

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N :

KINDRED CREDIT UNION LIMITED

Applicant

- and -

10603503 CANADA INC., 11393251 CANADA INC. and 11393235 CANADA INC.

Respondents

APPLICATION 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*, R.S.O. 1990, c. c-43, AS AMENDED

MOTION RECORD

SPETTER ZEITZ KLAIMAN PC
Barristers & Solicitors
100 Sheppard Avenue East, Suite 850
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Tel: 416-789-0652
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JAMES S. QUIGLEY
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Lawyers for the Receiver, Albert Gelman
Inc.

TO: THIS HONOURABLE COURT

AND TO: SERVICE LIST

SERVICE LIST

TO:	HARRISON PENSA LLP Barristers & Solicitors 130 Dufferin Avenue, Suite 1101 London, Ontario N6A 5R2 MICHAEL E. CASSONE LSO No. 45073G Tel: 519-679-9660 mcassone@harrisonpensa.com Lawyers for the Applicant
AND TO:	10603503 CANADA INC. 460 Richmond Street West, Suite 601 Toronto, Ontario M5V 1Y1 Attn: Craig Dunkerley cdunkerley@bgwealthgroup.com
AND TO:	11393251 CANADA INC. 460 Richmond Street West, Suite 601 Toronto, Ontario M5V 1Y1 Attn: Craig Dunkerley cdunkerley@bgwealthgroup.com
AND TO:	11393235 CANADA INC. 460 Richmond Street West, Suite 601 Toronto, Ontario M5V 1Y1 Attn: Craig Dunkerley cdunkerley@bgwealthgroup.com
AND TO:	CRAIG DUNKERLEY 34 Princess Margaret Boulevard Etobicoke, Ontario M9A 1Z6 cdunkerley@bgwealthgroup.com
AND TO:	BLACKTHORN INVESTMENT GROUP INC. 34 Princess Margaret Boulevard Etobicoke, Ontario M9A 1Z6 Attn: Craig Dunkerley cdunkerley@bgwealthgroup.com

AND TO:	2391628 ONTARIO LTD. c/o Horton and Horton Attn: W. Joanne Horton 1390 2 nd Avenue West P.O. Box No. 787 Owen Sound, Ontario N4K 5W9 debbier@hortonlaw.ca
AND TO:	CHRISTINA KERR 45 Meadow Lane Meaford, Ontario N4L 1X8 christinakerr@rogers.com
AND TO:	OSWALD EMMANUEL REAL ESTATE INC. 2130 Mississauga Road Mississauga, Ontario L5H 2K7 ovemanuel1@gmail.com
AND TO:	MAES HOLDINGS INC. 72 Craig Crescent Georgetown, Ontario L7G 5K3
AND TO:	ROYAL BANK OF CANADA 36 York Mills Road, 4 th Floor Toronto, Ontario M2P 0A4
AND TO:	JOSEPH ANTHONY IACOLUCCI 25 Eden Valley Drive Etobicoke, Ontario M9A 4Z5
AND TO:	CITY OF OWEN SOUND 808 2 nd Ave East Owen Sound, Ontario N4K 2H4 service@owensound.ca
AND TO:	DEPARTMENT OF JUSTICE (CANADA) Ontario Regional Office 120 Adelaide Street West, Suite 400 Toronto, Ontario M5H 1T1 Email: AGC_PGC_Toronto.Lead-DCECJ@justice.gc.ca
AND TO:	MINISTRY OF FINANCE

	INSOLVENCY UNIT 6 th Floor, 33 King Street West Oshawa, Ontario L1H 8H5 Email: insolvency.unit@ontario.ca
AND TO:	CANADA REVENUE AGENCY 1 Front Street West Toronto, Ontario M5J 2X6 Email: AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca

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SUPERIOR COURT OF JUSTICE**

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I N D E X

TAB	DOCUMENT
1.	Notice of Motion dated November 13, 2025
2.	First Report of the Receiver dated November 12, 2025
A.	Appendix "A" – Appointment Order of Justice Bloom dated November 20, 2024
B.	Appendix "B" – Parcel Abstract for 942-944 2 nd Avenue East
C.	Appendix "C" – Parcel Abstract for River Frontage Land
D.	Appendix "D" – Parcel Abstract for 950-956 2 nd Avenue East
E.	Appendix "E" – Parcel Abstract for 948 2 nd Avenue East
F.	Appendix "F" – Kindred Payout Statement dated October 21, 2025
G.	Appendix "G" – Redacted Appraisal Reports dated December 4, 2024

TAB	DOCUMENT
H.	Appendix “H” – Redacted Kepler Purchase Agreement
I.	Appendix “I” – Redacted Patel Purchase Agreement
J.	Appendix “J” – Direction re Title from Patel
K.	Appendix “K” – Receiver’s Certificates issued to Kindred dated December 5, 2024, January 11, 2025, and July 2, 2025
L.	Appendix “L” – Receiver’s Final Statement of Receipts and Disbursements dated November 12, 2025
M.	Appendix “M” – Affidavit of Tom McElroy sworn November 12, 2025
N.	Appendix “N” – Affidavit of Ian Klaiman sworn November 12, 2025
3.	Draft Auxiliary Order
4.	Draft Vesting Order – Mgrmt'
5.	Draft Vesting Order – Rcvgr'

TAB 1

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N :

KINDRED CREDIT UNION LIMITED

Applicant

- and -

10603503 CANADA INC., 11393251 CANADA INC. and 11393235 CANADA INC.

Respondents

APPLICATION 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*, R.S.O. 1990, c. c-43, AS AMENDED

NOTICE OF MOTION

ALBERT GELMAN INC. (“AGI”), in its capacity as the court-appointed receiver and manager (in such capacities, the “**Receiver**”), without security, of all the assets, undertakings and properties of 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc. (sometimes the “**Debtors**” or collectively the “**Debtor**”) acquired for, or used in relation to business carried on by the Debtor, by Order of the Ontario Superior Court of Justice dated November 20, 2024, will make a motion to a judge presiding over the Ontario Superior Court of Justice at Owen Sound on November 26, 2025, at 2 p.m., or as soon after that time as the motion can be heard.

PROPOSED METHOD OF HEARING: The motion is to be heard:

- In writing under subrule 37.12.1(1) because it is (*insert one of on consent, unopposed or made without notice*);
- In writing as an opposed motion under subrule 37.12.1(4);
- In person;
- By telephone conference;
- By video conference.

at the following location: Court House, 611-9th Avenue East, Owen Sound, Ontario

THE MOTION IS FOR:

1. An Order, if necessary, abridging the time for service and validating service of this Notice of Motion and Motion Record in the manner effected by the Receiver or an Order dispensing with service thereof;
2. An Auxiliary Order, substantially in the form attached hereto as Tab 3 of the Motion Record, for the following relief:
 - (a) approving the First Report of the Receiver dated November 12, 2025 (the “**First Report**”), and the actions, activities, and conduct of the Receiver described therein;
 - (b) sealing Confidential Appendix “A” and Confidential Appendix “B” to the First Report, pending further order of this Honourable Court;
 - (c) approving the Receiver’s Final Statement of Receipts & Disbursements to

November 12, 2025; and,

- (d) approving the fees and disbursements of the Receiver and the Receiver's legal counsel, Spetter Zeitz Klaiman PC ("SZK") and including the Estimated Final Accruals (term defined in the First Report) for completion of the administration of the receivership proceedings;
 - (e) approving the Receiver's proposed distribution and authorizing, but not obligating, the distribution of funds according to same;
 - (f) approving the discharge of the Receiver subject to the Receiver filing a Discharge Certificate; and
 - (g) releasing AGI from any and all liability.
3. An Approval and Vesting Order, substantially in the form attached hereto as Tab 4 of the Motion Record, for, *inter alia*, the following relief:
- (a) sealing Confidential Appendix "C" to the First Report, pending further order of this Honourable Court;
 - (b) approving the agreement of purchase and sale between the Receiver, as vendor, and Kepler Real Estate Inc. ("**Kepler**"), as purchaser, for the sale of 942-944 2nd Avenue East, Owen Sound dated August 22, 2025 (the "**Kepler Purchase Agreement**"), and authorizing the Receiver to complete the transaction contemplated thereby (the "**Kepler Transaction**"); and

- (c) with respect to the completion of the Kepler Transaction, vesting in Kepler, the Debtors' right, title and interest, if any, in and to 942-944 2nd Avenue East, Owen Sound) and an associated river frontage lot, free and clear of any claims and encumbrances;

- 4. An Approval and Vesting Order, substantially in the form attached hereto as Tab 5 of the Motion Record, for, *inter alia*, the following relief:
 - (a) sealing Confidential Appendix "D" to the First Report, pending further order of this Honourable Court;

 - (b) approving the agreement of purchase and sale between the Receiver, as vendor, and Ravi Patel ("**Patel**"), as purchaser, for the sale of 950-956 and 948 2nd Avenue East in Owen Sound dated April 23, 2025 (the "**Patel Purchase Agreement**"), and authorizing the Receiver to complete the transaction contemplated thereby (the "**Patel Transaction**"); and

 - (c) with respect to the completion of the Patel Transaction, vesting in the Patel's nominee, 1001320346 Ontario Inc., the Debtors' right, title and interest, if any, in and to 950-956 and 948 2nd Avenue East in Owen Sound, free and clear of any claims and encumbrances;

- 5. Such further and other relief as required in the circumstances and this Honorable Court deems just.

THE GROUNDS FOR THE MOTION ARE:

The Appointment Order

6. Pursuant to the Order of the Honourable Justice I. Bloom dated November 20, 2024 (the “**Appointment Order**”), the Receiver was appointed receiver and manager, without security, of all the assets, undertakings, and properties of the 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc., including the Real Properties (as defined below).
7. Kindred Credit Union Limited (“**Kindred**”) brought the application for the Appointment Order. The Debtors are indebted to Kindred as of October 21, 2025 as follows, not including professional fees (together with accruing interest and costs, the “**Indebtedness**”):
 - (a) 11393251 Canada Inc.: \$1,501,584.55;
 - (b) 11393235 Canada Inc.: \$544,274.26; and
 - (c) 10603503 Canada Inc.: \$909,438.94.

The Real Properties

8. The Debtors own a number of adjacent buildings located at (i) 942-944 2nd Avenue East, Owen Sound and (ii) 950-956 and 948 2nd Avenue East, Owen Sound, and including the property on which the buildings are situate, as well as (iii) a nearby river frontage lot (the

“Real Properties”).

9. The Real Properties includes a mixture of rented commercial space and rental residential units.
10. The Indebtedness of Kindred is secured by first mortgages on the Real Properties.

Approval of Activities and Fees as Set Out in the First Report

11. In the First Report, the Receiver has included a detailed description of its activities.
12. The Receiver's activities as set out in the First Report are fair and reasonable and ought to be approved.
13. The Receiver undertook a rigorous sales process of the Real Properties.
14. The Receiver has accepted two offers (the **“Offers”**) for the purchase of the Real Properties, being:
 - (a) the Kepler Purchase Agreement for 942-944 2nd Avenue East, Owen Sound; and
 - (b) the Patel Purchase Agreement for 950-956 and 948 2nd Avenue East, Owen Sound.
15. The Receiver seeks approval of the Offers and the transactions contemplated therein (the **“Transactions”**), along with Vesting Orders to give effect to the sale of the Real Properties.
16. Additionally, the Receiver seeks approval of the Receiver's fees and disbursements in the

form of the Final Statement of Receipts & Disbursements to November 12, 2025, and the fees and disbursements to date including the fees and disbursements of counsel to the Receiver, SZK, and estimated final accruals fees to completion of the administration of the receivership proceedings.

Distribution of Proceeds

17. The Receiver takes the position that distribution of proceeds should be made upon the closing of the Transactions.

Sealing of the Confidential Appendices

18. The Receiver is requesting that the Court seal the Confidential Appendices to the First Report.
19. The Confidential Appendices should be sealed because their contents contain commercially sensitive information related to the Real Properties which could have a negative impact on the market for the said properties (prior to the completion of any transactions for the said properties), could negatively impact the integrity of the Receiver's marketing of the Real Properties, and could be prejudicial to the receivership estate.
20. The salutary effects of sealing the Confidential Appendices outweighs any deleterious effects.

Further Requirements and Discharge

21. The Receiver's administration of these proceedings is substantially complete other than,

and subject to, this Court granting the relief sought herein, the following:

- (a) closing the Transactions and payment of the property taxes to the City of Owen Sound;
 - (b) repaying the Receiver's borrowings;
 - (c) paying of the final accounts of the Receiver and SZK; and
 - (d) distributing the net proceeds of the receivership to Kindred.
22. The Receiver is respectfully requesting that this Court approve the discharge of AGI as Receiver and thereupon releasing AGI from any and all liability upon the filing with the Court of the Discharge Certificate.

Other Grounds

- 23. As contained in the First Report.
- 24. Rules 1.04, 2.03, 3.02 and 37 of the *Rules of Civil Procedure*.
- 25. Such further and other grounds as the lawyers may advise.

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

- (a) The First Report;

- (b) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

DATE: November 13, 2025

SPETTER ZEITZ KLAIMAN PC
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Lawyers for the Receiver,
Albert Gelman Inc.

TO: THIS HONOURABLE COURT

AND TO: THE SERVICE LIST

KINDRED CREDIT UNION LIMITED

Applicant

-and-

**10603503 CANADA INC., 11393251
CANADA INC. and 11393235 CANADA
INC.**

Respondents

Court File No.: CV-24-00000236-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
OWEN SOUND

NOTICE OF MOTION

SPETTER ZEITZ KLAIMAN PC
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Lawyers for the Receiver,
Albert Gelman Inc.

