Court File No.: CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

B E T W E E N:

HILLMOUNT CAPITAL INC.

Applicant

- and -

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.

Respondents

MOTION RECORD
Returnable October 21, 2020

October 14, 2020

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Lawyers for the Receiver, Ernst & Young Inc.

Court File No.: CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

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Appendix “F”	Hillmount Capital Inc. Payout Statement
Appendix “G”	Jaekel Capital Inc. Payout Statement
Appendix “H”	Affidavit of Greg Adams sworn October 13, 2020
Appendix “I”	Affidavit of D.J. Miller sworn October 9, 2020
Appendix “J”	Affidavit of Joseph Fried sworn October 9, 2020
Appendix “K”	Appendix of Daniel Shapira sworn October 13, 2020
Confidential Appendix “1”	Unredacted Agreement of Purchase and Sale between the Receiver and Brookhill Durham Holdings Inc. dated September 17, 2020
Confidential Appendix “2”	Summary of Offers
Confidential Appendix “3”	Summary of Estimated Values
Confidential Appendix “4”	Appraisal of Altus Group Limited
3	Draft Order

TAB 1

Court File No.: CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

B E T W E E N:

HILLMOUNT CAPITAL INC.

Applicant

- and -

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.

Respondents

NOTICE OF MOTION
(Approval and Vesting Order; Approval of Fees and Activities; and Discharge
Returnable October 21, 2020)

ERNST & YOUNG INC., in its capacity as court-appointed receiver (the "**Receiver**") of (i) all of the assets, undertakings and properties of Brookhill Holdings Inc. ("**BHI**") acquired for, or used in relation to any business carried on by BHI, including in relation to the real properties municipally known as 2499 Nash Road, 2538 Regional Road 57 and 2494 Regional Road 57, Bowmanville, Ontario, (collectively, the "**Lands**") and (ii) the beneficial ownership interest of Brookhill Development Inc. ("**BDI**") in the Lands and all proceeds thereof (collectively, the "**Property**"), will make a motion to a Judge presiding over the Commercial List on October 21, 2020, at 9:30 a.m. or as soon after that time as the motion can be heard by judicial teleconference via Zoom at Toronto, Ontario. Please refer to the conference details attached as Schedule "A" hereto in order to attend the motion and advise if you intend to join the motion by emailing Rachel Bengino at rbengino@tgf.ca.

PROPOSED METHOD OF HEARING: This Motion is to be heard orally.

THIS MOTION IS FOR:

An Order, *inter alia*:

(a) approving the Receiver's First Report to the Court dated October 14, 2020 (the "**First Report**") and the activities described therein;

(b) approving the Receiver's Statement of Receipts and Disbursements for the period from May 5, 2020 to October 9, 2020 (the "**R&D**");

(c) approving the transaction (the "**Transaction**") contemplated by the Agreement of Purchase and Sale (the "**Purchase Agreement**") between the Receiver and Brookhill Durham Holdings Inc. (the "**Purchaser**") dated September 17, 2020 for the sale of the Lands, and vesting the Lands in the Purchaser free and clear of any claims and encumbrances (other than those permitted encumbrances as explicitly set out in the Purchase Agreement) upon the delivery of a Certificate by the Receiver to the Purchaser confirming that the Transaction has been completed (the "**Transaction Completion Certificate**");

(d) approving the distribution of proceeds from the Transaction;

(e) approving the fees and disbursements of the Receiver and its counsel; and

(f) discharging Ernst & Young Inc. as Receiver upon the filing of a certificate (the "**Receiver's Certificate**") confirming the completion of the Remaining Activities (as defined below);

THE GROUNDS FOR THE MOTION ARE:

Background

1. BHI is a real estate holding company that owns the Lands on behalf of BDI as beneficial owner;

2. The Lands are subject to mortgages registered on title in favour of: (i) Hillmount Capital Inc. ("**Hillmount**"); (ii) Jaekel Capital Inc. ("**Jaekel**"); and (iii) Building & Development Mortgages Canada Inc., Computershare Trust Company of Canada and Olympia Trust Company ("**BDMC**");

3. Ernst & Young Inc. was appointed as Receiver pursuant to the Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated May 5, 2020 (the "**Appointment Order**");

4. Pursuant to the Appointment Order, the Receiver has borrowed $140,000 from Hillmount, which is subject to the Receiver's Borrowing Charge (as defined in the Appointment Order);

Purchase Agreement

5. Since the date of the Appointment Order, the Receiver retained CBRE Land Services Group ("**CBRE**") as its listing agent to market and sell the Lands;

6. On the initial bid deadline, which was set at August 19, 2020, CBRE received multiple offers for the Lands. CBRE and the Receiver entered into discussions with various bidders and ultimately entered into the Purchase Agreement with the Purchaser. The Purchaser is a related party to BDI and BHI;

7. The Purchase Agreement provides that the Transaction shall close on November 23, 2020, subject to an Approval and Vesting Order being granted by the Court. The Purchaser has provided a deposit to the Receiver equal to 10% of the purchase price under the Purchase Agreement;

8. The Transaction represents the higher and best offer received by CBRE;

9. The Receiver is seeking an order approving the Transaction and Purchase Agreement and vesting the Lands in the Purchaser fee and clear of any claims and encumbrances (other than those permitted encumbrances set out in the Purchase Agreement) upon the delivery of the Transaction Completion Certificate from the Receiver to the Purchaser;

Sealing

10. The Receiver is seeking an order sealing Confidential Appendices “1”, “2”, “3” and “4”, which contain: (i) the unredacted Purchase Agreement; (ii) summary of offers received by CBRE; (iii) summary of estimated value of the Lands provided by brokers that submitted listing proposals to the Receiver; and (iv) the appraisal obtained from Altus Group Limited, respectively;

Distribution

11. Wildeboer Dellelce LLP, as independent counsel for the Receiver, provided the Receiver with a legal opinion concluding that the security held by each of Hillmount, Jaekel and BDMC is valid and enforceable as against BHI;

12. The Receiver is seeking the authorization and direction to distribute the proceeds of sale from the Transaction to Hillmount and Jaekel, as first and second mortgagee, respectively, pursuant to the payout statements delivered by each party to the Receiver (as set out in the First Report), and any remaining sale proceeds to FAAN Mortgage Administrators Inc., as Trustee of BDMC, once the Remaining Activities have been completed;

Discharge of Receiver

13. The Receiver has certain administrative duties to complete to finalize the administration of the receivership (collectively, the "**Remaining Activities**"), which consist of: (i) paying the final accounts of the Receiver, its advisors and counsel, (ii) filing the applicable tax returns and collecting any tax credit refunds from Canada Revenue Agency; (iii) filing the 2018 and 2019 tax returns with Canada Revenue Agency; and (iv) preparing and filing the required reports with the Official Receiver;

14. The Receiver is seeking an order discharging Ernst & Young Inc. as Receiver upon the filing of the Receiver's Certificate once the Remaining Activities have been completed;

Approval of Activities, Fees and R&D

15. The Receiver is seeking an order approving the activities of the Receiver as set out in the First Report;

16. The Receiver is seeking an order approving the fees and disbursements of the Receiver and its counsel, as set out in more detail in the First Report;

17. The Receiver is seeking an order approving the R&D, as detailed in and attached to the First Report; and

18. such other grounds as counsel may advise and this Honourable Court may deem just.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of this motion:

1. The Receiver's First Report to the Court dated October 14, 2020; and

2. such further and other evidence as counsel may advise and this Honourable Court may permit.

October 14, 2020

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Lawyers for the Receiver, Ernst & Young Inc.

Schedule "A"

Zoom instructions for application returnable on October 21, 2020 at 9:30 a.m.:

Join Zoom Meeting
https://us02web.zoom.us/j/3041153000?pwd=NXJ2RjNOYVovOEZtVjZwMU9sWWZxZz09

Meeting ID: 304 115 3000
Passcode: 173953

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+16473744685,,3041153000#,,,,,,0#,,173953# Canada

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+1 647 558 0588 Canada
+1 778 907 2071 Canada
+1 204 272 7920 Canada
+1 438 809 7799 Canada
+1 587 328 1099 Canada

Find your local number: https://us02web.zoom.us/u/kewmgeKmeO

SERVICE LIST
(October 14, 2020)

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AND TO:	**ERNST & YOUNG INC.** 100 Adelaide Street West Toronto ON M5H 1S3 Fax: (416) 943-3300 **Alex Morrison** Tel: (416) 941-7743 Email: alex.f.morrison@ca.ey.com **Greg Adams** Tel: (613) 598-4350 Email: greg.j.adams@ca.ey.com Court-appointed Receiver
AND TO:	**MILLER THOMSON LLP** 40 King Street, Suite 5800 Scotia Plaza Toronto ON M5H 3S1 Fax: (416) 595-8695 **Craig Mills** Tel: (416) 595-8596 Email: cmills@millerthomson.com Lawyers for Brookhill Development Inc., Brookhill Holdings Inc. and Brookhill Durham Holdings Inc.

AND TO:	**JAEKEL CAPITAL INC.** 10376 Yonge Street Suite 203 Richmond Hill, ON L4C 3B8 **Richard Jaekel, Vice President** Email: richardjaekel@jaekelcapital.ca
AND TO:	**OLYMPIA TRUST COMPANY** 2200, 125-9th Avenue SE Calgary, AB T2G OP6 **Jonathan Bahnuik, General Counsel** Email: bahnuikj@olympiatrust.com
AND TO:	**COMPUTERSHARE TRUST COMPANY OF CANADA** 510 Burrard Street, 3rd Floor Vancouver, BC V6C 3B9 Email: PCSmortgages@computershare.com
AND TO:	**OSLER, HOSKIN & HARCOURT LLP** 100 King Street West 1 First Canadian Place Suite 6200, P.O. Box 50 Toronto ON M5X 1B8 Fax: (416) 862-6666 **Michael De Lellis** Tel: (416) 862-5997 Email: mdelellis@osler.com **Jeremy Dacks** Tel: (416) 862-4923 Email: jdacks@osler.com **Justine Erickson** Tel: (416) 862-4208 Email: JErickson@osler.com Lawyers for FAAN Mortgage Administrators Inc. as Trustee for Building & Development Mortgages Canada Inc.

Email Service List

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IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

HILLMOUNT CAPITAL INC. and **BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.**

Applicant

Respondents

Court File No. CV-20-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

NOTICE OF MOTION
(Approval and Vesting Order; Approval of Fees and Activities; and Discharge)
Returnable October 21, 2020

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Lawyers for the Receiver, Ernst & Young Inc.

TAB 2

Court File No. CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

(COMMERCIAL LIST)

IN THE MATTER OF Section 101 of the *Courts of Justice Act,* R.S.O 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended

BETWEEN:

HILLMOUNT CAPITAL INC.

Applicant

- and -

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENTS INC.

Respondents

FIRST REPORT OF THE RECEIVER

October 14, 2020

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Appendices

INTRODUCTION

1. By Order (the “**Appointment Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated May 5, 2020, Ernst & Young Inc. (“**EYI**”), upon the application of Hillmount Capital Inc. (“**Hillmount**”), was appointed as the receiver (the “**Receiver**”) of (i) all of the assets, undertakings and properties of Brookhill Holdings Inc. (“**BHI**” or the “**Company**”) acquired for, or used in relation to any business carried on by the Company, including in relation to the real properties municipally known as 2499 Nash Road, 2538 Regional Road 57 and 2494 Regional Road 57, Bowmanville, Ontario, (collectively, the “**Lands**”) and more specifically described as:

   (a) PIN26613-0238 (LT): PART L0T 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON;

   (b) PIN26613-0239 (LT): PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON: and

   (c) PIN26613-0240 (LT): PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON,

   and (ii) the beneficial ownership interest of Brookhill Development Inc. (“**BDI**”) in the Lands and all proceeds thereof (collectively, the “**Property**”). A copy of the Appointment Order is attached hereto as **Appendix “A”**.

2. The Appointment Order authorized the Receiver to, among other things:

   a) take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property; and

   b) market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate.

3. The purpose of this First Report of the Receiver (the “**First Report**”) is as follows:

   a) to report on the activities of the Receiver since its appointment pursuant to the Appointment Order;

b) to obtain the Court's approval of the activities of the Receiver as described in the First Report, along with the Receiver's Statement of Receipts and Disbursements for the period from May 5, 2020 to October 9, 2020 (the "**R&D**");

c) to obtain the Court's approval of the transaction (the "**Transaction**") contemplated by the Agreement of Purchase and Sale (the "**Purchase Agreement**") between the Receiver and Brookhill Durham Holdings Inc. (the "**Purchaser**") dated September 17, 2020, a redacted copy of which is attached hereto as **Appendix "B"** (which is redacted only in respect of the purchase price and deposit amount thereunder) and an unredacted copy of which is attached hereto as **Confidential Appendix "1"**;

d) to obtain the Court's approval for the vesting in the Purchaser, or as it may direct, of all of BHI's and BDI's right, title and interest in and to the property described in the Purchase Agreement, free and clear of any claims and encumbrances other than the Permitted Encumbrances (as defined in the Purchase Agreement);

e) to obtain the Court's approval of the sealing of the unredacted copy of the Purchase Agreement, the Summary of Offers, Summary of Estimated Values, and the Appraisal (as such terms are defined below), which are attached hereto as **Confidential Appendix "2", "3" and "4"**, respectively, for a period of six months. The Receiver is requesting an Order sealing these appendices as these documents contain financial and other information that could taint the market in the event the Transaction does not close and the Property is re-marketed;

f) to obtain the Court's approval of the distribution of the proceeds pending closing of the Transaction as more specifically detailed herein;

g) to obtain the Court's approval of the fees and disbursements of the Receiver and its counsel; and

h) to seek the discharge of the Receiver effective upon filing a certificate (the "**Receiver's Certificate**") confirming the completion of the Remaining Activities (as defined herein).

TERMS OF REFERENCE

4. In preparing this First Report and making the comments herein, the Receiver has been provided with, and has relied upon, certain unaudited, draft and/or internal financial information, BHI's books and records, discussions with former management of BHI ("**Management**") and information from other third-party sources (collectively, the "**Information**"). Except as described in this First Report:

   a) the Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information; and

   b) the Receiver has prepared this First Report in its capacity as a court-appointed officer solely for the use of this Court and the stakeholders in these proceedings and has made a copy of this First Report available on the Receiver's website at www.ey.com/ca/Brookhill (the "**Receiver's Website**").

5. Capitalized terms not defined in the First Report are as defined in the Appointment Order. All references in the First Report to dollars are in Canadian currency, unless otherwise noted.

BACKGROUND

<u>Overview</u>

6. BHI is a real estate holding company that owns the Lands on behalf of BDI as beneficial owner.

7. The Lands total 27.7 acres in size and are located within the updated Brookhill Secondary Plan area. The Lands are proposed to be designated for low and medium density residential development, allowing for a variety of single-family housing options to be built on the site.

8. Approximately 10 acres of the 27.7 acre parcel of Lands consists of woodlands and some wetlands (the "**Woodlands**"). The Receiver has been advised that the Municipality of

Clarington will not determine if the Woodlands are developable until the landowner submits its draft plan of subdivision, which must include an environmental impact study.

Secured Creditors

9. Hillmount is a secured creditor of BHI and a mortgagee of the Property. At the time of the receivership, Hillmount was owed approximately $4.4 million and holds a first-ranking mortgage against the Lands and was granted a general security agreement against all of the properties, assets and undertakings of the Company.

10. Jaekel Capital Inc. ("**Jaekel**") holds the second subsequent mortgage registered on title to the Property. At the time of the receivership, Jaekel was owed approximately $1.95 million.

11. Building & Development Mortgages Canada Inc. ("**BDMC**"), Computershare Trust Company of Canada and Olympia Trust Company hold the third subsequent mortgage registered on title. FAAN Mortgage Administrators Inc. ("**FAAN**") was appointed Trustee of all the assets, undertakings and properties of BDMC pursuant to an Order of the Court. At the time of the receivership, BDMC was owed approximately $6.38 million.

ACTIVITIES OF THE RECEIVER TO DATE

12. Among other things, the Receiver took the following steps in conjunction with the receivership:

a) posted the Appointment Order and other public documents on the Receiver's Website;

b) due to the pandemic, arranged virtual meetings with the Company and its legal counsel to discuss the appointment of the Receiver and arrange for the sharing of information including certain books and records of the Company;

c) opened a bank account and maintained a statement of receipts and disbursements and accounted for ongoing disbursement requirements and general banking responsibilities;

d) arranged for funding from Hillmount for an amount of $140,000 (the "**Receiver's Borrowings**"), which is subject to the Receiver's Borrowing Charge, and issued a Receiver's Certificate for same;

e) arranged for the Receiver to be named as an additional insured and loss payee on the existing insurance policy;

f) prepared and provided to the creditors a copy of the Receiver's Section 245 and 246 reports pursuant to the *Bankruptcy and Insolvency Act*;

g) retained GHD as planning consultants to advise the Receiver on land planning matters in regards to the Brookhill Secondary Update;

h) arranged for the renewal of the existing farm lease for an additional season;

i) retained Altus Group Limited ("**Altus**") to provide an independent real estate appraisal of the Lands (the "**Appraisal**"); and

j) solicited listing proposals from four real estate brokerage firms, interviewed same and ultimately selected CBRE Land Services Group ("**CBRE**") as the listing agent to sell the Lands.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

13. Attached as **Appendix "C"** is the Receiver's R&D, which indicates actual receipts over disbursements of $12,825.45.

14. As previously mentioned, the Receiver's Borrowings total $140,000, which was used to fund the costs of the receivership and is reflected in the R&D.

SALE PROCESS

15. As indicated previously, the Receiver retained CBRE to list the property. The listing was officially launched on July 14, 2020 without a price with an offer submission date of August 19, 2020. Attached as **Appendix "D"** is a copy of CBRE's marketing brochure.

16. CBRE marketed the property through multiple channels including email campaigns, advertising promotions, LinkedIn networks and signage. Attached as **Appendix "E"** is a

copy of CBRE's reporting letter dated August 14, 2020 outlining specific details and statistics of its marketing campaign (which has been redacted to protect the names of the listed interested parties).

17. The initial bid deadline for offers was August 19, 2020. CBRE received multiple offers for the Lands on this date. CBRE set a deadline of August 28, 2020 for second round offers. One offer was materially higher than the other offers (the "**Highest Offer**"); however, this offer was subject to a due diligence condition. CBRE was notified on August 31, 2020 by the party who submitted the Highest Offer that it was withdrawn. Through subsequent inquiries, CBRE confirmed that after further review of the Lands, the party was no longer interested in the opportunity.

18. CBRE entered into discussions with the remaining parties that submitted offers with a view to improving the offers submitted. A summary of final offers (which includes the withdrawn Highest Offer for information purposes only) (the "**Summary of Offers**") is attached hereto as **Confidential Appendix "2"**, which, as discussed above, is the subject of a request for a sealing order to protect the confidentiality and results of the sale process.

19. In consultation with CBRE, legal counsel, Hillmount, and after advising Jaekel, and FAAN, the Receiver entered into the Purchase Agreement with the Purchaser. The Purchaser is a related party to BDI and BHI.

<u>Summary of Purchase Agreement</u>

20. The Purchase Agreement provides that closing of the Transaction shall be on November 23, 2020, subject to an Approval and Vesting Order being granted by the Court (the "**Closing Date**").

21. A general summary of the key terms and conditions of the Purchase Agreement is set out below. The summary is for convenience only and interested parties are directed to the specific terms of the Purchase Agreement, a redacted version is attached hereto as Appendix "B".

Purchase Price

22. The purchase price for the Purchased Assets is as set out in the unredacted copy of the Purchase Agreement, which is attached as Confidential Appendix "1" and subject to a request for a sealing order. The purchase price will be satisfied by way of cash proceeds.

Deposit

23. The deposit is being held by the Receiver's legal counsel pursuant to the terms of the Purchase Agreement.

Conditions

24. The Purchase Agreement contains common conditions for transactions of this nature, including obtaining the Approval and Vesting Order. There is no due diligence condition.

Receiver's Recommendation

25. The Receiver retained CBRE, a reputable national real estate brokerage company that has a specialty in land services, to list the Lands. The Receiver is of the view that CBRE canvassed the market for interested purchasers and provided sufficient opportunity for all potentially interested persons to view the Lands and to submit an offer if interested. The Receiver is not aware of any circumstances in which potentially interested persons were not treated fairly and not afforded them substantially equal information and opportunity by CBRE.

26. The Purchase Agreement represents the highest and best offer received by CBRE.

27. Attached hereto as **Confidential Appendix "3"** is a summary of estimated values (the "**Summary of Estimated Values**") provided by those brokers who submitted listing proposals to the Receiver, along with the Appraisal provided by Altus (the "**Appraisal**"). The Appraisal is attached hereto as **Confidential Appendix "4".**

28. Given the uncertainty as to whether the Woodlands or a portion thereof will ultimately be able to be developed (as mentioned above), the brokers and Altus (collectively, the "**Parties**") each made an assumption concerning the amount of developable acreage in

arriving at their respective value range. In the Summary of Estimated Values, the Receiver re-calculated the respective values using the per acre value for developable land used by the Parties in their estimates of value, but excluded the Woodlands so that all values were based on 18 acres of developable land (the "**Revised Values**"). The purchase price under the Asset Purchase Agreement is in the range of the Revised Values.

29. The Receiver consulted with CBRE, legal counsel and Hillmount and advised Jaekel and FAAN on the results of the sale process. The Receiver recommends that the Court approve the Purchase Agreement.

DISTRIBUTION TO CREDITORS

30. The Receiver engaged Wildeboer Dellelce LLP ("**Wildeboer**"), as independent counsel for the Receiver. Wildeboer provided the Receiver with an independent legal opinion concluding that the security held by each of Hillmount, Jaekel and FAAN (as administrator of BDMC) is valid and enforceable as against Brookhill. The opinion also provides that the priority of security ranks as set out in paragraphs 9-11 above.

31. The Receiver is in receipt of mortgage payout statements from Hillmount and Jaekel, which are attached hereto as **Appendix "F"** and **Appendix "G"**, respectively. As noted above, the Purchase Price is sufficient to satisfy the claims of Hillmount and Jaekel as set out in the mortgage payout statements. Subject to any concerns regarding the amounts set out in the payout statements that may be raised by any party requiring resolution or determination by the Court, the Receiver proposes to distribute the sale proceeds to the first and second mortgagee in accordance with the mortgage payout statements.

32. Accordingly, below is a summary of the distributions that the Receiver intends to make upon closing of the Transaction (collectively referred to as the "**Distributions**"), (subject to payment of the fees of the Receiver and its counsel and any per diem interest adjustments if closing is delayed):

(a) payment to Hillmount in repayment of the Receiver's Borrowings as evidenced in the Receiver's Certificate in the amount of $147,652.46;

(b) payment to Hillmount on account of its first mortgage in the amount of $4,818,620.74;

(c) payment to Jaekel on account of its subsequent mortgage in the amount of $2,269,694.58; and

(d) payment to FAAN of the remaining sale proceeds once the Remaining Activities (as defined later herein) are complete.

RECEIVER'S DISCHARGE

33. The Receiver has certain administrative duties to complete to finalize the administration of the receivership that includes: (i) obtaining and paying the final accounts of the professionals and consultants retained by the Receiver and any other expenses incurred by the Receiver; (ii) filing the applicable returns for harmonized sales taxes ("**HST**") and collecting any HST input tax credit refunds from the Canada Revenue Agency ("**CRA**"); (iii) filing the 2018 and 2019 tax returns with CRA so that Brookhill will be compliant in order to collect the outstanding HST input tax credits; and (iv) preparing and filing the receiver reports with the Official Receiver (collectively the "**Remaining Activities**").

34. The Receiver respectfully requests that the Court grant an Order discharging the Receiver upon completion of the Remaining Activities, such discharge to be effective upon the Receiver filing the Receiver's Certificate with the Court, confirming that the Remaining Activities have been completed.

PROFESSIONAL FEES

35. The Receiver is seeking an Order from this Court approving the conduct and activities of the Receiver set out in this First Report, to pass the accounts of the Receiver and to approve the fees and disbursements of the Receiver and its legal counsel.

36. For the period May 5, 2020 to October 2, 2020, the Receiver's account amounts to $80,458.50 in fees and $10,459.61 in HST for a total amount of $90,918.11, plus an estimate

of fees to completion of the proceedings of $40,000 plus HST. A copy of the accounts rendered in these proceedings by the Receiver in respect of such period, together with a summary of the personnel, hours and hourly rates of the Receiver during the same period, supported by the Affidavit of Greg Adams sworn October 13, 2020, is attached hereto as **Appendix "H"**.

37. The aggregate legal fees of Thornton Grout Finnigan LLP ("**TGF**"), the Receiver's insolvency counsel, for the period May 5, 2020 to September 30, 2020 are $33,040.00, plus disbursements of $145.32 and HST in the amount of $4,309.93. TGF has estimated fees to the completion of the receivership proceedings in the amount of $30,000 plus HST. Copies of TGF's statements of account are attached as an exhibit to the Affidavit of D.J. Miller sworn October 9, 2020, attached as **Appendix "I".**

38. The aggregate legal fees of Fogler Rubinoff LLP ("**Fogler**"), the Receiver's real estate counsel, for the period May 5, 2020 to October 8, 2020 are $25.404.25, plus disbursements of $238.50 and HST in the amount of $3,325.10. Fogler has estimated fees to the completion of the receivership proceedings in the amount of $30,000 plus HST. Copies of Fogler's statements of account are attached as an exhibit to the Affidavit of Joseph Fried sworn October 9, 2020, attached as **Appendix "J".**

39. The aggregate legal fees of Wildeboer Dellelce LLP ("**Wildeboer**"), the Receiver's independent real estate counsel, for the period September 24, 2020 to October 13, 2020 are $6,112.50, plus disbursements of $118.80 and HST in the amount of $810.07. Copies of Wildeboer's statements of account of are attached as an exhibit to the Affidavit of Daniel Shapira sworn October 13, 2020, attached as **Appendix "K".**

RECOMMENDATIONS

40. For the reasons enumerated above, the Receiver recommends that this Court grant the Receiver's request for an order, among other things:

a) approving the First Report and the activities and conduct of the Receiver since the Appointment Order

b) approving the R&D;

c) approving the Transaction between the Receiver and the Purchaser;

d) sealing the unredacted copy of the Purchase Agreement, which is attached hereto as **Confidential Appendix "1"**; the Summary of Offers, which is attached hereto as **Confidential Appendix "2"**; the Summary of Estimated Values which is attached hereto as **Confidential Appendix "3"**; and the Appraisal which is attached hereto as **Confidential Appendix "4"** for a period of six months;

e) approving the fees and disbursements of the Receiver and its counsel;

f) approving and directing the Receiver to complete the Distributions;

g) approving and directing the Receiver to complete the Remaining Activities; and

h) granting an Order discharging the Receiver upon the Receiver filing the Receiver's Certificate confirming completion of the Remaining Activities.

All of which is respectfully submitted this 14th day of October 2020.

ERNST & YOUNG INC.,
solely in its capacity as Court-Appointed Receiver of
Brookhill Holdings Inc.
and not in its personal capacity

Per:

Greg Adams
Senior Vice-President

Alex Morrison
Senior Vice-President

APPENDIX “A”

Court File No. CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

THE HONOURABLE MADAM	)	TUESDAY, THE 5TH
	)	
JUSTICE CONWAY	)	DAY OF MAY, 2020

B E T W E E N:

HILLMOUNT CAPITAL INC.

Applicant

- and -

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.

Respondents

ORDER
(appointing Receiver)

THIS APPLICATION brought by Hillmount Capital Inc. for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing Ernst & Young Inc. as receiver and manager (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of Brookhill Holdings Inc. (the "**Debtor**") and of the beneficial interest of Brookhill Development Inc. ("**BDI**") in the Lands (as defined below) acquired for, or used in relation to a business carried on by the Debtor, was heard this day by videoconference due to the COVID-19 crisis.

ON READING the Declaration of Itzhak Levinson dated April 28, 2020 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, counsel for the Respondents, and such other parties present, no one else appearing although duly served as appears from the affidavit of service of Rachel Bengino sworn April 30, 2020 and on reading the consent of Ernst & Young Inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, Ernst & Young Inc. is hereby appointed Receiver, without security, of (i) all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to any business carried on by the Debtor, including in relation to the real properties municipally known as 2499 Nash Road, 2538 Regional Road 57 and 2494 Regional Road 57, Bowmanville, Ontario, and more specifically described as (collectively, the "**Lands**"):

(a) PIN26613-0238 (LT): PART L0T 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON;

(b) PIN26613-0239 (LT): PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON: and

(c) PIN26613-0240 (LT): PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON,

and (ii) the beneficial ownership interests of BDI in the Lands, and all proceeds thereof (collectively, the "**Property**").

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality

of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

(a) to take possession of and exercise control over the Property, including any deposits or funds held in trust by the Debtor or its solicitors, and any and all proceeds, receipts and disbursements arising out of or from the Property;

(b) to receive, preserve, and protect of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, cease to perform any contracts of the Debtor, or continue to perform any contracts of the Debtor including, but not limited to, the Secondary Plan Funding Agreement dated December 19, 2018 between the Corporation of the Municipality of Clarington, the Debtor and various other developers as listed therein;

(d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

(e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;

(f) to pay such protective disbursements as may be deemed necessary to preserve and protect the Property pending any disposition of same;

(g) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;

(h) to settle, extend or compromise any indebtedness owing to the Debtor;

(i) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;

(j) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;

(k) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

(l) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

(m) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

    (i) without the approval of this Court in respect of any transaction not exceeding $500,000, provided that the aggregate consideration for all such transactions does not exceed $750,000; and

    (ii) 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, and in each case the *Ontario Bulk Sales Act* shall not apply.

(n) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances or other instruments affecting such Property, other than such permitted encumbrances as may be acceptable to the purchaser or rights that run with the land;

(o) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(p) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(q) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

(r) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;

(s) to exercise any shareholder, partnership, joint venture, co-ownership or other rights which the Debtor may have; and

(t) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the

Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

9. THIS COURT ORDERS that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

10. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

11. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized

banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**"). The monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

13. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

14. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

16. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

17. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings. The Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

18. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

19. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

20. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow from the Applicant by way of a revolving credit or otherwise, such monies from time to

time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $250,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange with the Applicant, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

21. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

22. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

23. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

24. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of

documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL 'www.ey.com/ca/brookhill'.

25. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

RETENTION OF LAWYERS

26. THIS COURT ORDERS that the Receiver may retain solicitors to represent and advise the Receiver in connection with the exercise of the Receiver's powers and duties, including without limitation, those conferred by this Order. Such solicitors may include Thornton Grout Finnigan LLP and Fogler Rubinoff LLP, solicitors for the Applicant herein, in respect of any matter where there is no conflict of interest. The Receiver shall, however, retain independent solicitors in respect of any legal advice or services where a conflict exists, or may arise.

GENERAL

27. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

29. THIS COURT ORDERS that, as soon as practicable, the Land Registry Office for the Land Titles Division of Durham (No. 40) shall register this Order against title to the real properties municipally known as 2499 Nash Road, 2538 Regional Road 57 and 2494 Regional Road 57, Bowmanville, Ontario, and more specifically described as:

(a) PIN26613-0238 (LT): PART L0T 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON;

(b) PIN26613-0239 (LT): PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON: and

(c) PIN26613-0240 (LT): PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON.

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

31. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

32. THIS COURT ORDERS that the Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate, with such priority and at such time as this Court may determine.

33. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

SUPERIOR COURT OF JUSTICE
ENTERED
MAY 05 2020
COUR SUPÉRIEURE DE JUSTICE
ENTRÉ

Conway J.

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. ____________

AMOUNT $________

1. THIS IS TO CERTIFY that ERNST & YOUNG INC., the receiver (the "**Receiver**") of the assets, undertakings and properties of Brookhill Holdings Inc. acquired for, or used in relation to a business carried on by the Debtor, and the beneficial interest of Brookhill Development Inc. in respect of the Lands (as defined in the Order), including all proceeds thereof (collectively, the "**Property**"), appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 5th of May, 2020 (the "**Order**") made in an action having Court file number CV-20-00640134-00CL, has received as such Receiver from Hillmount Capital Inc. (the "**Lender**") the principal sum of $______________, being part of the total principal sum of $__________________ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [monthly] not in advance on the ______ day of each month after the date hereof at a rate per annum equal to the rate of ______ per cent above the prime commercial lending rate of Bank of ___________________ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _________ day of ______________, 2020.

ERNST & YOUNG INC., solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: ________________________________

Name:

Title:

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

HILLMOUNT CAPITAL INC.
Applicant

and

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.
Respondents

Court File No.: CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

ORDER
(APPOINTING RECEIVER)

Thornton Grout Finnigan LLP
TD West Tower, Toronto-Dominion Centre
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APPENDIX “B”

AGREEMENT OF PURCHASE AND SALE

This AGREEMENT made as of the 17th day of September, 2020.

BETWEEN:

ERNST & YOUNG INC. (the “**Receiver**”)

in its capacity as Court-Appointed Receiver of the assets, undertakings and properties of **BROOKHILL HOLDINGS INC.** and **BROOKHILL DEVELOPMENT INC.** (to the extent of its beneficial interest in the Property) (together, the “**Debtors**”) and on behalf of the Debtors and not in its personal or corporate capacity

(the **“Vendor”**)

and

BROOKHILL DURHAM HOLDINGS INC.

(the **“Purchaser”**)

RECITALS:

A. Pursuant to the Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated May 5, 2020 (the "**Appointment Order**"), registered on title to the Property on May 8, 2020, as Instrument No. DR1893508, ERNST & YOUNG INC. was appointed as receiver of all of the property, assets and undertakings of BROOKHILL HOLDINGS INC., including but not limited to the real properties municipally known as 2499 Nash Road, 2538 Regional Road 57 and 2494 Regional Road 57, Bowmanville, Ontario and legally described in Schedule "A", and BROOKHILL DEVELOPMENT INC. to the extent of its beneficial interest in the Property.

B. The Vendor desires to sell and the Purchaser desires to purchase the Purchased Assets, as more particularly set out herein, subject to the terms and conditions hereof.

NOW THEREFORE in consideration of the mutual covenants and agreements set forth in this Agreement and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged) the Parties covenant and agree as follows:

SECTION 1 – INTERPRETATION

1.1 Definitions

In this Agreement, unless the context clearly indicates otherwise, the following terms shall have the following meanings:

(a) "**Acceptance Date**" means the date that this Agreement is executed and delivered by the Parties;

(b) "**Agreement**" means this Agreement of Purchase and Sale, including the Schedules to this Agreement, as it or they may be amended or supplemented from time to time, and the expressions "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions refer to this Agreement and not to any particular Section or other portion of this Agreement.

(c) "**Applicable Laws**" means, with respect to the Purchased Assets or to any Person, property, transaction or event, all laws, by-laws, rules, regulations, orders, judgments, decrees, decisions or other requirements having the force of law relating to or applicable to such Person, property, transaction or event;

(d) "**Appointment Order**" has the meaning ascribed to it in Recital A hereof;

(e) "**Approval and Vesting Order**" means an order or orders made by the Court approving the entering into of this Agreement and the Transaction and vesting in the Purchaser or to whomever it may direct all the right, title and interest of the Debtors in the Purchased Assets free and clear of all Encumbrances (except for the Permitted Encumbrances), in form and substance satisfactory to the Vendor and the Purchaser, acting reasonably, and with no notice of appeal with respect to the Approval and Vesting Order having been served on any of the Parties. For greater certainty, the vesting portion of the "Approval and Vesting Order" shall be substantially in the form of the model approval and vesting order approved by the "Ontario Commercial List Users Committee".

(f) "**Assumed Liabilities**" has the meaning ascribed to it in Section 2.10.

(g) "**Authorities**" means the municipal, regional, provincial or federal governments and their agencies, authorities, branches or departments having or claiming jurisdiction over the Property and "**Authority**" means any one such government, agency, authority, branch or department.

(h) "**Brookhill Holdings**" means Brookhill Holdings Inc.;

(i) "**Business Day**" means a day on which banks and the Land Registry Office are open for business in the City of Toronto but does not include a Saturday, Sunday, or statutory holiday in the Province of Ontario;

(j) "**CIM**" means the confidential information memorandum prepared by the Vendor's Agent;

(k) "**Claims**" means any claims, demands, actions, causes of action, damages, losses, costs, liabilities or expenses (including legal fees on a full indemnity basis) and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing;

(l) "**Closing**" means the successful completion of the Transaction;

(m) "**Closing Date**" means November 23, 2020, or such other date as the Parties may mutually agree upon;

(n) “**Court**” means the Court defined in Recital A of this Agreement;

(o) “**Collateral Security**” has the meaning ascribed to it in Section 2.14;

(p) "**Data Room**" means the electronic data room established by or on behalf of the Vendor containing the Property Documents related to the Purchased Assets for review by the Purchaser;

(q) “**Deposit**” has the meaning ascribed to it in Section 2.5;

(r) "**Encumbrance**" means any mortgage, charge, pledge, hypothecation, lease, security interest, trust, deemed trust (statutory or otherwise) assignment, lien (statutory or otherwise), Claim, title retention agreement or arrangement, restrictive covenant, rights of way, easements, encroachments, reserves, or other encumbrance of any nature or any other arrangement or condition which, in substance, secures payment or performance of an obligation;

(s) “**Environmental Condition**” has the meaning ascribed to it in Section 2.2(a);

(t) "**Environmental Laws**" means all Applicable Laws concerning pollution or protection of the natural environment or otherwise relating to the environment or health or safety matters, including Applicable Laws pertaining to (i) reporting, licensing, permitting, investigating and remediating the presence of Hazardous Materials, and (ii) the storage, generation, use, handling, manufacture, processing, transportation, treatment, release and disposal of Hazardous Materials including without limiting the generality of the foregoing the following any written policies and guidelines and directives, administrative rulings or interpretations, that are in effect and applicable to the Vendor or the Property on the Closing Date, as well as the common law and any judicial or administrative order, consent decree or judgment that is in effect and applicable to the Vendor or the Property on the Closing Date, that relates to pollution or the protection of the environment, including, without limitation, the *Atomic Energy Control Act* (Canada), the *Canadian Environmental Protection Act* (Canada), the *Pest Control Products Act* (Canada), the *Transportation of Dangerous Goods Act* (Canada), the *Environmental Protection Act* (Ontario), the *Environmental Assessment Act* (Ontario), the *Ontario Water Resources Act* (Ontario) and the *Occupational Health & Safety Act* (Ontario), and the regulations and guidelines promulgated pursuant thereto or issued by any Governmental

Authority in respect thereof, and equivalent or similar local and provincial ordinances and statutory programs and the regulations and guidelines promulgated pursuant thereto;

(u) “**Ereg**” has the meaning ascribed to it in Section 5.7;

(v) "**ETA**" means the *Excise Tax Act* (Canada), as it may be amended from time to time;

(w) "**Excluded Fees**" means any fees owed by the Municipality to the Debtors under the Property Agreement;

(x) “**Extended Closing Date**” has the meaning ascribed to it in Section 4.6;

(y) "**Government Authority**" means any person, body, department, bureau, agency, board, tribunal, commission, branch or office of any federal, provincial or municipal government having or claiming to have jurisdiction over part or all of the Purchased Assets, the Transaction or one or both of the Parties and shall include a board, commission, courts, bureau, agency or any quasi-governmental or private body exercising any regulatory authority including an association of insurance underwriters;

(z) "**Hazardous Materials**" means any contaminants, pollutants, substances or materials that, when released to the natural environment, could cause, at some immediate or future time, harm or degradation to the natural environment or risk to human health, whether or not such contaminants, pollutants, substances or materials are or shall become prohibited, controlled or regulated by any Government Authority and any "contaminants", "dangerous substances", "hazardous materials", "hazardous substances", "hazardous wastes", "industrial wastes", "liquid wastes", "pollutants" and "toxic substances", all as defined in, referred to or contemplated in federal, provincial and/or municipal legislation, regulations, orders and/or ordinances relating to environmental, health or safety matters;

(aa) "**HST**" means all goods and services taxes and harmonized sales tax payable under the ETA;

(bb) "**Land Transfer Tax**" means all the taxes payable under the *Land Transfer Tax Act* (Ontario) and any other applicable provincial or municipal land transfer tax legislation, including all registration fees, license fees, and other like charges payable upon a transfer of real property, together with interest, penalties and additions thereto;

(cc) "**Large Value Transfer System**" means the electronic wire payment system in Canada which facilitates in real time the transfer of large irrevocable payments between Canadian financial institutions;

(dd) “**Letters of Credit**” means any letters of credit that may have been issued on behalf of either of the Debtors in respect of the Property, as may have since been reduced, renewed, amended, supplemented, modified or replaced from time to time;

(ee) “**Liabilities**” means all costs, expenses, charges, debts, liabilities, claims, demands and obligations, whether primary or secondary, direct or indirect, fixed, contingent, absolute or otherwise, liquidated or unliquidated under or in respect of any contract, agreement, arrangement, lease, commitment or undertaking, Applicable Law and Transfer Taxes;

(ff) "**Municipality**" means The Corporation of the Municipality of Clarington;

(gg) "**Parties**" means the Vendor, the Purchaser and any other Person who may become a party to this Agreement. "**Party**" means any one of the foregoing;

(hh) “**Permits**” means all permits, licenses and applications that may have been issued or applied for in the name of either of the Debtors in connection with the servicing and/or development of the Property which are in the possession or control of the Vendor;

(ii) "**Permitted Encumbrances**" means those Encumbrances listed in Schedule "B" attached hereto;

(jj) "**Person**" means an individual, a corporation, a partnership, a trust, an unincorporated organization, the government of a country or any political subdivision thereof, or any agency or department of any such government, and the executors, administrators or other legal representatives of an individual in such capacity;

(kk) “**Plans**” means all plans and documentation in the possession or control of the Vendor relevant to the development of the Property including, without limitation, any project documents, engineering drawings, architectural plans and working drawings, landscaping plans, reports, project documents other documentation prepared to illustrate or define a particular aspect of the development of the Property, in each instance, to the extent forming part of the Data Room created by the Vendor in respect of the Transaction;

(ll) "**Property**" means the lands and premises legally described in Schedule A and municipally known as 2499 Nash Road, 2538 Regional Road 57 and 2494 Regional Road 57, Bowmanville, Ontario;

(mm) "**Property Agreement**" means the Second Plan Funding Agreement dated December 19, 2018, between, *inter alios*, Brookhill Holdings and the Municipality;

(nn) "**Property Documents**" means all of the documents, information and data (including the Reports, Plans and the Property Agreement) in the Data Room;

(oo) "**Purchaser Closing Conditions**" has the meaning ascribed to it in Section 4.1;

(pp) "**Purchase Price**" shall have the meaning ascribed to it in Section 2.4. For greater certainty, the Purchase Price shall be exclusive of Transfer Taxes and any other taxes payable as a result of or in connection with the Transaction;

(qq) “**Purchaser’s Solicitors**” means Owens Wright LLP or such other firm as may be appointed by the Purchaser from time to time;

(rr) "**Purchased Assets**" means the right, title and interest of the Debtors in and to the Property excluding the Excluded Fees;

(ss) **"Reports"** means collectively any written reports or documents received or obtained by the Receiver from any third party regarding any aspect of the Property including, without limitation, the geotechnical report from Soil Engineers Ltd. dated January, 2016; the natural heritage due diligence assessment from Palmer Environmental Consulting Group Inc. dated February 24, 2016; the database report from Ecolog ERIS Ltd. dated December 11, 2015; the Soil Engineers Ltd. Phase I report dated January 11, 2016; the Soil Engineers Ltd. Preliminary Phase II report dated March 3, 2017; and the GHD meeting notes dated April 9, 2020;

(tt) “**Rights**” has the meaning ascribed to it in Section 2.13;

(uu) "**Transaction**" means the transaction of purchase and sale and assignment and assumption contemplated by this Agreement;

(vv) "**Transfer Taxes**" means all HST, Land Transfer Tax, sales, excise, use, transfer, gross receipts, documentary, filing, recordation, value-added, stamp, stamp duty reserve, and all other similar taxes, duties or other like charges, however denominated together with interest, penalties and additional amounts imposed with respect thereto;

(ww) “**Vendor Closing Conditions**” has the meaning ascribed to it in Section 4.3;

(xx) **“Vendor’s Agent”** means CBRE Limited;

(yy) “**Vendor’s Solicitor**” means the law firms of Fogler, Rubinoff LLP and Thornton Grout Finnigan LLP; and

(zz) “**Work Orders**” means any work orders, deficiency notices, outstanding building permits, orders, or requirements to comply with any Applicable Laws or issued by any Governmental Authority.

1.2 Interpretation Not Affected by Headings, etc.

The division of this Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof', "herein" and "hereunder" and similar expressions refer to this Agreement and not to any particular section hereof.

1.3 Extended Meanings

Words importing the singular include the plural and vice versa, words importing gender include all genders and words importing persons include individuals, partnerships, associations, trusts, unincorporated organizations, corporations and governmental authorities. The term "including" means "including, without limitation," and such terms as "includes" have similar meanings.

1.4 Schedules

The following Schedules are incorporated in and form part of this Agreement;

Schedule "A" Purchased Assets

Schedule "B" Permitted Encumbrances

SECTION 2 — SALE AND PURCHASE AND ASSIGNMENT

2.1 Sale and Purchase of Purchased Assets

On the Closing Date, subject to the terms and conditions of this Agreement, the Vendor shall sell and the Purchaser shall purchase the Purchased Assets and the Purchaser shall assume the Assumed Liabilities, all in accordance with and pursuant to the terms hereof and the Approval and Vesting Order. The Purchaser acknowledges that it is not purchasing any other property or assets of the Debtors other than the Purchased Assets. The Purchaser further acknowledges that the Purchased Assets do not include any interest in any Letters of Credit, in respect of which the provisions of Section 2.14 hereof shall govern.

2.2 "As is, Where is"

The Purchaser acknowledges and agrees that:

(a) the Vendor is selling and the Purchaser is purchasing the Purchased Assets on an “as is, where is” basis subject to whatever defects, conditions, impediments, faults, Hazardous Materials or deficiencies which may exist on the Closing Date, including, without limiting the generality of the foregoing, any latent or patent defects in the Purchased Assets. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Vendor does not guarantee title to the Purchased Assets and that the Purchaser has conducted such inspections of the condition of and title to the Purchased Assets as it deems appropriate and has satisfied itself with regard to these matters. No representation, warranty or condition is expressed or can be implied as to any matter including, title, Encumbrances, description, fitness for purpose or use, merchantability, condition, quantity or quality, latent defects, cost, size, value, state of repair, zoning, permitted uses, permits, compliance with Applicable Laws of any Governmental Authority, including any adverse matters contained in any of the Property Documents or otherwise coming to the attention of the Purchaser during its due diligence, threatened Claims, litigation, the existence or non-existence of Hazardous Materials flowing onto or from the Property or any part thereof, or in the air, surface or ground water flowing through, onto or from the Property, or any part thereof, any non-compliance with Environmental Laws including any adverse matters contained in the Reports (the "**Environmental Condition**"), compliance with any or all Environmental Laws, or in respect of any other matter or thing whatsoever concerning the Purchased Assets, or the right of the Vendor to sell or assign same save and except as expressly provided for in this Agreement. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the *Sale of Goods Act* (Ontario) or similar legislation do not apply hereto and are hereby waived by the Purchaser. The descriptions of the Purchased Assets set out in the CIM, this Agreement, in the Property Documents or the Property Agreement are for the purposes of identification only and no representation, warranty or condition has or will be given by the Vendor concerning the completeness or accuracy of such descriptions. The Purchaser further acknowledges that the CIM, the Property Agreement, the Property Documents and all other written and oral information (including, without limitation, any analyses, financial information and projections, compilations, studies and the Plans) obtained by the Purchaser from the Vendor or the Agent with respect to the Purchased Assets or otherwise relating to the Transaction has been provided for the convenience of the Purchaser only and is not warranted to be accurate or complete. The Purchaser further acknowledges that the Vendor shall not be under any obligation to deliver the Purchased Assets to the Purchaser and that it shall be the Purchaser's responsibility to take possession of the Purchased Assets, at the Purchaser's sole expense.

(b) notwithstanding any statutory provisions to the contrary, and subject to Section 6.1(a) hereof, the Purchaser has no right to submit requisitions on title or in regard to any outstanding Work Orders, and the Purchaser shall accept the title to the Property subject to the Permitted Encumbrances and the Environmental Condition.

(c) the various parties who prepared the Property Documents may have restricted the use thereof to the Debtors only, in their respective retainers with the Debtors and the Vendor shall not provide any conveyance of any of the Property Documents to the Purchaser other than ones for which reliance letters may be obtained explicitly permitting the Purchaser to rely on same.

(d) without limiting the generality of this Section 2.2, the Purchaser acknowledges and agrees that the Parties have expressly agreed to exclude from this Agreement all express or implied representations and warranties with respect to the following matters:

(i) the compliance of the Property with Applicable Laws, by-laws or regulations including without limitation, municipal zoning by-laws and regulations;

(ii) any easements, rights of way, instruments, documents, agreements or other registered or unregistered interest in the Property which impacts the use, enjoyment, income or development opportunities connected with the Property;

(iii) that the present use or any future use of the Purchased Assets intended by the Purchaser is or will be lawful or permitted;

(iv) the execution, good standing, validity, binding effect or enforceability of the Permitted Encumbrances;

(v) that the Vendor has any right, title or interest in any goodwill associated with the Purchased Assets, or the use of any name associated with the operation of the Purchased Assets;

(vi) the description, title, condition, state of repair and fitness for any purpose of the Purchased Assets; and

(vii) the compliance of the Property with Environmental Laws, Reports or the existence or non-existence of Hazardous Materials, environmental, soil or water contamination or pollution on or about the Property, or otherwise with respect to the environmental condition of the Property;

(e) the CIM, the Property Documents, the Property Agreement and any assets lists, information packages and other material concerning the Purchased Assets or the sale thereof provided by or on behalf of the Vendor and the Agent have been prepared solely for the convenience of the Purchaser and are not warranted or represented to be complete or accurate and are not part of this Agreement (unless specifically provided in such material) and the descriptions of the Purchased Assets provided to the Purchaser are for the purposes of identification only, no conditions, warranty or representation has been or will be given by the Vendor concerning the accuracy, completeness or any other matter concerning such descriptions;

(f) the Vendor is entering into this Agreement solely in its capacity as Receiver of the assets, undertaking and properties of the Debtors pursuant to the Appointment Order and not in its personal or other capacity and the Vendor and its agents (including the Vendor's Solicitors), officers, directors and employees will have no personal or corporate liability under or as a result of this Agreement, or otherwise in connection herewith; and

(j) in entering into this Agreement, the Purchaser has relied and will rely entirely and solely upon its own inspections and investigations with respect to the Property and the Purchased Assets, including the physical condition and the Environmental Condition of the Purchased Assets including compliance with Applicable Laws and has relied solely upon its own judgement resulting from doing so and has not relied and will not rely on any information, written or oral, furnished by the Vendor or any other person or entities on behalf of or at the direction of the Vendor including the Vendor's Agent, including with respect to value of the Purchased Assets, the development potential of the Property, adequacy, marketability, quantity, location, condition, quality, fitness or state of repair. The CIM and the Property Documents in the Data Room and the description of the Purchased Assets in any marketing material, listing information, and any like material delivered or made available by the Vendor and/or the Agent, the Vendor's agents or any other party on its behalf to the Purchaser or its representatives are believed to be correct, but if any misstatement, error, inaccuracy or omission (collectively the "**Inaccuracies**") is found in the them, the Purchaser shall not be entitled to any abatement, damages, reimbursement, costs or to termination of this Agreement as a result of them and the Purchaser releases the Vendor and its respective agents from any Claims the Purchaser had, has or may have as a result of such Inaccuracies.

2.3 Permitted Encumbrances

The Purchaser acknowledges that the Vendor is selling the Purchased Assets subject to the Assumed Liabilities and that the Vendor undertakes no obligation to discharge the Permitted Encumbrances on Closing or thereafter.

2.4 Purchase Price

The cash portion of the purchase price payable by the Purchaser to the Vendor for the Purchased Assets (the "**Purchase Price**") shall be an amount of [redacted]

2.5 Deposit

The Parties acknowledge and agree that the sum of [redacted] (the "**Deposit**") shall be delivered in immediately available funds by bank wire within two (2) Business Days of the Acceptance Date by the Purchaser to the Vendor's Solicitors in trust following the execution of this agreement. The Deposit shall be held in a non-interest bearing account of a Canadian chartered bank or trust company, in trust and to be disbursed in accordance with the following provisions:

(a) if the purchase and sale of the Purchased Assets is completed on the Closing Date, then the Deposit shall be released from trust and applied towards payment of the Purchase Price;

(b) if the purchase and sale of the Purchased Assets is not completed on the Closing Date for any reason, other than the default of the Purchaser hereunder, then the Deposit shall, subject to any Claim by the Vendor for damages under Section 2.12(d) herein, be released from trust and paid to the Purchaser in full satisfaction of all Claims incurred by the Purchaser as a result of such non-completion; or

(c) if the purchase and sale of the Purchased Assets is not completed on the Closing Date as a result of the Purchaser's default hereunder, then the

Deposit shall be forfeited to the Vendor and released from trust as liquidated damages and not as a penalty and paid to the Vendor without prejudice to the Vendor's rights to reimbursement on account of any Claim incurred by the Vendor as a result of such failure and the Vendor shall be entitled to pursue all of its rights and remedies against the Purchaser.

2.6 Payment of Purchase Price

The Purchase Price shall be paid and satisfied as follows:

(a) on Closing, the Deposit shall be released from trust and credited against the Purchase Price in accordance with Section 2.5(a); and

(b) on Closing, the Purchase Price, subject to adjustments as provided for in this Agreement and minus the amount paid to the Vendor's Solicitors pursuant to Section 2.6(a), shall be paid to the Vendor or as the Vendor may direct in writing by way of wire transfer in immediately available funds using the Large Value Transfer System.

2.7 Allocation of Purchase Price

The entire Purchase Price shall be allocated to the Property (as opposed to any other item forming part of the Purchased Assets, to the extent applicable) and the Parties shall ensure that the Purchaser and the Vendor shall follow such allocation in determining and reporting their liabilities for any Transfer Taxes and, without limitation, shall file their respective income tax returns prepared in accordance with such allocation, provided that nothing herein shall require the Vendor to file any income tax returns that it is not otherwise required to file.

2.8 Adjustment of Purchase Price

(1) The Purchase Price shall be adjusted as of the Closing Date in accordance with the terms of this Agreement for any property taxes (including interest thereon, if applicable), utilities and any other items which are usually adjusted in purchase transactions involving assets similar to the Purchased Assets in the context of a Court supervised sale (the "**Adjustments**"). The Receiver shall prepare a statement of adjustments and deliver same to the Purchaser for its approval by no later than 3 Business Days prior to the Closing Date. If the amount of any Adjustments required to be made pursuant to this Purchase Agreement cannot be reasonably determined as of the Closing Date, an estimate shall be made by the Vendor as of the Closing Date based upon the best information available to the Vendor at such time. When such cost or amount is determined, the Vendor or Purchaser, as the case may be, shall, within 30 days of determination, provide a complete statement thereof to the other and within 30 days thereafter the Vendor and the Purchaser shall make a final adjustment as of the Closing Date for the item in question. In the absence of agreement by the Parties the final cost or amount of an item shall be determined by an accountant or such other financial professional appointed jointly by the

Vendor and the Purchaser, with the cost of such accountant’s or other financial professional’s determination being shared equally between the Parties. All of the Adjustments requested by the Purchaser shall be requested in a detailed manner on or before the 60th day after the Closing Date, after which time the Purchaser shall have no right to request a re-adjustment.

(2) Other than as provided for in this section 2.8, there shall be no adjustments to the Purchase Price.

2.9 Excluded Liabilities

Other than the Assumed Liabilities, the Purchaser shall not assume and shall not be liable for any other Liabilities of the Vendor or the Debtors.

2.10 Assumed Liabilities

From and after Closing, the Purchaser shall assume and be liable for the Assumed Liabilities. The Assumed Liabilities shall consist only of the Liabilities incurred under or in respect of:

(a) Permitted Encumbrances;

(b) the use of the Purchased Assets; and

(c) the Environmental Condition, and any and all Liabilities including the remediation of the soil and groundwater in, on, over, under or flowing through, onto or from the Property or any part thereof, if applicable

(the foregoing being the “**Assumed Liabilities**”).

2.11 Taxes

In addition to the Purchase Price, the Purchaser or the beneficial owner(s) of the Property, if different from the Purchaser, shall pay all applicable Transfer Taxes exigible in connection with the purchase and sale of the Purchased Assets, including, without limitation, HST and Land Transfer Tax.

The Purchaser, or if there are any beneficial owners, then the beneficial owners, will be a HST registrant and a prescribed recipient under the ETA on or before the Closing Date and will provide its registration number to the Vendor on or before the Closing Date.

The Purchaser, or if there are any beneficial owners, then the beneficial owners, shall deliver, prior to Closing, a certificate in form prepared by the Vendor acting reasonably certifying that the Purchaser or the beneficial owners, if applicable, shall be liable for, shall self-assess and shall remit to the appropriate Governmental Authority all HST payable in respect of the Transaction. The Purchaser's or the beneficial owners' certificate shall also include certification of the Purchaser's or the beneficial owners' prescription and/or registration as the case may be, and the Purchaser's or the beneficial owners' HST registration number together and the Purchaser and the beneficial owners shall indemnify and hold harmless the Vendor from and against any and all Claims, HST, penalties, costs and any interest that may become payable by or assessed against the Vendor for all Transfer Taxes arising out of, related to or connected in any way with the Property or this Transaction. If the Purchaser or the beneficial owners shall fail to deliver its certificate, then the Purchaser and the beneficial owners shall tender to the Vendor at Closing, in addition to the balance due on Closing, an amount equal to the HST that the Vendor shall be obligated to collect and remit in connection with the Transaction.

2.12 Inspections

The Vendor will permit the Purchaser, its consultants, agents and representatives to carry out, at the Purchaser's sole expense and risk, such investigations, soil tests, and environmental audits as the Purchaser, acting reasonably, may deem necessary with respect to the Property, subject to and conditional upon the following terms and conditions:

(a) any invasive testing shall require the Vendor’s written approval prior to such testing;

(b) the Purchaser shall provide at least two Business Days' notice to the Vendor of any such tests and inspections and the Vendor will be entitled to have a representative present during all such tests and inspections;

(c) all soil tests or environmental audits shall be coordinated with the Vendor;

(d) any damage to the Property caused by such tests and inspections will be promptly repaired by the Purchaser and the Purchaser will indemnify and save the Vendor harmless from all Claims which the Vendor may suffer as a result of the said tests and inspections or any other breach of this Section by the Purchaser; and

(e) prior to entering the Property to conduct the Purchaser's tests and investigations, the Purchaser shall deliver (or shall cause its representatives completing the Purchaser's investigations on its behalf to deliver) to the Vendor evidence of liability insurance coverage for at least $2,000,000.00.

The Purchaser agrees that the Vendor shall be entitled to deduct from the Deposit the amount of any Claims which the Vendor may suffer as a result of a breach of this Section 2.12 by the Purchaser. To the extent that the Purchaser commissions any reports in connection with its tests and investigations of the Property, copies of all such reports shall be delivered to the Vendor at no cost to the Vendor within three (3) Business Days of issuance.

2.13 Non-Transferable and Non-Assignable Purchased Assets

To the extent that any of the Purchased Assets to be transferred to the Purchaser on the Closing, or any Claim, right or benefit arising under or resulting from such Purchased Assets (collectively, the “**Rights**”) is not capable of being transferred without the approval, consent or waiver of any third Person, or if the transfer of a Right would constitute a breach of any obligation under, or a violation of, any Applicable Law unless the approval, consent or waiver of such third Person is obtained, then, except as expressly otherwise provided in this Agreement and without limiting the rights and remedies of the Purchaser contained elsewhere in this Agreement, this Agreement shall not constitute an agreement to transfer such Rights unless and until such approval, consent or waiver has been obtained. After Closing and for a period of the earlier of (i) sixty (60) days following Closing and (ii) the discharge by the Court of the Receiver, the Vendor shall:

(a) maintain its existence and hold the Rights in trust for the Purchaser;

(b) comply with the terms and provisions of the Rights as agent for the Purchaser at the Purchaser's cost and for the Purchaser's benefit;

(c) cooperate with the Purchaser in any reasonable and lawful arrangements designed to provide the benefits of such Rights to the Purchaser; and

(d) enforce, at the reasonable request of the Purchaser and at the expense and for the account of the Purchaser, any rights of the Vendor arising from such Rights against any third Person, including the right to elect to terminate any such Rights in accordance with the terms of such Rights upon the written direction of the Purchaser.

