants will occupy locations be open during business hours.

(6) **Use limitation s.5(3)**: No food supermarket is permitted until March 28, 2034 at which time a supermarket is permitted in an area not to exceed 30,000.

(7) **Landlord's Operation obligations s.6(1)**: Landlord is to operate BCC in the highest standards in the shopping centre industry and ensure other tenants are open and operating during established hours of business. See also s.8(5) obligating the landlord to ensure any merchandising activity does not lower the standard of the mall (subsection (h)).

(8) **Tenant Repair obligations s.8**: Tenant is to maintain and keep in good and repair the store (both inside and out) in a good and workmanlike manner including all repairs (subject to Article XIII – expansion and alteration by tenant) structural or otherwise as a prudent owner to property maintain the premise.

Special Lease Restrictions/Terms granted in favour of HBC

(9) **Restrictions on landlord's Sign Policy s.5(4) as amended by (2g) of LAA dated March 8, 2007):** HBC's approval is required with respect to sign policy for parking facility and the exterior of the shopping centre**.**

(10) **Restrictions on Parking s.6.6(d):** Landlord may not impose any charges for parking without HBC approval.

(11) **Parking Ratios s.1(1)(r) as amended by LAA dated Marcy 8, 2007:** Landlord to maintain minimum parking stalls as ratio of number of stalls per 1000 SF. of rentable space of the shopping centre.

(12) **Restrictions on landlord's Rules and Regulations s.6.6**: HBC has consent rights over landlord rules and regulations in the shopping centre.

(13) **Restrictions on Leasing to other Tenants s.6(2) as amended by LAA March 2007 (s.2(i)):** Landlord must obtain HBC consent to any lease with another tenant that will be located within 80 feet of the HBC store entrance. See also s. 6(1) requirement on landlord to ensure other tenants will be open during business hours.

(14) **HBC Expansion Rights s.13(1) as amended by LAA March 2007**: HBC granted the right to alter, reconstruct or expand the HBC store.

(15) **Restrictions on Landlord rights to alter or amend uses of Shopping Centre s.6(1)(2):** Landlord must only permit shopping centre to be used as a retail shopping centre.

(16) **Restrictions on Landlord rights build s. 14(2) (as amended by LAA March 2007**): Landlord may not construct or build or undertake any improvements on the Bramalea Lands without the consent of HBC.

43. Similar to our other HBC leases, the monthly minimum rent for BCC is very low compared to rates that would be negotiated today due to the time that this lease was negotiated and the anchor status of the lessee, that enabled them to negotiate a long initial term with rights to a series of fixed rate, flat options, that provided the lessee the significant benefit of a long term low rate rent structure. CAM costs are capped resulting in significant underpayment for CAM when compared to actual costs to operate the shopping centre.

44. As with Centrepoint Mall, the special lease restrictions and terms in the BCC lease granted in favour of HBC are not granted to other non-anchor tenants and in fact, no other anchor tenants in BCC (or other malls) have such significant/expansive restrictions over what Morguard can do in the shopping centre. These provisions were granted to HBC as it was a nationally recognized brand that would act as the anchor tenant of the shopping centre driving sales, contributing to the first class mall character and drawing foot traffic into the shopping centre.

(iii) Coquitlam Centre

45. The Coquitlam Centre is located at 2929 Barnet Highway, Coquitlam, British Columbia. Morguard manages this asset on behalf of Pension Fund Realty Limited.

46. Coquitlam Centre is comprised of 955,000SF of retail space on two levels. There are over 190 tenants operating in the Centre.

47. Market Demographics for 2024 indicate that the primary trade area around the Coquitlam Centre has a population of 182,856 with 64,159 households. The primary trade area has an average household income of $138,100. The secondary trade area population is 852,132 with 296,168 homes and an average household income of $127,700.

48. The Coquitlam Centre's first floor is shaped like a cross (+) with major/anchored tenants at each point. HBC occupied the largest premises in the mall with over 120,000 SF on two levels. The other major tenants are: Walmart with 116,270 SF; Best Buy with 40,853SF; London Drugs with 36,568SF; and T&T supermarket with 33,062SF.

Appended to my affidavit as **Exhibit "E"** is a coy of the shopping centre mall map for the Coquitlam Centre.

HBC Lease at Coquitlam Centre

49. In 1979 the then landlord agreed with HBC construct a shopping centre to be known as The Coquitlam Centre wherein HBC would be a tenant. The lease between the parties was dated January 6, 1979.

Appended to my affidavit as **Exhibit "F"** is a copy of the January 6, 1979 Lease and lease amending agreement dated Oct. 8, 1999**.**

50. The more salient provisions of the lease are summarized below.

(1) **Term (s. 3)**: The initial Term of the Lease was for 35 years on or about July 31, 2014. HBC was granted six 10 year options and one additional 5 year option (which options were later amended to be thirteen 5 options). If all options are exercised, the Lease will expire on **July 31, 2079.** The current term ends July 31, 2029.

(2) **Premises size:** 120,527 SF.

(3) **Rent:** The currently monthly rent is $49,918.27 (being $4.97 psf).
Common Area Maintenance: CAM monthly charges are $25,310.67.
Realty Taxes: Monthly Realty Tax charges are $14,521.09
Total monthly payment: $89,750.03.

(4) **Current Arrears of rent**: $167,192.45.

(5) **Use and Operating Covenant s.11 as amended by LAA dated Oct. 8, 1999:** HBC is to continuously operate its business in the leased premises in a similar manner to that of its typical department store operations in Lower Mainland Area. See also s. 10.02 requirement on landlord to ensure other tenants will occupy and remain open and limit other tenant assignment rights. NOTE: s.11.08, subject to listed exceptions, HBC not to permitted to have a food supermarket.

(6) **Landlord's Operation obligations s.10.01**: Landlord is to operate a First Class regional Shopping Centre, 10.02 manage and maintain the shopping centre in accordance with best standards of shopping centre management which have been adopted by first-class centres in Canada and (10.02) ensure other tenants are open and operating during established hours of business. See also s.12.01(a) "best standards of a first class regional shopping centre".

(7) **Tenant Repair obligations s.16.06**: Tenant is to maintain and keep in good and substantial state of repair the HBC store.

(8) **No Assignment s.18.01:** HBC may not assign the lease without landlord consent.

Special Lease Restrictions/Terms granted in favour of HBC

(9) **Restrictions on landlord's Sign Policy 10.04:** HBC's approval is required to alter sign policy stipulated in Schedule E to the Lease.

(10) **Restrictions on Parking s.10.02(n):** Landlord may not impose any charges for parking without HBC approval.

(11) **Parking Ratios s.10.02(o):** Landlord to maintain minimum parking stalls as ratio of number of stalls per 1000 SF of rentable space of the shopping centre.

(12) **Restrictions on landlord's Rules and Regulations s.11.04(a)**: HBC has consent rights over landlord rules and regulations which are applicable to all tenants in the shopping centre.

(13) **Restrictions on landlord Merchandising Plan s.12.01; 12.02**: Landlord is obligated to comply with Merchandising Plan when leasing to other tenants; HBC consent required to amend Merchandising Plan (s.12.01(c)); Landlord is to maintain in all material respects a fair balance of customer attraction throughout the shopping centre (s.12.01(a))

(14) **Restrictions on Leasing to other Tenants s.12.01(b):** HBC approval required for leases to other tenants within 100 feet of the HBC store.

(15) **Restrictions on Provisions in leases with other Tenants s.10.02:** Landlord is to ensure that it includes appropriate lease terms with other tenants to control assignment and operations.

(16) **Prohibited Uses s.10.02(g)**: Landlord is not to lease to tenants for listed prohibited uses, or any activity not in keeping with the "character" of the shopping centre.

(17) (**Most Favoured Nation Provision) 5.02:** Neither Eatons nor Woodward is to be treated by the Landlord more favourably than HBC re management, operations, expansions of their premises etc.

(18) **No Additional Department Stores s.17.08(**g): HBC consent required for construction of another department store.

(19) **Site Control s.2.05(a) and 17.08(i):** Landlord is prohibited from making alterations to plan/area on Schedule A, without HBC consent.

(20) **Expansion of HBC store 17.01**: HBC granted the right to alter, reconstruct or expand the HBC store.

51. Once again, the monthly minimum rent is very low compared to rates that would be negotiated today due to the time that this lease was negotiated and the anchor status of the lessee, that enabled them to negotiate a long initial term with rights to a series of fixed rate, flat options, that provided the lessee the significant benefit of a long term low rate rent structure.

52. The special lease restrictions and terms listed above, are not granted to other non-anchor tenants. In fact, no other anchor tenants have such significant/expansive restrictions over

what Morguard can and cannot do in and with the shopping centre. These provision were granted to HBC as it was a nationally recognized brand,that would act as the anchor tenant of the shopping centre driving sales, contributing to the first class mall character and drawing foot traffic into the shopping centre.

(iv) St. Laurent Centre

53. The St. Laurent Centre is located at 1200 St. Laurent Boulevard, Ottawa, Ontario. Morguard (via related entities) owns and operates this mall. The landlord of the leased premises with HBC is Morguard Real Estate Investment Trust.

54. The St. Laurent Centre is a 868,624SF regional shopping centre with retail operations on three levels inclusive of 49,422SF of office space. There are over 179 tenants operating in the Mall.

55. Market Demographics for 2024 indicate that the primary trade area has a population of 409,819 with 182,702 households. The primary trade area has a household average income of over $125,000. The secondary trade area population is 498,638 with 206,652 homes and an average household income of $129,000.

56. HBC occupied the largest premises in the mall with 158,314SF on two levels. The other major tenants are: Urban Behaviour with 149,141SF; Toys “R” Us with 34,824 SF and Sport Chek with 31,373SF.

Appended to my affidavit as **Exhibit “G”** is a copy of the shopping centre mall map for the St. Laurent Centre.

HBC Lease at St Laurent Centre

57. By lease dated March 25, 1997 (with a commencement date of March 13, 1991) the then landlord agreed to lease to HBC a premises in the St. Laurent Centre.

Appended to my affidavit as **Exhibit "H"** is a copy of the March 25, 1997 HBC Lease.

58. The more salient provisions of the lease are summarized below.

(1) **Term (s.3)**: The initial Term of the Lease was for 20 years ending on March 12, 2021. HBC was originally granted eight 10 year options to extend the term of the lease. HBC exercised its first option and thereafter the remaining seven 10 year options were amended to be fourteen 5 year options. If all option are exercised, the Lease will expire on **March 12, 2091**. The current term ends March 12, 2026.

(2) **Premises size:** 158,314SF.

(3) **Rent:** The currently monthly rent is $39,578.50 (being $3.00 psf).
Common Area Maintenance ("**CAM**"): CAM monthly charges are $18,134.25 (which amount is capped at $2.00 pst and amount well below actual costs)
Realty Taxes: Monthly Realty Tax charges are $31,789.90
Total monthly payment: $89,502.65

(4) **Current Arrears of rent**: $156,635.68

(5) **Use and Operating Covenant s.6.00(1) and 6.02**: HBC is to continuously operate its business in the leased premises similar to **first-class department stores operated by HBC in Toronto**.

(6) **Landlord's Operation obligations s.7.00**: Landlord is to operate a First Class regional Shopping Centre, (7.01) manage and maintain the shopping centre in accordance with best standards of shopping centre management which have been adopted by first-class centres in Canada and (7.02) ensure other tenants are open and operating during established hours of business.

(7) **Tenant Repair obligations s.12:00**: Tenant is to maintain and keep in good and substantial state of repair the store building in accordance with the standards of a careful owner, including all repairs, major and minor, structural or otherwise, exterior or interior including those made necessary by age and damage (including HVAC, electrical, plumbing etc).

(8) **No Assignment s.21.00:** HBC may not assign the lease without landlord consent.

Special Lease Restrictions/Terms granted in favour of HBC

(9) **Restrictions on landlord's Sign Policy s.7.01(6) (23.01):** HBC's approval is required with respect to the landlord's sign policy for other tenants in the shopping centre**.**

(10) **Restrictions on Parking s.7.04(b):** Landlord may not impose any charges for parking without HBC approval.

(11) **Parking Ratios s.7.04(c)(2):** Landlord is to maintain minimum parking stalls as ratio of number of stalls per 1000 SF of rentable space of the shopping centre.

(12) **Restrictions on landlord's Rules and Regulations s.7.05**: HBC has consent rights over landlord rules and regulations which are applicable to all tenants in the shopping centre.

(13) **Restrictions on landlord Merchandising Plan s.14.01**: Landlord is obligated to comply with the Merchandising Plan when leasing to other tenants.

(14) **Restrictions on Leasing to other Tenants s.14.00(1):** Landlord to lease only in accordance with Merchandising plan and, and if the tenant will be within 100 feet of the HBC store, HBC must approve the tenant;

(15) **Restrictions on Provisions in leases with other Tenants s.14.02:** Landlord is to ensure that, subject to certain exceptions, leases with other tenants prohibit such tenants from assigning their leases including changing the identity of the tenant without landlord consent, and no landlord consent to be granted without HBC approval.

(16) **Prohibited Uses s.14.04**: Landlord is not to lease to tenants for listed prohibited uses, including department stores or businesses who's merchandising or pricing methods likely to lower the "character" of the shopping centre.

(17) **Restrictions on Outdoor selling areas s.17.01:** Outdoor selling areas of other departments stores not to exceed 8,000 SF.

(18) **Expansion Rights s.19.00**: HBC is granted the right to alter, reconstruct or expand the HBC store.

(19) **Restrictions on Landlord rights to expand the Shopping Centre s.20.00 and 21.00**: Landlord redevelopment rights for the shopping centre are limited and require HBC's consent.

(20) **No Build Areas s.21.01(3):** No buildings permitted on specified area on Schedule B, subject to approval of HBC witch may be arbitrarily withheld.

59. Once again, the monthly minimum rent is very low compared to rates that would be negotiated today due to the time that this lease was negotiated and the anchor status of the lessee, that enabled them to negotiate a long initial term with rights to a series of fixed rate, flat options, that provided the lessee the significant benefit of a long term low rate rent structure. In this regard, market rents for these four shopping centres range from $15.00-$25.00 psf.

60. The special lease restrictions and terms listed above, granted in favour of HBC are not granted to other non-anchor tenants. In fact, no other anchor tenants have such significant/expansive restrictions over what Morguard can and cannot do in and with the shopping centre. These provision were granted to HBC as it was a nationally recognized brand,that would act as the anchor tenant of the shopping centre driving sales, contributing to the first class mall character and drawing foot traffic into the shopping centre.

HBC's failure to maintain its Leased Locations.

61. Although HBC was obligated to repair and maintain each of the store premises, HBC failed to do so such that the stores are now in need of significant costly repairs. In April 2025 Morguard wrote to the Monitor to advise it of the numerous repair deficiencies in each of the HBC locations and to ensure any perspective purchaser was aware of such obligations.

> Appended to my affidavit as **Exhibit "I"** is a copy of four letters to the Monitor: BCC dated April 7, 2025; St. Laurent Centre dated April 10, 2025;

Coquitlam Centre dated April 2, 2025; and Centrepoint mall dated April 10, 2025.

62. Morguard obtained a Building Condition Assessment for its HBC store at Centerpoint Mall. As noted in the report, the deficiencies are numerous and extensive. **The estimated cost to remedy the deficiencies that must be addressed immediately (within one year) is in excess of $11M.** The estimated cost to address repair obligations does not take into account the cost that will be required to fixture the store in a first class manner – which fixturing costs will be many millions of dollars. It is my understanding from my dealing with Target when it came to Canada, that Target expended more than $10M per location to ready the stores in Canada. Based on my experience, if the HBC stores are to be repaired and fixtured to a first class standard, an investment of at least $15M per location will be necessary.

Appended to my affidavit as **Exhibit "J"** is a copy of the Building Assessment Report of RJC Engineers for the HBC store at Centrepoint mall dated May 28, 2025.

63. Regarding Coquitlam Centre, HBC failed to maintain its HVAC (air conditioning system) such that the store was unbearably hot and could not open for business for several weeks in July of 2024. The extreme heat in the store caused the floor to heave and tiles to crack. – both of which posed a tripping hazard throughout the store. By letter dated July 23, 2024, Morguard demanded that HBC undertake the necessary and required repairs. To date the floors were repaired in part, and repairs were completed on the HVAC system, but as these systems are at end-of-life expectancy, a complete new system is warranted. Further Morguard believes that the electrical panel system and the passenger and freight elevators are also at the end of their useful life.

Morguard estimates the cost to repair these deficiencies alone would be $8M and that the sums allocated by Liu CIC are either insufficient or neglected for these areas.

> Appended to my affidavit as **Exhibit "K"** is a copy of Morguard's letter dated July 23, 2024 to HBC demanding that HBC repair the floor, tiles and HVAC system in the store and the cost estimates to replace electrical, elevators, HVAC.

64. With regard to the HBC stores in BCC and St. Laurent Centre, similar issues of disrepair exist. I note that Mr. Ampas, who swore an affidavit for HBC, does not list any of Morguard's locations as being in an acceptable state of repair.

65. Morguard requested that PCL Construction Services (an established construction company) attend at both the BCC and St Laurent Centre to inspect and provide cost estimates to remedy deficiencies. The total "hard" costs estimate for BBC was $8,215,424 and $4,277,482 for St. Laurent Centre. When soft costs and contingencies are added, the costs increase to $10,680,051 for BCC and $5,560,776 for St. Laurent.

> Appended to my affidavit as **Exhibit "L"** are copies of the PLC estimates for BCC and St. Laurent and photos of deficiencies at BCC prepared by Andrew Butler, General Manger of BCC dated March 20, 2025.

Ruby Lui's Bid for 25 Leases

66. Late in May 2025 Morguard learned that HBC had entered into one or more Asset Purchase Agreements (each an "**APA**") with Liu CIC, an entity related to Central Walk (the "Purchaser") and owned by Ms Liu, for the purchase of 28 HBC leases.

67. Central Walk's web page indicates that it is the owner/manager of three shopping malls in B.C. (Mayfair Shopping Centre, Tsawwassen Mills and Woodgrove Centre) and a golf course, Arbutus Ridge Gold Club.

68. I immediately noted that neither Central Walk, Ruby Liu nor Liu CIC have operated retail stores, let alone large anchor stores.

69. Following HBC's selection of Liu CIC as the successful bidder, Morguard was invited to meet with Ms Liu and certain of her team members, along with HBC and its counsel, representatives of Oberfeld, and representatives of the Monitor and its counsel. The purpose of the meeting was purportedly to provide Morguard with information regarding Liu CIC and to respond to questions we may have regarding the proposed assignment of our leases to Liu CIC. On June 2, 2025, I, along with Robert Mah (Director-Asset Management), Andrea Rossanese (Senior Director, Legal Services) and John Ginis (Vice President – Asset Management), Jenny Schmoisch (Vice President, Retail Leasing) and Chloe Zheng (Legal Counsel) from Morguard, attended the meeting with Ms Liu and her teams.

70. Within minutes of attending the meeting it was clear that Ms Liu and her team where totally unaware of even the most basic understanding of how to operate retail locations or what landlords would require before consenting to an assignment of lease to a new tenant. We were not provided with any of the standard information we would typically receive from prospective new tenants: no business plan, no financial information, no merchandising plan.

71. Morguard was provided with a pamphlet depicting the proposed business. The pamphlet was surprisingly deficient and superficial and frankly, puerile. I was immediately

deeply concerned at the prospect that HBC wished to assign its leases for anchor premises to such a tenant.

> Appended to my affidavit as **Exhibit "M"** is a copy of the Pamphlet provided by Ms Liu when we met with her team at the end of May/early June 2025.

72. Following our meeting with Ms Liu, Robert Mah, Morguard's Director-Asset Management sent an email to Ms Qin (Central Walk's CEO) on June 2, 2025 advising her that it was a pleasure meeting with her team and that Morguard looked forward to learning more about the plan for their locations. Ms Qin responded to the email making comments such as "*one of the rarest and most precious things in life is to be truly understood by others", "Ruby's vision and dedication to transforming and elevating the Canadian retail industry were finally seen and understood*", "*the email you sent me …brought me strength and support*", and "***we are confident that we will be a great compliment (sic) to your shopping malls, we will bring traffic to your malls, and we will help increase property values***". However no information was ever provided to confirm and support the reality of the "vision" or the assertions that the concept would bring traffic to our malls and increase property values.

> Appended to my affidavit as **Exhibit "N"** is a copy of Robert Mah's email to Ms Qin dated June 2, 2025 and Ms Qin's responding email.

73. By email dated June 5, 2025, Andrea Rossanese, Morguard's Senior Director, Legal Service, sent a list of questions to Oberfeld Snowcap regarding Ms Liu's proposed plan. The information requested in the email was required to enable Morguard to assess the appropriateness of Liu CIC as a tenant. Morguard never received a response to the email and never received answers to the questions posed.

Appended to my affidavit as **Exhibit "O"** is a copy of Andrea Rosanese's email dated June 5, 2025 to Jay and Jeff of Oberfeld.

74. By letter dated June 6, 2025, Morguard received correspondence from Miller Thomson LLP, Ruby Liu's then counsel, (the "**MT Letter**") requesting that Morguard consent to the assignment of our HBC lease to Liu CIC. This letter appended documentation entitled "financial forecasts". While the letter provided some additional information, it too lacked the most basic information necessary to assess the proposed business. The financial forecasts for Morguard's stores showed alarmingly poor sales - so poor that the proposed operation could not drive foot traffic or increase property values as stated by Ms Qin in her email – to the contrary, in our view, the operation was destined to fail.

Appended to my affidavit as **Exhibit "P"** is a copy **is a copy of the June 6, 2025 MT Letter sent to Morguard with the appended financial information.**

75. By letter dated June 13, 2025, Morguard responded to Miller Thomson's letter advising that due to the lack of information provided, Morguard would not consent to the assignment of its leases.

Appended to my affidavit as **Exhibit "Q"** is a copy Morguard's letter to Miller Thompson dated June 13, 2025.

76. Over the next several weeks, no additional information was provided to Morguard save for an email dated June 25, 2025, from Ms Qin sent to our external counsel Linda Galessiere advising that as part of Ruby Liu's revitalization strategy, "*Ms Liu proposes the following three-tiered approach*":

1. Flagship Stores

Ruby intends to select up to eight locations to develop into flagship stores in collaboration with the respective landlords. With the support and approval of landlords, for each of these flagship locations, she plans to invest approximately $30 million in renovation and redevelopment.

2. Operational Continuity Stores

Ten stores will undergo essential repairs to ensure they are functional and customer-ready. These locations are expected to reopen to the public within three months and will operate in a format similar to the original HBC stores.

3. Enhanced Retail Experience Stores

The remaining stores will undergo interior renovation and visual merchandising upgrades to offer an enhanced retail experience. The estimated investment for each of these locations ranges from $5 million to $10 million, with a targeted reopening timeline of six months.

Appended to my affidavit as **Exhibit "R"** is a copy of **Ms Qin's June 25, 2025, email to our counsel Linda Galessiere. I am advised by Linda Galessiere that she did not response to this letter as Ms Liu was represented by counsel.**

77. Rather than providing clarity, Ms Qin's email raised additional concerns as now Liu CIC required three concepts, three plans, and three financial models. We were not advised which of our locations were allotted to which concept.

78. In mid July we learned that Ms Liu and Ms Qin had privately corresponded directly with Justice Osborne. I reviewed a redacted copy of the correspondence. The fact that the two top persons on Liu CIC's executive management team would engage is such inappropriate conduct is very worrisome. The lack of judgment is clear. Engaging in inappropriate (if not unethical conduct) is anathema to the qualities Morguard looks for in the management teams of its retailers.

79. In addition, the information appended to Ms Liu's correspondence to the court gives me grave concerns regarding the reliability of the information produced by Liu CIC in support of HBC's motion to assign the leases. I note that Liu CIC was told to hire people to "*pose as consultants*", and coached not to say anything in the business plan that may contravene the provision of the leases (see letter from Stikemans dated May 29, 2025 #4).

> Appended to my affidavit as **Exhibit "S"** are copies of the correspondence from Ms Liu to Justice Osborne dated July 9 and 10, 2025.

80. The MT Letter and documentation appended thereto, states that Liu CIC retained the services of Wayne Drummond former Senior Vice President, Apparel for HBC, (who was also in attendance at the meeting on June 2) and appended his CV. I note that Mr. Drummond is no longer listed as a part of Liu CIC's management team. The new management team includes Franco Perugini and Elias Ampas from HBC. It is likely these two persons are also only temporary consultants retained only to assist with the pending motion.

Liu CIC is Not an Appropriate Tenant for Morguard's Shopping Centres

81. Morguard operates each of the shopping centres referenced above as first class regional shopping centres. We carefully select our tenants to ensure they fit our merchandising mix, will be a best in class retailer, will enhance our shopping centre atmosphere and character and will drive sales in the malls. For tenants wishing to lease large anchor tenant space, the proposed tenant must have both a strong brand and a proven track record of financial success. The proposed assignee Liu CIC, fails in every respect. I have reviewed Liu CIC's proposed business plan and it is lacking in every category.

No Retail Experience

82. Liu CIC has no prior experience as a retailer. This fact alone would disqualify this tenant from leasing the most coveted space in our shopping centres. Morguard is obligated to our investors and landlords (including pension funds) to optimize market positioning and value of our portfolio. Morguard would be remiss in its obligations if it leased the largest anchor tenant locations in its shopping centres to an unknown tenant with no retail experience.

No Brand Recognition

83. The proposed banner "Ruby Liu" has no brand recognition whatsoever. It is impossible for this tenant to fulfill an anchor tenant role which includes being a major source of foot traffic in the mall when there is no brand recognition. HBC was the most recognized department store brand in Canada. In contrast, Ruby Liu is a totally unknown brand.

Weak Financial Covenant

84. I was advised by Linda Galessiere that Liu CIC was incorporated in May of 2025 for the purpose of assuming the HBC leases. Although Ms Liu claims she will invest $375M into the company, there is no legal or contractual obligation requiring that she do so. And even if this capital is made available, it will be insufficient to execute the vision outlined in their business plan, allow commencement of business in a timely manner, and allow the assignee to consistently meet the financial and operating obligations of the lease and make landlords whole if the leases are breached.

85. As noted above, the terms remaining on our HBC leases extend for many years. If Liu CIC should fail, Morguard will be unable to recover its losses from Liu CIC – a shell company.

Any tenant with a poor financial covenant and/or poor track record for sales in Canada would be required to post a letter of credit or provide a guarantee from principal or parent company. Target, a well established billion dollar company in the U.S. - but new to Canada - was required to provide guarantees from its parent company to secure the obligation of Morguard's leases.

No discernible Merchandising Plan

86. In every case we carefully select our tenants to ensure they fit our merchandising mix and plans. This includes understanding which items will be sold by the retailer, their suppliers and vendors and price points for items that will be sold. So important is the merchandising mix of a shopping centre, that several of HBC's leases prohibited Morguard from altering its plans without the approval of HBC. Morguard could not, for example, elect to lease space to a dollar store or restaurant unless approved by HBC.

87. Liu CIC has no discernible merchandising plan. It is impossible for Morguard to assess if the proposed merchandising of the stores will complement existing retailers. No information regarding the size of departments, the assortment of goods in the departments, the quality of goods, the display of such goods has been provided. The problem is exacerbated by the fact that Liu CIC states there will be three store models. Which model will be implemented in our stores is unknown.

88. In contrast, when we met with representatives of Target regarding their desire to open in Canada, Target had merchandising plans, department store layout, price points for its products, estimated sale based on historical data from its US stores, and even with all this information, we sent a team to the U.S. to inspect their stores and meet top management. We also required its parent company to guarantee the leases.

89. In Liu CIC's business plan there is reference to J2 Retail Management ("**J2**") as ready to assist Liu CIC with merchandise. While it appears that Liu CIC's merchandising plan is to outsource a portion of the plan to whatever J2 is able to supply (which is an unacceptable plan for Morguard – at the very least J2 would now need to submit a merchandising plan), given that Liu CIC is proposing to assume over 3.8M SF of retail space, even if every item in J2's 90,000 SF storage facility were shipped to the stores (which items are presumable already allocated to other retailers), Liu CIC still requires goods to fill 2.9M SF (excluding the three stores in Central Walk's portfolio).

90. The lack of a clear merchandising plan and any reasonable prospect of implementing such plan, is not acceptable to Morguard. Morguard has never approved a tenant to lease a premises in its shopping centres without a clear merchandising plan.

91. With regard to Liu CIC's possible vendors, I note that none of the vendors who have expressed an interest in suppling Liu CIC are high end or designer vendors – vendors that typically would be sold in a first class department store. Morguard would expect to see signed commitments from designer brands to support Liu CIC's stated intention to operate as a first class department store.

92. I have appended to my affidavit, press releases from HBC regarding some of the brands it carried and a list of some of the designer brands and price points which I obtained from Renate Minicucci, an employee that worked for HBC for more than 12 years. Ms Minicucci sold the brands listed. Based on the list of vendors provided by Liu CIC, none of these designer vendors have expressed an interest in selling their apparel in Liu CIC's store. How does Liu CIC intend to

operate as a first class department store and drive sales and foot traffic in the mall without the sale of designer items?

> Appended to my affidavit as **Exhibit "T"** are copies of HBC press releases dated September 15, 2020, September 17, 2020, October 6, 2020, October 26, 2020, March 30, 2023 and a list of designer brands sold by HBC in its stores.

93. Without a clear merchandising plan, Morguard is unable to determine what goods or services Liu CIC proposes to implement that Morguard may be prohibited from permitting due to exclusive uses contractually given to other tenants.

Insufficient Time to repair and Install Fixtures- Breach of Operating Covenant

94. Based on my many years of experience dealing with tenants retrofitting stores, Liu CIC's proposed timelines for repairing and fixturng the stores is impossible to meet. While I note several of the timelines state they begin to run when building permits are obtained, there is nothing in the plan that indicates the months of work, planning, development drawing and obtaining engineered stamped plans that must be undertaken before permits can be applied for. This will add a minimum of an additional six months delay to the opening of the stores. Even if trades and employees are available now, there is no assurance they will be available in 12-18 months.

95. By way of comparison, when Target filed for insolvency protection, Morguard consented to the assignment of its lease in the Coquitlam Centre to Walmart (116,270 SF). At the time the lease was assigned, the premises was in excellent condition – no immediate repairs were required as Target had fully upgraded and repaired the premises prior to opening its doors a few years prior. Walmart, who did not require any building permits, took 8 months to simply fixture and ready the location for opening. It should be noted that Walmart had a full and extensive team

in place to commence retrofitting the space immediately. In contrast, Liu CIC has no pre-set store configuration that can be adjusted for each location, no arrangements with designers, no architects, no contract with a reputable fixture manufacture and supply company familiar with its fixturing needs. Simply putting a team together will take months.

96. In addition to assigning a Target lease to Walmart, Morguard also consented to the assignment of its Target lease at Aurora Centre to Canadian Tire. Canadian Tire requested 24 months to fixture the premises.

97. With regard to elevators and escalators, I am advised by my risk management department that HBC terminated its service agreements for this equipment. For the St. Laurent Centre, the equipment has been "tagged" and a full inspection and likely reconditioning of the escalators will be required (all steps must be removed, the chassis of the escalators inspected, cleaned, lubed and reassembled) before they can be put back into use. If parts are required, the delay will be significant as such parts are in short supply. If store openings are delayed, the financial projections will be significantly impacted.

98. Each of our leases require that the HBC store be continually operated. Liu CIC will be in breach of its operating covenant within months of acquiring the stores.

Likely Breach of Use Clause

99. Although Ms Liu now claims that she will honour the use clauses stipulated in the leases, she has given numerous interviews to the press indicating otherwise. In these statements to the press she has stated there will be a children's play ground, space for cosplay, educational facilities, entertainment facilities, restaurants, grocery stores, extensive food halls. During our

meeting with Ms Liu and her team on June 2, 2025, these uses, and this vision appeared to be at the very core of what was being promoted, and recent claims call into question the commitment to any vision or game plan. Several of the proposed uses are prohibited or limited in our leases (grocery stores and the sale of food) and others are not in keeping with a first class department store.

100. Given the lack of a merchandising plan and floor layouts for the stores, and that Ms Liu was coached not to reveal her true intentions (see letter from Stikemans dated May 29, 2025), I expect that Liu CIC plans will be in breach of the use clauses for our locations (which require a first class department store to be continually operated from the premises), as evidenced by their persistent disregard for protocol in repeatedly contacting the presiding judge during an ongoing case, despite clear and repeated directives to refrain from such conduct.

101. As noted above, when we initially met with Ms Liu's team, we were provided with a "pamphlet" (**appended as Exhibit "M"**) depicting her proposed use of the premises. The pamphlet does not support a first class department store.

Allotted $120M for costs to repair, replace and fixture the Stores Insufficient

102. As noted above, it is my understanding from my various discussions with Target, that Target expended in excess of $10M to retrofit the leased locations. Liu CIC proposes to expend a total of $120M – being an average of $4.8M per store. In my experience dealing with hundreds of retailers that have built out their stores, it will be impossible for Liu CIC to repair and/or replace its building support systems (HVAC, plumbing, electrical, elevators, escalators) and implement first class finishes (as depicted in her business plan) for 25 very large stores for

$120M. The building assessment report for Centrepoint Mall alone indicates that in excess of $11M will be needed to remedy immediate issues for that one location.

103. If Liu CIC intends to implement the finishes shown in the renderings in her business plan, she will need to bring each location back down to base building (remove all items currently in the stores down to the studs). For our HBC Coqutlam Shopping Centre store, we were advised by PCL Construction Services (an established construction company that toured the premises) that the costs to return the store to base shell condition and installing new painted drywall would be $7,532,000 (being $62.77 SF). This cost does not include the costs for exterior façade and entrance upgrades, which would be required for branding and functionality. After expending these funds, Liu CIC would then need to undertake the costs and time needed to repair/replace building systems at the end of their serviceable life and then install first class fixtures. For example, new hydraulic controls are needed for the passenger and freight elevators, so an additional $1.65M will be required. If new escalators are required, an additional $1.1M will be needed

104. As noted above Morguard obtained a Building Condition Assessment for its HBC store at Centerpoint Mall (appended as **Exhibit "J"** to my affidavit). **The estimated cost to remedy the deficiencies that must be addressed immediately (within one year) is in excess of $11M.** The estimated cost to address repair obligations does not take into account the cost that will be required to fixture the store in a first class manner – which fixturing costs will be many millions of dollars.

105. Morguard also received estimated costs to repair BCC and St. Laurent, which estimates were $8,215,424 for BCC and $4,277,482 for St. Laurent Centre. When soft costs and

contingencies were added, the costs increase to $10,680,051 for BCC and $5,560,776 for St. Laurent (**see Exhibit "L"** to my affidavit).

106. The proposed budget of $120M is wholly insufficient to undertake the repairs/replacements required and to retrofit and install first class fixtures as shown in the renderings in Liu CIC's business plan.

107. Based on my experience, only the costs of purchasing first class fixtures and furnishings (what fixtures are currently in the stores are damaged, many years old and unlikely to be appropriately integrated into a first class department store) will exceed the total budget of $120M.

108. I note that there is nothing in the budget allocated for Central Walk's three stores. I expect that Ms Liu will need to finance these three stores too with the limited cash she has available to her.

Forecasted sale are very poor – insufficient to drive sale and foot traffic in the Mall.

109. Liu CIC's financial projections—based on hypothetical sales—forecast $420 million in sales by 2027, averaging just $16.8 million per store. For a retail space exceeding 100,000 square feet, **these figures represent exceptionally weak performance**. By comparison, numerous tenants within our portfolio operating in significantly smaller premises achieve sales that far surpass these projections. Such modest expectations raise serious concerns about Liu CIC's potential as an anchor tenant and suggest a high risk of underperformance or failure. Morguard would not consider a permanent lease commitment to an anchor tenant with such unremarkable and unproven revenue prospects.

110. I expect that if Liu CIC required funding, no first rate bank in Canada would loan funds to Liu CIC based on these projected sales (or based on the business plan submitted).

111. Over the years, both I and other senior executives have had extensive discussions with HBC and other full-line department store operators regarding their leases within our malls. A consistent theme in these conversations - particularly when lease term extensions were on the table - was that landlord's of underperforming stores, typically generating less than $14M annual sales, should expect short-term one-year renewals, rental rate re-negotiations, or the possibility of non-renewal altogether. The message was that these stores were not viable.

112. In this context, the financial projections submitted by the proposed assignee, indicating a store productivity average of $16.8M (under $10M for each of our locations), is cause for serious concern. These sales hovers near the historical threshold where the risk of enterprise failure becomes significantly pronounced. These concerns are further validated by the actual 2024 sales performance of HBC stores—immediately prior to the company's bankruptcy, which exceed the proposed assignee's projections. While this data represents only a portion of HBC's broader portfolio at the time, such dismal performance made the company's financial collapse unsurprising. It would be unrealistic to expect a more favorable outcome from a successor, with no brand recognition, replicating the same underwhelming performance trajectory.

113. In the financial information appended to the MT Letter, the projected sales for Morguard's four locations were provided. The projected sales were as follows:

	Area (sf)	Liu CIC Projected Sales)	Sales (psf)	HBC 2024 Sales
Coquitlam	120,086	**$7,393,487**	$61.57	$11,759,720
Bramalea	131,438	**$9,332,007**	$71.00	$14,081,450
Centrepoint	122,502	**$3,076,363**	$25.11	$5,313,795
St.Laurent	145,074	**$3,080,061**	$ 21.23	$9,617,660

114. Annual projected sales ranging from $3M - $9M are catastrophically low. These sales are lower than HBC's 2024 sales for each store.[1] **There is no way this business will succeed in our shopping centres with these projected sales. There is no way this business will draw foot traffic or increase the value of our asset.** To the contrary, this tenant will not boost foot traffic, but will impair other leasing efforts in our shopping centres.

115. By way of comparison, our CRU (commercial retail unit) average sales at Coquiltam Shopping Centre is $1,021psf. Sales of $61.57 psf (the best psf sales in Liu CIC's projections for Morguard's locations) is less than 10% of the psf CRU tenant sales in the shopping centre. This very poor performance translates into a gross occupancy cost to sales ratio of approximately 14%, whereas most department store operators target a ratio closer to 5% as a healthy rent level, especially for a low volume operator.

116. Liu CIC is not an appropriate tenant to assume Morguard's HBC leases.

No fully formed Logistics Management Plan – No Inventory IT program

117. Liu CIC does not have a fully formulated logistics management plan, and this will likely result in stocking issues. Most retailers that we have dealt with take great care to ensure

[1] HBC's 2024 financial per Store were disclosed by HBC in landlord request for documents

these channels are in place and highly functioning before stores are launched, whereas for Liu CIC's, it appears to be an afterthought.

118. We rarely see operations of this scale entirely rely on third party logistics firms to manage the entirety of their warehousing and inventory needs. Liu CIC has only provided a high-level proposal with no detail, in the absence of a proven track record of delivery. J2's proposal and website indicate they cater to small and medium-sized businesses whereas the proposed Liu CIC venture is clearly a large-scale operation. The J2 proposal indicates that its current core services include providing third party logistics in Toronto and Montreal. It is unclear whether or when they could stand up the ability to provide similar services in the other locations in Canada, and 10 of the 25 stores in the proposed assignment are in Alberta and British Columbia. The unusual approach to managing this function and the lack of detail do not provide a level of confidence that the proposed assignee will be able to ensure product replenishment at a reliable level.

119. Liu CIC does not have a fully formulated logistics management plan, and this will likely result in understocked shelves at launch. There are 1000s of kilometers between Ontario and B.C. Even if J2 assists with its apparel inventory (J2 has its primary operations in Toronto and Montreal), Liu CIC will need to source and deliver merchandise to fill its $2.9M SF of retail space (after deducting 90,000 SF of J2 merchandise).

120. While Liu CIC list IT software companies, there is no software in place to assure required deliveries are made when needed.

121. I recall that one of the most significant challenges to Target's operations was its inability to re-stock its shelves.

Insufficient Employees and Inventory

122. Liu CIC projects the need to hire 1800 staff for 25 stores (being 72 employees per store). This number seems very low to staff a first class department store in excess of 100,000SF.

123. I note that HBC reported in its CCAA court documents that it employed 9346 people (or 97 per store based on a store count of 96 including the Saks and Off 5th stores). HBC was notorious for understaffing it stores. There is no explanation how Liu CIC can operate a first class department store with 25% less employees.

124. I note that Liu CIC has inexplicably low "Selling Payroll (Store)" and "Other Payroll (Store)" expenses as compared to the amounts expended by HBC and disclosed in its "Actual 2024 HBC Financials on a per Store Basis".

125. I am confident that when landlords redemise and re-let their HBC locations, the new tenants over the 25 locations will employee more than Liu CIC's projected 1800 employees.

126. With regard to inventory, Liu CIC estimates lower inventory levels than HBC's 2023 levels. In the financial information appended to the MT Letter, Liu CIC included "Inventory" information for the 25 stores as compared to HBC 2023 inventory levels. The average 2023 HBC inventory levels were approximately $7M per store, while Liu CIC's peak inventory per store level is $5.4M. This too is a 25% reduction in what HBC's inventory levels were.

Conclusion

127. In summary, Liu CIC is proposing to operate a business under an unrecognized banner, with a business plan that is not fully conceived and is short on the details which typically

dictate success in the sector. The plan proposes a lighter stock counts than HBC, utilizing fewer number of employees than HBC, with no traffic generating designer brands in its stores. The stores will have only minimal leasehold improvements all of which is inconsistent with the vision presented in its store concept renderings.

128. HBC was Canada's most recognized national department store – and it failed. Liu CIC, with a business plan that is not fully conceived, is unlikely to succeed and is not an appropriate tenant for Morguard's HBC anchor leases.

129. As previously noted, a weak or failing anchor tenant undermines our goal of maintaining a high-performing, thoughtfully curated shopping centre. It negatively impacts our ability to attract and retain quality tenants and ultimately erodes asset value. From a strategic standpoint, it is far more prudent to forgo short-term rental income and temporarily close the premises, while proactively pursuing a stronger, long-term tenant partnership. This approach avoids the long-term consequences associated with the foreseeable failure of an underperforming business.

130. Morguard has already suffered as a result of HBC's insolvency filing and replacing HBC with another poor tenant will significantly exacerbate such harms. Not only will Morguard be left with a tenant with no financial covenant (like HBC), it will incur additional costs to address the demise of Liu CIC, suffer the further negative impact of another failing tenant which will further delay the implementation of appropriate re-demising and re-leasing efforts.

131. To reduce the harms suffered as a result of HBC's insolvency, Morguard needs to immediately re-demise and re-let the locations to "best in class" tenants that meet our merchandising plans for each shopping centre.

132. Although the cost to re-demise, construct and re-tenant these locations will far exceed any increase in rent that Morguard may charge new tenants (such was the case in both Target and Sears locations), (Morguard anticipates redevelopment costs to exceed $20M per shopping centre), the harm that will be visited on Morguard and each of the shopping centres if the HBC stores are assigned to an uncertain, untested, unknown retailer in an anchor tenant location will negatively impact the mall for many, many years to come and will likely far exceed the costs to be expended by Morguard in redeveloping the space and executing its merchandising plan.

133. I make this affidavit in support of the relief requested here in and for no other or improper purpose.

SWORN remotely by David Wyatt stated as being located in the City of Vancouver, in the Province of British Columbia, before me at the City of Toronto in the Province of Ontario, on 8th day of August, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.	)	DAVID WYATT

Commissioner for Taking Affidavits
Linda Galessiere

THIS IS EXHIBIT "J" TO THE AFFIDAVIT OF DAVID WYATT SWORN REMOTELY BEFORE ME AT THE CITY OF TORONTO, ON THIS 8TH DAY OF AUGUST, 2025

Commissioner for Taking Affidavits
Linda Galessiere

Index

Affidavit Exhibit "J"

BUILDING CONDITION ASSESSMENT

CENTERPOINT MALL – THE BAY

6464 Yonge Street, Toronto, ON

Prepared for:

Morguard Corporation
55 City Centre Drive, Suite 1000
Mississauga, ON, L5B 1M3

Prepared by:

RJC Engineers
100 University Avenue, North Tower, Suite 400
Toronto, ON M5J 1V6

May 28, 2025
TOR.142138.0001

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EXECUTIVE SUMMARY

Read Jones Christoffersen Ltd. (RJC) was engaged by Morguard Corporation ("Morguard") to conduct a Building Condition Assessment of the expansion building located at 6464 Yonge Street in the city of Toronto, Ontario.

PURPOSE

The objective of this assessment was to review the major systems employed in the building to determine if there are observable deficiencies in the building systems and to provide an opinion of associated remedial costs, beyond those typically spent through the operation budget and normal maintenance that will be required over the next 10 years.

SCOPE OF WORK

In general, the scope of work included the review of prior reports and drawings (if applicable), a walkthrough review of the property, and the preparation of this report. The building systems examined were:

- Building Structure
- Building Envelope
- Interior Finishes
- Mechanical Systems
- Electrical Systems
- Vertical Transportation Systems

PROJECT TEAM

RJC coordinated a team of in-house professionals to review the structural components, building envelope, and interior building finishes. Sub-consultants were retained as part of the team to review the major mechanical, electrical, and vertical transportation systems components.

PROPERTY DESCRIPTION

Centerpoint Mall, located at 6464 Yonge Street, is a retail development located at the southeast corner of the intersection of Yonge Street and Steeles Avenue in the city of Toronto, Ontario. The development underwent an expansion in 1973 at the east end of the building. The expansion includes a total of 122,250 sq.ft. of retail space and has been occupied by a single tenant (The Bay) since original construction.

The expansion building generally consists of a two-storey concrete framed structure. The exterior finishes of the building consist of a brick facade, pre-cast concrete wing walls, EIFS, and glazing. A combination of conventional built-up roof and inverted roof systems are installed on the low-slope roof levels. The expansion building is connected to Centerpoint mall along the west elevation, asphalted surface parking and drive lanes are located adjacent to the building along the North, East, and South elevations, each of which has a main entrance to the building at ground level.

FINDINGS

The building is generally in a condition appropriate to its age. Details of observable concerns for the building and its systems are identified in the body of the report. Based on our review, some miscellaneous issues and systems at – or approaching – end of life were noted, namely:

- Building Structure – deteriorated loading dock
- Interior Finishes – age related repairs
- Exterior Cladding Systems – age related repairs
- Roof Systems – age related repairs
- Mechanical Systems – age related repairs
- Electrical Systems – age related repairs
- Vertical Transportation Systems - age related repairs

SUMMARY OF PROBABLE EXPENDITURES

Based on our observations, there will be capital repair/replacement expenditures required on this building in the next 10 years. These expenditures are detailed in the appropriate sections in the body of the report. The cost items have been grouped into major building components for better clarity. The table presented below is to provide an overview of costs as an executive summary. A breakdown of expenditures is summarized in the table below.

ITEMS	Immediate Repair Costs	Years (0 – 1)	Years (2-5)	Years (6-10)	Probable Total Cost
3.0 BUILDING STRUCTURE					
.1 Replace Metal Loading Dock Extension		$85,000			$85,000
Sub-Total	**$0**	**$85,000**	**$0**	**$0**	**$85,000**
4.0 INTERIOR FINISHES					
.1 Interior Finishes Refurbishment		$3,250,000			$3,250,000
Sub-Total	**$0**	**$3,250,000**	**$0**	**$0**	**$3,250,000**
5.0 EXTERIOR CLADDING SYSTEMS					
.1 Brick Masonry Evaluation		$40,000			$30,000
.2 Brick Repair		$300,000	$200,000	$	$500,000
.3 Metal Drip Edge Replacement		$65,000			$65,000
.4 Precast Screen Repairs		$250,000		$15,000	$265,000
.7 Main Entrance Door Replacement				$100,000	$100,000
.8 Overhead Door Replacement				$60,000	$60,000
.9 Wholesale Exterior Sealant Replacement			$35,000		$35,000
Sub-Total	**$0**	**$655,000**	**$235,000**	**$175,000**	**$1,065,000**
6.0 ROOF SYSTEMS					
.1 Replace roof assembly		$4,750,000			$4,750,000
.2 Repairs at Main Roof and Canopies	$50,000				$50,000
Sub-Total	**$50,000**	**$4,750,000**	**$0**	**$0**	**$4,800,000**
7.0 MECHANICAL SYSTEMS					
.1 Replacement of AHUs		$550,000			$550,000
.2 Replacement of Boilers		$600,000			$600,000
.3 Replacement of Cooling Tower		$200,000			$200,000
.4 Replacement of General Exhaust Fan		$75,000			$75,000
.5 Installation of backflow preventer	$6,000				$6,000

ITEMS	Immediate Repair Costs	Years (0 – 1)	Years (2-5)	Years (6-10)	Probable Total Cost
.6 Partial Replacement of Domestic Water Piping		$10,000			$10,000
.9 Allowance for Upgrading the Refrigerant Detection System	$18,000				$18,000
.11 Reinstate Mechanical Insulation		$10,000			$10,000
Sub-Total	**$24,000**	**$1,445,000**	**$0**	**$0**	**$1,469,000**
8.0 ELECTRICAL SYSTEMS					
.1 Replacement of the High Voltage switch	$100,000				$100,000
.2 Replacement of the main transformer	$175,000				$175,000
.3 Retrofit of main electrical switchgear and all associated disconnect switches		$250,000			$250,000
.4 Replacement of back-up generator	$175,000				$175,000
.5 Replacement of the ATS and associated panels	$80,000				$80,000
.6 Allowance for the replacement of lighting fixtures (assumed 1000 fixtures)				$250,000	$250,000
.7 Allowance for the replacement of exit signs (assumed 80 fixtures)				$10,000	$10,000
.8 Allowance for lighting control upgrade				$100,000	$100,000
.9 Allowance for the electrical distribution system		$20,000	$20,000	$20,000	$60,000
Sub-Total	**$530,000**	**$270,000**	**$20,000**	**$380,000**	**$1,200,000**
9.0 VERTICAL TRANSPORTATION SYSTEMS					
.1 Major Controls Modernization – Passenger Elevator		$140,000			$140,000
.2 Cab Finishes – Passenger Elevator		$20,000			$20,000
.3 Major Controls Modernization – Freight Elevator		$120,000			$120,000
.4 In-truss Modernization – Escalators (Option)		$600,000			$600,000
Sub-Total	**$0**	**$880,000**	**$0.00**	**$0**	**$880,000**
TOTAL:	**$604,000**	**$11,335,000**	**$255,000**	**$555,000**	**$12,749,000**

No attempts have been made, as part of this assessment, to determine if there is moisture related deterioration such as mould, mildew etc., within the concealed space as this was beyond the scope of this assignment. We recommend an independent environmental consultant be retained to confirm with better certainty if internal damage has occurred, determine its extent and provide suggested remediation alternatives. This service has not been included as part of this assignment.

