



This is the 6th affidavit
of Macario Teodoro Reyes in this case
and was made on 1/SEP/2021

Court of Appeal File No. CA-47585
Supreme Court File No. S-205095
Supreme Court Registry: Vancouver

COURT OF APPEAL

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

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
S.B.C. 2002, c. 57, AS AMENDED

AND

IN THE MATTER OF THE PLAN OF COMPROMISE AND ARRANGEMENT OF
PORT CAPITAL DEVELOPMENT (EV) INC. and EVERGREEN HOUSE DEVELOPMENT
LIMITED PARTNERSHIP

BETWEEN:

PORT CAPITAL DEVELOPMENT (EV) INC. and
EVERGREEN HOUSE DEVELOPMENT LIMITED PARTNERSHIP

Respondents
(Petitioners/Applicants)

AND:

1296371 B.C. LTD.

Appellant
(Respondent/Applicant)

AND:

CENTURA BUILDING SYSTEMS (2013) LTD. and
SOLTERRA ACQUISITIONS CORP.

Respondents
(Respondents)

AFFIDAVIT

I, **MACARIO TEODORO REYES**, businessman, of 325 West 4th Avenue, Vancouver, BC
V5Y 1H3, SWEAR (OR AFFIRM) THAT:

1. I am a director and officer of Port Capital Group Inc. ("**Port Capital Group**"), the
petitioner Port Capital Development (EV) Inc. (the "**General Partner**") and 1296371 B.C. Ltd.
("**129**"), and as such have personal knowledge of the facts and matters hereinafter deposed to,

save and except where the same are stated to be made upon information and belief, and, as to such facts, I verily believe the same to be true.

2. I swear this affidavit to provide certain updates to matters described in my second affidavit sworn May 21, 2021, third affidavit sworn June 4, 2021, fourth affidavit sworn June 7, 2021, and fifth affidavit sworn July 30, 2021. Capitalized terms in this affidavit have the meaning given to them those affidavits, unless otherwise defined herein.

3. Attached to my second affidavit were irrevocable directions from the Pre-Sale Purchasers authorizing the use of their deposits in the proposed refinancing transaction. These irrevocable directions contained a termination date of August 31, 2021, unless extended in writing by the Pre-Sale Purchasers. This termination date has been extended by the Pre-Sale Purchasers to December 31, 2021. Now shown to me and attached hereto as **Exhibit "A"** are true copies of the written extensions to the irrevocable directions provided by the Pre-Sale Purchasers.

4. Attached to my fifth affidavit is a copy a letter from Domain committing to extend the condition removal date in the Second Domain Commitment Letter (as attached to my third affidavit) to September 30, 2021. In light of the British Columbia Court of Appeal granting 129 leave to appeal the order dismissing its application to approve the proposed refinancing transaction, Domain further amended the Commitment Letter to (i) extend closing if the Court of Appeal is unable to render a decision on the appeal by September 30, 2021, and (ii) reflect the current state of the conditions under that letter. These amendments are set out in an **"Amendment to Third Revised Commitment Letter"** dated September 1, 2021. Now shown to me and attached hereto as **Exhibit "B"** is a true copy of the Amendment to Third Revised Commitment Letter.

5. At paragraph 7 of my fifth affidavit, I deposed that \$400,000 of the funds held in trust by Dentons with respect to the refinancing transaction were directed to other projects, and that those funds would be replaced prior to August 17, 2021. I confirm that in fact occurred, and in particular:

- (a) \$149,000 was paid to Domain in respect of Brokerage Fees required under their commitment letter, as an early advance of the loan from 1260780 B.C. Ltd. ("**126**"); and
- (b) The remaining \$250,000 was paid to Dentons, in trust, and is held on behalf of 126 as evidence of its further loan commitments.

I am informed by Robert Quon, of Dentons, and verily believe the same to be true, that Dentons holds \$2.75 million in trust for the purposes described in my previous affidavits.

6. Following the British Columbia Court of Appeal granting 129 leave to appeal in this proceeding, my counsel received updated payouts for the Administration Charge, the Interim Lender, and CMLS as at October 22, 2021, from Mike Bell of Ernst & Young Inc., in its capacity as "**Monitor**". Now shown to me and attached hereto as **Exhibit "C"** is are copies of the tables provided by the Monitor showing the updated payout amounts.