In order that the full value of the Rights may be realized for the benefit of the Purchaser, the Vendor shall, at the request and expense and under the direction of the Purchaser, in the name of the Vendor or otherwise as the Purchaser may specify, take all such action and do or cause to be done all such things as are, in the reasonable opinion of the Vendor, necessary or proper in order that the obligations of the Vendor under such Rights may be performed in such manner that the value of such Rights is preserved and enures to the benefit of the Purchaser, at the Purchaser’s sole expense. To the extent that such approval, consent or waiver has not been obtained by the earlier of (i) the 60th day following the Closing, or (ii) the date that the Court had discharged the Receiver, such Right shall be deemed to be not a Purchased Asset and the Vendor may terminate any agreement pertaining to such Right unless otherwise agreed to by the Parties. The Purchaser shall indemnify and hold the Vendor harmless from and against any Claim under or in respect of such Rights arising because of any action of the Vendor taken in accordance with this Section.

2.14 Letters of Credit

The Purchaser covenants and agrees with the Vendor that on Closing, in the event that there are any outstanding Letters of Credit, it shall be required to substitute the Letters of Credit with replacement letters of credit of its own such that the Letters of Credit shall be released and returned for cancellation. In addition to the foregoing, to the extent that the Letters of Credit are collaterally secured, whether by a cash account or otherwise (the “**Collateral Security**”), the Purchaser shall further be required on Closing to replace the Collateral Security as may be necessary to release and return same to the Vendor or as it may otherwise direct. The Purchaser shall be solely responsible for payment of all costs and expenses attributable to the performance of the foregoing obligations. To the extent that there are Letters of Credit to be replaced, the Vendor shall provide the details of such Letters of Credit to the Purchaser within 15 days of the Acceptance Date.

2.15 Excluded Fees

The Purchaser acknowledges and agrees that the Vendor shall be entitled to receive payment of any Excluded Fees in full. In the event that the Purchaser receives any Excluded Fees, it shall hold same in trust for, and forthwith remit same to, the Vendor.

On Closing, the Purchaser shall deliver to the Vendor, *inter alia*: (1) an irrevocable direction to the Municipality directing the Municipality to pay any Excluded Fees to the Vendor (the "**Irrevocable Direction**"); and (2) an undertaking to the Vendor to forthwith remit to the Vendor any Excluded Fees received by the Purchaser and, until same is remitted, to hold same in trust for the Vendor (the "**Undertaking**").

SECTION 3 - REPRESENTATIONS AND WARRANTIES

3.1 Purchaser's Covenants

The Purchaser covenants and agrees that it will, effective on and from the Closing Date, assume and be fully responsible for:

(a) all obligations which are to be observed or performed from and after completion of this Transaction under the Permitted Encumbrances; and

(b) the Assumed Liabilities and any other obligations and liabilities assumed by the Purchaser as provided for by this Agreement.

3.2 Purchaser’s Representations and Warranties

The Purchaser represents and warrants to the Vendor, which representations and warranties the Vendor is relying upon, that:

(a) the Purchaser is and will be as of Closing, a corporation duly incorporated and validly existing under the laws of its jurisdiction of incorporation and is duly qualified to purchase and own the Purchased Assets;

(b) the Purchaser has all necessary corporate power, authority and capacity to enter into this Agreement and to perform its obligations and the execution and delivery of this Agreement and the consummation of the Transaction has been duly authorized by all necessary corporate action on the part of the Purchaser;

(c) no consent or approval of or registration, declaration or filing with any Government Authority is required for the execution or delivery of this Agreement by the Purchaser, the validity or enforceability of this Agreement against the Purchaser, or the performance by the Purchaser of any of its obligations hereunder;

(d) the Purchaser is not a party to, bound or affected by or subject to any indenture, agreement, instrument, charter or by-law provision, order, judgment or decree which would be violated, contravened or breached by the execution and delivery by it of this Agreement or the performance by it of any of the terms contained herein;

(e) there is no suit, action, litigation, arbitration proceeding or governmental proceeding, including appeals and applications for review, in progress, pending or, to the best of the Purchaser's knowledge, threatened against or relating to the Purchaser or any judgment, decree, injunction, rule or order of any court, governmental department, commission, agency, instrumentality or arbitrator which, in any case, might adversely affect the ability of the Purchaser to enter into this Agreement or to consummate the Transaction and the Purchaser is not aware of any existing ground on which any action, suit or proceeding may be commenced with any reasonable likelihood of success;

(f) this Agreement and all other documents contemplated hereunder to which the Purchaser is or will be a party have been or will be, as of Closing, duly and validly executed and delivered by the Purchaser and constitute or will, as of Closing, constitute legal, valid and binding obligations of the Purchaser, as the case may be, enforceable in accordance with the terms hereof or thereof;

(g) the Purchaser is not a non-Canadian person as defined in the *Investment Canada Act*;

(h) the Purchaser has now and will have on the Closing Date the financial resources to complete this Transaction in accordance with the terms of this Agreement; and

(i) the Purchaser, or the beneficial owner, if applicable, is registered or will be registered on Closing under Part IX of the ETA.

3.3 Record of Site Condition in the Environmental Registry

If at any time following Closing the Purchaser, in its sole discretion, elects to file a Record of Site Condition ("**RSC**") in respect of any Property, then the following clause will be deemed to have formed part of this Agreement as at the time of execution hereof, in respect only of the Property for which the RSC is filed:

"The Purchaser covenants and agrees that following the Closing, it shall file, at its sole cost and expense, a Record of Site Condition in the Environmental Registry as contemplated under s.168.4 of the *Environmental Protection Act* for the Property."

On Closing, the Purchaser shall deliver an indemnity in favour of the Vendor in which it agrees to indemnify and save the Vendor harmless from any and all Claims incurred by the Vendor in the event the Purchaser fails to make such filings.

3.4 Receiver's Representations

The Receiver represents and warrants to the Purchaser as follows:

(a) the Receiver has been duly appointed as the receiver of the Purchased Assets pursuant to the Appointment Order and has full right, power and authority, subject to obtaining the Approval and Vesting Order prior to Closing, to sell the Purchased Assets, in accordance with the terms and conditions of this Agreement and the Approval and Vesting Order; and

(b) the Receiver is not a non-resident of Canada for purposes of Section 116 of the *Income Tax Act* (Canada).

3.5 Survival of Representations, Warranties and Covenants

The representations, warranties, agreements and covenants made by the Purchaser herein or in any other agreement, certificate or instrument delivered by the Purchaser to the Vendor pursuant to this Agreement shall survive the Closing, and notwithstanding the Closing, shall continue in full force and effect for the benefit of the Vendor, without limitation.

SECTION 4 — CONDITIONS

4.1 Purchaser’s Closing Conditions

The obligation of the Purchaser to complete the Transaction is subject to the following conditions precedent being fulfilled or performed at or prior to the Closing Date (the “**Purchaser Closing Conditions**”):

(a) all representations and warranties of the Vendor contained in this Agreement shall be true as of the Closing Date in all material respects with the same effect as though made on and as of that date;

(b) the Vendor shall have performed and complied with all of the terms and conditions in this Agreement on its part to be performed or complied with at or before Closing in all material respects and shall have executed and delivered or caused to have been executed and delivered to the Purchaser at Closing all the documents contemplated in Section 5.3 or elsewhere in this Agreement; and

(c) the Approval and Vesting Order shall have been granted by the Court and not have been stayed, varied or set aside.

The Purchaser’s Closing Conditions are for the exclusive benefit of the Purchaser. Any of the Purchaser’s Closing Condition may be waived by the Purchaser in whole or in part. Any such waiver shall be binding on the Purchaser only if made in writing. The Closing of this Transaction shall deem the Purchaser’s Closing Conditions to be waived or satisfied.

4.2 Purchaser's Closing Conditions Not Fulfilled

If any of the Purchaser's Closing Condition has not been fulfilled at or prior to Closing, then the Purchaser in its sole discretion may, either:

(a) terminate this Agreement by notice to the Vendor, in which event the Purchaser shall be released from its obligations under this Agreement and the Deposit shall be promptly returned to the Purchaser in accordance with and subject to the provisions of Section 2.5 hereof; or

(b) waive compliance with any such Purchaser Closing Condition, without prejudice to its right of termination in the event of non-fulfillment of any other Purchaser Closing Condition.

4.3 Vendor's Closing Conditions

The obligation of the Vendor to complete the Transaction is subject to the following conditions being fulfilled or performed at or prior to the Closing Date (the "**Vendor's Closing Conditions**"):

(a) all representations and warranties of the Purchaser contained in this Agreement shall be true as of the Closing Date in all material respects with the same effect as though made on and as of that date;

(b) the Purchaser shall have performed and complied with all of the terms and conditions in this Agreement on its part to be performed or complied with at or before Closing in all material respects and shall have executed and delivered or caused to have been executed and delivered to the Vendor at the Closing all the documents contemplated in Section 5.2 or elsewhere in this Agreement;

(c) there shall be no litigation or proceedings pending against the Vendor, in respect of the Purchased Assets, for the purpose of enjoining, preventing or restraining the completion of the Transaction or otherwise claiming that such completion is improper; and

(d) the Approval and Vesting Order shall not have been stayed, varied or set aside.

The foregoing conditions are for the exclusive benefit of the Vendor. Any condition may be waived by the Vendor in whole or in part. Any such waiver shall be binding on the Vendor only if made in writing. The Closing of the Transaction shall deem the Vendor's Closing Conditions to be waived or satisfied.

4.4 Vendor's Closing Conditions Not Fulfilled

If any of the Vendor's Closing Condition shall not have been fulfilled at or prior to Closing, then the Vendor in its sole subjective discretion may, without limiting any rights or remedies available to the Vendor at law or in equity, either:

(a) terminate this Agreement by notice to the Purchaser in which event the Vendor shall be released from all obligations under this Agreement and, unless the Vendor Closing Condition that was not fulfilled was the Vendor Closing Condition contained in Section 4.3(c), the Deposit shall be retained by the Vendor in accordance with the provisions of Section 2.5 hereof; or

(b) waive compliance with any such Vendor Closing Condition without prejudice to its right of termination in the event of non-fulfillment of any other Vendor Closing Condition.

4.5 Approval and Vesting Order

Subject to Section 4.6 of this Agreement, the obligations of the Vendor and the Purchaser hereunder are subject to the mutual condition that the Approval and Vesting Order shall have been made by the Court on or before the Closing Date (or such later date agreed upon by the Parties) approving this Agreement and the Transaction and vesting in the Purchaser all the right, title and interest of the Debtors in the Purchased Assets free and clear of all Encumbrances, other than the Permitted Encumbrances. The Parties hereto acknowledge that the foregoing condition has been inserted for the mutual benefit of the Parties and is incapable of waiver. In the event that said condition has not been fulfilled by the aforesaid date, the Transaction shall automatically be deemed to be null and void and of no further force and effect as of said date and provided that the Purchaser is not in default of its obligations hereunder, the Deposit shall be promptly returned to the Purchaser in accordance with and subject to the provisions of Section 2.5 hereof. In the event that the Vendor obtains the Approval and Vesting Order less than 5 days prior to the Closing Date, the Closing shall be extended by up to five (5) days at the option of the Purchaser to allow for closing preparations between the parties.

4.6 COVID -19 Extension

Notwithstanding any other term of this Agreement, the Purchaser acknowledges that, due to the COVID-19 pandemic that currently exists, the availability of Court time for the obtaining of the Approval and Vesting Order may be delayed. The Vendor undertakes to act expeditiously and in good faith in seeking a date from the Court to obtain the Approval and Vesting Order. In the event of a delay in obtaining such a Court date beyond the Closing Date, the Purchaser shall have the right to extend the Closing Date by a further thirty (30) days (the "**Extended Closing Date**"). In the event that the Approval and Vesting Order has not been obtained by the Vendor by the Extended Closing Date, as the case may be, then this Agreement, unless further extended by the Parties in writing, shall become null and void and the Deposit shall, subject to any Claim by the Vendor for damages under Section 2.12(d) herein, be returned to the Purchaser in full without interest or deduction.

SECTION 5 — CLOSING

5.1. Closing

The completion of the Transaction shall take place on the Closing Date or as otherwise determined by mutual agreement of the Parties in writing.

5.2. Purchaser's Deliveries on Closing

On or before Closing, the Purchaser shall execute or deliver as applicable, to the Vendor the following, each of which shall be in form and substance satisfactory to the Vendor, acting reasonably:

(a) payment of the Purchase Price;

(b) a certificate of a senior officer of the Purchaser, without personal liability, dated as of the Closing Date, confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true and correct, in all material respects, as of the Closing Date, with the same effect as though made on and as of the Closing Date;

(c) an acknowledgement dated as of the Closing Date, that each of the Purchaser's Closing Conditions have been fulfilled, performed or waived as of the Closing Date;

(d) an assignment of the Purchased Assets and assumption of the Assumed Liabilities with an indemnification by the Purchaser in favour of the Vendor for any Claims under the Assumed Liabilities;

(e) an assignment and assumption of the Property Agreement, which assignment shall exclude the Excluded Fees;

(f) the certificate and indemnity provided for under Section 2.11;

(g) evidence satisfactory to the Vendor, acting reasonably, that the Letters of Credit and Collateral Security have been released and returned, if applicable, in accordance with the provisions of Section 2.14;

(h) an undertaking to re-adjust any item on or omitted from the statement of adjustments;

(i) environmental release and indemnity indemnifying and holding the Vendor harmless from any and all Claims that may be suffered or incurred by the Vendor, directly or indirectly, as a result of or in connection with any of the following, and without restricting the generality of the foregoing, which include Claims incurred in addressing an administrative order by a Government Authority or in addressing a notice, investigation or other process which could reasonably be anticipated to result in such an order:

(i) the presence, release, or the threat of a release of any Hazardous Materials in, on or under the Property;

(ii) the presence of any Hazardous Materials in, on or under properties adjoining or proximate to the Property;

(iii) any other environmental matters relating to the Property;

(iv) the breach of any Environmental Laws applicable to the Property;

(v) the release or threatened release of any Hazardous Materials owned, managed, generated, disposed of, controlled or transported by or on behalf of the Purchaser;

(vi) the Environmental Condition; or

(vii) the Indemnity provided for in Section 3.3;

(j) the Irrevocable Direction, pursuant to Section 2.15 of this Agreement;

(k) the Undertaking, pursuant to Section 2.15 of this Agreement; and

(l) such further and other documentation as is referred to in this Agreement or as the Vendor may reasonably require to give effect to this Agreement.

5.3 Vendor's Deliveries on Closing

(a) On or before the Closing, the Vendor shall execute and deliver to the Purchaser the following, each of which shall be in form and substance satisfactory to the Purchaser, acting reasonably:

(i) an undertaking to re-adjust any item on or omitted from the statement of adjustments, subject to the 60 day limitation period stipulated in Section 2.8;

(ii) an acknowledgement dated as of the Closing Date, that each of the Vendor’s Closing Conditions have been fulfilled, performed or waived as of the Closing Date;

(iii) an assignment of the Purchased Assets and assumption of the Assumed Liabilities with an indemnification by the Purchaser in favour of the Vendor for any Claims under the Assumed Liabilities;

(iv) the Approval and Vesting Order;

(v) an assignment and assumption of the Property Agreement, which assignment shall exclude the Excluded Fees; and

(vi) such further and other documentation as is referred to in this Agreement or as the Purchaser may reasonably require to give effect to this Agreement.

(b) Upon the completion of the deliveries pursuant to Section 5.2 and 5.3(a), the Vendor shall immediately deliver to the Purchaser the executed received certificate in the form contemplated by the Approval and Vesting Order (the "**Receiver's Certificate**") confirming that the Transaction has been completed and title to the Property shall vest in the Purchaser effective immediately upon receipt of the Receiver's Certificate. The Vendor shall file the Receiver's Certificate with the Court within a reasonable time following Closing and shall deliver to the Purchaser a copy of same.

5.4 Risk

The Purchased Assets shall be and remain at the risk of the Debtors until Closing. From and after Closing, the Purchased Assets shall be at the risk of the Purchaser. In the event that the Purchased Assets shall be damaged prior to Closing, then the Vendor shall advise the Purchaser in writing within twenty-four (24) hours of the Vendor learning of same. In the event that the Purchased Assets shall be materially damaged prior to Closing then the Vendor shall be entitled, in its sole and absolute discretion, to elect to terminate this Agreement by notice, in writing, to the Purchaser and in such event the Parties hereto shall be released from all obligations and liabilities hereunder. If the Vendor shall not elect to terminate this Agreement as set out above, then the Transaction shall be completed in accordance with the terms and conditions hereof and the Purchaser shall be entitled to all proceeds of insurance payable in respect thereof, if any.

5.5 Termination

If either the Vendor or the Purchaser validly terminates this Agreement pursuant to the provisions of Sections 4.2, 4.4, 4.5 or 5.4:

(a) all the obligations of both the Vendor and Purchaser pursuant to this Agreement shall be at an end; and

(b) the Purchaser shall have no right to specific performance or any other remedy against, or any right to recover from, the Vendor on account of any Claim it may have against the Vendor in respect of the termination of this Agreement, other than the return of the Deposit to the Purchaser, if applicable.

5.6 Electronic Registration

In the event that a system for electronic registration ("**Ereg**") is operative and mandatory in the applicable land registry office, the Purchaser agrees to cause all necessary procedures to be taken, as may be required by the Vendor or the Vendor's solicitors, to complete the Transaction using Ereg in accordance with the Law Society of Ontario's (the "**LSO**") guidelines. If Ereg is operative on the Closing Date, (i) the Purchaser agrees to use a lawyer authorized to use Ereg and who is in good standing with the LSO, (ii) the

Purchaser's solicitors will enter into the Vendor's solicitors' standard form of escrow closing agreement or document registration agreement, which will establish the procedures for closing the Transaction provided same are in accordance with LSO guidelines, and (iii) if the Purchaser's solicitors are unwilling or unable to complete the Transaction using Ereg, then the Purchaser's solicitors must attend at the Vendor's solicitors' office or at another location designated by the Vendor's solicitors at such time on Closing as directed by the Vendor's solicitors to complete the Transaction using Ereg utilizing the Vendor's solicitors' computer facilities, in which event, the Purchaser shall pay to the Vendor's solicitors a reasonable fee therefor.

SECTION 6 - Title

6.1 Title

The Purchaser acknowledges and agrees that:

a. save as to any valid objection to title made in respect of matters arising after the Acceptance Date, the Purchaser shall be conclusively deemed to have accepted the title to the Property and to have accepted the Property subject to the Permitted Encumbrances and the Environmental Condition and subject to all Applicable Laws, by-laws and regulations affecting its use. If any valid objection to title expressly permitted herein is made by the Purchaser prior to the Closing Date, which the Vendor is unwilling or unable to remove, remedy, or satisfy and which the Purchaser will not waive or is not satisfied by title insurance, then either Party may terminate this Agreement by Notice to the other, whereupon, except as herein expressly set forth, the Deposit without interest accrued thereon shall be forthwith returned to the Purchaser in accordance with and subject to the terms in Section 2.5 and 2.12 each of the Purchaser and the Receiver shall be released from all obligations under this Agreement;

b. the Purchaser shall not call for the production of any title deed, abstract, survey or other evidence of title except such of the foregoing as are in the possession or control of the Receiver; and

c. the Purchaser acknowledges that the Vendor has provided the Purchaser access to the Data Room and that the Purchaser has had sufficient opportunity to review, and has satisfied itself with respect to the Property Documents. If for any reason the Transaction is not completed, the Purchaser shall forthwith return the Property Documents, and delete any electronic copies of them in its possession or control.

SECTION 7 - GENERAL

7.1 Further Assurances

Each of the Parties shall, from time to time after the Closing Date, at the request and expense of the other, take or cause to be taken such action and execute and deliver or cause to be executed and delivered to the other such documents and further assurances as may be reasonably necessary to give effect to this Agreement.

7.2 Notice

Any notice or other communication under this Agreement shall be in writing and may be delivered personally or transmitted by electronic transmission, addressed:

in the case of the Purchaser, as follows:

Brookhill Durham Holdings Inc.
c/o Owens Wright LLP
300-20 Holly Street
Toronto, ON M4S 3B1

Attention: David Forgione
Email: dforgione@owenswright.com

with a copy to:

Owens Wright LLP
300-20 Holly Street
Toronto, ON M4S 3B1

Attention: David Forgione
Email: dforgione@owenswright.com

and in the case of the Vendor, as follows:

Ernst & Young Inc., Court-Appointed
Receiver of Brookhill Holdings Inc.
99 Bank Street, Suite 1200
Ottawa, ON K1P 6B9

Attention: Greg J. Adams
Email: greg.j.adams@ca.ey.com

with a copy to:

Fogler, Rubinoff LLP
77 King Street West
Suite 3000, PO Box 95
TD Centre North Tower
Toronto, ON M5K 1G8
Attention: Joseph Fried
Email: jfried@foglers.com

And

Thornton Grout Finnigan LLP
100 Wellington Street West, Suite 3200
Toronto, ON M5K 1K7
Attention: Rachel Bengino
Email: rbengino@tgf.ca

Any such notice or other communication, if given by personal delivery, will be deemed to have been given on the day of actual delivery thereof and, if transmitted by electronic transmission before 5:00 p.m. (Toronto time) on a Business Day, will be deemed to have been given on that Business Day, and if transmitted by electronic transmission after 5:00 p.m. (Toronto time) on a Business Day, will be deemed to have been given on the Business Day after the date of the transmission.

7.3 Time

Time shall, in all respects, be of the essence hereof, provided that the time for doing or completing any matter provided for herein may be extended or abridged by an agreement in writing signed by the Vendor and the Purchaser or by their respective solicitors.

7.4 Currency

Except where otherwise indicated, all references herein to money amounts are in Canadian currency.

7.5 Benefit of Agreement

This Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective successors and permitted assigns, provided that the Purchaser shall not assign the benefit of this Agreement without the prior written consent of the Vendor; provided the Purchaser may assign its rights and obligations under this Agreement to an "affiliate" of the Purchaser (as such term is defined in the *Business Corporations Act* (Ontario)), provided that the Purchaser remains liable, jointly, with such affiliate for all the obligations of the Purchaser hereunder. To the extent that any such assignment occurs, this Agreement and all provisions hereof shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

7.6 Amendments and Waiver

No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by the Purchaser and the Vendor. The Vendor and the Purchaser may consent to any such amendment at any time prior to the Closing with the prior authorization of their respective boards of directors.

7.7 Entire Agreement

This Agreement and the attached Schedules A and B constitute the entire agreement between the Parties with respect to the subject matter and supersede all prior negotiations, understandings and agreements. This Agreement may not be amended or modified in any respect except by written instrument executed by the Parties. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar), nor shall such waiver constitute a waiver or continuing waiver unless otherwise expressly provided in writing duly executed by the Party to be bound thereby. Subject to the Approval and Vesting Order being issued by the Court, this Agreement is intended to create binding obligations on the part of the Vendor as set forth herein and on acceptance by the Purchaser, is intended to create binding obligations on the part of the Purchaser, as set out herein.

7.8 Paramountcy

In the event of any conflict or inconsistency between the provisions of this Agreement and any other agreement, document or instrument executed or delivered in connection with this Transaction or this Agreement, the provisions of this Agreement shall prevail to the extent of such conflict or inconsistency.

7.9 Severability

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provision's validity or enforceability in any other jurisdiction.

7.10 Governing Law

This Agreement shall be governed by and construed in accordance with the Laws of the Province of Ontario and the Laws of Canada applicable therein and each of the Parties irrevocably attorns to the exclusive jurisdiction of the courts of the Province of Ontario.

7.11 Commission

The Purchaser and Vendor acknowledge that there are commissions payable by the Vendor on the Purchase Price. The Purchaser hereby represents and warrants that it has not retained any agent or brokerage that will Claim any commission from the Vendor. Furthermore, the Purchaser agrees to indemnify the Vendor against any Claim for compensation or commission by any third party or agent retained by the Purchaser in connection with, or in contemplation of, the Transaction.

7.12 Certain Words

In this Agreement, the words "third party" means any Person who is not a Party.

7.13 Statutory References

All references to any statute is to that statute or regulation as now enacted or as may from time to time be amended, re-enacted or replaced and includes all regulations made thereunder, unless something in the subject matter or context is inconsistent therewith or unless expressly provided otherwise in this Agreement.

7.14 Actions to be Performed on a Business Day

Whenever this Agreement provides for or contemplates that a covenant or obligation is to be performed, or a condition is to be satisfied or waived on a day which is not a Business Day, such covenant or obligation shall be required to be performed, and such condition shall be required to be satisfied or waived on the next Business Day following such day.

7.15 No Registrations

The Purchaser hereby covenants and agrees not to register this Agreement or notice of this Agreement or a caution, certificate of pending litigation, or any other document providing evidence of this Agreement against title to the Property. Should the Purchaser be in default of its obligations under this Section, the Vendor may (as agent and attorney of the Purchaser) cause the removal of such notice of this Agreement, caution, certificate of pending litigation or other document providing evidence of this Agreement or any assignment of this Agreement from the title to the Property and the Purchaser shall be deemed to be in default of its obligations hereunder. The Purchaser irrevocably nominates, constitutes and appoints the Vendor as its agent and attorney in fact and in law to cause the removal of such notice of this Agreement, any caution, certificate of pending litigation or any other document or instrument whatsoever from title to the Property.

7.16 Strict Construction

Each Party acknowledges that it and its legal counsel have reviewed and participated in settling the terms of this Agreement and the Parties agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting party shall not be applicable in the interpretation of this Agreement.

7.17 Capacity of Vendor

The Purchaser acknowledges that Ernst & Young Inc. has been appointed as the Receiver pursuant to the Appointment Order. The Purchaser acknowledges and agrees that Ernst & Young Inc. is entering into this Agreement solely in its capacity as the Receiver and that Ernst & Young Inc., its directors, agents, officers, partners and employees shall have no personal or corporate liability of any kind whatsoever, in contract, in tort, or at equity as a result of or in any way connected with this Agreement or as a result of the Vendor performing or failing to perform any of its obligations hereunder.

7.18 No Third Party Beneficiaries

This Agreement shall be binding upon and enure solely to the benefit of each of the Parties hereto and its permitted assigns and nothing in this Agreement, express or implied, is intended to confer upon any other person any rights or remedies of any nature whatsoever under or by reason of this Agreement. Nothing in this Agreement shall be construed to create any rights or obligations except between the Parties, and no person or entity shall be regarded as a third party beneficiary of this Agreement. Each of the Parties agrees that all provisions of this Agreement, and all provisions of any and all documents and security delivered in connection herewith, shall not merge and except where otherwise expressly stipulated herein, survive the closing of the Transaction.

7.19 Planning Act

This Agreement is entered into subject to the express conditions that it is to be effective only if the provisions of Section 50 of the *Planning Act* (Ontario) and amendments, are complied with.

7.20 Counterparts

Any notice, approval, waiver, agreement, amendment, instrument, document or communication permitted or required or contemplated in this Agreement may be executed in one or more counterparts and may be given by electronic transmission, including by facsimile or internet transmission in Portable Document Format (PDF) delivered to and accepted by the Purchaser’s Solicitors on behalf of the Purchaser and the Vendor’s Solicitors on behalf of the Vendor.

7.21 Expenses

Subject to Section 7.11, each Party shall be responsible for its own legal and other expenses (including any Taxes imposed on such expenses) incurred in connection with the negotiation, preparation, execution, delivery and performance of this Agreement and the Transaction (except as may be otherwise set out in this Agreement) and for the payment of any finder's fee or like payment payable by it in respect of the purchase and sale of the Purchased Assets pursuant to this Agreement.

7.22 Electronic Execution

The words “execution,” “signed,” “signature,” and words of like import in this Agreement and all of the Vendor's and Purchaser's closing documents shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including Parts 2 and 3 of the Personal Information Protection and Electronic Documents Act (Canada), the Electronic Commerce Act, 2000 (Ontario) and other similar federal or provincial laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada or its Uniform Electronic Evidence Act, as the case may be. The parties agree to close the within transaction with all closing documents to be delivered with electronic signatures.

7.23 Announcements

Except as required by law including applicable regulatory and stock exchange requirements, all public announcements concerning the Transaction shall be jointly approved as to form, substance and timing by the Parties after consultation.

[Signature page follows]

The Parties have executed this Agreement by their duly authorized officers.

Accepted by the Vendor this 17 day of September, 2020 at 2:45 a.m./p.m.

ERNST & YOUNG INC. in its capacity as Court-Appointed Receiver of the assets, undertakings and properties of BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC. not in its personal or corporate capacity

By: ______________________
Name: Greg J Adams CPA, CA, CIRP, LIT
Title: Associate Partner - Senior Vice President

By: ______________________
Name:
Title:

I/We have authority to bind the corporation

BROOKHILL DURHAM HOLDINGS INC.