1.0 INTRODUCTION

Read Jones Christoffersen Ltd. (RJC) was engaged by Morguard to conduct a Building Condition Assessment of the property and building located at 6464 Yonge Street in the City of Toronto, Ontario.

1.1 PURPOSE

This report is intended to provide the client with a general description of the systems employed in the building and to comment on their general condition, as visually apparent at the time of our assessment. In addition, our review of the property is to be our basis to provide our opinion of the probable cost of the associated remedial work unrelated to regular operational cost or maintenance that will be required over the next 10 years. Refer to Section 10.0 of this report for Limits of Liability.

1.2 SCOPE OF WORK

In general, the scope of work included interviews with site staff, a walkthrough review of the property and the preparation of this report. The building systems examined were:

- Building Structure
- Building Envelope
- Interior Finishes
- Mechanical Systems
- Electrical Systems
- Vertical Transportation Systems

1.3 COST BASIS

The costs presented in this report are broken down into immediate costs and anticipated remedial costs over the next 10 years. The immediate costs are associated with those items requiring immediate attention due to code related issues, safety concerns or rapid deterioration if left unattended. The anticipated remedial costs are for those items, which are not of immediate concern but require attention due to ongoing deterioration, current conditions or will require complete replacement within the timeframe of this evaluation.

All costs shown here are in 2025 Canadian dollars.

1.4 SITE VISIT AND PROJECT PERSONNEL

Representatives of RJC, including our sub-consultants for the building services visited the building on May 1, 2025 to perform their review of the building and property. Personnel conducting the review were:

- Jack Albert, MEng, P.Eng. – Read Jones Christoffersen Ltd. (RJC) – Exterior Cladding and Roofing Systems
- Joseph Dukovcic, MEng, P.Eng. – Read Jones Christoffersen Ltd. (RJC) – Structure
- Chitra Raj Singh Chowhan, M.Eng, EIT. – Read Jones Christoffersen Ltd. (RJC) – Exterior Cladding Systems
- Nick Sutton, BASc., EIT– Read Jones Christoffersen Ltd. (RJC) – Roofing Systems, Interior Finishes
- Chris Pappas, P.Eng – Smith + Andersen – Mechanical and Electrical Systems
- Amin Shafiepour M.Sc, EIT – Smith + Andersen – Mechanical Systems
- Mahiar Lashgari – Smith + Andersen – Electrical Systems
- Keith Langton – Soberman Engineering – Vertical Transportation Systems

2.0 GENERAL DESCRIPTION

2.1 GENERAL BUILDING AND SITE DESCRIPTION

Centerpoint Mall, located at 6464 Yonge Street, is a retail development located at the southeast corner of the intersection of Yonge Street and Steeles Avenue in the city of Toronto, Ontario. The development underwent an expansion in 1973 at the east end of the building. The expansion includes a total of 122,250 sq.ft. of retail space and has been occupied by a single tenant (The Bay) since original construction.

The expansion building generally consists of a two-storey concrete framed structure. The exterior finishes of the building consist of a brick facade, pre-cast concrete wing walls, EIFS, and glazing. A combination of conventional built-up roof and inverted roof systems are installed on the low-slope roof levels. The expansion building is connected to Centerpoint mall along the west elevation, asphalted surface parking and drive lanes are located adjacent to the building along the North, East, and South elevations, each of which has a main entrance to the building at ground level.

2.2 SITE INTERVIEW

Prior to the start and during our May 1, 2025, site tour, an interview was conducted with Joel Cadiz, Building Operator, who has been working at the site for 12 years. The purpose of the interview was to obtain a general understanding of the site and its operation prior to the commencement of our review. Based on our conversation, the following information was obtained:

- No issues reported with respect to the base building structure
- There are no active leaks at the exterior walls or windows.
- There were previous roof leaks below the cooling tower that were repaired over the past year
- There are current roof leaks below the mechanical penthouse
- Approximately two-thirds of the main roof assembly has been replaced at an unknown date, over 12 years ago.
- The domestic water distribution piping is in good condition, no leaks were reported.
- The remaining fluorescent fixtures are replaced as part of ongoing maintenance.

2.3 DOCUMENT REVIEW

Copies of the following documents were available for our review:

- Architectural drawings prepared by Petroff & Jeruzalski Architects (dated April 6, 1973)

3.0 BUILDING STRUCTURE

3.1 SYSTEM DESCRIPTION

Architectural drawings prepared by Petroff & Jeruzalski Architects dated April 6, 1973 were available for review. No base building structural drawings were available for review. Further architectural finishes often concealed much of the buildings structural framing. The structural system therefore, except as noted, is typically based on limited information collected during the site walkthrough, visual review and architectural drawings which may not wholly reflect the system of the building.

The building is of 2 storey concrete structure with a floor area of approximately 61,000 square feet per floor with a total of 122,000 square feet for both floors. The framing bays are noted as 24'-0" x 24'-0" on architectural drawings. The following observations were made during the May 1st 2025 site visit.

The roof slab generally consists of an 8" thick 2-way concrete slab on 8'-6" x 8'-6" x 7" thick drop panels on 18" diameter concrete columns *(Refer to Photo 1 in Appendix B).* The perimeter of the roof slab at exterior of building was supported by concrete spandrel beams measuring approximately 28" deep supported by 26" wide concrete columns at the perimeter (Refer to Photo 2 in Appendix B). The roof slab was locally augmented with concrete beams under roof top mechanical equipment rooms and stairwells. Base building architectural drawings show slab knock out panels at the escalator and stair areas suggesting the roof slab was designed for an occupied live load meant for a future vertical extension not realized.

The 2nd floor slab similar to roof slab consists of a 8" thick 2-way concrete slab on 8'-6"x8'-6"x7" thick drop panels on 18" diameter columns. The edges of the 2nd floor was framed out with concrete spandrel beams approximately 28" deep supported by 26" wide columns. The slab was observed to be augmented with concrete beams around entrances and stairways. *(Refer to Photo 3 in Appendix B)*

Egress stair located at the south/west corner of the building (gridlines YS120 / YS 144 and XW96/XW72) was available for our review during the site visit. The general building structure consisted of concrete column and concrete beam framing with structural steel post installed steel stairs. *(Refer to Photo 4 in Appendix B)*

Based on architectural drawings and limited observations at site, we believe the foundation system of the building is a conventional concrete spread footing located under all columns and perimeter walls. The ground floor appears to be conventional concrete slab grade.

3.2 OBSERVATIONS AND CONCERNS NOTED

In general, the overall global building structure appears to be in good construction quality and physical condition. No signs of visually obvious evidence of settlements, deflection or distress of interior finishes suggest concealed structural deterioration. Considering the age of the building, the building structure appears to be generally performing as intended.

While observing the exterior of the building the loading dock area was reviewed. During the review the following points of concern are noted:

.1 The concrete loading dock and retaining wall areas have sustained weathering due to exposure and mild impact damage due to cargo traffic. *(Refer to Photo 5 in Appendix B).*

.2 Part of the loading dock platform was extended using structural steel, which is in poor shape. The date of the extension is unknown, and no drawings are available. The extension is made up for HSS102X102 posts spaced at approximately 4'-0" O/C with C150 main beams and L76X76 angle secondary beams. The steel structure is decked over with a steel checker plate. The posts appear to bear on 12"X12" steel bearing plates directly on existing pavement with no proper foundation. *(Refer to Photo 6 in Appendix B).*

The checker plate was observed to have corroded completely through with no cross-section steel thickness left in certain areas. *(Refer to Photo 7 and 8 in Appendix B)*. The current state of deterioration presents an immediate fall through and trip hazard. We recommend the steel loading dock extension be immediately restricted to access to prevent injury and or damage.

3.3 PROBABLE COST OF REPAIR/REPLACEMENT

In general, the building structures throughout appear to be performing well with no anticipated need for significant expenditures over the term of this assignment provided the structure is properly maintained. However, the terms of concern should be addressed as follows:

.1 The metal loading dock extension is required to be removed completely and replaced with When replaced, proper foundations with frost protection will need to be provided along with galvanized steel structure. **The probable cost of removing the existing loading dock is $25,000. The probable cost of constructing a new galvanized loading dock with foundations is $60,000.**

4.0 INTERIOR FINISHES

4.1 SYSTEM DESCRIPTION

The interior architectural and finishing elements of the building were reviewed to note the different types and approximate number/area of finishes as well as to document their present visual condition with respect to age related distress and deterioration.

The building incorporates a variety of finishes throughout the two levels. Based on our observations, the interior finishes generally consist of:

.1 Retail Space:

- Variety of carpet, ceramic tile, wood, and vinyl flooring and wall base.
- Acoustic tile ceiling set in T-bar framing
- Painted gypsum board partitions and columns.

.2 Service Areas/Back of House:

- Exposed concrete slab on grade, vinyl tile or carpet flooring
- Unfinished or painted gypsum board walls
- Unpainted block walls at exterior walls
- Exposed concrete deck or acoustic ceiling tile

.3 Entrance Vestibules:

- Metal grille and carpet flooring
- Painted gypsum board walls
- Single glazed metal frame partitions at interior entrances
- Spray textured gypsum board ceiling

.4 Stairwells:

- Painted/exposed concrete block walls
- Painted metal deck roof
- Factory finished aluminum railings and stair risers
- Exposed concrete treads and landings.

.5 Washrooms:

- Ceramic tile flooring and vinyl wall base
- Painted gypsum board walls and metal partitions
- Painted gypsum bord ceiling
- Conventional porcelain sinks, urinals, and lavatories

(Refer to Photos 1-7 in Appendix C)

4.2 OBSERVATIONS AND CONCERNS NOTED

The finishes in the building are in a condition generally consistent with their assumed age. Our visual review identified the following physical signs of distress with the finishes:

.2 The acoustic ceiling tiles in the retail space appeared to be in poor condition. Localized water damage and physical damage was observed *(Refer to Photo 8 in Appendix C).*

.3 Localized cracks from impacts were noted in the ceramic tile floor walkways in the retail space. *(Refer to Photos 9 and 10 in Appendix C).*

.4 Localized tears, surface wear, and staining were observed throughout the carpeted retail spaces, particularly at the second floor *(Refer to Photo 11 in Appendix C).*

.5 The wall base materials vary throughout the building but generally appeared to be in fair condition. Some surface wear, scuffs, and debonding were observed. Localized sections of wall base are missing/damaged and were presumably previously behind retail displays. *(Refer to Photo 12 in Appendix C).*

.6 The vinyl tile in the Main Store Ground Level and Mezzanine Level appeared to be in fair condition. Surface wear, scuffing, physical damage, tile gapping/separation, and curling edges were observed *(Refer to Photo 13 in Appendix C).*

.7 Wall scuffs, damage, cracks, from operations. *(Refer to Photos 14-16 in Appendix C)*

4.3 PROBABLE COST OF REPAIR/REPLACEMENT

Based on our observations, the interior finishes will require some repairs/replacement and/or rejuvenation over the life of the building.

.1 Some of the noted deficiencies (i.e. localized drywall cracking, tile cracking/debonding, door and hardware replacement, etc...) can be addressed as part of routine maintenance at a cost

below the threshold for this report. Given the durability of the majority and function of the interior finishes, upgrades are likely to be driven by future tenant operations and requirements. A preliminary refurbishment of the interior finishes budget has been provided in the short term of the report to bring the premises to a good substantial state of repair condition. **The probable cost of this work will be in the order of $3,250,000.**

5.0 EXTERIOR CLADDING SYSTEMS

5.1 SYSTEM DESCRIPTION

The building cladding systems include primarily clay brick masonry, precast concrete, and aluminum framed glazing systems.

The most extensive cladding system present at the building is clay brick masonry, which is typically supported by steel shelf-angles at floor levels and the concrete foundation at grade. The masonry has a concrete block back-up wall spanning between floor slabs and columns. The brick typically has an exterior coating, and weep holes are present at some areas but not others. The original drawings indicate an air space behind the brick as well as through-wall flashings but do not indicate drainage holes or continuous exterior air and moisture membranes which would be present in a modern rain-screen wall system.

The architectural drawings indicate the brick assembly as follows (exterior to interior):

- 4" brick
- 1" air space
- 7.5" concrete block or concrete beam
- Strapping
- interior gypsum board.

Precast concrete cladding is present at feature walls adjacent to the building entrances and also along the roof perimeter as a roof mounted screen. A coated asbestos board cladding (partially replaced with EIFS) is present at the walls above the entrance canopies.

The building glazing includes single glazed aluminum storefront glazing systems (mirrored glass) adjacent to the building entrances in vertical strips between the precast concrete wing walls.

Access to the building is provided by a combination of single and double swing doors (single glazed). Aluminum-framed double swing doors with glass panels are typically installed at main exterior entrances. Each building entrance has a vestibule with interior and exterior doors. Service doors typically consist of insulated hollow metal single and double swing doors.

Two (2) overhead doors are installed at loading bays at the west elevation with traffic bump guards at the perimeter of the door.

(Refer to Photos #1 to #12 in Appendix D)

5.2 OBSERVATIONS AND CONCERNS NOTED

In general, the conditions of the cladding systems appear to be consistent with the reported age of the assemblies. In our review of the site we identified the following:

.1 The brick masonry cladding appears to be in poor condition with localized deterioration in the forms of brick spalling, mortar failure, and step cracking *(Refer to Photos 13-15 in Appendix D).*

.2 A localized section of the brick façade at the upper-level west elevation (above the mall roof) appears to be out of plane from the adjacent cladding. It is not clear if it is a result of movement since original construction *(Refer to Photo 16 in Appendix D).*

.3 There are indications of previous extensive masonry repairs around the building including large areas of brick that appear to have been replaced and repeating patterns of localized brick replacement. There are different colors of coatings in some areas which may represent areas of previous brick replacement. It appears that four (4) courses above and below the roof and ground level shelf angles may have been previously replaced or repaired at the north, east, south elevations and partially at the west elevation. Areas of deterioration are present adjacent the previously repaired areas. Details on the restoration scope and timing are unknown. The condition of the shelf angles are generally hidden as is information on the masonry ties and condition of the back-up wall and back face of the brick *(Refer to Photos 17 and 18 in Appendix D)*.

.4 There are also localized repeating patterns of previously brick replacement *(Refer to Photo 18 in Appendix D)*.

.5 There are exterior coatings present on the brick in multiple generations. Some areas are debonded and/or peeling in localized areas *(Refer to Photo 19 in Appendix D)*.

.6 Efflorescence and leakage staining were noted at one (1) bay at the west elevation of the building, suggesting longer term moisture or air leakage issues. Additionally, the bay with the above noted efflorescence and the bay adjacent to it had more pronounced brick coating peeling and spalling indicating possibly more extensive issues *(Refer to Photo 20 in Appendix D)*.

.7 Damaged bricks were observed above a loading dock overhead door potentially from impact damage *(Refer to Photo 21 in Appendix D)*.

.8 The metal drip edge flashing at the base of wall shelf angle around the perimeter of the building is in poor condition and exhibiting signs of deterioration in the form of corrosion and impact damage and appears to be posing a safety risk *(Refer to Photo 22 in Appendix D)*.

.9 It appears that an EIFS system has been installed outboard the original stone aggregate cladding on asbestos board above the building main exterior entrances and appears to be in fair condition. No control or expansion joints were observed at the EIFS system *(Refer to Photos 23 and 24 in Appendix D)*.

.10 Where the stone aggregate assembly on asbestos board is still present (uncovered with EIFS) at the roof level (roof side), sections of the aggregate were observed to be delaminated or in poor condition *(Refer to Photo 25 in Appendix D)*.

.11 In general, the roof level precast screen is in fair condition. The support frames are exhibiting surface corrosion with some section loss was observed at the bases at the roof level tie-ins. Localized deterioration of the precast concrete on the back side (roof side) is present in the forms of localized concrete spalls. *(Refer to Photos 27 and 28 in Appendix D)*.

.12 Three (3) roof level precast screen panels at the south elevation are exhibiting deterioration in the forms of efflorescence and hairline cracks *(Refer to Photo 29 in Appendix D)*.

.13 The double swing door frames at the building's main exterior entrances appear to be approaching the end of their expected service life but remain serviceable. Corrosion is present at the base of some mullions. In addition, one door glazing appears to be broken and infilled with plywood. *(Refer to Photos 30 and 31 in Appendix D)*.

.14 The service doors and frames are exhibiting corrosion-related deterioration at the frames *(Refer to Photo 32 in Appendix D)*.

.15 The storefront window glazing frame and glass appears to be in fair condition with one (1) damaged glazing panel at the north elevation entrance. The windows form a void space within the precast wing walls, outboard of the main interior spaces *(Refer to Photo 33 in Appendix D)*.

.16 The overhead doors and surrounding dock seal padding are generally aged and weathered/damaged from operations.

.17 Unsealed penetrations in the EIFS cladding walls above the south main entrance door area were observed from the back side, likely from previous signage anchors *(Refer to Photo 34 in Appendix D)*.

.18 The pre-cast concrete panels at the wing walls generally appear to be in fair condition. However, the sealants appears to be failed with adhesive and cohesive failure and the backer rod behind is exposed locally *(Refer to Photo 35 in Appendix D)*.

.19 Two unsealed penetrations were observed at the brick walls, one at the penthouse chimney penetration and one at the south elevation ground level pipe penetration *(Refer to Photos 36 and 37 in Appendix D).*

.20 Localized backed out and corroded fasteners were observed at the roof level metal cladding *(Refer to Photos 38 in Appendix D)*

5.3 PROBABLE COST OF REPAIR/REPLACEMENT

Based on the findings of this review, we note the following opinion of probable repair costs associated with the items outlined in the previous section:

.1 The brick masonry is exhibiting visible signs of deterioration including efflorescence, peeling coating, spalled bricks, signs of previous repairs, and a section of wall that appeared to be out of plane. There are signs of previous masonry repairs around the building. We recommend further evaluation of the brick façade including test openings to review the existing hidden conditions (assembly, brick tie spacing and condition, shelf angle condition, etc.) and identify the underline causes of deterioration. **We recommend carrying an allowance of $40,000 for the evaluation work in 0-1 years.**

.2 The scope of brick masonry system repairs would be further informed based on the results of the above evaluation; however, we recommend an allowance for repairs based on the deterioration currently visible (spalling, mortar deterioration, localized cracking, peeled coating, etc.) as well as an allowance for partial replacement of hidden components (shelf angles, ties, etc.). The extent of repairs related to hidden conditions could be greater or less than currently assumed. The existing original wall construction does not include components of a modern rain screen wall system and is therefore more susceptible and air, moisture, and heat transfer. **The probable cost of the masonry repair allowance will be in the order of $500,000 in Years 0-1, and subsequently $200,000 in Years 2-5.**

.3 The metal drip edge flashing at the base of the wall should be replaced in the short term because it not only does not function to its intended use of diverting water away from the wall, but it also appears to have become a potential hazard due to the exposed sharp metal edges at ground level at highly foot trafficked areas. **The probable cost of replacement will be in the order of $65,000 in years 0-1.**

.4 Repair to roof level precast screen steel supports including exposing the bases, wholesale surface-preparation, reinforcing of deficient areas at bases, wholesale coating the bases, and new roofing tie-in. The work would also include localized repairs to spalls at the precast screens. **The probable cost of this work will be in the order of $250,000 (Years 0-1).** The above addresses the bases which are of most concern; however, the rest of the frames also require protection from ongoing corrosion. **The probable cost of this work will be in the order of $15,000 (Years 6-10).**

.5 The exterior brick coatings are in fair-poor condition overall with various ages, colours, and deficiencies noted above. The exterior coatings are considered an aesthetic component, as such timing for replacement is discretionary and has been excluded from this assessment.

.6 Based on age, the exterior main entrance doors and surrounding glazing assemblies are approaching the end of their expected service life but are understood to be performing as intended and generally sheltered from the elements. We recommend budgeting for replacement in the long term of this report. **The probable cost of this will be in order of $100,000 in years 6-10.** Given the lesser frequency of use we expect the hollow metal service doors will continue to be individually replaced as needed at a cost below the threshold of this report.

.7 The two (2) overhead doors and operators are past their typical expected service life but are understood to be operating as intended. Based on age and observed condition, we recommend budgeting for life-cycle replacement in the long term of this report. **The probable cost of this will be in order of $60,000 in years 6-10.**

.8 Exterior sealants have an expected service life of approximately 15 years. Wholesale replacement of the sealant at the pre-cast wing walls and at building penetrations is recommended in the short term to restore the original design intent. **The probable cost of this work will be in order of $35,000 in years 2-5**.

6.0 ROOFING SYSTEMS

6.1 SYSTEM DESCRIPTION

The roofing areas at the building include the main roof, the penthouse roof, and smaller roof areas including the loading dock roof, the stairwell roof, and the three (3) main entrance sloped roofs.

The main roof area is covered with two different low-slope roofing systems over the concrete deck. Approximately two-thirds (2/3) of the main roof area consists of a conventional built-up roofing (BUR) assembly, and the remaining third (1/3) of the main roof consists of an inverted roof membrane assembly (IRMA). The parapet cap flashings consist of prefinished metal with s-lock joints. Drainage is provided by area drains at structural low-points of the roof. The mechanical room penthouse has a similar BUR roofing system as the main roof, as does the loading dock canopy.

The small sloped roof over the main roof access staircase is a conventional two-ply SBS modified bitumen membrane assembly.

The sloped roof canopies over the three (3) main building entrances consist of metal roofing systems with what appears to be an integral gutter lined with a sheet membrane. The undersides of the entrance canopies include metal soffit.

(Refer to Photos #1 to #10 in Appendix E).

6.2 OBSERVATIONS AND CONCERNS NOTED

In general, the condition of the roofing systems appear to be consistent with the reported and assumed ages of the various assemblies. Based on the history provided, the roofing systems appear to be generally performing as intended. Items of interest follow:

.1 The exact age of the roofing assemblies could not be confirmed at the time of the assessment but based on observed condition and information available, we have assumed the BUR and IRMA sections to be in the range of approximately 25 years old (circa 2000).

.2 The roof sections reviewed were generally clear of debris, organic growth, or signs of ponding water.

.3 A section of the main roofing is inverted and the membrane and roofing components were therefore not visible for review as they are covered with insulation and ballast.

.4 The parapet cap flashing generally appeared to be in fair condition and sloped towards the roof. Localized sections are of an older vintage and are in poor condition with corrosion and peeling finish observed *(Refer to Photo #11 in Appendix E).*

.5 Localized sections of scoured ballast, asphaltic bleed-out, debonding membrane, and membrane surface crazing were observed at the BUR sections *(Refer to Photos #12 and 13 in Appendix E).*

.6 Gravel ballast scouring, torn filter fabric, and exposed rigid insulation were observed to be typical throughout the IRMA sections *(Refer to Photo #14 in Appendix E).*

.7 It appears that leaks into the interior space below the main roof are ongoing at the east side of the penthouse. Stained and deteriorated ceiling tiles were observed from the second floor interior space during the review, particularly below the cooling tower/service room penthouse area *(Refer to Photo #15 in Appendix E).*

.8 The steel supports of the roof level precast screen are located in the main roof. At the IRMA roof section, the steel was observed to be corroded at the pitch pocket flashings. Some of the pitch pockets were debonded, crazing, and not sealed completely, and are a potential path for moisture ingress. The supports at the BUR roof section are covered with a pre-finished metal flashing and could not be reviewed visually. This item is also discussed in the Cladding section of the report *(Refer to Photographs No. 16 and 17 in Appendix E).*

.9 Peeling paint, corrosion, and moisture-related deterioration were observed on the soffits of the of the main entrance canopies, particularly at the south elevation. Potentially due to a failed gutter membrane, clogged gutter, or insufficient drip edges on the pre-cast concrete canopy overhangs allowing for water to wick back along the soffit *(Refer to Photographs No. 18 in Appendix E).*

6.3 PROBABLE COST OF REPAIR/REPLACEMENT

Based on our observations and the information available at this time, we recommend the following repair options:

.1 Based on the assumed age (circa 2000), observed condition, and history of performance (leakage in the past year), we recommend budgeting for life-cycle replacement of the main roof and penthouse roof, including the roof area drains and metal flashings, in the medium term of the study period to restore the original design intent. **In our opinion the probable cost of this work is in the range of $4,750,000 (Years 0-1.**

.2 We recommend localized repairs in the immediate term to address leaks at the main roof and canopies. **In our opinion the probable cost of this work is in the range of $50,000 (Immediate).**

7.0 MECHANICAL SYSTEMS

7.1 SYSTEM DESCRIPTION

The building mechanical systems consist of heating, ventilation, and cooling (HVAC), plumbing and drainage (domestic water, sanitary and storm drainage and associated plumbing fixtures).

.1 Site Services

According to our site review:

.1 The building was noted to be provided with a incoming domestic water line, as well as fire protection water service, storm and sanitary drainage piping.

.2 A gas line is provided to the building and services the boilers, heaters and generator.

.2 Heating, Ventilation and Cooling Systems

.1 In general, heating, cooling and ventilation for the building is provided by two (2) indoor Air Handling Units (AHU) located in the rooftop mechanical room each serving one floor. Each AHU is equipped with a dual temperature hydronic heating/cooling coil, and a centrifugal belt-drive supply fan. Each unit supplies air via ductwork to ceiling mounted diffusers. The ceiling space is used as a return air plenum where available. There was no nameplate indicating supply fan's capacity, however, we estimate it to be in 40,000 to 50,000 CFM Range *(Refer to Photos #12-18 in Appendix F)*.

.2 The chilled water plant consists of one (1) water-cooled chiller, one (1) closed-loop cooling tower, two (2) condenser water pumps, and two (2) chilled water pumps.

.3 The chiller is Trane chiller model#: RTWD 220 HE, dual compressor, with nominal capacity of 220 Tons, and R134a refrigerant. The chiller is located on the rooftop mechanical room. The chiller is 10 years old, having approximately 13 years left from the typical median service life of 23 years as per ASHARE standards. A refrigerant detection system is also installed within the room. It is also unclear if the interlocks are provided between the chiller and boilers, however this would need to be addressed *(Refer to Photo #4 in Appendix F)*.

.4 The cooling tower is a BAC closed-loop tower equipped with two centrifugal fans. The cooling tower is original to the building and reportedly was refurbished 10 years ago most likely around the time of the chiller replacement. *(Refer to Photo #3 in Appendix F)*.

.5 The condenser water pumps are a set of two (2) equally sized, vertical-inline pumps with nominal capacity of 420 USGPM flow at 45 Ft head, 7.5 HP motor. Both condenser water pumps are located within the rooftop mechanical room next to the chiller. One of the pumps is original to the building and the other one is 10 years old. *(Refer to Photo #5 in Appendix F).*

.6 The chilled water pumps are a set of two (2) equally sized, vertical-inline pumps located within the rooftop mechanical room. Both pumps are original to the building. *(Refer to Photo #5 in Appendix F).*

.7 The heating boiler plant consists of three (3) Teledyne Laars Model HB-1330 natural gas-fired non-condensing boilers. Each boiler has a maximum input of 1,330 MBH. Each boiler is equipped with a 1/4 HP primary pump and is vented directly to the roof. There are four (4) secondary heating vertical-inline pumps on the existing hot water supply piping within the mechanical room supplying the heating hot water to AHU heating coils and the unit heaters throughout the building. *(Refer to Photos #6,7,10 in Appendix F).*

.8 Heating for the loading dock is provided by two (2) hydronic unit heaters and two (2) electric unit heaters all installed at high level. *(Refer to Photos #21,26,27 in Appendix F).*

.9 Heating for the sprinkler room is provided by an electric wall mounted forced flow heater. *(Refer to Photo #23 in Appendix F).*

.10 Heating for the rooftop generator room is provided by an electric wall mounted unit heater. *(Refer to Photo #2 in Appendix F).*

.11 Smaller electric heaters are also provided throughout the building.

.12 Heating for the rooftop mechanical room is provided by a hydronic ceiling mounted unit heater. *(Refer to Photo #9 in Appendix F).*

.13 Supplementary heating for the kitchen is provided by an electric baseboard heater. *(Refer to Photo #34 in Appendix F).*

.14 There are ceiling or roof mounted exhaust fans dedicated for the washrooms. *(Refer to Photo #20 in Appendix F).*

.15 There is a 15 HP general exhaust fan connected to AHU-1 return air ductwork. Based on the nameplate, it appears the fan was manufactured in 2002. The exhaust fan is exceeded its typical life expectancy of 20 years. *(Refer to Photo #19 in Appendix F).*

.3 Plumbing and Drainage Systems

.1 There is a main incoming water line that enters the building at the ground floor sprinkler room. The water service is metered c/w with remote meter read. No backflow preventer was noted to be installed for the main incoming water line. However, localized backflow protection was noted in the mechanical room. *(Refer to Photo #24 in Appendix F).*

.2 Domestic water lines are distributed through the service and storage areas. Where noted, the domestic water lines are copper. No leaks were reported.

.3 Domestic hot water is provided by two (2) electric tank type water heater installed in the loading dock area adjacent to sprinkler room and one (1) gas fired tank type water heater and two (2) storage tanks installed in the rooftop mechanical room. The electric water heaters are manufactured by John Wood and Rheem, and each is rated at 4500 Watts and has a storage capacity of 75 US gallons. The gas fired water heater is manufactured by John Wood and is rated at 42 MBH heating input, recovery rate of 47 GPH and has a storage capacity of 60 US Gallons. There is a 1/12 HP domestic hot water recirc. Pump connected to the gas fired water heater *(Refer to Photos #11,22 in Appendix F).*

.4 There are men's and women's washrooms on second floor. In the men's washroom there are countertop lavatories, wall mounted urinals, and wall mounted flush valve type water closets (WCs). The fixtures are installed with manual and automatic flush valves. Plumbing fixtures in washrooms are in poor operating condition. *(Refer to Photos #29-31 in Appendix F).*

.5 The sanitary sewer system drains sanitary waste from the plumbing fixtures and floor drains within the building. Above grade drainage piping is presumed to be cast iron. Some drainage piping from sinks was noted to be a combination of bronze/brass piping.

.6 Roof drainage is accomplished through uncontrolled flow roof drains. The roof drains are connected to rainwater leaders that drain to the storm sewer system. Storm drainage piping is a combination trasite and PVC piping.

.4 Fire Suppression Systems

.1 The fire protection system consists of both a wet-type sprinkler and standpipe fire protection systems. Both systems are fed from a combined fire protection water line with supervisory valves connected to incoming fire protection water service located at sprinkler room. No sprinkler or standpipe fire pumps are observed on site. However, the sprinkler system site instructions indicate there is an existing sprinkler excess pressure pump.

.2 Standpipe and automatic fire department connections were noted at the east side of the building.

.3 There are ABC portable fire extinguishers installed throughout the building and in stairs. The fire extinguishers were last inspected by All Star in February 2025.

.5 Emergency Generator

.1 There is an existing gas fired emergency generator located at the rooftop generator room. The generator is Onan Model #: 45 OEM-9XR/10707D with maximum natural gas input of 690,000 MBH. The generator is in operating serviceable condition *(Refer to Photo #1 in Appendix F)*.

7.2 OBSERVATIONS AND CONCERNS NOTED

.1 Gas piping appears to be piping appears to serve the rooftop with branches provided for the boilers, heater and generator. The piping generally appeared in good condition, although small sections of piping had some corrosion.

.2 The Indoor AHU supply centrifugal fans have an expected service life of 25 years. We recommend budgeting for the retrofit or replacement of the fans.

.3 The AHU dual temperature hydronic heating/cooling coils do not show any signs of active leakage or major damage to the fins. The piping distribution to the coil is heavily corroded and should be replaced.

.4 Although the exact age of the boilers is unknown, it is likely the boilers are upwards of 20 years old. Some signs of cracked refractories were noted. As per ASHARE, the gas-fired heating boilers such as these have an estimated life of 25 years. We recommend budgeting for the replacement of the boilers with gas fired condensing boilers in the immediate future.

.5 The cooling tower has an expected service life of 20 years and likely passed its expected life. We recommend budgeting for the replacement of the cooling tower.

.6 The washroom exhaust fans appear to be in serviceable condition. Individual replacement of this equipment can be completed as part of on-going maintenance.

.7 The EF-1 General Exhaust Fan has already passed its expected service life of 20 years and is in poor condition. We recommend budgeting for the replacement of the fan.

.8 Small local fans are provided in various storage rooms and are considered serviceable items.

.9 No backflow preventer is installed for the main incoming domestic water line. As per City of Toronto By-Law, a back-flow preventer should be installed in the main incoming water line. The backflow preventer should be installed and inspected as per CAN/CSA B64 Standard and the City of Toronto's Water Supply by-law.

.10 The domestic hot water tank-type heaters are in operating condition. This type of tanks has an expected life cycle of 15 to 20 years. This water heaters can be replaced, when required, as part of the operating budget.

.11 The plumbing fixtures including sinks, faucets, water closets, and urinals are in poor condition based on visual review. We recommend budgeting for the replacement of the plumbing fixture units.

.12 Where visible, the domestic water distribution piping is in good condition however, the galvanized piping should be replaced as it prone to blockages and deterioration. Local repairs can be managed as part of on-going maintenance.

.13 The drainage systems appear to be in serviceable condition. The extent of this review was limited to exposed areas. We recommend carry out a camera inspection of the sanitary piping; power washing of the sanitary lines may be required following the camera inspection. It is possible that local repairs may be needed. Also, scoping the lines to view the internal condition of the piping system. Based on age, we also recommend budgeting for an allowance for partial replacement or repairs of the drainage systems.

The fire extinguishers and fire hose cabinets appear to be in satisfactory operating condition and are serviced & tested on an annual basis. Individually, the fire extinguishers can be replaced, when required, as part of the operating budget.

7.3 PROBABLE COST OF REPAIR/REPLACEMENT

Most mechanical systems appear to be reflective of their age. Although the systems are operational, the risk of failure is higher with some of the systems. We recommend carrying out the repair and/or replacement as noted below. We assume that smaller repairs (below the threshold of this assessment) would be covered from an operating budget.

.1 Based on age, we recommend budgeting for the replacement of the two AHU Supply Fans. **In our opinion, the estimated cost of this work is $550,000 including associated ductwork, piping changes and dampers in the next year.**

.2 Based on age, we recommend budgeting for the replacement of the three gas-fired heating boilers including all major distribution piping and pumps. **In our opinion, the estimated cost of this work is $600,000 within the next year.**

.3 Based on age, we recommend budgeting for the replacement of the cooling tower including piping. **In our opinion, the estimated cost of this work is $200,000 in the next year.**

.4 Based on age, we recommend budgeting for the replacement of the General Exhaust Fan. **In our opinion, the estimated cost of this work is $75,000 in the next year.**

.5 As required by the City's By-Law, we recommend budgeting for the installation of a backflow preventer. **In our opinion, the estimated cost of this work is $6,000 immediately.**

.6 Based on age, we also recommend budgeting for an allowance for partial replacement or repairs of the domestic water system piping. We recommend carrying $10,000 for this work.

.7 **We recommend repainting the natural piping within the mechanical rooms and roof.**

.8 Doors from the boiler & chiller room to the AHU room compartments were not tightly closing. This can create a negative pressure and draw natural gas, refrigerant and/or other contaminants into the air supply as well as impact combustion of the gas fired equipment. These doors should be replaced as soon as possible. We expect that the service doors can be individually replaced at cost below the threshold of this report.

.9 The refrigerant detection system should be tested to ensure it is functioning and turns on the required fans. An interlock of the refrigerant detection system and boilers is required. Strobe lights for the detection system should also be added to the chiller/boiler room entrance doors to prevent access to the room if a leak is detected. In our opinion, the estimated cost for interlock (if not provided) is $15,000. This can also be addressed as part of a new boiler plant project. The estimated cost for strobe lights at doors is $3,000.

.10 **Reinstate the pressure and temperature relief line at the rooftop domestic hot water heater.**

.11 **Reinstate deteriorated insulation within mechanical room with the estimated cost of $10,000.**

.12 **Provide baffles around combustion air intake within boiler room as high risk of freezing of nearby pipes.**

8.0 ELECTRICAL SYSTEMS

8.1 SYSTEM DESCRIPTION

The electrical systems consist of site services, power distribution, emergency power, lighting and lighting controls, communications, and security systems.

.1 Site Services

.1 Power is supplied at 27.6 kV from Toronto Hydro to the main high-voltage switch located in the main electrical room on the roof. The switch is rated for 600 A and is capable of handling voltages up to 34.5 kV. Due to limited available information, the ownership of the switch could not be confirmed.

.2 Based on observations from the visual inspection, it is assumed that the high-voltage switch feeds a step-down transformer prior to connecting to the main electrical switchboard. The transformer is believed to be located in a dedicated transformer room; however, access to this room was not available at the time of inspection.

.3 The main electrical switchboard located in the main electrical room, is manufactured by ITE Circuit Breakers in 1985, and is rated at 347/600 Volts, 2000 Amps.

.4 There is a main Toronto Hydro meter cabinet installed in the main electrical room.

.2 Power Distribution

.1 The main electrical switchboard distributes power to the store via several fusible disconnect switches. This switchboard feeds mechanical equipment, lighting panels, power panels, elevators, escalators, and emergency panels.

.2 Power is further distributed throughout the space via power, receptacle, and lighting panels located on the first and second floors.

.3 Emergency Power

.1 Emergency power distribution is provided by a gas-powered generator manufactured by ONAN Corp. installed inside the generator room on the roof.

.2 The generator is rated at 45 kW / 56.3 kVA and supplies emergency power to Panel 'PP-EMA' through an Automatic Transfer Switch (ATS). This panel distributes power to a variety of emergency loads, including the fire alarm panel, emergency lighting, data racks, security systems, and other essential equipment.

.4 Lighting / Emergency Lighting

.1 The interior lighting fixtures primarily consist of recessed 2' by 4' fixtures retrofitted with LED T8 bulbs. In addition, there are track lighting and recessed pot lights distributed throughout the store, along with several decorative pendant lighting fixtures.
.2 Lighting in the storage and electrical service areas is achieved with linear LED or T-8 fluorescent fixtures.
.3 Exterior lighting consists of canopy and wall mounted fixtures located around the perimeter of the building.
.4 There is emergency lighting available in the store supported by the back-up generator.
.5 The exit signs located throughout the store are the red-text exist sign type and are in operating condition.

.5 Security Systems

.1 The building is outfitted with a CCTV system with cameras located at the entrances and throughout the store. There is a monitoring system, complete with a monitor and a digital recording system.

.6 Fire Alarm System

.1 The building is equipped with a fire alarm system that is activated by sprinkler heads and manual pull stations distributed throughout the premises. Audible alarm bells are installed within the store to alert occupants in the event of an emergency.
.2 Fire alarm panel

8.2 OBSERVATIONS AND CONCERNS NOTED

.1 The HV switch appears to be in operating condition and an original building component. However, the switch was manufactured in 1973 and has been in operation for 52 years. The BOMA preventive maintenance guidebook notes the useful lifespan of a HV switch to be 40 years. Given the information, the switch has passed its useful lifespan and is due for replacement.

.2 Due to limited available information, the ownership and exact age of the main transformer could not be confirmed. However, it is assumed to be an original building component installed alongside the high-voltage switch. If this assumption is accurate, the transformer has exceeded the BOMA-recommended useful lifespan of 30 years. If the transformer is customer-

owned, regular testing and maintenance are required. It is also recommended to begin planning for its replacement in the near future.

.3 The main electrical switchboard appears to be in operational condition; however, it was manufactured in 1985 and has been in service for approximately 40 years. According to the BOMA guidebook, the typical useful lifespan of switchgear is 40 years. Based on this information, the switchboard has reached the end of its recommended service life and is due for replacement.

.4 The generator nameplate does not display a manufacturing date; however, based on the serial number, the unit appears to have been manufactured in 1997 and has been in operation for approximately 28 years. While this information is subject to confirmation, if accurate, it indicates that the generator has exceeded its recommended 20-year useful life and is due for replacement.

.5 The Automatic Transfer Switch (ATS) was installed in 1997 alongside the generator and has exceeded its recommended useful lifespan of 25 years. An upgrade of the emergency power distribution system, including the ATS and associated emergency panels, is recommended to ensure continued reliability and compliance with current standards.

.6 The current lighting control is managed through outdated relay panels. It is recommended to implement a complete lighting control system to enhance power consumption efficiency and provide greater flexibility in lighting management.

.7 The recessed 2’ by 4’ lighting fixtures have been retrofitted with LED T8 bulbs; however, the housings are aging and may be a candidate for complete replacement to improve light quality, reliability, and control flexibility.

.8 The existing exit signs are of the red-text type and will need to be replaced with the 'Green Running Man' style, as required by the OBC regulations.

.9 Given the presence of various CCTV camera types throughout the store, standardizing the equipment could be considered to maintain system consistency.

.10 If the fire alarm system is not currently being tested and maintained on a regular basis, it is strongly recommended that a routine inspection and maintenance program be implemented.

8.3 PROBABLE COST OF REPAIR/REPLACEMENT

.1 Given the age of the equipment, we recommend budgeting for the replacement of the main high-voltage (HV) switch and main transformer. **The estimated cost for this work is approximately $275,000 within the next year.**

.2 Based on the age of the equipment, we recommend budgeting for the replacement of the back-up generator, the Automatic Transfer Switch (ATS), and all associated emergency panels. **The estimated cost for this work is approximately $275,000 within the next year.**

.3 Considering the age of the equipment, we recommend budgeting for the retrofitting of the existing main switchboard, including the installation of new circuit breakers. **The estimated cost for this work is approximately $250,000 within the next year.**

.4 Based on the age of the equipment, we recommend budgeting for the complete replacement of the 2' by 4' lighting fixtures. **The estimated cost for this work is approximately $250,000 within the next 6 to 10 years.**

.5 In accordance with code requirements, we recommend budgeting for the replacement of exit signs with the 'Green Running Man' (GRM) type. **The estimated cost for this work is approximately $10,000 within the next 6 to 10 years.**

.6 Due to functionality limitations, we recommend budgeting for the upgrade of the lighting control system. **The estimated cost for this work is approximately $100,000 within the next 6 to 10 years.**

.7 **We recommend allowing for $60,000 to $80,000 budget distributed over the next decade for upgrading the downstream electrical distribution system.**

9.0 VERTICAL TRANSPORTATION SYSTEMS

9.1 SYSTEM DESCRIPTION

The Bay in Centrepoint Mall contains a single passenger elevator, a single freight elevator and two escalators.

The passenger elevator was installed by Otis circa 1999. The elevator has not had any major upgrades since it was installed. The elevator is of the hole-less hydraulic type, where the elevator has two hydraulic pistons, one on either side of the elevator cab. The elevator is currently being maintained by ATTA Elevator.

The single freight elevator was installed by Montgomery Elevator circa 1973. The elevator has had its hydraulic cylinder replaced since it was installed. Aside from this, the elevator has not had any major upgrades performed since installation. The elevator is of the direct acting hydraulic type with a buried hydraulic cylinder. The elevator is currently being maintained by ATTA Elevator.

The two escalators were installed by Montgomery Elevator circa 1973. The escalators are of the high-deck type with solid balustrades. The units appear to be in good condition for their age; however, they were not operable during our site review. The escalators are currently being maintained by ATTA Elevator.

Summary of Elevator Equipment	
Passenger Elevator	
Number:	1
Designation:	1
Installation numbers:	74887
Original manufacturer:	Otis Elevator
Original installation date:	circa 1999
Maintenance contractor:	ATTA Elevator
Floors served:	M, 2
Capacity (pounds):	2500
Contract speed (fpm):	125
Type:	Twin-post holeless hydraulic
Drive:	submersible pump
Motor:	AC (20 hp)
Door type:	single speed side opening
Door size (inches):	42 wide x 84 high
Door operator:	GAL MOVFR

Door protection:	infra-red multiple-beam detector
Cab inside dimensions (inches):	81 wide x 52 deep x 90 high
Arrival signal:	in-car lanterns
Firefighter's Service:	not provided
Emergency power operation:	not provided
Voice communication:	hands-free telephone
Security:	not provided
Machine guarding:	not applicable
Top of car guard rail:	provided
Freight Elevator	
Number:	1
Designation:	n/a
Installation numbers:	27701
Original manufacturer:	Montgomery
Original installation date:	1973
Maintenance contractor:	ATTA Elevator
Floors served:	G, 2
Capacity (pounds):	8,000
Contract speed (fpm):	100
Type:	direct acting hydraulic
Drive:	external pump
Motor:	AC (60 hp)
Door type:	vertical bi-parting freight doors
Door size (inches):	176 wide x 98 high
Door operator:	Peelle
Door protection:	not provided
Cab inside dimensions (inches):	176 wide x 95 deep x 100 high
Arrival signal:	not provided
Firefighter's Service:	not provided
Emergency power operation:	not provided
Voice communication:	not provided
Security:	not provided
Machine guarding:	provided on one side only
Top of car guard rail:	provided
Escalators	
Number:	2
Manufacturer:	Montgomery
Installation date:	circa 1973

Floors served:	M to 2
Step width:	40
Balustrade type:	high deck, solid
Step demarcation:	provided
Step brushes:	provided

9.2 OBSERVATIONS AND CONCERNS NOTED

In general, the elevators have exceeded their expected service life and will require a major controls modernization within the near future. The escalators were not operational, however based on their vintage and date of installation, they will also require a major overhaul within the near future.

Major Controls Modernization – Passenger Elevator: The elevator control system is obsolete. Parts and personnel with the expertise to maintain, adjust, and troubleshoot the equipment will become scarce over time. This will result in more downtime for the elevator, more entrapments, delays in affecting repairs, and extra costs to the building to replace obsolete components. As a result, modernization of the elevator will be required. This will involve replacement of the control system with a newer microprocessor based system, replacement of the power unit and control valve, replacement of the door operator and associated equipment, and replacement of the fixtures and wiring.

Cab Finishes – Passenger Elevator: The cab finishes are in good condition; however, they are dated. They will at some point require refinishing. Although this would be purely for aesthetic reasons, it will likely make sense to perform this work at the same time as a control modernization.

Major Controls Modernization – Freight Elevator: The elevator control system is obsolete. Parts and personnel with the expertise to maintain, adjust, and troubleshoot the equipment will become scarce over time. This will result in more downtime for the elevator, more entrapments, delays in affecting repairs, and extra costs to the building to replace obsolete components. As a result, modernization of the elevator will be required. This will involve replacement of the control system with a newer microprocessor based system, replacement of the power unit and control valve, replacement of the door operator and associated equipment, and replacement of the fixtures and wiring.

Upgrades/Modernization/Replacement – Escalators**:** The escalators are obsolete and have surpassed their expected service life. The escalators are still maintainable right now, however parts and personnel with the expertise to maintain, adjust and troubleshoot the equipment will become scarce over time. This will result in more downtime for the escalators, delays in affecting repairs and extra costs to the building to replace obsolete components. Given their vintage, the escalators are not equipped with many of

today's Code required safety devices. The following options exist for the refurbishment or replacement of the escalators.

a. In-truss modernization: This would involve retaining only the escalator structural truss and replacing all other components to provide a renewed escalator with all current technological and safety standard. While this entails the least impact to adjacent finishes and services, it is a much longer process than full replacement.
b. Escalator replacement: This would require the removal of the existing escalators and new escalators would be installed in the existing escalator well-ways. While this is the most disruptive option, it requires a far shorter duration of work.

9.3 PROBABLE COST OF REPAIR/REPLACEMENT

We anticipate the following vertical transportation system costs over the period of this study:

.1 Major Controls Modernization – Passenger Elevator: **The anticipated probable cost for these upgrades is in the order of $140,000 total for one elevator in Year 1 of the study.**

.2 Cab Finishes: **The anticipated probably cost of these upgrades is in the order of $20,000 total for one elevator in Year 1 of the study.**

.3 Major Controls Modernization – Freight Elevator: **The anticipated probable cost for these upgrades is in the order of $120,000 total for one elevator in Year 1 of the study.**

.4 Upgrades/Modernization/Replacement – Escalators: The anticipated probable cost of these upgrades is in the order of the following.
   a. In-truss modernization: $600,000 total for two escalators.
   b. Escalator replacement: $400,000 total for two escalators.

10.0 LIMITS OF LIABILITY

The review of this property was of a visual nature only. No testing or dismantling of any coverings was performed. This inspection was made on a random basis with no attempt to review or inspect every element or portion of the building. The intent of the inspection was to determine areas of visually obvious deterioration and need for repair and to determine, in a general way, the overall quality and sufficiency of the work inspected but not to ascertain the quality of sufficiency of any particular aspect of the building. No calculations were performed to confirm the adequacy of any of the elements reviewed.

Our review of the systems did not include a review of the safety aspects of the installation as this falls under the Jurisdiction of the Governing Authorities. In addition, testing of the building materials for Occupational Health and Safety or substance of potential environmental concern was not conducted.

This report is intended to provide the client with a general description of the systems employed in the building and to comment on their general condition, which may be apparent at the time of our inspection. Our comments are not a guarantee or warranty of any aspect of the condition of the building, whatsoever.

Drawings made available were used solely for the purpose of obtaining design information on elements hidden from view which the Engineer or his sub-consultants may require, supplemental to their visual inspection, in order to more fully describe the building but no comments can be made as to the construction of those elements.

No attempts have been, as part of this assessment, to determine if there is moisture related deterioration within the concealed space as this was beyond the scope for this assignment. We recommend an independent environmental consultant be retained to confirm with better certainty if internal damage has occurred, determine its extent and provide suggested remediation alternative. This service has not been included as part of this assignment.