TAB 2

**ONTARIO
SUPERIOR COURT OF JUSTICE**

KINDRED CREDIT UNION LIMITED

Applicant

- and -

10603503 CANADA INC., 11393251 CANADA INC. and 11393235 CANADA INC.

Respondents

**IN THE MATTER OF AN APPLICATION PURSUANT TO SUBSECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985 c. B-3, AS AMENDED; AND
SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED**

FIRST REPORT OF THE RECEIVER

(Dated November 12, 2025)

I. INTRODUCTION

1. This first report ("**First Report**") is filed by Albert Gelman Inc. ("**AGI**"), in its capacity as receiver (in such capacity, the "**Receiver**") appointed, without security, over all of the assets, undertakings and properties (together, the "**Property**") of 10603503 Canada Inc. ("**10603503**"), 11393251 Canada Inc. ("**11393251**") and 11393235 Canada Inc. ("**11393235**" and, together with 10603503 and 11393251, the "**Companies**") including the real properties owned by the Companies (the "**Real Properties**") by Order of the Ontario Superior Court of Justice (the "**Court**") dated November 20, 2024 (the "**Appointment Order**"), made pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* R.S.C. 1985, c. B-3, as amended ("**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O 1990, c. 43, as amended. The application which resulted in the Appointment Order was commenced by Kindred Credit Union Limited ("**Kindred**"). A copy of the Appointment Order of Justice I. Bloom made November 20, 2024 is attached hereto as **APPENDIX "A"**.

II. PURPOSE OF THIS REPORT

2. This First Report is filed to:

- a. report on the Receiver's activities in these receivership proceedings since the date of the Appointment Order;
- b. request an Order, among other things:
 - i. approving and authorizing the Receiver to enter into and carry out the terms of the sale transaction (the "**Kepler Transaction**") contemplated by an Agreement of Purchase and Sale dated August 22, 2025 together with any further amendments thereto deemed necessary by the Receiver in its sole discretion (the "**Kepler Purchase Agreement**"), entered into between the Receiver, as seller, and Kepler Real Estate Inc. ("**Kepler**"), as purchaser, and vesting in the Purchaser, 11393251's right, title and interest in and to the real property municipally known as 942-944 2nd Avenue East, Owen Sound, Ontario and legally described as PT LT 4 W/S POULETT ST PL OWEN SOUND AS IN R278636; OWEN SOUND (PIN 37074-0425 LT) along with a river frontage parcel legally described as PT RIVER FRONTAGES ON E/S OF THE RIVER SYDENHAM PL OWEN SOUND LYING BTN THE REAR OF THE TOWN LOTS FRONTING ON THE W SIDE OF POULETTE ST FROM LT 1 TO 24; OWEN SOUND (PIN 37074-0539 R) (the "**Kepler Property**") free and clear of all encumbrances pursuant to an approval and vesting order (the "**Kepler AVO**") in a form consistent with the one approved by the Commercial List User's Committee of the Ontario Superior Court of Justice, to be effective upon the Receiver filing the Receiver's Certificate attached thereto;
 - ii. approving and authorizing the Receiver to enter into and carry out the terms of the sale transaction (the "**Patel Transaction**") contemplated by an Agreement of Purchase and Sale dated April 23, 2025 together with any further amendments thereto deemed necessary by the Receiver in its sole discretion (the "**Patel Purchase Agreement**"), entered into between the Receiver, as seller, and Ravi Patel ("**Patel**"), as purchaser, and vesting in the Purchaser, the following:
 - a. 11393235's right, title and interest in and to the real property municipally known as 948 2nd Avenue East, Owen Sound, Ontario and legally described as PT LT 4 W/S POULETT ST PL OWEN SOUND AS IN R288667 S/T INTEREST IN R288667; OWEN SOUND (PIN 37074-0424 LT); and,
 - b. 10603503's right, title and interest in and to the real property municipally known as 950-956 2nd Avenue East, Owen Sound, Ontario and legally described as PT LT 3 W/S POULETT, 4 W/S POULETT ST PL OWEN SOUND AS IN R512556 S/T R512556; OWEN SOUND (PIN 37074-0423 LT)(collectively, the "**Patel Property**")

free and clear of all encumbrances pursuant to an approval and vesting order (the “**Patel AVO**”) in a form consistent with the one approved by the Commercial List User’s Committee of the Ontario Superior Court of Justice, to be effective upon the Receiver filing the Receiver’s Certificate attached thereto;

- iii. sealing the unredacted versions of both the Kepler Purchase Agreement and the Patel Purchase Agreement, the Appraisals (defined below) as well as the summary of offers received by the Receiver for each of the Real Properties until such time as the closing of the respective transactions has occurred;
- iv. approving the Final Distributions (defined below);
- v. approving this First Report and the actions and activities of the Receiver described herein;
- vi. approving the Receiver’s final statement of receipts and disbursements as of November 12, 2025 (the “**Final SRDs**”), including the estimated final accruals to complete its mandate as set out on the Final SRD (defined below as the Estimated Final Accruals);
- vii. approving the fees and disbursements of the Receiver and its legal counsel, Spetter Zeitz Klaiman LLP (“**SZK**”) as outlined herein and detailed in the supporting fee affidavits appended hereto;
- viii. discharging AGI as Receiver and releasing AGI from all liability upon the filing with the Court of the certificate (the “**Discharge Certificate**”) included as Schedule “A” to the draft form of Order which is included with the Receiver’s motion materials, which certificate shall be filed subsequent to the Receiver completing the Remaining Activities (defined below) as set out below; and,
- ix. such further and other relief as this Honourable Court may deem just.

III. SCOPE AND TERMS OF REFERENCE

3. In preparing this First Report, the Receiver has obtained and relied upon certain unaudited financial information and records of the Companies and had discussions with the Companies’ principal, Mr. Craig Dunkerly. In addition, the Receiver has had ongoing discussions with representatives of Kindred and their legal counsel and relied on certain loan information provided by them.

4. While the Receiver has reviewed the various documents provided, such review does not constitute an audit or verification of such information for accuracy, completeness or compliance with Accounting Standards for Private Enterprises (“**ASPE**”) or International Financial Reporting Standards (“**IFRS**”). Accordingly, the Receiver expresses no opinion or other form of assurance pursuant to ASPE or IFRS or otherwise with respect to such information except as expressly stated herein.

5. This First Report has been prepared for the purposes described above. Accordingly, the reader is cautioned that this First Report may not be appropriate for any other purpose.

6. Unless otherwise noted, all monetary amounts referenced herein are expressed in Canadian dollars.

7. This First Report, and all other court materials and orders issued and filed in these receivership proceedings are available on the Receiver's website at: <https://www.albertgelman.com/corporate-solutions/other-engagements/> (the "**Case Website**") and will remain available on the website for a period of six (6) months following the Receiver's discharge.

IV. BACKGROUND INFORMATION

11393251 Canada Inc.

8. 11393251 was incorporated federally in Canada on May 6, 2019. Pursuant to a corporate profile report obtained by the Receiver which was generated on February 14, 2025, Craig Dunkerly is the sole Director of 11393251.

9. 11393251 is a property management company which owns the real property municipally known as 942 - 944 2nd Avenue East, Owen Sound, Ontario (PIN: 37074-0425) (the "**942 - 944 2nd Avenue East Property**"). A true copy of the parcel abstract for the 942 - 944 2nd Avenue East Property obtained November 10, 2025 is attached hereto as **APPENDIX "B"**.

10. The 942 - 944 2nd Avenue East Property is a three-story building located in downtown Owen Sound, Ontario with a commercial unit on the first floor and a total of twelve residential units on the second and third floors. The first-floor commercial unit is occupied by Artists' Co-Operative. As of the date of this First Report several of the twelve residential units were unoccupied.

11. 11393251 also owns a small parcel of river frontage land (PIN: 37074-0539) directly across from the 942 - 944 2nd Avenue East Property on the west side of 1st Avenue East, Owen Sound, Ontario (the "**River Frontage Land**"). A true copy of the parcel abstract for the River Frontage Land obtained November 10, 2025 is attached hereto as **APPENDIX "C"**.

10603503 Canada Inc.

12. 10603503 was incorporated federally in Canada on January 28, 2018. Pursuant to a corporate profile report obtained by the Receiver which was generated on February 14, 2025 Craig Dunkerly is the sole Director of 10603503.

13. 10603503 is a property management company which owns the real property municipally known as 950 – 956 2nd Avenue East, Owen Sound, Ontario (PIN: 37074-0423) (the "**950 – 956 2nd Avenue East Property**"). A true copy of the parcel abstract for the 950 - 956 2nd Avenue East Property obtained November 10, 2025 is attached hereto as **APPENDIX "D"**.

14. The 950 – 956 2nd Avenue East Property is a two-story building located in downtown Owen Sound, Ontario with two commercial units on the first floor and six residential units on the second. The first floor commercial units are unoccupied. As of the date of this First Report several of the six residential units were unoccupied.

11393235 Canada Inc.

15. 11393235 was incorporated federally in Canada on May 6, 2019. Pursuant to a corporate profile report obtained by the Receiver which was generated on February 14, 2025 Craig Dunkerly is the sole Director of 11393235.

16. 11393235 is a property management company which owns the real property municipally known as 948 2nd Avenue East, Owen Sound, Ontario (PIN: 37074-0424) (the “**948 2nd Avenue East Property**”). A true copy of the parcel abstract for the 948 2nd Avenue East Property obtained November 10, 2025 is attached hereto as **APPENDIX “E”**.

17. The 948 2nd Avenue East Property is a two-story building located in downtown Owen Sound, Ontario with a commercial unit on the first floor and two residential units on the second floor. The first floor commercial unit is occupied by Shanny’s Kitchen Inc. As of the date of this First Report the two residential units were unoccupied.

18. The 950 – 956 2nd Avenue East Property, 942 - 944 2nd Avenue East Property and 948 2nd Avenue East Property are collectively referenced throughout this report as the “**Real Properties**”. The Real Properties are connected to each other on Second Street in downtown Owen Sound, Ontario.

19. Further details about the Companies and the events leading up to the appointment of the Receiver can be found in the affidavit of Hillary Robertson, Senior Credit Risk Manager for Kindred, sworn November 7, 2024, which was filed in support of Kindred’s application.

V. ACTIONS AND ACTIVITIES OF THE RECEIVER

20. Since the date of the Appointment Order the Receiver has undertaken, among other things, the following:

The Real Properties

- a. took possession of the Real Properties on November 21, 2024;
- b. initially retained Guaranteed Property Solutions to manage the Real Properties and then, subsequently, on or around June 19, 2025 retained Richmond Advisory Services Inc. to manage the Real Properties (collectively, the “**Property Manager**”). The Property Manager’s responsibilities are, among other things, the following: (i) attend the Real Properties at least three time per week in order to perform maintenance checks and walkthroughs; (ii) attend to required repairs and ongoing maintenance; (iii) change the locks to the vacant commercial and

- residential units; (iv) notify each of the tenants of the appointment of the Receiver; and, (v) attend to tenant related matters;
- c. registered the Appointment Order on title to the Real Properties;
 - d. arranged for ongoing utility services for the common areas and vacant units;
 - e. retained Bell Property Appraisers and Consultants Inc. to prepare an appraisal of each of the Real Properties;
 - f. reviewed the existing insurance policy and contacted the insurance broker. The existing insurance policy had lapsed and was cancelled in June 2024 for non-payment. As a result, the Receiver obtained property and liability insurance coverage for the Real Properties from its insurance broker, Aon Canada Inc.;
 - g. advised the City of Owen Sound of the Receiver's appointment and requested current property tax certificates which it subsequently received;
 - h. entered into a listing agreement with Exp Realty Brokerage on February 19, 2025 for the purposes listing the Real Properties for sale;
 - i. corresponded through counsel with representatives of the second and third mortgagees of the real properties;
 - j. engaged SZK to provide the Receiver with independent legal opinions on the validity and enforceability of the mortgage security registered on title to the Real Properties by Kindred. Several other parties registered mortgages on title to the Real Properties including 2391628 Ontario Ltd., Oswald Emmanuel Real Estate Inc., Maes Holdings Inc. and Christina Kerr (the "**Subsequent Mortgagees**"). Given that it is anticipated that Kindred will suffer a shortfall on its mortgage debt the Receiver has not obtained an opinion from SZK in respect of the mortgage security registered by the Subsequent Mortgagees on title to the Real Properties;
 - k. engaged Pinchin Ltd. to prepare Phase I Environment Site Assessments for each of the Real Properties;

Other Actions of the Receiver

- l. served Craig Dunkerly with a copy of the Appointment Order by email on November 25, 2024. The Receiver arranged a telephone meeting with Craig Dunkerly on November 26, 2025. During the telephone meeting Craig Dunkerly did not provide any information to the Receiver in respect of the Companies or the Real Properties and refused to provide the Receiver with

the books and records of the Companies. Craig Dunkerly has not co-operated with the Receiver in order to assist it with the administration of these receivership proceedings;

- m. retained SZK to act as the Receiver's independent legal counsel;
- n. prepared and issued the prescribed notices (together, the "**Receiver's Notices**") pursuant to Section 245(1) and 246(1) of the BIA on November 29, 2024. As of the date of this First Report the Receiver has not received cooperation from Craig Dunkerly and, as a result, does not have a complete list of the Companies' creditors. As such, the Receiver sent the Receiver's Notices to those creditors it was aware of;
- o. contacted the CRA to confirm the amounts owing by the Companies for all CRA accounts. A summary of the amounts owing to CRA are set out below.
 - i. 10603503: CRA advised the Receiver that there were no outstanding balances. CRA noted outstanding T2 corporate income tax returns for the fiscal periods ended December 31, 2022 and 2023 as well as outstanding quarterly HST returns for the periods from July 1, 2023 onwards;
 - ii. 11393251: CRA advised the Receiver that there were no outstanding balances. However, the Receiver received a HST notice of assessment from the CRA covering the taxation period January 1 to November 20, 2024 which indicates that there is a balance of \$4,552.54 (the "**HST Debt**") owing to CRA in respect of HST (the "**HST Assessment**"). Because the Kindred Mortgages (defined below) were advanced and registered prior to the taxation period for which the HST Assessment relates the Kindred Mortgages rank in priority to CRA in respect of the HST Debt. Therefore, there will be no distribution to CRA in respect of the HST Debt given that Kindred is expected to suffer a shortfall in respect of its mortgage debt.