By: ______________________
Name: Giuseppe Valela
Title: President

I have authority to bind the corporation

Schedule A

Purchased Assets

PIN 26613-0238 (LT) – 2499 NASH ROAD, BOWMANVILLE, ONTARIO

PART L0T 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON;

PIN 26613-0239 (LT) – 2538 REGIONAL ROAD 57, BOWMANVILLE, ONTARIO

PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON: and

PIN 26613-0240 (LT) – 2494 REGIONAL ROAD 57, BOWMANVILLE, ONTARIO

PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON,

Schedule B

Permitted Encumbrances

"Permitted Encumbrances" means the following:

1. The exceptions and qualifications contained in Section 44(1) of the *Land Titles Act*, R.S.O. 1990, and any amendments thereto or any successor legislation, except paragraph 11;
2. The reservations, limitations, provisos and conditions expressed in the original grant from the Crown;
3. Any registered or unregistered easements or rights of way in favour of any governmental authority or public utility provided that none of the foregoing interfere in any material adverse respect with the current use of the Property;
4. Inchoate liens for taxes, assessments, public utility charges, governmental charges or levies not at the time due;
5. All agreements and easements, registered or otherwise, for utilities and services for hydro, water, heat, power, sewer, drainage, cable and telephone serving the Property, adjacent or neighbouring properties, provided none of the foregoing interfere in any material adverse respect with the current use of the Property;
6. Any encroachments, minor defects or irregularities indicated on any survey of the Property or which may be disclosed on an up-to-date survey of the Property provided that in either case same do not materially adversely impair the use, operation, or marketability of the Property;
7. Zoning (including, without limitation, airport zoning regulations), use and building by-laws and ordinances, federal, provincial or municipal by-laws and regulations, Work Orders;
8. Any breaches of any Applicable Laws, including Work Orders;
9. Any subdivision agreements, site plan agreements, developments and any other agreements with the Municipality, Region, publicly regulated utilities or other governmental authorities having jurisdiction, including the Property Agreement;
10. Minor title defects, if any, that do not in the aggregate materially affect the use of the Property for the purposes for which it is used on the date of acceptance of this Agreement;
11. The following instruments registered on title against the Property:

Permitted Encumbrances related to the Property
(unaffected by the Vesting Order)

PIN 26613-0240 (LT) and PIN 26613-0238 (LT)

Reg. Num.	Date	Instrument Type	Parties To
40R29639	2017/05/11	Plan Reference	N/A
DR1593205	2017/05/11	Application for Absolute Title	N/A

PIN 26613-0239 (LT)

Reg. Num.	Date	Instrument Type	Parties To
40R29634	2017/05/11	Plan Reference	N/A
DR1593205	2017/05/11	Application for Absolute Title	N/A

APPENDIX "C"

ERNST & YOUNG INC.
COURT-APPOINTED RECEIVER OF
BROOKHILL HOLDINGS INC.
STATEMENT OF RECEIPTS AND DISBURSEMENTS
For the Period May 5, 2020 to October 9, 2020

Receipts:		**$**
	Cash in bank	201.42
	Receiver's Certificate (net)	139,910.00
	Interest	21.48
		140,132.90
Disbursements:		
	Filing fees to Official Receiver	70.00
	Receiver's fees and expenses	54,654.50
	Legal fees and expenses	23,825.32
	Appraisal fees	10,725.00
	Consultant (planning) fees	5,407.55
	Property taxes	14,379.62
	Land Owners Group cash call for consulting fees	5,950.00
	HST paid	12,295.46
		127,307.45
Excess of receipts over disbursements		12,825.45
Total funds held by Receiver		12,825.45

APPENDIX “D”

CBRE | LAND SERVICES GROUP

2499 NASH ROAD, 2538 & 2494 REGIONAL ROAD 57 | BOWMANVILLE, ON

RESIDENTIAL LAND
opportunity

About THE PROPERTY

OFFERING

The Land Services Group is pleased to offer for sale 2499 Nash Road, 2538 & 2494 Regional Road 57 (known collectively as the "Property" or "Site") in Bowmanville, located within the Municipality of Clarington. Ideally located within the updated Brookhill Secondary Plan area, the Property is proposed to be designated for low and medium density residential development, allowing for a variety of single family housing options to be built on the Site. An "Emerging Plan" has been brought forth by the municipality and is awaiting public feedback which is anticipated for Fall 2020 (see updated Brookhill Secondary Plan status for more information).

The Site is situated within north-west Bowmanville within the rapidly growing Brookhill neighbourhood. The Property is in close proximity to a number of local and regional amenities as well as schools and recreational facilities to serve current and future residents of the area. The Site is also highly accessible by both Highway 407 and 401, allowing future residents to easily commute across both the Region and GTA.

Demand for single family housing in Bowmanville has increased significantly over the past decade, as more people have moved further east in Durham Region and the GTA. The total number of low rise home sales in Durham Region for May 2020 was 128 units, behind that of York Region with 133 units sold (Altus, 2020). In Bowmanville, more than 83% of people own their own home and the average price for a single detached house is $800,000 to $900,000 (Altus, 2020).

PROPERTY INFORMATION

Total Size	27.7 acres
PIN(s)	266130238, 266130239 & 266130240
Frontage	660.5 feet along Regional Road 57 and 1,103.4 feet along Nash Road
Official Plan (proposed designation)	Low and Medium Density Residential, Elementary School, Park, Stormwater Management Pond
Zoning By-Law	Agricultural (A) A Zoning By-Law Review is expected to be initiated by the municipality either in conjunction with the Secondary Plan process or following approval for this area.
Cost Sharing Agreement	A CSA is anticipated to be finalized with the landowners of the area in the coming months.
Existing Conditions and Leases	2499 Nash Road - A house and barn are located on the parcel, and there is tenant and lease in place. 2538 & 2494 Regional Road 57 - There is a land lease to farm the Property. Please see Document Centre for information on tenancy and lease.

PROPOSED RESIDENTIAL LAND USES

The Site is proposed to be designated for low and medium density residential uses as per the "Emerging Plan" of the updated Brookhill Secondary Plan.

FAVOURABLE DEMOGRAPHICS

The population within a 1 km radius of the Property is anticipated to grow 21% by 2024 with average household incomes in excess of $145,000 (StatsCan, 2020).

IDEAL LOCATION

The Site benefits from being in close proximity to major highway routes, with Highway 401 less than a 5-minute drive and Highway 407 a 7-minute drive away.

UPDATED BROOKHILL SECONDARY PLAN STATUS

The Secondary Plan is still being reviewed and an "Emerging Plan" was presented by the municipality in May 2020 with proposed land uses. Based on this plan, the Property is proposed to be designated Low Density and Medium Density Residential, Elementary School, Park and Stormwater Management Pond (please see Document Centre for plan). The Secondary Plan has not been finalized and a statutory public meeting still needs to be held. This meeting is intended to take place in Fall 2020, after which a recommendation report will be brought to council for approval. The status of the Secondary Plan is beneficial for purchasers as it allows them to become a part of the process and provide feedback on the proposed land uses.

OTHER CONSIDERATIONS

There is a portion of the Property (western part of 2538 & 2494 Regional Road 57) that has been identified as being a possible constraint area, needing further review. As per conversations with municipal staff, an Environmental Impact Study will need to be undertaken during the plan of subdivision process to determine if there are any environmental constraints to development. Please note that this area is not mapped within the Ministry of Natural Resources and Forestry mapping.

CBRE | LAND SERVICES GROUP

Nearby AMENITIES

	RECREATIONAL
1	Bowmanville Conservation Area
2	Bowmanville Harbour Conservation Area
3	Wilmot Creek Golf Course
4	Quarry Lakes Golf and Recreation
5	Bowmanville Golf and Country Club

	INSTITUTIONAL
6	Durham Christian High School
7	Clarington Central Secondary School

	RETAIL
8	SmartCentres Bowmanville
9	Canadian Tire
10	FreshCo
11	Bowmanville Mall

	MUSEUMS
12	Clarington Museum and Archives
13	Visual Arts Centre of Clarington
14	Garnet B. Rickard Recreation Complex


Bowmanville Golf and Country Club


Port Darlington

NEARBY DEVELOPMENTS

	Development	Builder	Type	Opening	Occupancy	Unit Sizes (sq. ft.)	Total Price	$/ sq. ft.	Total Units	Sold
A	Liberty North	Eastrose Homes	Detached (37 ft.)	2/22/2020	2021-02	2,877 to 2,884	$839,990 to $902,990	$292 to $313	5	2 (40%)
B	Orchard East	Cleary Homes	Detached (33 & 39 ft.)	11/16/2019	2020-09	1,435 to 2,620	$594,990 to $919,990	$303 to $488	31	10 (32%)
C	Edenn Town Collection	Treasure Hill	Townhouse (18 & 19 ft.)	10/19/2019	2021-03	1,647 to 1,878	$539,900 to $645,900	$287 to $396	24	11 (46%)
D	Orchards	Highcastle Homes	Townhouse (23 ft.)	7/29/2019	2020-09	1,486 to 1,870	$489,990 to $610,990	$304 to $335	16	10 (63%)
			Detached (37 & 40 ft.)	6/22/2019	2020-09	1,862 to 2,894	$670,990 to $807,990	$276 to $369	24	1 (4%)
E	Appleview	Esquire Homes	Detached (50 ft.)	6/22/2019	2020-08	3,100	$849,990 to $857,990	$274 to $277	2	1 (50%)
			Detached (37 & 40 ft.)			1,660 to 2,875	$642,490 to $805,490	$267 to $387	28	12 (43%)
F	Orchard East	Treasure Hill	Detached (32 ft.)	2/15/2019	2020-12	1,400 to 2,320	$709,900 to $819,900	$295 to $714	11	10 (91%)
			Detached (40 & 45 ft.)			1,218 to 3,292	$829,900 to $1,009,900	$299 to $352	45	29 (64%)
G	Appleview	ACE Developments	Townhouse (18 ft.)	1/5/2019	2020-04	1,563 to 2,115	$529,900 to $624,900	$295 to $339	47	37 (79%)

Coming Soon

	Development	Builder	Type	Opening
H	Summervale	Lancaster Homes	Detached	Summer 2020


Liberty North


Appleview


Edenn Town Collection

Offering PROCESS

DOCUMENT CENTRE

- Survey
- Seasonal and Month-to-Month Leases
- Brookhill Secondary Plan Update
- Information
- Geotechnical Report
- Phase 1 and 2 ESA
- Taxes
- Secondary Plan Funding and CSA Notes
- Natural Heritage Report
- Receivership Order

CONFIDENTIALITY AGREEMENT

Potential purchasers that require access to the Document Centre must complete a CA and RFQ and return it to:

LSGGTA@CBRE.COM

OFFER SUBMISSIONS

All offers are requested to be submitted to the attention of:
Lauren White | lauren.white@cbre.com

CONTACT US

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lauren.white@cbre.com

Mike Czestochowski**
Executive Vice President
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Evan Stewart
Sales Representative
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evan.stewart@cbre.com

CBRE | LAND SERVICES GROUP

www.cbre.ca/mclsg

*Sales Representative **Broker | All outlines are approximate.

CBRE | LAND SERVICES GROUP

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Evan Stewart
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Emelie Rowe*
Planner
416 495 6306
emelie.rowe@cbre.com

CONFIDENTIALITY AGREEMENT

2499 NASH ROAD, 2538 & 2494 REGIONAL ROAD 57 · BOWMANVILLE, ON

The undersigned hereby acknowledges that CBRE Limited (“CBRE”); through the Land Services Group, has been retained by the vendor to arrange the sale of 2499 Nash Road, 2538 & 2494 Regional Road 57, Bowmanville, ON (the “Property”). All inquiries and communications with respect to the Property shall be directed to any of the listing agents of CBRE. We have requested from the vendor and CBRE, information, including confidential and proprietary information, which has not been generally disclosed to the public, for use in evaluating a potential purchase of the Property.

In exchange for good and valuable consideration provided by the vendor and CBRE, we agree to keep confidential any and all information supplied to us concerning the Property that is not a matter of public record and not to utilize any such information for our own benefit (or for the benefit of anyone else) other than for the evaluation of the Property with respect to a potential purchase.

We understand that we may transmit any such information to partners, officers, directors, employees or legal or financial advisors collectively, (“representatives”) but only to the extent that they need to know such information for the purpose of such evaluation. We undertake to inform such representatives of the confidential nature of such information and that they will be bound by the terms of this Agreement. We agree to be responsible for any breach of this Agreement by our representatives. We agree that any legal, financial or any other third party advisors that are retained by us, to act on our behalf, will be compensated by us. We understand that upon the vendor’s request we will provide all pertinent financials of the company looking to purchase the above-mentioned Property to the vendor in a timely manner and that these statements will only be used for the purpose of determining the financial feasibility for this transaction.

We agree to read and examine all material provided by the vendor on the above-mentioned Property and will do so prior to submitting an Agreement of Purchase and Sale or Letter of Intent.

We agree to return all documentation provided herewith, and any notes or copies made thereof (which we acknowledge also constitutes confidential information hereunder) if we decide not to pursue or complete this opportunity or upon request by CBRE or the vendor. We also agree not to use the information provided in any way detrimental to the vendor (or any parties assisting the vendor), either before or after cessation of our pursuit of property purchase. The provisions of this Agreement are binding on our successors or assigns.

We acknowledge that the other information being delivered to us with respect to the Property is subject to the limitations on liability and disclaimers for the protection of the vendor and CBRE.

We agree to indemnify and save harmless the vendor and CBRE from any claims, losses, damages and liabilities whatsoever (including legal fees on a substantial indemnity basis and disbursements) arising out of a breach by us or any of our representatives of any of the terms or other provisions of this Agreement. CBRE and the vendor also reserve the right not to release information.

The buyer agrees to continue to work through the Land Services Group at CBRE Limited for the above-mentioned property including offers within 12 months after the expiration of the Listing Period, so long as the buyer wishes to make any offer within said time-frame and the buyer was introduced to the Property during the Listing Period or shown the Property during the Listing Period, which the Buyer has acknowledged by signing below.

The buyer agrees that any signage CBRE has installed on the Property shall remain for a period of 6 months after the closing period.

The buyer agrees that any and all communication with regards to this Property shall be done so through CBRE. The buyer and or their representative will not at any time contact the vendor directly.

CBRE is exclusively representing the vendor and will not act on behalf of any potential purchasers. With the execution of this Confidentiality Agreement, the undersigned acknowledges that they are undertaking this investigation of the Property at their sole risk and expense and that under no circumstances will any amounts expended by the undersigned for its due diligence investigation or review be paid or reimbursed by the vendor or CBRE. A digitally submitted or a scan of a signed copy of this Agreement shall be deemed to be an original signed copy.

This Agreement is governed by and will be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. For the purpose of all legal proceedings this Agreement will be deemed to have been performed in the Province of Ontario and the Court will have jurisdiction to entertain any action arising under this Agreement. We hereby attorn to the jurisdiction of the Ontario Superior Court of Justice (Commercial List).

THE SECTION BELOW MUST BE COMPLETED AND SUBMITTED TO LSGGTA@CBRE.COM IN ORDER TO RECEIVE THE DUE DILIGENCE PACKAGE

(I possess the authority to legally bind the Corporation)

†PROPONENT NAME:	REPRESENTATIVE:
†COMPANY:	COMPANY:
†PRIMARY EMAIL:	PRIMARY EMAIL:
PRIMARY PHONE #:	PRIMARY PHONE #:
ADDITIONAL EMAIL:	DATE:
ADDITIONAL PHONE #:	SIGNATURE:
†DATE:	Please indicate if you would like a follow up call or meeting:
†PRIMARY SIGNATURE:	CALL: MEETING:

SUBMIT CA

The button above can be clicked to submit the CA electronically using the Adobe Reader application, once the required fields have been filled.

OR

Please print, complete, sign and scan an email copy to lsggta@cbre.com.

†REQUIRED FIELDS. **Broker, *Sales Representative

APPENDIX “E”

CBRE | LAND SERVICES GROUP

REPORTING LETTER #3

NASH ROAD & REGIONAL ROAD 57 • BOWMANVILLE, ON

14.AUGUST.2020

PREPARED FOR

Mr. Greg Adams
Ernst & Young

PREPARED BY

CBRE's Land Services Group

CBRE LIMITED
2005 Sheppard Ave E #800
Toronto, ON M2J 5B4

CBRELAND.ca
LSGGTA@CBRE.com

LISTING DETAILS

This reporting letter is current to August 13, 2020 and provides an overview of CBRE's marketing activity in the promotion of the site located at 2499 Nash Road, 2538 & 2494 Regional Road 57 (referred to as the "Property" or "Site") in Bowmanville, ON.

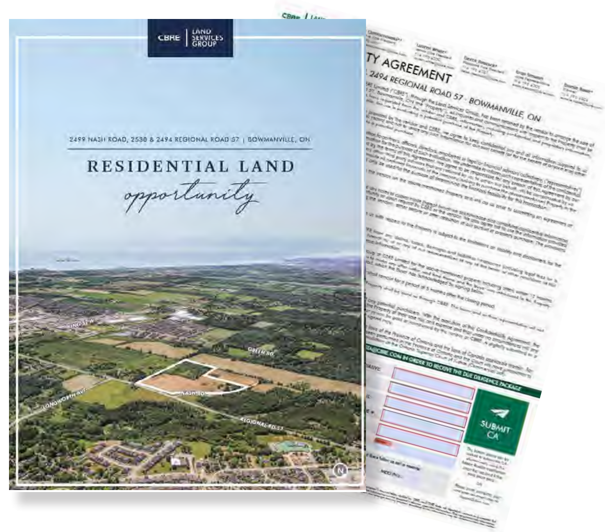
The Property is currently listed without a price and has been listed on MLS.

.
The Property was officially launched on Tuesday, July 14, 2020 uploaded to MLS on Wednesday July 15, 2020.

The MLS number is E4832180. The offer submission date is **Wednesday, August 19, 2020.**

MARKETING

The Property is featured on our website at: www.cbre.ca/mclsg



ELECTRONIC BROCHURE & CA

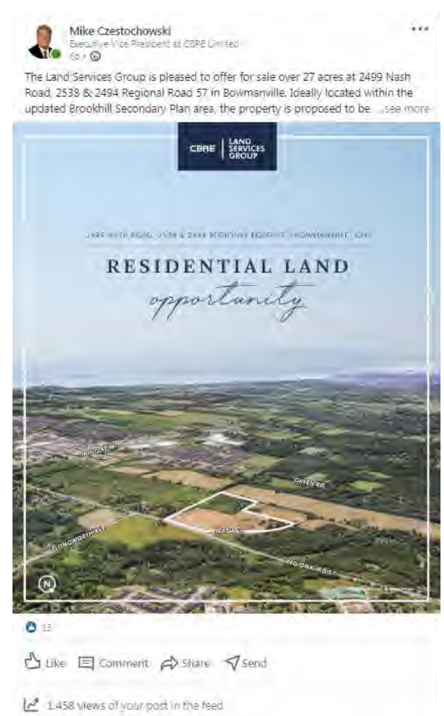
The brochure and CA have been sent out through an email campaign to our database of purchasers. Featured on the right.

AD PROMOTIONS

Following the launch, the ad pictured below appeared on **Wednesday July 29, 2020** the Greater Toronto Area (GTA) Edition of *Novae Res Urbis* (**NRU**) and appeared again on **Wednesday, August 12, 2020**.

LINKEDIN

The Property was also promoted with the image below to industry professionals through our carefully curated LinkedIn network.



SIGNAGE

A V-shaped sign was installed on **Wednesday July 22, 2020**. The sign is 8ft X 8 ft and faces Regional Road 57.

PROPERTY SPECIFIC CAMPAIGN LOGIC EMAIL

The image to the right is the Campaign Logic mailing that has been electronically sent to an industry-specific list.

The Property was officially launched to a specially selected group of potential purchasers on Tuesday July 14, 2020 and is scheduled to be sent out weekly until the offer submission date.

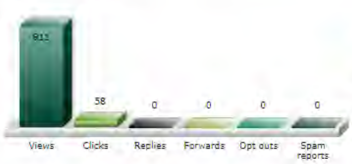
The summary report below displays combined interaction statistics from the following dates: July 14, 2020, July 23, 2020 & July 28, 2020, August 4, August 11

910 RECIPIENTS

135 FILES DOWNLOADED

2,654 VIEWS

Interaction Statistics

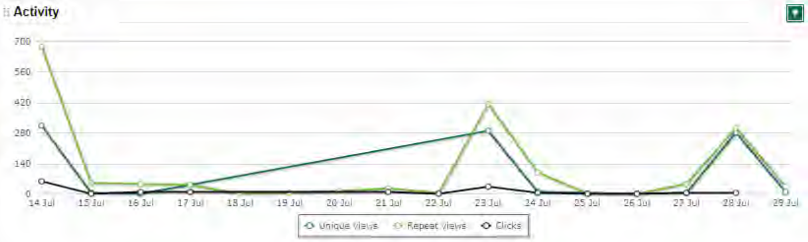


Statistic	Unique	Total	% of Recipients	% of Viewers
Views	911	2,654	33.35%	100%
Clicks	58	135	2.12%	6.37%
Replies	0	0	0%	0%
Forwards	0	0	0%	0%
Opt outs	0	0	0%	0%
Spam reports	0	0	0%	0%

Recipient Statistics

Statistic	Unique	Rate
Viewed	911	33.35%
Not viewed	1,821	66.65%
Bounced	0	0%
Sent	2,732	

Activity

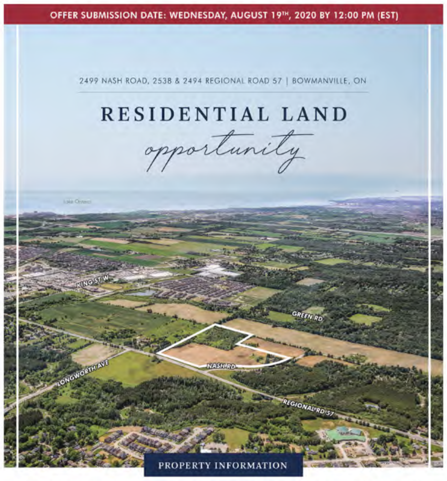


Click here to view with images.
To ensure delivery to your inbox, please add lsggta@cbre.com to your address book.

CBRE

CBRE | LAND SERVICES GROUP

OFFER SUBMISSION DATE: WEDNESDAY, AUGUST 19TH, 2020 BY 12:00 PM (EST)



PROPERTY INFORMATION

The Land Services Group is pleased to offer for sale over 27 acres at 2499 Nash Road, 2538 & 2494 Regional Road 57 (known collectively as the "Property" or "Site") in Bowmanville, located within the Municipality of Clarington. Ideally located within the updated Brookhill Secondary Plan area, the Property is proposed to be designated for low and medium density residential development, allowing for a variety of single family housing options to be built on the Site. The Secondary Plan is still under review and is anticipated to be finalized early 2021. In addition, a Zoning By-Law Review is expected to be initiated by the municipality either in conjunction with the Secondary Plan process or following approval. This offering represents a significant opportunity for future residential land in a market of Durham Region that remains in high demand for low density residential development.

Property Information	
Total Size	27.7 acres
PIN(s)	266130238, 266130239 & 266130240
Frontage	660.5 feet along Regional Road 57 and 1,103.4 feet along Nash Road
Official Plan (proposed designation)	Low and Medium Density Residential, Elementary School, Park, Stormwater Management Pond
Zoning By-Law	Agricultural (A)

Property Highlights

PROPOSED RESIDENTIAL LAND USES

The Site is proposed to be designated for low and medium density residential uses as per the "Emerging Plan" of the updated Brookhill Secondary Plan.

FAVOURABLE DEMOGRAPHICS

The population within a 1 km radius of the Property is anticipated to grow 21% by 2024 with average household incomes in excess of $145,000 (StatsCan, 2020).

IDEAL LOCATION

The Site benefits from being in close proximity to major highway routes, with Highway 401 less than a 5-minute drive and Highway 407 a 7-minute drive away.

All outlines are approximate.

VIEW BROCHURE AND CA

Please note the Confidentiality Agreement will need to be saved/downloaded from the web browser in order to be submitted electronically.

OFFERS DUE: WEDNESDAY, AUGUST 19th, 2020 BY 12:00 PM (EST)

*All offers to be submitted to **Lauren White** (lauren.white@cbre.com)*

CONTACT US

CBRE Land Services Group

Mike Czestochowski**
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Evan Stewart
Sales Representative
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For more information please contact:
lsggta@cbre.com

*Sales Representative **Broker

www.cbre.ca

Forward to a Friend | Unsubscribe

You may also unsubscribe by calling toll-free +1 877 CBRE 330 (+1 877 227 3330).

Please consider the environment before printing this email.

CBRE respects your privacy. A copy of our Privacy Policy is available online. If you have questions or concerns about our compliance with this policy, please email PrivacyAdministrator@cbre.com or write to Attn: Marketing Department, CBRE Limited, 145 King Street West, Suite 1100, Toronto ON M5H 1J8.

Address: 2005 Sheppard Avenue East Suite 800, Toronto Ontario M2J 5B4

Mapping Sources: Canadian Mapping Services canadamapping@cbre.com; DMTI Spatial, Environics Analytics, Microsoft Bing, Google Earth

LSG WEEKLY AVAILABILITIES EMAIL

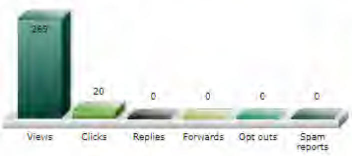
In addition to the property-specific email, this listing is featured in the Land Services Group's Available Properties weekly digital campaign. This promotional email is sent to LSG's exclusive distribution list every Tuesday.

Below is the general summary report for Tuesday, August 11, 2020.

1,025 RECIPIENTS

629 VIEWS

Interaction Statistics

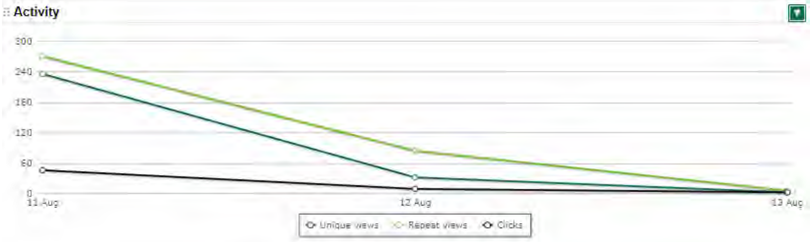


Statistic	Unique	Total	% of Recipients	% of Viewers
Views	269	629	26.27%	100%
Clicks	20	55	1.95%	7.43%
Replies	0	0	0%	0%
Forwards	0	0	0%	0%
Opt outs	0	0	0%	0%
Spam reports	0	0	0%	0%

Recipient Statistics

Statistic	Unique	Rate
Viewed	269	26.27%
Not viewed	755	73.73%
Bounced	1	0.1%
Sent	1,025	

Activity



Click here to view with images.
To ensure delivery to your inbox, please add lsogta@cbre.com to your address book.

Available Properties
08/11/2020

TENDERS

ADDRESS	MUNICIPALITY	SIZE	TENDER DATE
2499 Nash Road, 2538 & 2494 Regional Road 57	Bowmanville	27.7 ac	Wednesday, August 19, 2020
400 Beacon Hall Dr *[play video]*	Aurora	205.2 ac	Tuesday, August 25, 2020
5055 Baldwin St	Whitby	43.4 ac	Tuesday, September 1, 2020
705 Warden Ave (Housing Now Initiative)	Toronto	7.1 (2.66 net acres)	TBD

RESIDENTIAL PROPERTIES

ADDRESS	MUNICIPALITY	SIZE	PRICE
46 Main St	Markham	0.65 ac	$4,700,000
105 Diana Drive	King	9.4 ac	$3,900,000
Kensington Neighbourhood *[play video]*	Saskatoon	88.61 ac	*Contact Listing Agent*

The Land Services Group has partnered with CBRE Saskatoon for the above landmark residential development opportunity. For more information please contact Michael Bratvold at +1 306 233 1552 or michael.bratvold@cbre.com

COMMERCIAL PROPERTIES

ADDRESS	MUNICIPALITY	SIZE	PRICE
121 Wellington St W	Barrie	3.66 ac	$7,800,000
207484 Hwy 26	Thornbury	6.93 ac	$1,599,000

2020 TRANSACTIONS

ADDRESS	MUNICIPALITY	SIZE	PRICE
4225 Trans-Canada Hwy, Pointe-Claire	Montreal	58,000 sq. ft	$9,500,000
4926 Bathurst St	Toronto	0.61 ac	$6,530,000
10305-10321 106th Street NW	Edmonton	29,999 sq. ft	$4,700,000
2266 Lakeshore Rd W & 83 East St	Oakville	0.59 ac	$7,000,000
Hwy 412 & Dundas St W (Block 270, 4 & 5)	Whitby	10.2 ac	$5,613,960
6067 Quinpool Rd *[play video]*	Halifax	3.3 ac	$37,610,000
185 Balliol Street	Toronto	1.08 ac	*Contact Listing Agent*
175 Wynford Dr	Toronto	5.42 ac (236,022 sq. ft.)	$102,000,000

TRANSACTION BROCHURES

LSG WEEKLY BROKER AVAILABILITIES EMAIL

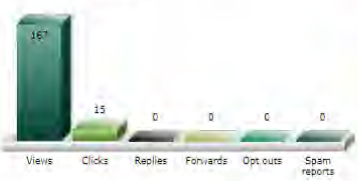
In addition to the property-specific email, this listing is featured in the Land Services Group's Broker Available Properties digital campaign. This promotional email is sent internally to all of CBRE's teams in the GTHA as well as to LSG's trusted external broker list on a weekly basis for maximum exposure.

Below is the general summary report for **Wednesday, August 12, 2020.**

613 RECIPIENTS

349 VIEWS

Interaction Statistics

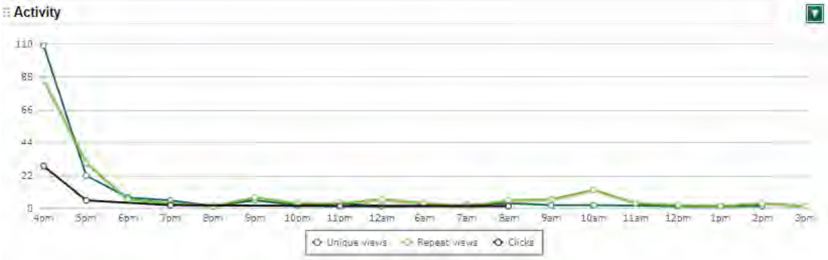


Statistic	Unique	Total	% of Recipients	% of Viewers
Views	167	349	27.33%	100%
Clicks	15	37	2.45%	8.98%
Replies	0	0	0%	0%
Forwards	0	0	0%	0%
Opt outs	0	0	0%	0%
Spam reports	0	0	0%	0%

Recipient Statistics

Statistic	Unique	Rate
Viewed	167	27.33%
Not viewed	444	72.67%
Bounced	2	0.33%
Sent	**613**	

Activity



Click here to view with images.
To ensure delivery to your inbox, please add lsggta@cbre.com to your address book.

CBRE

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Available Properties — 08/12/2020

AVAILABLE PROPERTIES

FEATURED LISTING: 46 MAIN STREET | MARKHAM, ON

TENDERS

ADDRESS	MUNICIPALITY	SIZE	MLS	TENDER DATE
2499 Nash Road, 2538 & 2494 Regional Road 57	Bowmanville	27.7 ac	E4832180	Wednesday, August 19, 2020
5055 Baldwin St	Whitby	43.4 ac	E4846971	Tuesday, September 1, 2020

RESIDENTIAL PROPERTIES

ADDRESS	MUNICIPALITY	SIZE	MLS	PRICE
46 Main St	Markham	0.65 ac	N4864358	$4,700,000
105 Diana Drive	King	9.4 ac	N4846552	$3,900,000

COMMERCIAL PROPERTIES

ADDRESS	MUNICIPALITY	SIZE	MLS	PRICE
121 Wellington St. W	Barrie	3.67 ac	S4702692	$7,800,000
207484 Hwy 26	Thornbury	6.93 ac	X4678961	$1,599,000

CONTACT US

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Senior Vice President
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*Sales Representative **Broker

www.cbre.ca/mclsg

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You may also unsubscribe by calling toll-free +1 877 CBRE 330 (+1 877 227 3330).