Any and all previous opinions expressed by Read Jones Christoffersen Ltd., either verbally or in writing, regarding the condition or cost estimates for repair of the above elements are superseded by this report. The above costs are budget figures only, are based on the current market and are in present dollars. The actual costs may vary depending on the time of tendering, the actual detailed scope of work and market conditions.

Whereas any cost estimates done by the Engineer or his sub-consultants are based on incomplete or preliminary information and on factors over which the Engineer or his sub-consultants has no control, the Engineer or his sub-consultants do not guarantee the accuracy of these cost. Unless otherwise noted, costing information does not include H.S.T. or engineering and testing fees. We suggest an

additional 25% be carried to accommodate these soft costs. Costs are based on 2025 Canadian Dollars and assume the work in each discipline is completed in one phase.

This report has been prepared for the exclusive use of Client. Read Jones Christoffersen is, however, prepared to provide a reliance letter to future owners of this property. The contents of this report may not be quoted in whole or in part of distributed to any person or entity other than by the Client of those parties possessing a reliance letter. Read Jones Christoffersen Ltd. accepts no responsibility for damages, if any, suffered by any third party as a result of decisions made or actions based on this report.

11.0 CLOSING REMARKS

Thank you for selecting Read Jones Christoffersen Ltd. for this project. RJC would be pleased to assist you with the implementation of our recommendations. Should you have any questions or concerns, please do not hesitate to contact this office.

This report has been submitted on behalf of the entire consulting team by:

Yours Truly,

READ JONES CHRISTOFFERSEN LTD.

Jack Albert, BASc, MEng, P.Eng., CPHD
Principal

LICENSED PROFESSIONAL ENGINEER
J. A. ALBERT
100085510
May 28, 2025
PROVINCE OF ONTARIO

APPENDIX A

GENERAL BUILDING AND SITE PHOTOGRAPHS

Photo #1: Aerial View of Site and Directional Reference

Photo #2: Overview of East Elevation

Photo #3: Overview of South Elevation

Photo #4: Partial Overview of West Elevation – Loading Bay

Photo #5: Partial Overview of West Elevation – From Main Mall Roof

Photo #6: Overview of North Elevation

APPENDIX B

BUILDING STRUCTURE PHOTOGRAPHS

May 28, 2025
TOR.142138.0001

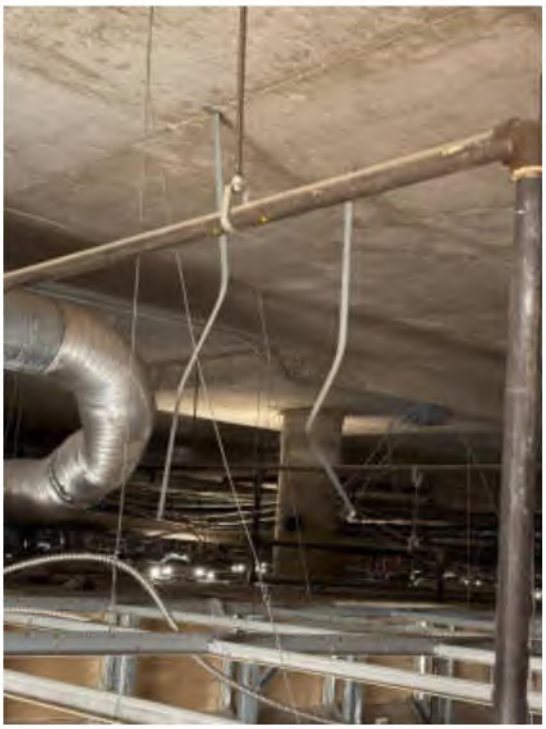

Photo #1: Underside Roof Slab Concrete Column and Drop Panel General Condition

Photo #2: Concrete Spandrel Beam and Column at Exterior Wall Gridline EX96

Photo #3: Underside 2nd Floor Slab Drop Panel Augmented with Concrete Beam at South Exterior Entrance.

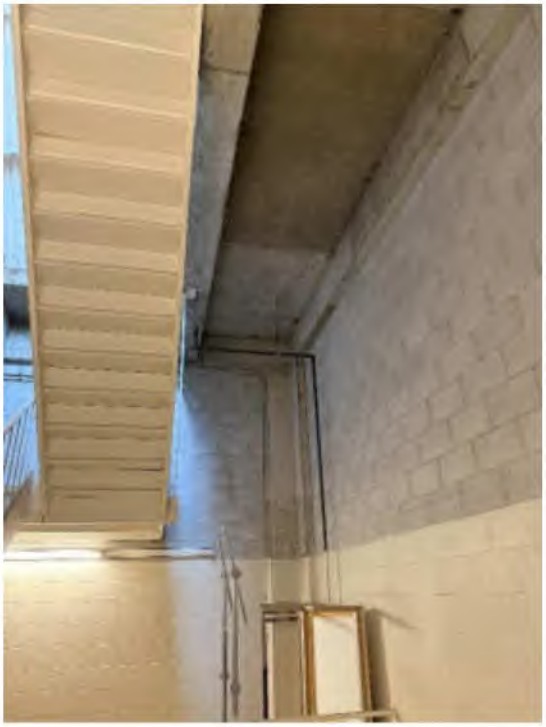

Photo #4: Southwest Stair Well. Concrete Structure with Metal Staircase

Photo #5: Loading Dock Area Retaining Wall. (Note deteriorated wood bumper guard on ground.)

Photo #6: Loading Dock – Structural Steel Extension

Photo #7: Top of Steel Loading Dock Extension (Note: Through corroded steel checker plate).

Photo #8: Underside of Steel Loading Dock (Note: Through corroded underside checker plate)

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APPENDIX C

INTERIOR FINISHES PHOTOGRAPHS

May 28, 2025
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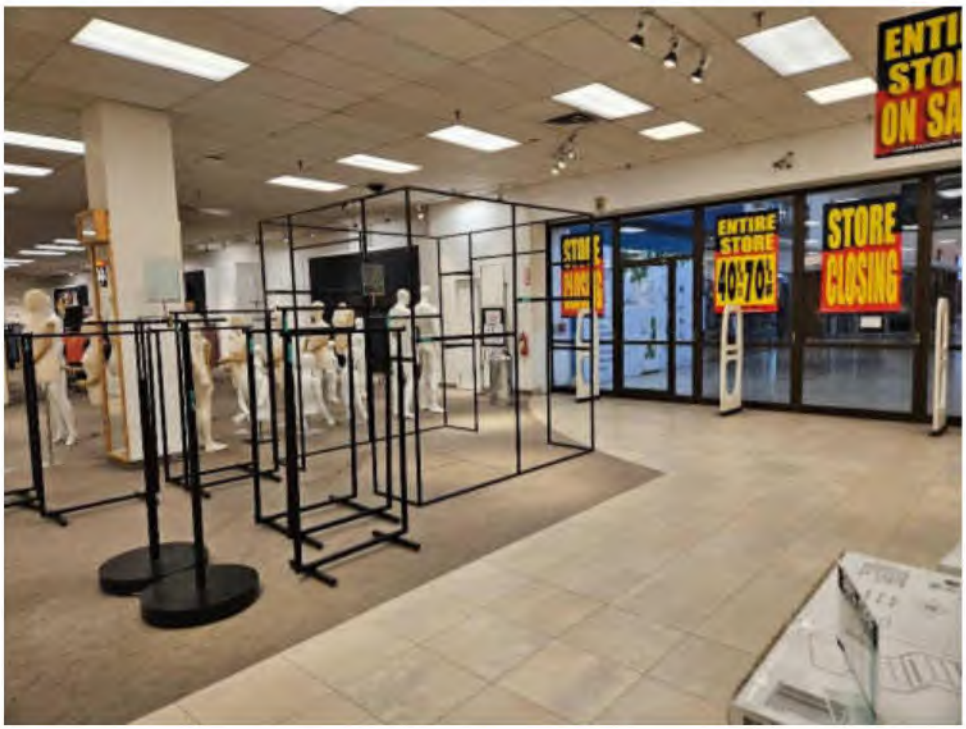

Photo #1: Overview of Ground Floor Interior Finishes

Photo #2: Overview of Second Floor Interior Finishes

Photo #3: Overview of Service Area Finishes

Photo #4: Overview of Entrance Vestibule Finishes

Photo #5: Typical Single Glazed Vestibule Interior Partition

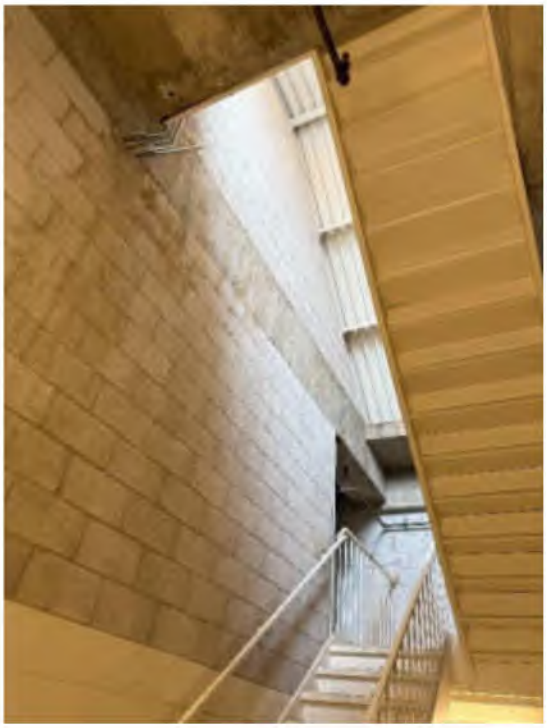

Photo #6: Stairwell Finishes

Photo #7: Washroom Finishes

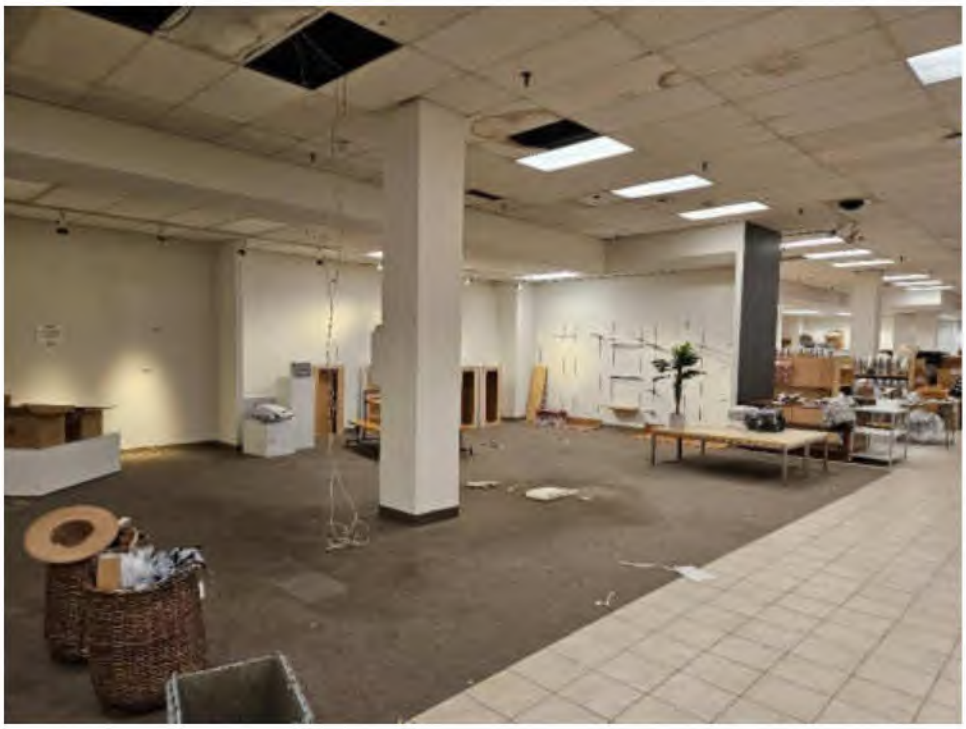

Photo #8: Example of Water Damaged Ceiling Tiles and Stained Carpet at Second Floor

Photo #9: Example of Cracked Tile Flooring

Photo #10: Example of Cracked Tile Flooring

Photo #11: Example of Torn Carpet

Photo #12: Example of Damaged/Missing Wall Base in Retail Space

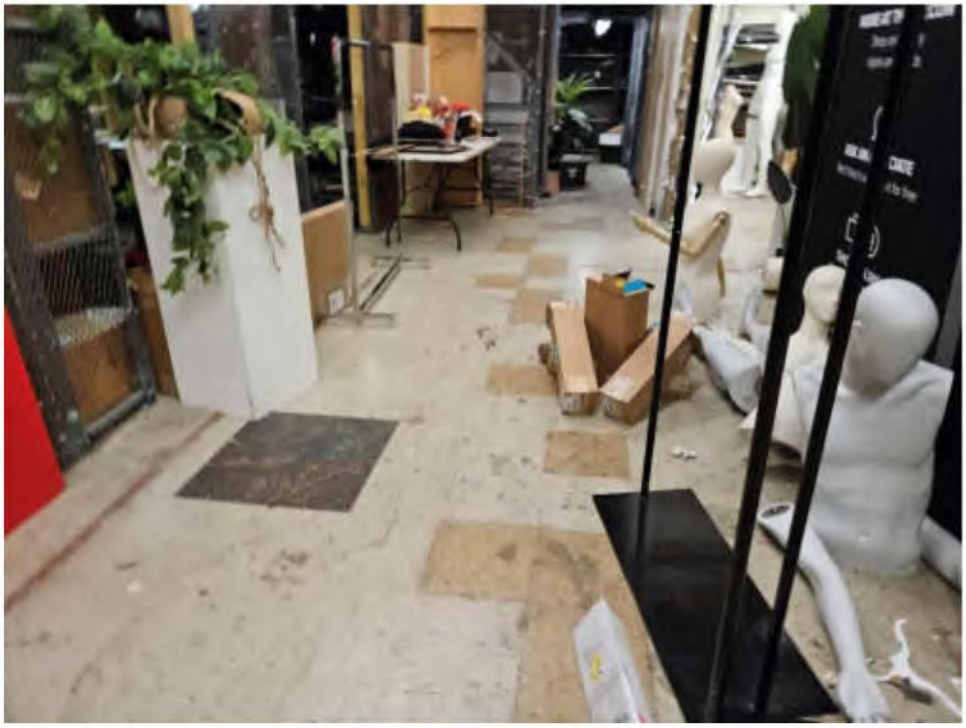

Photo #13: Example of Vinyl Tile Condition

Photo #14: Example of Damaged Gypsum Board at Service Areas

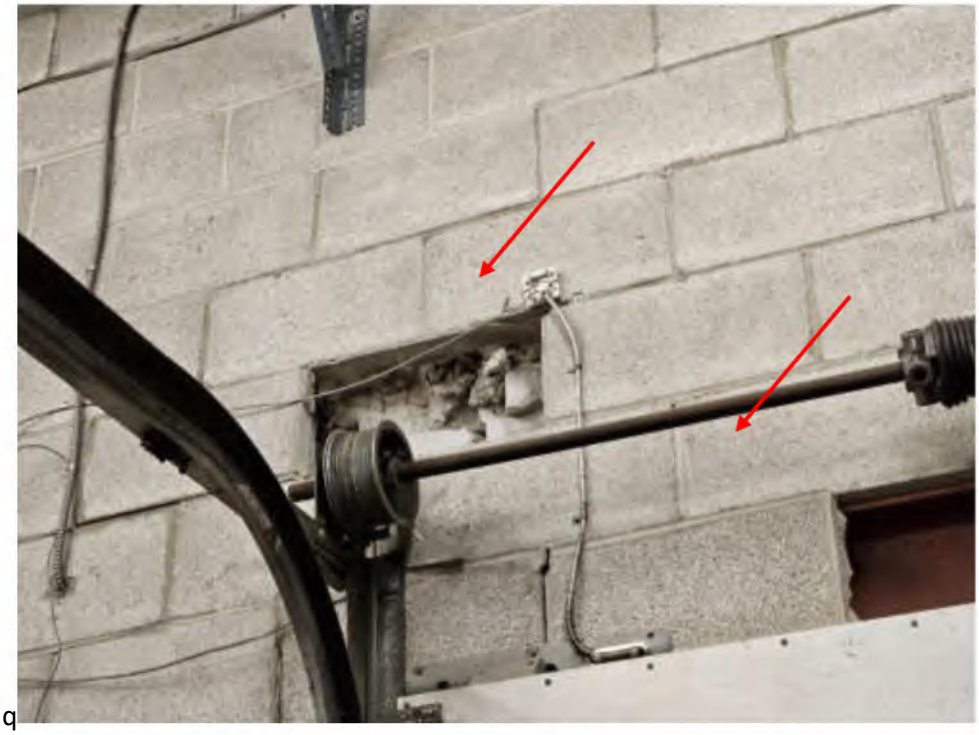

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Photo #15: Damaged Blocks at Loading Bay

Photo #16: Cracked Finishes in Second Floor Office Area

APPENDIX D

EXTERIOR CLADDING SYSTEMS PHOTOGRAPHS

Photo #1: Overview East Elevation Brick Exterior Facade

Photo #2: Overview of South Elevation

Photo #3: Partial Overview of West Elevation – Loading Bay

Photo #4: Partial Overview of West Elevation – From Main Mall Roof

Photo #5: Overview of North Elevation

Photo #6: Typical Building Entrance (East). Note Precast Wing Walls, EIFS, and Glazed Assemblies

Photo #7: Typical Precast Concrete Screen at Roof Level

Photo #8: Metal Cladding at Roof Level

Photo #9: Typical Main Entrance Swing Doors

Photo #10: Typical Hollow Metal Service Doors

Photo #11: Overview West Elevation Loading Bay

Photo #12: Typical Overhead Door

Photo #13: Example of Spalled, Cracked and Deteriorated Brick/Mortar Joints at Roof Level

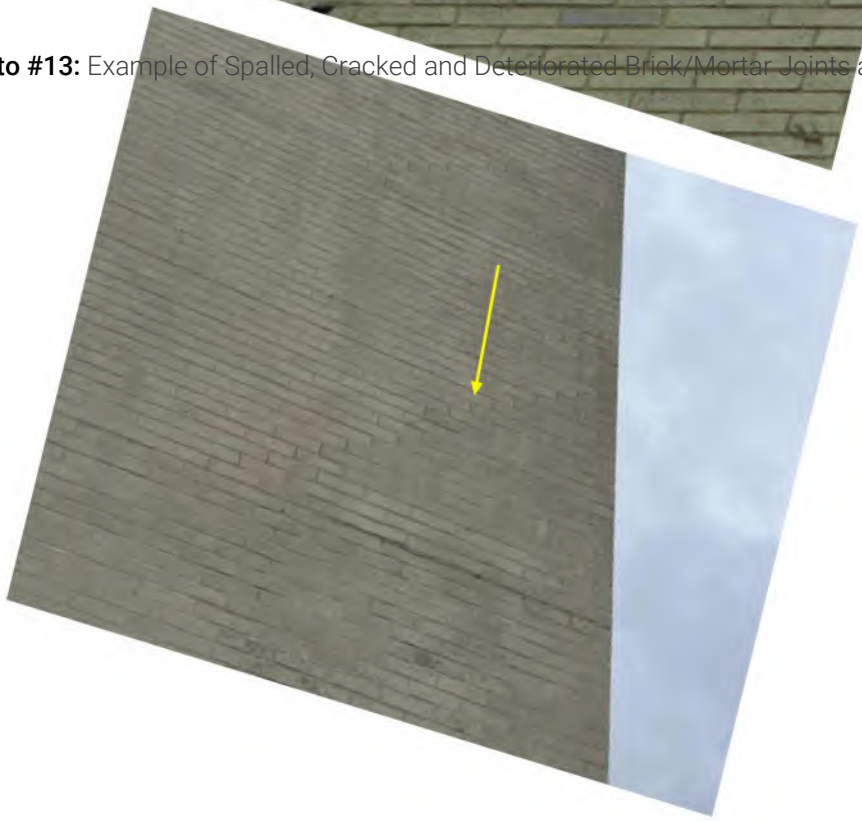

Photo #14: Step Cracking at Building Corner

Photo #15: Damaged Brick at exterior cladding

Photo #16: Section of Bricks Out of Plane at the West Elevation

Photo #17: Typical Band Pattern of Previously Replaced Brick and Weep Holes at Ground and Roof Level

Photo #18: Overview of West Elevation, Repeating Brick Repair Pattern

Photo #19: Overview of Different Vintage and Colour Coatings and Peeling

Photo #20: Overview West Elevation, Deteriorated Brick Coating (Yellow) and Efflorescence (Red)

Photo #21: Brick Damaged Due to Impact Damage at Loading Bay

Photo #22: Typical Corroded Metal Drip Edge Flashing

Photo #23: EIFS Installed Outboard of Stone Aggregate Wall at Main Entrances

Photo #24: EIFS Overclad Existing Assembly Over Existing Aggregate on Asbestos Board

Photo #25: Delaminating Stone Aggregate at Roof Level Exposing Underlying Asbestos Board Substrate

Photo #26: Localized Efflorescence at Pre-Cast Wing Wall (South End)

Photo #27: Typical Corrosion at Structural Framing for Roof Level Precast Screen. Potential Section Loss at Roof Pitch Pocket Flashing Detail

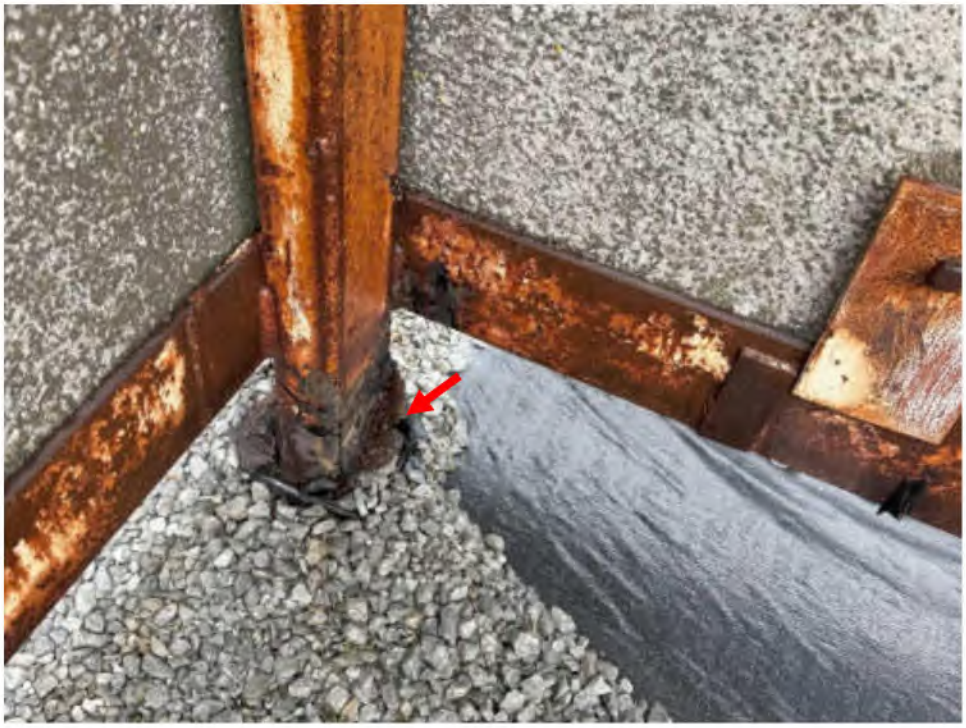

Photo #28: Typical Corrosion at Structural Framing for Roof Level Precast Screen. Potential Section Loss at Roof Pitch Pocket Flashing Detail

Photo #29: Localized Precast Screen Spall at Roof Side

Photo #30: Damaged Storefront Window Glazing

Photo #31: Corrosion at Base of Main Entrance Framing

Photo #32: Example of Corrosion at Service Doors

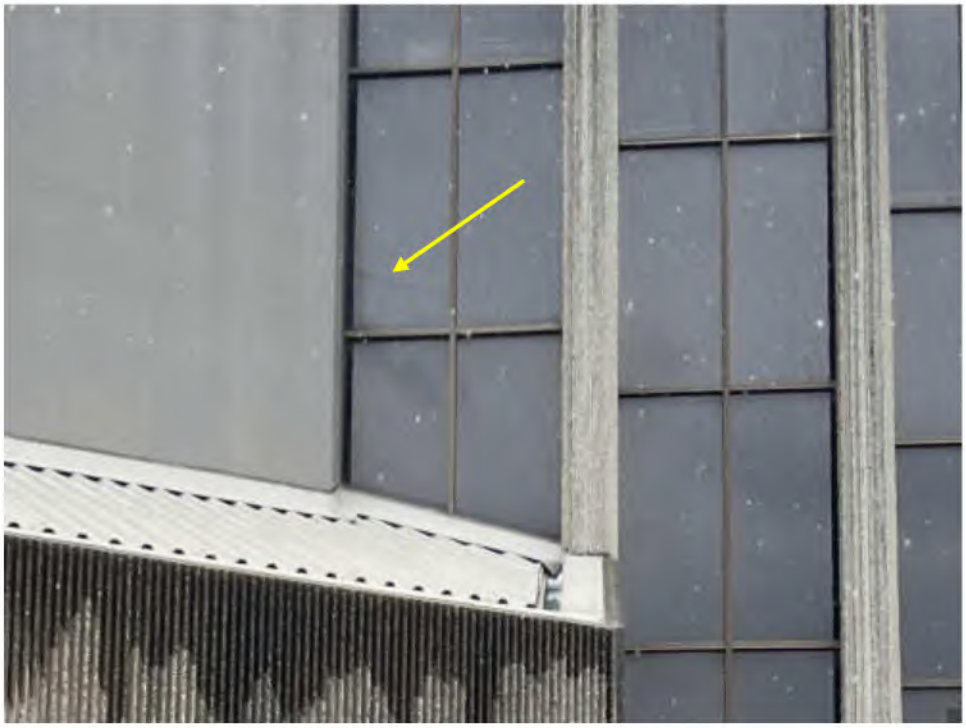

Photo #33: Cracked Glazing

Photo #34: Daylight Visible from Unsealed Penetration at Interior Space

Photo #35: Example of Deteriorated Sealant Joint at Pre-Cast Wing Wall

Photo #36: Damaged Brick and Unsealed Penetration

Photo #37: Unsealed Penetration

Photo #38: Backed Out and Corroded Fastener at Roof Level Metal Cladding

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APPENDIX E

ROOFING SYSTEMS PHOTOGRAPHS

May 28, 2025
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Photo #1: Overview of the Main Roof BUR Section

Photo #2: Overview of Main Roof IRMA Section (Facing North)

Photo #3: Overview of Penthouse Roof **(Facing South)**

Photo #4: Canopy Over Loading Bay

Photo #5: Overview of MBM membrane over Roof Stairwell

Photo #6: Typical Main Entrance Canopy with Sloped Metal Roofing and Integral Gutter

Photo #7: Typical Metal Soffit at Entrance

Photo #8: Typical Roof Area Drain

Photo #9: Typical Scupper Box

Photo #10: Typical Parapet Cap Flashing

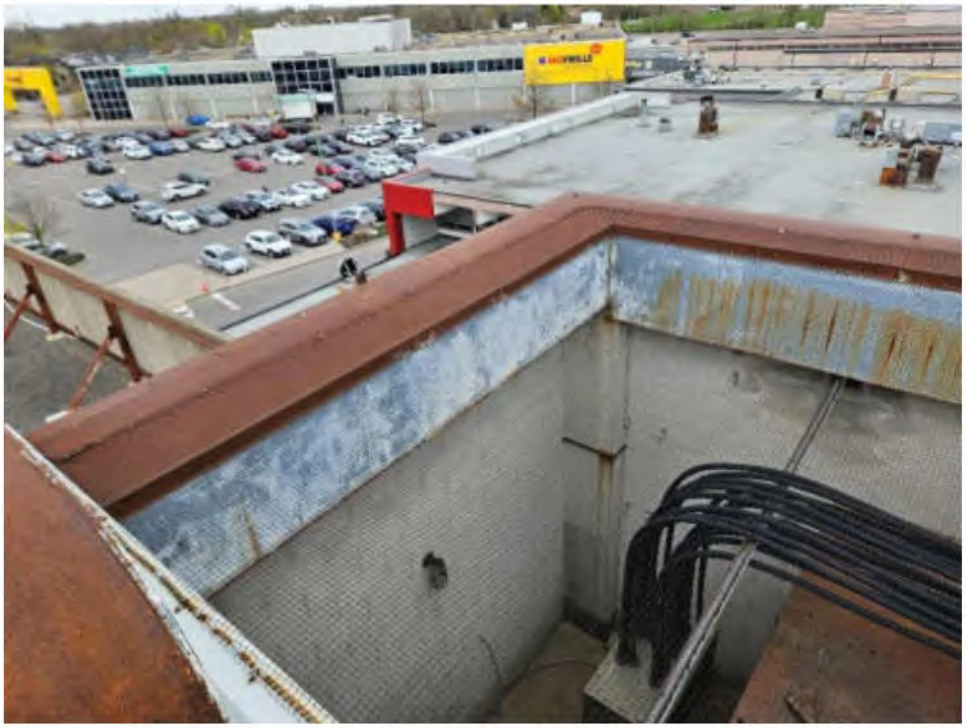

Photo #11: Example of Corroded Cap Flashing (Mechanical Area)

Photo #12: Scoured Ballast and Membrane Surface Crazing at Penthouse Roof

Photo #13: Asphaltic Bleed-out at Main BUR Roof

Photo #14: Example of Scoured Ballast, Torn Filter Fabric, and Exposed Insulation at IRMA Roof (Facing South)

Photo #15: Stained/Deteriorated Ceiling Tiles at 2nd Floor Interior

Photo #16: Example of Flashing over Precast Screen Structural Steel Support – BUR Section

Photo #17: Example of Pitch Pocket at Pre-cast Concrete Screen Structural Steel Support – IRMA Section. Steel has Corrosion at Base

Photo #18: Corrosion and Moisture Deterioration at Main Entrance Soffit

APPENDIX F

MECHANICAL PHOTOGRAPHS

Photo #1: Emergency Generator (Gas Fired)

Photo #2: Generator Room Electric Unit Heater

Photo #3: Cooling Tower

Photo #4: Chiller

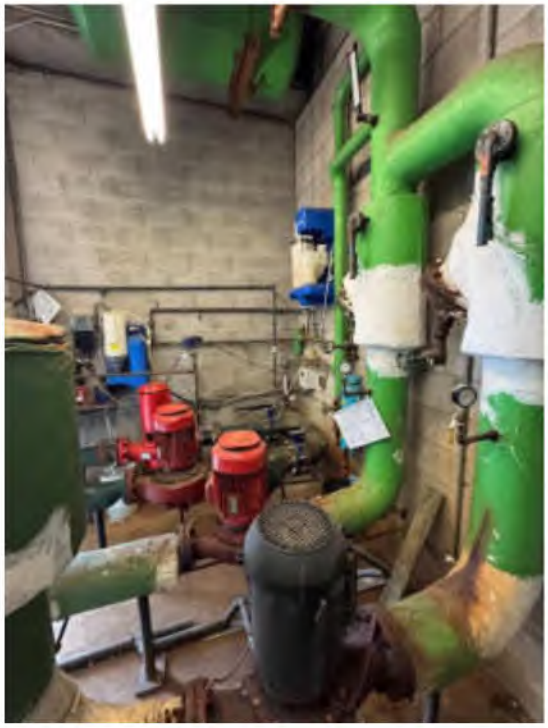

Photo #5: Chilled Water Pumps and Condenser Water Pumps

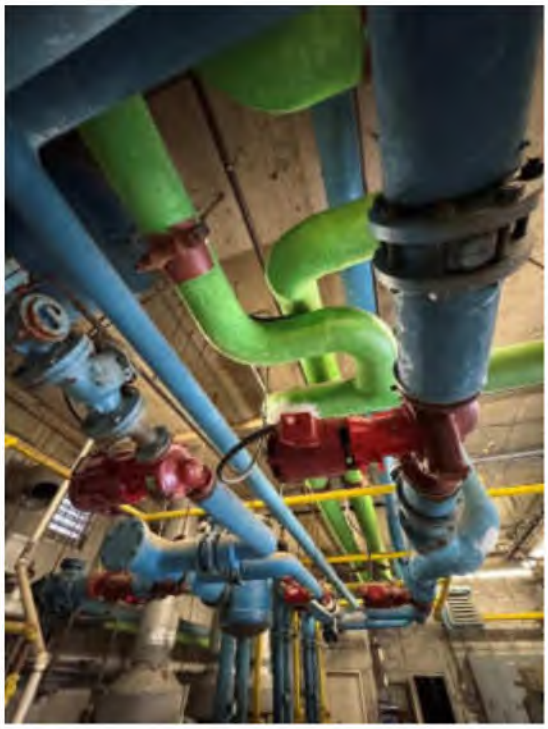

Photo #6: Hot Water Secondary Pumps

Photo #7: Gas Fired Heating Boilers

Photo #8: Combustion Air Intake Fan

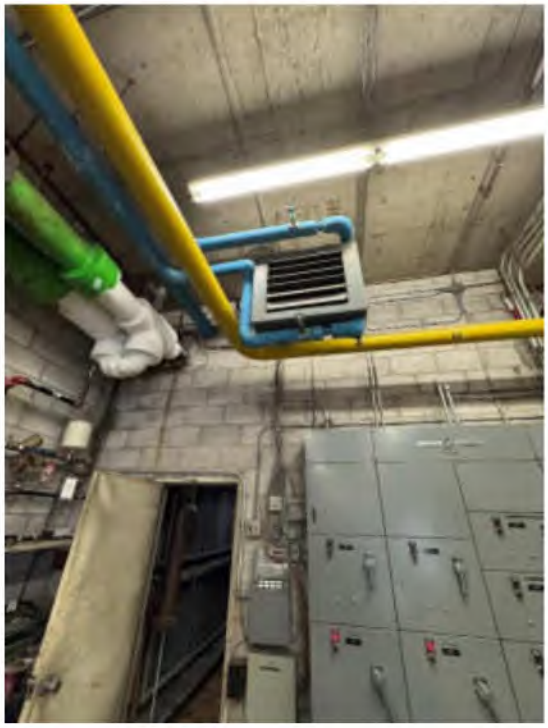

Photo #9: Mechanical Room Hydronic Unit Heater

Photo #10: Heating Boilers Venting System

Photo #11: Gas Fired Domestic Hot Water Heater and DHW Tanks

Photo #12: First Floor Air Handling Unit Supply Fan (AHU-1)

Photo #13: AHU-1 Dual Temperature Heating/Cooling Coil

Photo #14: AHU-1 Supply Fan Belt Drive Motor

Photo #15: AHU-1 Mixing Air Plenum

Photo #16: AHU-2 Mixing Air Plenum

Photo #17: AHU-2 Supply Fan

Photo #18: AHU-2 Dual Temperature Heating/Cooling Coil

Photo #19: AHU-1 Exhaust Fan

Photo #20: Rooftop Washroom Exhaust Fan

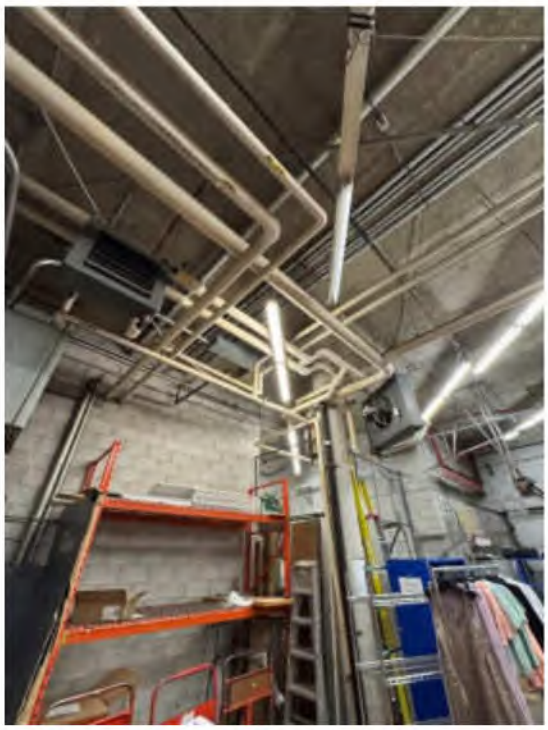

Photo #21: Loading Dock Hydronic Unit Heaters

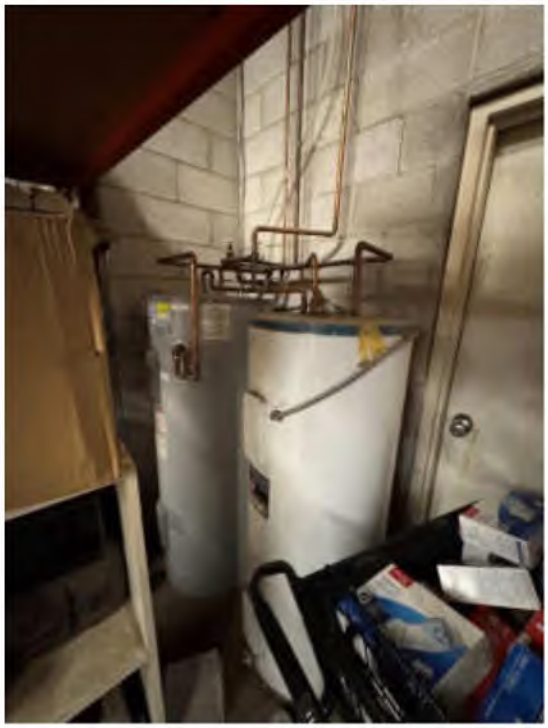

Photo #22: Electric Domestic Hot Water Heaters

Photo #23: Sprinkler Room Forced Flow Heater

Photo #24: Main Incoming Water Service and Water Meter

Photo #25: Main Standpipe and Sprinkler Incoming Services and Supervisory Valves

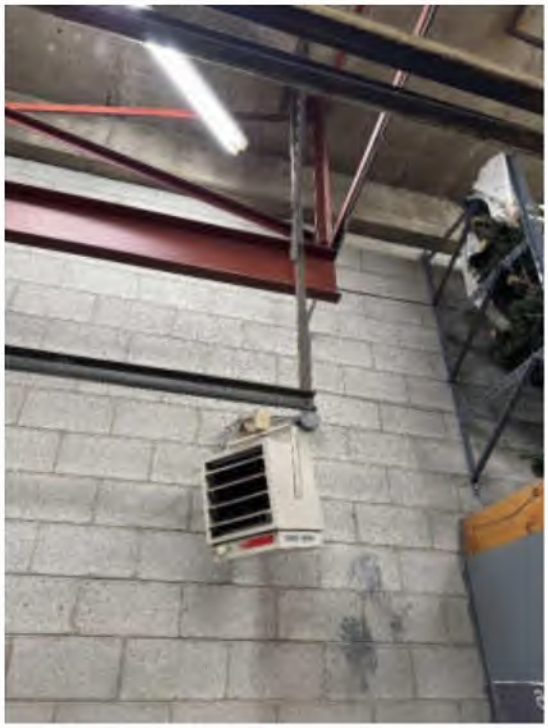

Photo #26: Loading Dock Electric Unit Heater

Photo #27: Loading Dock Electric Unit Heater

Photo #28: Garbage Room Wall-mounted Exhaust Fan

Photo #29: Washroom Lavatories

Photo #30: Washroom Urinals

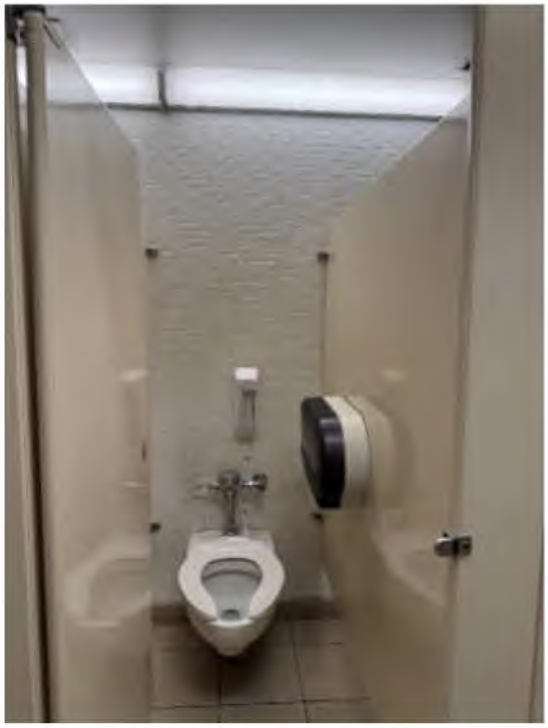

Photo #31: Washroom Water Closet

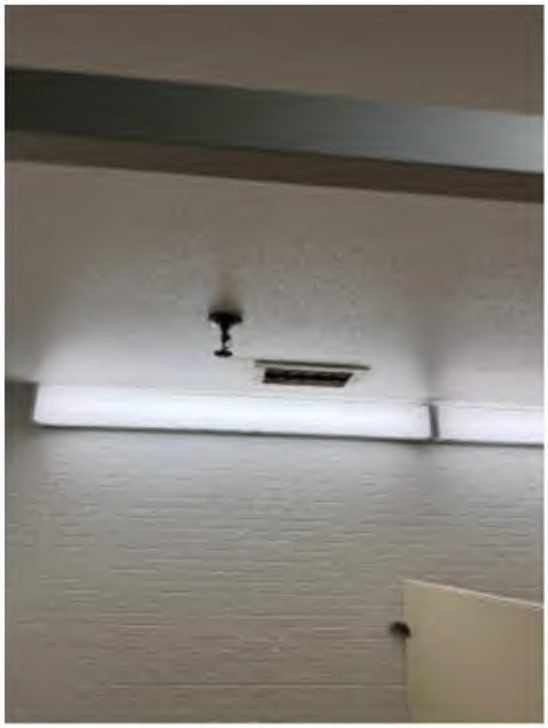

Photo #32: Washroom Exhaust Grille

Photo #33: Kitchen Sink

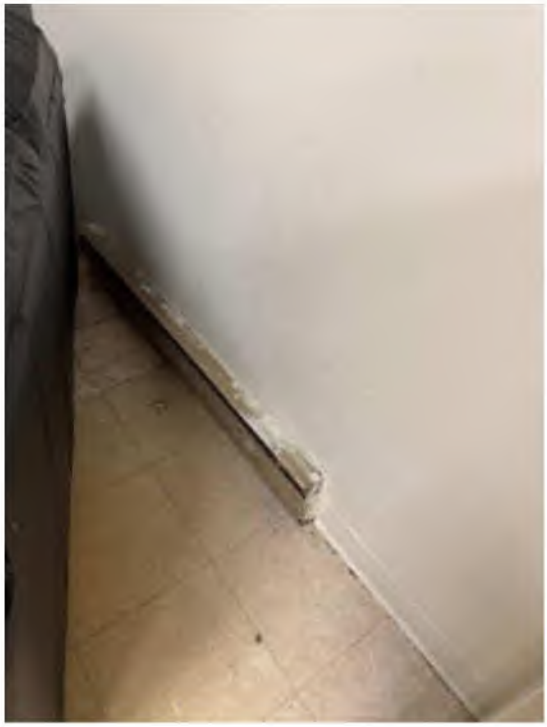

Photo #34: Kitchen Electric Baseboard Heater

Photo #35: Typical Fire Hose Cabinet

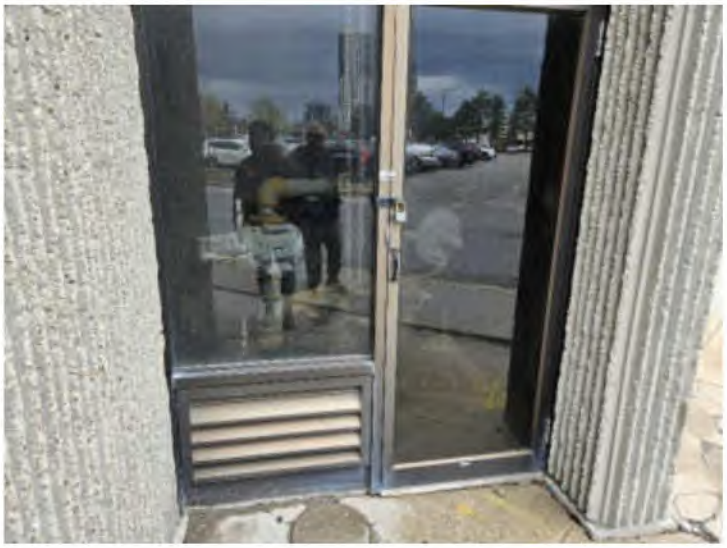

Photo #36: Incoming Gas Service and Meter

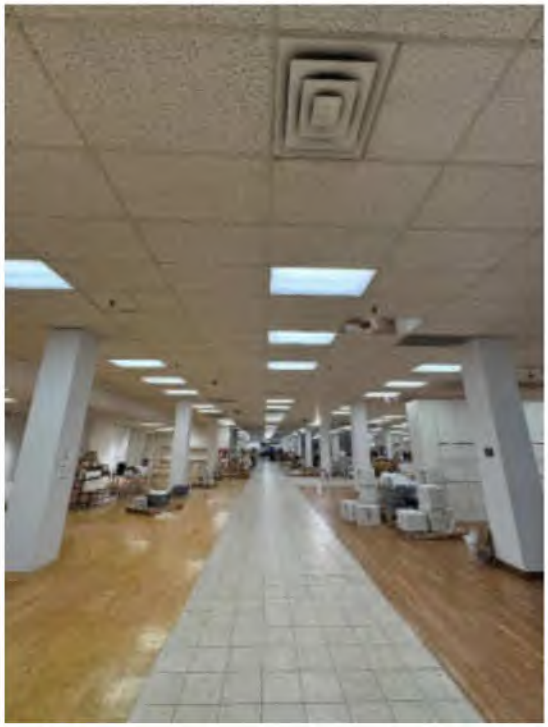

Photo #37: Typical T-Bar Ceiling

Photo #38: Above Ceiling Return Air Plenum

APPENDIX G

ELECTRICAL PHOTOGRAPHS

May 28, 2025
TOR.142138.0001

Photo #1: Main HV switch

Photo #2: Main electrical switchboard

Photo #3: Back-up generator

Photo #4: Automatic Transfer Switch

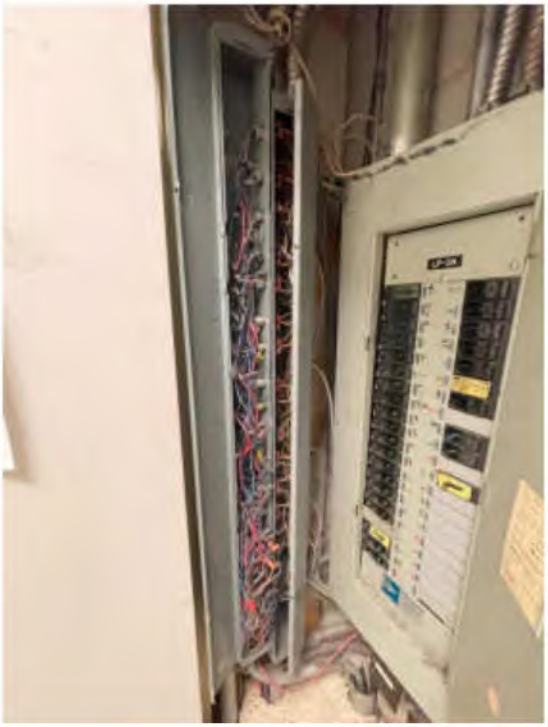

Photo #5: Lighting control relay panel

Photo #6: Track lighting fixtures

Photo #7: Decorative pendant lighting fixtures

Photo #8: Retrofitted T8 bulbs inside old housing

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APPENDIX H
VERTICAL TRANSPORTATION SYSTEMS PHOTOGRAPHS

May 28, 2025
TOR.142138.0001

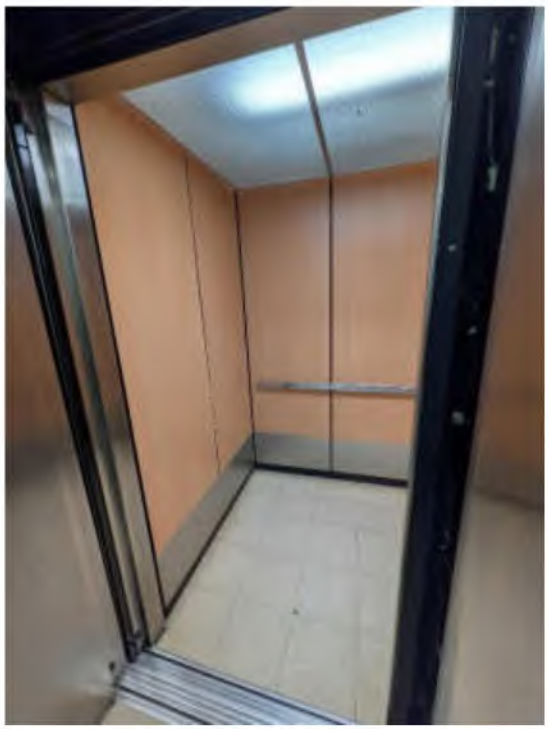


Photo #1: Passenger Elevator Cab Interior

Photo #2: Passenger Elevator Car Top

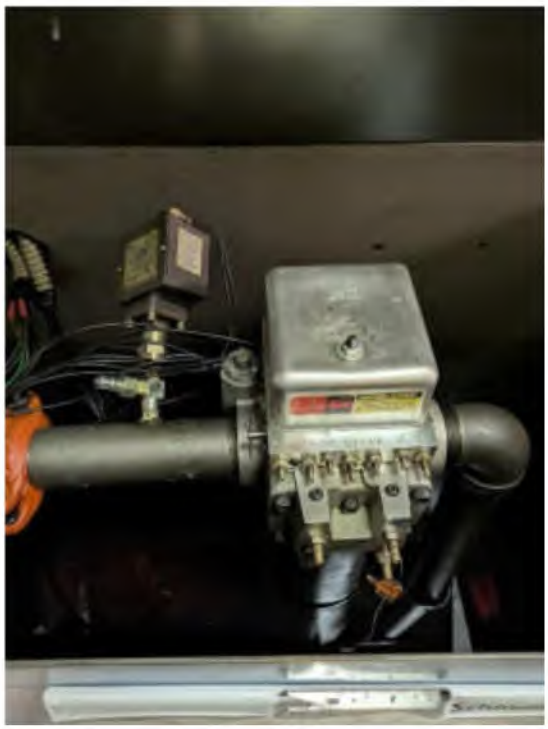


Photo #3: Passenger Elevator Control Valve

Photo #4: Passenger Elevator Controller

Photo #5: Passenger Elevator Power Unit and Tank

Photo #6: Freight Elevator Car Gate

Photo #7: Freight Elevator Controller

Photo #8: Freight Elevator Hydraulic Cylinder

Photo #9: Freight Elevator Interior

Photo #10: Freight Elevator Power Unit Pump

Photo #11: Escalators

Photo #12: Escalators Emergency Controls

Photo #13: Escalators Handrail Inlet

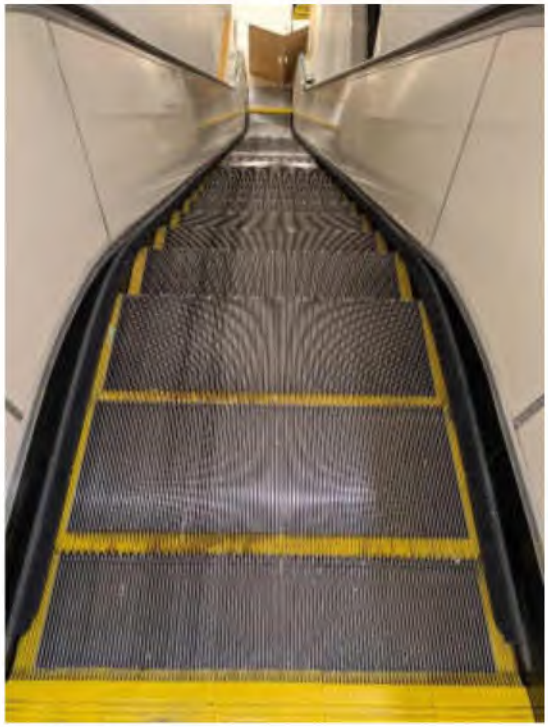


Photo #14: Escalators Steps Demarcations Brushed Balustrade

THIS IS EXHIBIT "K" TO THE AFFIDAVIT OF DAVID WYATT SWORN REMOTELY BEFORE ME AT THE CITY OF TORONTO, ON THIS 8TH DAY OF AUGUST, 2025

Commissioner for Taking Affidavits
Linda Galessiere

Morguard

WITHOUT PREJUDICE

July 23, 2024

DELIVERED BY ELECTRONIC MAIL

Hudson's Bay Company
698 Lawrence Avenue West, 3rd floor
Toronto, Ontario M6A 3A5

Attn: Real Estate Department

Hudson's Bay Company
698 Lawrence Avenue West, 3rd floor
Toronto, Ontario M6A3A5

Attn: Senior Vice- President, Real Estate and Development

RE: Lease dated as of January 6, 1979, as amended, extended or assigned from time to time (the "Lease") between Hudson's Bay Company ULC (the "Tenant") and Pensionfund Realty Limited (the "Landlord") for the lease of the Hudson's Bay Store (the "Premise") at Coquitlam Centre in Coquitlam, British Columbia

The Landlord is aware that the Tenant has failed to open the Premises to the public for business since July 5th, 2024 and the Landlord understands the Tenant has closed its Premises because of a failure of its heating and air conditioning systems resulting from the seasonal increase in temperature in Coquitlam, British Columbia and the elevated temperature in the Premises. Further, as a result of the elevated temperatures within the Premises, the Landlord has become aware of other damage to the Premises, including heaved floors and cracked tiles, which pose a trip hazard within the Premises.