7. Based on the updated payouts provided by the Monitor, an additional \$900,000 (approximately) is estimated to be required to provide sufficient funding to complete the proposed refinancing as it was originally contemplated on June 8, 2021 (as described in paragraph 12 of my third affidavit).

8. The additional funding requirements will be satisfied by:

- (a) additional funding from 129 in the amount of at least \$480,000; and
- (b) allocating any additional amounts required from the Convertible Loan (as defined in my fourth affidavit) to be provided by 126.

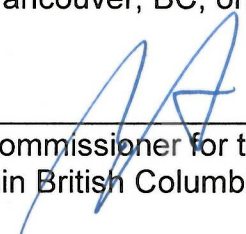
9. I am advised by Luz Consuelo Reyes, the sole director and officer of 126, and verily believe that 126 consents to allocating a portion of the Convertible Loan to the refinancing transaction.

10. 129 is raising funds to cover the additional funding requirements. However, at a minimum, 129 has secured \$480,000 from a further loan commitment by Domain. The loan will be in the principal amount of \$1,675,000, is expected to close on or about September 10, 2021, and proceeds from this loan will be paid as follows:

- (a) to repay existing debt in the amount of \$1,117,706;
- (b) to pay certain fees and interest reserves to Domain in the amount of approximately \$75,000; and
- (c) the balance, to be funded to 129 for use in connection with the refinancing transaction.

11. Now shown to me and attached hereto as **Exhibit "D"** is a table setting out the sources and uses of funds in connection with the proposed refinancing transaction as at October 22, 2021. Assuming 129 contributes an additional \$480,000, this leaves approximately \$340,000 for immediate working capital purposes. As set out in my 4th affidavit, I expect to raise further funds from the limited partners of the Petitioners, and other investors, after the refinancing transaction completes and certain amendments to the limited partnership agreement can be made.

SWORN (OR AFFIRMED) BEFORE ME
at Vancouver, BC, on 1/SEP/2021



A Commissioner for taking Affidavits
within British Columbia

JORDAN D. SCHULTZ
Barrister & Solicitor
DENTONS CANADA LLP
20th Floor, 250 Howe Street
Vancouver, B.C. V6C 3R8
Telephone (604) 687-4460



MACARIO TEODORO REYES

This is **Exhibit "A"** referred to in the Affidavit
of Macario Teodoro Reyes sworn
this 1 day of September, 2021.

A handwritten signature in blue ink, appearing to be 'GA', is written over a horizontal line.

A Commissioner for taking Affidavits within
British Columbia

EXTENSION TO IRREVOCABLE DIRECTION TO PAY

TO: Dentons Canada LLP
20th Floor, 250 Howe Street
Vancouver, British Columbia
V6C 3R8

Re: Funds held in trust for Deposits for Terrace House Units

Evergreen House Development Limited Partnership (the “**Old LP**”) by its general partner, Port Capital Development (EV) Inc. (the “**Old GP**”) pursued the development of a project located at 1250 West Pender Street, Vancouver, BC (the “**Terrace House Project**”). The undersigned has provided a deposit (the “**Deposit**”) that is currently held in trust with Dentons Canada LLP (“**Dentons**”) to acquire a unit in the Terrace House Project, the details of which are set out in the undersigned’s irrevocable direction to pay dated May 7, 2021 (the “**Direction**”). Defined terms in the Direction are adopted herein.

The undersigned hereby extends the termination date in the Direction from August 31, 2021 to December 31, 2021, and acknowledges and confirms that all other terms and stipulations in the Direction shall continue to apply.

Name of Deposit Holder: Simon Wong
Deposit Amount Held in Trust at Dentons: \$675,000.00
Unit: 401

Dated this 28th day of August, 2021.

THE UNDERSIGNED HAS HAD THIS EXTENSION TO THE DIRECTION WITNESSED.