Please consider the environment before printing this email.

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Address: 2005 Sheppard Avenue East Suite 800, Toronto Ontario M2J 5B4

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Mapping Sources: Canadian Mapping Services canadamapping@cbre.com, DMTI Spatial, Environics Analytics, Microsoft Bing, Google Earth

COMMUNICATIONS

DIRECT INQUIRIES

The following inquiries are a result of the launched marketing program. Each of these individuals has requested further information on the Property:

#	COMPANY/NAME	CA	TOUR	DUE DILIGENCE DOWNLOAD	DATE	COMMENTS
1	[redacted]	☑	N/A	Yes	7/16/20	Interested in the Site
2	[redacted]	☑	N/A	N/A	7/16/20	
3	[redacted]	☑	N/A	Yes	7/17/20	
4	[redacted]	☑	N/A	Yes	7/17/20	
5	[redacted]	☑	N/A	Viewed	7/17/20	
6	[redacted]	☑	N/A	Yes	7/17/20	
7	[redacted]	☑	N/A	Yes	7/17/20	Called multiple times; is interested
8	[redacted]	☑	N/A	N/A	7/21/20	[redacted]
9	[redacted]	☑	N/A	Yes	7/22/20	Has shown interest in the Site
10	[redacted]	☑	N/A	Yes	7/24/20	
11	[redacted]	☑	N/A	N/A	8/05/20	
			PENDING			
			DISCUSSIONS/FEEDBACK			
12	[redacted]	Call happened on August 6				

CONCLUSION

We are speaking to potential purchasers about the opportunity. The marketing plan will continue to be rigorously implemented. We remain committed to bringing this project to a successful conclusion in as short a time as possible.

If you have any questions or concerns, please do not hesitate to call.

Yours truly,

Mike Czestochowski**
Executive Vice President
T: +1 416 495 6257
E: mike.czestochowski@cbre.com

Lauren White*
Senior Vice President
T: +1 416 495 6223
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Derek Peacock*
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Emelie Rowe*
Planner
T: +1 416 495 6306
E: emelie.rowe@cbre.com

Evan Stewart
Sales Representative
T: +1 416 495 6205
E: evan.stewart@cbre.com

CBRE | LAND SERVICES GROUP

*Sales Representative, **Broker

APPENDIX “F”

Brookhill Holdings Inc.
Mortgage Discharge Statement as at November 23, 2020
2499 Nash Road, Bowmanville, ON
2538 Regional Road 57, Bowmanville, ON
2494 Regional Road 57, Bowmanville, ON

Please be advised that the balance outstanding under the above mentioned mortgage loan is as follows:

		Total
Principal Balance as at November 23, 2020	$	4,200,000.00
Interest - December 1 - 31, 2019	$	35,875.00
Interest - January 1 - 31, 2020	$	36,181.43
Interest - February 1 - 29, 2020	$	36,490.48
Interest - March 1 - 31, 2020	$	36,802.17
Interest - April 1 - 30, 2020	$	37,116.52
Interest - May 1 - 31, 2020	$	37,433.56
Interest - June 1 - 30, 2020	$	37,753.31
Interest - July 1 - 31, 2020	$	38,075.78
Interest - August 1 - 31, 2020	$	38,401.01
Interest - September 1 - 30, 2020	$	38,729.02
Interest - October 1 - 31, 2020	$	39,059.83
Interest - November 1 - 23, 2020	$	29,787.94
3 Months Interest pursuant to s. 17	$	107,625.00
Wire Fee	$	25.00
NSF/Missed Payment Fees (January 1, 2020, February 1, 2020)	$	650.00
Mortgage Statement Fees (July 15, 2019, December 9, 2019)	$	200.00
Mortgage Default Fee	$	2,000.00
Lender Legal Fees (Invoice # 34946 - May 26, 2020) - inclusive of interest	$	22,558.01
Lender Legal Fees (Invoice # 34747 - May 26, 2020) - inclusive of interest	$	24,205.97
Lender's Planning Consultant (June 2, 2020) - inclusive of interest	$	1,811.92
Discharge Statement and Administration Fee (3 properties)	$	500.00
**Total Owing - payable in certified funds ** **	**$**	**4,801,281.96**

You are hereby authorized and directed to make cheques
payable as follows:

1. Hillmount Capital Inc.		$	4,801,281.96
2. Lender's Lawyer - Pre-Receivership Fees		$	17,338.78
	TOTAL	**$**	**4,818,620.74**

Per diem interest - Hillmount Capital Inc. $ 1,295.13

**** Certified funds required**

This Discharge Statement is valid until November 24, 2020.

Daily interest is due to and including day of receipt of funds by this office.
If funds are not received before 12:00 noon they MUST include per diem to the next business day.
FRIDAY DEADLINE: If not received before 12:00 noon MUST include per diem to the next business day.

DATED: October 6, 2020
E. & O..E.

APPENDIX “G”

MORTGAGE DISCHARGE STATEMENT

MORTGAGEE: JAEKEL CAPITAL INC.

MORTGAGOR: BROOKHILL HOLDINGS INC.

RE: Mortgage on 2538 & 2494 Regional Road 57 and 2499 Nash Road, Bowmanville
Mortgage registered as Instrument No. DR1467269

Mortgage amount at registration (April 21, 2016)	**$ 3,135,000.00**
Outstanding Principal Sum as at Jan 21, 2018 (last month received interest payment)	$1,470,736.60
Interest owing as at November 23, 2020 (34 missed payments)	$614,363.31
Admin Fees (34 missed payments admin fees not paid + interest, 6 mortgage statements admin fees not paid + interest, as per schedule "A" additional provisions to charge/mortgage)	$140,617.46
Lender fee (as per mortgage extension agreement May 21, 2018 + interest)	$40,891.40
Default of other charges fee	$2,500.00
Mortgage discharge fee	$585.81
Mortgage balance outstanding as at November 23, 2020	**$2,269,694.58**

Interest per diem of $745.19 after November 23, 2020

Statement valid until December 22, 2020

DATED at Aurora, this 13 day of October, 2020

JAEKEL CAPITAL INC.

Per: Richard Jaekel, Authorized Signing Officer

APPENDIX “H”

Court File No.: CV-20-00640134-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

(COMMERCIAL LIST)

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended

BETWEEN:

HILLMOUNT CAPITAL INC.

Applicant

- and -

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENTS INC.

Respondents

AFFIDAVIT OF GREG ADAMS
Sworn October 13, 2020

I, **GREG ADAMS**, of the City of Ottawa, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS**:

1. I am a Senior Vice President with Ernst & Young Inc. ("**EYI**"), the Receiver of Brookhill Holdings Inc. (the "**Debtor**") and, as such, I have knowledge of the matters to which I hereinafter depose. Unless I indicate to the contrary, the facts herein are within my personal knowledge and are true. Where I have indicated that I have obtained facts from other sources, I believe those facts to be true.

2. Attached hereto as **Exhibit "A"** is a summary and true copy of the invoices prepared by the Receiver for fees and disbursements incurred by the Receiver in the course of these proceedings in respect of the Debtor for the period from May 17, 2020 to October 2, 2020 (the "**Billing Period**").

3. Included in each invoice is a schedule summarizing the billing rates and total hours of each of the members of EYI who acted on behalf of the Receiver in these proceedings for the Billing Period.

4. To the best of my knowledge, the rates charged by EYI throughout the course of these proceedings are comparable to the rates charged by other accounting firms in the Toronto market for the provision of similar services.

5. The hourly billing rates outlined in **Exhibit "A"** to this affidavit are comparable to the hourly rates charged by EYI for services rendered in relation to similar proceedings.

6. I make this affidavit in support of a motion by the Receiver for, *inter alia,* approval of the fees and disbursements of the Receiver.

SWORN BEFORE ME at the City of Ottawa, in the Province of Ontario, this 13th day of October, 2020.	))))	**Greg Adams**

A commissioner for taking oaths, etc.

L.S.O. 20388T

THIS IS EXHIBIT "A" REFERRED TO

IN THE AFFIDAVIT OF

GREG ADAMS SWORN

BEFORE ME THIS 13th DAY OF

OCTOBER, 2020

20788T

Exhibit A

ERNST & YOUNG INC.
Receiver of
Brookhill Holdings Inc.
For the period from April 1, 2020 to October 2, 2020

Person	Practice Area	Invoice Number CA12C500005237	CA12C500005490	CA12C500005774	Total	Rate ($)	Total ($)
		Hours					
Partners							
Alex Morrison	Insolvency	5.7	5.4	6.7	17.8	770	13,706.00
Associate Partner							
Greg Adams	Insolvency	54.6	26.7	35.8	117.1	525	61,477.50
Senior Manager							
Liam Bordeleau	Tax			1.5	1.5	450	675.00
Managers							
Donna Comerford	Insolvency	7.6	6.1	3.4	17.1	250	4,275.00
Jason Gauthier	Tax			0.4	0.4	250	100.00
Staff							
Julie Valbuena	Tax			1.0	1.0	225	225.00
		67.9	38.2	48.8	154.9		**80,458.50**
Average billing rate							**519.42**

	CA12C500005237	CA12C500005490	CA12C500005774	Total
Fees	34,954.00	19,700.50	25,804.00	80,458.50
Expenses	0.00	0.00	0.00	0.00
Total bill pre HST	34,954.00	19,700.50	25,804.00	80,458.50
HST	4,544.02	2,561.07	3,354.52	10,459.61
Total	39,498.02	22,261.57	29,158.52	90,918.11

Ernst & Young Inc.
Toronto, ON

Invoice

Brookhill Holdings Inc.
56 The Esplanade
Suite 406
Toronto, ON M5E 1A6
Canada

Invoice No.: CA12C500005237
Please include this number with payment

Invoice Date:	June 09, 2020
Due Date:	Upon receipt
Client No.:	0012265394
Engagement No.:	E-65611189

Remit To:
P.O. Box 57104, Postal Station A
Toronto, Ontario M5W 5M5
A/R Queries:
EYCanadaInvoiceInquiry@ca.ey.com

For professional services rendered for Brookhill Holdings Inc. to the period ended June 5, 2020.

		Net	Tax	Rate	Tax Amount	CAD Total
Fee		34,954.00	HST	13 %	4,544.02	39,498.02
		34,954.00			**4,544.02**	**39,498.02**
Invoice summary		**34,954.00**				
Tax :	13% HST				4,544.02	
Total:		**34,954.00**			**4,544.02**	**39,498.02**

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Terms: Payment due upon receipt. Interest is charged at the rate of 12 % per annum on balances unpaid after 30 days from date of invoice. Any disbursements not charged to your account on the date of this invoice will be billed later.
GST/HST: R123425522 **QST:** 1006354498

Electronic payment instructions:
Send direct and pay to: Bank of Montreal, International Banking, H.O. Montreal, SWIFT BIC Address BOFMCAM2, Ernst & Young LLP, 6 King Street West, Toronto, Ontario, Canada, M5H 1C3.

Wire transfer instructions: Transit #2411 Account #24111000237. Reference the name and address of remitter, invoice number and engagement number.

Electronic fund transfer instructions: Bank ID: 0001 Transit# 24112 Account# 1000237. To ensure accurate allocation of funds, please email gss.canadaaccountsreceivable@xe02.ey.com and include amount paid, invoice number and company name.

Brookhill Holdings Inc.

Summary of Professional Fees
FOR THE PERIOD ENDED June 5, 2020

Name	Position	Hours	Rate	Fees
Alex Morrison	Senior Vice President/ Partner	5.7	770	4,389.00
Greg Adams	Senior Vice President/ Executive Director	54.6	525	28,665.00
Donna Comerford	Manager	7.6	250	1,900.00
Subtotal		**67.9**		**34,954.00**

Total Time	$	34,954.00
HST @ 13%		4,544.02
Total Invoice	**$**	**39,498.02**

Person	Date	Hours	Description
Alex Morrison	5-May-20	1.0	Court hearing re: receivership application; review draft order; Greg re: possession steps.
Alex Morrison	6-May-20	1.5	call with C. Mills and Brookhill principal; call with FAAN; call with Hillmont
Alex Morrison	8-May-20	0.2	Greg re: property appraisal; emails re: Registering receivership order on title
Alex Morrison	11-May-20	0.5	Greg re: appraisals/funding/listing agent/Landowner Group funding
Alex Morrison	12-May-20	0.3	Secondary plan information
Alex Morrison	14-May-20	0.5	call with Greg and TGF re: issues list
Alex Morrison	15-May-20	0.5	call with Hillmont/TGF/Fogler's re: appraisal and secondary plan issues
Alex Morrison	19-May-20	0.2	Greg re: listings
Alex Morrison	20-May-20	0.2	Greg re: CBRE call and Altus engagement
Alex Morrison	25-May-20	0.2	update with Greg on appraisal
Alex Morrison	1-Jun-20	0.2	Update with Greg on appraisal / listing agent
Alex Morrison	3-Jun-20	0.2	Update from Greg re: Palemo Environmental Call
Alex Morrison	4-Jun-20	0.2	Update call with on listings brokers/ appraiser
Alex Morrison Total		5.7	
Donna Comerford	30-Apr-20	0.2	Brookhill - post documents to website
Donna Comerford	5-May-20	0.5	Estate set up
Donna Comerford	6-May-20	2.3	Open bank account; draft letter to freeze bank accounts; input creditors; discussions with Greg; update Ascend
Donna Comerford	7-May-20	1.3	Finalize 245 report; arrange mailing; update Ascend
Donna Comerford	12-May-20	0.2	Follow up on funds transfer
Donna Comerford	14-May-20	0.4	Banking; record deposit; process filing fee
Donna Comerford	20-May-20	0.7	Follow up on funds transfer; draft wire transfer
Donna Comerford	27-May-20	0.1	Call to RBC re estate number
Donna Comerford	28-May-20	0.5	Draft and send wire transfer request
Donna Comerford	2-Jun-20	0.3	Discuss payment of taxes with Greg; finalize HST form
Donna Comerford	3-Jun-20	0.5	process and send wire transfer
Donna Comerford	4-Jun-20	0.6	Banking
Donna Comerford Total		7.6	
Greg Adams	1-Apr-20	1.0	Brookhill - review email traffic, website URL, consent, draft 245 report
Greg Adams	27-Apr-20	0.2	email traffic
Greg Adams	28-Apr-20	0.3	review emails
Greg Adams	30-Apr-20	0.1	service list to website
Greg Adams	4-May-20	0.3	emails, court documents and update 245 Notice
Greg Adams	5-May-20	1.0	emails, attend court hearing, prepare info request, t/c with Alex
Greg Adams	6-May-20	3.5	t/c with Brookhill and counsel re transition, t/c with FAAN re receivership, t/c with Hillmount, information from Brookhill, issue bank letter, finalize 245 report, compute loan balances,
Greg Adams	7-May-20	0.7	Finalize 245/246 report and distribute to creditors, emails
Greg Adams	8-May-20	2.0	emails, t/c with Yitz, prepare document for registration of Order, t/c with Altus, email exchange with Altus, email to Craig re cash call,
Greg Adams	11-May-20	6.5	review emails and documents/ download from Brookhill, emails to City, Tenants, insurance, questions to Joe, t/c with insurer, tenant.
Greg Adams	12-May-20	4.0	emails re farm lease, notice of receiver and cash call, review planning documents, t/c with Hillmount and planner, email TGF re farm lease,
Greg Adams	13-May-20	2.5	t/c with Bryce Jordon on status of landowners group, planning, t/c with Jonathon re status of discussion with Bryce, t/c with Yitz re EIS, email to Joe, organize update call with counsel, budget,
Greg Adams	14-May-20	3.0	email to Yitz re appraisal, t/c with insurer, email to insurer re house, email to GHD re retainer, c/c with TGF re update, email to Yitz re funding, t/c with Yitz, Johnathon re estimates, emails to TGF
Greg Adams	15-May-20	1.0	c/c with Hilmount and counsel on land issues and path forward.
Greg Adams	19-May-20	2.5	review Altus engagement letter and discuss with TGF, t/c with Bryce Jordan, update Alex, facilitate issuance of Receiver's Certificate,
Greg Adams	20-May-20	4.0	t/c and email with Altus re engagement letter, t/c's and emails with brokers re listing proposals, arrange for wire of funds to GHD, review engagement letter and email to TGF, t/c and email with Palmer on reports, download info from Craig, discuss with TGF,
Greg Adams	21-May-20	2.0	engagement letter to GHD, emails to/from Colliers, Behar, emails to GHD, t/c with Yitz and Jonathon, email to Craig re information

Person	Date	Hours	Description
Greg Adams	22-May-20	1.2	t/c with Greg evans from Behar, emails to Colliers, emails to Bryce, arrange calls, email to TGF,
Greg Adams	25-May-20	4.0	c/c with Colliers and Bryce on planning issues for listing proposal, follow up call with Colliers, emails from Palmer and discussion with Bryce, c/c with Bryce and Behar Group on planning issues for listing proposal, t/c with TGF on info request, emails from FANN, emails from Joe, review farm lease and forward to tenant, update Alex, email to Yitz,
Greg Adams	26-May-20	2.0	email to Altus on status of engagement letter, t/c with Rachel re FAAN, email to FAAN on info request, t/c to Palmer, respond to Collier request, c/c with Joe and Craig on info request,
Greg Adams	27-May-20	1.5	review Altus engagement letter, sign and send back, arrange for wire of deposit, coordinate meetings with Bryce for Altus and CBRE, t/c with Bryce re Palmer
Greg Adams	28-May-20	1.0	t/c with Colliers, email to Palmer, documentation from Bryce and forward to brokers/Altus, review demands, email to TGF
Greg Adams	29-May-20	4.5	c/c with Bryce and CBRE, c/c with Bryce and Altus, c/c Greg re Behar, email information to the parties, email summary to team, update Alex, emails re meeting next week, t/c with Bryce re Palmer, t/c with Randy Miller
Greg Adams	1-Jun-20	1.5	t/c with Dirk, emails to Bryce, set up call with Palmer, review information from Craig, t/c with Rachel re FAAN,
Greg Adams	2-Jun-20	1.0	review T2 and t/c to Craig on questions, review property tax statements and discuss payment with Donna, email to Randy Miller,
Greg Adams	3-Jun-20	2.5	c/c with Palmer and GHD, email summary, t/c with Yitz, c/c with Behar and GHD, review listing proposal, prepare summary,
Greg Adams	4-Jun-20	0.8	Email from Bryce, review and forward to Greg Evans, arrange call with Colliers, follow up on farm lease, t/c with Craig on T2, email info to FAAN
Greg Adams Total		54.6	
Grand Total		**67.9**	

Ernst & Young Inc.
Toronto, ON

Invoice

Brookhill Holdings Inc.
56 The Esplanade
Suite 406
Toronto, ON M5E 1A6
Canada

Invoice No.: CA12C500005490
Please include this number with payment

Invoice Date:	July 29, 2020
Due Date:	Upon receipt
Client No.:	0012265394
Engagement No.:	E-65611189

Remit To:
P.O. Box 57104, Postal Station A
Toronto, Ontario M5W 5M5
A/R Queries:
EYCanadaInvoiceInquiry@ca.ey.com

For professional services rendered for Brookhill Holdings Inc. for the period ended July 24, 2020.

CAD

		Net	Tax	Rate	Tax Amount	Total
Fee		19,700.50	HST	13 %	2,561.07	22,261.57
		19,700.50			**2,561.07**	**22,261.57**
Invoice summary		**19,700.50**				
Tax :	13% HST				2,561.07	
Total:		**19,700.50**			**2,561.07**	**22,261.57**

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Terms: Payment due upon receipt. Interest is charged at the rate of 12 % per annum on balances unpaid after 30 days from date of invoice. Any disbursements not charged to your account on the date of this invoice will be billed later.
GST/HST: R123425522 **QST:** 1006354498

Electronic payment instructions:
Send direct and pay to: Bank of Montreal, International Banking, H.O. Montreal, SWIFT BIC Address BOFMCAM2, Ernst & Young LLP, 6 King Street West, Toronto, Ontario, Canada, M5H 1C3.

Wire transfer instructions: Transit #2411 Account #24111000237. Reference the name and address of remitter, invoice number and engagement number.

Electronic fund transfer instructions: Bank ID: 0001 Transit# 24112 Account# 1000237. To ensure accurate allocation of funds, please email gss.canadaaccountsreceivable@xe02.ey.com and include amount paid, invoice number and company name.

Brookhill Holdings Inc.

Summary of Professional Fees
FOR THE PERIOD ENDED July 24, 2020

Name	Position	Hours	Rate	Fees
Alex Morrison	Senior Vice President/ Partner	5.4	770	4,158.00
Greg Adams	Senior Vice President/ Executive Director	26.7	525	14,017.50
Donna Comerford	Manager	6.1	250	1,525.00
Subtotal		**38.2**		**19,700.50**

Total Time	$	19,700.50
HST @ 13%		2,561.07
Total Invoice	**$**	**22,261.57**

Person	Date	Hours	Description
Alex Morrison	8-Jun-20	1.0	Conference call with Colliers; CBRE proposal
Alex Morrison	9-Jun-20	1.5	Call with CBRE re: listing proposal; call with the Behar Group re: listings proposal; debrief with Greg on Broker proposals
Alex Morrison	12-Jun-20	0.5	Call with Hillmount / TGF re: real estate broker proposals
Alex Morrison	24-Jun-20	0.3	Greg re: CBRE listing agreement
Alex Morrison	26-Jun-20	0.2	Appraisal/Update on CBRE listing agreement
Alex Morrison	6-Jul-20	0.2	Update from CBRE re: marketing materials
Alex Morrison	8-Jul-20	0.3	CBRE Marketing Material
Alex Morrison	9-Jul-20	0.3	TGF re: Marketing material comments
Alex Morrison	21-Jul-20	0.3	Marketing update with Greg
Alex Morrison	22-Jul-20	0.5	CBRE sales update with Greg/CBAE
Alex Morrison	24-Jul-20	0.3	emails with counsel re: draft purchase agreement
Alex Morrison Total		5.4	
Donna Comerford	16-Jun-20	0.3	Process and print cheque
Donna Comerford	18-Jun-20	0.3	Process cheques for fees
Donna Comerford	29-Jun-20	0.5	go to bank to pay tax bill
Donna Comerford	1-Jul-20	0.5	Update contract list
Donna Comerford	7-Jul-20	0.5	Draft and send final wire transfer request
Donna Comerford	9-Jul-20	0.2	Follow up re Altus payment
Donna Comerford	17-Jul-20	0.7	process cheques re property taxes
Donna Comerford	17-Jul-20	0.3	Follow up re wire transfer
Donna Comerford	22-Jul-20	0.2	Follow up on invoice from Altus
Donna Comerford	22-Jul-20	0.5	Banking
Donna Comerford	23-Jul-20	1.5	Banking
Donna Comerford	23-Jul-20	0.6	Draft and send wire transfer request
Donna Comerford Total		6.1	
Greg Adams	8-Jun-20	3.2	c/c with Colliers on proposal, schedule meetings with brokers, review broker proposals and summarize
Greg Adams	9-Jun-20	2.5	call with CBRE to review proposal, call with Behar Group to review proposal, t/c with Randy Miller re proposal, update summary and coordinate call team, t/c with Alex on brokers, emails, review GL, emails to TGF
Greg Adams	10-Jun-20	0.2	email to Yitz, follow up with Dirk,
Greg Adams	12-Jun-20	2.5	c/c with Hillmount, TGF, Fogler on broker proposals, t/c with CBRE on proposal, t/c with Hillmount, review TGF bill, t/c message to Jaekel, FAAN, t/c with Alex, email FAAN info,
Greg Adams	16-Jun-20	0.5	emails to FAAN, Jaekel, t/c with Jaekel re update, respond to email re Behar Group
Greg Adams	17-Jun-20	1.5	t/c with FAAN re update, t/c's with brokers on selection result, email from Palmer and respond, email re TGF invoice,
Greg Adams	19-Jun-20	1.0	download Palmer information, email to CBRE re Palmer study, finalize farm lease
Greg Adams	22-Jun-20	0.5	review listing agreement, email to Rachel, email to Palmer,
Greg Adams	23-Jun-20	2.5	review listing agreement, response to CBRE, review changes, t/c with CBRE, appraisal from Altus, discuss with Alex, email to TGF,
Greg Adams	24-Jun-20	2.5	Review Brookhill appraisal, t/c with CBRE, TGF on listing agreement, discuss with Alex, call to Altus
Greg Adams	25-Jun-20	1.8	emails/t/c with CBRE on finalizing listing agreement, diligence materials to CBRE, t/c with Altus on appraisal, review changes
Greg Adams	26-Jun-20	0.7	emails with Hillmount concerning appraisal, listing, Palmer etc., email to Greg Evans
Greg Adams	30-Jun-20	0.3	respond to emails with CBRE re information,
Greg Adams	6-Jul-20	0.3	follow up with CBRE re listing, donna re disbursements
Greg Adams	8-Jul-20	1.0	review marketing material, forward to counsel for review, emails
Greg Adams	9-Jul-20	1.3	review revised marketing materials, emails with TGF and Foglers re comments on CA and drafting APS, t/c with CBRE on comments
Greg Adams	20-Jul-20	0.5	forward TGF invoice to Hillmount, email to CBRE re data room upload, emails from Fogler, email to TGF re APA, misc.
Greg Adams	21-Jul-20	0.5	Review ad for CBRE, t/c with Bryce, emails
Greg Adams	22-Jul-20	0.7	review CBRE marketing report, t/c with CBRE re bid submission deadline, email to team, t/c with Alex
Greg Adams	23-Jul-20	0.5	t/c with Yitz, emails to CBRE and TGF re submission date and status of APS, Altus wire

Person	Date	Hours	Description
Greg Adams	24-Jul-20	2.2	review draft APS, email exchanges with counsel on notes to draft.
Greg Adams Total		26.7	
Grand Total		**38.2**	

Ernst & Young Inc.
Toronto, ON

Invoice

Brookhill Holdings Inc.
56 The Esplanade
Suite 406
Toronto, ON M5E 1A6
Canada

Invoice No.: CA12C500005774
Please include this number with payment

Invoice Date:	October 06, 2020
Due Date:	Upon receipt
Client No.:	0012265394
Engagement No.:	E-65611189

Remit To:
P.O. Box 57104, Postal Station A
Toronto, Ontario M5W 5M5
A/R Queries:
EYCanadaInvoiceInquiry@ca.ey.com

For professional services rendered for the period ended October 2, 2020.

		Net	Tax	Rate	Tax Amount	CAD Total
Fee		25,804.00	HST	13 %	3,354.52	29,158.52
		25,804.00			**3,354.52**	**29,158.52**
Invoice summary		**25,804.00**				
Tax :	13% HST				3,354.52	
Total:		**25,804.00**			**3,354.52**	**29,158.52**

A member of Ernst & Young Global

Terms: Payment due upon receipt. Interest is charged at the rate of 12 % per annum on balances unpaid after 30 days from date of invoice. Any disbursements not charged to your account on the date of this invoice will be billed later.
GST/HST: R123425522 **QST:** 1006354498

Electronic payment instructions:
Send direct and pay to: Bank of Montreal, International Banking, H.O. Montreal, SWIFT BIC Address BOFMCAM2, Ernst & Young LLP, 6 King Street West, Toronto, Ontario, Canada, M5H 1C3.

Wire transfer instructions: Transit #2411 Account #24111000237. Reference the name and address of remitter, invoice number and engagement number.

Electronic fund transfer instructions: Bank ID: 0001 Transit# 24112 Account# 1000237. To ensure accurate allocation of funds, please email gss.canadaaccountsreceivable@xe02.ey.com and include amount paid, invoice number and company name.

Brookhill Holdings Inc.