The Landlord is writing to advise the Tenant of its obligation, pursuant to Article 16.06 of the Lease, to maintain and keep in a good and substantial state of repair the Premises.

In accordance with the Tenant's foregoing obligations, the Landlord reminds the Tenant that it is to maintain the Premises, including the heating and air conditioning systems as well as the floors, in a good and substantial state of repair. Failing to maintain the air conditioning equipment to a standard that can handle expected seasonal temperatures in Canada represents a failure of the Tenant to maintain the Premises in accordance with the terms of the Lease. In addition, this failure has caused heaving in the floors with has cracked a number of floor tiles.

Please ensure the Premises is maintained in a good and substantial state of repair. Specifically, the Landlord requires the Tenant to ensure that heating and air conditioning capacity is maintained as to sustain an appropriate temperature within the Premises and repair the heaved and cracked floor tiles. Failure to abide by the Tenant's obligations under the Lease may result in the Landlord availing itself to any remedies available to it under the Lease and at law.

Please contact the undersigned should you have any questions.

PENSIONFUND REALTY LIMITED
By its agent, Morguard Investments Limited

Bob Mah
Director, Asset Management

Coquitlam Estimated Repair Costs

Remove Mechanical	$	1,600,000
New HVAC	$	1,350,000
Remove Electrical	$	1,155,000
New Electrical Panel	$	100,000
Elevators	$	1,650,000
Total Cost	$	5,855,000
Add Soft Cost, contractor fee, contingency	$	7,962,800
HBC Area		120,086
PSF	$	66.31

Coquitlam Estimated Repair Costs

Remove Mechanical	$	1,600,000
New HVAC	$	1,350,000
Remove Electrical	$	1,155,000
New Electrical Panel	$	100,000
Elevators	$	1,650,000
Total Cost	$	5,855,000
Add Soft Cost, contractor fee, contingency	$	7,962,800
HBC Area		120,086
PSF	$	66.31

THIS IS EXHIBIT "L" TO THE AFFIDAVIT OF DAVID WYATT SWORN REMOTELY BEFORE ME AT THE CITY OF TORONTO, ON THIS 8TH DAY OF AUGUST, 2025

Commissioner for Taking Affidavits
Linda Galessiere

Order of Magnitude Estimate
BCC - Bay Store - Restoration to Functional Operating Condition
127,600 sf
5-Aug-25

	Total Estimate	Estimate/SF
Hard Costs		
127600		
Abatement	$ 500,000	$ 3.92
Interior Ceilings, Flooring, Drywall	$ 1,870,000	$ 14.66
Roofing	$ 3,250,000	$ 25.47
Service to Vertical Transportation	$ 300,000	$ 2.35
Mechanical	$ 500,000	$ 3.92
Electrical	$ 500,000	$ 3.92
Subtotal Direct Costs	$ 6,920,000	$ 54.23
General Conditions	$ 830,400	$ 6.51
Fee, 6%;	$ 465,024	$ 3.64
Subtotal Hard Costs	**$ 8,215,424**	**$ 64.38**
Soft Costs, 10%	**$ 821,542**	**$ 6.44**
Owner Contingency, 20%	**$ 1,643,085**	**$ 12.88**
Total Hard Costs	**$ 10,680,051**	**$ 83.70**
Assumptions:		
Abatement estimated; DSS required		
8 month schedule assumed		
No exterior façade work		
No exterior entrance work		
Interior flooring, ceilings, drywall: minor repairs		
Allowance carried for new 2 ply bitumen roofing system		
Service escalators and elevators		
Allowance carried to restore HVAC and electrical system to good working order		

Order of Magnitude Estimate
St. Laurent Centre - Bay - Restoration to Functional Operating Condition
158,143 sf
5-Aug-25

		Total Estimate		Estimate/SF
Hard Costs				
158143				
Abatement	$	765,000	$	4.84
Interior Ceilings, Flooring, Drywall	$	1,653,000	$	10.45
Service to Vertical Transportation	$	300,000	$	1.90
Sprinkler Adjustments	$	285,000	$	1.80
Mechanical	$	300,000	$	1.90
Electrical	$	300,000	$	1.90
Subtotal Direct Costs	$	3,603,000	$	22.78
General Conditions	$	432,360	$	2.73
Fee, 6%;	$	242,122	$	1.53
Subtotal Hard Costs	**$**	**4,277,482**	**$**	**27.05**
Soft Costs, 10%	**$**	**427,748**	**$**	**2.70**
Owner Contingency, 20%	**$**	**855,496**	**$**	**5.41**
Total Hard Costs	**$**	**5,560,726**	**$**	**35.16**
Assumptions:				
Abatement estimated				
No exterior façade work				
No exterior entrance work				
Interior minor repairs assumed				
No roofing work required				
Service escalators and elevators				
Allowance to restore HVAC and electrical to good working condition				

HBC Walk-through Bramalea City Centre

20-Mar-25

Lease

Links

Lease		Summary				
ID	t0317733	Property	11010e01 - Bramalea City Centre [25 Peel Centre Dr			
Lease Name	Hudson's Bay	Location	Brampton, ON, L6T 3R5			
Legal Name	HBC Leasehold Property LP	Contracted Area	131,438.0000			
Customer		Rentable	131,438.00			
Brand		Rent	33,123.75	/Mo	397,485.00	/Yr
Lease Type	retail	Rent/Contr. Area	0.25	/Mo	3.02	/Yr
Status	Current	Term	01/01/1993		03/31/2074	
At Risk	No					
NAICS	4521 - Department Stores					

Close Help

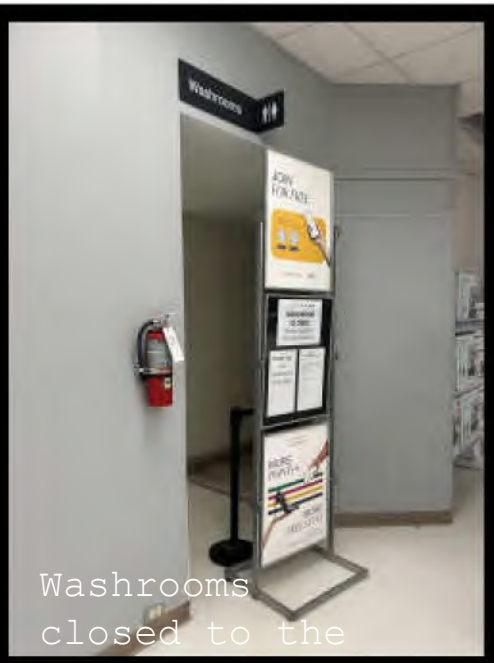
Summary | Unit(s) | Charge Schedules | Recovery | Retail | Amendments | Clauses | Options | Contacts | General Info

Gross floor area for both levels (area certificate not available)

Ceiling Height (Floor to Deck)	Lower Level	15'05" (Roof Deck) 13'11" (Bottom of I Beam)
	Upper Level	15'05" (Roof Deck) 13'09" (Bottom of I Beam)

Floor to deck height for both levels

Washrooms		
U/L Men's		
	Faucets	3 of 4 Working
	Toilets	2 of 2 Working
	Urinals	2 of 3 Working
	Hand Dryer	1 of 1 Working
	Lighting	All Working
U/L Women's		
	Faucets	5 of 5 Working
	Toilets	8 toilets; 2 clogged, 1 stall locked
	Urinals	N/A
	Hand Dryers	2 of 2 working
	Towel Dispenser	2 of 2 working but empty
	Lighting	Pot Lights Not Working Above Sink
U/L Family Washroom		
	Faucets	1 of 1 Working
	Toilets	Not Working
	Urinals	N/A
	Hand Dryers	1 of 1 Working
	Lighting	Not Working

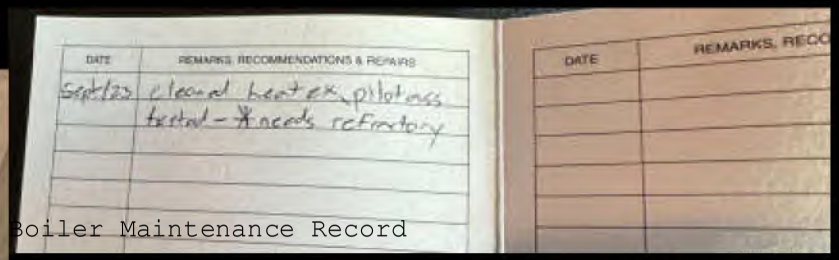


Washrooms closed to the public

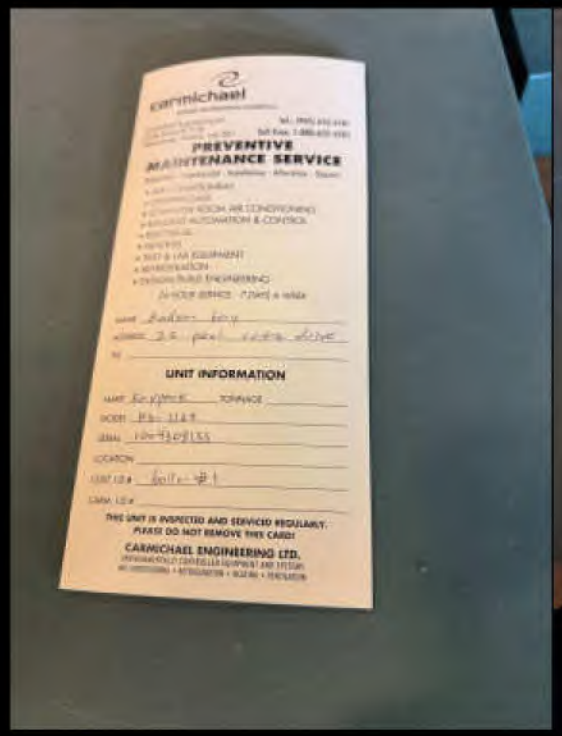
Men's Washroom

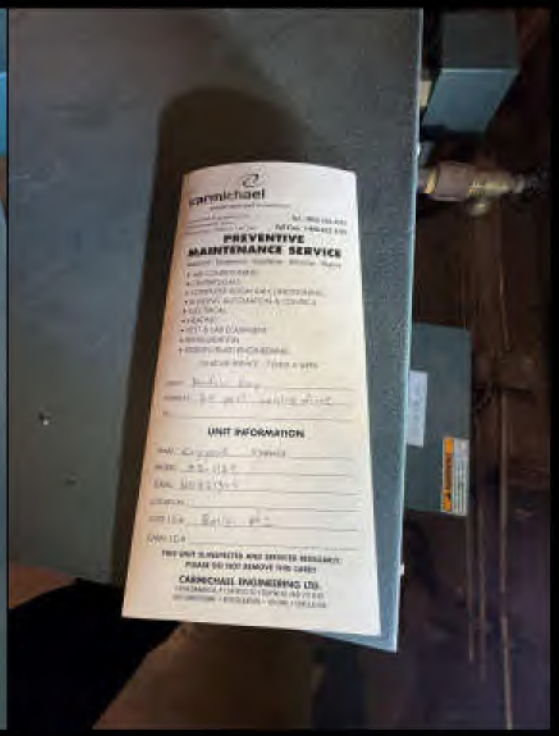
Women's Washroom

Condition of Roof – Lack to no maintenance causing ponding, poor drainage, vegetation growth



Boiler Maintenance Record





Condition of HVAC System – Boilers have not been inspected since the Fall of 2023

Condition of HVAC System - Central Air Handing supply equipment has not been service in a long time. Note the thick layer of dirt and debris on the air filter media

Condition of HVAC System – HVAC Controls requires inspection and servicing

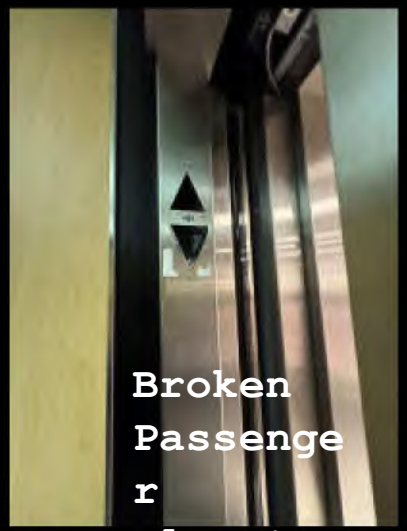
Mechanical Room – Equipment requiring inspection and servicing

Life and Safety – Back up generator requiring inspection and servicing

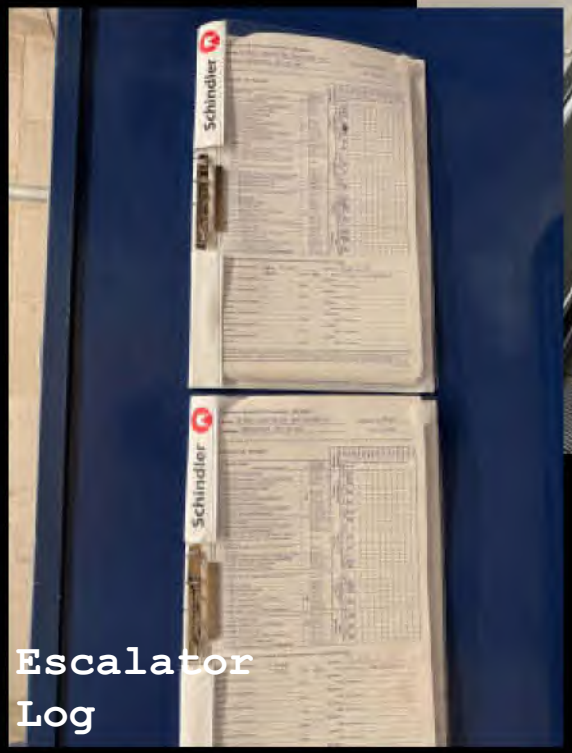
Central HVAC system including back-up generators requires a full inspection from a 3rd party to ensure up to date operational compliance
(BCC is enlisting Carmichael to perform full inspection)

Freight Elevator - Functioning

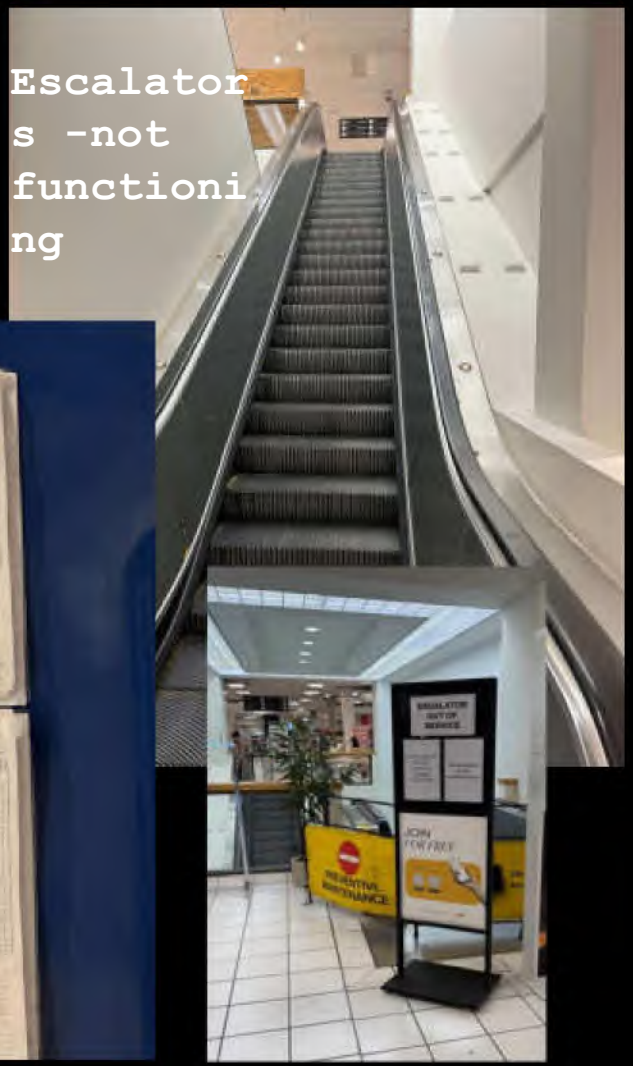
Passenger elevator



Broken Passenger elevator indicato



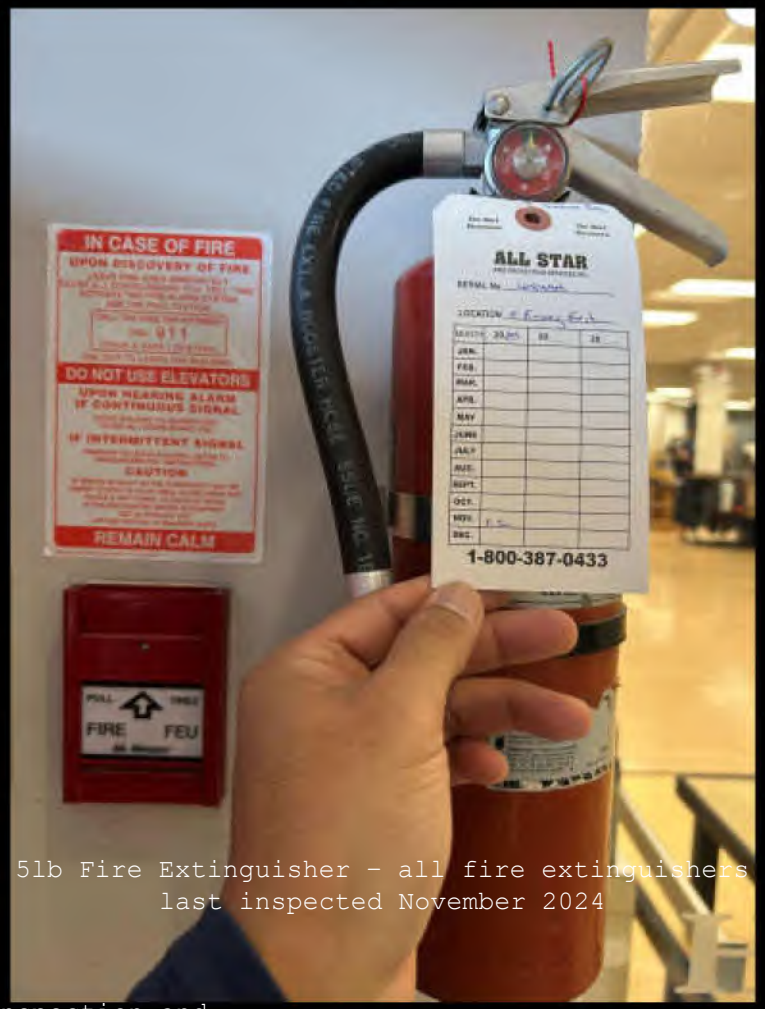
Escalator Log



Escalators -not functioning

st Floor Riser

2nd Floor Riser

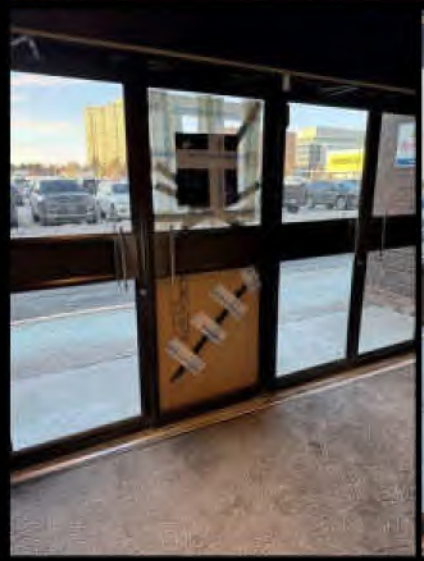


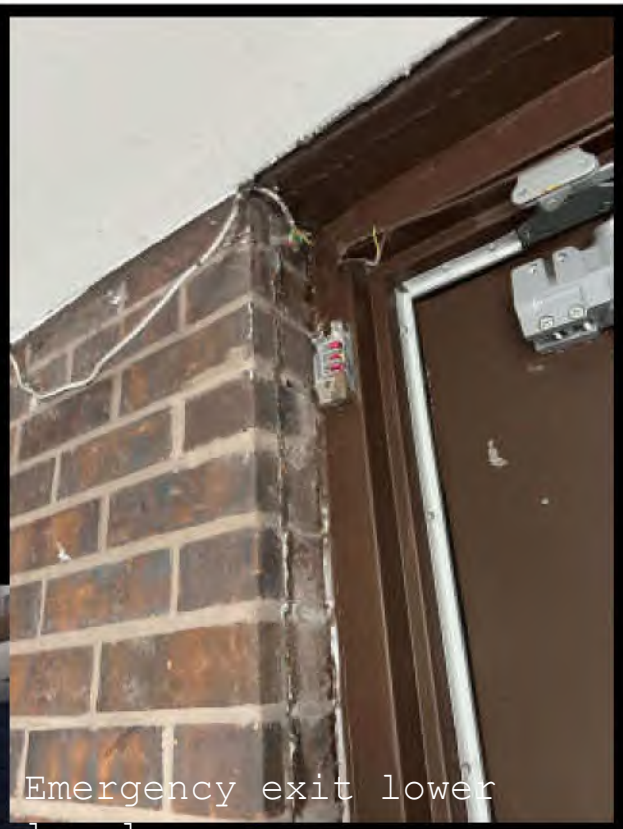
5lb Fire Extinguisher – all fire extinguishers last inspected November 2024

Fire Safety Systems – Requiring inspection and servicing

Fire Safety Systems – Main incoming water valve is in poor corroded condition

Street Entrance-
Lower Level



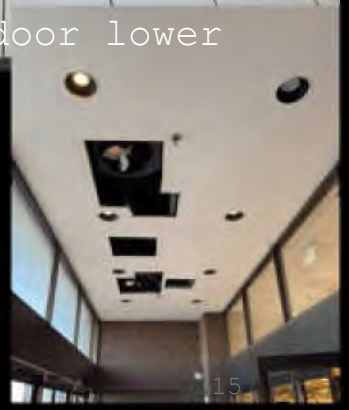


Emergency exit lower level

Public and Service entrance systems - entrance ceiling, non-working lights, doors.

Cracked glass - exterior door lower level

Damaged damaged



Exterior – Corrosions/Damages to Entrance and Egress doors

Exterior

Fire Safety Plan - missing
FSI

Interior - Duct tape over damaged floor tiles, water leaks, carpet condition

THIS IS EXHIBIT "M" TO THE AFFIDAVIT OF DAVID WYATT SWORN REMOTELY BEFORE ME AT THE CITY OF TORONTO, ON THIS 8TH DAY OF AUGUST, 2025

Commissioner for Taking Affidavits
Linda Galessiere

Index

Affidavit Exhibit "M"

Ruby Liu: Thoughts Unfiltered

We're dedicated to urban development.

Become part of the community, serving every family.

Let's build a joyful, quality lifestyle—together with Ruby Liu.

Background on Ms. Ruby Liu and Central Walk

Ms. Liu and Central Walk are prominent players in the retail property asset class.

Central Walk

- Central Walk is a leading commercial real estate firm based in Vancouver with a proven track record of success in owning and managing large retail assets.
- Central Walk has been involved in the Canadian real estate sector since 2019 and has extensive experience in the retail property sector globally, particularly in acquiring, developing, and restructuring projects. The company focuses on enhancing property value and performance through successful project revitalization.
- Central Walk owns and manages a comprehensive portfolio of retail assets located in British Columbia, which has helped it to develop a strong understanding of Canadian consumers as well as local macroeconomic dynamics.
- Central Walk operates in a resilient structure and has expertise in navigating challenging market conditions, proven through our adept management through recessionary periods, including the COVID-19 pandemic.
- At Central Walk, we aim to foster deep strategic partnerships and embrace a tenant-first philosophy. We actively engage in community-building initiatives by hiring locally and dedicating our resources to providing a high-value, sustainable platform tailored to our tenants and consumers.

Ms. Ruby Liu

- Ms. Ruby Liu is the founder and majority shareholder of Central Walk and serves as its Chairwoman.
- Ruby is an internationally-respected leader in the commercial real estate industry, with over 30 years of experience and a strong track record of driving retail investment enterprises towards high-yield growth. With decades of experience and demonstrated operational efficiency, she has built a distinguished career as an entrepreneur, investor, developer, and philanthropist.
- Ruby has a strong business foundation in Southeast Asia and has dedicated a significant portion of her career to the North American real estate market, including her direct investments in several Canadian shopping malls. Ruby also nurtures strong relationships with her employees, as demonstrated through her previous retention rates on prior acquisitions.

Central Walk's dedicated execution team for The New Bay

A dedicated execution team with decades of experience and proven expertise in managing and owning retail-focused properties in the Canadian and Chinese markets.

Execution team for The New Bay

The Purchaser will dedicate significant management resources to the acquisition and launch of the stores through an experienced team of experts within the retail properties sector under the strategic direction of Ms. Liu.

	**Ruby Liu** *Founder*	▪ Over 30 years of experience in the commercial real estate industry, including but not limited to large-scale urban commercial development, development of mixed-use shopping centres, etc. ▪ Since transitioning to Canada, Ruby has successfully led Central Walk in acquiring three major shopping centres in BC in 2020, overcoming the challenges posed by the global pandemic. ▪ Will be responsible for overseeing critical investment decisions and strategic direction of The New Bay.
	**Linda Qin** *CEO*	▪ 15 years of Canadian real estate sales experience; extensive business management experience gained from working for UPS, ExxonMobil, and Macdonald Realty (one of the largest real estate corporations in Western Canada). ▪ A proven author with two published books on business transitions and technology implementation. ▪ Will be responsible for the overall strategic direction and management of The New Bay.
Remaining C-Suite Executive Team	**Karen Liu** *CFO*	▪ Finance and people management background, including diverse experience at a major Canadian bank and a wealth management company. Will be responsible for the financial direction of The New Bay.
	Andrew Grimley *CMO (Marketing)*	▪ Over a decade of leadership experience in manufacturing and international supply chain sectors; currently manages enterprise-level operational planning, team coordination, and performance improvement across Central Walk's flagship assets. Will be responsible for overseeing the planning, development, and execution of all marketing and advertising initiatives at The New Bay.
	Charles Thurlow *COO*	▪ Over 20 years of leadership experience in operations management across various sectors (e.g., consulting, financial services). Will be responsible for overseeing the day-to-day operations of The New Bay, ensuring efficiency, effectiveness and alignment with the company's strategic goals.
	Michael Zhang *CMO (Merchandising)*	▪ Decades of experience driving revenue growth through specialty leasing, strategic brand partnerships, and community initiatives; extensive senior leadership experience in launching and managing major commercial projects. Will be responsible for overseeing and driving the strategic direction of The New Bay's retail offerings.
	Mae Wang *CHRO*	▪ Decades of human resources experience including as CHRO at Central Walk; oversees all HR functions at Central Walk across the portfolio. Will be responsible for overseeing all aspects of HR management and industrial relations policies at The New Bay.

Central Walk's Portfolio

Over the past decade, Central Walk has invested more than $750 million in British Columbia recreational and commercial real estate assets. Central Walk employs over 120 employees, contributing to the growth of local economies. This investment was financed through the sale of Central Walk Shenzhen in 2019 for approximately C$1.25 billion.

Arbutus Ridge Golf Club (Vancouver, BC)

Acquired 2019

6,152 yards

☆☆☆☆ **by Golf Digest**

Award Winning

- Located in Cobble Hill, a 25-minute drive from the outskirts of Victoria and 15 minutes from Duncan
- 18-hole golf course rated Four Stars by Gold Digest, Best Destination Golf Course in British Columbia by Golf Nerve Magazine, and One of Canada's Ten Best Courses for Your Money by WestJet
- Achieved a Sustainability Award from Tourism Vancouver Island

Woodgrove Centre (Nanaimo, BC)

Acquired Sept. 2020

748k sq.ft. (Island's largest shopping centre)

140+ stores & services

5.6mm visitors annually

- Home to a purposefully designed play space, Fly O'Land (9,925 sq.ft), and an arcadium (5,400 sq.ft)

Redevelopment Plans:

- Short-Term: Development of 100,000 sq.ft. outdoor park featuring performance stage & recreational areas
- Medium- to Long-Term: Addition of residential towers (incl. affordable housing) & potential retail expansion

*** Location of HBC store #1118**

Mayfair Shopping Centre (Victoria, BC)

Acquired June 2021

~518k sq.ft.

4.1mm visitors annually

120+ stores & services

Highest sales / sq.ft. in Victoria

- Home to two children's playlands: Dreamland (4,676 sq.ft.) and Deerland (27,269 sq.ft.) (by Fly O'Land)

Redevelopment Plans:

- Long-Term: transforming the centre into a mixed-use destination with housing, retail, recreation, and educational components

*** Location of HBC store #1108**

Tsawwassen Mills (Delta, BC)

Acquired May 2022

1.2mm sq.ft.

200+ stores & services

Largest indoor outlet shopping centre in BC

Redevelopment Plans:

- Expansion of food services and enhancement of entertainment offerings
- Development of Asian-inspired cultural lane featuring restaurants, artificial sky ceiling and a performance stage

*** Location of Saks Fifth Avenue store**

Central Walk was founded in 1994 and is a global commercial real estate company specializing in the acquisition, development, and management of large-scale retail properties.

With a strong business foundation in Southeast Asia, the company has expanded its operations to Canada, aiming to transform traditional shopping centers into inclusive, multifunctional community hubs.

The company's mission emphasizes community engagement and the creation of diverse shopping environments that serve families and integrate retail, dining, entertainment, and cultural experiences.

Ms. Weihong Liu, Board Chairwoman of Central Walk, has been a key figure in the company's expansion into the Canadian market. Since arriving in British Columbia in 2014 to establish business operations, Ms. Liu has made significant investments in the local retail market, profoundly impacting the development of commercial real estate in the province.

In **British Columbia**, Central Walk owns and operates several prominent commercial projects:

- **Tsawwassen Mills**
  Located in the city of Delta on First Nations reserve land, this retail destination covers approximately 1.2 million square feet and hosts over 200 retailers, including leading brands like Nike, Lululemon, Coach, JD Sports, MK and Sephora, etc.

- **Woodgrove Centre**
  Situated in Nanaimo, this mall features more than 150 stores and is the largest shopping center on Vancouver Island.

- **Mayfair Shopping Centre**
  Positioned in Victoria along a major transit corridor, this fashion-focused retail hub enjoys a prime downtown-adjacent location.

- **Arbutus Ridge Golf Club**
  Nestled in Cobble Hill within Canada's second-largest wine region, this semi-private golf club has been a cherished destination for locals and visitors for over 25 years.

CENTRAL WALK

5000 Canoe Pass Way
Tsawwassen, BC Canada V4M 0B3
hong.liu@centralwalk.com

c/o Linda Qin
rubylindaqin@gmail.com

EXECUTIVE BIOGRAPHY

RUBY LIU

Executive Chairman

Internationally recognized and respected real estate pioneer with serial success leading investment corporations to high-yield growth, a track record of successful partnerships with governments and stakeholders, and an insatiable passion to innovating new miracles for communities and projects around the world.

Ruby Liu has been a serial investor, entrepreneur, developer, and philanthropist for as long as she can remember. Driven by a unique blend of passion, decisiveness, and infectious confidence, she has come a long way from the impoverished neighborhood of Northern China.

Ruby Liu moved to Shenzhen in 1988, right at the peak of the city's demographic and economic boom. With over 30 years of experience in market and business development, she has a deep understanding of society and consumer psychology. Ruby is eager to collaborate with global business pioneers to co-create innovative retail models in North America, contributing to the success of shopping centers across the continent.

She is well-loved by the people and communities around the malls she purchased. Known for her charismatic and high-profile personality, Ruby has become a local influencer in both the Vancouver area and Vancouver Island.

After an incredibly successful 27-year career in Shenzhen, Ruby Liu founded Central Walk in 2020, globalizing her operations into the North American market. Although efforts were initially and severely challenged by pandemic conditions, she navigated the company to astounding portfolio growth as she successfully deployed over $1 billion USD in capital investment execution and strategy simultaneous to ensuring strong financial returns. Today, Central Walk is undisputedly Canada's fastest growing commercial real estate investment-management private equity company.

Over the years, Ruby Liu has forged strong partnerships and friendships with renowned institutions such as Link REIT (Hong Kong), Prudential Financial (USA), Simon Property Group (USA), Ivanhoé Cambridge (Canada), and more.

KEY ACHIEVEMENTS

GLOBAL PORTFOLIO

Based in Vancouver Canada, Ruby's group of companies owns and manages properties all over the world.

INVESTMENT DEALMAKING

Invested over $1 billion USD in Canadian shopping centre acquisitions since 2020

MANAGING DISTRESSED ASSETS

Brought failing Occupancy Rate at Tsawwassen Mills from declining 76.7% to ascending 96.7% within 24 months, successfully turning around the distressed property from net negative IRR to 9.2% positive


2025
RUBY LIU
Joyful and Redefined
New Lifestyle
&ON
OUTLET
70

THIS IS EXHIBIT "N" TO THE AFFIDAVIT OF DAVID WYATT SWORN REMOTELY BEFORE ME AT THE CITY OF TORONTO, ON THIS 8TH DAY OF AUGUST, 2025

Commissioner for Taking Affidavits
Linda Galessiere

From: Linda Qin <qin.linda@gmail.com>
Sent: Monday, June 2, 2025 9:10 PM
To: Robert Mah
Subject: Re: Central Walk - HBC meeting

Hello Robert:

I am reading your email on the subway. Your email is warm and touching. It's been a long day for us, and I was hoping to share with somebody, then I saw your email.

We received a lot of support and positive feedback from almost all the landlords except for CF. Most of the landlords are very polite, professional and kind. We feel grateful.

CF executives only stayed in the meeting less than ten minutes, with the hostile attitude in the air, cold and not welcoming. I was surprised by the way they treated us. Our young associated was terrified almost crying. While we were down for the way they treated us, the next landlord was totally different from CF. The gentleman who spoke with us told us that, he admired Ruby's entrepreneurship and courage to take on the HBC leases at this critical time. Not even asking any details, he has shown his 100 percent support to our initiatives.

One of the rarest and most precious things in life is to be truly understood by others. This kind of emotional support is beyond measure—no money or material can compare. In that moment, my eyes welled up with tears; I was overwhelmed with emotion. After three months of tireless effort, Ruby and our entire team's vision and dedication to transforming and elevating the Canadian retail industry were finally seen and understood. It was an incredible honor and a deeply joyful experience.

I feel the same way by the email you sent me. It has brought me strength and support. I believe, with your support, Ruby's team can make things happen. We are confident that we will be a great compliment to your shopping malls, we will bring traffic to your malls, and we will help you increase property values. We will form a long term partnership and cooperation in the future.

I look forward to it.

Sincerely,

Linda

On Mon, Jun 2, 2025 at 2:43 PM Robert Mah <RMah@morguard.com> wrote:

Linda,

It was a pleasure meeting you, Ruby, and your team today. We look forward to working through this file with you and learning more about the plan for our properties.

Please find my contact information below. Thank you for sharing your contact details with me.

Best regards,

ROBERT MAH

Director – Asset Management

Morguard Investments Limited

55 City Centre Drive, Suite 800

Mississauga, Ontario L5B 1M3

D 905-281-4844

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THIS IS EXHIBIT "O" TO THE AFFIDAVIT OF DAVID WYATT SWORN REMOTELY BEFORE ME AT THE CITY OF TORONTO, ON THIS 8TH DAY OF AUGUST, 2025

Commissioner for Taking Affidavits
Linda Galessiere

Index

Affidavit Exhibit "O"

From: Andrea Rossanese <ARossanese@morguard.com>
Sent: Thursday, June 5, 2025 9:40 AM
To: jeff@oberfeldsnowcap.com; Jay Freedman
Cc: David Wyatt; Robert Mah; John Ginis; Jenny Schmoisch
Subject: Questions from Morguard re: Ruby Liu Stores

Hi Jay and Jeff,

Thanks for meeting with us on Monday. I wanted to pass along some more specific questions that we had about Ms. Liu's proposed plans. Having answers to the below will help our ownership groups understand Ms. Liu's business plan.

Design and Construction

- Has a designer or architect been retained? Will you be using the same architect and design team across the country?
- Can you share the consistent design elements that will exist in all stores and what elements would differentiate a low, mid-level and high-end store?
- Have general contractors be retained and are you familiar with timing on permit approvals and construction time in each location?
- Have you purchased the fixtures in the stores? If not, where will fixtures be sourced from and have you entered into a contract?

Operations

- What major departments would be present within a Ruby Liu store? What would the general breakdown be of the footprint of each department within the store.
- Which suppliers of product are under contract?
- Which suppliers are you in discussions with?
- Are you able to provide an indication or thoughts on how you plan to manage the warehouse logistics for this scale of operation. Do you have distribution facilities secured by lease or purchase?
- Will Ruby Liu own the product it's selling or will they be sold on consignment?
- Will Ruby Liu be subletting or sublicensing spaces to other vendors or operators?
- Confirm all merchandise sold will be under single banner and not various vendors or operators.
- You've stated that your intent is to present the premises as an integrated department store – can you confirm that the intent includes a customer experience/value proposition that has all merchandise, regardless of vendor, backed by the same return policy or consistently applied policy like major or anchor quality retailers?
- How many stores are necessary to make the venture profitable and sustainable? Can you share with us which stores would be considered must have locations.
- For the additional restaurant uses she would like to bring in, will those premises be subleases or sublicensed to those operators?
- For the indoor play areas or educational centres, will those also operated by Ruby Liu or will they be sublicensed or subleases.
- Will subleases or licenses be set up in a manner that would represent a profit on the Landlord's real estate?
- Have you retained any HBC employees to operate in key roles? If so, please confirm whom.

Finance

- Do you have a business plan?
- How will the venture be financed? Are there any loans or operating lines of credit that will be used? Where is the initial capital coming from to fit out the spaces?
- Will Ruby be able to provide Landlords a security deposit or a letter of credit to provide landlord's assurance rent will be paid during the first year?

Lease Specific Questions

For each of the Morguard Leases, please confirm the following,

- Whether the store will be a low, mid-range or high-end store and what products or segment of the market will the store cater to. Will it cater to families, young professionals, provide more high-end goods, mid-range clothing, food and entertainment uses, etc.
- What mix of retail, food offering and entertainment will be present (ie. 60/20/20)
- How much money would be invested initially to bring the Premises inline with the Lease obligations? Please provide any specific details of what repair work would be needed.
- You gave a very insightful view on how you might see the scale of investment for a mall where you controlled the investment contribution from both the landlord's side and the tenant side at Mayfair in Victoria. Of the $20 MM potential upper end spending estimate, if $4-5 MM were earmarked for tenant obligations to address deficiencies, how would you see the balance of the $15-16 MM allocated between landlord and tenant and how do you see this impacting the current rent structure?
- How long will the Premises be closed for while the work is completed?
- Would you be prepared to amend your lease to add a sales reporting obligation at agreed upon intervals of not greater than quarterly?

Thanks,

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THIS IS EXHIBIT "P" TO THE AFFIDAVIT OF DAVID WYATT SWORN REMOTELY BEFORE ME AT THE CITY OF TORONTO, ON THIS 8TH DAY OF AUGUST, 2025

Commissioner for Taking Affidavits
Linda Galessiere

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File No. 0292565.0001

Private and Confidential

Camelino Galessiere LLP
65 Queen Street West
Suite 440
Toronto, ON
M5H 2M5

Attention: Linda Galessiere & Gustavo F. Camelino

Dear Ms. Galessiere & Mr. Camelino:

Re: Lease Assignment Consents – CCAA Sale Process – Hudson's Bay

We write on behalf of our clients, Weihong Liu ("**Ms. Liu**") and Ruby Liu Commercial Investment Corp. (the "**Purchaser**"), the successful bidder in the court-supervised lease monetization process under the *Companies' Creditors Arrangement Act* ("**CCAA**") in respect of certain leaseholds and assets of Hudson's Bay Company and certain affiliates ("**HBC**").

As you may be aware, the Honourable Mr. Justice Osborne of the Ontario Superior Court of Justice (Commercial List) approved the Lease Monetization Process by order dated March 21, 2025 (the "**Lease Monetization Process Order**"). Attached to this letter as **Appendix** "**A**" is a copy of the Lease Monetization Process Order.

Pursuant to the Lease Monetization Process Order, the Purchaser's bid was selected as a Successful Bid (as defined in the Lease Monetization Process Order), subject to certain conditions. Foremost among these is obtaining the necessary consents from landlords for the assignment of twenty-eight commercial leases.

We write to you in your capacity as counsel to Morguard Investments (the "**Landlord**"). More specifically, we write to you to request the Landlord's consent to the assignment of the following leases:

- Coquitlam Centre, Coquitlam, BC
- Centrepoint Mall, Toronto, ON
- St. Laurent Shopping Centre, Ottawa, ON
- Bramalea City Centre, Brampton, ON

To assist your client's assessment of Ms. Liu, and the Purchaser, as the proposed assignee, this letter provides information in the following five sections:

1. Ms. Liu's qualifications and operational experience;
2. The strategic Canadian retail business plan;
3. Financial readiness to perform lease obligations;
4. Benefits to key CCAA stakeholders; and
5. The path forward and landlord engagement strategy.

---

1. Ms. Liu's Business Experience

a) Ms. Liu's Chinese Business Experience

Ms. Liu is an accomplished entrepreneur with decades of experience operating multi-location retail platforms in competitive global markets. Her ventures have demonstrated success in concept development, brand scaling, and supply chain execution, supporting profitable and resilient operations.

Ms. Liu's career began in Harbin, China, where she worked in multiple small businesses throughout high school. In 1988, Ms. Liu moved to the rapidly-growing city of Shenzhen to pursue her entrepreneurial dreams. Leveraging her early business experience, Ms. Liu opened and managed six restaurants across Shenzhen, with locations including Sungang Warehouse, Shangbu Road, Nigang Village, and Meilin. In 1994, she founded Yijing Investment & Development Co., Ltd., marking her entry into real estate development with the construction and management of Meilin Yijing Tower, a high-rise urban project. Ms. Liu gained further national recognition when she partnered with Vanke Real Estate Co., Ltd. to co-develop Phase V of the Vanke Four Seasons Flower City in 2001, a project subsequently honored as China's top residential development.

Most notably, in 2002, Ms. Liu co-developed Central Walk Shopping Center with Excellence Group, a landmark commercial project that proved pivotal in her career. Located in the heart of Shenzhen's Central Business District, Central Walk Shopping Center spans 140,000 square meters and is one of the largest and most advanced shopping centers in China, with approximately 50,000 to 100,000 visitors per day. Ms. Liu pioneered the concept of an eco-leisure shopping mall—an integration of retail, dining, entertainment, wellness and tourism to create a comprehensive "one-stop" consumer experience. As a mother of two, Ms. Liu was frustrated by Shenzhen's lack of indoor recreational spaces and envisioned Central Walk Shopping Center to have a large family-oriented space. Under her management, Central Walk Shopping Center developed one of Shenzhen's largest family entertainment parks. Central Walk Shopping Center addressed a critical gap in Shenzhen's commercial landscape and helped redefine the model for urban mixed-use developments across China.

Ms. Liu's success in developing Central Walk Shopping Center is supported by her selection of a strong team of experts and the integration of stakeholder feedback. At a time when international collaboration in commercial projects was still uncommon in China, Ms. Liu engaged several globally renowned firms, including: Callison Architecture (USA) for

architectural design; Japan Design Corporation for landscaping; DTZ (Hong Kong) as construction advisor; and Pacific Group (Taiwan) for strategic planning.

During this time, Ms. Liu also owned and managed another mall, Central Walk Shenzhen, a five-story retail complex spanning 83,900 square meters. As of December 2018, the mall had a 100% occupancy rate and generated a gross monthly income of $4.5 million (RMB 23.8 million). The mall features a diverse tenant mix, including fashion retailers, restaurants, a cinema, and a supermarket.

In February 2019, Ms. Liu sold Central Walk Shenzhen to Hong Kong's Link Real Estate Investment Trust for $1.25 billion (RMB 6.6 billion). Following this sale, Ms. Liu moved to Vancouver, Canada and founded Central Walk, which has since become a leading commercial real estate firm.

b) Ms. Liu's Canadian Landlord Operations

Ms. Liu has been actively involved as owner and investor in substantial Canadian business operations for more than a decade. Ms. Liu owns and actively manages more than 2.5 million square feet of Canadian shopping centre assets, including:

i) Woodgrove Centre (Nanaimo, BC): Acquired in 2020. Vancouver Island's largest shopping centre with 748,000 sq. ft., over 140 stores, and annual foot traffic of 5.6 million visitors.

ii) Mayfair Shopping Centre (Victoria, BC): Acquired in 2021. A 518,000 sq. ft. retail centre hosting over 120 stores and welcoming approximately 4.1 million visitors per year.

iii) Tsawwassen Mills (Delta, BC): Acquired in 2022. A regional shopping centre with 1.2 million sq. ft. and more than 200 stores and services. Attached to this letter as **Appendix** "**B**" is a summary of Ms. Liu's shopping centre holdings.

Ms. Liu's considerable experience operating as a landlord in Canada provides her considerable insight into landlord sensitivities. Landlord issues, including the critical importance of protecting mall related exclusivities and operational restrictions are well understood and respected. Attached to this letter as **Appendix** "**C**" is a listing of current retail stores across Ms. Liu's three shopping centres.

In addition to retail and landlord operations, Ms. Liu owns the Arbutus Ridge Golf Club (Vancouver Island, BC), an 18-hole championship golf course acquired in 2019. Rated four stars by Golf Digest and awarded Best Destination Golf Course in British Columbia, the property illustrates her ability to manage regulated service operations in Canada.

2. Strategic Business Plan for Canadian Retail Operations

HBC's business, while in distress, possessed strong operational fundamentals – a deep supplier network, prime locations, loyal customers, and experienced staff. Ms. Liu intends to preserve and modernize those foundational elements, using them as the framework for launching a refreshed Canadian retail platform (the "**Retail Business**"). The value chain already exists. Ms. Liu and her team's focus will be to reactivate and enhance it.

HBC's Value Chain Reactivation

To maintain and reengage the existing HBC value chain, Ms. Liu has taken the following steps:

1. Working from her existing contacts and team members, Ms. Liu has already established an executive organizational chart to fill the roles of CEO, CFO, CMO, COO, CMO (Merchandising) and CHRO. Attached to this letter as **Appendix** "**D**" is a list of the people that have agreed to take on these critical roles and responsibilities, together with a brief overview of their experience and expertise.