WITNESSED BY:

Witness Signature _____

Mark Frass

Printed Name of Witness

4824 Fraser Street, Vancouver, BC V5V 4H4

Witness Address

Property Manager

Witness Occupation

SIMON WONG



EXTENSION TO IRREVOCABLE DIRECTION TO PAY

TO: Dentons Canada LLP
20th Floor, 250 Howe Street
Vancouver, British Columbia
V6C 3R8

Re: Funds held in trust for Deposits for Terrace House Units

Evergreen House Development Limited Partnership (the "Old LP") by its general partner, Port Capital Development (EV) Inc. (the "Old GP") pursued the development of a project located at 1250 West Pender Street, Vancouver, BC (the "Terrace House Project"). The undersigned has provided a deposit (the "Deposit") that is currently held in trust with Dentons Canada LLP ("Dentons") to acquire a unit in the Terrace House Project, the details of which are set out in the undersigned's irrevocable direction to pay dated April 30, 2021 (the "Direction"). Defined terms in the Direction are adopted herein.

The undersigned hereby extends the termination date in the Direction from August 31, 2021 to December 31, 2021, and acknowledges and confirms that all other terms and stipulations in the Direction shall continue to apply.

Name of Deposit Holder: 1207867 B.C. Ltd.
Deposit Amount Held in Trust at Dentons: \$645,000.00
Unit: 403

Dated this ____ day of August, 2021.

THE UNDERSIGNED HAS HAD THIS EXTENSION TO THE DIRECTION WITNESSED.

WITNESSED BY:

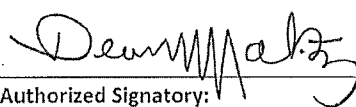
JESUS YEPER
Witness Signature

JESUS YEPER
Printed Name of Witness

1272 FINDLAY AVE, BRONX, NY 10456
Witness Address

ARCHITECTURAL DESIGNER
Witness Occupation

)
) 1207867 B.C. LTD.
)

)
) 
) Authorized Signatory:
)



EXTENSION TO IRREVOCABLE DIRECTION TO PAY

TO: Dentons Canada LLP
20th Floor, 250 Howe Street
Vancouver, British Columbia
V6C 3R8

Re: Funds held in trust for Deposits for Terrace House Units

Evergreen House Development Limited Partnership (the "Old LP") by its general partner, Port Capital Development (EV) Inc. (the "Old GP") pursued the development of a project located at 1250 West Pender Street, Vancouver, BC (the "Terrace House Project"). The undersigned has provided a deposit (the "Deposit") that is currently held in trust with Dentons Canada LLP ("Dentons") to acquire a unit in the Terrace House Project, the details of which are set out in the undersigned's irrevocable direction to pay dated April 13, 2021 (the "Direction"). Defined terms in the Direction are adopted herein.

The undersigned hereby extends the termination date in the Direction from August 31, 2021 to December 31, 2021, and acknowledges and confirms that all other terms and stipulations in the Direction shall continue to apply.

Name of Deposit Holder: Luz Consuelo Reyes
Deposit Amount Held in Trust at Dentons: \$2,800,000.00
Unit: 801.

Dated this ____ day of August, 2021.

THE UNDERSIGNED HAS HAD THIS EXTENSION TO THE DIRECTION WITNESSED.

WITNESSED BY:

Witness Signature

Printed Name of Witness

Witness Address

Witness Occupation

LUZ CONSUELO REYES



EXTENSION TO IRREVOCABLE DIRECTION TO PAY

TO: Dentons Canada LLP
20th Floor, 250 Howe Street
Vancouver, British Columbia
V6C 3R8

Re: Funds held in trust for Deposits for Terrace House Units

Evergreen House Development Limited Partnership (the “**Old LP**”) by its general partner, Port Capital Development (EV) Inc. (the “**Old GP**”) pursued the development of a project located at 1250 West Pender Street, Vancouver, BC (the “**Terrace House Project**”). The undersigned has provided a deposit (the “**Deposit**”) that is currently held in trust with Dentons Canada LLP (“**Dentons**”) to acquire a unit in the Terrace House Project, the details of which are set out in the undersigned’s irrevocable direction to pay dated May 6, 2021 (the “**Direction**”). Defined terms in the Direction are adopted herein.