Summary of Professional Fees
FOR THE PERIOD ENDED October 2, 2020

Name	Position	Hours	Rate	Fees
Alex Morrison	Senior Vice President/ Partner	6.7	770	5,159.00
Greg Adams	Senior Vice President/ Executive Director	35.8	525	18,795.00
Liam Bordeleau	Vice President/ Senior Manager	1.5	450	675.00
Donna Comerford	Manager	3.4	250	850.00
Jason Gauthier	Manager	0.4	250	100.00
Julie Valbuena	Senior	1.0	225	225.00
Subtotal		**48.8**		**25,804.00**

Total Time	$	25,804.00
HST @ 13%		3,354.52
Total Invoice	**$**	**29,158.52**

Person	Date	Hours	Description
Alex Morrison	4-Aug-20	0.2	Update from Greg on marketing status
Alex Morrison	24-Aug-20	0.6	Call with CBRE re: Offers / Review Offers; call with Greg to debrief
Alex Morrison	31-Aug-20	0.5	Call with CBRE to review offers/disciss next steps.
Alex Morrison	1-Sep-20	0.3	update email to Hillmont on sale process
Alex Morrison	3-Sep-20	0.3	Update from CBRE on offers/Greg re: next steps
Alex Morrison	8-Sep-20	1.0	Conference call with Hillmont/TGF re: Offers/discuss with Greg
Alex Morrison	9-Sep-20	0.5	Call with Greg re: debrief with FAAn/purchase disclaimer on deposit
Alex Morrison	10-Sep-20	0.5	Call with Greg re: call from FAAN on sale process debrief on call with TGF and CBRE/update with call Greg
Alex Morrison	11-Sep-20	0.8	Call with Greg re: FAAN Meeting; call with FAAN
Alex Morrison	15-Sep-20	0.3	Update email to FAAN/update with Greg on purchase agreement
Alex Morrison	16-Sep-20	0.3	Email from TGF re: comments by Purchase on draft purchase agreement
Alex Morrison	17-Sep-20	0.3	Emails between Foglers and TGF re: purchase agreement Assumed Liabilities definition
Alex Morrison	22-Sep-20	0.5	Emails from Foglers/TGF re: purchase attending cost sharing group meetings
Alex Morrison	28-Sep-20	0.3	secondary plan update; Tercot communication to municipality of Clarington
Alex Morrison	1-Oct-20	0.3	Letter from TGF to Purchaser re: representatives made by the Purchaser to manipulate; email with TGF re: purchase agreement critical dates
Alex Morrison Total		6.7	
Donna Comerford	30-Jul-20	1.5	Banking & follow up on HST
Donna Comerford	6-Aug-20	0.4	Prepare and issue wire request
Donna Comerford	17-Aug-20	0.3	Process cheque
Donna Comerford	10-Sep-20	0.5	Draft and issue wire transfer request; follow up on HST
Donna Comerford	15-Sep-20	0.7	Process and print cheque for property taxes; general accounting
Donna Comerford Total		3.4	
Greg Adams	27-Jul-20	0.5	emails to CBRE re data room, follow up with CBRE on site visit, emails re APS
Greg Adams	28-Jul-20	0.3	emails, c/c with Fogler and TGF on APA
Greg Adams	29-Jul-20	0.2	review, forward the APS to CBRE.
Greg Adams	30-Jul-20	0.2	review marketing report
Greg Adams	6-Aug-20	0.2	email from CBRE and payment to GHD
Greg Adams	17-Aug-20	0.3	email exchanges with CBRE
Greg Adams	19-Aug-20	0.3	co-ordinate meeting with CBRE to review offers
Greg Adams	20-Aug-20	1.0	review offers
Greg Adams	24-Aug-20	0.8	c/c with CBRE to review phase 1 bidders, t/c with Yitz to provide update.
Greg Adams	31-Aug-20	0.5	t/c with CBRE on round two bids, follow up call with Alex
Greg Adams	1-Sep-20	0.8	respond to email to Hillmount, t/c with Yitz, c/c with CBRE re offers.
Greg Adams	3-Sep-20	0.5	email to team re offers, email to CBRE, t/c with Alex
Greg Adams	8-Sep-20	3.5	email to CBRE re word version of document, t/c's with TGF re next steps, c/c with Hillmount and counsel to review offers, email to CBRE re meeting, t/c with Jaekel re offers, email to FAAN re meeting, review redline APS, payments, t/c with Alex
Greg Adams	9-Sep-20	4.0	t/c with FAAN to review offers, c/c with CBRE and counsel on offers and next steps, commence drafting court report.
Greg Adams	10-Sep-20	4.5	draft court report, t/c with FAAN re proposed course of action, t/c's with Alex, t/c with TGF, CBRE re FAAN discussion, emails to CBRE, Foglers re APA,
Greg Adams	11-Sep-20	1.3	emails to FAAN, CBRE, Foglers, review changes to APA,c/c with FAAN, t/c with CBRE
Greg Adams	14-Sep-20	2.0	draft report, emails to CBRE, Fogler, t/c with Joe, review changes to APA,
Greg Adams	15-Sep-20	0.5	emails from CBRE, email to FAAN, process payments, accounting
Greg Adams	16-Sep-20	1.0	email from Foglers on changes to APA, review previous APA, t/c with Rachel to review , email exchanges on proposed changes.
Greg Adams	17-Sep-20	2.5	various t/c's and emails with counsel on finalizing the APA with Tercot, email to CBRE, finalize and sign APA
Greg Adams	18-Sep-20	0.5	emails to counsel on independent opinion, emails to CBRE,
Greg Adams	21-Sep-20	0.2	review and respond to emails
Greg Adams	22-Sep-20	5.0	emails re providing Tercot authorization, email and discussion with Bryce as to upcoming meetings, Tercot attendance, respond to TGF in regards to Court application, changes to report, email Hillmount purchase agreement, t/c with Yitz, c/c with Foglers and TGF re Tercot attendance, follow up with Boyd re payment on lease, arrange to T2 prep, t/c with tax team,

Person	Date	Hours	Description
Greg Adams	23-Sep-20	2.0	review financial information, email to Liam, discuss tax return prep, issues with Liam, email to D&T, t/c with Joe, email to TGF
Greg Adams	24-Sep-20	0.3	emails re court date, report, demand letters
Greg Adams	25-Sep-20	0.5	emails to counsel and planner on Tercot's letters to Municipality.
Greg Adams	29-Sep-20	1.2	review emails on cost engineer, internal meeting, emails with tax, c/c with Deloitte and EY on tax returns,
Greg Adams	30-Sep-20	0.2	monitor emails re cost engineer
Greg Adams	1-Oct-20	0.7	review and respond to emails, legal documents
Greg Adams	2-Oct-20	0.3	emails, review documents from planner
Greg Adams Total		35.8	
Jason Gauthier	1-Oct-20	0.4	Brookhill - 2018/9 T2s - Overview of project w JV
Jason Gauthier Total		0.4	
Julie Valbuena	2-Oct-20	1.0	2018 T2 - reviewed documents provided. Prepared T2 and files/working papers.
Julie Valbuena Total		1.0	
Liam Bordeleau	23-Sep-20	0.5	Brookhill - 2018/2019 tax returns
Liam Bordeleau	29-Sep-20	0.5	Brookhill - 2018/2019 tax returns
Liam Bordeleau	1-Oct-20	0.5	Brookhill - 2018/2019 tax returns
Liam Bordeleau Total		1.5	
Grand Total		**48.8**	

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

HILLMOUNT CAPITAL INC. Applicant	and	**BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.** Respondents

CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

AFFIDAVIT OF GREG ADAMS
Sworn October 13, 2020

Thornton Grout Finnigan LLP
TD West Tower, Toronto-Dominion Centre
100 Wellington Street West, Suite 3200
Toronto, ON M5K 1K7
Fax: (416) 304-1313

D.J. Miller (LSO# 34393P)
Email: djmiller@tgf.ca
Tel: (416) 304-0559

Rachel Bengino (LSO# 68348V)
Email: rbengino@tgf.ca
Tel: (416) 304-1153

Lawyers for the Receiver, Ernst & Young Inc.

APPENDIX “I”

Court File No.: CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

B E T W E E N:

HILLMOUNT CAPITAL INC.

Applicant

- and -

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.

Respondents

AFFIDAVIT OF D.J. MILLER
(Sworn October 9, 2020)

I, **D.J. MILLER**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS**:

1. I am a barrister and solicitor qualified to practice law in the Province of Ontario and I am a partner at Thornton Grout Finnigan LLP ("**TGF**"), lawyers for Ernst & Young Inc., the Court-appointed receiver (the "**Receiver**") of the Respondents and, as such, I have knowledge of the matters to which I hereinafter depose. Unless I indicate to the contrary, the facts herein are within my personal knowledge and are true. Where I have indicated that I have obtained facts from other sources, I believe those facts to be true.

2. Attached hereto as **Exhibit "A"** are copies of the invoices issued to the Receiver by TGF for fees and disbursements incurred by TGF through the course of these proceedings between May 1, 2020 through to September 30, 2020.

3. Attached hereto as **Exhibit "B"** is a schedule summarizing each invoice in Exhibit "A", the total billable hours charged per invoice, the total fees charged per invoice and the average hourly rate charged per invoice.

4. Attached hereto as **Exhibit "C"** is a schedule summarizing the respective years of call and billing rates of each of the solicitors at TGF who acted for the Receiver.

5. To the best of my knowledge, the rates charged by TGF throughout the course of these proceedings are comparable to the rates charged by other law firms in the Toronto market for the provision of similar services.

6. The hourly billing rates outlined in **Exhibit** "**C"** to this affidavit are comparable to the hourly rates charged by TGF for services rendered in relation to similar proceedings.

7. I make this affidavit in support of a motion by the Receiver for, *inter alia*, approval of the fees and disbursements of the Receiver's counsel.

SWORN remotely via video conference by D.J. MILLER from the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on this 9th day of October, 2020, in accordance with O. Reg. 431/20. Commissioner for Taking Affidavits	**D.J. MILLER**

This is Exhibit “**A**” referred to in the
Affidavit of D.J. Miller sworn remotely via video conference by D.J. MILLER from the City of Toronto , in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on this 9th day of October, 2020, in accordance with O. Reg. 431/20..

A Commissioner for taking affidavits

Court File No. CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3, as amended

BETWEEN:

HILLMOUNT CAPITAL INC.

Applicant

- and -

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.

Respondent

FIRST BILL OF COSTS OF THORNTON GROUT FINNIGAN LLP,
SOLICITORS TO ERNST & YOUNG INC.,
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER

For the period ending May 31, 2020

May-01-20	Emails to and from R. Bengino as to compendium to be filed with the Court as part of the application materials;	0.10	DJM
	Discussion with D.J. Miller with respect to Compendium for Court;	0.10	RB
May-04-20	Emails with R. Bengino as to application tomorrow, compendium to be filed, materials delivered to the Court and logistics for videoconference hearing; emails to and from counsel for borrowers and EY as to scheduling call to discuss realization of property upon appointment; email from Justice Conway;	0.70	DJM
	Email to M. Magni with respect to preparation of electronic compendium; email with J. Dacks with respect to motion tomorrow; email with C. Mills with respect to motion tomorrow; emails with Receiver to schedule call with C. Mills to discuss transition after order is effective; prepare form of order for application tomorrow; prepare compendium; prepare for application returnable tomorrow;	2.30	RB
May-05-20	Discussion with R. Bengino as to results of court hearing and Order obtained; review redlined Order and changes to be made and confirm same; emails to the client group as to receivership and next steps; emails to and from counsel for the borrower as to call to discuss information delivery requests to the Receiver; receive and consider list of information and documentation requests from the Receiver;	0.60	DJM

	Prepare for receivership application returnable today; attend receivership application; revise order and email same along with counsel slip to J. Conway; email with Receiver with respect to preliminary information requests; email to C. Mills with respect to same; review Endorsement of Justice Conway; serve order and endorsement;	2.70	RB
May-06-20	Conference call with the Receiver, J. Valella and his counsel as to requests for information and documentation; emails with R. Bengino as to same; various emails as to information and documents delivered;	0.50	DJM
	Receive entered order from the Court; emails with M. Magni with respect to same; attend conference call with respondents and Receiver to discuss transition and provision of information requested; receive information from counsel to respondents;	0.80	RB
May-07-20	Receive various documents and information from mortgagor's counsel following call with the Receiver yesterday; discussion with R. Bengino;	0.20	DJM
	Review mortgage balances for outstanding charges;	0.30	RB
	Email to Fogler with respect to registering order on title to the properties;	0.20	RB
	Emails from and to R. Bengino regarding registration of receivership order on title;	0.20	RGM
May-08-20	Emails to and from J. Fried as to no appeal of Receivership Order and timeframe for doing so, effect of Order from time of issuance; further emails as to registration on title;	0.40	DJM
	Review emails in respect of registration of order on title;	0.20	RB
May-11-20	Emails from J. Fried's office as to registration of order on title;	0.10	DJM
	Email Receivership Order and Endorsement to Hillmount;	0.10	RB
May-13-20	Emails to and from EY as to call to discuss status of receivership and next steps; schedule call to discuss;	0.30	DJM
	Review and revise lease of farmland agreement; emails with respect to scheduling update call with Receiver;	1.10	RB
May-14-20	Conference call with EY and discussion as to potential planning issues with site, consideration as to various issues prior to commencement of SISP, potential retainer of planner, consideration as to farm lease and tenanted house on site; review emails as to outstanding information requests; coordinate call with the Receiver, Hillmount and J. Fried to advance these issues;	0.80	DJM
	Review documents provided by Brookhill to receiver including environmental assessments and financial information; review agenda for call with Receiver today; attend conference call with Receiver today to receive update; send email to C. Mills with respect to additional information requests;	1.70	RB

May-15-20	Conference call with the Receiver, J. Fried and Hillmount and discussion as to potential planning issues with the property, consideration as to whether planner will be retained, proposals for addressing information available to prospective purchasers and best path forward;	0.60	DJM
	Attend conference call with Receiver and Hillmount to discuss status of receivership proceedings; review email from Y. Levinson with respect to environmental reports conducted by the company; revise farm lease and send same to Receiver for review;	0.80	RB
May-19-20	Review and provide comments on draft appraiser engagement letter; call with G. Adams to discuss same;	0.50	RB
May-20-20	Emails from and to C. Mills with documents provided by his client in response to information requests;	0.20	DJM
	Send follow up email to C. Mills with respect to information requests; review email from Receiver to appraiser with respect to engagement letter; emails with respect to request for report; review document and information provided to Receiver; review draft engagement letter from GHD with respect to land planning services;	0.80	RB
May-21-20	Receive fully executed GHD engagement agreement; Email to G. Adams with respect to further information requests; review email to C. Mills with respect to same; review response from C. Mills;	0.30	RB
May-22-20	Send email to J. Fried to follow up regarding consideration of Farm Lease;	0.10	RB
May-25-20	Email from J. Fried with respect to farm lease; Review email from C. Mills with respect to information regarding intercompany receivables and payables; email to G. Adams with respect to same; review email responses with respect to same; call with G. Adams to discuss same and request from FAAN advisors; review emails with FAAN advisors; emails with respect to scheduling call with C. Mills to discuss information requests;	0.90	RB
May-26-20	Call with G. Adams to discuss request from FAAN; attend conference call with C. Mills, J. Valela and Receiver to discuss information requests; review follow up email with respect to same; email to R. Manea with respect to corporate searches required;	1.00	RB
	Email and instructions from R. Bengino; attend to corporate searches regarding Nobleton South Holdings Inc. and South West Queensville Holdings Inc.;	0.20	RGM
May-27-20	Discussion with R. Bengino as to demands to be issued by the Receiver in respect of two outstanding accounts; review same;	0.20	DJM
	Prepare draft demands; send same to D.J. Miller for review; send draft demands to G. Adams for review;	0.60	RB

May-28-20	Finalize and send demand letters to C. Mills;	0.10	RB
May-29-20	Receive and review email from the Receiver with update as to discussions on planning investigations and input received; emails from and to R. Bengino;	0.30	DJM
	Review email from client providing update on secondary plan and retention of appraisal and realtor proposals;	0.20	RB

Lawyer	**Hours**		
D. J. Miller	5.00	5,000.00	
Rachel Bengino	14.80	8,880.00	
Roxana Manea (Law Clerk)	0.40	120.00	
TOTAL FEE HEREIN		**$14,000.00**	
HST on Fees		**$1,820.00**	
Total Fees and HST			**$15,820.00**

Disbursements:

Couriers	$18.91	
Fee for searches/registrations	$30.54	
Disbursements for searches/registrations*	$32.00	
Conference Calls	$63.87	
Total Taxable Disbursements	**$113.32**	
HST on Disbursements	**$14.73**	
Total Non-Taxable Disbursements	**$32.00**	
Total Disbursements and HST		**$160.05**
Total Fees, Disbursements & HST		**$15,980.05**
OUR ACCOUNT HEREIN		**$15,980.05**

Thornton Grout Finnigan LLP

R.Bengino

Per: Rachel Bengino

E. & O. E. HST No. 87042 1039RT *HST Exempt
Matter No. 519-046
Invoice No. 35082
Date: Jun 12/20

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

HILLMOUNT CAPITAL INC. and **BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.**

Applicant

Respondents

Court File No. CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

FIRST BILL OF COSTS OF THORNTON GROUT FINNIGAN LLP, SOLICITORS TO ERNST & YOUNG INC., IN ITS CAPACITY AS COURT-APPOINTED RECEIVER

Thornton Grout Finnigan LLP
TD West Tower, Toronto-Dominion Centre
100 Wellington Street West, Suite 3200
Toronto, ON M5K 1K7
Fax: (416) 304-1313

D.J. Miller (LSO# 34393P)
Email: djmiller@tgf.ca
Tel: (416) 304-0559

Rachel Bengino (LSO# 68348V)
Email: rbengino@tgf.ca
Tel: (416) 304-1153

Lawyers for the Applicant, Hillmount Capital Inc.

Court File No. CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3, as amended

BETWEEN:

HILLMOUNT CAPITAL INC.

Applicant

- and -

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.

Respondents

SECOND BILL OF COSTS OF THORNTON GROUT FINNIGAN LLP,
SOLICITORS TO ERNST & YOUNG INC.,
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER

For the period ending June 30, 2020

Jun-01-20	Emails from and to R. Bengino as to financial information and journal entries requested by FAAN, and notice to be provided to borrower;	0.10	DJM
	Review general ledgers received and emails with respect to same; call with G. Adams to discuss sending same to FAAN per request; email to C. Mills with respect to same;	0.50	RB
Jun-03-20	Email from the Receiver as to discussions with the conservation authorities;	0.10	DJM
	Review and consider update from Receiver with respect to discussion with Palmer;	0.10	RB
Jun-04-20	Send follow up email to C. Mills with respect to FAAN's request for general ledgers; email from client with respect to same;	0.20	RB
Jun-09-20	Emails from and to the Receiver as to bids for agents for sale process and call to be held as to same; emails to schedule call to discuss;	0.20	DJM
	Review 2017 GL and consider whether any concerns with sending to FAAN as requested; email to Receiver with respect to same; email to C. Mills with respect to same;	0.20	RB

Jun-11-20	Emails to and from R. Bengino as to call with the Receiver to discuss proposals for sales process;	0.10	DJM
Jun-12-20	Review broker proposals and summary of same and consider same; attend conference call with Receiver and Hillmount to discuss same; email to C. Mills with respect to FAAN request; call with Receiver to discuss same;	1.40	RB
Jun-22-20	Review and provide comments on draft listing agreement;	0.20	RB
Jun-23-20	Discussion with R. Bengino as to listing agreement and terms to be included in same; consider provisions to pre-empt standard form agreement to be included;	0.20	DJM
	Emails with D.J. Miller with respect to indemnity in listing agreement;	0.30	RB
Jun-24-20	Call with G. Adams to discuss listing agreement; draft language for schedule to be appended to listing agreement and send same to D.J. Miller for review;	2.00	RB
Jun-26-20	Receive and review appraisal from Altus;	0.30	RB

Lawyer	**Hours**	**Amount**	
D. J. Miller	0.70	700.00	
Rachel Bengino	5.20	3,120.00	
TOTAL FEE HEREIN		**$3,820.00**	
HST on Fees		**$496.60**	
Total Fees and HST			**$4,316.60**
OUR ACCOUNT HEREIN			**$4,316.60**

Thornton Grout Finnigan LLP

R. Bengino

Per: Rachel Bengino

E. & O. E. HST No. 87042 1039RT *HST Exempt

Matter No. 519-046

Invoice No. 35274

Date: Jul 08/20

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

HILLMOUNT CAPITAL INC. and **BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.**

Applicant

Respondents

Court File No. CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

SECOND BILL OF COSTS OF THORNTON GROUT FINNIGAN LLP, SOLICITORS TO ERNST & YOUNG INC., IN ITS CAPACITY AS COURT-APPOINTED RECEIVER

Thornton Grout Finnigan LLP
TD West Tower, Toronto-Dominion Centre
100 Wellington Street West, Suite 3200
Toronto, ON M5K 1K7
Fax: (416) 304-1313

D.J. Miller (LSO# 34393P)
Email: djmiller@tgf.ca
Tel: (416) 304-0559

Rachel Bengino (LSO# 68348V)
Email: rbengino@tgf.ca
Tel: (416) 304-1153

Lawyers for the Applicant, Hillmount Capital Inc.

Court File No. CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3, as amended

BETWEEN:

HILLMOUNT CAPITAL INC.

Applicant

- and -

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.

Respondents

THIRD BILL OF COSTS OF THORNTON GROUT FINNIGAN LLP, SOLICITORS TO ERNST & YOUNG INC., IN ITS CAPACITY AS COURT-APPOINTED RECEIVER

For the period ending July 31, 2020

Jul-08-20	Emails from and to G. Adams as to marketing package and review of same to be conducted;	0.20	DJM
Jul-09-20	Review draft marketing brochure and confidentiality agreement; email to G. Adams with comments on same; emails to and from J. Fried as to standard form of APS for data room;	0.40	DJM
	Emails with respect to draft template Asset Purchase Agreement to upload to data room and documents in data room; access data room; review draft confidentiality agreement and emails with respect to same;	0.70	RB
Jul-13-20	Emails with respect to Secondary Plan Funding Agreement and incorporating same in draft template Asset Purchase Agreement;	0.10	RB
Jul-17-20	Email from M. Coleman with revised assignment and assumption agreement and revised waiver and amending agreement; email from M. Coleman with summary of fees payable by each developer under the Secondary Plan Funding Agreement and confirmation as to payment of its share by Brookhill;	0.40	DJM
Jul-20-20	Email from M. Coleman with draft form of APS; discussion with R. Bengino as to same;	0.30	DJM
Jul-21-20	Emails from and to the Receiver as to land uses and communications received;	0.10	DJM

Jul-22-20	Receive and review first marketing report prepared by CBRE and consider same, and bid submission date;	0.20	DJM
	Review reporting letter from CBRE;	0.20	RB
Jul-23-20	Emails from the Receiver and R. Bengino as to environmental report;	0.20	DJM
	Review and revise draft Asset Purchase Agreement; send same to D.J. Miller for review;	1.80	RB
Jul-24-20	Review draft Agreement of Purchase and Sale for the data room for prospective purchasers; emails to and from R. Bengino as to same; email from J. Fried as to any conditional period in APS and call to be held to consider and discuss same; email from G. Adams as to view on any update of environmental report and conditional period;	0.80	DJM
	Emails with respect to draft template Asset Purchase Agreement and consideration of diligence period;	0.30	RB
Jul-27-20	Emails from and to real estate counsel as to form of APS and terms of same; emails to and from R. Bengino as to same;	0.50	DJM
	Review and provide further comments on draft template Asset Purchase Agreement;	0.50	RB
Jul-28-20	Emails to and from the Receiver and J. Fried as to final form of APS for data room; discussion with R. Bengino as to any due diligence period;	0.30	DJM
	Emails with respect to scheduling call to discuss template Asset Purchase Agreement; call to discuss template Asset Purchase Agreement; review revised Asset Purchase Agreement;	0.50	RB

Lawyer	Hours	Amount
D. J. Miller	3.40	3,400.00
Rachel Bengino	4.10	2,460.00

TOTAL FEE HEREIN **$5,860.00**
HST on Fees **$761.80**

Total Fees and HST **$6,621.80**

OUR ACCOUNT HEREIN **$6,621.80**

Thornton Grout Finnigan LLP

R. Bengino

Per: Rachel Bengino

E. & O. E. HST No. 87042 1039RT *HST Exempt
Matter No. 519-046

Invoice No. 35413
Date: Aug 06/20

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

HILLMOUNT CAPITAL INC.
Applicant

and

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.
Respondents

Court File No. CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

THIRD BILL OF COSTS OF THORNTON GROUT FINNIGAN LLP, SOLICITORS TO ERNST & YOUNG INC., IN ITS CAPACITY AS COURT-APPOINTED RECEIVER

Thornton Grout Finnigan LLP
TD West Tower, Toronto-Dominion Centre
100 Wellington Street West, Suite 3200
Toronto, ON M5K 1K7
Fax: (416) 304-1313

D.J. Miller (LSO# 34393P)
Email: djmiller@tgf.ca
Tel: (416) 304-0559

Rachel Bengino (LSO# 68348V)
Email: rbengino@tgf.ca
Tel: (416) 304-1153

Lawyers for the Applicant, Hillmount Capital Inc.

Court File No. CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3, as amended

BETWEEN:

HILLMOUNT CAPITAL INC.

Applicant

- and -

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.

Respondents

FOURTH BILL OF COSTS OF THORNTON GROUT FINNIGAN LLP,
SOLICITORS TO ERNST & YOUNG INC.,
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER

For the period ending September 30, 2020

Aug-17-20	Call with counsel to potential bidder;	0.10	RB
Sep-03-20	Email from the Receiver as to matrix prepared for second round offers;	0.10	DJM
Sep-06-20	Emails with R. Bengino as to Asset Purchase Agreements received from two purchasers and obtaining proper redline comparisons of same to Receiver's form of Asset Purchase Agreement;	0.10	DJM
	Review of offers submitted and Asset Purchase Agreements; email to G. Adams with respect to same;	0.60	RB
Sep-08-20	Call with Receiver, Y. Levinson, J. Fried as to results of sales process, offers received, amendments to be requested to one offer and next steps; discussion with R. Bengino as to coordinating court date for vesting order once closing date is confirmed and conditions waived; review redline of offers to Receiver's form of Asset Purchase Agreement and consider changes;	0.70	DJM
	Call with G. Adams to discuss Asset Purchase Agreements and approval motion; review Asset Purchase Agreement; attend conference call to discuss sale process results; prepare and consider blackline to template Asset Purchase Agreement; email to Receiver with respect to same;	1.50	RB

Sep-10-20	Call with G. Adams to discuss sale transaction and discussions with stakeholders; emails with respect to amending Asset Purchase Agreement;	0.30	RB
Sep-11-20	Review and consider revised Asset Purchase Agreement; email with respect to same;	0.20	RB
Sep-16-20	Emails from and to M. Coleman as to effect of amendment to Assumed Liabilities under Agreement of Purchase and Sale; consider same and revise language; telephone discussion with R. Bengino as to language;	0.50	DJM
	Review and consider amendments to Asset Purchase Agreement; calls with each of G. Adams and D.J. Miller to discuss same; draft and send email to J. Fried with respect to same; review further emails with respect to same;	1.40	RB
Sep-17-20	Emails with R. Bengino as to amendments to provision in Agreement of Purchase and Sale; consider language of same; exchange of emails with M. Coleman as to language to be included in Agreement of Purchase and Sale;	0.30	DJM
	Review revised Asset Purchase Agreement; email to G. Adams with respect to demands issued; calls (x2) with G. Adams to discuss Asset Purchase Agreement; email to D.J. Miller with respect to same;	0.50	RB
Sep-18-20	Emails to and from J. Fried as to finalizing Agreement of Purchase and Sale and terms relating to Assumed Liabilities; discussion with R. Bengino as to independent opinion on Hillmount’s mortgage; confirm signed Agreement of Purchase and Sale and discuss same with the Receiver;	0.30	DJM
Sep-21-20	Receive and review email from J. Fried as to request by purchaser under Agreement of Purchase and Sale to attend certain planning meetings and make submissions; email from R. Bengino as to timing for motion for Approval and Vesting Order, whether any distribution to be sought and obtaining security opinion for same;	0.30	DJM
	Email with respect to confirmation of receipt of deposit; emails with G. Adams with respect to scheduling Court motion; review email from J. Fried with respect to purchaser's request to attend meeting and review response from D.J. Miller with respect to same;	0.50	RB
Sep-22-20	Emails from and to J Fried as to request by purchaser under Agreement of Purchase and Sale for authorization from Receiver and potential implications of same; emails to and from EY as to potential concerns; conference call with EY and J Fried as to manner of addressing this issue; review and revise draft Authorization to be given by the Receiver;	0.60	DJM
	Review emails with respect to cost-sharing agreement and purchaser's request to attend meeting; attend conference calls (x2) to discuss same; review and revise draft authorization; email with G. Adams with respect to court attendance; emails with respect to	2.00	RB

	independent security opinion;		
Sep-23-20	Review draft demands to be issued to two parties, following the Receiver's demands; discuss same with R. Bengino;	0.10	DJM
	Draft demand letters; send same to Receiver for review; email to Receiver with respect to court date;	0.50	RB
Sep-24-20	Emails with respect to motion date; finalize and issue demand follow up letters; call with C. Mills to discuss same;	0.50	RB
Sep-25-20	Emails from and to Receiver as to various communications regarding Secondary Plan, planning meetings and documents relating thereto;	0.40	DJM
	Emails with M. Magni with respect to court motion;	0.10	RB
	Review and consider emails with respect to letter from purchaser to municipality;	0.20	RB
Sep-28-20	Emails from and to R. Bengino as to steps taken by purchaser in representing itself as owner and letter to be sent;	0.20	DJM
	Email to D.J. Miller with respect to letter from Brookhill Durham to municipality; email to Receiver with respect to same;	0.20	RB
Sep-30-20	Review letter setting out critical dates in Asset Purchase Agreement from counsel to purchaser; review Asset Purchase Agreement in respect of same; email to G. Adams with respect to letters of credit; draft letter to counsel to purchaser; send same to D.J. Miller for review; send draft letter to client for review;	1.00	RB

Lawyer	Hours	Amount
D. J. Miller	3.60	3,600.00
Rachel Bengino	9.60	5,760.00

TOTAL FEE HEREIN **$9,360.00**
HST on Fees **$1,216.80**

Total Fees and HST **$10,576.80**

OUR ACCOUNT HEREIN **$10,576.80**

Thornton Grout Finnigan LLP

R.Bengino

Per: Rachel Bengino

E. & O. E. HST No. 87042 1039RT *HST Exempt
Matter No. 519-046
Invoice No. 35711
Date: Oct 07/20
Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

HILLMOUNT CAPITAL INC.
Applicant

and

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.
Respondents

Court File No. CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

FOURTH BILL OF COSTS OF THORNTON GROUT FINNIGAN LLP, SOLICITORS TO ERNST & YOUNG INC., IN ITS CAPACITY AS COURT-APPOINTED RECEIVER

Thornton Grout Finnigan LLP
TD West Tower, Toronto-Dominion Centre
100 Wellington Street West, Suite 3200
Toronto, ON M5K 1K7
Fax: (416) 304-1313

D.J. Miller (LSO# 34393P)
Email: djmiller@tgf.ca
Tel: (416) 304-0559

Rachel Bengino (LSO# 68348V)
Email: rbengino@tgf.ca
Tel: (416) 304-1153

Lawyers for the Applicant, Hillmount Capital Inc.

This is Exhibit “**B**” referred to in the
Affidavit of D.J. Miller sworn remotely via video conference by D.J. MILLER from the City of Toronto , in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on this 9th day of October, 2020, in accordance with O. Reg. 431/20..

____

A Commissioner for taking affidavits

EXHIBIT "B"

Calculation of Average Hourly Billing Rates of
Thornton Grout Finnigan LLP
for the period May 1, 2020 to September 30, 2020

Invoice #	**Fees**	**Disb.**	**HST**	**Total Hours**	**Average Hourly Rate**	**Total (Fees, Disb., HST)**
First Bill of Costs **35082**	$14,000.00	$145.32	$1,834.73	20.20	$693.10	$15,980.05
Second Bill of Costs **35274**	$3,820.00	$0.00	$496.60	5.90	$647.50	$4,316.60
Third Bill of Costs **35413**	$5,860.00	$0.00	$761.80	7.50	$781.33	$6,621.80
Fourth Bill of Costs **35711**	$9,360.00	$0.00	$1,216.80	13.20	$709.10	$10,576.80
TOTALS:	**$33,040.00**	**$145.32**	**$4,309.93**	**46.80**		**$37,495.25**

This is Exhibit “**C**” referred to in the
Affidavit of D.J. Miller sworn remotely via video conference by D.J. MILLER from the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on this 9th day of October, 2020, in accordance with O. Reg. 431/20..