2. Working from the HBC's current and former org chart, Ms. Liu has met with twelve store level managers and has secured commitments from ten to stay on and assist with the reactivation. Ms. Liu intends to continue meetings with key managers in an effort to return as many as possible. Ms. Liu believes that returning store managers is the best path to preserving institutional knowledge of the entire Hudson's Bay value chain, which in turn is the most effective strategy to open stores as quickly as possible. It is worth noting that the ten store managers that have committed each have more than ten years of HBC operational experience and in many cases more than twenty years of HBC operational experience.

3. Ms. Liu has engaged Wayne Drummond, the former President of Hudson's Bay, for the purpose of assisting with everything from securing suppliers and inventory to reviewing product mix. Mr. Drummond's intimate knowledge of Hudson's Bay's operations will be critical in ensuring that stores open quickly and effectively. Attached to this letter as **Appendix** "**E**" is a copy of Mr. Drummond's bio.

4. Ms. Liu and her team have already reviewed more than 500 resumes from current and former Hudson's Bay employees that would like to return to work as store employees. As Ms. Liu progresses to general support from the landlords her intent is to work with Alvarez & Marsal Canada Inc. in its capacity as monitor of HBC (in such capacity, the "**Monitor**") and HBC's counsel to establish a formal communication and process whereby all prior store level employees will be offered the opportunity to apply for employment with Ms. Liu's stores. The projected expectation for total employees required to open the stores is between 2,500 and 3,000.

5. Ms. Liu has already met with more than fifty of HBC's suppliers to assess their ability and willingness to supply her 28 stores. Each of the suppliers have indicated interest and excitement in the opportunity to continue a supplier relationship with Ms. Liu. As Ms. Liu progresses to general support from the landlords, her intent is to work with the

Monitor and HBC's counsel to establish a formal communication and process whereby all prior suppliers will be offered the opportunity to work with Ms. Liu to establish go-forward supply terms and timelines.

6. Ms. Liu has already met with several landlords in an effort to understand critical pain points, including necessary refurbishments/renovations, Ms. Liu's ability to fund the operation and various other concerns. Ms. Liu intends to schedule meetings with each landlord for early next week to continue those conversations and move pain points into a more detailed and specific dialogue so that detailed solutions can begin to formulate.

Timelines and Milestones

Ms. Liu and her team have detailed a working operational and store opening timeline with critical milestones. The timeline commences on the day the lease assignment transaction closes. The critical condition precedent to closing the assignment transaction is court approval. Ms. Liu intends to close the transaction immediately after the lease assignment transaction is approved by the Court.

Milestone	**Target (From Lease Assignment Close)**
Hire Key Executives	30 days
Hire Key Managers	30 days
Hire Store Level Staff	90 days
Store Design Mock-Ups to Landlords	30 days
Inventory Ordering	90 days
Permit Applications	As soon as possible. Will require Landlord input.
Renovations Begin (Permit-Dependent)	As soon as possible. Permit dependent.
Store-Level Financial Forecasts	Updated and delivered to applicable landlord every 30 days with a view to finalizing for day 90.
Marketing Campaign Launch	120 days
Completion of Renovations	Target 150 days, but as previously noted dependent on applicable permits.
Inventory Delivery & Merchandising	150 days
Grand Opening	180 days

The overall goal is to open at least twenty stores within 180 days. Permitting related to necessary renovations is the most significant unknown factor as it relates to adhering to the timeline.

Financial Forecasting

Given the business plan to reactivate HBC's value chain and given the above timeline, Ms. Liu and her team have prepared an integrated financial forecast for the Retail Business. Attached to this letter as **Appendix** "**F**" is an Excel file that sets out certain aspects of the forecasting, together with store specific P&L analysis as it relates to your client's specific lease(s).

The forecasting sets out the key assumptions at the "Inputs" tab. The assumptions were driven by actual historical data related to HBC's business. Key highlights as it relates to the forecasting, include:

As it relates to the three-year forecasted P&L:

- The Retail Business is forecasted to lose $32.5 million for the balance of 2025.
- The Retail Business is forecasted to profit $31 million during the 2026 calendar year.
- The Retail Business is forecasted to profit $35.5 million during the 2027 calendar year.
- Total sales for the balance of 2025, 2026 and 2027, respectively, are forecasted to be $867 million.
- The Retail Business is expected to contribute $9.5 million in income taxes during the forecasted period.

As it relates to the three-year forecasted cash flow:

- In reviewing the total expected cash needs to ramp the business up and launch within the targeted timeframe, Ms. Liu has committed to making an initial advance of $325 million, which is reflected as the initial equity investment to open the cash balance.
- The inventory ramp up cost is estimated at approximately $96 million over the course of eight months.
- Ms. Liu has allocated $84 million for leasehold improvements, over the course of six months.
- With the initial equity injection of $325 million, the Purchaser's cash position never drops below $36 million, which amount reflects a very healthy cash buffer to deal with contingencies.
- In addition to the $36 million contingency buffer, the cash flow forecast reflects a line item for $80 million to account for transaction costs and other contingencies. It is noteworthy that the estimated contingency would cover more than ten months of estimated total rent cost.

As it relates to the three-year forecasted Store P&L:

- Total aggregated sales in the first twelve months is $438.5 million.
- Total aggregated store payroll cost in the first twelve months of stores being opened is $51.7 million.
- Total aggregated store rent cost, plus property taxes and CAM in the first twelve months is $43.7 million.
- Total aggregated store remodel expense cost in the first twelve months is $84 million.
- Landlord store specifics noted in a separate tab.

As a general comment, Ms. Liu expects that the financial forecasting will continuously evolve to reflect real time information received during the period where the broader team is working through the store opening operations. As noted in the timeline, Ms. Liu doesn't expect to have final forecasting until 90 days from the close of the lease assignment transaction. However, to ensure that Ms. Liu is able to work through issues that arise, Ms. Liu has intentionally built tens of millions of dollars of contingency funding into the Retail Business forecasting.

Ms. Liu fully appreciates that specific sites may require refurbishment/renovation. Ms. Liu intends to work through those expectations with each landlord and ultimately reflect the cash outlay required as part of the forecasting.

All in all, the total Retail Business, including costs of refurbishment/renovation, store launch and contingency, will require a cash investment of approximately $325 million. Ms. Liu has these funds available and as part of the lease assignment transaction intends to invest these funds, in the form of equity, into the Retail Business, in accordance with the cash flow forecast.

Critical Mass/Economies of Scale

Based upon support already expressed from certain landlords, Ms. Liu believes that she has achieved her critical mass targets to ensure overall business viability.

Improving Operations and Marketing

While secondary to the obvious need to establish fundamental operations, Ms. Liu has a strong vision for an approach to improve HBC's strategies. At a very high level the vision and approach are as follows:

- Expanded demographic targeting, adding younger consumer segments.
- Modernization of stores, including upgrades to interiors, signage, and technology.
- Experience-focused brand development to drive traffic and loyalty.

Ms. Liu looks forward to discussing her vision to improve on the HBC business model and drive her vision for retail sales in accordance with the three stated guiding principles.

3. **Financial Capacity and Commitment**

Ms. Liu provided HBC and its advisors with proof of funding in connection with the Lease Monetization Process. The proof of funding provided to HBC and its advisors establishes cash sufficient to support the Retail Business.

To the extent the Landlord wishes to have proof of funding confirmed, we are prepared to establish terms of a non-disclosure agreement and provide directly, or, alternatively Ms. Liu is prepared to have our firm share proof of funding directly to legal counsel on the undertaking that counsel can review for the purpose of providing their client a summary of the funding proof.

Funds will be invested directly by Ms. Liu into the Purchaser. To the extent Landlords require, Ms. Liu is prepared to provide covenants to ensure exclusive application to the retail operations. Annual financial and operational reporting will be provided to landlords upon request and/or in accordance with Lease terms.

4. **Benefits to CCAA Stakeholders**

The lease assignment transaction provides the Landlord with a material improvement to the covenant that HBC offered over these past few years. The Landlord will receive an experienced tenant that is incredibly well capitalized and motivated to build a dominant Canadian retail brand. As noted above, tens of millions in rent is well supported by the Retail Business, together with tens of millions in store improvements.

Additionally, many other impacted stakeholders will receive tremendous and meaningful benefits:

1. Employees – Ms. Liu will offer store manager and senior positions to dozens of Canadians and store level employment to thousands of Canadians.

2. Suppliers – renewed contracts and minimal disruption to supply chains will provide much needed relief to many Canadian suppliers.

3. Creditors – creditors of HBC stand to benefit from the proceeds of sale from the lease assignment transaction.

4. Canadian Economy – in the first year alone total sales of $438.5 million are projected. These sales represent a meaningful economic boost to local Canadian economies, not to mention the approximate $9.5 million of income tax to be paid to the CRA resulting from projected profit over the next thirty months.

Simply put, while the landlords receive the most significant improvement to overall position, there are thousands of employees, hundreds of suppliers and millions of dollars of benefit to the overall Canadian stakeholders and Canadian economy.

5. Path Forward

This letter serves as a general communication to all landlords. We recognize that each landlord and location has unique circumstances. Accordingly:

1. Ms. Liu looks forward to individualized discussions to understand site-specific concerns and co-develop customized launch plans.
2. All leases will be assumed on an "as is, where is" basis. Ms. Liu is not asking for lease related concessions and will comply with lease terms.
3. Ms. Liu will engage with each landlord to identify capital requirements, marketing opportunities, and modernization strategies.
4. Beyond obtaining consent, Ms. Liu is committed to earning landlord trust and collaboratively revitalizing the Canadian retail landscape.

We would be pleased to meet with you and your client to review our plans in more detail and address any specific concerns. Please contact the undersigned at your convenience.

Yours truly,

MILLER THOMSON LLP

Per: *Larry Ellis*

Larry Ellis

LE/lp

Encls.
cc. Greg Karpel, Alvarez & Marsal Canada Inc.
Alan J. Hutchens, Alvarez & Marsal Canada Inc.
Sean Zweig, Bennett Jones LLP
Michael Shakra, Bennett Jones LLP
Ashley Taylor, Stikeman Elliott LLP
Jonah Mann, Stikeman Elliott LLP

Appendix "A" – Lease Monetization Process Order

Court File No. CV-25-00738613-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE MR.	)	FRIDAY, THE 21ST DAY
	)	
JUSTICE OSBORNE	)	OF MARCH, 2025

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF HUDSON'S BAY COMPANY ULC COMPAGNIE DE LA BAIE D'HUDSON SRI, HBC CANADA PARENT HOLDINGS INC., HBC CANADA PARENT HOLDINGS 2 INC., HBC BAY HOLDINGS I INC., HBC BAY HOLDINGS II ULC, THE BAY HOLDINGS ULC, HBC CENTERPOINT GP INC., HBC YSS 1 LP INC., HBC YSS 2 LP INC., HBC HOLDINGS GP INC., SNOSPMIS LIMITED, 2472596 ONTARIO INC., and 2472598 ONTARIO INC.

ORDER
(Lease Monetization Process)

THIS MOTION, made by Hudson's Bay Company ULC Compagnie de la Baie D'Hudson SRI ("**Hudson's Bay**"), HBC Canada Parent Holdings Inc., HBC Canada Parent Holdings 2 Inc., HBC Bay Holdings I Inc., HBC Bay Holdings II ULC, The Bay Holdings ULC, HBC Centerpoint GP Inc., HBC YSS 1 LP Inc., HBC YSS 2 LP Inc., HBC Holdings GP Inc., Snospmis Limited, 2472596 Ontario Inc., and 2472598 Ontario Inc. (collectively, the "**Applicants**") for an order approving the Lease Monetization Process (defined below) was heard this day at 330 University Avenue, Toronto, Ontario and via videoconference.

ON READING the affidavits of Jennifer Bewley sworn March 7, 2025, March 14, 2025, and March 21, 2025, and the Exhibits thereto, the pre-filing report of Alvarez & Marsal Canada Inc. ("**A&M**"), in its capacity as proposed monitor of the Applicants dated March 7, 2025 (the "**Pre-Filing Report**"), the first report of A&M, in its capacity as monitor of the Applicants, (in such capacity, the **"Monitor**"), dated March 16, 2025, and the Supplement to the First Report of the Monitor dated March 21, 2025, and on hearing the submissions of counsel to the Applicants, counsel to the Monitor, and such other parties as listed on the Counsel Slip, with no one else appearing although duly served as appears from the Affidavits of Service of Brittney Ketwaroo sworn March 17, 2025 and March 21, 2025.

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record herein is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that capitalized terms used but not otherwise defined herein have the meanings ascribed in the Lease Monetization Process attached hereto as Schedule "A" (the "**Lease Monetization Process**") or the Amended and Restated Initial Order, dated March 21, 2025 (the "**ARIO**"), as applicable.

APPROVAL OF THE LEASE MONETIZATION PROCESS

3. **THIS COURT ORDERS** that the Lease Monetization Process is hereby approved. The Applicants, the Monitor and the Broker are hereby authorized and directed to take any and all actions as may be necessary or desirable to implement and carry out the Lease Monetization Process.

4. **THIS COURT ORDERS** that the agreement dated March 20, 2025, engaging Oberfeld Snowcap Inc. ("**Oberfeld**") as Broker to Hudson's Bay in the form attached as Exhibit "B" to the Affidavit of Jennifer Bewley sworn March 21, 2025, and the retention of Oberfeld under the terms thereof, is hereby approved.

5. **THIS COURT ORDERS** that each of the Applicants, the Monitor, the Broker and their respective affiliates, partners, directors, employees, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to any person in connection with or as a result of the Lease Monetization Process, except to the extent such losses, claims, damages or liabilities result from the gross negligence or wilful misconduct of the Applicants, the Monitor, or the Broker, as applicable, in performing their obligations under the Lease Monetization Process, as determined by this Court.

6. **THIS COURT ORDERS** that notwithstanding anything else contained herein, the Applicants and any Related Person that wishes to submit or participate in a Sale Proposal must declare such intention to the Monitor and the Broker in writing by April 7, 2025. If the Applicant or any Related Person makes such declaration, the Monitor and the Broker shall design and implement additional procedures for the Lease Monetization Process in respect

of the sharing of information with the Applicants so as to ensure and preserve the fairness of the Lease Monetization Process and shall advise the parties on the service list for these proceedings of these additional procedures.

7. **THIS COURT ORDERES** that notwithstanding any other term contained herein and paragraph 11 of the ARIO, on or before July 15, 2025, the Applicants shall send a notice of disclaimer with respect to any Lease that is not subject to a Successful Bid pursuant to the SISP or the Lease Monetization Order that has not been terminated in accordance with terms thereof.

8. **THIS COURT ORDERS** that, pursuant to section 3(c) of the Electronic Commerce Protection Regulations, Reg. 81000-2-175 (SOR/DORS), the Applicants, the Monitor and the Broker are authorized and permitted to send, or cause or permit to be sent, commercial electronic messages to an electronic address of prospective bidders or offerors and to their advisors, but only to the extent required to provide information with respect to the Lease Monetization Process in these proceedings.

9. **THIS COURT ORDERS** that the Applicants or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of their respective powers and duties hereunder.

10. **THE COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

11. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

Schedule "A"

LEASE MONETIZATION PROCESS

Introduction

On March 7, 2025, Hudson's Bay Company ULC Compagnie De La Baie D'Hudson SRI (the "**Company**") and those parties listed in Schedule "**A**" hereto (collectively, the "**Applicants**") sought and obtained protection under the *Companies' Creditors Arrangement Act* (the "**CCAA**") pursuant to an initial order (as amended, restated or varied from time to time, the "**Initial Order**") granted by the Ontario Superior Court of Justice (Commercial List) (the "**Court**"). Parties listed in Schedule "**B**" were also granted protection as "Non-Applicant Stay Parties". Alvarez & Marsal Canada Inc. was appointed as monitor in the CCAA proceedings (in such capacity, the "**Monitor**").

On March 14, 2025, the Applicants served a motion seeking, among other things, an order for the approval of a sale process (as same may be amended from time to time, the "**Lease Monetization Process**") pursuant to, and in accordance with, the Lease Monetization Order (as defined below) to be conducted under the supervision of the Court and the Monitor.

The purpose of this Lease Monetization Process is to seek Sale Proposals from Qualified Bidders and to implement one or a combination of them in respect of the Leases, which implementation may include sales, dispositions, assignments, surrender (if accepted by the applicable landlord), or other transaction forms. The Applicants, in their reasonable business judgment, and in consultation with the Broker, the Monitor and Agents, may, from time to time, withdraw any Lease from this Lease Monetization Process in accordance with the CCAA, the Applicants' rights under the Initial Order, or if any agreement is reached with the landlord of the relevant Lease.

On March 21, 2025, the Court entered an order approving the Lease Monetization Process (the "**Lease Monetization Order**").

This Lease Monetization Process describes, among other things: (a) the Leases available for sale (which, for greater certainty, is without prejudice to the position of a Landlord as to whether a Non-Applicant Stay Party's interest in a Lease can be subject to such sale) (the "**Landlord Reservation of Rights**"); (b) the manner in which Interested Bidders may gain access to due diligence materials concerning the Leases; (c) the manner in which bidders and bids become Qualified LOI Bidders or Qualified Bidders and Qualified LOI Bids or Qualified Bids, respectively; (d) the ultimate selection of one or more Successful Bidders; and (e) the process for obtaining such approvals (including the approval of the Court) as may be necessary or appropriate in respect of a Successful Bid, as applicable.

Defined Terms

1. The following capitalized terms have the following meanings when used in this Lease Monetization Process:

   (a) "**Agents**" means collectively: (a) Bank of America, N.A. (including acting through branches and affiliates) in its capacity as administrative agent and collateral agent under the ABL Credit Agreement; (b) Restore Capital, LLC in its capacity as agent for the FILO Credit Facility lenders under the ABL Credit Agreement; and (c) Pathlight Capital LP, in its capacity as administrative agent under the Pathlight Credit Agreement (each as defined in the Affidavit of Jennifer Bewley sworn March 7, 2025).

(b) "**Applicants**" is defined in the introduction hereto.

(c) "**Approval Motion**" is defined in paragraph 23.

(d) "**ARIO**" means the Amended and Restated Initial Order dated March 21, 2025

(e) "**Broker**" means Oberfeld Snowcap Inc.

(f) "**Business Day**" means a day (other than Saturday or Sunday) on which banks are generally open for business in Toronto, Ontario.

(g) "**CA**" means a confidentiality agreement in form and substance satisfactory to the Company, in consultation with the Monitor. For greater certainty, there is no requirement for Landlords to enter into CA's in respect of their own Leases.

(h) "**CCAA**" is defined in the introduction hereto.

(i) "**Company**" is defined in the introduction hereto.

(j) "**Court**" is defined in the introduction hereto.

(k) "**Deposit**" is defined in paragraph 20(k).

(l) "**Form of Purchase Agreement**" means the form of purchase and sale agreement to be developed by the Applicants, in consultation with the Monitor and the Broker, and provided to Qualified Bidders that submit a Qualified LOI for a Sale Proposal.

(m) "**Initial Order**" is defined in the introduction hereto.

(n) "**Interested Bidder**" is defined in paragraph 8.

(o) "**Landlord LOI**" means a non-binding letter of intent from a landlord for an acquisition or consensual transaction for one or more of its Leases that is submitted on or before the Phase 1 Bid Deadline.

(p) "**Landlord Qualified Bid**" means a final binding proposal from a landlord for an acquisition or consensual transaction for one or more of its Leases and which meets the requirements set out in paragraphs 20(a), 20(c), 20(d), 20(e), 20(g), 20(h), 20(i), 20(j), 20(k) and 20(l)

(q) "**Lease Monetization Order**" is defined in the introduction hereto.

(r) "**Leases**" means the Applicants' and the Non-Applicant Stay Parties' leasehold interests and all related rights and obligations in connection with the properties listed in Schedule "**C**" hereto, subject in all respects to the Landlord's Reservation of Rights, as defined herein.

(s) "**LOI**" is defined in paragraph 7.

(t) "**Monitor**" is defined in the introduction hereto.

(u) "**Non-Applicant Stay Parties**" are the entities listed in Schedule "**B**" hereto.

(v) "**Outside Date**" means June 17, 2025.

(w) "**Phase 1**" is defined in paragraph 7.

(x) "**Phase 1 Bid Deadline**" is defined in paragraph 9.

(y) "**Phase 2**" means such period of time from the Phase 1 Bid Deadline to the Approval Motion.

(z) "**Qualified Bid**" means an offer or combination of offers, in the form of a Sale Proposal or Sale Proposals, which meets the requirements of paragraph 20.

(aa) "**Qualified Bid Deadline**" is defined in paragraph 18.

(bb) "**Qualified Bidder**" means a bidder that submits a Qualified Bid.

(cc) "**Qualified LOI**" is defined in paragraph 10.

(dd) "**Qualified LOI Bid**" is defined in paragraph 16.

(ee) "**Qualified LOI Bidder**" is defined in paragraph 16.

(ff) "**Related Person**" has the same meaning as in the *Bankruptcy and Insolvency Act* (Canada).

(gg) "**Sale Proposal**" means an offer to acquire or otherwise assume of all or some of the Leases. A "Sale Proposal" may include a transaction involving the assignment and assumption, and/or surrender of a Lease or Leases (in the case of a surrender, such proposal may only form part of a Landlord Qualified Bid, or otherwise require the Landlord's consent to a surrender of the Lease).

(hh) "**SISP**" means the Sale and Investment Solicitation Process approved by the Court on March 21, 2025.

(ii) "**Successful Bid**" is defined in paragraph 22(b).

(jj) "**Successful Bidder**" is defined in paragraph 22(b).

(kk) "**Targeted Outside Date**" means June 3, 2025, or such later date as may be determined by the Applicants, on consent of the Monitor, in consultation with the Broker and the Agents, provided that in no event shall such date be after June 17, 2025.

(ll) "**Teaser Letter**" is defined in paragraph 4.

Supervision of the Lease Monetization Process

2. The Monitor will supervise, in all respects, the Lease Monetization Process, any attendant sales and, without limitation, will supervise the Broker's performance under its

engagement by the Company in connection therewith. The Applicants shall assist and support the efforts of the Monitor and the Broker as provided for herein. In the event that there is disagreement or clarification required as to the interpretation or application of this Lease Monetization Process or the responsibilities of the Monitor, the Broker or the Applicants hereunder, the Court will have jurisdiction to hear such matter and provide advice and directions, upon application of any interested person. For the avoidance of doubt, and without limiting the rights and protections afforded to the Monitor under the CCAA, the Initial Order and the Lease Monetization Order, the terms of the Initial Order and the Lease Monetization Order shall govern the Monitor's role as it relates to the Lease Monetization Process.

"As Is, Where Is"

3. The sale of the Leases will be on an "**as is, where is**" basis and without representations or warranties of any kind, nature, or description by the Monitor, the Broker, the Applicants or any of their respective directors, officers, employees, advisors, professionals, agents, estates or otherwise, except and only to the extent set forth in a definitive sale agreement executed by an Applicant.

Solicitation of Interest

4. As soon as reasonably practicable, but in any event no later than three (3) Business Days after the issuance of the Lease Monetization Order, the Broker shall distribute an initial offering summary of the Leases in form acceptable to the Applicants and the Monitor (the "**Teaser Letter**") notifying those potentially interested parties that are identified by the Broker, the Monitor and the Applicants, each in their sole discretion, of the existence of the Lease Monetization Process and inviting such parties to express an interest in making an offer to acquire all or some of the Leases.

Participation Requirements

5. Unless otherwise ordered by the Court, or as otherwise determined by the Applicants, in consultation with the Monitor, each person seeking to participate in the Lease Monetization Process other than a Landlord in respect of any of its own Leases must deliver to the Broker at the address specified in Schedule "**D**" hereto (including by email transmission):

   (a) a letter setting forth such person's identity, the contact information for such person and full disclosure of the principals of such person; and

   (b) an executed CA which shall include provisions whereby such person agrees to accept and be bound by the provisions contained therein.

6. All secured creditors of the Applicants shall have the right to bid in the Lease Monetization Process, including by way of credit bid, provided however that until a secured creditor, including the Agents, declare that they will not submit a bid in the Lease Monetization Process, all consultation and consent rights herein shall be paused and the Monitor and the Applicants may place such limitations on the consultation and consent rights contained herein as they consider appropriate, so as to ensure and preserve the fairness of the Lease Monetization Process.

LEASE MONETIZATION PROCESS - PHASE 1

Phase 1 Initial Timing

7. For a period from the date of the Lease Monetization Order until the Phase 1 Bid Deadline ("**Phase 1**"), the Broker (with the assistance of the Monitor and the Applicants) will solicit non-binding letters of intent from prospective parties to acquire one or more of the Leases (each, an "**LOI**").

Due Diligence

8. Subject to the provisions of paragraph 28, the Broker will provide each party who executes a CA (an "**Interested Bidder**") with access to an electronic data room. The Monitor, the Broker and the Applicants, and each of their representatives, make no representation or warranty as to the information: (a) contained in the electronic data room; (b) provided through any diligence process; or (c) otherwise made available, except to the extent expressly contemplated in any definitive sale agreement executed by an Applicant.

Non-Binding Letters of Intent from Interested Bidders

9. Interested Bidders that wish to pursue a Sale Proposal must deliver an LOI to the Broker at the address specified in Schedule "**D**" hereto (including by email transmission), so as to be received by the Broker not later than 5:00 PM (Toronto time) on or before April 15, 2025, or such later date or time as may be determined by the Applicants, with the consent of the Monitor, in consultation with the Broker and the Agents (the "**Phase 1 Bid Deadline**"). Notwithstanding anything else contained herein, the Applicants and any Related Person that wishes to submit an LOI or participate in Lease Monetization Process must declare such intention to the Broker and the Monitor in writing by April 7, 2025**.** If the Applicant or any Related Party makes such declaration, the Broker and the Monitor shall design and implement additional procedures for the Lease Monetization Process in respect of the sharing of information with the Applicants so as to ensure and preserve the fairness of the Lease Monetization Process and shall advise the parties on the service list for these proceedings of these additional procedures.

10. An LOI so submitted will be considered a qualified LOI for the purposes hereof (each a "**Qualified LOI**") only if:

    (a) it is submitted on or before the Phase 1 Bid Deadline;

    (b) it contains an indication of whether the Interested Bidder is offering to acquire all or some of the Leases;

    (c) it identifies or contains the following:

        (i) the purchase price (or range thereof) in Canadian dollars;

        (ii) the Leases or Lease subject to the transaction; and

        (iii) any proposed allocation of the purchase price as between each Lease;

(d) it provides a general description of any likely financing associated with the proposed transaction, subject to any restrictions that may exist in the applicable Leases;

(e) it provides a general description as to whether the Interested Bidder anticipates its bid containing any provisions that do not conform to the restrictions surrounding the "permitted use" of the property as defined in each of the Leases;

(f) it describes any additional due diligence required to be conducted during Phase 2;

(g) it identifies any anticipated terms or conditions of the Sale Proposal that may be material to the proposed transaction; and

(h) it contains such other information reasonably requested by the Applicants in consultation with the Monitor and the Broker.

11. Notwithstanding anything to the contrary contained herein, a Landlord LOI shall be deemed to be a Qualified LOI.

12. The Applicants, with the consent of the Monitor and in consultation with the Broker, may waive compliance with any one or more of the requirements specified in paragraph 10 (other than those in 10(c) and (d)) and deem such non-compliant bids to be a Qualified LOI. However, for the avoidance of doubt, the completion of any Sale Proposal shall be subject to the approval of the Court and the requirement of such approval may not be waived.

Assessment of Qualified LOIs and Continuation or Termination of Lease Monetization Process

13. Within five (5) Business Days following the Phase 1 Bid Deadline, or such later date as may be reasonably determined by the Applicants with the consent of the Monitor, in consultation with the Broker and the Agents, the Applicants will, in consultation with the Broker, the Monitor, and the Agents, assess the Qualified LOIs received during Phase 1, and will determine whether there is a reasonable prospect of obtaining a Qualified Bid. For the purpose of such consultations and evaluations, the Monitor or the Broker may request clarification of the terms of any Qualified LOI submitted by an Interested Bidder.

14. In assessing the Qualified LOIs submitted in Phase 1, the Applicants, following consultation with the Monitor, the Broker and the Agents, will consider, among other things, the following:

(a) the form and amount of consideration being offered;

(b) the effect of accepting Sale Proposals which are not on an en bloc basis;

(c) the financial capability of the Interested Bidder to consummate the proposed transaction;

(d) the financial and other capabilities of the Interested Bidder to perform, observe and comply with the terms (including payment, use provisions and other obligations) of the applicable Lease(s);

(e) the anticipated conditions to closing of the proposed transaction (including any required regulatory and landlord approvals);

(f) the estimated time required to complete the proposed transaction and whether, in the Applicants' reasonable business judgment, in consultation with the Monitor and the Broker, it is reasonably likely to result in the execution of a definitive agreement on or before the Targeted Outside Date and in any event, no later than the Outside Date; and

(g) such other criteria as the Applicants may, in consultation with the Monitor and the Broker, determine.

15. If one or more Qualified LOIs are received and the Applicants, in consultation with the Broker, the Monitor, and the Agents, determine that there is a reasonable prospect of obtaining a Qualified Bid, the Applicants shall continue the Lease Monetization Process as set forth herein.

PHASE 2

Due Diligence

16. Each Interested Bidder that: (a) submits a Qualified LOI; and (b) is not eliminated from the Lease Monetization Process by the Applicants, following consultation with the Broker and the Monitor, and after assessing whether such Qualified LOI meets the criteria in paragraph 14 herein, may be invited by the Applicants to participate in Phase 2 (each such bidder, a "**Qualified LOI Bidder**").

17. Subject to the provisions of paragraph 28, to the extent that a Qualified LOI Bidder requested due diligence within their Qualified LOI as per paragraph 10(f) herein, the Broker will provide the Qualified LOI Bidder with access to due diligence materials and information relating to the Leases as the Applicants, in their reasonable business judgment and in consultation with the Broker and the Monitor, determine appropriate, including all guarantees and indemnities by any person, and information or materials reasonably requested by Qualified LOI Bidders.

Qualified Bids

18. The Phase 2 deadline for submission of binding bids to be considered for the sales of Lease(s) (the "**Qualified Bids**") shall be May 1, 2025, or such later date or time as may be determined by the Applicants with the consent of the Monitor and in consultation with the Broker and the Agents (the "**Qualified Bid Deadline**").

19. Notwithstanding anything to the contrary herein, a Landlord Qualified Bid shall be deemed to be a Qualified Bid.

20. Any Qualified LOI Bidder who wishes to become a Qualified Bidder must submit a Qualified Bid satisfying the conditions set forth below for the applicable Lease(s):

(a) it is received by the Qualified Bid Deadline;

(b) it is a final binding proposal in the form of a duly authorized and executed purchase agreement, including the purchase price for the Leases proposed to be acquired, based on the Form of Purchase Agreement and accompanied by a clean Word version and a blacklined mark-up to the Form of Purchase Agreement showing amendments and modifications made thereto, together with all exhibits and schedules thereto, and such ancillary agreements as may be required by the Qualified LOI Bidder with all exhibits and schedules thereto;

(c) it is irrevocable until the earlier of: (i) the approval by the Court of a Successful Bid, and (ii) 28 days following the Qualified Bid Deadline, provided that if such bidder is selected as a Successful Bidder, its offer will remain irrevocable until the closing of its Successful Bid;

(d) it includes written evidence of a firm, irrevocable commitment for financing, or other evidence of ability to consummate and perform the proposed transaction, and to meet all of the financial obligations under the Lease(s) that will allow the Applicants, in consultation with the Broker and the Monitor, to make a reasonable determination as to the Qualified LOI Bidder's financial and other capabilities to consummate and perform the transaction contemplated by its Qualified Bid;

(e) it lists the Lease(s) proposed to be subject to the bid and an allocation of the purchase price on a Lease by Lease basis;

(f) it includes details of any amendments which such Qualified LOI Bidder seeks in respect of any such Lease(s) from the applicable landlord(s) and other non-landlord liabilities to be assumed by the Qualified LOI Bidder, provided that, for greater certainty, nothing in this Lease Monetization Process shall be construed to: (i) permit or require any amendments to the terms of any Lease(s) without the prior written consent of the applicable landlord(s), or (ii) obligate any landlord to negotiate with a Qualified LOI Bidder regarding any such amendments;

(g) it is not conditional upon, among other things:

(i) the outcome of unperformed due diligence by the Qualified LOI Bidder; or

(ii) obtaining financing;

(h) it fully discloses the identity of each entity that will be sponsoring or participating in the bid, and the complete terms of such participation;

(i) with respect to any condition to closing contained in the definitive documentation, it outlines the anticipated time frame and any anticipated impediments for obtaining such approvals;

(j) it includes evidence, in form and substance reasonably satisfactory to the Applicants, the Monitor and the Broker, that the requisite authorization(s) and/or approval(s) with respect to the submission, execution, delivery and closing of the transaction contemplated by the bid have been obtained by the bidder;

(k) it is accompanied by a deposit (the "**Deposit**") in the form of a wire transfer (to a bank account specified by the Monitor), or such other form acceptable to the Monitor, payable to the order of the Monitor on behalf of the Applicants, in trust, in an amount equal to 10% of the purchase price for the Lease(s) proposed to be acquired, to be held and dealt with in accordance with the terms of a definitive agreement executed by an Applicant and this Lease Monetization Process.

(l) it includes an acknowledgement and representation that the bidder: (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 bid; (ii) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the Leases to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith, except as expressly stated in the purchase and sale agreement; and (iii) acknowledges that the occupancy of the premises set forth in the Leases may not be available until the completion of any inventory sale at the premises; and

(m) it contains such other information reasonably requested by the Applicants, in consultation with the Monitor and the Broker.

21. The Applicants with the consent of the Monitor, in consultation with the Broker, the Monitor and the Agents, may waive compliance with any one or more of the requirements with respect to Qualified Bids or Landlord Qualified Bids specified herein.

22. The Applicants, in consultation with the Broker, the Monitor, and the Agents:

(a) may engage in negotiations with Qualified Bidders as they deem appropriate and may accept revisions to Qualified Bids, in their discretion;

(b) shall determine which is the most favourable bid with respect to such Lease(s) (the "**Successful Bid**" and the person(s) who made the Successful Bid shall become the "**Successful Bidder**"), taking into account, among other things:

(i) the form and amount of consideration being offered;

(ii) whether the Qualified Bid maximizes value for the Leases, including the effect of accepting Sale Proposals which are not on an en bloc basis;

(iii) the demonstrated financial capability of the Qualified Bidder to consummate the proposed transaction and capability of performing the obligations of the tenant under the applicable Lease(s);

(iv) the conditions to closing of the proposed transaction (including any required regulatory and landlord approvals and any lease amendments);

(v) the terms and provisions of any proposed transaction documentation;

(vi) the estimated time required to complete the proposed transaction and whether, in the Applicants' reasonable business judgment, in consultation with the Monitor and the Broker, it is reasonably likely to result in the execution of a definitive agreement on or before the Targeted Outside Date and in any event, no later than the Outside Date; and

(vii) such other criteria as the Applicants may in consultation with the Monitor and the Broker determine.

Approval Motion for Definitive Agreements

23. The Applicants will apply to the Court (the "**Approval Motion**") for an order, among other things, approving the Successful Bid(s), and authorizing the Applicants to enter into any and all necessary agreements with respect to the Successful Bid(s), as applicable, and to undertake such other actions as may be necessary or appropriate to give effect to the Successful Bid(s), as applicable. The Approval Motion may be adjourned or rescheduled by the Applicants, in consultation with the Monitor and the Agents, without further notice by an announcement of the adjourned date at the Approval Motion. Nothing in this Lease Monetization Process and nothing in any arrangements made during the course thereof between the Monitor and/or the Applicants on the one hand and a Successful Bidder on the other shall in any way prejudice or impair the ability of a Landlord(s) to object to the Court approval of a Successful Bid.

OTHER TERMS

Approvals

24. For the avoidance of doubt, the approvals required pursuant to the terms hereof are in addition to, and not in substitution for, any other approvals required by the CCAA or any other statute or as otherwise required at law in order to implement a Successful Bid, or Qualified Bid, as applicable.

Amendment

25. If there is any proposed material modification to the Lease Monetization Process by the Applicants, the Applicants will seek Court approval of such material modification on notice to the Service List. Otherwise, the Applicants retain the discretion, with the consent of the Monitor and in consultation with the Broker and the Agents, to modify the Lease Monetization Process from time to time.

Disclaimers

26. Notwithstanding any other term contained herein and paragraph 12 of the ARIO, on or before July 15, 2025, the Applicant shall send a notice of disclaimer with respect to any Lease that is not subject to a Successful Bid pursuant to the SISP or this Lease Monetization Process that has not been terminated in accordance with terms thereof.

Monitor Updates

27. The Monitor will provide periodic updates to the Court on notice to the Service List with respect to the conduct and progress of the Lease Monetization Process, including an update to be delivered to the Court at the conclusion of Phase 1.

Reservation of Rights

28. The Applicants, in their reasonable business judgment and in consultation with the Monitor and the Broker, may provide Interested Bidders with any diligence materials and information, including site visits, that the Applicants deem necessary and appropriate to maximize the value of Lease Monetization Process at any time after entry of the Lease Monetization Order.

29. Notwithstanding anything else contained herein, at any time after entry of the Lease Monetization Order, the Applicants, in their reasonable business judgment and in consultation with the Broker, the Monitor, and the Agents, may, from time to time, withdraw any Lease(s) from this Lease Monetization Process in accordance with the CCAA, the Applicants' rights under the Initial Order, or if any agreement is reached with the landlord of the relevant Lease(s).

30. The Applicants, after consultation with the Broker, the Monitor, and the Agents, may reject any or all bids. For the avoidance of doubt, the approvals required pursuant to the terms hereof are in addition to and not in substitution for, any other approvals required by the CCAA or any other statute or as otherwise required at law, or any other Order of the Court in order to implement a Successful Bid or Qualified Bid, as applicable.

31. To the extent any notice of changes to these procedures or related dates, time, or locations is required or otherwise appropriate, the Monitor may publish such notices on the Monitor's public web site at http://www.alvarezandmarsal.com/HudsonsBay and the Applicants shall forthwith serve such notices on the Service List, and such notice shall be deemed satisfactory, subject to any other notice requirements specifically set forth herein or as required by the Court.

32. This Lease Monetization Process does not, and will not be interpreted to, create any contractual or other legal relationship between the Applicants, the Broker or the Monitor and any Qualified Bidder, other than, with respect to the Applicants, as specifically set forth in a definitive agreement that may be executed by an Applicant. At any time during the Lease Monetization Process, the Applicants or the Monitor may apply to the Court for advice and directions with respect to the discharge of their powers and duties hereunder.

33. Nothing in the Lease Monetization Process or the Lease Monetization Order acknowledges or declares that the interests in the Leases being marketed within this Lease Monetization Process are capable of being transferred by the Applicants or the Non-Applicant Stay Parties. For clarity, all parties' ability to challenge the Applicants' and Non-Applicant Stay Parties' ability to transfer any Leases are expressly preserved and not derogated from (the "**Reservation of Rights**").

34. All consent and consultation rights provided to the Agents in this Lease Monetization in respect of any JV Head Lease shall instead be provided to RioCan Real Estate Investment

Trust and the relevant Non-Applicant Secured Creditor(s) (as defined in the ARIO) of the Non-Applicant Stay Party in respect of such Business or Property, to the exclusion of the Agents.

35. In respect of any JV Head Lease (as defined in the Initial Order) and without detracting from the Reservation of Rights and any rights RioCan Real Estate Investment Trust and/or its affiliates may have in relation to such JV Head Lease, no bid shall be considered a Successful Bid or Landlord Qualified Bid: (a) in respect of any JV Head Lease without the prior written consent of the relevant Non-Applicant Secured Creditor in respect of such JV Head Lease; and (b) in respect of RioCan Real Estate Investment Trust's interest in any JV Head Lease without the prior written consent of RioCan Real Estate Investment Trust. All references to the consent of any party in this paragraph relating to any JV Head Lease with a Non-Applicant Stay Party and RioCan Real Estate Investment Trust is in addition to any consent right that may exist in favour of the landlord under the applicable JV Head Lease.

Agents Consultation

36. The Applicants, the Monitor and the Broker will communicate and consult with all Agents through the Lease Monetization Process and will provide information to the Agents in connection with such communications, including copies of all bids within one day of receipt of same. The Applicants, the Monitor and the Broker shall provide the Agents with any and all information reasonably requested with respect to the Lease Monetization Process.

Landlord Communications

37. The Applicants, the Monitor and the Broker will communicate with the landlord party to the Leases from time to time, as appropriate, in connection with their respective interests in the Lease Monetization Process.

SCHEDULE A

Applicants

HBC Canada Parent Holdings Inc.

HBC Canada Parent Holdings 2 Inc.

The Bay Holdings ULC

HBC Bay Holdings I Inc.

HBC Bay Holdings II ULC

HBC Centerpoint GP Inc.

HBC YSS 1 LP Inc.

HBC YSS 2 LP Inc.

HBC Holdings GP Inc.

Snospmis Limited

2472596 Ontario Inc.

2472598 Ontario Inc.

SCHEDULE B

Non-Applicant Stay Parties

RioCan-HBC General Partner Inc.

HBC Holdings LP

RioCan-HBC Limited Partnership

RioCan-HBC (Ottawa) Holdings Inc.

RioCan-HBC (Ottawa) GP, Inc.

RioCan-HBC (Ottawa) Limited Partnership

HBC YSS 1 Limited Partnership

HBC YSS 2 Limited Partnership

HBC Centerpoint LP

The Bay Limited Partnership

EXHIBIT 'C'

LEASES

Hudson's Bay

Center	City	Prov.	GLA	Landlord
The Bay Centre	Victoria	BC	229,275	Manulife - Jones Lang LaSalle
Polo Park Shopping Centre	Winnipeg	MB	212,086	Cadillac Fairview
Midtown Plaza	Saskatoon	SK	174,306	Cushman & Wakefield
Market Mall	Calgary	AB	200,000	Cadillac Fairview
Cambridge Centre	Cambridge	ON	131,453	Morguard
Fairview Park	Kitchener	ON	184,714	Westcliff
Sherway Gardens	Toronto	ON	223,477	Cadillac Fairview
Champlain Mall	Brossard	QC	143,786	Cominar
Woodbine Centre	Toronto	ON	139,953	Woodbine Mall Holdings Inc.
Fairview Pointe Claire	Pointe Claire	QC	179,578	Cadillac Fairview
St. Laurent Shopping Centre	Ottawa	ON	145,074	Morguard
Markville Shopping Centre	Markham	ON	140,094	Cadillac Fairview
Erin Mills Town Centre	Mississauga	ON	140,526	Cushman & Wakefield
Aberdeen Mall	Kamloops	BC	123,289	Cushman & Wakefield
Willowbrook Shopping Centre	Langley	BC	131,146	Quadreal Property Group
Kingsway Garden Mall	Edmonton	AB	153,264	Oxford
Fairview Mall	Toronto	ON	152,420	Cadillac Fairview
Carrefour De L'Estrie	Sherbrooke	QC	116,265	Group Mach Inc
Sunridge Mall	Calgary	AB	161,330	Primaris
Centerpoint Mall	Toronto	ON	122,502	Morguard
Parkwood Mall	Prince George	BC	111,500	BentalGreen Oak

Center	City	Prov.	GLA	Landlord
Pickering Town Centre	Pickering	ON	121,730	PTC Ownership LP c/o Salthill Property Management Inc.
Mapleview Centre	Burlington	ON	129,066	Ivanhoe Cambridge
Upper Canada Mall	Newmarket	ON	142,780	Oxford
Coquitlam Centre	Coquitlam	BC	120,086	Morguard
Whiteoaks Mall	London	ON	165,759	Westdell Development
St. Vital Shopping Centre	Winnipeg	MB	122,002	BentallGreen Oak
Limeridge Mall	Hamilton	ON	125,307	Cadillac Fairview
Hillcrest Mall	Richmond Hill	ON	136,915	Oxford
Masonville	London	ON	84,928	Cadillac Fairview
Les Promenades Gatineau	Gatineau	QC	140,364	Westcliff
Les Galeries De La Capitale	Quebec City	QC	163,034	Primaris
Mayflower Mall	Sydney	NS	82,944	Mccor
Richmond Centre	Richmond	BC	169,692	Cadillac Fairview
Oakville Place	Oakville	ON	119,428	Riocan
Londonderry Mall	Edmonton	AB	60,838	Cushman & Wakefield
Medicine Hat Mall	Medicine Hat	AB	93,217	Primaris
St. Albert Centre	St. Albert	AB	93,313	Primaris
Orchard Park Shopping Centre	Kelowna	BC	127,290	Primaris
Village Green Mall	Vernon	BC	83,036	BentallGreen Oak
Mic Mac Mall	Dartmouth	NS	151,303	Cushman & Wakefield
Bramalea City Centre	Brampton	ON	131,438	Morguard
Cataraqui Town Centre	Kingston	ON	113,054	Primaris
Conestoga Mall	Waterloo	ON	130,580	Primaris

Center	City	Prov.	GLA	Landlord
Centre Commercial Rockland	Montreal	QC	147,594	Cominar
Place Rosemere Shopping Centre	Rosemere	QC	132,483	Morguard
Woodgrove Centre	Nanaimo	BC	146,452	Central Walk Woodgrove
Mayfair Shopping Centre	Victoria	BC	166,073	Central Walk Mayfair
Oshawa Centre	Oshawa	ON	122,624	Primaris
Carrefour Angrignon	LaSalle	QC	128,888	Westcliff
Yorkdale Shopping Centre	Toronto	ON	303,438	Oxford
Guildford Shopping Centre	Surrey	BC	174,462	Ivanhoe Cambridge
Centre Laval	Laval	QC	134,377	Cominar
Southgate Shopping Centre	Edmonton	AB	236,551	Primaris
Sevenoaks Shopping Centre	Abbotsford	BC	128,739	Morguard
Cherry Lane Shopping Centre	Penticton	BC	94,643	Manulife- Jones Lang LaSalle
Chinook Centre	Calgary	AB	206,514	Cadillac Fairview
Bower Place	Red Deer	AB	110,672	Quadreal Property Group
West Edmonton Mall	Edmonton	AB	164,250	Triple Five
Southcentre Mall	Calgary	AB	164,514	Oxford
Lethbridge Centre	Lethbridge	AB	133,243	Melcor
Georgian Mall	Barrie	ON	90,748	Riocan
Place d'Orleans Shopping Centre	Ottawa	ON	115,501	Primaris
Bayshore Shopping Centre	Ottawa	ON	180,696	Cushman & Wakefield
Pen Centre	St. Catharines	ON	150,110	BentallGreen Oak
Downtown	Vancouver	BC	636,828	RioCan-HBC Limited Partnership
Downtown	Calgary	AB	448,834	RioCan-HBC

Center	City	Prov.	GLA	Landlord
				Limited Partnership
Downtown	Montreal	QC	655,396	RioCan-HBC Limited Partnership
Downtown	Ottawa	ON	305,305	RioCan-HBC Limited Partnership
Square One	Mississauga	ON	204,174	Oxford
Devonshire Mall	Windsor	ON	165,584	RioCan-HBC Limited Partnership
Scarborough Town Centre	Toronto	ON	231,759	Oxford
Les Promenades St Bruno	St-Bruno	QC	131,808	Cadillac Fairview
Carrefour Laval	Laval	QC	177,022	Cadillac Fairview
Metrotown Centre	Burnaby	BC	140,545	Ivanhoe Cambridge II Inc. and Ivanhoe Cambridge Inc.
Park Royal Shopping Centre	Vancouver	BC	161,647	Park Royal Shopping Centre Holdings Ltd
Eglinton Square	Toronto	ON	115,205	KS Eglinton Square Inc.
176 Yonge St.	Toronto	ON	675,722	Ontrea Inc.
Les Galeries d'Anjou	Montreal	QC	176,474	Ivanhoe Cambridge Inc. – Anjou

Saks Fifth Avenue

Center	City	Prov.	GLA	Landlord
Sherway Gardens	Toronto	ON	132,256	Cadillac Fairview
Chinook Centre	Calgary	AB	115,586	Ontrea Inc.
Toronto Eaton Centre	Toronto	ON	175,000	Ontrea Inc.

Saks Fifth Avenue Off Fifth

Center	City	Prov.	GLA	Landlord
Tanger Outlets	Ottawa	ON	28,357	Riocan Holdings (TJV) Inc. and 1633272 Alberta ULC
Outlet Collection at Niagara	Niagara	ON	32,387	The Outlet Collection (Niagara) Limited
Vaughan Mills	Vaughan	ON	34,992	Ivanhoe Cambridge II Inc. and TRE2 Non-US Bigfoot Corp.
Toronto Premium Outlets	Halton Hills	ON	24,887	Halton Hills Shopping Centre Partnership
Crossiron Mills	Rockey View	AB	30,009	Crossiron Mills Holdings Inc.
Queensway	Toronto	ON	27,042	Horner Developments Ltd. and Mantella & Sons Investments Ltd.
Downtown Ottawa	Ottawa	ON	34,887	RioCan-HBC Limited Partnership
Tsawwassen Mills	Tsawwassen	BC	32,733	Central Walk Tsawwassen Mills Inc.
Outlet Collection Winnipeg	Winnipeg	MB	32,204	The Outlet Collection at Winnipeg Limited and Seasons Retail Corp
Place Ste-Foy	Quebec	QC	33,254	Ivanhoe Ste-Foy Inc.
Pickering Town Centre	Pickering	ON	30,033	PTC Ownership LP
Skyview Power Centre	Edmonton	AB	30,026	Skyview Equities Inc. and SP Green Properties LP
Park Royal Shopping Centre	Vancouver	BC	33,300	Park Royal Shopping Centre Holdings Inc.

