

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST



THE HONOURABLE)
MR. JUSTICE NEWBOULD)

TUESDAY, THE 2nd
DAY OF MAY, 2017

BETWEEN:

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

- and -

URBANCORP (LESLIEVILLE) DEVELOPMENTS INC.,
URBANCORP (RIVERDALE) DEVELOPMENTS INC., &
URBANCORP (THE BEACH) DEVELOPMENTS INC.

Respondents

APPLICATION UNDER section 243 of the *Bankruptcy and Insolvency Act*,
R.S.C. 1985, c. B-3, as amended, section 68 of the *Construction Lien Act*, R.S.O. 1990,
c. C.30, and under section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43

ORDER
(RE: RECEIVERSHIP ADMINISTRATION)

THIS MOTION, made by Alvarez & Marsal Canada Inc., in its capacity as receiver and manager (in such capacity, the **“Receiver”**), pursuant to section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c.C.43, as amended, and in its capacity as construction lien trustee (in such capacity, the **“Construction Lien Trustee”**), pursuant to section 68 of the *Construction Lien Act*, R.S.O. 1990, c. C.30, as amended (the Receiver, together with the Construction Lien Trustee, the **“Construction Receiver”**), of all of the assets, undertakings, and property acquired for, or used in relation to the business, including all proceeds thereof (the **“Property”**) of Urbancorp (Leslieville) Developments Inc. (**“UC Leslieville”**), Urbancorp (Riverdale)

Developments Inc. (“**UC Riverdale**”) and Urbancorp (The Beach) Developments Inc. (“**UC Beach**”, together with UC Riverdale, and UC Leslieville, the “**Debtors**”), for an order approving, among other things, the first report of the Construction Receiver dated August 8, 2016 (the “**First Report**”) and the second report of the Construction Receiver dated April 21, 2017 (the “**Second Report**”) and the Construction Receiver’s activities described therein, the Construction Receiver’s fees and disbursements and those of its counsel as set out in the affidavits filed, and other matters required for the administration of these proceedings, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Second Report, and the Supplementary Report of the Construction Receiver dated April 27, 2017 and on hearing the submissions of counsel for the Construction Receiver, Canadian Imperial Bank of Commerce, Canadian Western Bank, and Laurentian Bank of Canada (collectively, the “**Syndicate**”), Terra Firma Capital Corporation, C.R.A.F.T. Development Corporation, the Ad Hoc Leslieville Purchasers, Tarion, Travelers, and the counsel on the counsel slip, attached, no one appearing for any other person on the service list, although properly served as appears from the affidavit of service of Kelly Peters sworn April 28, 2017, filed,

DEFINITIONS

1. **THIS COURT ORDERS** that all capitalized terms not otherwise defined herein shall have the meanings given to them in the order of this Court appointing the Construction Receiver dated May 31, 2016 (as it may be amended, restated or supplemented from time to time, the “**Appointment Order**”).

APPROVAL OF CONSTRUCTION RECEIVER ACTIVITIES

2. **THIS COURT ORDERS** that the First Report and the Second Report, and the activities of the Construction Receiver described therein, are hereby approved.

APPROVAL OF FEES AND DISBURSEMENTS

3. **THIS COURT ORDERS** that the motion with respect to the approval of the fees and disbursements of the Construction Receiver, and its counsel for services rendered during the

period ending March 31, 2017, as set out in the affidavit of Douglas McIntosh sworn April 27, 2017, the affidavit of Lilly Wong sworn April 26, 2017, the affidavit of Milly Chow sworn April 27, 2017, and the affidavit of Ron Fairbloom sworn April 5, 2017, respectively, is hereby adjourned in accordance with the terms of the endorsement of the Court as of the date hereof.

INCREASED RECEIVERSHIP BORROWINGS

4. **THIS COURT ORDERS** that the aggregate maximum principal amount that the Construction Receiver is authorized to borrow under paragraph 22 of the Appointment Order and secured by the Receiver's Borrowings Charge and Construction Lien Trustee's Borrowing Charge is hereby increased from \$3,000,000 to \$6,000,000, and the Appointment Order is hereby amended in this regard.

RECEIVER'S POWERS

5. **THIS COURT ORDERS** that, notwithstanding anything to contrary in the Appointment Order, the Construction Receiver is hereby empowered and authorized, but not obligated, to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

- (a) without the approval of this Court in respect of any transaction not exceeding \$350,000 plus HST, provided that the aggregate consideration for all such transactions does not exceed \$1 million plus HST; and
- (b) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

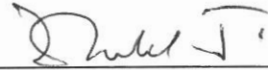
and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required.

BANKRUPTCY OF UC LESLIEVILLE, UC RIVERDALE AND UC BEACH

6. **THIS COURT ORDERS** that the Construction Receiver is hereby authorized to file an assignment in bankruptcy on behalf of UC Leslieville, UC Riverdale and UC Beach, to appoint a trustee in bankruptcy of each of such Debtors and to prepare and execute all documents in relation thereto.

GENERAL

7. **THIS 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 Construction Receiver and its 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 Construction Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Construction Receiver and its agents in carrying out the terms of this Order.



ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

MAY 02 2017

PER / PAR:



10:00 A.M.
COUNSEL SLIP

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COURT FILE NO CV-16-11409-00CL DATE MAY 2, 2017

NO ON LIST 10

CANADIAN IMPERIAL BANK OF COMMERCE

TITLE OF
PROCEEDING

✓ URBANCORP (LESLIEVILLE) DEVELOPMENTS INC.
et al.

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PETITIONER(S)

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CANADIAN IMPERIAL BANK OF COMMERCE
Applicant

V.

Court File No. CV-16-11409-00CL
URBANCORP (LESLIEVILLE) DEVELOPMENTS INC. et al.
Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

ADMINISTRATION ORDER

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Independent Counsel for Alvarez & Marsal Canada Inc., in its capacity as both Receiver and Manager, and Construction Lien Trustee of the assets, undertakings and property of Urbancorp (Leslieville) Developments Inc., Urbancorp (Riverdale) Developments Inc., and Urbancorp (The Beach) Developments Inc.