____

A Commissioner for taking affidavits

EXHIBIT "C"

Billing Rates of Thornton Grout Finnigan LLP

For the period May 1, 2020 to September 30, 2020

	Position	Rate	Year of Call
D.J. Miller	Partner	$1,000	1993
Rachel Bengino	Associate	$600	2015
Roxana Manea	Law Clerk	$300	

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

HILLMOUNT CAPITAL INC.
Applicant

and

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.
Respondents

CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

AFFIDAVIT OF D.J. MILLER
Sworn October 9, 2020

Thornton Grout Finnigan LLP
TD West Tower, Toronto-Dominion Centre
100 Wellington Street West, Suite 3200
Toronto, ON M5K 1K7
Fax: (416) 304-1313

D.J. Miller (LSO# 34393P)
Email: djmiller@tgf.ca
Tel: (416) 304-0559

Rachel Bengino (LSO# 68348V)
Email: rbengino@tgf.ca
Tel: (416) 304-1153

Lawyers for the Receiver, Ernst & Young Inc.

APPENDIX “J”

Court File No. CV-20-00640134-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF SECTION 101 OF THE
***COURTS OF JUSTICE ACT*, R.S.O. 1990 C.C.43, AS AMENDED**

BETWEEN:

HILLMOUNT CAPITAL INC.

Applicant

- and -

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.

Respondents

AFFIDAVIT OF JOSEPH FRIED

(Sworn 9th day of October, 2020)

I, **JOSEPH FRIED**, of the City of Toronto, in the Province of Ontario, **HEREBY AFFIRM**:

1. I am a Partner at Fogler, Rubinoff LLP ("**FR**"), and as such have knowledge of the matters hereinafter deposed to.

2. Pursuant to an Order of The Honourable Madam Justice Conway, dated 5th day of May, 2020, (the "**Receivership Order**") Ernst & Young Inc. was appointed as Receiver (the "**Receiver**") of all of the lands and premises legally described in **Exhibit "A"** attached to the Receivership Order (the **"Lands")** and all of the assets, undertakings and properties of the Respondent acquired for, or used in relation to, the development of the Lands and construction of improvements thereon, including all proceeds thereof (collectively, the **"Property"**). FR is the real estate legal counsel to the Receiver.

3. This affidavit is made in connection with the Receiver's motion for, *inter alia*, the approval of the fees and disbursements of FR for the period from 5th day of May 2020 to and including the 8th day of October, 2020 (the "**Period**"). Attached hereto and marked as **Exhibit "B"** is the account with dockets attached thereto of FR for the Period, in the total amount of $25,404.25 for fees and disbursements of $238.50 plus HST for a total of $28,967.85.

4. The account attached as **Exhibit "B"** provides a fair and accurate description of the activities undertaken by FR. Attached hereto and marked as **Exhibit "C"** is a summary of the hourly rate and time expended by the professionals at FR.

5. FR has rendered services throughout the Period in a manner consistent with instructions from the Receiver.

6. To the best of my knowledge, the rates charged by FR are comparable to the rates charged the provision of services of a similar nature and complexity by other legal firms in the Toronto market providing such services.

7. FR requests that the Court approve its account for fees in the amount of $28,967.85 for services rendered to and including the 8th day of October, 2020.

AFFIRMED BEFORE ME REMOTELY BY VIDEO CONFERENCE, with both Deponent and Commissioner at the City of)
)
Toronto, in the Province of Ontario,)
)
this 9th day of October, 2020)
)
)
)
A Commissioner for Taking Affidavits)
(Michael Coleman)

JOSEPH FRIED

THIS IS EXHBIT "A"

TO THE AFFIDAVIT OF JOSEPH FRIED

AFFIRMED BY VIDEO CONFERENCE ON

THE 9th DAY OF OCTOBER, 2020

A COMMISSIONER, ETC.
(Michael Coleman)

LEGAL DESCRIPTIONS:

PIN No. 26613-0238 (LT)

PART LOT 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634;

MUNICIPALITY OF CLARINGTON

Town of Newcastle

Regional Municipality of Durham

Durham Land Registry Office (No. 40)

Address: 2499 Nash Road, Clarington, Ontario

PIN No. 26613-0239 (LT)

PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON

Town of Newcastle

Regional Municipality of Durham

Durham Land Registry Office (No. 40)

Address: 2538 Regional Road 57, Clarington, Ontario

PIN No. 26613 - 0240 (LT)

PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON

Town of Newcastle

Regional Municipality of Durham

Durham Land Registry Office (No. 40)

Address 2494 Regional Road 57, Clarington, Ontario

THIS IS EXHBIT "B"

TO THE AFFIDAVIT OF JOSEPH FRIED

AFFIRMED BY VIDEO CONFERENCE ON

THE 9th DAY OF OCTOBER, 2020

A COMMISSIONER, ETC.
(Michael Coleman)

fogler rubinoff

Fogler, Rubinoff LLP
Lawyers

77 King Street West
Suite 3000, PO Box 95
TD Centre North Tower
Toronto, ON M5K 1G8
t: 416.864.9700 | f: 416.941.8852
foglers.com

October 9, 2020

ERNST & YOUNG INC.
99 Bank Street
Suite 1200
Ottawa, Ontario
K1P 6B9

Re:	**Vendor**	:	ERNST & YOUNG INC., COURT-APPOINTED RECEIVER OF BROOHILL HOLDINGS INC.
	Purchaser	:	BROOKHILL DURHAM HOLDINGS INC.
	Address	:	2499 Nash Road, Bowmanville, Ontario
	Closing Date	:	November 23, 2020

To Professional Services Rendered with respect to
the above-noted matter:

OUR FEE for docketed time from May 5, 2020 to and including October 8 2020 To our fee herein	$25,404.25	
LEGAL FEES:		$25,404.25
H.S.T. on Fees		3,302.55
DISBURSEMENTS:		
Non-Taxable		
Register Order	$65.05	65.05
H.S.T. Taxable		
Search costs	$111.00	
Copies of Instruments	15.00	
Photocopies	36.60	
E-Reg service charge	10.85	173.45
H.S.T. on Taxable Disbursements		22.55
TOTAL		$28,967.85

Transferred from Trust:	0.00
BALANCE OWING ON ACCOUNT:	**$28,967.85**

THIS IS OUR ACCOUNT HEREIN
FOGLER, RUBINOFF LLP

Per:____________________________
Joseph Fried*
/my
* ON BEHALF OF JOSEPH FRIED PROFESSIONAL CORPORATION

Interest will accrue @ 2% per month on accounts not paid within 30 days.

HST Registration No. R119420859 E. & O. E.

Prebill # 1104556 Session: 648677 Bill to: 09/Oct/20

Client: H2536
Hillmount Capital Inc

Matter: 200697
POS 2499 Nash Road, 2494 Regional Road 57, 2538 Regional Road, Clarington ON

CLIENT LAWYER: Fried, Joseph
MATTER_LAWYER: Fried, Joseph
LAWYER ON BILL: Fried, Joseph
LAST BILL DATE: NONE

FOGLER, RUBINOFF LLP

PAYOR NAME & ADDRESS
Hillmount Capital Inc
89 Tycos Drive, Suite 208
Toronto,
M6B 1W3
Canada
Attn: Yitz Levinson

PAYOR: H2536 MAIN
BILL: H2536 MAIN

ACCOUNT APPROVAL

Joseph Fried

[ ] FINAL BILL: MATTER WILL BE MADE INACTIVE

UNBILLED TIME

LAST ENTRY	TIMEKEEPER	HOURS	AMOUNT		FEE CREDIT ALLOCATION [ ] AS DOCKETED	CODE	INIT
07/Oct/20	Michael Coleman	20.90	6,688.00			521	MJC
06/Oct/20	Aida Nabavi	2.15	591.25			576	AN
08/Oct/20	Joseph Fried	23.00	16,100.00			583	JF
09/Oct/20	Medina Young	6.75	2,025.00			589	MY
	TOTAL UNBILLED FEES	52.80	25,404.25	[ ] WRITE OFF			
	PREMIUM (WRITE DOWN)						
	TOTAL FEES THIS BILL						

UNBILLED DISBURSEMENTS

LAST ENTRY	CODE	DISB. TYPE	GST	AMOUNT	UNBILLED W/O	ANTICIPATED	TOTAL THIS BILL
08/May/20	RN	Registration	N	65.05			
08/Oct/20	1	Prints	Y	36.60			
06/Oct/20	14	Copies of Instruments	Y	15.00			
10/Jul/20	74	Search of Title	Y	111.00			
08/May/20	TER	Teranet remote registration charge	Y	10.85			
		TOTAL UNBILLED DISB		238.50	[ ] WRITE OFF		
		TOTAL ADJUSTMENTS					
		TOTAL DISB THIS BILL					

TRUST SUMMARY

TD Cdn Blended	B1	$505,000.00

Payor/Matter: H2536/**200697**	LAST BILL DATE: NONE	BILL ADDRESS	PAYOR DEFAULT ADDRESS
Hillmount Capital Inc POS 2499 Nash Road, 2494 Regional Road 57, 2538 Regional Road, Clarington ON Prebill No.: 1104556 Session ID: 648677	LAST BILLED TO DATE: NONE FILE LAWYER: Fried, Joseph ASSIGNED LAWYER: Fried, Joseph	Hillmount Capital Inc 89 Tycos Drive, Suite 208 TorontoM6B 1W3 CANADA	89 Tycos Drive, Suite 208 Toronto, M6B 1W3 Levinson, Yitz

DETAIL OF UNBILLED TIME

DATE	TIME ID	TIMEKEEPER		HOURS	RATE	AMOUNT	DESCRIPTION
06/May/20	3626993	583	JF	0.20	700.00	140.00	call with yitz re agent spoke to Receiver to get national agent get bids to get it listed
08/May/20	3627898	583	JF	0.30	700.00	210.00	email from Rachel B to regsiter the court order; email to medina instructing her to use the one we did on Ellesmere; email to rachel to confirm order is in full force and effect;to signing off on ereg doc in teraview
08/May/20	3628072	589	MY	1.50	300.00	450.00	review emails / preceent/ prepare Application to register Court Order with schedule (Order); email to JF for approval. Prepare EReg for receiver to sign for registration of the Order; register Order; confirm email to parties.
11/May/20	3628913	589	MY	0.10	300.00	30.00	provide copies of the Order registered on title to client.
14/May/20	3631204	583	JF	0.20	700.00	140.00	call with Yitz re environmental sensitive ladns and appraisal told him to call david Brand as starters and to send me the material form the Town
14/May/20	3631472	583	JF	0.25	700.00	175.00	call with Yitz Levinson re Jonathan Rubin ondicating how to deal with woodlots. Telling Yits=z todiscuss same with david brand
15/May/20	3631477	583	JF	0.65	700.00	455.00	call with Yitz he spoke to Davi Brand who advised whio he should call and approach for appraiser to use and he wud assist in intros; conf call with DJ Rebecca YItz Diane and Alex Morrison
21/May/20	3635193	583	JF	0.15	700.00	105.00	email quetry from Dianne advised wud speak to Yitz later in day
22/May/20	3635814	583	JF	0.15	700.00	105.00	email re Fram Debt Review and response; to email to Tea re ressearching issue
30/May/20	3640289	583	JF	0.25	700.00	175.00	review of email re environmental sensitive areas
03/Jun/20	3642288	583	JF	0.15	700.00	105.00	email re consultants info re wetlands
12/Jun/20	3647090	583	JF	0.50	700.00	350.00	review of proposals of agnets prior to conf meeting and to video conference with Hillmount Greg Adarns and Rachel B from TGF
09/Jul/20	3661470	583	JF	0.25	700.00	175.00	Email from receiver re prepration of Purchae Agreement;responding thereto and eamil to Michael Coleman instructing him with respect to this matter
09/Jul/20	3661477	521	MJC	0.50	320.00	160.00	Review of documents in dataroom; review of email correspondence between client and Joseph Fried regarding preparation of purchase agreement
10/Jul/20	3662635	521	MJC	2.00	320.00	640.00	Review of documents in dataroom; preparation of draft purchase agreement; review of PINs
12/Jul/20	3662912	583	JF	2.25	700.00	1,575.00	mark up of the offer Michael Coleman prepared and to sending same to him; to review of landowners funding agreement and to sending same to Michael Coleman and requesting that he call me.
13/Jul/20	3662907	589	MY	0.10	300.00	30.00	review of emails with M. Coleman with PIN page and draft APS
13/Jul/20	3662942	583	JF	0.30	700.00	210.00	call with Michael Coleman re funding agreement and opened agreement and pointed out obigation to oay and default and we ned to contact city unless Receiver has done so; also told him how to incorporate this into the purchase agreement;emailexchnage between receiver and Michael and my email in response to reciver;call with michael re several section on my mark up
13/Jul/20	3664881	521	MJC	4.00	320.00	1,280.00	Revision of purchase agreement; telephone conversation with Joe Fried regarding same; review of secondary funding plan

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Prebill No.: 1104556
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LAST BILL DATE: NONE
LAST BILLED TO DATE: NONE

FILE LAWYER: Fried, Joseph
ASSIGNED LAWYER: Fried, Joseph

BILL ADDRESS
Hillmount Capital Inc
89 Tycos Drive, Suite 208
TorontoM6B 1W3
CANADA

PAYOR DEFAULT ADDRESS
89 Tycos Drive, Suite 208
Toronto,
M6B 1W3

Levinson, Yitz

DATE	TIME ID	TIMEKEEPER		HOURS	RATE	AMOUNT	DESCRIPTION
							agreement; email correspondence with Joe Fried regarding same; telephone conference with Joe Fried regarding same; preparation of draft email to the Municipality of Clarington; revision of purchase agreement; email correspondence with client regarding agreement; telephone conference with Joe Fried regarding revisions to purchase agreement; revised purchase agreement; email correspondence with Joe attaching revised purchase agreement
17/Jul/20	3666322	583	JF	0.90	700.00	630.00	sending Michael evience of payment by brookhill of the landowners cost and table of costs; email from micahel reposoting same to dadt room; call with Michael to amend HST clause in the Offer to include beneficial owne; to email recievr re payemnt of coats and we will have offer to him next week;email response from town that they will respond next week;to rveiw of latest drfat offer and to further mark up of same and to sending same to Michael Coleman
17/Jul/20	3666805	521	MJC	0.60	320.00	192.00	Review of email correspondence received from Hillmount attaching table outlining payment of fees by developers under the Secondary Funding Agreement; email correspondence with Receiver regarding same; email correspondence with Municipality regarding follow up on previous email sent; review of email response received from the Municipality; email correspondence with Joe and Receiver regarding same; revision of purchase agreement
19/Jul/20	3666867	583	JF	1.50	700.00	1,050.00	review and mark up of latest draft and sending same to Michael for redraft;call with Michael to go over some of the mark ups
19/Jul/20	3670107	521	MJC	1.00	320.00	320.00	Telephone conversation with Joe Fried regarding comments on purchase agreement; revision of purchase agreement; email correspondence with Joe Fried regarding same
20/Jul/20	3670115	521	MJC	0.60	320.00	192.00	Revision of purchase agreement
21/Jul/20	3668015	583	JF	0.15	700.00	105.00	email from Town will review project this week and get back to us; email from Michael to receiver advising him of same
21/Jul/20	3670146	521	MJC	0.20	320.00	64.00	Review of email correspondence received from the Municipality; email correspondence with client regarding same
24/Jul/20	3670621	583	JF	0.40	700.00	280.00	exchange of emails with Receiver re due diligence period in offer;email form DJ re due diligence period; to responding thereto; email form Town re agreemtn on title to review of same; to call wiyth Michael we need direction to town re nay refunds and undertaking form Buyer; to respodiong to receiver re email from Town and suggested proviisons to be inserted in the Agreement
24/Jul/20	3670839	521	MJC	0.50	320.00	160.00	Email correspondence with the Municipality; email correspondence with client and Joe Fried regarding same; email correspondence with client attaching PDF copies of initial email to the Municipality and response received; review of email correspondence from TGF regarding draft court order
26/Jul/20	3670753	583	JF	0.35	700.00	245.00	review of TGF revsions to APS and to further mark up and sending same to Michael Coleman
26/Jul/20	3670844	521	MJC	1.30	320.00	416.00	Revision to purchase agreement
27/Jul/20	3671075	583	JF	0.40	700.00	280.00	review of lates redrfat and making two teaks to same and sending to Michael; to call with Michael and to recept of revised agreement; to asking Michael to circulate the revsied version
27/Jul/20	3674005	521	MJC	0.60	320.00	192.00	Revision of purchase agreement; email correspondence with TGF attaching comments on agreement
28/Jul/20	3674073	521	MJC	0.50	320.00	160.00	Telephone conference with TGF and client; revision of purchase

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DATE	TIME ID	TIMEKEEPER		HOURS	RATE	AMOUNT	DESCRIPTION
							agreement; email correspondence with client and TGF attaching same
17/Aug/20	3683583	583	JF	0.35	700.00	245.00	call from David Forgione re offer; discussed his proposed changes and alos that he checked with Rachel at TGF re outside date and she said to put 45 days; he also advised wud be paying cash
07/Sep/20	3695164	589	MY	1.00	300.00	300.00	review emails and inst from J. Fried; save three sets of Offers to matter. Compare APS re: Brookhill and email inst from J. Fried.
08/Sep/20	3695369	583	JF	1.60	700.00	1,120.00	review of offers; to call with Receiver, TGF and Hillmount reviewed process discussed offer need for word version and need for me to deal with opinion and word version of offer and closing date;email to david forgione for a call; email to randy re opinion;to call from Yitz re offer and defined terms told him where to find definition of Vendor;call with David for comapre version and also if cloing date can be advanced; to email from Rachel re compare offer and re cliosing date and how to deal with it;email to Medina re compare to final version. emails re call after reciever's call with FAAN.
08/Sep/20	3696197	589	MY	0.10	300.00	30.00	review of emails and save changes to agreement / schedule.
09/Sep/20	3696634	583	JF	0.70	700.00	490.00	exchange of emails with Randy re call;call with CBRE and Greg re offer and waht we should go back with suggested we try increase in deposir or move up closing; call to Daviud Forgione and left voice mail; email to David Forgione to call me;call with David asked for $250,000 more of deposit; agent spoke to Buyer and advised he will Ikncrease to by $100,000 and agent confimred to Reciever he recommenrds the deal
10/Sep/20	3697632	583	JF	0.35	700.00	245.00	email exchnages with Greg re offer; to call with Michael to review changes made by David F and to suggested changes and to receipt and review of revsied version
10/Sep/20	3697959	521	MJC	0.50	320.00	160.00	revision of offer; email and telephone correspondence with Joe Fried regarding same
11/Sep/20	3697945	583	JF	0.65	700.00	455.00	review of revsied agrt asking Michael to send to cliemts; call from David Forgione explained change to appeals provision. asked michael to send to David; email from Greg he woukd be having call with FAAN in afternoon; call with David Forgione and email from Rachel re wording in offer re appeal. To recipt of revsied offer from Kichale to review of same and instructing him to circualyte to the clients
11/Sep/20	3697979	521	MJC	0.80	320.00	256.00	Revision of offer
11/Sep/20	3698501	583	JF	0.25	700.00	175.00	call form David Forgione in evening if I heard from Receiver and that agent had advised that his client was suuccessful bidder. Advised had not heard from the Reciever and Davbid went on about FAAN cud have recived more fumnds if they dealt directly with his client
14/Sep/20	3699076	589	MY	0.20	300.00	60.00	review of emails with David Forgione and with team, revisions to offer.
14/Sep/20	3699290	583	JF	1.75	700.00	1,225.00	email from David Forgione K with changes ot offer; Eamil to Medina for Reciuever's #;to call with Reciever re call form Forgione Friday evening; to greg advising that FAAN wanted them to go backl to highest bidder who withdrew to see if they would provide unconditional offer;to email from Greg to advise David Forgione that thye are successful bidder; to call to Michael to amend offer to delete Plans from Purchased Assets and also as original owner is buying to delete in assumption of liabilities only liable post closing; to call with David Forgione

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FILE LAWYER: Fried, Joseph
ASSIGNED LAWYER: Fried, Joseph

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Levinson, Yitz

DATE	TIME ID	TIMEKEEPER		HOURS	RATE	AMOUNT	DESCRIPTION
							advising his client is the successful bidder of additional chages I propose he had no issues with it. call to Michael to advise of my call with David and he should get me the revsied offer;to reciept, review and calls with Michael re sevaral draft revisions ot the APS; to settling smae and to sending same to Receiver and rachel
14/Sep/20	3699362	521	MJC	2.00	320.00	640.00	Revision of offer; telephone conference with Joe Fried; review of email correspondence; further revision of offer
15/Sep/20	3699462	589	MY	0.10	300.00	30.00	review of emails re: revisions to APS.
15/Sep/20	3700216	583	JF	0.40	700.00	280.00	call with david and michael re cliams pre cloisng and review of agreeemnt with david
15/Sep/20	3702548	521	MJC	0.50	320.00	160.00	Revision of purchase agreement
16/Sep/20	3700438	583	JF	0.90	700.00	630.00	review of latest revsed agrt; to call with Michael to review same and to asking him to amend one section; to receipt and review of further revsied agrt; to advising Michael good to send to David F and to call him as well; to call to David and leaving voice mail; to receipt of email from David F K with agrt; to eamil to client explaining revsied agrt and for them to review and adbvise;email exchanegs with DJ and team re revsions; to call with david Forgione going back to way it was; to advising Michael and asking him to revise
16/Sep/20	3702554	521	MJC	0.90	320.00	288.00	Revision of offer; email correspondence with Joe Fried regarding same; attended to emails; further revisions to offer
17/Sep/20	3701068	589	MY	0.10	300.00	30.00	review of emails re: concerns with liability language in agreement.
17/Sep/20	3701149	583	JF	0.35	700.00	245.00	review of latest changes to offer; to call with Michael to instuct him to send out; to email, form Michael; to email from Rachel approving ;latest version
17/Sep/20	3702562	521	MJC	0.80	320.00	256.00	Email correspondence with Joe Fried regarding offer
18/Sep/20	3702218	589	MY	1.00	300.00	300.00	review of emails re: APS fully executed; email to trust to expect deposit funds; review offer and set up conveyancer in name of receiver as seller
21/Sep/20	3703481	583	JF	0.40	700.00	280.00	eamils re deposiyt; to call from David Forgione re cost sharing meeting and letter from trustee to authorize same; asked him to sedn an email and I would then ask the reciever; email exchaneg re conflict for d shapira
22/Sep/20	3704219	583	JF	1.35	700.00	945.00	email to DJ re benefical interest by Buyer; email from Greg re communication with landowners group; call with david forgione advised why its in reciever;s interest to deal with this; asked him to send an email;conf call with Greg and Rachel re authorization; call with David Forgione; conf call wotyh Greg Rachel and DJ re authorization; to call with davikd f; to recipet and review of revised Authorization; to confirimhg same is acceptable; to receipt of signed Authorization and sending same to Forgione; to email from Rachel if we heard back from Dan Shapira; to searching to see if missed email freom Dan Shapira did nottoresponding to Rachel; to follow up email to Dan Shapira
23/Sep/20	3704890	589	MY	0.30	300.00	90.00	review of ongoing emails; inst from J. Fried to provide Pins and Instruments; review file and reply providing same.
23/Sep/20	3704938	583	JF	0.50	700.00	350.00	call with Dan Shapira re opionion and need to include re distribution validity of 1, 2 & 3 rd mortgages and priorities;email to Medina to sedn search and charges etc; email to Dan with drft opiniion; email from Medina to dab with pins and docs and review of same

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FILE LAWYER: Fried, Joseph
ASSIGNED LAWYER: Fried, Joseph

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DATE	TIME ID	TIMEKEEPER		HOURS	RATE	AMOUNT	DESCRIPTION
28/Sep/20	3708902	583	JF	0.15	700.00	105.00	email from Tom Sorbara re PINS and timing for opinion
01/Oct/20	3711020	583	JF	0.45	700.00	315.00	to email with letter top Forgione and to review of saem; to emails re LC's; exchaneg of emails withTom Sorbara re opieion letters
01/Oct/20	3711156	589	MY	0.20	300.00	60.00	review of various emails and save docs to file.
02/Oct/20	3711704	583	JF	0.25	700.00	175.00	call with Tom Sorbara & Jilliane with Michael Coleman re opinion letter; to call with Michael Coleman re opinion letter
02/Oct/20	3712065	521	MJC	0.40	320.00	128.00	telephone call with WILDEBOER DELLELCE LLP regarding opinion; email correspondence with WILDEBOER DELLELCE LLP regarding same
05/Oct/20	3713215	583	JF	0.20	700.00	140.00	review of critical date list and call with Michael Colemna
05/Oct/20	3715946	521	MJC	0.70	320.00	224.00	review of agreement; preparation of critical dates list
06/Oct/20	3713975	589	MY	0.15	300.00	45.00	email from J. Fried and team; reply with copy of Jaekel mortgage.
06/Oct/20	3713980	583	JF	0.35	700.00	245.00	eamil for greg re timing of service of application and re affidavit as to costs; to responding to Greg and instructing Medina;medina sending colpy of the Jaekel mortgage to Greg and to review of same noting it matured
06/Oct/20	3714440	576	AN	2.15	275.00	591.25	Speaking to Michael C. re matter; Drafting Order and inserting PIN information.
06/Oct/20	3715970	521	MJC	1.50	320.00	480.00	revision of court order; call with student regarding same; further revisions to order
07/Oct/20	3715097	583	JF	1.90	700.00	1,330.00	eamil form Michael re offer; to email form Greg with Jaekel security docs and mortgage payoutr sattement and to review of same; email to David Forgione re taking title and response; revie of Michael's mark up of the Vesting order and my mark up; to several calls with michael Coleman re revsied Vesting order;email to Tom Sorbabra re opinion letter and his response;email to Medina re draft affidavit; researching query re admin fees and crafting response to FReseiver re same
07/Oct/20	3715987	521	MJC	1.00	320.00	320.00	revision of vesting order
08/Oct/20	3715264	583	JF	0.85	700.00	595.00 REDACTED	[redacted]
08/Oct/20	3715336	589	MY	0.50	300.00	150.00	review of ongoing emails and prepare account.
08/Oct/20	3715513	589	MY	1.00	300.00	300.00	review account to receiver; call from J. Fried with email instructions; prepare Affidavit in draft for fees to submit to court; email to team.
09/Oct/20	3716270	589	MY	0.40	300.00	120.00	call wth J. Fried to revise Affidavit; revise same and email team.
			TOTAL TIME	52.80		25,404.25	

DETAIL OF UNBILLED DISBURSEMENTS

DATE	DISB ID	CODE		QUAN	AMOUNT	DESCRIPTION
08/May/20	8602570	1	Prints	1.00	0.30	Young Medina
08/May/20	8602572	1	Prints	3.00	0.90	Young Medina

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DATE	DISB ID	CODE		QUAN	AMOUNT	DESCRIPTION
08/May/20	8602578	1	Prints	1.00	0.30	Young Medina
08/May/20	8602580	1	Prints	1.00	0.30	Young Medina
08/May/20	8602581	1	Prints	1.00	0.30	Young Medina
08/May/20	8602592	1	Prints	1.00	0.30	Young Medina
08/May/20	8602708	1	Prints	5.00	1.50	Young Medina
08/May/20	8602716	1	Prints	1.00	0.30	Young Medina
08/May/20	8602831	1	Prints	1.00	0.30	Young Medina
08/May/20	8602886	TER	Teranet remote registration charge	1.00	10.85	PAYEE: Teranet General Account; REQUEST#: 381224; DATE: 5/8/2020.
08/May/20	8602887	RN	Registration	1.00	65.05	PAYEE: Teranet General Account; REQUEST#: 381224; DATE: 5/8/2020.
09/Jul/20	8630369	1	Prints	1.00	0.30	Young Medina
09/Jul/20	8630413	1	Prints	1.00	0.30	Young Medina
09/Jul/20	8630419	1	Prints	1.00	0.30	Young Medina
10/Jul/20	8629574	74	Search of Title		111.00	Teranet Land Information Services Inc. Inv# 07102020
14/Sep/20	8660785	1	Prints	1.00	0.30	Young Medina
18/Sep/20	8664034	1	Prints	33.00	9.90	Young Medina
18/Sep/20	8664051	1	Prints	1.00	0.30	Young Medina
21/Sep/20	8665207	1	Prints	2.00	0.60	Young Medina
27/Sep/20	8668859	1	Prints	1.00	0.30	Young Medina
30/Sep/20	8670710	1	Prints	3.00	0.90	Young Medina
05/Oct/20	8673513	1	Prints	2.00	0.60	Young Medina
05/Oct/20	8673519	1	Prints	3.00	0.90	Young Medina
06/Oct/20	8674661	1	Prints	14.00	4.20	Fried Joseph
06/Oct/20	8675094	14	Copies of Instruments		15.00	Teranet Land Information Services Inc. Inv# 10062020
07/Oct/20	8675545	1	Prints	24.00	7.20	Fried Joseph
07/Oct/20	8675938	1	Prints	2.00	0.60	Fried Joseph
07/Oct/20	8676211	1	Prints	1.00	0.30	Fried Joseph
08/Oct/20	8675394	1	Prints	1.00	0.30	Young Medina
08/Oct/20	8675445	1	Prints	2.00	0.60	Young Medina
08/Oct/20	8675763	1	Prints	2.00	0.60	Young Medina
08/Oct/20	8676468	1	Prints	6.00	1.80	Young Medina
08/Oct/20	8676514	1	Prints	6.00	1.80	Fried Joseph
			TOTAL DISB		238.50	

TRUST HISTORY TO 08/Oct/20

DATE	TYPE	PAYOR/PAYEE	AMOUNT	DESCRIPTION	AUDIT
TD Cdn Blended					
Invested:					
		Total Invested:	0.00		
Available:					

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DATE	TYPE	PAYOR/PAYEE	AMOUNT	DESCRIPTION	AUDIT
21/Sep/20	CR	Owens Wright LLP	505,000.00		2290835
		Total Available:	505,000.00		
		BALANCE IN TD Cdn Blended	505,000.00		
		CLOSING BALANCE – ALL TRUST	505,000.00		

THIS IS EXHBIT “C”

TO THE AFFIDAVIT OF JOSEPH FRIED

AFFIRMED BY VIDEO CONFERENCE ON

THE 9th DAY OF OCTOBER, 2020

A COMMISSIONER, ETC.
(Michael Coleman)

Fees and Disbursements Summary of Fogler, Rubinoff LLP
for the period from 5th day of May, 2020 to 9th day of October, 2020

Name of Professional	Total Hours Billed	Average Hourly Rate ($/hr)	Total Charged
Joseph Fried	23.00	700.00	$16,100.00
Michael Coleman	20.90	320.00	$6,688.00
Aida Nabavi	2.15	$275.00	$591.25
Medina Young	6.75	$300.00	$2,025.00
TOTAL HR/AVG RATE/TOTAL FEES	52.80		$25,404.25
TOTAL DISBURSEMENTS			$238.50
TOTAL FEES AND DISBURSEMENTS EXCLUDING TAXES			$25,642.75
TAXES			$3,325.10
TOTAL FEES AND DISBURSEMENTS INCLUDING TAXES			**$28,967.85**

Court File No. CV-20-00640134-00CL

HILLMOUNT CAPITAL INC.	-and-	**BROOKHILL HOLDINGS INC. ET AL.**
Applicant		Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDINGS COMMENCED AT TORONTO

AFFIDAVIT OF JOSEPH FRIED
(Affirmed 9th day of October, 2020)

FOGLER, RUBINOFF LLP
Barristers and Solicitors
77 King Street West, Suite 3000
Toronto, Ontario, M5K 1G8

JOSEPH FRIED
Tel.: 416-941-8836
Fax: 416-941-8852
LSUC # 15602R

Lawyers in respect of real estate matters for Ernst & Young Inc., in its capacity as Court-appointed Receiver of the Lands and all of the assets, undertakings and property of the Respondents acquired for, or used in relation to, the development of the Lands and construction of the improvements thereon, including all proceeds thereof.