CRA noted outstanding T2 corporate income tax returns for the fiscal periods ended December 31, 2021, 2022 and 2023 as well as outstanding quarterly HST returns for the periods from January 1, 2024 onwards;
 - iii. 11393235: CRA advised the Receiver that there were no outstanding balances. CRA noted outstanding T2 corporate income tax returns for the fiscal periods ended December 31, 2022 and 2023 as well as outstanding quarterly HST returns for the periods from July 1, 2023 onwards;

The Receiver is unaware of the location of the Companies' books and records and accordingly is unable to prepare and submit the outstanding returns to the CRA;

- p. provided regular updates to Kindred regarding the administration of the receivership proceedings;
- q. in accordance with paragraph 25 of the Appointment Order, established the Case Website which the Receiver maintains and populates;
- r. responded to the enquiries from various creditors and other stakeholders; and,
- a. prepared this First Report.

VI. ASSETS AND LIABILITIES

Assets

- 21. The only assets of the Companies for which the Receiver is aware are the Real Properties.
- 22. Unless and until Craig Dunkerly provides the Receiver with the Companies books and records, including current accounting records, the Receiver is unable to determine if there are any other assets of the Companies.

Secured Liabilities

Mortgage Security

- 23. As set out above, each of Kindred and the Subsequent Mortgagees have registered mortgage security against title to the Real Properties. Further details regarding the mortgage security is set out below.

PPSA Security

- 24. Pursuant to *Personal Property Security Act (Ontario)* (“**PPSA**”) searches conducted by the Receiver on November 5, 2024 (file currency: November 4, 2024) for each of the Companies the following creditors registered financing statement under the PPSA:
 - a. 10603503: Royal Bank of Canada registered on February 28, 2019; Kindred registered on October 29, 2021;
 - b. 11393251: Kindred registered on November 14, 2024;
 - c. 11393235: Kindred registered on November 14, 2024;

Realty Taxes

25. The Receiver received tax certificates from the City of Owen Sound which indicate that there are unpaid property tax arrears as of December 2, 2024¹ as follows:

950 – 956 2nd Avenue East Property - \$41,928.58

942 - 944 2nd Avenue East Property - \$47,334.43

948 2nd Avenue East - \$16,670.10

Canada Revenue Agency

26. As set out above, based on information provided by the CRA to the Receiver: (a) there are no amounts owing by either 10603503 or 11393235 to CRA; and, (b) the HST Debt is the only amount owing by 11393251 to the CRA. However, this is subject to change if/when the filings are brought up to date. The Receiver requires the books and records of the Companies in order to prepare and file the outstanding returns for each of the Companies. As of the date of this First Report Craig Dunkerly has not provided the Receiver with the location of the Companies books and records nor has he provided any other information requested by the Receiver to complete the outstanding tax filings.

Unsecured Liabilities

27. The Receiver requires additional information from Craig Dunkerly in order to determine who the unsecured creditors are for each of the Companies.

VII. MORTGAGE SECURITY

Kindred

28. Kindred provided the Receiver with a payout statement in respect of each of its mortgage loans to the Companies, a true copy of which is attached to this Report as **APPENDIX “F”**. According to the payout statement, the Companies are indebted to Kindred as follows:

- a. 11393251: mortgage registered on title to the 942 - 944 2nd Avenue East Property on October 28, 2021 as Instrument No. GY237687 and mortgage registered on title to the River Frontage Land registered February 20, 2024 as Instrument No. R565926 - balance outstanding of **\$1,501,584.55** as of October 21, 2025 plus accruing interest and costs;

¹ The Receiver has ordered up-to-date Tax Certificates from the City of Owen Sound and is awaiting receipt of same in order to complete the transactions contemplated herein.

- b. 11393235: mortgage registered on title to the 948 2nd Avenue East Property on December 15, 2022 as Instrument No. GY237685 - balance outstanding of **\$544,274.26** as of October 21, 2025 plus accruing interest and costs;
- c. 10603503: mortgage registered on title to the 950 – 956 2nd Avenue East Property on October 28, 2021 as Instrument No. GY216022 - balance outstanding of **\$909,438.94** as of October 21, 2025 plus accruing interest and costs;

(collectively, the “**Kindred Mortgages**”)

29. The Receiver’s independent legal counsel, SZK, has provided the Receiver with a legal opinion confirming that the Kindred Mortgages are valid, enforceable and the first ranking mortgage on title to each of the Real Properties.

Subsequent Mortgagees

30. Also registered on title to the Real Properties (as evidenced by the parcel abstracts appended to this Report) are the following mortgages:

- a. 942 - 944 2nd Avenue East Property:
 - i. a second mortgage in favour of Christina Kerr with a registered face value of \$250,000; and
 - ii. a third mortgage in favour of 2391628 Ontario Ltd. with a registered face value of \$879,375;
- b. 948 2nd Avenue East Property:
 - i. a second mortgage in favour of Christina Kerr with a registered face value of \$250,000; and
 - ii. a third mortgage in favour of 2391628 Ontario Ltd. with a registered face value of \$879,375;
- c. 950 – 956 2nd Avenue East Property:
 - i. a second mortgage in favour of Oswald Emmanuel Real Estate Inc. with a registered face value of \$350,000;

- ii. a third mortgage in favour of 2391628 Ontario Inc. with a registered face value of \$879,375; and
 - iii. a fourth mortgage in favour of Maes Holdings Inc. with a registered face value of \$600,000;
- d. River Frontage Land:
- i. a first mortgage in favour of 2391628 Ontario Inc. with a registered face value of \$670,000.

31. The Receiver is advised by the law firm for 2391628 Ontario Inc., Horton & Horton, that its client's first mortgage registered on title to the River Frontage Land was not discharged through inadvertence and that no debt is secured by this mortgage.

32. Given that it is anticipated that Kindred will suffer a shortfall on its mortgages the Receiver has not obtained an opinion from its independent legal counsel, SZK, in respect of the mortgage security registered by the Subsequent Mortgagees on title to the Real Properties.

VIII. APPROVAL OF SALE TRANSACTIONS

33. The Receiver obtained narrative appraisal reports from TL Smith Appraisals which included market values of each of the Real Properties as of December 4, 2024 (collectively, the "**Appraisals**"). Copies of the Appraisals with the capitalization/discount rate and market value redacted is attached hereto as **APPENDIX "G"**. Unredacted versions of the Appraisals are attached as **CONFIDENTIAL APPENDIX "A"**.

Sales Process

34. In accordance with paragraphs 3(j) and 3(k) of the Appointment Order the Receiver was empowered and authorized to market and sell any or all of the property of the Companies, subject to Court approval if any sale exceeded the thresholds established in the Appointment Order.

35. The Receiver entered into listing agreements with Exp Realty Brokerage (the "**Realtor**") on February 19, 2025. On February 21, 2025 each of the Real Properties were publicly listed on the Multiple Listing Service for the amounts set out below.

- a. 950 – 956 2nd Avenue East Property and 948 2nd Avenue East Property – combined listing of \$1,800,000;
 - b. 942 - 944 2nd Avenue East Property - \$1,500,000;
- (collectively, the "**Listings**")

942 - 944 2nd Avenue East Property

36. The Realtor received 34 inquires about this real property and conducted 7 tours. The Receiver received 13 offers.

950 – 956 2nd Avenue East Property and 948 2nd Avenue East Property

37. The Realtor received 5 inquires about these real properties and conducted 3 tours. The Receiver received 4 offers.

38. The Realtor's summary of the offers received for each of the Properties is attached hereto as **CONFIDENTIAL APPENDIX "B"**.

Purchase Agreements

942 - 944 2nd Avenue East Property

39. On or about August 22, 2025 the Receiver received an offer from Kepler (the "**Kepler Offer**") which included conditions related to general due diligence and solicitor approval. Over a period of approximately 7 ½ weeks Kepler conducted its due diligence and has advised the Realtor that it has obtained the necessary financing to close the transaction. On October 14, 2025 Kepler waived all remaining conditions. Kepler has paid a total deposit of \$50,000 which is currently held in trust by the Realtor. The only remaining condition under the Kepler Purchase Agreement is obtaining Kepler AVO.

40. The Kepler Offer was the best offer received in terms of price and perceived execution risk vis-a-vis the applicable conditions and willingness and ability of a purchaser to close. A copy of the Kepler Purchase Agreement, with the purchase price redacted, is attached as **APPENDIX "H"**. An unredacted copy of the Kepler Purchase Agreement is attached as **CONFIDENTIAL APPENDIX "C"**.

950 – 956 2nd Avenue East Property and 948 2nd Avenue East Property

41. On April 23, 2025, the Receiver received an offer from Ravi Patel (the "**Patel Offer**") which included conditions related to financing and general due diligence. Over a period of approximately 25 weeks Patel conducted his due diligence and has advised the Realtor that he has obtained the necessary financing to close the transaction. On October 15, 2025 Patel waived all remaining conditions. Patel has paid a total deposit of \$65,000 which is currently held in trust by the Realtor. The only remaining condition under the Patel Purchase Agreement is obtaining Kepler AVO.

42. The Patel Offer was the best offer received in terms of price and perceived execution risk vis-a-vis the applicable conditions and willingness and ability of a purchaser to close. A copy of the Patel Purchase Agreement, with the purchase price redacted, is attached as **APPENDIX "I"**. An unredacted copy of the Patel Purchase Agreement is attached as **CONFIDENTIAL APPENDIX "D"**.

43. On November 11, 2025, Patel sent a signed direction to the Receiver that his corporation 1001320346 Ontario Inc. would take title to the 950 – 956 2nd Avenue East Property and 948 2nd Avenue East Property. A true copy of the Direction Re Title received from Patel is attached as **APPENDIX "J"**.

Receiver's Recommendation – Purchase Agreements

44. The Receiver recommends the approval of both the Kepler Purchase Agreement and the Patel Purchase Agreement (collectively, the “**Purchase Agreements**”) as well as authorization to close both the Kepler Transaction and the Patel Transaction (collectively, the “**Transactions**”) for the following reasons:

- a. the Real Properties have been exposed to the market since February 21, 2025, being approximately 264 days which, in the Receiver’s opinion, provided adequate market exposure;
- b. in the Receiver’s opinion the purchase prices included in both Purchase Agreements is fair market value given the appraised amounts and time exposed to market;
- c. the Transactions are the best offer with the fewest conditions that the Receiver received for the Real Properties;
- d. both Kepler and Patel (collectively, the “**Purchasers**”) have provided the Receiver with non-refundable deposits;
- e. the Purchaser Agreements contemplate that both Purchasers will purchase the respective Real Properties on an “*as is, where is*” basis and that the Receiver is providing no representations or warranties in respect of the Real Properties;
- f. the Receiver is satisfied that both Purchasers are willing and able to close and the Receiver anticipates closing the Transactions within 5 business days of the Kepler AVO and Patel AVO being issued. The short closing time reduces the inherent risks and costs associated with the Receiver remaining in possession and control of the Real Properties;
- g. the Transactions allows the monetization of the Real Properties in accordance with the purpose of the receivership process; and,
- h. The Purchase Agreements are conditional only upon the Court issuing an approval and vesting order in respect of each Transaction and vesting in the Purchasers the respective real property free and clear of any and all encumbrances.

45. For the reasons stated above, the Receiver believes that both Transactions, as contemplated in the Purchase Agreements, are fair and reasonable and represent the highest and best realization for the respective real property in the circumstances.

46. The sale proceeds generated from the Transactions are expected to result in a partial payout of the Kindred Mortgage resulting in Kindred suffering a shortfall. Representatives of Kindred have advised the Receiver that Kindred consents to both Transactions.

47. Accordingly, the Receiver recommends that this Court: (i) approve the Transactions as contemplated by the Purchase Agreements; (ii) authorize completion of the Transactions; and (iii) grant both the Kepler AVO and the Patel AVO.

IX. RECEIVER'S PROPOSED DISTRIBUTION

48. The Receiver proposes the following distribution of the sale proceeds generated from the Kepler Transaction and Patel Transaction (the "**Final Distributions**"):

- a. repayment of the Receiver's Borrowings (defined below);
- b. payment of the amount due on closing for any realty taxes owing to the City of Owen Sound as at the closing date;
- c. payment of the charges due under the Appointment Order and, specifically, the unpaid fees of the Receiver and its counsel, SZK, as approved by this Court; and,
- d. payment of the Kindred Mortgages up to the amount of the total indebtedness owing to Kindred in respect of the Kindred Mortgages, subject to sufficient funds being available to do so in full or in part;

49. Given that Kindred will suffer a shortfall in respect of the Kindred Mortgages, there will be no distribution to any of the Subsequent Mortgagees in respect of their respective mortgage security.

X. FUNDING OF THE RECEIVERSHIP

50. In accordance with paragraph 21 of the Appointment Order, the Receiver is at liberty and empowered to borrow by way of revolving credit facilities or otherwise such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal does not exceed \$250,000. Any such borrowings are to be secured by way of the Receiver's Borrowings Charge (as defined in the Appointment Order). The Receiver's Borrowings Charge ranks ahead of all other interests in favour of any other Person other than Receiver's Charge (as defined in the Appointment Order).

51. As of the date of this First Report, the Receiver has borrowed \$245,000 from Kindred Credit (the "**Receiver's Borrowings**") under Receiver's Certificates (as defined in the Appointment Order) to fund certain costs and expenses of the receivership administration. Attached hereto as **APPENDIX "K"** are copies of the Receiver's Certificates issued to Kindred dated December 5, 2024, February 11, 2025 and July 2, 2025.

XI. RECEIVER'S FINAL STATEMENT OF RECEIPTS AND DISBURSEMENTS

52. Attached hereto at **APPENDIX "L"** is the Receiver's final statement of receipts and disbursements as at November 12, 2025 (defined above as the Final SRD).

XII. RECEIVER'S AND ITS COUNSEL'S ACCOUNTS

53. The fees of the Receiver for the period to October 31, 2025 are detailed in the affidavit of Tom McElroy sworn November 12, 2025, a true copy of which is attached as **APPENDIX "M"**.

54. The Receiver's fees encompass 266.3 hours at an average hourly rate of approximately \$565.93 for a total of \$150,706.50 and applicable taxes. The Receiver is therefore requesting that this Court approve total fees inclusive of applicable taxes in the amount of \$170,298.35.