Distribution Centres

Center	City	Prov.	GLA	Landlord
Scarborough Logistics Center	Toronto	ON	738,102	100 Metropolitan Portfolio Inc
Vancouver Logistics Center	Richmond	BC	416,900	PIRET (18111 Blundell Road) Holdings Inc.
Eastern Big Ticket Center	Toronto	ON	501,000	ONTARI Holdings Ltd.
Toronto Logistics Center	Toronto	ON	221,244	BCIMC Realty Corporation

SCHEDULE D

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To the Monitor :

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ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

ORDER
(Lease Monetization Order)

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Lawyers for the Applicants

Appendix "B" – Summary of Ms. Liu's Shopping Centre Holdings

Central Walk's Portfolio

Over the past decade, Central Walk has invested more than $750 million in British Columbia recreational and commercial real estate assets. Central Walk employs over 120 employees, contributing to the growth of local economies. This investment was financed through the sale of Central Walk Shenzhen in 2019 for approximately C$1.25 billion.

Arbutus Ridge Golf Club (Vancouver, BC)

Acquired 2019

6,152 yards

☆☆☆☆ by Golf Digest

Award Winning

- Located in Cobble Hill, a 25-minute drive from the outskirts of Victoria and 15 minutes from Duncan
- 18-hole golf course rated Four Stars by Gold Digest, Best Destination Golf Course in British Columbia by Golf Nerve Magazine, and One of Canada's Ten Best Courses for Your Money by WestJet
- Achieved a Sustainability Award from Tourism Vancouver Island

Woodgrove Centre (Nanaimo, BC)

Acquired Sept. 2020

748k sq.ft. (Island's largest shopping centre)

140+ stores & services

5.6mm visitors annually

- Home to a purposefully designed play space, Fly O'Land (9,925 sq.ft), and an arcadium (5,400 sq.ft)

Redevelopment Plans:

- Short-Term: Development of 100,000 sq.ft. outdoor park featuring performance stage & recreational areas
- Medium- to Long-Term: Addition of residential towers (incl. affordable housing) & potential retail expansion

*** Location of HBC store #1118**

Mayfair Shopping Centre (Victoria, BC)

Acquired June 2021

~518k sq.ft.

4.1mm visitors annually

120+ stores & services

Highest sales / sq.ft. In Victoria

- Home to two children's playlands: Dreamland (4,676 sq.ft.) and Deerland (27,269 sq.ft.) (by Fly O'Land)

Redevelopment Plans:

- Long-Term: transforming the centre into a mixed-use destination with housing, retail, recreation, and educational components

*** Location of HBC store #1108**

Tsawwassen Mills (Delta, BC)

Acquired May 2022

1.2mm sq.ft.

200+ stores & services

Largest indoor outlet shopping centre in BC

Redevelopment Plans:

- Expansion of food services and enhancement of entertainment offerings
- Development of Asian-inspired cultural lane featuring restaurants, artificial sky ceiling and a performance stage

*** Location of Saks Fifth Avenue store**

Appendix "C" – List of Current Retail Stores

Woodgrove Tenant

- A
- A & W
- A Step Ahead Footwear
- Ardene
- Avalon Cinema Centre
- B
- B.C. Lottery Corporation
- B.C. Lottery Corporation (Walmart)
- Bath & Body Works
- Bell
- Below the Belt
- Bentley
- Best Buy Mobile
- Blenz Coffee
- Bluenotes
- Boathouse
- Bobatime
- Booster Juice
- Bootlegger
- C
- Cali Nails
- Caposhie
- CellNxt
- Chachi's
- Chapters
- Chatters Salon
- Chevron
- Claire's
- Cleo
- Culture Craze
- Cultured Coast
- D
- Dairy Queen / Orange Julius
- E
- Eclipse
- Eddie Bauer
- Edo Japan
- F
- Flip Flop Shops
- FlyO'Land
- Freshly Squeezed Bubble Tea
- G
- GameStop
- Garage
- George Richards Big & Tall
- H
- Happy Styling
- Hearing Life
- Hohoemi
- House of Knives
- I
- Icing

- Island Savings
- ISPA Lounge
- J
- K
- Kachvi Crystals
- Kamikaze Sushi
- KFC
- Koodo
- KPK Goldsmith
- Kurves Brow Bar
- L
- La Senza
- La Vie En Rose
- LensCrafters
- Lids
- Lululemon
- Lush
- M
- Manchu Wok
- Manhattan Home
- Maritime Travel
- McDonald's
- Michael Hill
- Miniso
- Mobile Klinik
- Mobile Snap
- Mobiling
- Mobiling Kiosk
- Mountain Warehouse
- N
- Nevada Bob's Golf
- New Look Eyewear
- New York Fries
- Northern Reflections
- O
- Ocean Star
- Old Navy
- Opa! of Greece
- P
- Paris Jewellers
- Peoples Jewellers
- Pho 11 Noodle Bar
- Polished Perfect
- Purdys Chocolatier
- Purple Cactus Lingerie
- Q
- QE Home
- Quarks
- Queen Bee Beauty
- R
- Reitmans
- Ricki's
- Rocky Mtn Chocolate
- Rogers
- Royal Bank
- RW & Co.
- S

- Save On Foods
- Sephora
- Showcase
- SoftMoc
- Specsavers
- Spencer Gifts
- Sport Chek
- Starbucks (Chapters)
- STOXX Vintage
- Subway
- Sunglass Hut
- Sunrise Records
- Sweet Dreams Boutique
- Sweet Hohoemi
- T
- Taco Time
- Tea Desire
- TELUS
- The Body Shop
- The Gift Source
- The Health Shop
- The Shoe Company
- Tim Hortons
- Tiny Hoppers
- Tip Top Tailors
- Tommy Gun's Original Barbershop
- Totes By Design
- Toys R Us
- Two Sparrows Cupcakes
- U
- Urban Planet
- V
- W
- Walmart
- Warehouse One
- West 49
- White Spot
- Winners
- WIRELESSWAVE
- Wolf Pack Apparel
- Woodgrove Optometry
- WOW! mobile boutique
- X
- Y
- Z
- Zumiez

Mayfair Tenant

- A
- A & W
- Aerie
- Aldo
- American Eagle Outfitters
- Ann-Louise Jewellers
- Aritzia
- Aveda
- Avologi Eneo
- B
- B.C. Lottery Corporation
- Bath & Body Works
- Bell/Virgin Plus
- Bellissima
- Ben+Moss
- Best Buy Mobile
- Big Orange Juice Bar, The
- Bikini Village
- Bluenotes
- C
- Call It Spring
- Champs Sports
- Chatters Hair & Beauty Salon
- CIBC
- Claire's
- Cofe+ Robo Cafe
- Culture Craze
- D
- Dreamland
- Dynamite
- E
- E-Bike Canada
- Eddie Bauer
- Epic Menswear
- F
- Flux & Stone
- Freedom Mobile
- Freshly Squeezed
- G
- GameStop
- Gap
- Garage
- Grill Master
- H
- H-Mart
- House of Knives
- Hudson's Bay
- I
- Indigo
- Island Savings
- J
- JD Sports
- Journeys

- K
- Kernels
- KFC
- KH Silver Nails
- Kurves Brow Bar
- L
- L.L. Bean
- L'Occitane En Provence
- La Vie En Rose
- LensCrafters
- Levi's
- Lids
- Lindt Chocolate Shop
- Local Pizza
- Lululemon
- Lush
- M
- MAC
- Maie
- Manchu Wok
- Mayfair Dental Centre
- Melanie Lyne
- Menbow Ramen
- Michael Hill
- Mind Games
- Miniso
- Mobiling
- Mobiling (Kiosk)
- Mountain Warehouse
- Mr. Pretzel's
- N
- Nail Art 360
- Nespresso
- New York Fries
- O
- OAK + FORT
- Olsen Europe
- Ono Poké
- OPA! Of Greece
- OSO Cookies
- P
- Pandora
- Peoples Jewellers
- Perpetual Insurance
- Pho Tru
- PhoneCare+
- Polished Perfect
- Primrose Collective
- Purdys Chocolatier
- Q
- R
- Reitmans
- Rogers Wireless
- Roots
- RW & Co
- S
- Saje Natural Wellness

- Sephora
- Soft Moc
- Specsavers
- SportChek
- Starbucks
- Stitch It, Canada's Tailor
- Subway
- Sunglass Hut
- Sunrise Records (Temporarily closed)
- Swarovski
- Sweet Dreams Boutique
- T
- Taco Time
- Talbots
- TBooth Wireless
- TELUS
- The Body Shop
- The Latest Scoop
- U
- Umi Sushi Express
- V
- W
- Walk In Comfort
- WirelessWave
- X
- Y
- Z
- Zumiez

Tsawwassen Mill

- Clarks
- Samsonite Outlet
- Epic Menswear
- PUMA Outlet Store
- Elements
- Slipslide
- Little Mountain Vancouver
- Levi's
- VACANT
- JD SPORT
- Under Armour Factory House
- Bath & Body Works
- JD SPORT
- SEPHORA
- Lindt Outlet
- Roots
- Swarovski Canada
- MAC Cosmetics
- Aldo Outlet
- La Senza
- Eddie Bauer
- Banana Republic Factory Store
- Guess? Outlet
- Aritzia
- Peoples
- Lee's Donuts
- Dihsan
- Mind Games
- L'Occitane
- Michael Kors Outlet
- Storage (Dihsan)
- Melanie Lyne
- Kate Spade
- Browns Outlet
- Lululemon Outlet
- Sheer Room
- Coach
- Herman Menswear
- Canada Cousin
- Laura
- After Five
- Royal Roland
- Deconeko
- La Vie En Rose
- Say Cheese
- Storage (leasing)
- First Light Café
- Ecco
- Ispa
- Nature's Design Dental
- HC Eyewear Professionals
- Shoppers Drug Mart
- New Stitch Tailoring
- Chatters Salon & Beauty Supply Outlet
- Mannacan Health
- Trishna
- Saje Natural Wellness

- Lindt Outlet
- Woody Bakery
- Xpress Engravers
- VACANT
- Blue Heron Pizza
- Emoji Planet
- Big Orange
- Customer Service
- Lotto!
- Miniso
- Showcase
- VACANT
- West Coast Leathers
- Michael Hill
- Ardenes
- Espot2
- Stuffy Riders
- Elite Kids
- Just Cozy
- QE Home
- RW&CO
- Classic Home
- Claire's
- Classic Designs
- Famous Footwear Outlet
- STORAGE (The Rack by After Five)
- Carter’s Osh Kosh babies and kids
- Skechers
- Fairweather
- Smart Frames and Accent
- Thinka
- The Children’s Place Outlet
- Mastermind Toys
- Art box
- Limeberri
- Dihsan
- Soft-Moc Shoe Rack
- Polo Ralph Lauren Factory Store
- RW & Co.
- Bikini Village
- Calvin Klein
- OK Boot Corral
- Gap Factory Store
- LOVISA
- Zwilling
- Presotea
- Danier
- Aeropostale
- Purdy's Chocolates
- Magikchest
- Menbow Ramen Bar
- Call It Spring Outlet
- American Eagle Outfitters/Aerie
- Storage (Classic)
- Dynamite/Garage
- REITMANS
- Flyoland
- Suzy Shier
- Adidas Outlet
- Columbia
- Fly-O-Land

- Men's Club
- Espot2
- Hot Topic
- Anastasia Jewel
- Foot Locker
- Urban Kids
- Champs Sports
- Boathouse
- Spencers Gifts
- Beaver
- Telus
- Zumiez
- Tim Hortons
- International Clothiers
- South St. Burger Co.
- DARUMA
- Bell
- Pepper Palace
- Lids Outlet
- Chai Samosa
- InchArt
- Kernels Popcorn/Baskin Robbins
- Jugo Juice
- Starbucks
- Mr.Pretzels
- Unit 649 no longer in existance
- Gateway Newstands
- Togo Sushi
- Flyoland 5D
- Tommy Gun's
- Unit 657 no longer in existance
- Running Room
- Dollarama
- Rogers/Fido
- CoCo Fresh Tea
- Mountain Warehouse
- Bentley
- Sunrise Records
- Blackwell
- Tip Top Tailors
- The Lounge
- Macabaka
- Bluenotes
- Weshop Cotton Candy
- Bass Pro Shops Outdoor World
- DSW - Designer Shoe Warehouse
- Nike Factory Store
- Tommy Hilfiger
- Saks OFF 5th
- Accents @ Home
- Atsuta Formerly : Umi Teriyaki & Sushi
- Vina Vietnamese
- Chachi's
- Bourbon Street Grill
- Hula Poke
- A&W
- K&S BarBeQue
- Edo Japan
- Shanghai 360
- KFC
- OPA! Souvlaki

- California Thai
- New York Fries
- Freshly Squeezed
- Crepe De Licious
- Fly O'Land
- Miaojie Market
- Winners
- Marshalls
- Old Navy
- Cellicon
- Weshop Cotton Candy
- VACANT
- CellNxt
- Yogen Früz
- Mobilinq
- H&M
- Designer Depot
- Urban Planet/West 49/Skatepark
- Pro Hockey Life
- Sport Chek
- Montana's BBQ & Bar
- VACANT
- Boston Pizza
- Milestone's Grill & Bar

Appendix “D” – Organizational Chart

Central Walk's dedicated execution team for The New Bay

A dedicated execution team with decades of experience and proven expertise in managing and owning retail-focused properties in the Canadian and Chinese markets.

Execution team for The New Bay

The Purchaser will dedicate significant management resources to the acquisition and launch of the stores through an experienced team of experts within the retail properties sector under the strategic direction of Ms. Liu.

	**Ruby Liu** *Founder*	▪ Over 30 years of experience in the commercial real estate industry, including but not limited to large-scale urban commercial development, development of mixed-use shopping centres, etc. ▪ Since transitioning to Canada, Ruby has successfully led Central Walk in acquiring three major shopping centres in BC in 2020, overcoming the challenges posed by the global pandemic. ▪ Will be responsible for overseeing critical investment decisions and strategic direction of The New Bay.
	**Linda Qin** *CEO*	▪ 15 years of Canadian real estate sales experience; extensive business management experience gained from working for UPS, ExxonMobil, and Macdonald Realty (one of the largest real estate corporations in Western Canada). ▪ A proven author with two published books on business transitions and technology implementation. ▪ Will be responsible for the overall strategic direction and management of The New Bay.
Remaining C-Suite Executive Team	**Karen Liu** *CFO*	▪ Finance and people management background, including diverse experience at a major Canadian bank and a wealth management company. Will be responsible for the financial direction of The New Bay.
	Andrew Grimley *CMO (Marketing)*	▪ Over a decade of leadership experience in manufacturing and international supply chain sectors; currently manages enterprise-level operational planning, team coordination, and performance improvement across Central Walk's flagship assets. Will be responsible for overseeing the planning, development, and execution of all marketing and advertising initiatives at The New Bay.
	Charles Thurlow *COO*	▪ Over 20 years of leadership experience in operations management across various sectors (e.g., consulting, financial services). Will be responsible for overseeing the day-to-day operations of The New Bay, ensuring efficiency, effectiveness and alignment with the company's strategic goals.
	Michael Zhang *CMO (Merchandising)*	▪ Decades of experience driving revenue growth through specialty leasing, strategic brand partnerships, and community initiatives; extensive senior leadership experience in launching and managing major commercial projects. Will be responsible for overseeing and driving the strategic direction of The New Bay's retail offerings.
	Mae Wang *CHRO*	▪ Decades of human resources experience including as CHRO at Central Walk; oversees all HR functions at Central Walk across the portfolio. Will be responsible for overseeing all aspects of HR management and industrial relations policies at The New Bay.

Appendix "E" – Wayne Drummond's Biography

Wayne Drummond

President | Visionary Leader | Omni-Merchant

About Me

Results-driven retail executive with a strong focus on execution, delivering sustained top- and bottom-line performance across international markets. Experienced in solving complex business challenges—including start-ups, scalable expansion, turnarounds, and transformations—through strategic thinking, analytical insight, and operational discipline. Proven ability to drive business growth and efficiency across department stores, off-price, mass discount, and specialty retail formats. Skilled in multi-unit expansion, unified commerce, and operational reinvention. A strong communicator and active listener who fosters collaboration, builds high-performing teams, and leads with clarity, purpose, and an unwavering commitment to outcomes.

Selected Areas of Expertise and Board Membership

Expertise

- Strategy Development & Execution
- Multi-Unit Expansion
- Business Restructuring/ Turnaround
- Multi-Category Retailing
- People Coach and Mentor
- Format & Market Differentiation

Board Membership

- Executive Member- Program Advisory Committee (PAC) Humber College

Recent Experience

2016 - 2025

Founder/President, BBE Advisors Inc. March 2025- Present
Chief Executive Officer, Thriftys Family of Brands, 2022 - 2024
President, Hudson's Bay Company, 2021 – 2022
Co-President, & Chief Merchant HBC 2018 – 2021
President – Saks Off 5th European Division, 2016 - 2018
Hudson's Bay Company, Toronto/Cologne, Germany

Founder/President: BBE Advisors Inc. is a growth-focused advisory firm supporting founders, executives, and Boards in unlocking business potential through strategic planning, innovation, and operational excellence—built on 40 years of retail leadership.

Chief Executive Officer: Lead a Canadian Omnichannel specialty retailer of apparel and accessories for Men's, Women's, and Kids. Guided company to its best year in sales and operating profit in first year of appointment.

President: Stabilized the organization following an unprecedented turbulent business climate and into post-pandemic recovery. -developed a three-year strategic roadmap to re-imagine and re-invigorate the omni-experience.

Chief Merchant & Interim Co-President: Returned HBC to profitable growth through new customer acquisition - Revitalized the merchandising strategy and asserted style authority, through targeted digital and print marketing programs.

Notable Accomplishments:

- ✓ Led Thriftys Family of Brands to its highest operating profit in seven years, with a **+30% improvement in the first year.**
- ✓ Transformed the merchandise strategy **increasing market share by +12%.**
- ✓ Re-engineered marketing, improving all KPI's, **Increasing gross profit by 400bps.**
- ✓ Engineered cost-cutting initiatives of $100million **while invigorating staff engagement and growing Net Promoter Scores.**
- ✓ Led transformational assortment shifts across all categories of the business, focused on the acquisition of a style-seeking consumer.

Prior Hudson's Bay Experience

1989 - 2016

- **Senior Vice President Apparel,** Hudson's Bay/Lord & Taylor – 4 years
- **General Merchandise Manager,** Hudson's Bay & Zellers – 10 years
- **Marketing Manager** – 3 years
- **Buyer and Store Management** – 10 years

(905) 460 4690 | wadrummond6@gmail.com | **Toronto ON** | https://www.linkedin.com/in/waynedrummond

Appendix "F" – Financial Forecast

(See attached)

Ruby Liu Commercial Investment Corp.
Income Statement
DRAFT - FOR DUSCUSSION PURPOSES ONLY

Income Statement			
$'000	**5 Months Ended Dec-25**	**2026**	**2027**
Sales	-	416,250	446,835
Other Revenue	-	1,960	2,145
Total Sales	-	418,209	448,980
Cost of Goods Sold	-	(248,400)	(262,692)
Gross Profit	**-**	**169,810**	**186,288**
Gross Margin	*0.0%*	*40.6%*	*41.5%*
Store Payroll	(5,443)	(50,955)	(52,670)
Occupancy	(19,951)	(55,150)	(56,351)
Credit Card Processing	-	(5,258)	(5,631)
Other Costs	-	(9,497)	(10,516)
Total Store Costs	(25,393)	(120,860)	(125,167)
Store Contribution	**(25,393)**	**48,950**	**61,121**
Corporate SG&A	(7,083)	(18,000)	(16,160)
Income Taxes	-	-	(9,501)
Net Income	**(32,477)**	**30,950**	**35,460**

Ruby Liu Commercial Investment Corp.
Balance Sheet
DRAFT - FOR DUSCUSSION PURPOSES ONLY

Balance Sheet			
$'000	**Dec-25**	**Dec-26**	**Dec-27**
Assets			
Cash	93,808	147,508	193,448
Inventory	55,835	69,794	69,794
PP&E	70,000	84,000	84,000
Goodwill	80,000	80,000	80,000
Total Assets	299,642	381,301	427,241
Liabilities			
Accounts Payable	(7,119)	(57,828)	(58,807)
Income Tax Liability	-	-	(9,501)
Total Liabilities	(7,119)	(57,828)	(68,308)
Retained Earnings	(292,523)	(323,473)	(358,933)
Total Equity & Liabilities	**(299,642)**	**(381,301)**	**(427,241)**

Ruby Liu Commercial Investment Corp.
Cash Flow
DRAFT - FOR DUSCUSSION PURPOSES ONLY

Cash Flow			
$'000	**5 Months Ended Dec-25**	**2026**	**2027**
Cash from Operations			
Net Income	(32,477)	30,950	35,460
Change in Working Capital	(81,192)	67,700	36,439
Change in Income Tax Liability	-	-	9,501
Cash from Operations	**(113,669)**	**98,650**	**81,400**
Cash from Investing			
PP&E Additions/(Disposals)	(70,000)	(14,000)	-
Cash from Investing	**(70,000)**	**(14,000)**	**-**
Cash from Financing			
Equity Investment	325,000	-	-
Transaction Costs and Other Contingencies	(80,000)	-	-
Cash from Financing	**245,000**	**-**	**-**
Opening Cash	-	93,808	147,508
Net Cash Flow	93,808	53,700	45,940
Ending Cash	**93,808**	**147,508**	**193,448**

Ruby Liu Commercial Investment Corp.
Forecast Model Assumptions
DRAFT - FOR DUSCUSSION PURPOSES ONLY

Forecast Model Assumptions	
Input	**Assumption**
Inflation	2%
Income Tax Rate	28%
DPO (Days)	30
Preliminary Equity Investment	325,000
Transaction Costs and Other Contingencies	(80,000)
Leases Assigned	28
Ronavation Costs/Store	(3,000)
Renovation Period Utilities	50%
Renovation Store Payroll	
Month 1	10%
Month 2	10%
Month 3	20%
Month 4	20%
Month 5	50%
Month 6	80%
Corporate Payroll	(2,000)
Marketing Year 1	(10,000)
Marketing Year 2	(8,000)
IT	(2,000)
Professional Fees	(2,000)
Insurance	(2,000)
Corporate Payroll Ramp Up	
Month 1	20%
Month 2	40%
Month 3	50%
Month 4	60%
Month 5	80%
Month 6	100%
Average Inventory per Store	3,000
Inventory Ramp Up	
Month 1	20%
Month 2	40%
Month 3	50%
Month 4	60%
Month 5	80%
Month 6	100%

Ruby Liu Commercial Investment Corp.
4-Wall P&L Forecast
DRAFT - FOR DUSCUSSION PURPOSES ONLY

Ruby Liu Commercial Investment Corp. 4-Wall P&L Forecast	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	P12	Full Year
Total Store P&Ls													
External Sales	16,752,425	25,968,127	31,308,343	27,993,178	34,842,802	24,932,197	27,466,355	38,633,059	41,217,734	56,367,931	90,767,374	22,260,722	438,510,247
COGS	(10,180,378)	(14,763,485)	(17,958,645)	(16,486,046)	(20,555,307)	(14,937,298)	(15,977,666)	(22,105,544)	(23,124,828)	(35,936,106)	(56,374,295)	(9,324,543)	(257,724,142)
Gross Margin	**6,572,047**	**11,204,642**	**13,349,698**	**11,507,131**	**14,287,495**	**9,994,899**	**11,488,690**	**16,527,514**	**18,092,906**	**20,431,824**	**34,393,080**	**12,936,179**	**180,786,105**
Gross Margin %	*39.2%*	*43.1%*	*42.6%*	*41.1%*	*41.0%*	*40.1%*	*41.8%*	*42.8%*	*43.9%*	*36.2%*	*37.9%*	*58.1%*	*41.2%*
Selling Payroll (Store)	(3,575,223)	(4,043,113)	(4,050,802)	(3,459,590)	(4,317,834)	(3,193,121)	(3,262,754)	(4,304,319)	(4,187,290)	(3,589,778)	(5,615,566)	(3,438,378)	(47,037,768)
Other Payroll (Store)	22,098	41,244	62,269	47,587	59,713	36,597	44,332	107,711	108,111	210,818	454,453	93,322	1,288,255
Benefit Allocation (Store)	(462,149)	(520,697)	(519,194)	(444,084)	(554,213)	(410,751)	(418,883)	(546,744)	(531,483)	(441,584)	(675,944)	(435,884)	(5,961,608)
Supplies (Store)	(119,312)	(144,577)	(168,174)	(102,189)	(129,257)	(164,600)	(215,881)	(155,663)	(239,578)	(204,617)	(177,805)	(153,941)	(1,975,595)
Credit/Cash Trans Costs (Store)	(210,752)	(337,378)	(422,942)	(359,748)	(465,608)	(322,082)	(352,512)	(480,709)	(541,462)	(676,372)	(1,088,115)	(267,896)	(5,525,578)
Services (Store)	(577,431)	(654,319)	(512,280)	(522,931)	(515,739)	(586,396)	(560,441)	(582,622)	(641,497)	(802,930)	(787,808)	(606,720)	(7,351,115)
Unclassified (Store)	(43,886)	(55,945)	(87,947)	(66,583)	(70,435)	(66,945)	(55,941)	(70,001)	(99,839)	(111,588)	(139,355)	(62,097)	(930,562)
Travel (Store)	(2,801)	(3,396)	(3,792)	(3,499)	(3,994)	(3,322)	(3,464)	(4,120)	(4,410)	(5,059)	(7,036)	(3,101)	(47,995)
Rent	(1,792,423)	(1,792,423)	(1,792,423)	(1,792,423)	(1,792,423)	(1,792,423)	(1,792,423)	(1,792,423)	(1,792,423)	(1,792,423)	(1,792,423)	(1,792,423)	(21,509,073)
Property Tax	(758,711)	(758,711)	(758,711)	(758,711)	(758,711)	(758,711)	(758,711)	(758,711)	(758,711)	(758,711)	(758,711)	(758,711)	(9,104,534)
CAM	(1,094,335)	(1,094,335)	(1,094,335)	(1,094,335)	(1,094,335)	(1,094,335)	(1,094,335)	(1,094,335)	(1,094,335)	(1,094,335)	(1,094,335)	(1,094,335)	(13,132,018)
Utilities (Store)	(685,253)	(748,519)	(631,322)	(586,919)	(860,576)	(615,094)	(674,510)	(793,220)	(621,778)	(602,014)	(754,905)	(591,746)	(8,165,855)
Repair/Mtce (Store)	(279,987)	(396,192)	(252,368)	(286,873)	(381,021)	(283,539)	(300,426)	(343,953)	(275,163)	(275,163)	(343,953)	(275,152)	(3,693,790)
Exp Trans (Store)	(100)	(100)	479	(100)	(100)	479	(100)	(100)	479	(100)	(100)	479	1,115
Outside Rev (Store)	137,746	202,911	171,973	135,048	150,150	126,847	144,267	161,458	223,081	263,744	242,728	146,058	2,106,011
Other Non-Payroll Exp (Store)	729	748	748	(976)	(995)	(995)	(3,581)	(3,581)	(3,581)	(3,581)	(3,581)	(3,581)	(22,229)
Remodel Exp (Store)	-	(46,042)	(40,165)	(4,310)	-	(4,506)	(12,343)	(8,229)	-	-	-	-	(115,596)
Total SG&A	**(9,441,790)**	**(10,350,845)**	**(10,098,989)**	**(9,300,635)**	**(10,735,376)**	**(9,132,897)**	**(9,317,705)**	**(10,669,561)**	**(10,459,879)**	**(9,883,692)**	**(12,542,455)**	**(9,244,107)**	**(121,177,933)**
EBITDA	**(2,869,743)**	**853,797**	**3,250,709**	**2,206,496**	**3,552,118**	**862,002**	**2,170,985**	**5,857,953**	**7,633,027**	**10,548,132**	**21,850,624**	**3,692,072**	**59,608,173**

Ruby Liu Commercial Investment Corp.
Store Level P&L
DRAFT - FOR DUSCUSSION PURPOSES ONLY

Ruby Liu Commercial Investment Corp. 4-Wall P&L Forecast	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	P12	Full Year
x **Coquitlam Centre**													
External Sales	455,577	758,820	746,340	836,383	896,528	581,543	906,201	975,411	1,039,560	1,482,593	2,427,761	561,962	7,393,487
COGS	(277,254)	(454,346)	(456,671)	(523,428)	(543,402)	(599,865)	(542,207)	(556,871)	(638,018)	(1,042,482)	(1,461,270)	(303,768)	(4,544,615)
Gross Margin	**178,324**	**304,474**	**289,669**	**312,955**	**353,126**	**(18,321)**	**363,994**	**418,540**	**401,542**	**440,111**	**966,491**	**258,194**	**2,848,872**
Gross Margin %	*39.1%*	*40.1%*	*38.8%*	*37.4%*	*39.4%*	*-3.2%*	*40.2%*	*42.9%*	*38.6%*	*29.7%*	*39.8%*	*45.9%*	*38.5%*
Selling Payroll (Store)	(95,136)	(107,587)	(107,791)	(92,059)	(114,897)	(84,968)	(86,821)	(114,537)	(111,423)	(95,523)	(149,429)	(91,495)	(649,229)
Other Payroll (Store)	588	1,098	1,657	1,266	1,589	974	1,180	2,866	2,877	5,610	12,093	2,483	27,109
Benefit Allocation (Store)	(12,298)	(13,856)	(13,816)	(11,817)	(14,747)	(10,930)	(11,146)	(14,549)	(14,143)	(11,750)	(17,987)	(11,599)	(81,174)
Supplies (Store)	(3,148)	(3,896)	(5,176)	(2,732)	(3,127)	(5,114)	(6,207)	(3,766)	(7,024)	(4,989)	(4,145)	(4,996)	(31,126)
Credit/Cash Trans Costs (Store)	(5,719)	(9,746)	(10,270)	(10,611)	(12,042)	(7,641)	(11,368)	(12,195)	(13,759)	(17,802)	(29,096)	(6,784)	(91,004)
Services (Store)	(15,933)	(16,980)	(14,318)	(14,471)	(15,109)	(16,984)	(16,271)	(15,919)	(18,518)	(21,733)	(21,811)	(17,677)	(111,929)
Unclassified (Store)	(839)	(1,167)	(2,407)	(1,430)	(1,494)	(1,487)	(1,308)	(1,529)	(2,354)	(2,733)	(3,449)	(1,412)	(12,785)
Travel (Store)	(32)	(51)	(54)	(55)	(62)	(41)	(58)	(64)	(72)	(91)	(145)	(38)	(467)
Rent	(49,918)	(49,918)	(49,918)	(49,918)	(49,918)	(49,918)	(49,918)	(49,918)	(49,918)	(49,918)	(49,918)	(49,918)	(299,510)
Property Tax	(15,337)	(15,337)	(15,337)	(15,337)	(15,337)	(15,337)	(15,337)	(15,337)	(15,337)	(15,337)	(15,337)	(15,337)	(92,023)
CAM	(24,605)	(24,605)	(24,605)	(24,605)	(24,605)	(24,605)	(24,605)	(24,605)	(24,605)	(24,605)	(24,605)	(24,605)	(147,631)
Utilities (Store)	(8,034)	(8,800)	(6,993)	(11,346)	(8,257)	(6,696)	(6,396)	(14,576)	(6,451)	(7,347)	(9,079)	(7,123)	(50,972)
Repair/Mtce (Store)	(7,450)	(10,543)	(6,715)	(7,634)	(10,139)	(7,545)	(7,994)	(9,153)	(7,322)	(7,322)	(9,153)	(7,322)	(48,265)
Exp Trans (Store)	(3)	(3)	13	(3)	(3)	13	(3)	(3)	13	(3)	(3)	13	15
Outside Rev (Store)	4,019	6,024	5,037	4,159	4,715	4,226	4,616	4,853	7,482	8,336	8,020	5,138	38,444
Other Non-Payroll Exp (Store)	(8)	(8)	(8)	(53)	(54)	(54)	(123)	(123)	(123)	(123)	(123)	(123)	(736)
Remodel Exp (Store)	-	(1,225)	(1,069)	(115)	-	(120)	(328)	(219)	-	-	-	-	(547)
Total SG&A	**(233,853)**	**(256,598)**	**(251,771)**	**(236,760)**	**(263,488)**	**(226,229)**	**(232,089)**	**(268,773)**	**(260,677)**	**(245,330)**	**(314,167)**	**(230,794)**	**(1,551,831)**
EBITDA	**(55,529)**	**47,876**	**37,898**	**76,195**	**89,638**	**(244,551)**	**131,905**	**149,767**	**140,865**	**194,781**	**652,324**	**27,400**	**1,297,041**
	-	-	(0)	0	(0)	-	-	-	-	-	-	0	-
x **Centerpoint Mall**													
External Sales	226,216	341,653	419,163	388,615	465,900	304,329	306,697	436,951	488,280	585,855	970,597	288,257	3,076,636
COGS	(147,212)	(205,945)	(265,639)	(258,079)	(313,238)	(192,029)	(183,576)	(238,812)	(306,649)	(364,359)	(597,747)	(152,221)	(1,843,365)
Gross Margin	**79,004**	**135,708**	**153,525**	**130,537**	**152,662**	**112,300**	**123,120**	**198,139**	**181,631**	**221,496**	**372,849**	**136,037**	**1,233,272**
Gross Margin %	*34.9%*	*39.7%*	*36.6%*	*33.6%*	*32.8%*	*36.9%*	*40.1%*	*45.3%*	*37.2%*	*37.8%*	*38.4%*	*47.2%*	*40.1%*
Selling Payroll (Store)	(42,580)	(48,152)	(48,244)	(41,203)	(51,424)	(38,029)	(38,858)	(51,263)	(49,869)	(42,753)	(66,880)	(40,950)	(290,573)
Other Payroll (Store)	263	491	742	567	711	436	528	1,283	1,288	2,511	5,412	1,111	12,133
Benefit Allocation (Store)	(5,504)	(6,201)	(6,183)	(5,289)	(6,600)	(4,892)	(4,989)	(6,512)	(6,330)	(5,259)	(8,050)	(5,191)	(36,331)
Supplies (Store)	(1,521)	(1,777)	(2,347)	(1,299)	(1,610)	(2,252)	(2,467)	(1,738)	(3,068)	(2,150)	(1,809)	(2,174)	(13,406)
Credit/Cash Trans Costs (Store)	(2,813)	(4,385)	(5,562)	(4,911)	(6,123)	(3,920)	(3,966)	(5,463)	(6,420)	(7,086)	(11,707)	(3,453)	(38,094)
Services (Store)	(12,616)	(13,187)	(12,045)	(11,727)	(11,468)	(12,260)	(12,397)	(12,656)	(14,108)	(16,699)	(16,922)	(12,149)	(84,931)
Unclassified (Store)	(197)	(305)	(663)	(711)	(474)	(534)	(432)	(480)	(776)	(817)	(1,044)	(412)	(3,961)
Travel (Store)	(15)	(23)	(28)	(25)	(31)	(21)	(21)	(29)	(33)	(37)	(59)	(19)	(198)
Rent	(9,790)	(9,790)	(9,790)	(9,790)	(9,790)	(9,790)	(9,790)	(9,790)	(9,790)	(9,790)	(9,790)	(9,790)	(58,741)
Property Tax	(22,593)	(22,593)	(22,593)	(22,593)	(22,593)	(22,593)	(22,593)	(22,593)	(22,593)	(22,593)	(22,593)	(22,593)	(135,561)
CAM	(33,735)	(33,735)	(33,735)	(33,735)	(33,735)	(33,735)	(33,735)	(33,735)	(33,735)	(33,735)	(33,735)	(33,735)	(202,408)
Utilities (Store)	(20,307)	(22,148)	(18,362)	(21,365)	(22,134)	(4,012)	(16,157)	(26,932)	(13,768)	(19,048)	(22,996)	(18,400)	(117,300)
Repair/Mtce (Store)	(3,335)	(4,719)	(3,006)	(3,417)	(4,538)	(3,377)	(3,578)	(4,096)	(3,277)	(3,277)	(4,096)	(3,277)	(21,602)
Exp Trans (Store)	(1)	(1)	6	(1)	(1)	6	(1)	(1)	6	(1)	(1)	6	7
Outside Rev (Store)	1,698	2,497	2,132	1,697	1,891	1,601	1,771	1,968	2,794	3,205	2,957	1,868	14,564
Other Non-Payroll Exp (Store)	17	17	17	(4)	(4)	(4)	(35)	(35)	(35)	(35)	(35)	(35)	(207)
Remodel Exp (Store)	-	(548)	(478)	(51)	-	(54)	(147)	(98)	-	-	-	-	(245)
Total SG&A	**(153,029)**	**(164,559)**	**(160,140)**	**(153,856)**	**(167,923)**	**(133,431)**	**(146,867)**	**(172,169)**	**(159,714)**	**(157,563)**	**(191,348)**	**(149,192)**	**(976,853)**
EBITDA	**(74,025)**	**(28,851)**	**(6,615)**	**(23,319)**	**(15,261)**	**(21,131)**	**(23,747)**	**25,970**	**21,917**	**63,932**	**181,501**	**(13,155)**	**256,418**
	-	-	-	-	-	-	-	(0)	0	(0)	-	0	(0)

x **Bramalea City Centre**													
External Sales	580,664	824,274	1,019,833	1,000,932	1,200,851	848,457	859,377	1,201,339	1,328,487	1,950,764	3,227,377	764,663	9,332,007
COGS	(356,247)	(469,422)	(649,442)	(635,620)	(752,702)	(519,307)	(511,152)	(654,102)	(789,744)	(1,253,198)	(2,143,320)	(370,326)	(5,721,842)
Gross Margin	**224,417**	**354,853**	**370,391**	**365,312**	**448,150**	**329,151**	**348,225**	**547,237**	**538,743**	**697,566**	**1,084,057**	**394,337**	**3,610,164**
Gross Margin %	*38.6%*	*43.1%*	*36.3%*	*36.5%*	*37.3%*	*38.8%*	*40.5%*	*45.6%*	*40.6%*	*35.8%*	*33.6%*	*51.6%*	*38.7%*
Selling Payroll (Store)	(120,723)	(136,522)	(136,782)	(116,819)	(145,799)	(107,821)	(110,172)	(145,342)	(141,391)	(121,215)	(189,619)	(116,102)	(823,841)
Other Payroll (Store)	746	1,393	2,103	1,607	2,016	1,236	1,497	3,637	3,651	7,119	15,345	3,151	34,400
Benefit Allocation (Store)	(15,605)	(17,582)	(17,531)	(14,995)	(18,714)	(13,870)	(14,144)	(18,462)	(17,946)	(14,911)	(22,824)	(14,718)	(103,006)
Supplies (Store)	(4,039)	(4,635)	(5,445)	(3,422)	(4,239)	(5,514)	(6,945)	(4,806)	(7,688)	(6,683)	(5,767)	(5,166)	(37,055)
Credit/Cash Trans Costs (Store)	(7,286)	(10,796)	(13,858)	(12,779)	(15,998)	(10,950)	(11,131)	(15,061)	(17,565)	(23,376)	(38,585)	(9,193)	(114,912)
Services (Store)	(18,062)	(21,797)	(14,393)	(15,439)	(14,390)	(17,285)	(17,340)	(17,135)	(16,606)	(24,675)	(20,531)	(18,282)	(114,569)
Unclassified (Store)	(964)	(1,345)	(1,824)	(2,081)	(1,352)	(1,436)	(961)	(1,743)	(2,141)	(2,492)	(3,099)	(1,119)	(11,555)
Travel (Store)	(41)	(58)	(72)	(66)	(81)	(58)	(59)	(80)	(91)	(119)	(191)	(51)	(590)
Rent	(33,124)	(33,124)	(33,124)	(33,124)	(33,124)	(33,124)	(33,124)	(33,124)	(33,124)	(33,124)	(33,124)	(33,124)	(198,743)
Property Tax	(24,012)	(24,012)	(24,012)	(24,012)	(24,012)	(24,012)	(24,012)	(24,012)	(24,012)	(24,012)	(24,012)	(24,012)	(144,074)
CAM	(18,949)	(18,949)	(18,949)	(18,949)	(18,949)	(18,949)	(18,949)	(18,949)	(18,949)	(18,949)	(18,949)	(18,949)	(113,694)
Utilities (Store)	(21,590)	(23,434)	(19,559)	(12,633)	(30,586)	(20,509)	(17,871)	(31,522)	(19,089)	(19,805)	(23,856)	(18,651)	(130,793)
Repair/Mtce (Store)	(9,454)	(13,378)	(8,522)	(9,687)	(12,866)	(9,574)	(10,144)	(11,614)	(9,291)	(9,291)	(11,614)	(9,291)	(61,246)
Exp Trans (Store)	(3)	(3)	16	(3)	(3)	16	(3)	(3)	16	(3)	(3)	16	19
Outside Rev (Store)	4,427	6,514	5,499	4,313	4,734	3,887	4,499	5,080	6,888	8,408	7,704	4,429	37,008
Other Non-Payroll Exp (Store)	(26)	(25)	(25)	(83)	(84)	(84)	(171)	(171)	(171)	(171)	(171)	(171)	(1,027)
Remodel Exp (Store)	-	(1,555)	(1,356)	(146)	-	(152)	(417)	(278)	-	-	-	-	(695)
Total SG&A	**(268,706)**	**(299,309)**	**(287,835)**	**(258,318)**	**(313,448)**	**(258,198)**	**(259,448)**	**(313,586)**	**(297,510)**	**(283,300)**	**(369,297)**	**(261,232)**	**(1,784,374)**
EBITDA	**(44,289)**	**55,544**	**82,556**	**106,994**	**134,702**	**70,952**	**88,776**	**233,651**	**241,233**	**414,266**	**714,761**	**133,105**	**1,825,791**
	-	(0)	0	-	0	(0)	0	-	-	-	-	-	-
x **St. Laurent Shopping Centre**													
External Sales	367,848	610,014	740,359	651,187	782,112	556,465	612,910	817,456	809,799	1,239,974	2,068,129	531,793	6,080,061
COGS	(220,020)	(350,143)	(441,380)	(403,360)	(478,290)	(325,377)	(339,650)	(529,558)	(407,948)	(757,240)	(1,261,221)	(240,074)	(3,535,692)
Gross Margin	**147,829**	**259,870**	**298,979**	**247,827**	**303,822**	**231,087**	**273,260**	**287,898**	**401,851**	**482,734**	**806,907**	**291,719**	**2,544,369**
Gross Margin %	*40.2%*	*42.6%*	*40.4%*	*38.1%*	*38.8%*	*41.5%*	*44.6%*	*35.2%*	*49.6%*	*38.9%*	*39.0%*	*54.9%*	*41.8%*
Selling Payroll (Store)	(79,803)	(90,247)	(90,418)	(77,222)	(96,379)	(71,274)	(72,828)	(96,077)	(93,465)	(80,128)	(125,346)	(76,748)	(544,593)
Other Payroll (Store)	493	921	1,390	1,062	1,333	817	990	2,404	2,413	4,706	10,144	2,083	22,740
Benefit Allocation (Store)	(10,316)	(11,623)	(11,589)	(9,912)	(12,371)	(9,168)	(9,350)	(12,204)	(11,863)	(9,857)	(15,088)	(9,729)	(68,091)
Supplies (Store)	(2,712)	(3,455)	(4,489)	(2,564)	(3,153)	(4,202)	(4,971)	(3,631)	(5,768)	(4,982)	(4,690)	(4,088)	(28,131)
Credit/Cash Trans Costs (Store)	(4,636)	(7,875)	(9,912)	(8,329)	(10,443)	(7,189)	(7,867)	(10,221)	(10,835)	(14,891)	(24,765)	(6,375)	(74,954)
Services (Store)	(20,751)	(23,632)	(19,721)	(19,301)	(19,544)	(21,877)	(20,595)	(20,958)	(24,503)	(27,332)	(27,513)	(23,516)	(144,417)
Unclassified (Store)	(277)	(474)	(1,065)	(1,039)	(786)	(876)	(608)	(830)	(1,421)	(1,743)	(2,185)	(814)	(7,601)
Travel (Store)	(26)	(41)	(51)	(43)	(53)	(38)	(41)	(54)	(57)	(76)	(123)	(35)	(386)
Rent	(39,579)	(39,579)	(39,579)	(39,579)	(39,579)	(39,579)	(39,579)	(39,579)	(39,579)	(39,579)	(39,579)	(39,579)	(237,471)
Property Tax	(30,530)	(30,530)	(30,530)	(30,530)	(30,530)	(30,530)	(30,530)	(30,530)	(30,530)	(30,530)	(30,530)	(30,530)	(183,181)
CAM	(18,134)	(18,134)	(18,134)	(18,134)	(18,134)	(18,134)	(18,134)	(18,134)	(18,134)	(18,134)	(18,134)	(18,134)	(108,806)
Utilities (Store)	(30,481)	(32,908)	(29,368)	(8,386)	(58,365)	(32,702)	(23,873)	(46,194)	(24,376)	(1,777)	(33,203)	(26,943)	(156,367)
Repair/Mtce (Store)	(6,250)	(8,843)	(5,633)	(6,403)	(8,505)	(6,329)	(6,706)	(7,677)	(6,142)	(6,142)	(7,677)	(6,142)	(40,486)
Exp Trans (Store)	(2)	(2)	11	(2)	(2)	11	(2)	(2)	11	(2)	(2)	11	12
Outside Rev (Store)	3,459	5,178	4,428	3,585	4,146	3,796	3,937	4,214	6,574	7,279	7,079	4,625	33,708
Other Non-Payroll Exp (Store)	31	31	31	(7)	(8)	(8)	(65)	(65)	(65)	(65)	(65)	(65)	(391)
Remodel Exp (Store)	-	(1,028)	(897)	(96)	-	(101)	(276)	(184)	-	-	-	-	(459)
Total SG&A	**(239,514)**	**(262,240)**	**(255,526)**	**(216,900)**	**(292,372)**	**(237,383)**	**(230,499)**	**(279,723)**	**(257,741)**	**(223,254)**	**(311,678)**	**(235,980)**	**(1,538,874)**
EBITDA	**(91,685)**	**(2,370)**	**43,453**	**30,927**	**11,450**	**(6,296)**	**42,761**	**8,175**	**144,110**	**259,480**	**495,230**	**55,739**	**1,005,495**
	-	(0)	0	0	(0)	-	0	0	-	-	-	0	-

Ruby Liu Commercial Investment Corp.
Inventory Roll
DRAFT - FOR DUSCUSSION PURPOSES ONLY

Inventory Roll																													
$'000	**Aug-25**	**Sep-25**	**Oct-25**	**Nov-25**	**Dec-25**	**Jan-26**	**Feb-26**	**Mar-26**	**Apr-26**	**May-26**	**Jun-26**	**Jul-26**	**Aug-26**	**Sep-26**	**Oct-26**	**Nov-26**	**Dec-26**	**Jan-27**	**Feb-27**	**Mar-27**	**Apr-27**	**May-27**	**Jun-27**	**Jul-27**	**Aug-27**	**Sep-27**	**Oct-27**	**Nov-27**	**Dec-27**
Opening Inventory	-	16,129	35,258	43,796	48,716	55,835	68,873	91,129	95,984	92,556	88,638	84,205	79,246	80,645	88,145	87,593	81,193	69,794	68,873	91,129	95,984	92,556	88,638	84,205	79,246	80,645	88,145	87,593	81,193
Purchases	16,129	19,129	8,538	4,919	7,119	13,038	32,437	19,618	14,531	12,567	16,123	9,978	17,377	29,605	22,573	29,536	44,975	8,404	32,640	19,914	14,890	12,897	16,534	10,277	17,696	30,047	23,035	30,255	46,103
COGS	-	-	-	-	-	-	(10,180)	(14,763)	(17,959)	(16,486)	(20,555)	(14,937)	(15,978)	(22,106)	(23,125)	(35,936)	(56,374)	(9,325)	(10,384)	(15,059)	(18,318)	(16,816)	(20,966)	(15,236)	(16,297)	(22,548)	(23,587)	(36,655)	(57,502)
Ending Inventory	**16,129**	**35,258**	**43,796**	**48,716**	**55,835**	**68,873**	**91,129**	**95,984**	**92,556**	**88,638**	**84,205**	**79,246**	**80,645**	**88,145**	**87,593**	**81,193**	**69,794**	**68,873**	**91,129**	**95,984**	**92,556**	**88,638**	**84,205**	**79,246**	**80,645**	**88,145**	**87,593**	**81,193**	**69,794**

HBC Inventory Analysis												
$'000	**Feb-23**	**Mar-23**	**Apr-23**	**May-23**	**Jun-23**	**Jul-23**	**Aug-23**	**Sep-23**	**Oct-23**	**Nov-23**	**Dec-23**	**Jan-24**
Inventory	735,357	774,532	746,873	715,252	679,483	639,467	650,758	711,273	706,818	655,177	563,192	555,763
# Stores	97	97	97	97	97	97	97	97	97	97	97	97
Inventory per Store	7,581	7,985	7,700	7,374	7,005	6,592	6,709	7,333	7,287	6,754	5,806	5,730
% of Average	108.5%	114.3%	110.2%	105.5%	100.2%	94.3%	96.0%	104.9%	104.3%	96.7%	83.1%	82.0%

Ruby Liu Commercial Investment Corp.
Income Tax Analysis
DRAFT - FOR DUSCUSSION PURPOSES ONLY

Income Tax Analysis																												
$'000	**Aug-25**	**Sep-25**	**Oct-25**	**Nov-25**	**Dec-25**	**Jan-26**	**Feb-26**	**Mar-26**	**Apr-26**	**May-26**	**Jun-26**	**Jul-26**	**Aug-26**	**Sep-26**	**Oct-26**	**Nov-26**	**Dec-26**	**Jan-27**	**Feb-27**	**Mar-27**	**Apr-27**	**May-27**	**Jun-27**	**Jul-27**	**Aug-27**	**Sep-27**	**Oct-27**	**Nov-27**	**Dec-27**
Net Income	(5,713)	(5,916)	(6,295)	(6,144)	(8,408)	(8,466)	(4,370)	(646)	1,751	706	2,052	(638)	671	4,358	6,133	9,048	20,351	2,166	(4,238)	(440)	2,005	940	2,186	(432)	800	3,644	5,058	7,381	16,388
Income Tax Rate	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%
Income Taxes	(1,600)	(1,657)	(1,763)	(1,720)	(2,354)	(2,371)	(1,224)	(181)	490	198	575	(179)	188	1,220	1,717	2,533	5,698	607	(1,187)	(123)	561	263	612	(121)	224	1,020	1,416	2,067	4,589
Opening Loss Carryforward	-	(1,600)	(3,256)	(5,019)	(6,739)	(9,093)	(11,464)	(12,688)	(12,868)	(12,378)	(12,180)	(11,606)	(11,784)	(11,597)	(10,376)	(8,659)	(6,126)	(427)	-	(1,187)	(1,310)	(748)	(485)	-	(121)	-	-	-	-
Income Taxes	(1,600)	(1,657)	(1,763)	(1,720)	(2,354)	(2,371)	(1,224)	(181)	490	198	575	(179)	188	1,220	1,717	2,533	5,698	607	(1,187)	(123)	561	263	612	(121)	224	1,020	1,416	2,067	4,589
Ending Loss Carryforward	(1,600)	(3,256)	(5,019)	(6,739)	(9,093)	(11,464)	(12,688)	(12,868)	(12,378)	(12,180)	(11,606)	(11,784)	(11,597)	(10,376)	(8,659)	(6,126)	(427)	-	(1,187)	(1,310)	(748)	(485)	-	(121)	-	-	-	-	-
Net Income Taxes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(179)**	**-**	**-**	**-**	**-**	**(127)**	**-**	**(103)**	**(1,020)**	**(1,416)**	**(2,067)**	**(4,589)**

THIS IS EXHIBIT "Q" TO THE AFFIDAVIT OF DAVID WYATT SWORN REMOTELY BEFORE ME AT THE CITY OF TORONTO, ON THIS 8TH DAY OF AUGUST, 2025

Commissioner for Taking Affidavits
Linda Galessiere

Camelino Galessiere LLP
LAWYERS

Camelino Galessiere LLP
Barristers and Solicitors
65 Queen Street West
Suite 440
Toronto, ON M5H 2M5
cglegal.ca

Linda Galessiere
416.306.3827
Fax: 416.306.3820
lgalessiere@cglegal.ca

June 13, 2025

By Email: lellis@millerthomson.com File No. 250327

MILLER THOMSON LLP
Scotia Plaza
40 King Street West, Suite 6600
P.O. Box 1011
Toronto, ON M5H 3S1

Attention: Larry Ellis

Dear Mr. Ellis:

Re: Lease Assignment Consents – CCAA Sale Process – Hudson's Bay

I am writing in response to your letter dated June 6, 2025 wherein you request that Morguard Investments (the "**Landlord**") consent to the assignment of its leases to Ruby Liu Commercial Investment Corp (the "**Purchaser**"). After fully considering the information referenced in your letter and the various discussions/meetings between our clients, the Landlord has determined that it will not consent to the requested assignment.