The undersigned hereby extends the termination date in the Direction from August 31, 2021 to December 31, 2021, and acknowledges and confirms that all other terms and stipulations in the Direction shall continue to apply.

Name of Deposit Holder: 1301981 B.C. Ltd.
Deposit Amount Held in Trust at Dentons: \$1,162,500.00
Unit: 901

Dated this 31st day of August, 2021.

THE UNDERSIGNED HAS HAD THIS EXTENSION TO THE DIRECTION WITNESSED.

WITNESSED BY:

✓ 27

Witness Signature

Ken Mutter

Printed Name of Witness

kenhillm@gmail.com

Witness Address

Witness Occupation

1301981 B.C. LTD.

DocuSigned by:

AF1BAC038216470

Authorized Signatory:



EXTENSION TO IRREVOCABLE DIRECTION TO PAY

TO: Dentons Canada LLP
20th Floor, 250 Howe Street
Vancouver, British Columbia
V6C 3R8

Re: Funds held in trust for Deposits for Terrace House Units

Evergreen House Development Limited Partnership (the "Old LP") by its general partner, Port Capital Development (EV) Inc. (the "Old GP") pursued the development of a project located at 1250 West Pender Street, Vancouver, BC (the "Terrace House Project"). The undersigned has provided a deposit (the "Deposit") that is currently held in trust with Dentons Canada LLP ("Dentons") to acquire a unit in the Terrace House Project, the details of which are set out in the undersigned's irrevocable direction to pay dated April 18, 2021 (the "Direction"). Defined terms in the Direction are adopted herein.

The undersigned hereby extends the termination date in the Direction from August 31, 2021 to December 31, 2021, and acknowledges and confirms that all other terms and stipulations in the Direction shall continue to apply.

Name of Deposit Holder: 1192706 B.C. Ltd.
Deposit Amount Held in Trust at Dentons: \$1,155,000.00
Unit: 1001

Dated this 30th day of August, 2021.

THE UNDERSIGNED HAS HAD THIS EXTENSION TO THE DIRECTION WITNESSED AND COMPLETED BY A LAWYER WHO HAS PROVIDED INDEPENDENT LEGAL ADVICE TO THE UNDERSIGNED.

WITNESSED BY:

Witness Signature

AMIR ABADIAN

Printed Name of Witness

1166 ALBERNI ST, VANCOUVER

Witness Address

REAL ESTATE

Witness Occupation

1192706 B.C. LTD.

Authorized Signatory:



EXTENSION TO IRREVOCABLE DIRECTION TO PAY

TO: Dentons Canada LLP
20th Floor, 250 Howe Street
Vancouver, British Columbia
V6C 3R8

Re: Funds held in trust for Deposits for Terrace House Units

Evergreen House Development Limited Partnership (the "Old LP") by its general partner, Port Capital Development (EV) Inc. (the "Old GP") pursued the development of a project located at 1250 West Pender Street, Vancouver, BC (the "Terrace House Project"). The undersigned has provided a deposit (the "Deposit") that is currently held in trust with Dentons Canada LLP ("Dentons") to acquire a unit in the Terrace House Project, the details of which are set out in the undersigned's irrevocable direction to pay dated April 18, 2021 (the "Direction"). Defined terms in the Direction are adopted herein.

The undersigned hereby extends the termination date in the Direction from August 31, 2021 to December 31, 2021, and acknowledges and confirms that all other terms and stipulations in the Direction shall continue to apply.

Name of Deposit Holder: 1208596 B.C. Ltd.

Deposit Amount Held in Trust at Dentons: \$417,057.00 and \$558,144.00

Unit: CRU#1 and CRU#2

Dated this 30th day of August, 2021.

THE UNDERSIGNED HAS HAD THIS EXTENSION TO THE DIRECTION WITNESSED AND COMPLETED BY A LAWYER WHO HAS PROVIDED INDEPENDENT LEGAL ADVICE TO THE UNDERSIGNED.

WITNESSED BY:

Witness Signature

ANIR ABADIAN

Printed Name of Witness

1166 ALBERNI ST, VANCOUVER.

Witness Address

REAL ESTATE

Witness Occupation

1208596 B.C. LTD.

Authorized Signatory:



This is **Exhibit "B"** referred to in the Affidavit
of Macario Teodoro Reyes sworn
this 1 day of September, 2021.