55. The fees and disbursements of SZK for the period to October 31, 2025 are detailed in the affidavit of Ian Klaiman affirmed November 12, 2025, a true copy of which is attached as **APPENDIX "N"**.

56. SZK's fees encompass 47.3 hours at an average hourly rate of approximately \$593.97 for total fees of \$28,095.00 and accounts totalling \$32,442.27 inclusive of disbursements and applicable taxes. The Receiver is therefore requesting that this Court approve SZK's total fees and disbursements inclusive of applicable taxes in the amount of \$32,442.27.

57. The Receiver is of the view that the hourly rates charged by SZK are consistent with the rates charged by law firms practising in the area of insolvency in the Toronto market and that the fees charged are reasonable and appropriate in the circumstances.

58. Set out on the Final SRD are the Receiver's estimated fee and disbursement accruals required to complete its mandate which accruals include its estimated fees, the estimate fees of SZK, estimate fees and costs of the Property Manager as well as the estimated disbursements of the Receiver to complete its mandate (the "**Estimated Final Accruals**"). The Receiver is of the view that the Estimated Final Accruals are reasonable in the circumstances and is requesting that this Honourable Court approve the Estimated Final Accruals.

XIII. REMAINING ACTIVITIES OF THE RECEIVER

59. In order to complete its mandate, the Receiver intends to, *inter alia*, do the following:

- a. complete both the Kepler Transaction and the Patel Transaction;
- b. make the Final Distributions;
- c. pay the final fees of the Receiver and counsel to the Receiver as set out in the Estimated Final Accruals (defined below);
- d. undertake such other administrative activities as may be required to complete its mandate.

(collectively, the "**Remaining Activities**")


60. Upon the Receiver completing the Remaining Activities set out above it shall file with the Court the Discharge Certificate in order to effect its discharge as Receiver of the Companies.

XIV. RECEIVER'S REQUEST FOR APPROVAL

61. The Receiver respectfully requests an Order of this Honourable Court providing for the relief set out in paragraph 2 of this First Report.

All of which is respectfully submitted this 12th day of November 2025

**ALBERT GELMAN INC., solely in its
capacity as Court-Appointed Receiver
of each of the Companies, and not in
any other capacity**

Per: 

Tom McElroy, *CIRP, LIT*

APPENDIX “A”

Court File No. CV-24-00000236-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE) WEDNESDAY, THE 20
JUSTICE I. Bloom) DAY OF NOVEMBER, 2024



KINDRED CREDIT UNION LIMITED

Applicant

- and -

10603503 CANADA INC., 11393251 CANADA INC. and 11393235 CANADA INC.

Respondent

**ORDER
(appointing Receiver)**

THIS APPLICATION made by the Applicant 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 Albert Gelman Inc. as receiver (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc. (collectively the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including the real properties owned by the Debtors and described in Schedule "A" hereto (collectively the "Real Property") was heard this day at 611-9th Avenue East, Owen Sound, Ontario.

ON READING the affidavit of Hillary Robertson sworn November 7, 2024 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, no one appearing

for the Respondents although duly served as appears from the affidavit of service of Kelsey Evanitski sworn November 7, 2024 and on reading the consent of Albert Gelman 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 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, Albert Gelman Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor and the Real Property, including 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 and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect 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, or cease to perform any contracts of the Debtor;
- (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 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;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) 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;
- (i) 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;

- (j) 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;
- (k) 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 \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$100,000; 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.

- (l) 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 affecting such Property;
- (m) 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;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) 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;

- (p) 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;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) 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.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. 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

9. 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

10. 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

11. 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

12. 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

13. 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") and 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

14. 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

15. 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

16. 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

17. 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

18. 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, and that 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.

19. 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 Central West Region of the Ontario Superior Court of Justice.

20. 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

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow 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, 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.

22. 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.

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

24. 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

25. 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.

26. 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.

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 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 Harrison Pensa LLP, solicitors for the Applicant hereto, 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.

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

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.



SCHEDULE "A"**PIN 37074-0423**

Part Lots 3 and 4, West Side of Poulett Street, Plan Owen Sound, as in R512556
City of Owen Sound, County of Grey

And known municipally as 950-956 2nd Avenue East, Owen Sound, Ontario

PIN 37074-0424

Part Lot 4, West Side of Poulett Street, Plan Owen Sound, as in R288667
City of Owen Sound, County of Grey

And known municipally as 948 2nd Avenue East, Owen Sound, Ontario

PIN 37074-0425

Part Lot 4, West Side of Poulett Street, Plan Owen Sound, as in R278636
City of Owen Sound, County of Grey

And known municipally as 942-944 2nd Avenue East, Owen Sound, Ontario

PIN 37074-0539 – Registry Non-Convert

Part River Frontages on the East Side of the River Sydenham, Plan Owen Sound, lying between the rear of the Town Lots fronting on the West Side of Poulette Street from Lot 1 to 24
City of Owen Sound, County of Grey

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that Albert Gelman Inc., the receiver (the "Receiver") of the assets, undertakings and properties 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the ___ day of _____, 20__ (the "Order") made in an action having Court file number CV-24-00000236-0000 has received as such Receiver from the holder of this certificate (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 notional 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 _____, 20__.

Albert Gelman Inc., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

KINDRED CREDIT UNION LIMITED

- and- 11393251 CANADA INC. et al.

A719

Applicant

Respondents

Court File No. CV-24-00000236-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at
Owen Sound, Ontario

APPLICATION RECORD

Harrison Pensa^{LLP}
Barristers & Solicitors
130 Dufferin Avenue, Suite 1101
London, Ontario N6A 5R2

Michael E. Cassone (LSUC #45073G)
Tel: (519) 679-9660
Fax: (519) 667-3362
mcassone@harrisonpensa.com

Solicitors for the Applicant
MEC/200697

A719

APPENDIX “B”

PROPERTY DESCRIPTION: PT LT 4 W/S POULETT ST PL OWEN SOUND AS IN R278636; OWEN SOUND

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

FIRST CONVERSION FROM BOOK

PIN CREATION DATE:

2006/12/18

OWNERS' NAMES

11393251 CANADA INC.

CAPACITY SHARE

ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:						
** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *						
** AND ESCHEATS OR FORFEITURE TO THE CROWN.						
** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF						
** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY						
** CONVENTION.						
** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 2006/12/18 **						
PLSYDENHM1	1847/01/01	PLAN SUBDIVISION				C
R288317	1990/03/02	BYLAW				C
R292890	1990/07/04	AGREEMENT				C
REMARKS: EASEMENT, R278636						
R293819	1990/08/02	AGREEMENT				C
R528488	2006/09/05	AGREEMENT			THE CORPORATION OF THE CITY OF OWEN SOUND	C
GY187766	2020/06/15	TRANSFER	\$1,500,000	2391628 ONTARIO LTD.	11393251 CANADA INC.	C
REMARKS: PLANNING ACT STATEMENTS.						
GY237687	2022/12/15	CHARGE	\$1,320,000	11393251 CANADA INC.	KINDRED CREDIT UNION LIMITED	C
GY237688	2022/12/15	NO ASSGN RENT GEN		11393251 CANADA INC.	KINDRED CREDIT UNION LIMITED	C
REMARKS: GY237687						

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.

NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
GY238084	2022/12/22	CHARGE	\$879,375	11393251 CANADA INC.	2391628 ONTARIO LTD.	C
GY238681	2023/01/17	CHARGE	\$250,000	11393251 CANADA INC.	KERR, CHRISTINA	C
GY238682	2023/01/17	NO ASSGN RENT GEN <i>REMARKS: GY238681</i>		11393251 CANADA INC.	KERR, CHRISTINA	C
GY238925	2023/01/23	POSTPONEMENT <i>REMARKS: GY238084 TO GY238681.</i>		2391628 ONTARIO LTD.	KERR, CHRISTINA	C
GY239636	2023/02/15	NO CHNG ADDR INST <i>REMARKS: GY238681, GY238682</i>		KERR, CHRISTINA		C
GY265642	2024/11/21	APL COURT ORDER <i>REMARKS: APPOINTING RECEIVER</i>		ONTARIO SUPERIOR COURT OF JUSTICE	ALBERT GELMAN INC.	C

APPENDIX “C”

PROPERTY DESCRIPTION: PT RIVER FRONTAGES ON E/S OF THE RIVER SYDENHAM PL OWEN SOUND LYING BTN THE REAR OF THE TOWN LOTS FRONTING ON THE W SIDE OF POULETTE ST FROM LT 1 TO 24; OWEN SOUND

PROPERTY REMARKS:

ESTATE/QUALIFIER:

RECENTLY:

FIRST CONVERSION FROM BOOK

PIN CREATION DATE:

2006/12/18

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
DATE OF EARLIEST REGISTRATION LOADED: 1847/01/01						
PLSYDENHM1	1847/01/01	PLAN SUBDIVISION				C
R278636	1989/07/04	TRANSFER	\$436,500		STOBBE CONSTRUCTION LIMITED	C
R430335	2000/12/21	NOTICE OF CLAIM			THE CORPORATION OF THE CITY OF OWEN SOUND	C
REMARKS: MULTI						
R563808	2009/12/08	TRANSFER	\$875,000	STOBBE CONSTRUCTION LIMITED	1802364 ONTARIO INC.	C
R564855	2015/08/20	TRANSFER	\$645,000	1802364 ONTARIO INC.	2391628 ONTARIO LTD.	C
R565503	2020/06/18	TRANSFER	\$1,500,000	2391628 ONTARIO LTD.	11393251 CANADA INC.	C
R565505	2020/06/18	CHARGE	\$670,000	11393251 CANADA INC. 11393235 CANADA INC.	2391628 ONTARIO LTD.	C
R565775	2022/11/16	BYLAW		THE CORPORATION OF THE CITY OF OWEN SOUND		C
R565776	2022/11/21	QUIT CLAIM TRNSFR	\$1	THE CORPORATION OF THE CITY OF OWEN SOUND	11393251 CANADA INC.	C
R565926	2024/02/20	CHARGE	\$1,320,000	11393251 CANADA INC.	KINDRED CREDIT UNION LIMITED	C
R566005	2024/11/22	COURT ORDER	\$2	ONTARIO SUPERIOR COURT OF JUSTICE	ALBERT GELMAN INC.	C
REMARKS: APPOINTING RECEIVER						

APPENDIX “D”

PROPERTY DESCRIPTION: PT LT 3 W/S POULETT ST, 4 W/S POULETT ST PL OWEN SOUND AS IN R512556 S/T R512556; OWEN SOUND

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

FIRST CONVERSION FROM BOOK

PIN CREATION DATE:

2006/12/18

OWNERS' NAMES

10603503 CANADA INC.

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:						
** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *						
** AND ESCHEATS OR FORFEITURE TO THE CROWN.						
** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF						
** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY						
** CONVENTION.						
** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 2006/12/18 **						
PLSYDENHM1	1847/01/01	PLAN SUBDIVISION				C
R293819	1990/08/02	AGREEMENT				C
REMARKS: DOCUMENT MISSED AT TIME OF AUTOMATION						
GY167263	2019/03/05	TRANSFER	\$555,555	ZEBROS CAPITAL CORP.	10603503 CANADA INC.	C
REMARKS: PLANNING ACT STATEMENTS.						
GY216022	2021/10/28	CHARGE	\$900,000	10603503 CANADA INC.	KINDRED CREDIT UNION LIMITED	C
GY216023	2021/10/28	NO ASSGN RENT GEN		10603503 CANADA INC.	KINDRED CREDIT UNION LIMITED	C
REMARKS: GY216022						
GY238299	2023/01/04	CHARGE	\$879,375	10603503 CANADA INC.	2391628 ONTARIO LTD.	C
GY239669	2023/02/15	CHARGE	\$350,000	10603503 CANADA INC.	OSWALD EMMANUEL REAL ESTATE INC.	C
GY239670	2023/02/15	NO ASSGN RENT GEN		10603503 CANADA INC.	OSWALD EMMANUEL REAL ESTATE INC.	C
REMARKS: GY239669						

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.

NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
GY239671	2023/02/15	POSTPONEMENT <i>REMARKS: GY238299 TO GY239669, GY239670</i>		2391628 ONTARIO LTD.	OSWALD EMMANUEL REAL ESTATE INC.	C
GY251708	2023/12/07	CHARGE	\$600,000	10603503 CANADA INC.	MAES HOLDINGS INC.	C
GY265642	2024/11/21	APL COURT ORDER <i>REMARKS: APPOINTING RECEIVER</i>		ONTARIO SUPERIOR COURT OF JUSTICE	ALBERT GELMAN INC.	C

APPENDIX “E”

PROPERTY DESCRIPTION: PT LT 4 W/S POULETT ST PL OWEN SOUND AS IN R288667 S/T INTEREST IN R288667; OWEN SOUND

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

FIRST CONVERSION FROM BOOK

PIN CREATION DATE:

2006/12/18

OWNERS' NAMES

11393235 CANADA INC.

CAPACITY SHARE

ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:						
** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *						
** AND ESCHEATS OR FORFEITURE TO THE CROWN.						
** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF						
** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY						
** CONVENTION.						
** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 2006/12/18 **						
PLSYDENHM1	1847/01/01	PLAN SUBDIVISION				C
GY187763	2020/06/15	TRANSFER	\$400,000	METCALFE, LORRIE WILLIAM 2391628 ONTARIO LTD.	11393235 CANADA INC.	C
REMARKS: PLANNING ACT STATEMENTS.						
GY237685	2022/12/15	CHARGE	\$480,000	11393235 CANADA INC.	KINDRED CREDIT UNION LIMITED	C
GY237686	2022/12/15	NO ASSGN RENT GEN		11393235 CANADA INC.	KINDRED CREDIT UNION LIMITED	C
REMARKS: GY237685						
GY238298	2023/01/04	CHARGE	\$879,375	11393235 CANADA INC.	2391628 ONTARIO LTD.	C
GY238679	2023/01/17	CHARGE	\$250,000	11393235 CANADA INC.	KERR, CHRISTINA	C
GY238680	2023/01/17	NO ASSGN RENT GEN		11393235 CANADA INC.	KERR, CHRISTINA	C
REMARKS: GY238679						
GY238926	2023/01/23	POSTPONEMENT		2391628 ONTARIO LTD.	KERR, CHRISTINA	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.

NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

37074-0424 (LT)

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
		<i>REMARKS: GY238298 TO GY238679.</i>				
GY239636	2023/02/15	NO CHNG ADDR INST		KERR, CHRISTINA		C
		<i>REMARKS: GY238679,GY238680</i>				
GY265642	2024/11/21	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	ALBERT GELMAN INC.	C
		<i>REMARKS: APPOINTING RECEIVER</i>				

APPENDIX “F”

October 21, 2025



MEMBER OWNED
SINCE 1964

Albert Gelman Inc.
150 Ferrand Dr., Suite 1503
Toronto, ON M3C 3E5

RE: Mortgage Payout and Discharge Statement
Name: 10603503 Canada Inc.
Address: 950-956 2nd Ave E Owen Sound, ON N4K 2H6
Name: 11393235 Canada Inc.
Address: 948 2nd Ave E, Owen Sound, ON N4K 2H6
Name: 11393251 Canada Inc.
Address: 942-944 2nd Ave E, Owen Sound, ON N4K 2H6

As requested, please find below a mortgage payout and discharge statement, as at *October 21, 2025*, for the above mentioned. This mortgage payout and discharge statement assumes that no other regularly scheduled payments will be made.

Mortgage GY216022 Principal	\$843,051.80	<i>Per Diem-\$96.177</i>
Accrued Interest	66,387.14	
Early Prepayment Charge	<u>0.00</u>	
	*\$909,438.94	
Mortgage GY237685 Principal	\$475,146.79	<i>Per Diem-\$95.511</i>
Accrued Interest	69,127.47	
Early Prepayment Charge	<u>0.00</u>	
	*\$544,274.26	
Mortgage GY237687 Principal	\$1,306,931.23	<i>Per Diem-\$262.711</i>
Accrued Interest	194,653.32	
Early Prepayment Charge	<u>0.00</u>	
	*\$1,501,584.55	
Receiver Loan 10 Principal	\$100,000.00	<i>Per Diem-\$21.096</i>
Accrued Interest	<u>\$7,086.85</u>	
	\$107,086.85	
Receiver Loan 11 Principal	\$70,000.00	<i>Per Diem-\$14.767</i>
Accrued Interest	<u>\$3,856.43</u>	
	\$73,856.43	
Receiver Loan 12 Principal	\$75,000.00	<i>Per Diem-\$15.822</i>
Accrued Interest	<u>\$2,809.11</u>	
	\$77,809.11	
Force Place Insurance	\$26,920.71	<i>Per Diem-\$91.880</i>
Legal Fees paid to date	\$46,680.74	
Legal Fees to close	\$546.37	
Processing Fees	<u>600.00</u>	
	\$74,747.82	
Total of all Liabilities	<u>*\$3,288,797.96</u>	

**This stated amount does not take into consideration the fact that additional liabilities may accrue between the date of this letter and the anticipated payout date. We recommend that you make further enquires of us as to a more accurate payout amount on the day of closing. In any event, we reserve the right to refuse to provide a discharge of the Collateral Demand Mortgage unless we receive sufficient additional funds to discharge additional liabilities or charges accruing to the time the assumed payout amount is received. We therefore recommend that you take alternative steps, such as retaining a holdback for any such additional amounts that may be required, to protect your client's interests.*

I trust that this is satisfactory but should you have any questions, please do not hesitate to contact our office.


Hillary Robertson
Senior Credit Risk Manager

E. & O. Excepted

Head Office

1265 Strasburg Road, Kitchener ON N2R 1S6
Toll Free: 1.888.672.6728 | Fax: 519.746.1045 | www.kindredcu.com

APPENDIX “G”

TL SMITH APPRAISALS

tlsmith121861@yahoo.com

Tracey Smith, P.App: AACI +1 416-220-1842

COMPREHENSIVE APPRAISAL OF A

A COMMERCIAL PROPERTY



LOCATED AT

**950 SECOND AVE E & PIN #370740538,
CITY OF OWEN SOUND,
PROVINCE OF ONTARIO**

AUTHORIZED USER

ALBERT GELMAN INC. & THE ONTARIO COURT OF JUSTICE

EFFECTIVE DATE

DECEMBER 4, 2024

PART 1: LETTER OF TRANSMITTAL

TL SMITH APPRAISALS

tlsmith121861@yahoo.com

Tracey Smith, P.App; AACI +1 416-220-1842

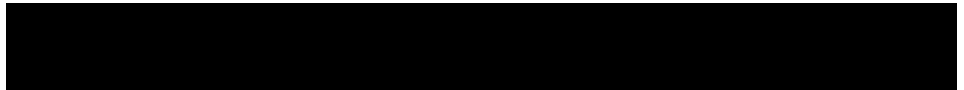
January 20, 2025

Authorized User: Albert Gelman Inc. & The Ontario Court of Justice

Address of Property: 950 Second Ave E & PIN #370740538

Authorized Client: Albert Gelman Inc.

Market Value:



To Whom it may concern,

RE: VALUATION OF A COMMERCIAL PROPERTY LOCATED AT 950 SECOND AVE E & PIN #370740538, CITY OF OWEN SOUND

At your request, I am forwarding to you the enclosed **Comprehensive Appraisal Report** which comprises my valuation of the above described property. The purpose of this report is to estimate the current market value of the subject property. The property rights appraised are those of the Leased Fee Interest and the effective date of my valuation is December 4, 2024, the date of my inspection. The purpose is to assist with a receivership process on the subject property, as of the effective date of this appraisal. Void if used for any other use.

No person or party other than the authorized user specifically identified herein can rely on this report without obtaining written authorization from the author of this report. Such authorization is at the discretion of the author and may only be issued with permission from the client of this report. The report is prepared in accordance with the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP).

Albert Gleman Inc & The Ontario Court of Justice agree that any reliance by *same* on the above-referenced report, is conditional on *Albert Gelman Inc & The Ontario Court of Justice*. agreeing to be bound by all assumptions, limiting conditions and extraordinary items included in the above-referenced report and this reliance letter.

The site is located at 950 Second Ave E and PIN #370740538 in the City of Owen Sound. 950 Second Ave E is

improved with a two storey building with retail on the ground floor and apartments on the second floor. PIN #370740538 appears to be a vacant parcel of land.

It appears there is access to the 948 Second Ave East apartments only through the second level of 950 Second Ave East.

The following appraisal report contains my estimate of market value of the above described property. In my opinion, the estimated current market value of the subject property located at 950 Second Ave E and PIN #370740538, as of the effective date of December 4, 2024 is:



The following report contains the data, analysis and conclusions supporting the valuation. I trust you will find this report satisfactory and that it fulfills its intended purpose.

Respectfully submitted,

Handwritten signature of Tracey Smith in black ink.

Tracey Smith, BA, AACI, P. App.

Handwritten signature of Yehuda Belzberg in black ink.

Yehuda Belzberg Candidate Appraiser

**Photographs of the Subject
Front Views**



Street Views



S

Photographs of the Subject

**Rear Laneway/Rear of Improvements
(from Google maps)**



Rear Laneway and Rear Parking



Photographs of the Subject

Front Door Commercial & Main Floor



Residential Units Apartment & Hallway

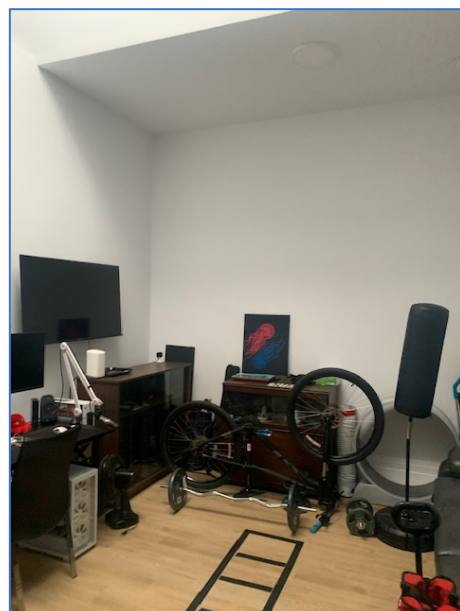


Photographs of the Subject

Hallway



Apartment 5

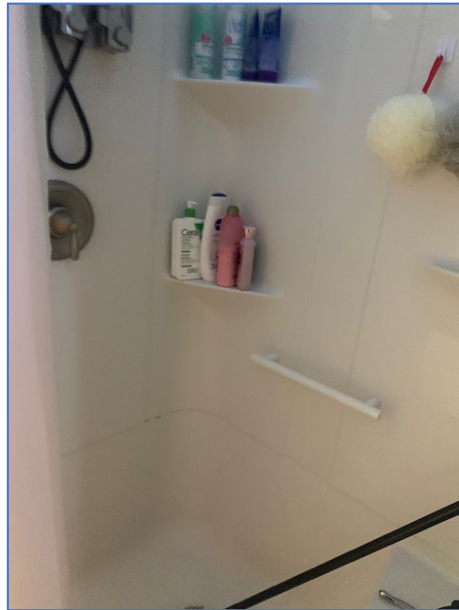


Photographs of the Subject

Apartment 5



Photographs of the Subject



Photographs of the Subject

Washrooms and Building Laundry



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SUMMARY OF SALIENT FACTS

LOCATION OF PROPERTY:	950 Second Ave E & PIN #370740538, City of Owen Sound, Province of Ontario	
LEGAL DESCRIPTION:	950 Second Ave E: Pt Lt 3 W/S Poulett St, 4 W/S Poulett St Pl Owen Sound As In R512556 S/T R512556; Owen Sound PIN #370740538: Pt River Frontages On E/S Of The River Sydenham Pl Owen Sound Lying Btn The Rear Of The Town Lots Fronting On The W Side Of Poulette St From Lt 1 To 24; Owen Sound	
ARN:	950 Second Ave E: 425904003001400 PIN #370740538: 425904003001401	
PIN:	950 Second Ave E:	370740423
	PIN #370740538:	370740538
REGISTERED OWNER:	950 Second Ave E:	10603503 Canada Inc.
	PIN #370740538:	10603503 Canada Inc.
EFFECTIVE DATE OF APPRAISAL:	December 10, 2024	
SUBJECT SITE AREA:	950 Second Ave E:	4,886 sf
	PIN #370740538:	904 sf
IMPROVEMENTS:	8,469 sf two storey commercial building	
PURPOSE OF THE APPRAISAL:	To estimate the current market value of the subject property as of the effective date of the appraisal.	
AUTHORIZED USE OF APPRAISAL:	To assist with a receivership process on the subject property, as of the effective date of this appraisal.	
PROPERTY RIGHTS APPRAISED:	Leased Fee Interest	
OWEN SOUND ZONING:	950 Second Ave E:	C1(14.84) Core Commercial Zone
	PIN #370740538:	ZH Hazzard Zone

HIGHEST AND BEST USE:

Current use is the highest and best use

VALUATION

DIRECT MARKET COMPARISON APPROACH

INCOME APPROACH

FINAL ESTIMATE OF MARKET VALUE



PURPOSE OF THE APPRAISAL

Report Format

The Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) necessitates that an appraisal report be identified as one of the following types of reports:

Current – Refers to an appraisal where the effective date of the report is simultaneous with the date the report was prepared or inspected, where market conditions have not changed materially between the dates.

Retrospective – Refers to an appraisal where the effective date of the report precedes the inspection date or the date the report was prepared and whereby market conditions may be materially different in the time frame between these dates. In this type of appraisal, the “retrospective” value is based on market conditions, perceptions and perspective that existed as of the effective date.

Prospective – Refers to an appraisal where the effective date of the report is after the inspection date or the date the report was prepared. In this type of appraisal, the “prospective” value opinion is intended to reflect the projected market conditions to a future effective date.

Up-Date – Refers to an appraisal where the subject was previously appraised and has not undergone significant changes and/or the time between the effective date of the original appraisal and the up-date is not unreasonably long. It is an extension of a previously completed appraisal, updated to the effective date of the report and is intended for readers familiar with the original report of the subject property.

CUSPAP necessitates that an appraisal report be identified as one of the following types of reports which depends on the needs of the users and appraisers:

Comprehensive – comprehensive and detailed

Concise– concise and briefly descriptive

Form – a standard format combining check off boxes and short narrative comments.

The basic distinguishing difference between each different type of report is the level of detail of presentation.

Classification of the Appraisal

*This is a **Comprehensive Appraisal Report** which is a **Current Valuation** intended to comply with the reporting requirements set forth by CUSPAP. As such, it presents a detailed discussion of the date, reasoning, and analyses that were used in the appraisal process to develop the appraiser’s opinion of value. The depth of discussion contained in this report is specific to the needs of the client and for the authorized use stated below. The appraiser is not responsible for unauthorized use of the report.*

Purpose of the Appraisal

The purpose of this appraisal is to estimate the current market value of a 4,886 sf commercial site improved with a 8,469 sf two storey commercial building located at located at 950 Second Ave E, as well as PIN #370740538, a 904 sf vacant lot, located in the City of Owen Sound, Province of Ontario.

Authorized use of the Appraisal

The authorized use is to assist with a receivership process on the subject property, as of the effective date of this appraisal.

Extraordinary Assumptions

An extraordinary assumption refers to any hypothesis - either fictitious or unconfirmed - which, if not true, could alter the appraiser's opinions or conclusions.

The appraiser could not measure the subject improvements accurately due to not having access to the main level commercial space, however; relied on measurements provided by MPAC. It is assumed that these measurements are accurate and will be utilized in the report.

It appears there is access to the 948 Second Ave East apartments only through the second level of 950 Second Ave East. For the purposes of this appraisal it is assumed that this access will be closed off and that 948 Second Ave E will obtain its own access to the second floor apartments.