As you are aware, your client has no retail experience whatsoever and all indications are that the Purchaser will be unable to meet and honour the terms of the leases. The financial information enclosed with your letter (based on hypothetical assumptions) shows insufficient revenues to successfully operate retail department stores in anchor tenant locations. The funds allocated for the required leasehold improvements are also wholly insufficient. It appears that your client has not inspected the leased locations and accounted for the significant work that must be done. The projected timelines for undertaking the required repair work and implementing leasehold improvements is also not realistic and not based on any concrete well-established milestones. There are no store plans, no architectural drawings, no fixture designs – not even a pro-type store. And while your client may be talking to vendors, your client has no relationships with the types of vendors needed to operate a high quality/major department store similar to that operated by HBC.

My client is obligated to all of its retail tenants to operate first class shopping centres and cannot risk its multi-million dollar investment on an unproven, underfunded, poorly planned venture.

Camelino Galessiere LLP
LAWYERS

Camelino Galessiere LLP
Barristers and Solicitors
65 Queen Street West
Suite 440
Toronto, ON M5H 2M5
cglegal.ca

While we trust your client will withdraw her offer to purchase the leases, if your client elects to push this matter forward and request court approval of the assignment of the leases, please note that my client will vigorously oppose such a motion.

Yours truly,

Linda Galessiere
Partner
LG/ac

copy via email:
Ashley Taylor
Sean Zweig
Mike Shakra
Al Hutchens
Greg Karpel
Jeff Ross
Jay Freedman

THIS IS EXHIBIT "R" TO THE AFFIDAVIT OF DAVID WYATT SWORN REMOTELY BEFORE ME AT THE CITY OF TORONTO, ON THIS 8TH DAY OF AUGUST, 2025

Commissioner for Taking Affidavits
Linda Galessiere

Index

Affidavit Exhibit "R"

From: Linda Qin <Linda.Qin@centralwalk.com>
Sent: Wednesday, June 25, 2025 4:46 PM
To: Linda Galessiere
Cc: Mae Wang; Valen Tam
Subject: Ruby Liu's Intended Purchase and Revitalization Plan for HBC Stores

June 25, 2025

Dear All,

Ruby Liu intends to acquire the leases for 25 Hudson's Bay Company stores located across Ontario, Alberta, and British Columbia. We respectfully request that the Court schedule a hearing at its earliest convenience to approve the application.

Ruby plans to assume the lease obligations and continue the permitted use of the premises under the terms of the existing leases.

As part of the revitalization strategy, Ruby proposes the following three-tiered approach:

1. Flagship Stores
   Ruby intends to select up to eight locations to develop into flagship stores in collaboration with the respective landlords. With the support and approval of landlords, for each of these flagship locations, she plans to invest approximately $30 million in renovation and redevelopment.

2. Operational Continuity Stores
   Ten stores will undergo essential repairs to ensure they are functional and customer-ready. These locations are expected to reopen to the public within three months and will operate in a format similar to the original HBC stores.

3. Enhanced Retail Experience Stores
   The remaining stores will undergo interior renovation and visual merchandising upgrades to offer an enhanced retail experience. The estimated investment for each of these locations ranges from $5 million to $10 million, with a targeted reopening timeline of six months.

Ruby had hoped to communicate these plans with you sooner but was delayed due to specific circumstances. We appreciate your understanding and thank you for your attention.

Please do not hesitate to contact us at the emails below:

Linda Qin: linda.qin@centralwalk.com
Mae Wang: mae.wang@centralwalk.com
Valen Tam: valen.tam@centralwalk.com

Sincerely,

Ruby Liu
Founder and Chairwoman

Centralk Walk Canada

CENTRAL WALK

Linda Qin MBA
CEO
Central Walk Canada

5000 Canoe Pass Way,
Tsawwassen, British Columbia V4M 0B3

Ph: 604-260-4971
Cell: 604-782-6160
E: linda.qin@centralwalk.com

THIS IS EXHIBIT "S" TO THE AFFIDAVIT OF DAVID WYATT SWORN REMOTELY BEFORE ME AT THE CITY OF TORONTO, ON THIS 8TH DAY OF AUGUST, 2025

Commissioner for Taking Affidavits
Linda Galessiere

[redacted]

[redacted]

Index

Affidavit Exhibit "S"

发件人: Linda Qin [redacted]
发送时间: 2025年7月10日 13:28
收件人: [redacted] [Justice Osborne] [redacted]
抄送: Ruby Liu [redacted]
主题: Confidential and urgent from Ruby Liu - thank you!

July 9, 2025

Dear Honorable Judge Osborne:

At this most critical moment, I feel compelled to write to you.

On June 23, in the courtroom, the very first moment I saw you, I felt an unshakable belief that you were a person of justice and strength. Yet what I still cannot understand is this: among so many lawyers who would do anything for money, how do you remain so steadfast, so confident, so noble? You refuse to join their ranks, and yet you carry an optimism that seems untouched by their corruption. How is it possible—to fully understand them and their schemes, to witness their performances day after day, and yet not lose your grace, your dignity, your quiet but commanding presence? Is this what I have read of in books—true nobility? Or is it the lifelong defense of your own integrity and kindness? Or perhaps, is there also a silent sorrow in your heart at the compromises this world demands?

[redacted]

[redacted] The markets became my childhood, my first school of survival.

At sixteen, I stood beside my mother as we started a small wholesale business, selling general goods and clothing. Together, we earned my first fortune—an astounding 300,000 RMB yuan at that time, enough to buy a two-bedroom apartment in Toronto. Driven by a yearning for a better life, we left behind our home in the slums, a crumbling house barely five meters wide and pressed against the railway tracks. My family immigrated to Shenzhen, and there we finally purchased our own two-bedroom apartment and began our entrepreneurial journey.

Shenzhen then was a miracle of China's Special Economic Zone—a land of boundless opportunity where industries flourished and the population soared from 100,000 to 20 million in just 20 years. I was fortunate to have lived through China's most extraordinary 30 years. At every stage, I poured all of my talent and relentless energy into my work, seizing every opportunity to the fullest.

I have always been strong and hardworking, refusing to bow to hardship. For my dreams, I fought with all my strength. God, in His infinite grace, seemed to watch over me—guiding and protecting me through countless trials: natural disasters, personal tragedies, and unimaginable adversities. Again and again, I survived. I overcame. I am blessed. I am lucky.

But in 2010, everything began to change. Across China, officials of every rank started systematically targeting entrepreneurs—seizing their wealth under the guise of investigations, fabricating troubles, and laying traps to bring down those who had worked hard to build their businesses. I was not spared. All the horrors one sees and doesn't see in films and television—I lived them.

But I could not, and would not, allow injustice to befall me or my loved ones. I began to fight back—against the underworld, against corrupt police, against unfair courts, government oppression, and media. I fought to defend my legal rights, to protect my lawful property, and to ensure the safety of my family.

Years of relentless work and social obligations had already taken their toll. My health collapsed. After several hospital stays, I came to a painful realization—even to see a doctor, one had to bribe; otherwise, your illness would never be properly treated. It was an era where even to enroll my young daughter in primary school, we had to give gifts to the teacher.

Finally, I could bear it no longer. After a so-called “angrily assaulting a reporter” incident made me the focus of national attention, I made the decision to leave. I gathered my hard-earned lawful income, and with my family, we immigrated legally and successfully to Canada. For a Chinese entrepreneur, this alone was nothing short of a miracle.

As I write this, I realize I may have said too much. But I wanted you to know my past, to understand that I am someone who has survived the impossible. I am a person of great capability, and I ask you—please give me a chance. Through transformation, I will create brilliance again.

Sincerely,

Ruby Liu

Linda Qin MBA
CEO
Central Walk Canada

5000 Canoe Pass Way,
Tsawwassen, British Columbia V4M 0B3

Ph: 604-260-4971
Cell: 604-782-6160
E: linda.qin@centralwalk.com

[redacted]

[redacted]

发件人: Linda Qin [redacted]
发送时间: 2025年7月10日 14:37
收件人: [redacted] [Justice Osborne]
抄送: Ruby Liu [redacted]
主题: Complaint from Ruby Liu

July 10, 2025

Dear Honorable Judge Osborne,

Today, I am filing a complaint regarding the lawyers I encountered during my participation in the CCAA bidding process— [redacted]

I mistakenly trusted [redacted] **of Oberfeld Snowcap, the agent designated by HBC, who introduced** [redacted] **Mr.** [redacted] **said the lawyer was very professional and affordable** [redacted]**. However, this lawyer, without my consent,** [redacted]**. When we disagreed, he abruptly terminated the engagement, leaving us without legal representation for over twenty days.**

On June 2, HBC's lawyer [redacted] **introduced** [redacted] **from** [redacted]

[redacted]. He repeatedly claimed that we were incapable, that our business plan was inadequate, and [redacted]. Even a simple landlord consent letter was not sent out in time to landlords like Triple Five and Westcliff despite our repeated urgings, causing us to miss the optimal window for their signatures.

On June 11, we had breakfast together. It is our second time meeting with [redacted]. During this hour-and-a-half meeting, he spent the entire time pitching the expensive external company Hilco, claiming they could influence the landlords' opinions. He encouraged us to hire the former HBC president, who had been away from HBC for years, for at least ten hours as a "performer" to pose as a consultant.

On the morning of July 6, I received a letter from HBC agreeing to deduct $3 million from the total price, with $1.5 million from my deposit allocated for re-engaging [redacted] [counsel], [redacted] hiring former CEO Liz Rodbell, and re-engaging KPMG (see Attachment 3). We were never informed of this work, nor when or why it was performed. Such deductions from the total price harm creditors' interests. [redacted].

The landlords, as major stakeholders in the 25 leases, were well aware early on of the value of the HBC leases. However, they allied together to bypass court procedures and, disregarding the creditors' losses, schemed to regain the leases for nothing. Therefore, no matter how perfect our business plan was, the landlords would still refuse our purchase of the leases. What I am entitled to purchase are the original HBC lease terms, use, and obligations. Should I wish to amend these after the Court's approval, I would negotiate and sign supplementary agreements with the landlords. I believe what the Court has the authority to sell are also the original HBC leases. Furthermore, if I fail to pay rent within six months of operations, the landlords would have the right to reclaim the stores.

Over the past three months, we have prepared CAD 350 million in cash, and we have undertaken extensive preparations for store openings. We are confident in our ability to succeed. Attached is a recommendation letter from the Chief Cassidy of the Tsawwassen First Nation where Tsawwassen Mills is located, supporting my purchase of the HBC leases (see Attachment 4).

They have sent us legal letters instructing us not to contact you. HBC has repeatedly threatened to terminate our agreement and forfeit our deposit. I sincerely thank you for your time and hope you can uphold justice in accordance with the law.

Sincerely,

Ruby Liu

Linda Qin MBA
CEO
Central Walk Canada

5000 Canoe Pass Way,
Tsawwassen, British Columbia V4M 0B3

Ph: 604-260-4971
Cell: 604-782-6160
E: linda.qin@centralwalk.com

ATTACHMENT 1 of 4

ATTACHMENT 2 of 4

Stikeman Elliott

Stikeman Elliott LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, ON Canada M5L 1B9

Main: 416 869 5500
Fax: 416 947 0866
www.stikeman.com

Ashley Taylor
Direct: +1 416 869 5236
ataylor@stikeman.com

July 5, 2025 **By Email: lellis@millerthomson.com**

File No.: 0124131975

Miller Thomson LLP
40 King Street West, Suite 6600
Toronto, Ontario M5H 3S1

Attention: Larry Ellis

Re: Asset Purchase Agreement dated May 23, 2025, between HUDSON'S BAY COMPANY ULC COMPAGNIE DE LA BAIE D'HUDSON SRI ("Hudson's Bay") and HBC CENTREPOINT GP INC., collectively as Vendor, RUBY LIU COMMERCIAL INVESTMENT CORP., as Purchaser, and WEIHONG LIU, as Guarantor, as amended by Amending Agreement dated June 13, 2025 (collectively, the "Agreement")

As you know, we are counsel to the Vendor. Reference is made to the Agreement. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed thereto in the Agreement.

Pursuant to Section 2.3(1) of the Agreement, the Purchaser is obligated to use commercially reasonable efforts to obtain from each Landlord under each Lease a waiver in form and substance acceptable to the Vendor and the Purchaser each acting in a commercially reasonable manner and without delay. Time is of the essence of the Agreement in all respects.

On May 27, 2025, the Vendor's financial and legal advisors (Reflect Advisors, LLC, Oberfeld Snowcap and Stikeman Elliott LLP) organized a video call with the Purchaser to advise and caution the Purchaser of what it should expect at the introductory meetings with eight Landlords scheduled by the Vendor's advisors for the week of June 2 (six in-person meetings and two virtual meetings) (collectively, the "**Landlord Meetings**"). The Vendor's advisors reiterated to the Purchaser that it should be in a position to provide the Landlords with reasonable and substantive details regarding its plans for the Lease locations, including: (1) the proposed uses and products to be sold in the stores; (2) when the stores will be open and operating; (3) the Purchaser's understanding of the cost of repairing each store; (4) how much the Purchaser intends to invest in each store; (5) the Purchaser's intentions regarding subleasing and concessions; and (6) the Purchaser's retail experience. In addition, the Vendor's advisors impressed upon the Purchaser the need to retain qualified Canadian legal counsel (as the Purchaser had terminated the engagement of its prior external counsel) to assist the Purchaser in obtaining the Landlord Waivers as well as Court approval of the Transactions. In response, the Purchaser advised the Vendor's advisors, among other things, to "relax and lay back".

Following the May 27 video call, we wrote (on behalf of the Vendor) to the Purchaser on May 29, 2025 (a copy of the May 29 letter is attached hereto as Exhibit "A"):

1. Reminding the Purchaser of its obligations under Section 2.3(1) of the Agreement and the need to prepare the required documents and information in advance of meeting with the Landlords;

2. Repeating the need for the Purchaser to engage new external Canadian legal counsel to assist with obtaining both the Landlord Waivers and subsequent Court approval of the Transactions;

3. Reiterating the Vendor's view that failing to engage qualified Canadian counsel would have a material and detrimental impact on the Purchaser's ability to obtain the Landlord Waivers and to complete the Transactions;

4. Informing the Purchaser of the need to prepare appropriate forms of Landlord Waivers for each Landlord and provide drafts, including any requested modifications to the Leases, at or as soon as possible after the Landlord Meetings, in accordance with the Purchaser's obligations under the Agreement;

5. Impressing upon the Purchaser the need to provide the Landlords with:

    a. Sufficient information to assess the identity and financial wherewithal of the Purchaser, including financial statements and organizational documents;

    b. A finalized business plan, including contemplated investment and renovations at each Lease location, merchandise mix, selected suppliers and licensees, banner name, marketing initiatives, customer engagement activities and forecasted pro forma financial information over a five-year period; and

    c. Details regarding the Purchaser's management team, including names, biographies and relevant retail and operational experience;

6. Cautioning the Purchaser that the Vendor would not be able to extend the applicable deadlines under the Agreement without the support of the Vendor's secured creditors who would bear the costs and risk of an extended timeline; and

7. Offering the assistance of the Vendor and its advisors.

As we have advised you on numerous occasions, this information is critical to obtain the Landlord Waivers and/or seek Court approval of the Transactions and Leases assignments, and that providing such information is standard in similar circumstances. Nonetheless, the Purchaser chose to ignore the Vendor's advice and did not prepare any substantive materials or presentation for the Landlord Meetings and failed to provide adequate responses to basic questions from the Landlords regarding the proposed tenant's financial covenant, retail operation experience, capital expenditures plan for each Lease location and intended suppliers and product mix.

Following the Landlord Meetings, several Landlords wrote to the Purchaser, the Vendor and/or the Monitor seeking further information, including the information the Vendor's advisors had previously advised the Purchaser would be required. The Purchaser's newly hired Canadian counsel, Miller Thomson LLP, provided a letter to the relevant Landlords on June 6, 2025.

Over the next week, Landlords representing all or virtually all the Lease locations wrote to the Purchaser, the Vendor and/or the Monitor seeking further information and/or advising that the Landlords did not or would not consent to the assignment of their Leases to the Purchaser based on the limited information provided. The letters from these Landlords clearly demonstrate the Purchaser's lack of preparation and advancement of reasonable efforts and tangible steps to address the Landlords' questions and concerns regarding the Purchaser's ability to launch a new 28-store department store concept. For example, set forth below are some excerpts from these letters (each of which is attached hereto as Exhibits "B" through "D"):

- From Cadillac Fairview letter dated June 11, 2025:

    "As you may be aware, senior representatives of CFCL met with Ms Liu and her representatives on June 2, 2025, and it was apparent at that meeting that Ms Liu was wholly unprepared to

engage in a meaningful way with CFCL (e.g., no written materials of any kind were provided to CFCL in anticipation of or at such meeting).”

“CFCL has emphasized (including prior to and at its meeting with Ms Liu and her representatives) the need to see a comprehensive business plan – as any landlord would – in order to consider further Ms Liu’s proposal. Your June 6 letter did not include or attach a business plan. The majority of the letter consists of a copy of Justice Osborne’s Lease Monetization Order and provides almost no detail regarding a strategic, financial, or operational business plan. The bare-bones financial projections attached to your letter seemingly consist of a mere derivation of HBC’s historic operating results, while the cost structure enumerated therein does not reflect the reality of this situation. Any business plan for an enterprise of the scale that Ms Liu is purporting to run would have been significantly more comprehensive and thought out to be taken seriously by any interested parties. CFCL is left with a host of unanswered questions, including, but certainly not limited to, her plans for merchandising, staffing, repairs and renovations, marketing, and financing. Please provide such information immediately if you would like us to consider this further.”

“It is apparent to CFCL – including from its most recent meeting with Ms Liu – that Ms Liu does not have the wherewithal to act as a retail operator in these leased locations. […] Moreover, none of this is either described or dispelled in your letter, leaving significant uncertainty as to Ms Liu’s plans, or if she in fact knows what her plan is. CFCL is left with the strong impression that Ms Liu is making this up as she goes. These inconsistencies and lack of clarity in Ms Liu’s messaging, her lack of preparedness, and her lack of experience as a retail operator, undermine her credibility as a serious tenant capable of operating a retail enterprise of this scale in the CFCL locations.”

“The lack of planning and preparation by Ms Liu in respect of the Proposed Assignment is evident in CFCL’s interactions with her to date and in the short letter that has been thrown together at the 11th hour.”

- *From Oxford letter dated June 11, 2025*:

  “It is clear from the meeting that representatives of Oxford had with the Intended Purchaser and its promoter Ms. Liu (with HBC, the Monitor and various advisors) that Ms. Liu has very limited understanding of the terms of the leases to which she is seeking an assignment, including but not limited to the extent of the repairs that are immediately required to be undertaken at Oxford’s locations.”

  “It will come as no surprise that, based on the information that Oxford has received, Oxford does not consent to or support an assignment of any of their leases to the Intended Purchaser.”

- From Primaris REIT letter dated June 12, 2025:

  “By way of overview, Ms. Liu's plans are, in our client's view, predicated upon hope, optimism and not on experience in respect of the minimum timelines and costs to refurbish twenty-eight (28) locations, in various degrees of disrepair, in three (3) provinces. Our client’s four (4) premises are in significant states of disrepair and there is no reasonable prospect that plans, approvals, permits, trades, and product supply can be completed in three (3) months as projected. All assumptions in the plan that flow from such a materially unrealistic time proposal render all projections inaccurate.”

On June 13, 2025, the Vendor extended the Landlord Waiver Date by five business days to June 20, 2025, in order to provide the Purchaser with a further opportunity to address the Landlords’ various concerns. In the three weeks since, the Purchaser has failed to provide a response of any kind to the

Landlords. Further, the Purchaser has refused or failed to advance its draft business plan to the point that it could credibly be put to the Court in support of an assignment motion.

In addition, as noted in our letter to the Purchaser dated June 28, 2025, attached hereto as Exhibit "E", the Purchaser has failed to satisfy its obligations under section 2.3(3)(a) of the Agreement to provide the Vendor and the Monitor by the Cure Costs Claims Date (being June 25, 2025) an itemized summary, in reasonable detail, of all Cure Costs which it claims are or will be owing under each of the Leases as of the Closing Date. As a result, as of today's date, there is still no agreement between the Vendor, the Purchaser and the Monitor as to the Purchaser Cure Cost Claims.

The Vendor's advisors have provided substantial assistance to the Purchaser, including but not limited to: (1) introducing the Purchaser to multiple Canadian advisors, including financial, legal and retail consultants; (2) organizing and attending the introductory Landlord meetings; (3) supporting the Vendor's development of a financial forecast model; (4) reviewing and providing input into the June 6, 2025 letter sent to the Landlords; and (5) assisting the Purchaser with communications to Hudson's Bay's former suppliers who may be interested in being potential suppliers to the Purchaser's business.

Throughout the Landlord consultation process, the Purchaser has continuously failed to use commercially reasonable efforts to obtain the Landlord Waivers. We have had numerous discussions with you and/or your legal counsel regarding what is required to advance the Agreement for Court approval. We will not detail these discussions in this letter; however, the Purchaser has failed and/or refused to take the most basic and necessary steps to advance its bid. The Purchaser is in breach of the Agreement and pursuant to Section 9.1(9) of the Agreement, the Vendor has the right to terminate the Agreement and if the Vendor exercises such right the Deposit will become the property of and shall be transferred to the Vendor as liquidated damages pursuant to Section 9.2(2)(a) of the Agreement.

As we have discussed with you and/or Miller Thomson LLP on numerous occasions, in order to have any chance of success at a contested assignment motion, the Purchaser must put forward a viable business plan. To date, the Purchaser has failed to do so and more surprisingly (given the size of the financial commitment contemplated in its bid) has refused to expend appropriate funds to engage the necessary expertise to create a credible business plan. In a final effort to preserve the potential Transactions, but without prejudice to the Vendor's rights and remedies under the Agreement in respect of the Purchaser's existing or future breaches, the Vendor is offering the following final proposal:

1. By 5:00pm ET on Sunday, July 6, 2025, the Purchaser will provide a countersigned copy of this letter to the Vendor and the Monitor agreeing to fulfil all terms of this final proposal set forth herein pursuant to which the Agreement shall be amended to: (a) reduce the Purchase Price by $3 million; and (b) allow for the release of $1.5 million of the Deposit to Miller Thomson LLP for the purpose of engaging and paying a retainer to Liz Rodbell (Hudson's Bay's former Chief Executive Officer) as a consultant, KPMG LLP as a financial advisor and Miller Thomson LLP for the purpose of revising the business plan, and such countersigned letter shall, subject to the prior consent of the Monitor, constitute an amendment to the Agreement in accordance with Section 11.0 thereof;

2. By 5:00pm ET on Monday, July 7, 2025, the Purchaser will provide copies of executed engagement letters with Miller Thomson LLP, Liz Rodbell as a consultant, and KPMG LLP as a financial advisor for the purposes of revising the business plan;

3. By 5:00pm ET on Tuesday, July 8, 2025, the Purchaser will provide evidence to the Vendor and the Monitor of the payment of retainers to these external advisors;

4. By 5:00pm ET on Thursday, July 10, 2025, the Purchaser will provide a draft revised business plan which includes the contemplated investment and renovations at each Lease location, merchandise mix, selected suppliers and licensees, banner name, marketing initiatives, customer

engagement activities and forecasted pro forma financial information over a five-year period, which business plan the Vendor will review and may share with Hudson's Bay's secured lenders on a without prejudice basis;

5. On the understanding that the revised business plan is delivered in the requisite time, the Vendor will respond with comments to the revised business plan by 5:00pm on Friday, July 11, 2025; and

6. By 5:00pm ET on Sunday, July 13, 2025, the Purchaser will provide a final revised business plan incorporating the reasonable comments received from the Vendor or otherwise addressing the concerns raised by such comments, which final business plan the Vendor will review and may share with Hudson's Bay's secured lenders, and if requested, the Purchaser will meet with Hudson's Bay's secured lenders to present and discuss the business plan.

Throughout this process, the Purchaser will cause its full business team to work continuously and cooperatively with its external advisors to meet these deadlines.

Any failure by the Purchaser to meet any of these terms or deadlines will constitute an immediate default by the Purchaser under the Agreement and will entitle the Vendor to immediately terminate the Agreement for breach of covenant.

We look forward to your prompt response. The Vendor reserves all its rights and remedies pursuant to the Agreement.

Yours truly,

Ashley Taylor

cc: Thomas Obersteiner, Hudson's Bay Company
Jonah Mann, Stikeman Elliott LLP
Adam Zalev and Darcy Eveleigh, Reflect Advisors LLC
Jay Freedman, Oberfeld Snowcap
Alan Hutchens and Greg Karpel, Alvarez & Marsal Canada Inc.
Sean Zweig and Michael Shakra, Bennett Jones LLP

Acknowledged and agreed to this 6th day of July, 2025, for the purpose of amending the Agreement pursuant to Section 11.9 thereof, the whole pursuant to the terms of this letter.

RUBY LIU COMMERCIAL INVESTMENT CORP.

Name: Weihong Liu

Title: Chairwoman

EXHIBIT “A”

Stikeman Elliott

Stikeman Elliott LLP
Barristers & Solicitors
199 Bay Street
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Canada

Main: 416 869 5500
Fax: 416 947 0866
www.stikeman.com

Ruby Liu Commercial Investment Corp and Weihong Liu
6631 Island Highway North
Nanaimo, BC
V9T 4T7

May 29, 2025

Attention: Ms. Ruby Liu and Central Walk Management Team
(info@centralwalk.com)

Re: Asset Purchase Agreement – Landlord Waivers

To Ms. Ruby Liu,

On behalf of the Hudson's Bay Company ("**HBC**"), we are writing in connection with your agreement to acquire up to 25 third party lease (the "**Leases**") locations pursuant to an asset purchase agreement (the "**Agreement**") dated May 23, 2025 among Ruby Liu Commercial Investment Corp. (the "**Purchaser**"), as purchaser, Weihong Liu, as guarantor, and HBC and HBC Centrepoint GP Inc., as vendors.

As you know, under section 2.3(1) of the Agreement, you have until the close of business on Friday, June 13, 2025 (i.e. 15 business day following the execution of the Agreement), to obtain applicable waiver and amending agreements ("**Landlord Waivers**") from the relevant landlords under the Leases. The Purchaser is required to use commercially reasonable efforts to obtain these Landlord Waivers, and HBC and its advisors will provide you with reasonable assistance in this regard.

The Purchaser's obligation includes the initial preparation of all documents that are reasonably required to secure such Landlord Waivers in the most expeditious manner possible. We would be happy to provide our feedback to you on any such documents promptly following receipt. In view of the timing, there will be very little time to negotiate these documents with the Landlords, once they have been provided to them.

Given the costs associated with paying rent under the Leases following the expiry of HBC's inventory liquidation process (which is imminent), time is of the essence to progress the Lease assignment process. HBC will not be able to extend the applicable deadlines without support of HBC's secured creditors who would bear the costs and risk of an extended timeline.

To assist the Purchaser in this process, we set out below HBC's current expectations for steps we believe you should be taking, and information you should be preparing, in order to give the Purchaser the best chance of obtaining the numerous Landlord Waivers in a timely manner.

1. As previously communicated, it is imperative that the Purchaser engage external Canadian legal counsel to assist it with obtaining both the Landlord Waivers and subsequent court approval. We would like to reiterate that, in our view, your failure to engage qualified Canadian counsel is highly likely to have a material and detrimental impact on your ability to obtain the Landlord Waivers and to complete the contemplated transactions. We expect that Landlords will be far less likely to take your bid seriously if you are not represented by Canadian legal counsel and will almost certainly raise this as one of the main reasons for not consenting to your proposed purchase.

2. The Purchaser must prepare an appropriate form of Landlord Waiver for each applicable landlord under the Leases, including requested modifications to the Leases, if any. From a timing

perspective, it is important that the form of Landlord Waiver be provided to the Landlords at, or as soon as possible after, your initial meeting with them.

3. The Purchaser must provide the Landlords with sufficient information to assess the identity and financial wherewithal of the Purchaser entity, as would be customary and familiar to you in the context of tenant lease applications.

    a. For Purchaser's financial condition, this would include financial statements of the Purchaser or its affiliates (or other evidence of financial capacity) that would be providing credit support for the Purchaser's obligations under the Leases and the capital expenditures required to repair and renovate the Lease premises.

    b. For Purchaser identity, this would include a copy of the articles of formation, an organizational chart detailing ownership of the Purchaser and other "know your client" information of the Purchaser and any guarantors.

    These are standard deliveries expected from new tenants in the case of lease assignments, and will definitely be required. This information should be prepared and provided to the Landlords as soon as possible.

4. Finalize a business plan for the Purchaser's modern department store concept, including contemplated investment and renovations at each Lease location, merchandise mix, selected suppliers and licensees, banner name, marketing initiatives, customer engagement activities and forecasted pro forma financial information over a 5 year period (subject to assumptions).

    It is critical that this business plan does not raise any reasonable Landlord concerns relating to your obligation to comply with the lease terms (which we believe is your intention). If provided to us in sufficient time, we would be happy to review and provide our feedback and suggestions.

5. Details regarding the Purchaser's management team, including names, bios and relevant retail and operational experience.

HBC and its advisors have scheduled introduction meetings with each landlord under the Leases starting Monday, June 2nd in Toronto. We will continue to engage with landlords and share any relevant information, concerns or questions that should be appropriately addressed by the Purchaser. We will also continue to engage with other stakeholders in the CCAA proceedings to support the contemplated Lease assignments and start preparing materials for eventual court approvals. We would like to work cooperatively with your external counsel as soon as they are engaged.

We greatly appreciate your ongoing commitment and enthusiasm for acquiring the Leases and launching your new department store. This letter is intended to clarify and confirm alignment on next steps and timeline to successfully complete our transactions.

Please do not hesitate to contact us or HBC's other advisors if we can be of any further assistance in this process.

Thanks,
Jonah

c.c. Franco Perugini, *Hudson's Bay Company ULC*
Ashley Taylor, *Stikeman Elliott LLP*
Al Hutchens and Greg Karpel, *Alvarez & Marsal Canada Inc.*
Sean Zweig and Mike Shakra, *Bennett Jones LLP*
Adam Zalev, *Reflect Advisors, LLC*
Jay Freedman, *Oberfeld Snowcap*

EXHIBIT “B”

TORYS LLP

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David Bish
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June 11, 2025

DELIVERED VIA EMAIL

Larry Ellis
Miller Thomson LLP
Scotia Plaza
40 King Street West
Suite 6600, P.O. Box 1011
Toronto, ON M5H 3S1

Dear Mr. Ellis:

Re: Lease Assignment Consents - CCAA Sale Process - Hudson's Bay

We are in receipt of your letter dated June 6, 2025, wherein Weihong Liu ("**Ms Liu**") and Ruby Liu Commercial Investment Corp. (the "**Proposed Assignee**") have requested the consent of The Cadillac Fairview Corporation Limited ("**CFCL**") to the proposed assignment and assumption of certain leases currently held by Hudson's Bay Company ULC and its affiliates (collectively, "**HBC**"), as more particularly set out in your letter (the "**Proposed Assignment**"). CFCL does not consent to the Proposed Assignment.

CFCL is highly dissatisfied with the process by which the Proposed Assignment has unfolded, including the paucity of information made available to CFCL. Although CFCL has repeatedly requested information about the Proposed Assignment from HBC's counsel and the Court-appointed Monitor, its requests for information have been steadfastly ignored and CFCL's knowledge of the Proposed Assignment has been derived principally from press reports and Ms Liu's social media postings. Prior to your letter, none of Ms Liu, the Proposed Assignee, HBC, the Monitor, HBC's financial advisor, or the broker hired to conduct the lease monetization process has provided any written information in respect of the terms of the Proposed Assignment notwithstanding CFCL's request for, *inter alia*, a comprehensive business plan, detailed financial projections, and biographies of Ms Liu and her executive team. As you may be aware, senior representatives of CFCL met with Ms Liu and her representatives on June 2, 2025, and it was apparent at that meeting that Ms Liu was wholly unprepared to engage in a meaningful way with CFCL (e.g., no written materials of any kind were provided to CFCL in anticipation of or at such meeting).

CFCL has emphasized (including prior to and at its meeting with Ms Liu and her representatives) the need to see a comprehensive business plan – as any landlord would – in order to consider further Ms Liu's proposal. Your June 6 letter did not include or attach a business plan. The majority of the letter consists of a copy of Justice Osborne's Lease Monetization Order and provides almost no detail regarding a strategic, financial, or operational business plan. The bare-

bones financial projections attached to your letter seemingly consist of a mere derivation of HBC's historic operating results, while the cost structure enumerated therein does not reflect the reality of this situation. Any business plan for an enterprise of the scale that Ms Liu is purporting to run would have been significantly more comprehensive and thought out to be taken seriously by any interested parties. CFCL is left with a host of unanswered questions, including, but certainly not limited to, her plans for merchandising, staffing, repairs and renovations, marketing, and financing. Please provide such information immediately if you would like us to consider this further.

It is evident to CFCL that the Proposed Assignee is not able to fulfil the terms of the leases in question or to operate a massive retail operation in the leased locations in question. Nor does the Proposed Assignee have any apparent understanding of the scope and requirements of the undertaking that it proposes. It is apparent to CFCL – including from its most recent meeting with Ms Liu – that Ms Liu does not have the wherewithal to act as a retail operator in these leased locations. In her meeting with CFCL and in her social media postings, Ms Liu has proposed pursuing wildly divergent uses of the premises such as large children's playgrounds, significant space devoted to an Eataly (the costs of which she expects CFCL to share equally with her), and a potpourri of eclectic marketplaces and entertainment experiences. Such uses and plans do not comply with the terms of the leases. Moreover, none of this is either described or dispelled in your letter, leaving significant uncertainty as to Ms Liu's plans, or if she in fact knows what her plan is. CFCL is left with the strong impression that Ms Liu is making this up as she goes. These inconsistencies and lack of clarity in Ms Liu's messaging, her lack of preparedness, and her lack of experience as a retail operator, undermine her credibility as a serious tenant capable of operating a retail enterprise of this scale in the CFCL locations.

The Proposed Assignment would, in CFCL's view, have significant adverse consequence on CFCL and the financial performance of the retail centres in which the subject leased properties are located. No evidence has been provided to CFCL to support that the Proposed Assignee (apparently incorporated in May 2025) is adequately capitalized, and we understand that neither Ms Liu nor her operating company, Central Walk, is prepared to backstop the obligations of the Proposed Assignee under the CFCL leases. The lack of planning and preparation by Ms Liu in respect of the Proposed Assignment is evident in CFCL's interactions with her to date and in the short letter that has been thrown together at the 11th hour. If our understanding is incorrect, we ask that Ms Liu correct it immediately.

Accordingly, and as noted above, CFCL does not consent to the Proposed Assignment.

Yours truly,

David Bish
DB/en

cc: *Jeremy Opolsky (Torys LLP)*
Greg Karpel / Alan J. Hutchens (Alvarez & Marsal Canada Inc.)
Sean Zweig / Michael Shakra (Bennett Jones LLP)
Ashley Taylor / Jonah Mann (Stikeman Elliott LLP)

EXHIBIT “C”

Thornton Grout Finnigan LLP
RESTRUCTURING + LITIGATION

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D.J. Miller
T: 416-304-0559
E: djmiller@tgf.ca
File No. 1143-011

June 11, 2025

BY EMAIL

Bennett Jones LLP
3400 One First Canadian Place
P.O. Box 130
Toronto, ON M5X 1A4

Attention: Sean Zweig

Stikeman Elliott LLP
Suite 5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9

Attention: Ashley Taylor

Dear Sirs:

Re: In the Matter of a Plan of Compromise or Arrangement of Hudson's Bay Company ULC Compagnie de la Baie D'Hudson SRI et al ("HBC"), Court File No. CV-25-00738613-00CL

As you are aware, we are counsel to Oxford Properties ("**Oxford**") in connection with HBC's proceeding under the CCAA.

We refer to our May 28, 2025, letter (the "**May 28 Letter**") addressed to Mr. Zweig and copied to Mr. Taylor, wherein Oxford requested certain information, including as it relates to the corporate structure and financial details of Ruby Lui Commercial Investment Corp. (the "**Intended Purchaser**") for a proposed transaction involving certain of Oxford's leases, among others (the "**Transaction**"). A copy of our earlier letter is enclosed with this correspondence for ease of reference. We understand that the Oxford leases that the Intended Purchaser wishes to take an assignment of, and the bid price for each, is as follows:

Southcentre Mall (Calgary): [redacted]
Hillcrest Mall (Richmond Hill): [redacted]
Upper Canada Mall (Newmarket): [redacted]

To date, we have not received a response to the May 28 Letter, and Oxford reiterates its request. Information such as that requested in our May 28 Letter is a basic and standard starting point in the context of assessing a request for consent to any proposed lease assignment.

In addition, Oxford also requires the following information:

1. *Terms of Leases and Cost of Repairs*: It is clear from the meeting that representatives of Oxford had with the Intended Purchaser and its promoter Ms. Liu (with HBC, the Monitor and various advisors) that Ms. Liu has very limited understanding of the terms of the leases

to which she is seeking an assignment, including but not limited to the extent of the repairs that are immediately required to be undertaken at Oxford's locations. Accordingly, we request:

(a) details of the due diligence undertaken by the Intended Purchaser to assess the condition of the buildings, including the number of site visits to each location, and all those who attended on behalf of the Intended Purchaser;

(b) the names and qualifications of any consultants or contractors retained to evaluate the repairs required to be immediately undertaken at each location, and the dates on which any such consultants attended at each of the leased premises; and

(c) a breakdown of the capital amount allocated as being proposed by the Intended Purchaser to be spent immediately at each of Oxford's stores for the required repairs to the interior and exterior of the whole premises (separate and apart from, and in addition to any amounts allocated for interior renovations, repairs or upgrades to accommodate an operating department store).

In that regard, we refer you to our earlier letter dated June 6, 2025 showing the immediate costs required to be spent at Southcentre Mall alone, which bears no relation to the information relayed to our client by the Intended Purchaser at the June 2, 2025 meeting at Stikemans' office.

2. *The Proposed Department Store Operation*: each lease requires that the premises be continuously operated as an integrated department store, together with a number of other requirements. Please advise as to:

(a) the name of the department store under which the Intended Purchaser would propose to operate its fully integrated department store;

(b) any floor plans or concept drawings that identify the layout, intended uses, and division of space across various departments or product categories;

(c) the identity of any suppliers or service providers with whom the Intended Purchaser has entered into prospective agreements, relating to the operation of a department store;

(d) confirmation as to the type and range of products that the Intended Purchaser proposes to sell in the premises, as an integrated department store with significant restrictions under the lease as to any concession space;

All of this information is required now, at the time our client's consent to an assignment is sought – not deferred by way of a promise to some future date.

3. *Financial Information Provided to the Monitor and HBC*: Oxford received a letter from Larry Ellis of Miller Thomson on June 6, 2025 on behalf of the Intended Purchaser and Ms. Liu (the "**June 6 Letter**"), on which each of you were copied, purportedly marked "Private and Confidential". This follows our being advised on June 2, 2025 (at the meeting at Stikemans' office) that Dentons was counsel for those parties. The June 6 Letter suggests that information relating to the Intended Purchaser's financial capacity and ability to comply with all obligations under the leases has been provided to HBC and the Monitor.

   Accordingly, we request **all** such information in any format that has been provided to the Monitor or HBC during the Lease Monetization Process by or on behalf of the Intended Purchaser. That includes any financial statements, funding commitments, business plans, operational plans, *pro formas*, or related materials that were provided to either HBC or the Monitor and the dates on which such information was provided. The dates on which such information was provided to HBC, the Monitor or any of the advisors within the SISP / Lease Monetization Process is important, as the information relating to the Intended Purchaser and Ms. Liu appears to have changed following various conversations with landlords. A landlord who is asked for its consent to the assignment of leases is entitled to receive and consider all of the same information that the existing tenant HBC and the court-appointed Monitor have received in forming their view and assessment.

4. *Confirmation of Intent to Pay Land Transfer Tax*: Oxford is still reviewing and considering the June 6 Letter. However, it appears that (among other things) the Intended Purchaser has not accounted for land transfer tax obligations in the 'Cash Flow' chart appended to the June 6 Letter. Accordingly, Oxford requests confirmation that the Intended Purchaser has accounted for the payment of land transfer taxes it would be required to pay if the applicable leases are assigned, and how that is to be reflected in the "Cash Flow".

It will come as no surprise that, based on the information that Oxford has received, Oxford does not consent to or support an assignment of any of their leases to the Intended Purchaser.

We look forward to hearing from you.

Yours truly,

D.J. Miller
Encl.

Thornton Grout Finnigan LLP
RESTRUCTURING + LITIGATION

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T: 416-304-0559
E: djmiller@tgf.ca
File No. 1143-011

May 28, 2025

BY EMAIL

Bennett Jones LLP
3400 One First Canadian Place
P.O. Box 130
Toronto, ON M5X 1A4

Attention: Sean Zweig

Dear Sirs:

Re: In the Matter of a Plan of Compromise or Arrangement of Hudson's Bay Company ULC Compagnie de la Baie D'Hudson SRI et al ("HBC"), Court File No. CV-25-00738613-00CL

As you know, we represent Oxford Properties Group *et al*, in this proceeding.

Our client acknowledges receipt of the attached letter from Reflect Advisors relating to a proposed transaction with Ruby Liu Commercial Investment Corp. (the "**Purchaser**") with Ms. Liu as Guarantor (the "**Transaction**"), regarding a desire to acquire up to 25 of HBC's leases, subject to landlord consent and Court approval. Please confirm which of our client's locations are included in the proposed Transaction, and that all terms of the existing leases are intended to be complied with as part of the proposed Transaction.

The Reflect letter requests a meeting with our client to discuss details of the proposed Transaction. Our client is prepared to meet at its offices in Toronto and will have a translator available. Please advise as to who such arrangements are to be made with, and our client will coordinate.

In order to make the meeting as efficient as possible and to allow our client to begin the process of its consideration without delay, we would ask that the following be provided to our client in advance of the meeting:

1. Information as to the Purchaser's financial wherewithal, including that of the Guarantor if Ms. Liu's financial wherewithal is being reviewed when considering the Purchaser's ability to complete the Transaction and comply with the financial obligations under the leases. We note that the Reflect letter indicates that "the Purchaser has provided evidence satisfactory to [HBC] and its advisors of its financial wherewithal", so that is what our client is looking to receive. We anticipate that would include financial statements, any

draft *pro forma* statements, profit & loss and business plans that have been provided to HBC, the Monitor or any advisors in connection with the proposed Transaction.

2. Information to allow Oxford to undertake its "know your customer" (KYC) obligations, including the following:

    a. The Reflect letter indicates that Ms. Liu is the "majority shareholder" of the Purchaser, so the KYC process includes a list of all parties with an interest in the Purchaser, and the extent or nature of their interest.
    b. A copy of the Articles of Incorporation for the Purchaser.

3. The Reflect letter refers to the Purchaser's "leadership team" and "strong management team" so our client's receipt in advance of the meeting details of all members of each and their experience as retail operators would be most helpful.

Kindly copy the undersigned when the above information is provided, whether by the Monitor or HBC or their respective counsel, or the advisors. Thank you.

Yours truly,

Thornton Grout Finnigan LLP

D.J. Miller
DM/gk

EXHIBIT “D”

Blaney McMurtry LLP

Blaney McMurtry LLP | Lawyers
2 Queen Street East | Suite 1500
Toronto, Ontario M5C 3G5
T 416-593-1221
W Blaney.com

John C. Wolf
D: 416-593-2994 F: 416-596-2044
jwolf@blaney.com

June 12th, 2025

Via Email

ALVAREZ & MARSAL CANADA INC.
Royal Bank Plaza, South Tower
200 Bay Street, Suite 29000
P.O. Box 22
Toronto, ON M5J 2J1

Attention: Alan J. Hutchens

BENNETT JONES LLP
3400 One First Canadian Place
P.O. Box 130
Toronto, ON M5X 1A4

Attention: Sean Zweig, Michael Shakra, Preet Gill, Thomas Gray and Linda Fraser-Richardson

Dear Sir/Madam:

Re: Hudson's Bay Company ULC by lease dated February 1st, 2024 ("Southgate Lease") at Southgate Centre, Edmonton, AB ("Southgate Shopping Centre")

And Re: Hudson's Bay Company ULC by lease February 1st, 2024 ("Oshawa Lease") at Oshawa Centre, Oshawa, ON ("Oshawa Shopping Centre")

And Re: Hudson's Bay Company ULC by lease dated August 1st, 1972, amended and extended ("Orchard Park Lease") at Orchard Park Shopping Centre, Kelowna, BC ("Orchard Park Shopping Centre")

And Re: Hudson's Bay Company ULC by lease dated June 15th, 1978, amended and extended ("Conestoga Lease") at Conestoga Mall, Waterloo, ON ("Conestoga Mall")

And Re: In the matter of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, C-36, as Amended - Court File No. CV-25-00738613-00CL ("Estate")

And Re: Proposed statutory assignment of Lease to Ruby Liu Commercial Investment Corp

---

As you know, we are the lawyers for Primaris REIT.

Our client has met the proposed assignee on two separate occasions for a total of approximately four (4) hours so as to permit the proposed assignee to present her plans in the event of an assignment of any of the leases at issue.

Our client has also reviewed Mr. Ellis' letter of June 6th, 2025 and attachment.

Our client has advised us, that after carefully listening to Ms. Liu and reviewing the information that she has provided in support of the proposal to assign our clients' leases, that our client will not consent to assignment of any of its leases.

This decision has been made after careful consideration of the terms of each lease, as well as applicable statutory and common law provisions and jurisprudence, the commercial realities of the marketplace, and the economic impact of the proposed assignment.

This is not the appropriate forum to set forth each and every fact to be relied upon in the event of a contested assignment. Having said that, reasons include, but are not limited, to:

- inability to honour provisions of the lease related to continuous operation;
- lack of any relevant major department store experience;
- absence of any existing major department store business operations;
- absence of brand recognition;
- projections which are incapable of being met;
- understatement of repair and maintenance costs; and
- overstatement of projected revenue in at least years one and two.

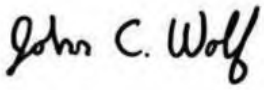
Our client notes that, to the best of their knowledge, there is no successful example in recent history in North America where any brand new full scale department store opened numerous department store locations in three (3) months or even in any year. Typically, such tenants may open one or two locations in a year, not twenty-eight (28). Target is an example of a retailer that attempted to open numerous stores in Canada in a short period of time. However, Target is distinguishable from the current situation because Target had significant brand recognition, a massive existing infrastructure, including suppliers and backroom administration, and extensive, sophisticated and targeted advance planning. Despite these advantages, Target still became insolvent and failed within two (2) years.

By way of overview, Ms. Liu's plans are, in our client's view, predicated upon hope, optimism and not on experience in respect of the minimum timelines and costs to refurbish twenty-eight (28) locations, in various degrees of disrepair, in three (3) provinces. Our client's four (4) premises are in significant states of disrepair and there is no reasonable prospect that plans, approvals, permits, trades, and product supply can be completed in three (3) months as projected. All assumptions in the plan that flow from such a materially unrealistic time proposal render all projections inaccurate.

The only commercially reasonable conclusion is that an objective person with industry experience would conclude that the proposed assignments would not result in compliance with the tenant's obligations under the applicable leases and would materially adversely affect the landlord's rights under the leases.