A handwritten signature in blue ink, consisting of stylized initials or a name, positioned above a horizontal line.

A Commissioner for taking Affidavits within
British Columbia

Sept. 1, 2021

Loan #: 2021-BC011

Evergreen House Development LP
Port Capital Development (EV) Inc.
Port Capital Development Inc.
Mr. Macario Teodoro Reyes
c/o 325 West 4th Avenue,
Vancouver, B.C. V5Y 1H3

E-mail: tobi@portliving.com

Dear Sir(s)/Madam(s):

**AMENDMENT TO THIRD REVISED
COMMITMENT LETTER**

The THIRD REVISED COMMITMENT LETTER dated Friday, July 30, 2021 issued by Bankers Mortgage Corporation doing business as Domain Funding (referred to herein as "Domain Funding") is amended as follows:

Replace Section 8 - LOAN FUNDING DATE, in its entirety, as follows:**8. LOAN FUNDING DATE:**

A date to be determined by the Lender NOT BEFORE October 22, 2021 and NOT AFTER October 29, 2021, subject to the following prior events:

On or before Sept. 30, 2021, receipt by the Lender of a Decision of the BC Court of Appeal to approve the assignment and transfer of the Existing Security, in a form satisfactory to the Lender

At the request of the Borrower, the Loan Funding Date may be extended by the Lender, acting reasonably, provided that the Loan Funding Date shall be no earlier than four (4) weeks following such decision and provided the Loan Funding Date is not later than Dec. 15, 2021.

Replace Section 17.1 e) - CONDITIONS PRECEDENT TO FUNDING, as follows:

- e) Satisfactory review of and opinion with respect to the following by the Lender' solicitor:
- i. Mortgage CA7337616 registered i/n/o CMLS Financial Ltd.
 - ii. Assignment of rents CA7337617 registered i/n/o CMLS Financial Ltd.
 - iii. Mortgage CA8277031 registered i/n/o Desjardins Financial Security Life Assurance Co.

SATISFIED, subject to the form of order granted by the BC Court of Appeal being consistent with the form of order placed before Mdm. Justice Fitzpatrick on May 25, June 8, and June 10, 2021 in 2021 BCSC 1272

Replace Section 17.2 a) - CONDITIONS PRECEDENT TO FUNDING, as follows:

- a) Receipt of insurance policies, including confirmation of paid insurance premiums, satisfactory to the Lender and/or its solicitor.

SATISFIED, subject to the existing insurance policy No. 000010450 and No. 2020WFPS-0942 issued by Marsh Canada Limited to be extended of the term of the Loan and subject to Domain Mortgage Corp. being added as first loss payee under both policies

Confirmation of Payment due under Section 19 - PAYMENT OF LOAN FEES:

Domain Funding confirms receipt of payment of \$149,000 representing payment in full of the Third MORTGAGE BROKER FEE due on or before Aug. 6, 2021. This condition is now SATISFIED.

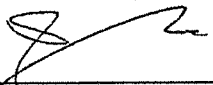
All other terms and conditions of the THIRD REVISED COMMITMENT LETTER dated Friday, July 30, 2021 issued by Domain Funding remain unchanged and in effect.

This Amendment to THIRD REVISED COMMITMENT LETTER, in combination with the THIRD REVISED COMMITMENT LETTER dated Friday, July 30, 2021, form the whole commitment for funding.

Please indicate your acceptance of the amended terms outlined herein by signing where indicated below.

Yours truly,

Domain Funding



PER: Authorized Signatory

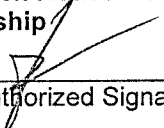
ACCEPTANCE OF AMENDMENT TO REVISED COMMITMENT LETTER

I/We hereby understand and accept the terms and conditions of this Amendment to THIRD REVISED COMMITMENT LETTER

Accepted this 1st day of September, 2021.