APPENDIX “K”

Court File No.: CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

B E T W E E N:

HILLMOUNT CAPITAL INC.

Applicant

- and -

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.

Respondents

AFFIDAVIT OF DANIEL SHAPIRA
(Sworn October 13, 2020)

I, **DANIEL SHAPIRA**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS**:

1. I am a barrister and solicitor qualified to practice law in the Province of Ontario and I am a Partner at Wildeboer Dellelce LLP ("**WD**"), lawyers for Ernst & Young Inc., the Court-appointed receiver (the "**Receiver**") of the Respondents and, as such, I have knowledge of the matters to which I hereinafter depose. Unless I indicate to the contrary, the facts herein are within my personal knowledge and are true. Where I have indicated that I have obtained facts from other sources, I believe those facts to be true.

2. Attached hereto as **Exhibit "A"** are copies of the invoices issued to the Receiver by WD for fees and disbursements incurred by WD through the course of these proceedings between September 24, 2020 through to October 13, 2020.

3. Attached hereto as **Exhibit "B"** is a schedule summarizing each invoice in Exhibit "A", the total billable hours charged per invoice, the total fees charged per invoice and the average hourly rate charged per invoice.

4. Attached hereto as **Exhibit "C"** is a schedule summarizing the respective years of call and billing rates of each of the solicitors at WD who acted for the Receiver.

5. To the best of my knowledge, the rates charged by WD throughout the course of these proceedings are comparable to the rates charged by other law firms in the Toronto market for the provision of similar services.

6. The hourly billing rates outlined in **Exhibit "C"** to this affidavit are comparable to the hourly rates charged by WD for services rendered in relation to similar proceedings.

7. I make this affidavit in support of a motion by the Receiver for, *inter alia*, approval of the fees and disbursements of the Receiver's counsel.

SWORN by DANIEL SHAPIRA from the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on this 13th day of October, 2020, in accordance with O. Reg. 431/20. Commissioner for Taking Affidavits LSO 465500	**DANIEL SHAPIRA**

This is Exhibit "**A**" referred to in the
Affidavit of DANIEL SHAPIRA sworn before me at the
City of Toronto, in the Province of Ontario, on this 13th day
of October, 2020, in accordance with O. Reg. 431/20.

Shapira

A Commissioner for taking affidavits

WILDEBOER
wildlaw.ca
DELLELCE LLP

STATEMENT O: ACCOUNT

Ernst & Young Inc., Court-Appointed
Receiver of Brookhill Holdings Inc.
99 Bank Street, Suite 1200
Ottawa, ON K1P 6B9
Attention: Greg J. Adams

GST/HST No.	R134403013
Matter No.	2001756
Date	October 13, 2020
Invoice No.	381287

Re: Opinion re 2499 Nash Road, Bowmanville, ON

TO PROFESSIONAL SERVICES RENDERED to the date hereof with respect to the above-noted matter as set out in Schedule "A" attached hereto; and to all advice, consultations, correspondence and attendances necessary and incidental to the foregoing:

OUR FEE HEREIN	**$**	**6,112.50**
HST on Fees		794.63
TOTAL DISBURSEMENTS	**$**	**118.80**
HST on Taxable Disbursements		15.44
TOTAL FEES, DISBURSEMENTS AND TAXES	**$**	**7,041.37**
TOTAL DUE AND PAYABLE	**$**	**7,041.37**

THIS IS OUR ACCOUNT HEREIN

WILDEBOER DELLELCE LLP

Per:
Daniel Shapiro

E. & O. E.

ACCOUNTS ARE DUE WHEN RENDERED. IN ACCORDANCE WITH THE SOLICITORS ACT, INTEREST AT THE RATE OF 0.5% PER ANNUM WILL BE CHARGED ON ALL AMOUNTS DUE ONE MONTH AFTER THE DATE OF DELIVERY OF THIS ACCOUNT. ALL AMOUNTS REFLECTED HEREIN ARE IN CANADIAN DOLLARS UNLESS SPECIFIED OTHERWISE.

#3534850v1

SCHEDULE "A"

FEE DETAIL

Date	Description
Sep-24-20	Internal discussions.
Sep-28-20	Review e-mails; internal discussions.
Sep-29-20	Internal discussions; review e-mails.
Sep-30-20	Review e-mails.
Oct-01-20	Internal discussions; review e-mails.
Oct-02-20	Call with J. Fried; M. Coleman and J. Cerelli to discuss file and opinion to be delivered; Call with R. Bengino to discuss file.
	Conference call re: opinion matters.
Oct-05-20	Review motion record and supporting materials for context in drafting opinion.
	Internal discussions.
Oct-06-20	Review opinion drafted by J. Cerelli; internal discussions with J. Cerelli.
	Review title and prepare title opinion; provide opinion to T. Sorbara; internal discussions; review additional documents and e-mails.
Oct-07-20	Review of opinion; review of title; calls and correspondence with T. Sorbara; Planning Act research; notes to file and correspondence.
	review title opinion; internal discussion with J. Born and review planning act provisions relating to VTB Mortgages.
	Internal discussions re: opinion.
Oct-08-20	Review various e-mails.
Oct-11-20	Review opinion and email correspondence.
	Review and draft fee affidavit.

DISBURSEMENT DETAIL

** HST Exempt*

Printing and Photocopies	2.80
Teraview Searches	116.00

REMITTANCE ADVICE

For ease of payment, we accept cheques (payable to Wildeboer Dellelce LLP), credit cards (for invoices under $10,000), email transfers (email ar@wildlaw.ca), and wire/electronic funds transfers.

Wire/Electronic Funds Transfer Payment Instructions:

Name of Account:	Wildeboer Dellelce LLP
Account Number:	1346998
Bank:	Royal Bank of Canada Main Branch Royal Bank Plaza, 200 Bay Street Toronto, ON M5J 2J5
SWIFT Code:	ROYCCAT2
Transit	00002
Bank Code:	003
Routing (ABA) No.:	021000021

For payment inquiries or to make a payment by credit card, please email ar@wildlaw.ca.

This is Exhibit "**B**" referred to in the
Affidavit of DANIEL SHAPIRA sworn before me at the
City of Toronto, in the Province of Ontario, on this 13th day
of October, 2020, in accordance with O. Reg. 431/20.

A Commissioner for taking affidavits

EXHIBIT "B"

Calculation of Average Hourly Billing Rates of
Wildeboer Dellelce LLP
for the period September 24, 2020 through to October 13, 2020

Invoice #	Fees	Disb.	HST	Total Hours	Average Hourly Rate	Total (Fees, Disb., HST)
First Bill of Costs	$6,112.50	$118.80	$810.07	13.00	$467.42	$7,041.37

This is Exhibit "**C**" referred to in the
Affidavit of DANIEL SHAPIRA sworn before me at the
City of Toronto, in the Province of Ontario, on this 13th day
of October, 2020, in accordance with O. Reg. 431/20

A Commissioner for taking affidavits

#3534751v1

EXHIBIT "C"

Billing Rates of Wildeboer Dellelce LLP

For the period September 24, 2020 to October 13, 2020

	Position	Rate	Year of Call
Daniel Shapira	Partner	$725.00	2004
Jonathan Born	Partner	$600.00	2011
Thomas Sorbara	Associate	$500.00	2015
Julianne Cerelli	Law Clerk	$360.00	

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

HILLMOUNT CAPITAL INC.
Applicant

and

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.
Respondents

CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

AFFIDAVIT OF DANIEL SHAPIRA
Sworn October 13, 2020

WILDEBOER DELLELCE LLP
Wildeboer Dellelce Place
365 Bay Street, Suite 800
Toronto, Ontario M5H 2V1

Daniel Shapira (LSO#49428U)
Email: dshapira@wildlaw.ca
Tel: (416) 847-6910

Thomas Sorbara (LSO#67941B)
Email: tsorbara@wildlaw.ca
Tel: (416) 361-4761

Lawyers for the Receiver, Ernst & Young Inc.

CONFIDENTIAL APPENDIX “1”

Unredacted Agreement of Purchase and Sale between the Receiver and Brookhill Durham Holdings Inc. dated September 17, 2020

(Redacted)

CONFIDENTIAL APPENDIX "2"

Summary of Offers

(Redacted)

CONFIDENTIAL APPENDIX “3”

Summary of Estimated Values

(Redacted)

CONFIDENTIAL APPENDIX “4”

Appraisal of Altus Group Limited

(Redacted)

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

HILLMOUNT CAPITAL INC. and **BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.**

Applicant

Respondents

CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

FIRST REPORT OF THE RECEIVER
October 14, 2020

Thornton Grout Finnigan LLP
TD West Tower, Toronto-Dominion Centre
100 Wellington Street West, Suite 3200
Toronto, ON M5K 1K7
Fax: (416) 304-1313

D.J. Miller (LSO# 34393P)
Email: djmiller@tgf.ca
Tel: (416) 304-0559

Rachel Bengino (LSO# 68348V)
Email: rbengino@tgf.ca
Tel: (416) 304-1153

Lawyers for the Receiver, Ernst & Young Inc.

TAB 3

Court File No. CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	THURSDAY, THE 21ST
JUSTICE HAINEY	)	DAY OF OCTOBER, 2020
	)	

BETWEEN:

HILLMOUNT CAPITAL INC.

Applicant

- and -

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENTS INC.

Respondents

ORDER

THIS MOTION, made by Ernst & Young Inc., in its capacity as Court-appointed receiver (in such capacity, the "**Receiver**") of the assets, undertakings and properties of Brookhill Holdings Inc. and the beneficial ownership interest of Brookhill Development Inc. in the Real Property (as defined below) and all proceeds thereof, for an order, *inter alia*: (i) approving the sale transaction (the "**Transaction**") contemplated by an asset purchase agreement (the "**Asset Purchase Agreement**") between the Receiver and Brookhill Durham Holdings Inc. (the "**Purchaser**") dated September 17, 2020 and appended to the First Report of the Receiver dated October 14, 2020 (the "**First Report**"), and vesting in the Purchaser all of the Respondents' right, title and interest in the Real Property, (ii) authorizing the distribution of the proceeds of sale from the Transaction, as described below, (iii) sealing the confidential appendices attached to the First Report, (iv) approving the fees of the Receiver and its counsel; (v) approving the First Report and the activities described therein; and (vi) discharging the Receiver upon completion of the Remaining Activities (as defined in the First Report), was heard this day by Zoom judicial video conference due to the COVID-19 pandemic.

ON READING the First Report, the Fee Affidavit of Greg Adams sworn October 13, 2020 (the "**Adams Fee Affidavit**"), the Fee Affidavit of D.J. Miller sworn October 9, 2020 (the "**Miller Fee Affidavit**"), the Fee Affidavit of Joseph Fried affirmed October 9, 2020 (the "**Fried Fee Affidavit**"), and the Fee Affidavit of Daniel Shapira sworn October 13, 2020 (the "**Shapira Fee Affidavit**") and such further materials as counsel may advise, and on hearing submissions from counsel to the Receiver, and counsel to those parties listed on the counsel list for today's hearing, and no one else appearing for any other interested person, although duly served as evidenced by the Affidavit of Service of Rachel Bengino sworn October [▶], 2020, filed.

SERVICE

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

2. **THIS COURT ORDERS** that capitalized terms used herein that are otherwise not defined shall have the meaning ascribed to them in the First Report.

APPROVAL OF THE TRANSACTION

3. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Asset Purchase Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Real Property to the Purchaser.

4. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule "A" hereto (the "**Receiver's Certificate**"), all of the Respondents' right, title and interest in and to the real property

municipally known as 2499 Nash Road, 2538 Regional Road 57 and 2494 Regional Road 57, Bowmanville, Ontario, as more particularly described in Schedule "B" hereto (the "**Real Property**"), shall vest absolutely in the Purchaser free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens (statutory or otherwise), executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Conway dated May 5, 2020; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule "C" hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, namely the reference plan registered as Instrument No. 40R29634 on May 11, 2017 and the application for absolute title registered as Instrument No. DR1593205 on May 11, 2017). For greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Real Property are hereby expunged and discharged as against the Real Property.

5. **THIS COURT ORDERS** that upon the registration in the Land Registry Office #40 for the Land Titles Division of Durham (the "**LRO**") of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the Real Property (as identified in Schedule "B" hereto) in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule "C" hereto, including vacating the application to register court order registered as Instrument No. DR1716086 on July 4, 2018, and the application to register court order registered as Instrument No. DR1893508 on May 8, 2020 (collectively, the "**Orders**") and the LRO is directed to delete and expunge the Orders from title.

6. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Real Property shall stand in the place and stead of the Real Property, and that from and after the delivery of the Receiver's Certificate all Claims and

Encumbrances shall attach to the net proceeds from the sale of the Real Property with the same priority as they had with respect to the Real Property immediately prior to the sale, as if the Real Property had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

7. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

8. **THIS COURT ORDERS** that, notwithstanding:

a. the pendency of these proceedings;

b. any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of any of the Respondents and any bankruptcy order issued pursuant to any such applications; and

c. any assignment in bankruptcy made in respect of any of the Respondents;

the vesting of the Real Property in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of any of the Respondents and shall not be void or voidable by creditors of the Respondents, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

SEALING

9. **THIS COURT ORDERS** that Confidential Appendices "1", "2", "3" and "4" to the First Report, being (i) an unredacted copy of the Asset Purchase Agreement; (ii) a summary of the offers received in the sale process conducted by the Receiver, (iii) the summary of values of the Real Property as received by the Receiver from various brokers; and (iv) the appraisal prepared by Altus Group Limited, respectively, are hereby sealed for six (6) months from the date of this Order, and shall not form part of the public record.

DISTRIBUTION

10. **THIS COURT ORDERS** that the Receiver is authorized and directed to make the following distributions from the sale proceeds arising from the sale of the Real Property (after payment of the Receiver's Fees and Receiver's Borrowings and subject to any per diem interest adjustments if closing of the Transaction is delayed):

(a) first, to the commission payable to CBRE Land Services Group;

(b) second, to Hillmount Capital Inc. in the amount of $4,818,620.74, in satisfaction in full of its secured claim against the Real Property;

(c) third, to Jaekel Capital Inc. in the amount of $2,269,694.58, in satisfaction in full of its secured claim against the Real Property; and

(d) fourth, to FAAN Mortgage Administrators Inc. (as Trustee of Building & Development Mortgages Canada Inc.), Computershare Trust Company of Canada and Olympia Trust Company, in the amount of any remaining proceeds of sale, once the Remaining Activities are completed, in repayment of their secured claim against the Real Property.

APPROVAL OF ACTIVITIES AND FEES

11. **THIS COURT ORDERS** that the First Report and all actions, decisions and conduct of the Receiver as set out in the First Report are hereby authorized and approved; provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

12. **THIS COURT ORDERS** that the Receiver's statements of receipts and disbursements as set out in the First Report be and is hereby approved.

13. **THIS COURT ORDERS** that the professional fees and disbursements of the Receiver, including estimated fees to discharge of the Receiver, as set out in the First Report and the Adams Affidavit are hereby approved and the Receiver is authorized and directed to pay all such fees and disbursements (including harmonized sales taxes).

14. **THIS COURT ORDERS** that the professional fees and disbursements of the Receiver's legal counsel, being Thornton Grout Finnigan LLP, Fogler Rubinoff LLP and Wildeboer Dellelce

LLP, including estimated fees to discharge of the Receiver where applicable, as set out in the First Report and the Miller Fee Affidavit, Fried Fee Affidavit and Shapira Fee Affidavit, respectively, are hereby approved and the Receiver is authorized and directed to pay all such fees and disbursements (including harmonized sales taxes).

DISCHARGE OF RECEIVER

15. **THIS COURT ORDERS** that upon completion of the Remaining Activities described in the First Report and upon the Receiver filing a certificate in the form of Schedule "E" attached hereto (the "**Receiver's Discharge Certificate**"), the Receiver shall be discharged as Receiver of the assets, property and undertakings of the Respondents, provided, however, that notwithstanding its discharge herein, the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of Ernst & Young Inc. in its capacity as Receiver.

16. **THIS COURT ORDERS AND DECLARES** that upon filing of the Receiver's Discharge Certificate, Ernst & Young Inc. is hereby released and discharged from any and all liability that Ernst & Young Inc. now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of Ernst & Young Inc. while acting in its capacity as Receiver of the Respondents herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, Ernst & Young Inc. is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings with respect to the Respondents, save and except for any gross negligence or wilful misconduct on the Receiver's part.

GENERAL

17. **THIS COURT ORDERS** that this Order is effective from the date that it is made and is enforceable without any need for entry and filing.

18. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada to give effect to this Order and to

assist the 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 Receiver and its agents as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

19. **THIS COURT ORDERS** that the E-Service Guide of the Commercial List (the "**Guide**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at: www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/) shall be valid and effective service.

____

Schedule "A"

Form of Receiver's Certificate

Court File No. CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

HILLMOUNT CAPITAL INC.

Applicant

- and -

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENTS INC.

Respondents

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Conway of the Ontario Superior Court of Justice (the "**Court**") dated May 5, 2020, Ernst & Young Inc. was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of Brookhill Holdings Inc. and of the beneficial interests of Brookhill Development Inc. in respect of the Real Property (as defined below).

B. Pursuant to an Order of the Court dated October 21, 2020, the Court approved the asset purchase agreement (the "**Asset Purchase Agreement**") between the Receiver and Brookhill Durham Holdings Inc. (the "**Purchaser**") dated September 17, 2020 and provided for the vesting in the Purchaser of the Respondents' right, title and interest in and to the real property municipally known as 2499 Nash Road, 2538 Regional Road 57 and 2494 Regional Road 57, Bowmanville, Ontario, (the "**Real Property**"), which vesting is to be effective with respect to the Real Property upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Real Property; (ii) that the conditions to Closing as set out in section 4 of the Asset Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Asset Purchase Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Real Property payable on the Closing Date pursuant to the Asset Purchase Agreement;

2. The conditions to Closing as set out in Section 4 of the Asset Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser, as applicable; and

3. The Transaction has been completed to the satisfaction of the Receiver.

4. This Certificate was delivered by the Receiver at ________ [TIME] on _______ [DATE].

Ernst & Young Inc., in its capacity as Receiver of the undertaking, property and assets of Brookhill Holdings Inc. and not in its personal or corporate capacity

Per: ______________________________

Name:

Title:

I have authority to bind the corporation.

Schedule "B"

Real Property

PIN26613-0238 (LT): PART L0T 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON;

PIN26613-0239 (LT): PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON: and

PIN26613-0240 (LT): PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON,

Schedule "C"

Claims to be deleted and expunged from title to Real Property

PIN 26613-0238 (LT)

Reg. Num.	Date	Instrument Type	Parties To
DR1458569	2016/03/22	Transfer	Brookhill Holdings Inc.
DR1458570	2016/03/22	Charge	Douglas, Myra Ann
DR1467269	2016/04/22	Charge	Jaekel Capital Inc.
DR1547643	2016/12/09	Transfer of Charge	Vector Financial Services Limited
DR1547661	2016/12/09	Notice	Vector Financial Services Limited
DR1547676	2016/12/09	Notice of Assignment of Rents - General	Vector Financial Services Limited
DR1547719	2016/12/09	Postponement	Vector Financial Services Limited
DR1547722	2016/12/09	Charge	Vector Financial Services Limited
DR1562603	2017/01/27	Postponement	Vector Financial Services Limited
DR1567425	2017/02/14	Charge	Building & Development Mortgages Canada Inc.
DR1567427	2017/02/14	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company
DR1569737	2017/02/23	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company
DR1584540	2017/04/13	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company
DR1591006	2017/05/04	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company
DR1599139	2017/05/31	Transfer of Charge	Building & Development Mortgages

			Canada Inc., Olympia Trust Company
DR1613712	2017/07/07	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company
DR1621709	2017/07/31	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company
DR1656693	2017/11/15	Notice	Building & Development Mortgages Canada Inc. Olympia Trust Company
DR1656694	2017/11/15	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company Computershare Trust Company of Canada
DR1659475	2017/11/23	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company Computershare Trust Company of Canada
DR1661774	2017/11/30	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company Computershare Trust Company of Canada
DR1668221	2017/12/19	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company, Computershare Trust Company of Canada
DR1670288	2017/12/28	Transfer of Charge	Building & Development Mortgages

			Canada Inc. Olympia Trust Company Computershare Trust Company of Canada
DR1672963	2018/01/10	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company Computershare Trust Company of Canada
DR1674628	2018/01/17	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company Computershare Trust Company of Canada
DR1679035	2018/02/01	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company Computershare Trust Company of Canada
DR1716079	2018/07/04	Charge	Hillmount Capital Inc.
DR1716080	2018/07/04	Notice of Assignment of Rents - General	Hillmount Capital Inc.
DR1716081	2018/07/04	Transfer of Charge	Hillmount Capital Inc.
DR1716082	2018/07/04	Notice of Assignment of Rents - General	Hillmount Capital Inc.
DR1716083	2018/07/04	Transfer of Charge	Hillmount Capital Inc.
DR1716086	2018/07/04	Application to register. Court Order	FAAN Mortgage Administrators Inc.
DR1716189	2018/07/05	Postponement	Hillmount Capital Inc.
DR1716190	2018/07/05	Postponement	Hillmount Capital Inc.
DR1893508	2020/05/08	Application to register. Court Order	Ernst & Young Inc.

PIN 26613-0239 (LT)

Reg. Num.	Date	Instrument Type	Parties To
DR1439150	2016/01/12	Transfer	Brookhill Holdings Inc.
DR1439151	2016/01/12	Charge	Brito, Jose
DR1467269	2016/04/22	Charge	Jaekel Capital Inc.
DR1547722	2016/12/09	Charge	Vector Financial Services Inc.
DR1562603	2017/01/27	Postponement	Vector Financial Services Inc.
DR1567425	2017/02/14	Charge	Building & Development Mortgages Canada Inc.
DR1567427	2017/02/14	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company
DR1569737	2017/02/23	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company
DR1584540	2017/04/13	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company
DR1591006	2017/05/04	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company
DR1599139	2017/05/31	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company
DR1613712	2017/07/07	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company
DR1621709	2017/07/31	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company

DR1656693	2017/11/15	Notice	Building & Development Mortgages Canada Inc. Olympia Trust Company
DR1656694	2017/11/15	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company, Computershare Trust Company of Canada
DR1659475	2017/11/23	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company Computershare Trust Company of Canada
DR1661774	2017/11/30	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company Computershare Trust Company of Canada
DR1668221	2017/12/19	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company, Computershare Trust Company of Canada
DR1670288	2017/12/28	Transfer of Charge	Building & Development Mortgages Canada Inc Olympia Trust Company, Computershare Trust Company of Canada
DR1672963	2018/01/10	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company Computershare Trust Company of Canada

DR1674628	2018/01/17	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company, Computershare Trust Company of Canada
DR1679035	2018/02/01	Transfer of Charge	Building & Development Mortgages Canada Inc. Olympia Trust Company, Computershare Trust Company of Canada
DR1716079	2018/07/04	Charge	Hillmount Capital Inc.
DR1716080	2018/07/04	Notice of Assignment of Rents - General	Hillmount Capital Inc.
DR1716083	2018/07/04	Transfer of Charge	Hillmount Capital Inc.
DR1716084	2018/07/04	Transfer of Charge	Hillmount Capital Inc.
DR1716086	2018/07/04	Application to register Court Order	FAAN Mortgage Administrators Inc.
DR1716189	2018/07/05	Postponement	Hillmount Capital Inc.
DR1716190	2018/07/05	Postponement	Hillmount Capital Inc.
DR1893508	2020/05/08	Application to register Court Order	Ernst & Young Inc.

PIN 26613-0240 (LT)

Reg. Num.	Date	Instrument Type	Parties To
DR1439152	2016/01/12	Transfer	Brookhill Holdings Inc.
DR1439153	2016/01/12	Charge	De Brito, Alfredo De Brito, Laurentina
DR1467269	2016/04/22	Charge	Jaekel Capital Inc.
DR1547722	2016/12/09	Charge	Vector Financial Services Limited

DR1562603	2017/01/27	Postponement	Vector Financial Services Limited
DR1567425	2017/02/14	Charge	Building & Development Mortgages Canada Inc.
DR1567427	2017/02/14	Transfer of Charge	Building Development Mortgages Canada Inc. Olympia Trust Company
DR1569737	2017/02/23	Transfer of Charge	Building Development Mortgages Canada Inc. Olympia Trust Company
DR1584540	2017/04/13	Transfer of Charge	Building Development Mortgages Canada Inc. Olympia Trust Company
DR1591006	2017/05/04	Transfer of Charge	Building Development Mortgages Canada Inc. Olympia Trust Company
DR1599139	2017/05/31	Transfer of Charge	Building Development Mortgages Canada Inc. Olympia Trust Company
DR1613712	2017/07/07	Transfer of Charge	Building Development Mortgages Canada Inc. Olympia Trust Company
DR1621709	2017/07/31	Transfer of Charge	Building Development Mortgages Canada Inc. Olympia Trust Company
DR1656693	2017/11/15	Notice	Building Development Mortgages Canada Inc. Olympia Trust Company
DR1656694	2017/11/15	Transfer of Charge	Building Development Mortgages Canada Inc. Olympia Trust Company, Computershare Trust Company of Canada
DR1659475	2017/11/23	Transfer of Charge	Building Development Mortgages Canada Inc. Olympia Trust Company,

			Computershare Trust Company of Canada
DR1661774	2017/11/30	Transfer of Charge	Building Development Mortgages Canada Inc. Olympia Trust Company, Computershare Trust Company of Canada
DR1668221	2017/12/19	Transfer of Charge	Building Development Mortgages Canada Inc. Olympia Trust Company, Computershare Trust Company of Canada
DR1670288	2017/12/28	Transfer of Charge	Building Development Mortgages Canada Inc. Olympia Trust Company, Computershare Trust Company of Canada
DR1672963	2018/01/10	Transfer of Charge	Building Development Mortgages Canada Inc. Olympia Trust Company Computershare Trust Company of Canada
DR1674628	2018/01/17	Transfer of Charge	Building Development Mortgages Canada Inc. Olympia Trust Company, Computershare Trust Company of Canada
DR1679035	2018/02/01	Transfer of Charge	Building Development Mortgages Canada Inc. Olympia Trust Company, Computershare Trust Company of Canada
DR1712613	2018/06/22	Survivorship Application -	De Brito, Alfredo

		Charge	
DR1716079	2018/07/04	Charge	Hillmount Capital Inc.
DR1716080	2018/07/04	Notice of Assignment of Rents - General	Hillmount Capital Inc.
DR1716083	2018/07/04	Transfer of Charge	Hillmount Capital Inc.
DR1716085	2018/07/04	Transfer of Charge	Hillmount Capital Inc.
DR1716086	2018/07/04	Application to Register Court Order	FAAN Mortgage Administrators Inc.
DR1716189	2018/07/05	Postponement	Hillmount Capital Inc.
DR1716190	2018/07/05	Postponement	Hillmount Capital Inc.
DR1893508	2020/05/08	Application to Register Court Order	Ernst & Young Inc.

Schedule "D"

Permitted Encumbrances

(unaffected by the Vesting Order)

PIN 26613-0238 (LT), PIN 26613-0239 (LT), and PIN 26613-0240 (LT)

Reg. Num.	Date	Instrument Type	Parties To
40R29634	2017/05/11	Plan Reference	N/A
DR1593205	2017/05/11	Application for Absolute Title	N/A

Schedule "E"

Receiver's Discharge Certificate

Court File No. CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

HILLMOUNT CAPITAL INC.

Applicant

- and -

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENTS INC.

Respondents

RECEIVER'S DISCHARGE CERTIFICATE

RECITALS

1. Pursuant to an application by Hillmount Capital Inc. under section 243(1) of the *Bankruptcy and Insolvency Act,* R.S.C. 1985, c. B-3, as amended, and section 101 of the *Courts of Justice Act*, and an order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated May 5, 2020, Ernst & Young Inc. was appointed as Receiver of the assets, undertakings and properties of Brookhill Holdings Inc. and of the beneficial interests of Brookhill Development Inc. in respect of the Real Property (as defined below).

2. Pursuant to an Order of the Court dated October 21, 2020 (the "**Discharge Order**"), Ernst & Young Inc. was to be discharged as Receiver of the Respondents to be effective upon the filing by the Receiver with the Court of a certificate confirming that all remaining matters as described in the First Report of the Receiver dated October 14, 2020 (the "**First**

Report”) to be attended to in connection with the receivership have been completed to the satisfaction of the Receiver.

THE RECEIVER CERTIFIES the following:

A. All remaining matters as described in the First Report, if any, to be attended to in connection with the receivership of the Respondents have been completed to the satisfaction of the Receiver.

B. The Receiver has made the payments outlined in paragraph 10 of the Discharge Order.

C. This Certificate was filed by the Receiver with the Court on the ___ day of ____, 2020 at ____.

Ernst & Young Inc., in its capacity as Receiver of the undertaking, property and assets of Brookhill Holdings Inc. and not in its personal or corporate capacity

Per: ________________________________

Name:

Title:

I have authority to bind the corporation.

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

HILLMOUNT CAPITAL INC.
Applicant

and

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.
Respondents

Court File No.: CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

ORDER

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Lawyers for the Court-Appointed Receiver

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

HILLMOUNT CAPITAL INC. Applicant	and	**BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.** Respondents

CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

MOTION RECORD
Returnable October 21, 2020

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