Yours very truly,

Blaney McMurtry LLP



John C. Wolf
JCW/gf

EXHIBIT “E”

Stikeman Elliott

Stikeman Elliott LLP
Barristers & Solicitors
199 Bay Street
Suite 5300, Commerce Court West
Toronto, ON M5L 1B9
Canada

Main: 416 869 5500
Fax: 416 947 0866
www.stikeman.com

June 28, 2025 **By Email to info@centralwalk.com**

File No.: 0124131975

Ruby Liu Commercial Investment Corp.
and
Weihong Liu
6631 Island Highway North
Nanaimo, BC
V9T 4T7

Attention: Central Walk Management Team

Dear Sirs/Mesdames:

RE: Asset Purchase Agreement dated May 23, 2025, between HUDSON'S BAY COMPANY ULC COMPAGNIE DE LA BAIE D'HUDSON SRI and HBC CENTREPOINT GP INC., collectively as Vendor, RUBY LIU COMMERCIAL INVESTMENT CORP., as Purchaser, and WEIHONG LIU, as Guarantor, as amended by Amending Agreement dated June 13, 2025 (collectively, the "Agreement")

Capitalized terms used herein and not otherwise defined shall have the meaning ascribed thereto in the Agreement.

On June 25, 2025, a representative of the Purchaser provided to legal counsel for the Vendor a spreadsheet titled "Cure Cost Sheet - 20250625" (the "**June 25 Cure Cost Chart**"). A copy of the covering email is attached as Schedule A hereto, and a copy of the June 25 Cure Cost Chart is attached as Schedule B hereto.

Section 2.3(3)(a) of the Agreement includes a covenant of the Purchaser to deliver a Purchaser Cure Cost Claim with respect to each Lease, which covenant was to be fulfilled on or before the Cure Cost Claims Date (being June 25, 2025). We assume that the June 25 Cure Cost Chart was intended to satisfy this covenant.

For the following reasons, the delivery of the June 25 Cure Cost Chart does not comply with the Purchaser's obligations under the Agreement:

(a) pursuant to Section 2.3(3)(a) of the Agreement, the Purchaser was to deliver to the Vendor an itemized summary, in reasonable detail, of all Cure Costs which it claims are or will be owing under each of the Leases as of the Closing Date (each such claim being a Purchaser Cure Cost Claim); and

(b) pursuant to Section 2.3(3)(d) of the Agreement, no Cure Costs are to be allocated to the Hillcrest Mall Lease.

Pursuant to Section 2.3(3)(b), the Vendor, the Purchaser and the Monitor must negotiate and agree on the Purchaser Cure Cost Claims with respect to the Leases. The Monitor has not yet agreed to the Purchaser Cure Costs Claims. The itemized summary of Cure Costs is important in order that (i) the Vendor can provide support to the Monitor in connection with reaching an agreement on the Purchaser Cure Cost Claims, (ii) the Vendor can justify to the Court (if and when the Court is asked to approve this transaction) that any agreed credit for Cure Costs is appropriate, and (iii) with respect to the Hillcrest Mall Lease, so as to not render the right of first refusal offer given to the Landlord of the Hillcrest Mall Lease ineffective.

Please provide a revised itemized Purchaser Cure Cost Claim addressing these deficiencies by close of business on Monday, June 30, 2025, in order that we can engage with the Monitor as contemplated in Section 2.3(3).

Yours truly,

Stikeman Elliott LLP

Adriana Conti, for Alisha L. Johnson

cc. Miller Thomson LLP
cc. Hudson’s Bay Company ULC

Schedule A
June 25 Email Correspondence

From: Linda Qin <Linda.Qin@centralwalk.com>
Sent: Wednesday, June 25, 2025 4:51 PM
To: Adriana Conti; Ellis, Larry; Hong Liu; Mae Wang
Cc: Kline, Adam; Massie, Sam; Jonah Mann; Frank Selke; Doug Klaassen; Neil Shapiro; Dana Porter; Ashley Taylor; Maria Konyukhova; Alisha Johnson
Subject: 回复: HBC/CW - Asset Purchase Agreement (25 lease transaction)
Attachments: Cure Cost Sheet-20250625 .pdf

Please see attached estimated cure cost.

Let us know if you have any question.

Thanks
Linda

Linda Qin MBA
CEO
Central Walk Canada

5000 Canoe Pass Way,
Tsawwassen, British Columbia V4M 0B3

CENTRAL WALK

Ph: 604-260-4971
Cell: 604-782-6160
E: linda.qin@centralwalk.com

发件人: Adriana Conti <AConti@stikeman.com>
发送时间: 2025 年 6 月 25 日 7:51
收件人: Ellis, Larry <lellis@millerthomson.com>
抄送: Kline, Adam <akline@millerthomson.com>; Massie, Sam <smassie@millerthomson.com>; Linda Qin <Linda.Qin@centralwalk.com>; Jonah Mann <JMann@stikeman.com>; Frank Selke <FSelke@stikeman.com>; Doug Klaassen <DKlaassen@stikeman.com>; Neil Shapiro <NShapiro@stikeman.com>; Dana Porter <DPorter@stikeman.com>; Ashley Taylor <ATAYLOR@stikeman.com>; Maria Konyukhova <MKonyukhova@stikeman.com>; Alisha Johnson <AJohnson@stikeman.com>
主题: RE: HBC/CW - Asset Purchase Agreement (25 lease transaction)

Hi Larry,

Just following up on the below. Can you please provide us with the status of the Purchaser Cure Cost Claim calculations?

Thanks,
Adriana

Adriana Conti (she/her)

Direct: +1 416 869 6800

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Schedule B
June 25 Cure Cost Chart

Cure Cost

Date: June 25 2025

Province	Location	Shopping Mall	Store Area SF	Number of Floors	COST ESTIMATION
BC	Kelowna	Orchard Park Shopping Centre	127,290	1	992,613
BC	Richmond	Richmond Centre	169,692	2	1,323,265
BC	Surrey	Guildford Town Centre	174,462	2	1,360,462
BC	Coquitlam	Coquitlam Centre	120,086	2	936,436
BC	Langley	Willowbrook Shopping Centre	131,146	2	1,022,682
AB	Calgary	CF Market Mall	200,000	2	1,559,608
AB	Calgary	Southcentre Mall	164,514	2	1,282,887
AB	Calgary	Chinook Centre	206,514	2	1,610,405
AB	Edmonton	West Edmonton Mall	164,250	2	1,280,828
AB	Edmonton	Southgate Shopping Centre	236,551	2	1,844,634
ON	Toronto	Fairview Mall	152,420	2	1,188,577
ON	Toronto	Sherway Garden	223,477	2	1,742,683
ON	Toronto	Centerpoint Mall	122,502	1	955,276
ON	Richmond Hill	Hillcrest Mall	136,915	1	1,067,669
ON	London	Masonville Place	84,928	2	662,272
ON	Ottawa	Bayshore Shopping Centre	180,696	3	1,409,075
ON	Ottawa	St.Laurent Shopping Centre	145,074	2	1,131,293
ON	Kitchener	Fairview park	184,714	1	1,440,407
ON	Newmarket	Upper Canada Mall	142,780	2	1,113,404
ON	Burlington	Mapleview Centre	129,066	2	1,006,462
ON	Oshawa	Oshawa Centre	122,624	2	956,227
ON	Waterloo	Conestoga Mall	130,580	1	1,018,268
ON	Brampton	Bramalea City Centre	131,438	2	1,024,959
ON	Hamilton	Limeridge Mall	125,307	2	977,149
ON	Markham	Markville Shopping Centre	140,094	2	1,092,459
Total			**3,847,120**		**30,000,000**

ATTACHMENT 3 of 4

ATTACHMENT 4 of 4

sc̓əw̓aθən məsteyəxʷ

TSAWWASSEN FIRST NATION

July 9, 2025

To Whom It May Concern,

I am writing to confirm that Tsawwassen First Nation (TFN) has no concerns with Ms. Ruby Liu's acquisition of former Hudson's Bay store leases. Central Walk has been a significant and valuable tenant of TFN commercial land since 2023. TFN appreciates and supports the owner of Central Walk, Ms. Liu's strong commitment to revitalizing the mall businesses and contributing to the wellbeing of the Tsawwassen community.

Since taking over Tsawwassen Mills, which sits on Tsawwassen Lands, Ms. Liu has demonstrated outstanding leadership and a strong commitment to long-term investment, community partnership, and cultural inclusion. Over the past two years, she has led a remarkable revitalization of the mall: significantly increasing its occupancy rate, and turning what was once a distressed asset into a financially viable property.

More importantly, Ms. Liu's efforts go beyond financial performance. She has worked closely with our Nation to ensure that Tsawwassen Mills is not only a commercial destination, but also a space that respects and reflects the cultural heritage of the land it occupies. Initiatives such as a planned transformation of Entrance 3 into an Indigenous cultural showcase, along with the development of new multicultural food and art spaces, are meaningful steps toward deeper cultural visibility and connection with the community.

Under her leadership, Tsawwassen Mills has evolved into a vibrant, family-friendly destination, now attracting over 5.6 million visitors annually. New features such as the indoor children's playground and 5D cinema have helped reenergize the local economy and create new gathering spaces.

We appreciate having Ms. Liu who takes on her business commercial approach with long-term perspective and respect for our Indigenous community. We anticipate Ms. Liu's continued investment in Canadian retail, including her proposed acquisition of former Hudson's Bay locations, will be carried out with the same care and attention.

hay čxʷ q̓ə

sxʷamisaat
Chief Laura Cassidy
Tsawwassen First Nation

Administration Office: 1926 Tsawwassen Drive, Tsawwassen, British Columbia V4M 4G2
Tel: (604) 943-2112 • Fax: (604) 943-9226 Website: tsawwassenfirstnation.com

THIS IS EXHIBIT "T" TO THE AFFIDAVIT OF DAVID WYATT SWORN REMOTELY BEFORE ME AT THE CITY OF TORONTO, ON THIS 8TH DAY OF AUGUST, 2025

Commissioner for Taking Affidavits
Linda Galessiere

The Room Redefines Luxury Shopping For Men And Women In Vancouver

Français

LA BAIE D'HUDSON

NEWS PROVIDED BY
Hudson's Bay →
Sep 15, 2020, 10:07 ET

VANCOUVER, BC, Sept. 15, 2020 /CNW/ -- Hudson's Bay is excited to announce that The Room in Vancouver has reopened after an extensive renovation, designed to localize product selection and enhance the customer experience. After scouring the globe for the newest and most coveted brands, The Room was holistically rethought to offer customers an assortment of more than 100 designer brands for women, and for the first time, the introduction of menswear collections.

Continue Reading


The Room

"Discovery is at the core of The Room," says Tyler Franch, VP, Fashion Director, Hudson's Bay. "We have curated the collections to appeal specifically to the Vancouver market, while still highlighting The Room's unique point-of-view; one that's more forward-thinking and conceptual, with a strong representation of each designer's brand DNA."

The Room in Vancouver hosts an impressive assortment of designer brands—ranging from **Thom Browne, Jacquemus, Balmain**, **Vetements** for women and **Marni, Maison Margiela, Lanvin**, **J.W. Anderson,** for men. The extensive collection also includes twenty exclusive brands like **Arizona Love** and **Baum Und Pferdgarten**, with of-the-moment merchandise across handbags and footwear — the most robust assortment in Canada, including **Midnight 00** and **The Volon**.

Designed as a retail theatre, the shopping experience at The Room is elevated through visually-impactful storytelling moments like limited-time concept spaces, photo-worthy installations, and exciting pop-ups beginning with a 10-brand Korean designer showcase, featuring emerging brands, **KUHO, Low Classic,**

Andersson Bell and, exclusive to The Room, **Yuul Yie**. Through its 13,700 square-feet of retail space, The Room leaves customers with something extraordinary to uncover at every turn.

In addition to its extensive renovation, The Room has also expanded its eCommerce presence through thebay.com to offer customers the opportunity to shop designer collections in the convenience of their homes.

The Instagram-worthy experience is now open in Hudson's Bay downtown Vancouver at 674 Granville St.

A full list of brands available at The Room Vancouver is listed below:

EXCLUSIVE BRANDS:

Apparel:
Act n°1, Anais Jourdan, Arizona Love, Awake Mode, Baum Und Pferdgarten, CASC8, Danielle Guizio, Deadwood, F_WD, Gauge81, Les Coyotes De Paris, Olivia Rubin, Yuul Yie

Footwear:
Chloe Gosselin, Kalda, Magda Butrym, Midnight 00, Nicole Saldana, Pwenille x Gia Couture, Rejina Pyo, Superga x Mary K

Handbags:
Ganni, Osoi, Rejina Pyo, The Volon

NEW BRANDS:

Apparel:
Andersson Bell, Ann Demeulemeester, Area, Attico, Azzedine Alaïa, Balmain, Chepova, Christopher Kane, Davi, Duarte, Eckhaus Latta, Giuseppe Di Moribato, Haider Ackermann, JW Anderson, Kassl, Kuho, Kwaiden, Lanvin, Low Classic, Maison Margiela, Marcelo Burlon, Peter Do, Racil, Rejina Pyo, Remain Birger Christensen, Rokh, Simone Rocha, Solid Homme, Staud, Suen Suen, Unravel, Versace Jean Couture, Vetements, Y Project, YCH

Footwear:

Ann Demeulemeester, Cult Gaia, Ganni, Giambatista Valli, Jacquemus, Maison Margiela, Moschino, RHUDE, Vetements

Handbags:

Ann Demeulemeester, Azzedine Alaia, Cult Gaia, JW Anderson, Maison Margiela, Staud

Accessories:

Peter Do, Simone Rocha, Y Project

About Hudson's Bay

HBC, incorporated in 1670, is North America's oldest company. Hudson's Bay has grown to become Canada's most prominent department store, today operating 89 full-line locations and thebay.com. Hudson's Bay has established a reputation for quality, service, and style by offering well-edited assortments of exclusive and popular fashion, beauty, home and accessory designers and brands, as well as exclusive food concepts. It is part of the HBC brand portfolio. The signature stripes are a registered trademark of Hudson's Bay Company.

For more information, please contact:

Tiffany Bourré
DVP, Communications and Heritage
tiffany.bourre@hbc.com
416-571-1301

Lauren Polyak
PR Manager, Hudson's Bay
647-926-2463
lauren.polyak@hbc.com

SOURCE Hudson's Bay

Related Links

http://www.saks.com

RETAIL R·I INSIDER

RETAIL R·I INSIDER

Hudson's Bay Launches Menswear For The 1st Time In Luxury Department 'The Room'

September 17, 2020

For the first time in its 83 year history, luxury department The Room at Hudson's Bay is carrying menswear in addition to a vast assortment of womenswear. The menswear collection recently launched in the renovated Vancouver The Room department with a point-of-view tailored to the Vancouver market.

VANCOUVER'S HUDSON BAY'S 'THE ROOM' FIRST TO CARRY MENSWEAR

"Discovery is at the core of The Room," says Tyler Franch, VP, Fashion Director, Hudson's Bay. "We have curated the collections to appeal specifically to the Vancouver market, while still highlighting The Room's unique point-of-view; one that's more forward-thinking and conceptual, with a strong representation of each designer's brand DNA."

TYLER FRANCH

Franch said in an interview that he'd toured retail concepts globally in places such as the UK, France, and South Korea and brought some of what inspired him to The Room at Hudson's Bay. That included renovating the Vancouver space by creating a bold metallic environment including metal tread flooring, silver walls and ceilings. The 'clinical look' is meant to showcase the product and is unlike any retail space in Canada.

The Room, located on the second-floor of the Vancouver Hudson's Bay store, is "retail theatre' that is "elevated through visually-impactful storytelling moments like limited-time concept spaces, photo-worthy installations, and exciting pop-ups", according to Franch. The first pop-up is a 10-brand South Korean designer showcase, featuring emerging brands, KUHO, Low Classic, Andersson Bell, and, exclusive to The Room, Yuul Yie. Overall The Room is intended to be an "Instagram-worthy" experience for visitors and the layout also allows for flexibility where things can be changed to keep shoppers coming back.

Franch brought menswear into The Room in Vancouver for the fist time to attract an expanded demographic into the 13,700-square-foot retail space which recently saw a renovation after its opening in 2011. New luxury menswear brands at The Room Vancouver include Balmain, Junya Watanabe, Moschino, Ann Demeulemeester, DSquared2, Vetments, ALYX, Marni, Maison Margiela, Lanvin, Solid Homme, J.W. Anderson, and others.

IMAGES OF THE ROOM IN VANCOUVER'S HUDSON'S BAY SHOWCASING THE INTENTIONAL CLINICAL DESIGN. PHOTOS: HUDSON'S BAY

"Vancouver was a major opportunity with a strong designer business," according to Franch, who curated a localized assortment of brands for the Vancouver market. Men's advanced contemporary brands as well as luxury brands are found at The Room in Vancouver, allowing for a broader price-point in an effort to attract shoppers. Some of the brands at The Room in Vancouver are not available elsewhere in Canada or even North America.

CONTEMPORARY & LUXURY MEN'S BRANDS AVAILABLE AT 'THE ROOM' ALLOWING FOR BROAD PRICE-POINT

Brands exclusive to The Room at Hudson's Bay in Vancouver include apparel brands Act n°1, Anais Jourdan, Arizona Love, Awake Mode, Baum Und Pferdgarten, CASC8, Danielle Guizio, Deadwood, F_WD, Gauge81, Les Coyotes De Paris, Olivia Rubin, and Yuul Yie. Exclusive footwear brands include Chloe Gosselin, Kalda, Magda Butrym, Midnight 00, Nicole Saldana, Pwenille x Gia Couture, Rejina Pyo, and Superga x Mary K. Exclusive handbag brands include Ganni, Osoi, Rejina Pyo, and The Volon.

The Room in Vancouver is a substantially different experience than what one finds in The Room in Toronto, which relocated to the west side of the Hudson's Bay flagship store on Queen Street in 2016 after a grand relaunch in 2009. The Room in Toronto is a larger space and currently only carries women's fashions. Some of the gowns in the Toronto store surpass $15,000 each. The assortment of brands in the Toronto location is somewhat different than what's found in Vancouver. Franch noted that the Vancouver market dresses differently than Toronto and brands were picked accordingly — and the Vancouver store was first to see the new Room renovation because of the adventurous fashion consumer in Vancouver seeking 'novelty'.

The Room in Toronto is expected to see updates as well according to Franch, though at the moment menswear won't be moving in. The fifth floor of the Hudson's Bay flagship in Toronto features a men's designer area with several of the same designers carried at The Room in Vancouver such as Balmain, Moschino, J.W. Anderson, Vetments and others. The upscale Toronto men's department lacks the edgy aesthetics found at The Room in Vancouver however.

IMAGES OF THE ROOM IN VANCOUVER'S HUDSON'S BAY. PHOTOS: HUDSON'S BAY

1 of 4

The Hudson's Bay website has also expanded to include more pieces from The Room. That includes women's apparel and some footwear styles. Franch said that the website would be expanded and 'elevated' further in the spring of 2021.

MONTREAL WOULD BE OBVIOUS CHOICE FOR NEXT 'THE ROOM' DEPARTMENT

Other Hudson's Bay stores could also be in line for The Room departments, though Franch wouldn't confirm anything during the interview. Montreal would be an obvious choice given the size of the city, and the downtown Montreal Bay store is said to be getting a substantial renovation which will include downsizing the store to about 250,000 square feet over three levels from its current 655,000-square-foot footprint.

High-end retail competition in downtown Vancouver is fierce, and the stakes are high. In recent years, Holt Renfrew and Nordstrom have expanded their designer offerings which have taken a bite out of sales at Vancouver's Hudson's Bay. Nordstrom opened its luxury-heavy Vancouver flagship store in September of 2015 across the street at CF Pacific Centre in a building once occupied by Eaton's. At the same time, Holt Renfrew expanded its Vancouver store to more than 190,000 square feet to carry many of the world's leading luxury brands in a hybrid concession model. Brands themselves have been opening standalone stores in Vancouver when not being carried in multi-brand retailers. The Room will also likely see a boost when luxury multi-brand retailer Leone closes its doors forever this fall.

Franch explained that The Room's assortment in Vancouver features fewer 'first-line' designers such as Gucci and Prada. That could give Hudson's Bay an edge in

attracting customers seeking something not available elsewhere.

IMAGE OF THE ROOM IN VANCOUVER'S HUDSON'S BAY SHOWCASING THE INTENTIONAL CLINICAL DESIGN PHOTOS: HUDSON'S BAY

IMAGE OF THE ROOM IN VANCOUVER'S HUDSON'S BAY SHOWCASING THE INTENTIONAL CLINICAL DESIGN PHOTOS: HUDSON'S BAY

The current location of The Room in Vancouver was unveiled in September of 2011 on the store's second floor — the beautiful space launched with a splashy opening party and carried brands that included Mary Katrantzou, Erdem, Balmain, Roland Mouret, DSquared2, Alaia, and others. Former Hudson's Bay Company VP Nicholas Mellamphy was the brainchild of The Room's relaunch which began with an overhaul of The Room at Toronto's Hudson's Bay flagship on Queen Street in the fall of 2009. In 2013, the Hudson's Bay Company planned to launch The Room at its downtown Montreal Bay flagship store as well as at the former Lord & Taylor store on Fifth Avenue in New York City, though neither materialized. Mellamphy operated and bought collections for The Room until his departure from the Hudson's Bay Company in early 2016.

'THE ROOM' CONCEPT BEGAN 83 YEARS AGO IN TORONTO'S QUEEN STREET SIMPSON'S FLAGSHIP STORE

The Room's history at the Queen Street Hudson's Bay flagship spans more than 83 years. Until 1991, the Queen Street building was branded as a Simpson's department store that in years past was a chain operating in several markets

across the country. The luxurious St. Regis Room at Simpson's carried some of the world's leading luxury couture brands over the years, catering to Toronto's carriage trade. Marjory Steele joined The St. Regis Room as a buyer's assistant in 1962 and became the couture buyer in 1971, followed by Director in 1984. She brought in many new collections from global designers and was called the 'first lady of fashion' until her death in 1999.

The St. Regis Room concept at one time operated in Simpson's stores in Toronto, Ottawa, London, Halifax, and Regina. In Montreal, the Salon Vendome department operated in parallel housing various luxury brands over the years.

The Room at Hudson's Bay in Toronto, January 2020.
Photos: Craig Patterson

1 of 3

In Vancouver in 1998, the Hudson's Bay Company introduced a St. Regis Room department to the northwest corner of the store's third floor — it was only the second St. Regis Room department for a Bay store at the time. Designers in the Vancouver St. Regis Room included Thierry Mugler, State of Claude Montana, Ungaro Collection, Yves Saint Laurent Encore, Oscar de la Renta, Jean Muir, and others. The Room ultimately wasn't successful in Vancouver and was shut down in the early 2000s. Vancouver was a different city in many ways in the late 1990s and

today it has a much bigger fashion market, particularly because of a growing brand conscious Asian demographic.

IMAGE: THE VANCOUVER SUN, JUNE 9, 1998 VIA NEWSPAPERS.COM

The Hudson's Bay building in Vancouver has a long history of carrying women's luxury fashion brands, and was the first store to introduce high-end shopping to Vancouver. In 1948, the Vancouver store's upscale department 'The Mirror Room' opened featuring some of the world's leading luxury brands at the time. That

included names such as Schiaparelli, Balmain, Balenciaga, and Christian Dior. Competitor Eaton's, then located on West Hastings Street, introduced high-end brands in its 'French Room' in 1950 including the likes of Balmain, Jacques Fath, Lanvin, and Balenciaga.

In the fall of 1972, the Mirror Room relaunched at the Vancouver's Bay store with boutique spaces for brands Lanvin, Ungaro and Givenchy. The Givenchy Nouvelle Boutique, according to newspaper reports at the time, featured branded carpeting with the 'HG' logo. Other brands carried in the Mirror Room included Jean Patou.

She imports Paris for the 'average' B.C. woman

By ANN BARLING

Lanvin uses an L, back to back, and he puts it on his scarves and purses and umbrellas.

Givenchy uses H for Hubert on his luggage and his beach towels and even his earrings.

Jean Patou's JP appears on his shirts and belts and bags.

Designers who once dressed only the wealthy of the world from the rarified atmosphere of their haute couture houses in Paris or Florence have revived a flagging industry with their boutique lines and their signature-decorated accessories designed to reach the "average" woman.

Which does not mean that these ready-to-wear lines are cheap — but neither are they extravagantly expensive.

"The prices are quite realistic," says Mary Campbell, "and people are beginning to realize they don't have to pay a fortune to own a Givenchy."

Mary is manager-buyer of the The Bay's Mirror Room, including its designers' boutique which opened last fall.

Contemporary displays and lighting show off the range of couture clothes by Patou, Givenchy and Lanvin as well as their jewelry, scarves, purses and even luggage.

As soon as it is cleared through Customs, the Givenchy corner will have his special HG-signatured navy and beige carpet; Lanvin's carpet is also on the way, so the import section will soon look like a separate boutique although still part of the Mirror Room.

The Bay has had the big names since last fall, and it took a lot of negotiating, says Mary.

"We felt it was time Vancouver had the designers offered to them because women are interested in fashion — but it took some arranging.

"A designer has to be sure the store in which his merchandise is selling does have the clientele and the initiative to set up shops and to do a proper job.

"They just won't sell to anybody."

The selection runs from sportswear and suede coats to sparkling evening dresses; the prices are from $150 to $300 for day dresses, with sportswear at under $100.

Some are less. One Lanvin line, for instance, includes dresses from $85, a three-piece suit at $100 and a long polyester hostess gown at $75.

"People are finding the designers are very wearable," says Mary.

"They are not nearly as avant garde as the ones that appear in Women's Wear Daily."

One thing they are not, is totally exclusive, which he means some customers who feel that at these prices they should be one-and-only models.

This doesn't even happen in the $2,000 dress, says Mary — witness the occasion when Elizabeth Taylor and Gina Lollobrigida appeared at the same function in identical Christian Dior dresses.

It is bound to happen, therefore, in the $200 price range, but the Mirror Room does what it can, steering a customer away from a dress her best friend has bought.

Mary's job, with its glamorous-sounding twice-yearly buying trips to Europe, came about eight years ago when, armed with a BA, Spanish and French, she found she had no idea what she wanted to do.

Steered by the personnel office at the University of B.C., she went to work for The Bay as a trainee, "not even knowing what a customer was."

She soon learned — in the dress department, the Way-In Shop (now Kinetics), the sportswear boutique and sleepwear.

Now, 7½ years later, as well as manager-buyer of the Mirror Room she is also manager-buyer of the better dress department (see price point below) and manager of the Wetherall Shop.

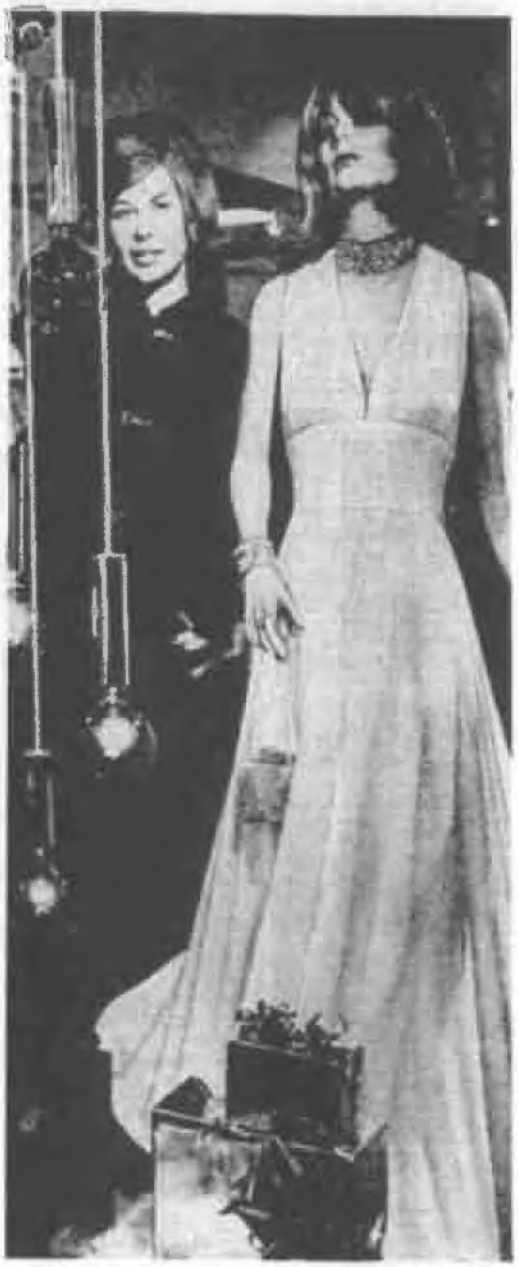
But mainly her job involves the Mirror Room and it is for this department, particularly its exclusive designers' section, that she travels to Europe every spring and fall.

"Of course, everybody thinks it is so glamorous, but it is usually just wild," she says, "and it is hard work, too, working nights and weekends."

For three weeks, together with Bay buyers and executives from Winnipeg and Montreal, she goes to Florence, Paris, Zurich and London.

Switzerland is not known for its designers, of course, but it knows about the fuller figure and will buy designs from Balenciaga, for instance, and revamp them with a larger cut. Mary buys one line from Switzerland exclusively in the 18 to 20 sizes.

The jewelry shown in the import corner is totally contemporary; the designers believe in plastic, wood, rhinestones and show no solid gold or silver. Average prices have



—Glenn Baglo Photo

MARY CAMPBELL . . . to Europe for wearable designs

NEWSPAPER CLIPPING FROM THE VANCOUVER SUN ON DECEMBER 6, 1972. IMAGE VIA NEWSPAPERS.COM

In the 1980s, the Vancouver Mirror Room housed brands such as Missoni, Jean Claude Poitras, Krizia, Aquascutum, and in 1991 a Mr. Jax boutique opened which signalled a lower price point than in years past. Competitor Eaton's, again, went on the offensive by stocking brands such as Escada, Kenzo, Tiktiner, and Sonia Rykiel in the 1980s. The small Holt Renfrew store at CF Pacific Centre also brought in competing brands, as did several multi-brand retailers that operated in Vancouver in years past.

Between 1985 and 1988, Hudson's Bay also operated a Gucci accessory boutique on the main floor of the Vancouver store. Upscale menswear designers were also carried in the store's 'Hudson Room' department. Browns Shoes once operated leased spaces for women and men within the Vancouver store with some upscale brands such as Manolo Blahnik and Bally of Switzerland.

MEET MARIA MANETTI AS SHE INTRODUCES YOU TO THE GUCCI ACCESSORY COLLECTION

We cordially invite you to the Grand Opening of the Bay's Gucci Accessory Collection. We're so pleased to introduce this distinctive collection of leathers and accessories for Men and Women. Each carefully crafted in the tradition of excellence established by Guccio Gucci in 1906. You are invited to attend an

Maria Manetti
President of the Gucci Accessory Collection in the United States and Canada

opening presentation by Maria Manetti, president of the Gucci Accessory Collection in the United States and Canada, and Daryl Uchikura, regional sales manager. This presentation will be held on Tuesday, September 3, 1985 in the Handbag Department of the Vancouver Downtown store from 11:00 am. to 1:30 pm.

the Bay

NEWSPAPER CLIPPING FROM THE VANCOUVER SUN DATED AUGUST 31, 1985. IMAGE VIA NEWSPAPERS.COM

The Room's update in Vancouver will aim to draw shoppers from competitors Nordstrom and Holt Renfrew, both of which have seen considerable success in Vancouver. The Vancouver Holt Renfrew store at CF Pacific Centre was the top performer in the chain for the past several years, and the Nordstrom store in the same mall was also the company's top performer until at least last year. Affluent shoppers visiting Vancouver's Hudson's Bay store will also likely shop in other departments such as the main floor handbag hall featuring upscale brands such as Coach and Kate Spade, as well as the fifth floor men's store housing several notable upscale brands. The overall retail design and brand matrix of The Room at Hudson's Bay in Vancouver will make it a destination for visitors from Vancouver and beyond. Franch said that he and his team will be continuing to innovate in Vancouver as well as in the Toronto store — it will be interesting to see what happens next next to The Room concept at Hudson's Bay.

Hudson's Bay Taps Moschino Creative Director Jeremy Scott To Design Limited Edition Collaboration Français

HUDSON'S BAY

NEWS PROVIDED BY
Hudson's Bay →
Oct 06, 2020, 08:02 ET

Link to High-Res Collection Images

TORONTO, Oct. 6, 2020 /CNW/ -- One of the world's most recognizable luxury brands, Moschino, led by Creative Director Jeremy Scott, introduces a limited-edition collaboration with Hudson's Bay in celebration of the company's 350th anniversary. Inspired by the iconic Hudson's Bay signature stripes, distinctive Moschino Couture pieces from the label's core collection are reimagined through the lens of the classic HBC red, green, yellow and indigo. Anchored by the premium wool Moto Jacket, the eleven-piece collection features street-style staples like loungewear, a keyring, belt, t-shirt, dress, waist bag and Moschino's Moto Jacket Shoulder Bag enveloped in HBC Stripes. The luxury collaboration will arrive at select Hudson's Bay stores and thebay.com on October 6.

"The Room at Hudson's Bay has always been a destination for customers to find the most coveted designs from around the world," says Tyler Franch, VP, Fashion Director, Hudson's Bay. "This collaboration is the perfect marriage of Jeremy Scott's avant-garde and forward design aesthetic, with our famous Point Blanket fabrications that are rooted in Hudson's Bay Company's 350-year history."

"I am thrilled to celebrate Hudson's Bay Company's 350th anniversary with this collaboration merging together their iconic striped planet with my Moschino world!," says Jeremy Scott, Creative Director, Moschino Couture.

The collection is made in Italy and designed exclusively for Hudson's Bay and thebay.com retailing from $185 – $1695 CAD.

Collection Pieces:

350th Anniversary Wool Moto Jacket (Men's/Women's) - $1495

Wool cloth moto jacket with Stripes pattern. Gold-toned hardware with zip closure at front, a zipped pocket diagonally placed across left breast with three-quarter zip closure at wrists. Adjustable logo belt closure at waist. Unique Hudson's Bay Company + Moschino Couture collaboration logo embroidered on reverse.

Calf Leather Waist Bag - $945

Soft calfskin macro belt bag with maxi zip and Stripes lettering logo on the front. Gold hardware with an adjustable belt with buckle.

Calf Leather Belt (Men's/Women's) - $350

Grained calf leather belt in white. Stripes logo hardware at front, with adjustable pin-buckle fastening and gold-tone hardware.

Fleece Hoodie (Unisex) - $895

Long-sleeve soft stretch fleece drawstring hoodie with allover Stripes print. Dropped shoulders with ribbed cuffs in a pullover style.

Fleece Lounge Pants (Men's/Women's) - $745

Mid-rise tapered soft stretch fleece lounge pants with Stripes pattern. Rib elasticized waistband and ankle cuffs. Two-pocket styling with an embroidered patch on the left hip pocket.

Jersey Logo T-Shirt (Men's) - $295

Short sleeve cotton jersey t-shirt in white. Rib-knit crewneck collar. Logo graphic printed with Stripes.

Polo Dress (Women's) - $395

Cotton polo collared dress with three buttons and three quarter sleeves. Logo graphic printed with Stripes.

Metal Key Ring - $185

Oversized gold hardware keyring featuring bold logo charms with Stripes and a lobster-claw clasp.

Wool Moto Jacket Shoulder Bag - $1695

Wool cloth moto jacket shoulder bag with gold-tone hardware and Stripes. Dual pocket, zip closure with logo on the front exterior. Convertible chain-link strap is suitable for multi-length wear—single pocket at interior wall and magnetic snap closure at the front flap.

The Hudson's Bay Company Collection + Moschino Couture campaign was shot in Los Angeles by Moschino's creative team, featuring international supermodels Stella Maxwell and Denek Kania.

About Hudson's Bay

HBC, incorporated in 1670, is North America's oldest company. Hudson's Bay has grown to become Canada's most prominent department store, today operating 89 full-line locations and thebay.com. Hudson's Bay has established a reputation for quality, service, and style by offering well-edited assortments of exclusive and popular fashion, beauty, home and accessory designers and brands, as well as exclusive food concepts. It is part of the HBC brand portfolio. The signature stripes are a registered trademark of Hudson's Bay Company.

About Moschino

Moschino S.p.A. is the owner of the Moschino brands. The company, which was a licensor of AEFFE S.p.A. since the brand debut in 1983, was acquired by AEFFE S.p.A. in 1999.

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SOURCE Hudson's Bay

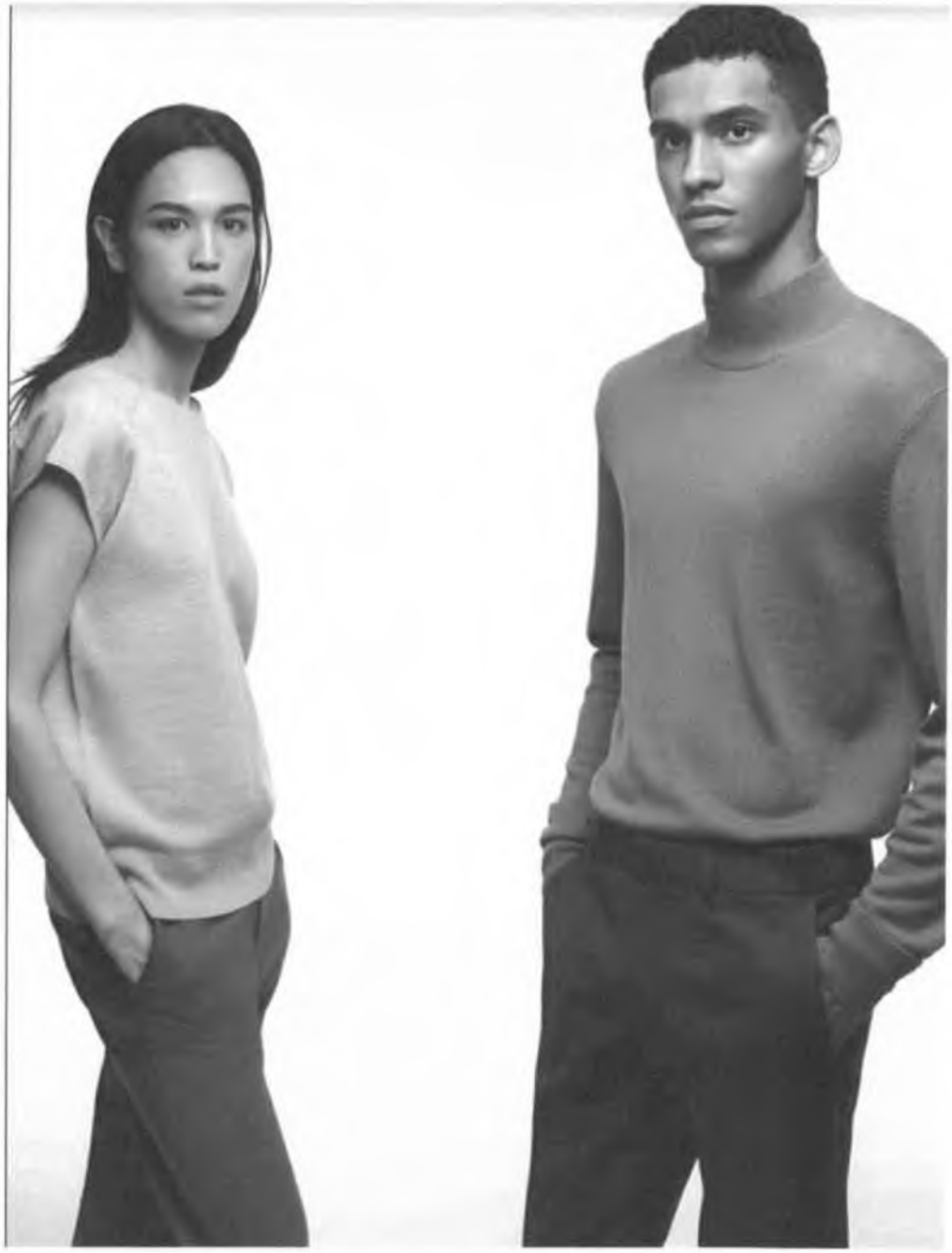
Club Monaco Launches At Hudson's Bay And thebay.com

HUDSON'S BAY

NEWS PROVIDED BY
Hudson's Bay →
Oct 26, 2020, 09:29 ET

TORONTO, Oct. 26, 2020 /CNW/ -- Hudson's Bay is thrilled to announce that Club Monaco, the Canadian-founded pioneer of better basics, has joined its omnichannel assortment this fall. Designed to appeal to style sophisticates, the elevated variety of quality women's and men's essentials is fit for everyday lifestyle —whether on the go or working from home. The collection will launch in twenty-one Hudson's Bay stores and on thebay.com beginning October 26.

Continue Reading



"Hudson's Bay's assortment is constantly evolving to meet our customer's desire for quality, fashion-forward brands—including Club Monaco, which Canadians hold a particular affinity for," says Wayne Drummond, Chief Merchant, Hudson's Bay. "Club Monaco's collection offers Hudson's Bay customers ease of dressing that is in tune with today's new-normal of a comfort-driven simple aesthetic without the sacrifice of style."

For women, the Club Monaco collection includes chic closet staples like creamy cashmere sweaters, tailored cropped pants, camisoles and shirt dresses. Colours include soft moss greens, warm camels, dusty greys and colour-blocked hues of blue— all in line with the season's top trends. The assortment covers

stretch cotton modern fit hoodies for male shoppers in a lived-in bordeaux tone, neutral bomber jackets, pinstripe navy pants, waffle knit sweaters, and pocket crewneck t-shirts made from a 100% cotton material.

The introduction of Club Monaco is in addition to over 35 brands joining Hudson's Bay's fall assortment this fall season now shoppable through thebay.com or in Hudson's Bay retail stores across Canada.

ABOUT HUDSON'S BAY

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ABOUT CLUB MONACO

Club Monaco was founded in 1985, born from the desire for clear, confident pieces - the ultimate elevated essentials that showcase the wearer and evoke an understated confidence that inspires showing up rather than shouting.

We searched for these pieces in the beginning, but we couldn't find them, so we made them. For people who had that same craving, they were our Club.

Our first store opened to lines around the block on Queen Street West in Toronto. From there, we broadened our collection, embraced our community, and moved to New York.

Over the years, our Club has grown, but through it all, our love of the details—the texture, form, fabric, design—has never gone away. These are the things that guide our evolution, that nod to a familiarity you can trust, while allowing us to experiment thoughtfully, show up in new and modern ways, and continue to inspire.

Welcome to The Club.

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SOURCE Hudson's Bay

RISE LITTLE EARTHLING, AN OUT-OF-THIS-WORLD KID'S LIFESTYLE BRAND, HAS LANDED EXCLUSIVELY AT THE BAY Français

HUDSON'S BAY

NEWS PROVIDED BY
Hudson's Bay →
Mar 30, 2023, 08:30 ET

TORONTO, March 30, 2023 /CNW/ - Today, Hudson's Bay is proud to announce the exclusive launch of Rise Little Earthling, an affordable and quality kid's apparel brand focused on thoughtful style for modern little ones. Designed by Joe Mimran, the brand is built with three goals in mind: sustainability, creativity and comfort. From internationally-certified eco-friendly manufacturers, organic and recycled materials in both garment and packaging, soft 100% cotton feel on skin, and its comfort design, each piece is crafted with kids and parents in mind.

Continue Reading

RISE LITTLE EARTHLING, AN OUT-OF-THIS-WORLD KID'S LIFESTYLE BRAND, HAS LANDED EXCLUSIVELY AT THE BAY (CNW Group/Hudson's Bay)

RISE LITTLE EARTHLING, AN OUT-OF-THIS-WORLD KID'S LIFESTYLE BRAND, HAS LANDED EXCLUSIVELY AT THE BAY (CNW Group/Hudson's Bay)

RISE LITTLE EARTHLING, AN OUT-OF-THIS-WORLD KID'S LIFESTYLE BRAND, HAS LANDED EXCLUSIVELY AT THE BAY (CNW Group/Hudson's Bay)

RISE LITTLE EARTHLING, AN OUT-OF-THIS-WORLD KID'S LIFESTYLE BRAND, HAS LANDED EXCLUSIVELY AT THE BAY (CNW Group/Hudson's Bay)

RISE LITTLE EARTHLING, AN OUT-OF-THIS-WORLD KID'S LIFESTYLE BRAND, HAS LANDED EXCLUSIVELY AT THE BAY (CNW Group/Hudson's Bay)

With a full-of-fun design aesthetic featuring a kaleidoscope of colour, modern patterns and shapes, the product sizes range from newborn to six years, and is consciously-priced. The collection is built around key moments: Party Time (dresses and rompers for occasion wear); Splash Time (swim and rainwear); Play Time

(tees, leggings, shorts and bodysuits) and Dream Time (pyjamas and sleeper sets).

Designed to grow as kids do, Rise Little Earthling offers generous sizing, allowing for longer wear. Special details include enveloped necklines, elastic waistbands, and shaping to allow better fit for diapers—all designed with comfort at the forefront. The product is also tagless—so no fuss from kids easily irritated by labels.

"We know that parents are seeking affordable, style-forward and more sustainable options that suit their lifestyle," says Margot Johnson, Chief Business Officer, Hudson's Bay. "Hudson's Bay is making shopping for kids even easier - through innovations in stores including baby showrooms in select stores, to consciously-designed and quality brands like Rise Little Earthling - we are delivering for the entire family at every stage."

Serving as 'brand ambassadors' are the Rise Monsters—adorable characters that radiate positivity and affirmations tailored to individuality. The line-up includes Cosmo (he/him), the happy dreamer; Sydney (they/them), celebrator of differences; Chantelle (she/her), kind soul; Moonie (she/her), curious adventurer; Gogg (he/him), empathetic visionary; Catt (he/him), playful 'advocat'; Sunny (she/her), radiant optimist.

Rise Little Earthling is available exclusively at Hudson's Bay stores across Canada and on **TheBay.com** starting today.

ABOUT THE BAY

Through a digital-first, purpose-driven lens, The Bay helps Canadians live their best style of life. The Bay operates **thebay.com** featuring Marketplace, one of the largest premium life & style platforms in Canada, with a seamless connection to a network of 84 Hudson's Bay stores. The Bay has established a reputation for quality and style through an unrivaled assortment of products and categories including fashion, home, beauty, food concepts and more. Follow us on our social media channels: **Instagram**, **Facebook**, **Twitter**, **TikTok**.

The Bay and Hudson's Bay operate under the HBC brand portfolio. Founded in 1670, HBC is North America's oldest company. The signature stripes are a registered trademark of HBC.

SOURCE Hudson's Bay

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Designer Brands Sold in HBC prior to CCAA proceedings

(as per Renate Minicucci, former HBC employee)

Designer Brand	Price Points
Acne studios	$200-$1200
Adam Lippes	$800-$2500
Akris.	$350-2800
Alaia	$2000-$18000
Altuzarra	$1000-$3000
A. W. A. K. E. Mode	$2000-$5000
Balmain	$800-$10000
Barrie	$1800-$4500
Carolina Herrera	$1200-$7000
Comme des Garçon	$1200-$10000
Fabiana Filippi	$600-$4000
Gabriella Hearst	$2000-$14000
Jacquemus	$600-$2000
Jason Wu	$2000-$4000
Judith Lieber	$5000-$10000
Junya Watanabe	$1200-$3500
J W Anderson	$700-$2500
La Quan Smirh	$2000-$6000
Maison Margiela	$800-$4000
Monse	$800-$4000
Moschino	$$450-$3500
Oscar de la Renta	$2500-$20000
Prabal Gurung	$1000-$3000
Proenza Schouler	$800-$3500
Pucci	$$800-$4000
Ralph Lauren	$800-$4000
Barbara Loham	$1800-$7000
MaxMara	$500-$8000
Erdem	$1200-$7000
Alex Perry	$2000-&4000
Jill Sanders	$800-$4000
Noir Kei Ninomiya	$400-$1200
Lemaire	$400-$3000
Maison Michel	$1000-$2500
Nina Ricci	$1200-$4000
Roland Mouret	$800-$3000
Simone Rocha	$$500-$5000
The Row	$500-$$8000
Giambattista Vali	$2000-$80000

Court File No.: CV-25-00738613-00CL

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF HUDSON'S BAY COMPANY ULC COMPAGNIE et. al.

APPLICANTS

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at TORONTO

AFFIDAVIT OF DAVID WYATT
(SWORN AUGUST 8, 2025)

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Lawyers for (i) Ivanhoe Cambridge II Inc./Jones Lang LaSalle Incorporated as landlord and/or authorized agent and manager for the landlords of its retail stores leased to one or more of the Applicants; (ii) Morguard Investments Limited as authorized agent and manager for the landlords of its retail stores leased to one or more of the Applicants; (iii) Cushman & Wakefield Asset Services ULC as authorized agent and manager for 4239474 Canada Inc. (general partner of Mic Mac Mall Limited Partnership), Aberdeen Kamloops Mall Limited, Cornwall Centre Inc. and EMTC Holdings Inc.; (iv) Salthill Property Management Inc. as authorized agent and manager for the landlords of its retail stores leased to one or more of the Applicants; and (v) PIRET (18111 Blundell Road) Holdings Inc.

Court File No.: CV-25-00738613-00CL

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APPLICANTS

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at TORONTO

RESPONDING MOTION RECORD OF MORGUARD INVESTMENTS LIMITED, the authorized agent and manager for various landlords wherein the Applicants operated retail stores

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Lawyers for Morguard Investments Limited as authorized agent and manager for the landlords of its retail stores leased to one or more of the Applicants

Court File No.: CV-25-00738613-00CL

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF HUDSON'S BAY COMPANY ULC COMPAGNIE et. al.

APPLICANTS

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at TORONTO

RESPONDING MOTION RECORD OF MORGUARD INVESTMENTS LIMITED, the authorized agent and manager for various landlords wherein the Applicants operated retail stores (Returnable August 28, 2025) (Volume III of III)

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