The appraiser was provided with some financial information related to the subject property including a rent roll. Not all of the information was provided and thus certain assumptions needed to be made for some of the income. Additionally, the back up information for the rent roll in the form of leases were not provided. Lastly not all the operating expenses were provided. Thus, for the purposes of this appraisal a number of assumptions had to be made for the income and these assumptions are presumed to be accurate. Additionally, the income information that was provided is also assumed to be accurate and was relied upon in this appraisal.

None of the residential apartments were inspected by the appraiser. The information as to the condition of the residential units was taken from information provided by the property manager whose name is Don Lewis whose company name is Guaranteed Property Solutions. This includes four pictures of an apartment provided by the property manager. Due to the inability of the appraiser to inspect these units, the appraiser relied upon the information provided by the property management company and this information is assumed to be accurate.

The subject property of this appraisal includes 950 Second Ave E in Owen Sound as well as a small vacant parcel of land that was 904 sf identified as PIN #370740538. As seen from the aerial picture, it was close to the subject on the west side of 1st Ave E and back onto the river. For the purposes of this appraisal, it is assumed that this parcel of land does not add any value to the subject property due to its size and its proximity to the river would inhibit any type of development on the parcel.

If any of these assumptions are found to be inaccurate or incorrect then the value contained herein is subject to change and/or be VOID.

Extraordinary Limiting Conditions

Extraordinary limiting condition refers to the necessary modification or exclusion of any Appraisal Standard Rule that is outlined in the Standards of Professional Appraisal Practice of the Appraisal Institute of Canada.

There are no extraordinary limiting conditions to the conclusions of this report.

Effective Date

The effective date of this appraisal is December 4, 2024.

Property Rights Appraised

The property rights appraised are those of the Leased Fee Interest in the real estate comprising the property.

History of the Subject

Address: 950 Second Ave E & PIN #370740538, City of Owen Sound, Province of Ontario

Consideration on Record/Registration Date: **950 Second Ave E:** \$555,555; 03/05/2019
PIN #370740538: \$1; 11/22/2022

Registered Owner: **950 Second Ave E:** 10603503 Canada Inc.
PIN #370740538: 10603503 Canada Inc.

According to TREB/MLS the subject property was listed for sale on 09/06/2024 for \$1,675,000 and the listing was terminated on 12/04/2024. No other listings for sale or for lease were found on MLS in the last 36 months. As per Geowarehouse, 950 Second Ave E was last transferred on 03/05/2019 for a consideration of \$555,555. PIN #370740538 was last transferred through a 'Quit Claim Transfer' on 11/22/2022 for a consideration of \$1. It seems that the two properties were transferred to the same owner. The appraiser has had no dealings with the subject property.

Property Assessment

The subject property is assessed for 2024 municipal taxes as follows:

Address: 950 Second Ave E & PIN #370740538, City of Owen Sound, Province of Ontario

Assessed Value 2025: **950 Second Ave E:** \$468,000
PIN #370740538: \$11,100

Property Taxes 2024: **950 Second Ave E:** \$15,099 (based on Owen Sound 2024 Tax Bill)
PIN #370740538: ~\$525/year (estimate)

Scope of the Assignment

The scope of this report outlines our framework for the assignment;

- The City of Owen Sound Zoning By-Law designations were reviewed when possible.
- An interior and exterior inspection was conducted by Jonathan Knell, Candidate Appraiser, on Dec 4, 2024.

- The Comparable Sales and the subject information and areas are based on TREB, MPAC and Land Registry records. The subject size is based on the appraiser's measurements.
- Analysis of the highest and best use of the subject property was completed having regard to the land use controls. I have relied on discussions with municipal planning personnel and my own experience.
- The Direct Market Comparison Approach and the Income Approach was used to estimate the current market value of the subject.
- Sales data was extracted from the Owen Sound Real Estate Board and Land Registry. The comparable sales were inspected and an analysis of the sales was completed.
- Market research consisted of analyzing sales of comparable development sites in the general vicinity of the subject which took place over the past three years.
- The valuation and conclusions are subject to the accuracy of the information readily available.

Definition of Market Value

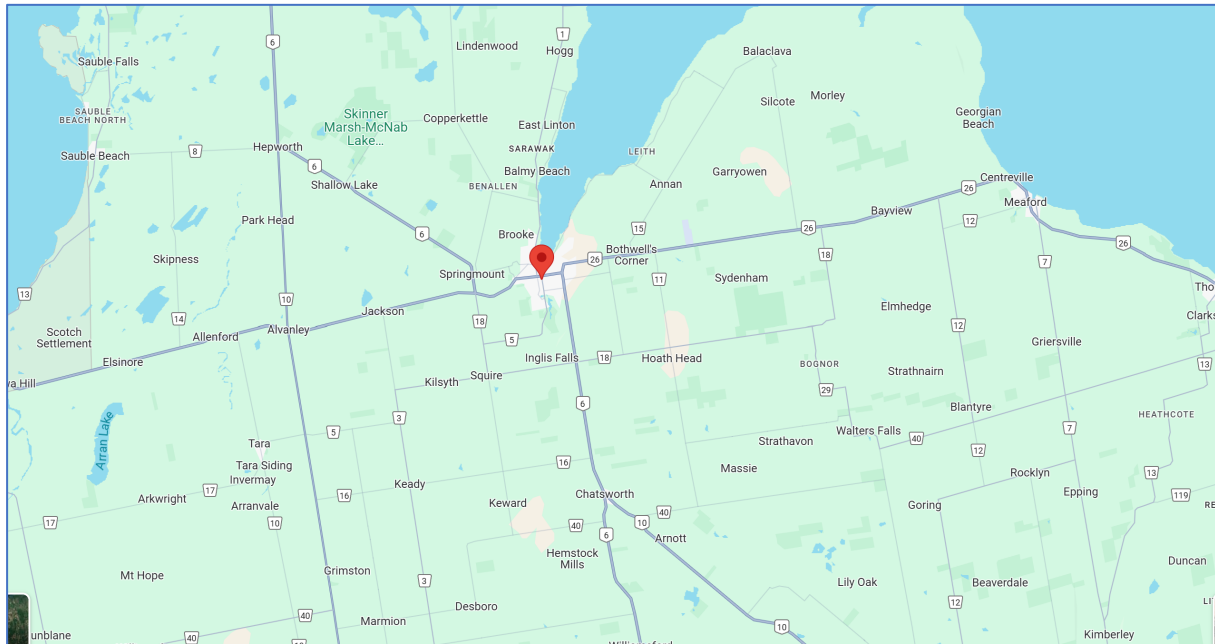
Market value, as defined by the Appraisal Institute of Canada, and as used in this Report is:

"The most probable price in terms of money at which a property should bring in a competitive and open market under all conditions requisite for a fair sale, the buyer and seller each acting prudently and knowledgeably and assuming the price is not affected by any undue stimuli.

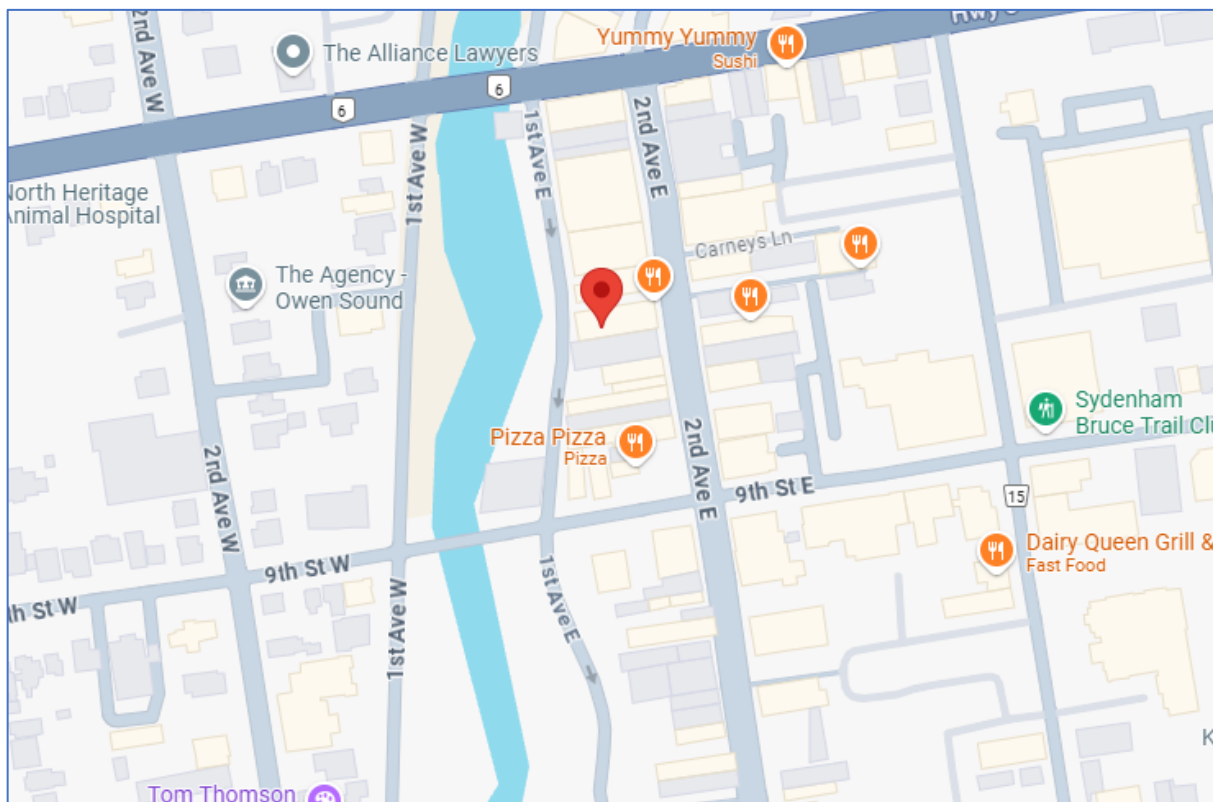
Implicit in this definition are the consummation of a sale as of a specific date and the passage of title from seller to buyer under conditions whereby:

1. *Buyer and seller are typically motivated.*
2. *Both parties are well informed or well advised, and are acting in what they consider their best interest.*
3. *A reasonable time is allowed for exposure in the open market.*
4. *Payment is made in terms of cash and Canadian dollars or in terms of financial arrangements comparable thereto, and*
5. *The price represents the normal consideration for the property sold, unaffected by special or creative financing or sale concessions granted by anyone associated with the sale."*

LOCATION MAP



NEIGHBOURHOOD MAP



MARKET OVERVIEW:

The Bank of Canada on December 11th reduced its target for the overnight rate to 3¼%, with the Bank Rate at 3½% and the deposit rate at 3¼%. The Bank is continuing its policy of balance sheet normalization.

The global economy is evolving largely as expected in the Bank's October Monetary Policy Report (MPR). In the United States, the economy continues to show broad-based strength, with robust consumption and a solid labour market. US inflation has been holding steady, with some price pressures persisting. In the euro area, recent indicators point to weaker growth. In China, recent policy actions combined with strong exports are supporting growth, but household spending remains subdued. Global financial conditions have eased and the Canadian dollar has depreciated in the face of broad-based strength in the US dollar.

In Canada, the economy grew by 1% in the third quarter, somewhat below the Bank's October projection, and the fourth quarter also looks weaker than projected. Third-quarter GDP growth was pulled down by business investment, inventories and exports. In contrast, consumer spending and housing activity both picked up, suggesting lower interest rates are beginning to boost household spending. Historical revisions to the National Accounts have increased the level of GDP over the past three years, largely reflecting higher investment and consumption. The unemployment rate rose to 6.8% in November as employment continued to grow more slowly than the labour force. Wage growth showed some signs of easing, but remains elevated relative to productivity.

A number of policy measures have been announced that will affect the outlook for near-term growth and inflation in Canada. Reductions in targeted immigration levels suggest GDP growth next year will be below the Bank's October forecast. The effects on inflation will likely be more muted, given that lower immigration dampens both demand and supply. Other federal and provincial policies—including a temporary suspension of the GST on some consumer products, one-time payments to individuals, and changes to mortgage rules—will affect the dynamics of demand and inflation. The Bank will look through effects that are temporary and focus on underlying trends to guide its policy decisions.

In addition, the possibility the incoming US administration will impose new tariffs on Canadian exports to the United States has increased uncertainty and clouded the economic outlook.

CPI inflation has been about 2% since the summer, and is expected to average close to the 2% target over the next couple of years. Since October, the upward pressure on inflation from shelter and the downward pressure from goods prices have both moderated as expected. Looking ahead, the GST holiday will temporarily lower inflation but that will be unwound once the GST break ends. Measures of core inflation will help us assess the trend in CPI inflation.

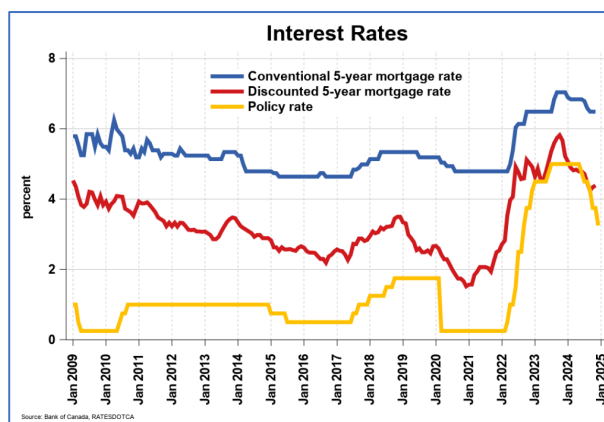
With inflation around 2%, the economy in excess supply, and recent indicators tilted towards softer growth than projected, Governing Council decided to reduce the policy rate by a further 50 basis points to support growth and keep inflation close to the middle of the 1-3% target range. Governing Council has reduced the policy rate substantially since June. Going forward, we will be evaluating the need for further reductions in the policy rate one decision at a time. Our decisions will be guided by incoming information and our assessment of the implications for the inflation outlook. The Bank is committed to maintaining price stability for Canadians by keeping inflation close to the 2% target.

According to Crea Stats, following the Bank of Canada's December 11th statement, the cut was widely expected by financial markets in the lead-up to the decision. This marked the fifth rate reduction since the onset of the pandemic, bringing rates down 1.75% from where they stood in April 2024.