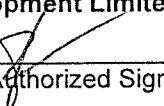
BORROWER(S):

Evergreen House Development Limited Partnership



PER: Authorized Signatory

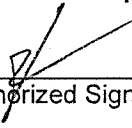
Port Capital Development (EV) Inc. as the General Partner of Evergreen House Development Limited Partnership



PER: Authorized Signatory

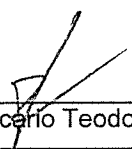
COVENANTOR(S):

Port Capital Development Inc.



PER: Authorized Signatory

Mr. Macario Teodoro Reyes



Mr. Macario Teodoro Reyes

This is **Exhibit "C"** referred to in the Affidavit
of Macario Teodoro Reyes sworn
this 1 day of September, 2021.



A Commissioner for taking Affidavits within
British Columbia

Terrace House
Estimated Payout - 1296371 BC Ltd
Estimated Close Date: October 22, 2021

Administration Charge

Approved Charge	\$ 250,000
Arrears in excess of charge	\$ 291,075
Amounts to be paid from Existing DIP	\$ (36,000)
Estimate to Closing	\$ 125,000
	<u>\$ 630,075</u>

DIP Facility

Approved DIP Facility	\$ 1,800,000
Additional borrowing requirements - see accompanying Cash Flow	\$ 152,207
	<u>\$ 1,952,207</u>

CMLS Construction Loan

Balance as at October 22, 2021	\$ 21,530,978
Per Diem Interest (Aug 24 to Oct 22) @ \$2,430.19/day	\$ 143,381
Per Diem Late Charge (Aug 24 to Oct 22) @ \$154.60/day	\$ 9,121
Estimated Loan Balance at October 22, 2021	<u>\$ 21,683,481</u>

Contingency	\$ 150,000
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Total Required Funds	<u>\$ 24,415,763</u>
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This is **Exhibit "D"** referred to in the Affidavit
of Macario Teodoro Reyes sworn
this 1 day of September, 2021.



A Commissioner for taking Affidavits within
British Columbia

Funds in		Domain	126 Loan	129 Loan	129 Loan (Add)	Pre-payment
Domain Loan	\$14,700,000.00	\$ 14,700,000.00				
126 Loan	\$2,900,000.00		\$ 2,900,000.00			
129 Loan (Deposits)	\$8,005,201.00			\$ 8,005,201.00		
129 Loan (Additional Funds)	\$480,000.00				\$ 480,000.00	
Pre-Payments to Domain	\$314,000.00					\$ 314,000.00
TOTAL	\$26,399,201.00	\$ 14,700,000.00	\$ 2,900,000.00	\$ 8,005,201.00	\$ 480,000.00	\$ 314,000.00
(TOTAL SECURED)	\$25,335,201.00	\$ 14,700,000.00	\$ 2,150,000.00	\$ 8,005,201.00	\$ 480,000.00	-
Funds out						
Admin Charge (incl. \$150,000 contingency)	\$780,075.00	\$ 780,075.00				
DIP	\$1,800,000.00	\$ 1,800,000.00				
CMIS	\$21,683,481.00	\$ 11,038,550.00	\$ 2,159,730.00	\$ 8,005,201.00	\$ 480,000.00	
Domain Fees						
Commitment Letter Fee	\$25,000.00					\$ 25,000.00
Loan Servicing Fee	\$18,125.00	\$ 18,125.00				
Broker Fee	\$294,000.00		\$ 150,000.00			\$ 144,000.00
Fund Raising Fee	\$147,000.00	\$ 2,000.00				\$ 145,000.00
Holdbacks						
Lender Reporting Consult (Est)	\$60,000.00	\$ 60,000.00				
Legal Fees (Est)	\$50,000.00	\$ 50,000.00				
Interest Reserve	\$851,250.00	\$ 851,250.00				
Monitor Fee Reserve	\$100,000.00	\$ 100,000.00				
Break Fees						
Landa	\$200,000.00		\$ 200,000.00			
Softerra	\$50,000.00		\$ 50,000.00			
TOTAL	\$26,058,931.00	\$ 14,700,000.00	\$ 2,559,730.00	\$ 8,005,201.00	\$ 480,000.00	\$ 314,000.00
RESIDUAL FOR WORKING CAPITAL	\$340,270.00	\$ -	\$ 340,270.00	\$ -	\$ -	\$ -