The Canadian economy grew by 1% in the third quarter and is expected to come in weaker than projected according to the Bank of Canada. The Bank made note of a pickup in housing activity, noting that lower interest rates are likely boosting the market. The Bank also noted the employment market remains soft as the unemployment rate rose again November.

While the Bank observed that a number of federal and provincial policy measures will be coming into effect in the near term, they will be looking through any temporary effects and focusing on underlying trends to guide their policy decisions. The Bank stated the possibility of new tariffs on Canadian exports to the United States under the incoming administration has added uncertainty to its economic outlook.

With inflation currently trending around 2% and expected to remain close to that target over the next two years, and the economy still underperforming, the Bank notes it will evaluate the need for further reductions at each successive meeting.



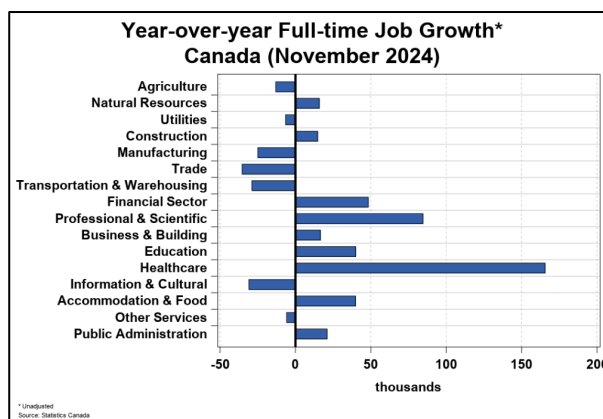
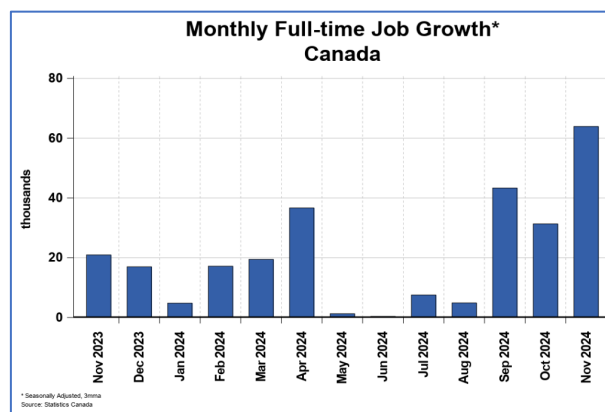
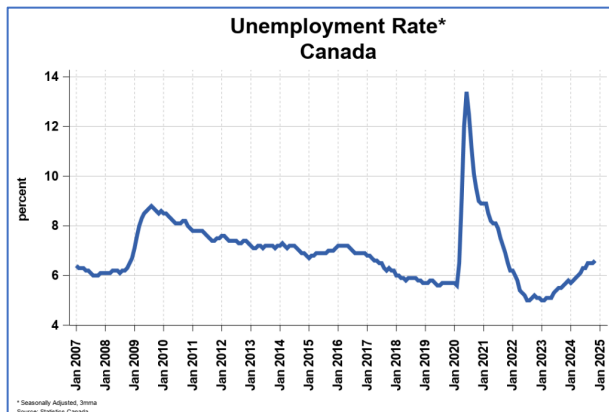
Source: stats.crea.ca

National Employment Trends:

The unemployment rate in Canada was 6.6% as of November 2024, up 0.1% from the previous month. The unemployment rate stood 6.8% below the peak from June 2020 and is below the long-run average.

There were 63,900 more full-time jobs in November 2024 compared to a month earlier. A loss of 26,700 part-time positions led to an increase of 37,200 total jobs in November.

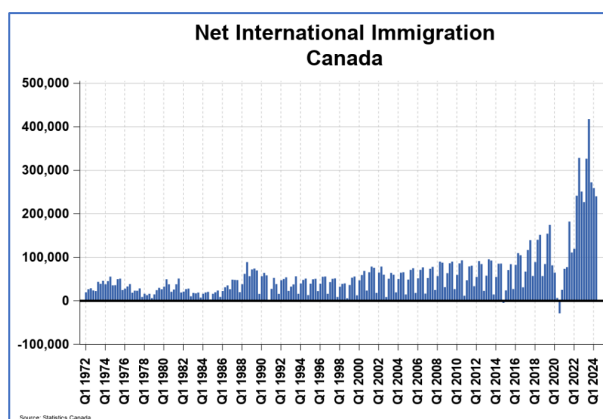
Full-time employment has recovered since reaching a bottom in August 2022 and now stands at a record high.



Source: stats.crea.ca

Changes in Population from Immigration:

International immigration added 240,303 people to Canada’s population in the second quarter of 2024. This was a decrease of 26.5% from the same period in 2023.



Source: stats.crea.ca

www.crea.ca

www.bankofcanada.ca

Greater Toronto Area (GTA) home sales increased strongly on a year-over-year basis in November 2024. Many buyers benefitted from more affordable market conditions brought about by lower borrowing costs. New listings were also up compared to November 2023, but by a much lesser annual rate. This meant that market conditions tightened, resulting in overall average price growth compared to last year.

“As we approach the end of 2024, I am pleased to report an improvement in housing market conditions. Many home buyers patiently waited on the sidelines for reduced inflation and lower borrowing costs. With selling prices remaining well off their historic peak and monthly mortgage payments trending lower, the stage is set for an accelerating market recovery in 2025,” said Toronto Regional Real Estate Board (TRREB) President Jennifer Pearce.

GTA REALTORS® reported 5,875 home sales through TRREB’s MLS® System in November 2024 – up by 40.1 per cent compared to 4,194 sales reported in November 2023. New listings entered into the MLS® System amounted to 11,592 – up by 6.6 per cent year-over-year. On a seasonally adjusted basis, November sales were up month-over-month compared to October.

The MLS® Home Price Index Composite benchmark was down by 1.2 per cent year-over-year in November 2024 – a much lesser annual rate of decline compared to previous months. The average selling price was up by 2.6 per cent compared to November 2023 to \$1,106,050. Year-over-year average price growth was greater than that for the HPI Composite benchmark because of a greater weighting of detached home sales compared to last year. On a seasonally adjusted basis, the average selling price edged slightly lower compared to October.

“Market conditions have tightened, particularly for single-family homes. The detached market segment experienced average annual price growth above the rate of inflation, particularly in the City of Toronto. In contrast, the condominium apartment segment continued to experience lower average selling prices compared to a year ago. Condo buyers are benefitting from a lot of choice and therefore negotiating power. This will attract renter households into homeownership as borrowing costs trend lower in the months ahead,” said TRREB Chief Market Analyst Jason Mercer.

While the rental market will remain relatively well-supplied as more renters transition to homeownership, expect rental demand to pick up as population growth remains high. The rental market could strengthen for both tenants and landlords by reducing the backlog of cases at the Landlord and Tenant Board (LTB).

“Reforming the LTB to make it faster and fairer will go a long way to getting more individuals and families into homes they can afford,” said TRREB CEO John DiMichele.

Source: Toronto Regional Real Estate Board

Canada Economic Data:

Economic Indicators 2016 - 2025										
Annual Data	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Real Sector										
Population (million)	36.1	36.5	37.0	37.5	38.0	38.3	38.7	39.1	39.5	39.9
GDP per capita (USD)	42,409	45,184	46,523	46,401	43,288	49,254	52,048	54,208	56,144	58,042
GDP (USD bn)	1,529	1,649	1,721	1,742	1,644	1,885	2,013	2,119	2,217	2,316
GDP (CAD bn)	2,026	2,141	2,231	2,311	2,204	2,366	2,521	2,645	2,751	2,858
Economic Growth (Nominal GDP, ann. var. %)	1.8	5.7	4.2	3.6	-4.6	7.3	6.6	4.9	4.0	3.9
Economic Growth (GDP, ann. var. %)	1.0	3.0	2.4	1.9	-5.4	5.8	3.8	2.3	2.0	1.7
Domestic Demand (ann. var. %)	0.5	3.3	2.5	1.4	-4.5	5.3	4.0	2.3	2.0	1.8
Private Consumption (ann. var. %)	1.9	3.8	2.5	1.6	-6.1	4.8	4.8	2.7	2.2	1.8
Government Consumption (ann. var. %)	1.8	2.1	2.9	2.0	-1.1	3.6	1.8	1.3	1.4	1.5
Fixed Investment (ann. var. %)	-4.7	3.3	1.8	0.3	-3.6	7.8	3.7	2.3	2.0	1.7
Non-Residential Fixed Investment (ann. var. %)	-12.3	1.9	3.1	1.1	-13.1	2.3	7.7	-	-	-
Exports (G&S, ann. var. %)	1.4	1.4	3.7	1.3	-9.8	7.8	5.8	3.5	2.9	2.3
Imports (G&S, ann. var. %)	0.1	4.6	3.4	0.4	-11.3	8.4	6.0	3.3	2.6	2.0
Industrial Production (ann. var. %)	0.1	3.7	3.7	-0.2	-8.3	7.2	4.3	2.1	1.8	1.4
Retail Sales (ann. var. %)	5.2	7.1	3.0	1.2	-1.7	-	-	-	-	-
Car Sales (million)	1.98	2.08	2.04	1.96	1.57	1.84	1.93	-	-	-
Housing Starts (thousands of units, saar)	198	220	214	208	219	241	218	218	215	213
Home Prices Index (ann. var. %)	9.9	12.1	4.0	1.2	5.9	-	-	-	-	-
Disposable Income (ann. var. %)	0.3	5.0	3.1	3.8	10.0	0.6	2.5	3.9	3.8	3.7
Unemployment (% of active population, aop)	7.1	6.4	5.9	5.7	9.6	7.5	6.3	6.1	6.0	5.8
Wages (ann. var. %)	0.5	2.0	2.6	2.7	6.8	2.7	2.5	3.0	2.7	2.5
Fiscal Balance (% of GDP)	-0.5	-0.1	0.3	0.5	-10.7	-6.4	-3.7	-3.3	-2.9	-2.5
Public Debt (% of GDP)	91.7	88.8	88.8	86.8	117.8	117.2	116.7	114.2	111.8	109.5
Monetary and Financial Sector										
Inflation (CPI, ann. var. %, eop)	1.5	1.9	2.0	2.2	0.7	-	-	-	-	-
Inflation (CPI, ann. var. %, aop)	1.4	1.6	2.3	1.9	0.7	2.0	1.9	2.0	2.0	2.0
Inflation (Core, ann. var. %, aop)	1.9	1.1	1.5	1.8	1.2	-	-	-	-	-
Inflation (PPI, ann. var. %, aop)	-0.2	3.1	3.9	-0.1	-0.5	6.3	2.3	1.9	1.9	2.0
Target for the Overnight Rate (% eop)	0.50	1.00	1.75	1.75	0.25	0.25	0.34	0.89	1.36	1.84
3-Month T-Bill (% eop)	0.48	1.05	1.67	1.66	0.07	0.16	0.40	0.91	1.36	1.81
10-Year Bond Yield (% eop)	1.71	2.06	1.97	1.70	0.68	1.69	1.94	2.23	2.46	2.69
Exchange Rate (CAD per USD, eop)	1.34	1.26	1.36	1.30	1.27	1.25	1.25	1.24	1.24	1.23
Exchange Rate (CAD per USD, aop)	1.32	1.30	1.30	1.33	1.34	1.26	1.25	1.25	1.24	1.23
External Sector										
Current Account Balance (% of GDP)	-3.1	-2.8	-2.3	-2.1	-1.9	-1.5	-1.6	-1.7	-1.8	-2.0
Current Account Balance (USD bn)	-47.2	-46.4	-40.3	-35.7	-31.8	-27.5	-32.3	-36.7	-40.9	-45.4
Merchandise Trade Balance (USD bn)	-18.9	-18.9	-15.3	-11.6	-27.8	-26.0	-24.7	-33.2	-44.0	-57.3
Merchandise Exports (USD bn)	394	424	453	451	391	443	463	489	515	540
Merchandise Imports (USD bn)	413	443	469	462	419	469	488	523	559	597
Foreign Direct Investment (USD bn)	36.1	26.5	43.5	50.3	-	-	-	-	-	-

www.focus-economics.com

City of Owen Sound

Owen Sound, known as the "Scenic City," is the largest urban community in Grey County, Ontario, with a population of approximately 22,000 residents. Located at the mouths of the Pottawatomi and Sydenham Rivers on an inlet of Georgian Bay, it serves as a major port and the primary urban center of the Grey Bruce region.

The city offers an efficient transportation network, including Conventional Transit with four routes operating Monday through Saturday, and Mobility Transit for residents with mobility limitations. Owen Sound is well-connected to other communities through the Grey Transit Route, providing safe and affordable transportation options to various destinations in the area.

Owen Sound is served by several transportation options, making it accessible for residents and visitors. The nearest airport is the Owen Sound Billy Bishop Regional Airport, which offers limited commercial flights and is located just a short drive from the city center. For more extensive travel, Toronto Pearson International Airport is approximately 170 kilometers away, providing a wider range of domestic and international flights.

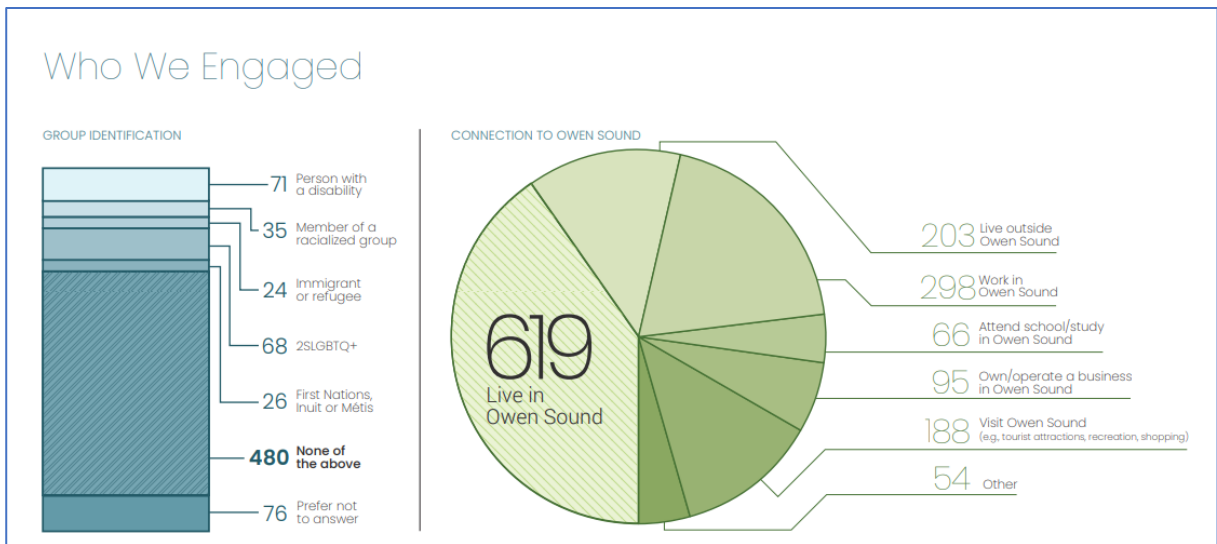
Owen Sound's economy is diverse, with key sectors including healthcare, education, manufacturing, and tourism. Significant employers in the city include local government, healthcare institutions, and educational facilities. The Owen Sound Transportation Company operates seasonal ferry services like the M.S. Chi-Cheemaun, contributing to the local economy alongside transportation services provided by the Grey Transit Route.

The city's proximity to natural attractions such as the Bruce Trail and Harrison Park boosts tourism, creating jobs in hospitality and recreation. Professional opportunities span various fields, including municipal services, healthcare, and education. This diverse economic landscape offers a range of career paths for residents, making Owen Sound an appealing place to live and work.

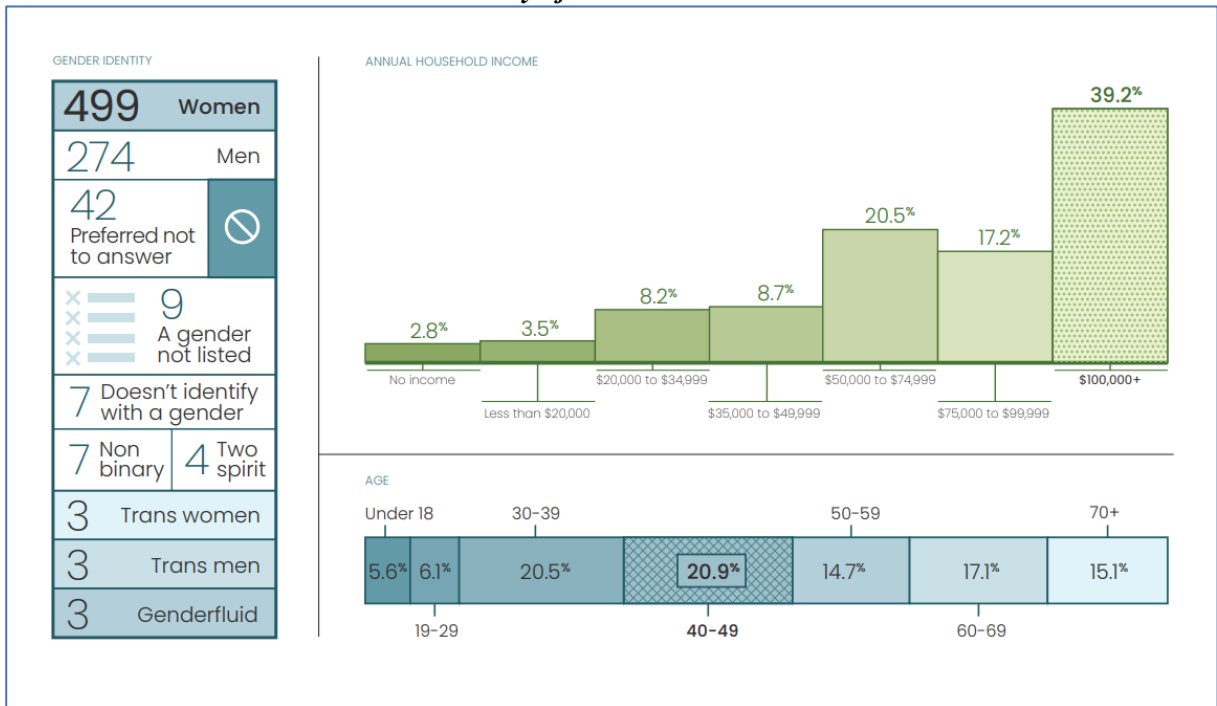
Known for its natural beauty, Owen Sound offers numerous parks, trails, and waterfronts that attract tourists

and provide recreational opportunities. Outdoor enthusiasts can enjoy Harrison Park, Inglis Falls, and the Bruce Trail. The city is also recognized for its cultural heritage, hosting events like the Summerfolk Music and Crafts Festival and the Festival of Northern Lights. Family-friendly attractions include Story Book Park and various seasonal festivals. The local arts scene thrives with venues like the Tom Thomson Art Gallery and the Roxy Theatre.

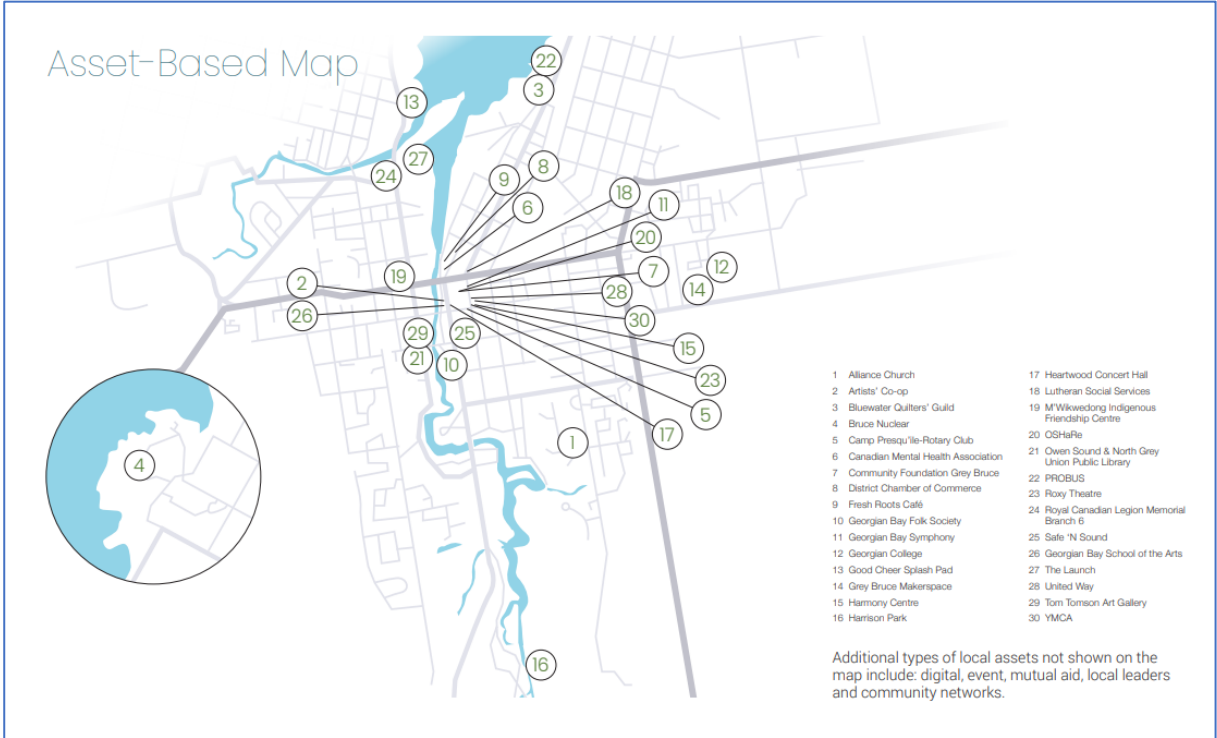
With its rich history, cultural attractions, scenic landscapes, and mix of outdoor adventures and cultural experiences, Owen Sound is a unique and vibrant community that attracts visitors year-round.



Source: City of Owen Sound Website



Source: City of Owen Sound Website



Source: City of Owen Sound Website

Q3 2024 Cap Rates		Δ Q/Q	
Downtown Office		Multifamily	
AA	5.25% - 6.00%	High Rise A	3.50% - 4.75%
A	6.00% - 6.75%	High Rise B	3.75% - 5.00%
B	6.50% - 7.25%	Low Rise A	3.50% - 4.75%
Suburban Office		Low Rise B	3.75% - 5.00%
A	7.25% - 8.00%	New Construction	4.00% - 4.75%
B	8.00% - 8.75%	Seniors Housing	
Industrial		Independent/Assisted Living A	5.75% - 6.50%
A	5.00% - 5.50%	Independent/Assisted Living B	7.25% - 8.00%
B	5.25% - 6.00%	Long Term Care A	7.25% - 7.75%
Retail		Hotel	
Regional	5.25% - 6.75%	Downtown Full Service	5.25% - 6.75%
Power	6.25% - 7.25%	Suburban Limited Service	8.00% - 9.00%
Neighbourhood	5.75% - 6.75%	Focused Service	7.50% - 8.50%
Strip	5.25% - 6.00%		
Strip (non-anchored)	5.50% - 6.50%		
Urban Streetfront	5.00% - 5.50%		
High Street	5.00% - 5.50%		

CBRE Q3 2024 CAP RATE REPORT TORONTO

Q3 2024 Cap Rates		
Downtown Office		Δ Q/Q
AA	N/A	
A	6.00% - 6.75%	◀▶
B	6.50% - 7.25%	◀▶
Suburban Office		
A	6.50% - 7.50%	◀▶
B	7.00% - 7.75%	◀▶
Industrial		
A	5.75% - 6.50%	◀▶
B	6.00% - 7.00%	◀▶
Retail		
Regional	6.00% - 6.50%	◀▶
Power	6.00% - 6.50%	◀▶
Neighbourhood	6.00% - 6.50%	◀▶
Strip	5.50% - 6.35%	◀▶
Strip (non-anchored)	6.00% - 6.50%	◀▶
Urban Streetfront	6.00% - 7.00%	◀▶
High Street	N/A	
Multifamily		
High Rise A	4.25% - 4.75%	◀▶
High Rise B	4.25% - 5.00%	◀▶
Low Rise A	4.25% - 5.25%	◀▶
Low Rise B	4.25% - 5.50%	◀▶
New Construction	4.25% - 4.75%	◀▶
Seniors Housing		
Independent/Assisted Living A	6.25% - 6.75%	▼
Independent/Assisted Living B	7.75% - 8.50%	◀▶
Long Term Care A	7.25% - 7.75%	◀▶
Hotel		
Downtown Full Service	8.00% - 9.25%	◀▶
Suburban Limited Service	9.00% - 10.00%	◀▶
Focused Service	8.50% - 9.50%	◀▶

CBRE Q3 2024 CAP RATE REPORT KITCHENER WATERLOO

Q3 2024 Cap Rates		
Downtown Office		Δ Q/Q
AA	N/A	
A	7.00% - 8.25%	◀▶
B	7.75% - 8.75%	▼
Suburban Office		
A	6.00% - 7.25%	▼
B	6.50% - 8.25%	▼
Industrial		
A	5.25% - 6.25%	▼
B	6.00% - 7.00%	◀▶
Retail		
Regional	6.25% - 7.00%	◀▶
Power	6.25% - 7.25%	◀▶
Neighbourhood	6.00% - 7.50%	◀▶
Strip	6.00% - 7.25%	◀▶
Strip (non-anchored)	6.25% - 7.50%	◀▶
Urban Streetfront	6.75% - 8.25%	▼
High Street	N/A	
Multifamily		
High Rise A	4.00% - 5.25%	◀▶
High Rise B	4.00% - 5.75%	◀▶
Low Rise A	4.25% - 6.00%	◀▶
Low Rise B	4.25% - 6.25%	▼
New Construction	4.50% - 5.25%	◀▶
Seniors Housing		
Independent/Assisted Living A	6.25% - 6.75%	▼
Independent/Assisted Living B	7.75% - 8.50%	◀▶
Long Term Care A	7.25% - 7.75%	◀▶
Hotel		
Downtown Full Service	8.00% - 9.50%	◀▶
Suburban Limited Service	9.00% - 10.00%	◀▶
Focused Service	8.50% - 9.50%	◀▶

CBRE Q3 2024 CAP RATE REPORT LONDON

Downtown Office						
Class A		Class B		Q4 Prediction		
Low	High	Low	High	A	B	
6.00%	6.75%	6.00%	7.25%	↔	↔	

Suburban Office						
Class A		Class B		Q4 Prediction		
Low	High	Low	High	A	B	
6.50%	7.75%	7.50%	9.00%	▲	▲	

Industrial						
Class A		Class B		Q4 Prediction		
Low	High	Low	High	A	B	
5.25%	6.00%	5.25%	6.50%	↔	↔	

Retail						
Regional/Power		Grocery/Community		Neighbourhood/Strip		Q4 Prediction
Low	High	Low	High	Low	High	R G N
5.50%	6.75%	5.50%	6.50%	5.50%	6.50%	↔ ↔ ↔

Multi-Family Apartment						
High-Rise			Low-Rise		Q4 Prediction	
Low	High		Low	High	A	B
3.75%	4.75%		3.75%	4.75%	↔	↔

Colliers Cap Rate Report Q3 2024 Toronto

Downtown Office						
Class A		Class B		Q4 Prediction		
Low	High	Low	High	A	B	
6.00%	6.50%	6.50%	7.00%	↔	↔	

Suburban Office						
Class A		Class B		Q4 Prediction		
Low	High	Low	High	A	B	
6.25%	6.75%	6.50%	7.50%	↔	↔	

Industrial						
Class A		Class B		Q4 Prediction		
Low	High	Low	High	A	B	
5.50%	6.00%	6.00%	7.00%	↔	↔	

Retail						
Regional/Power		Grocery/Community		Neighbourhood/Strip		Q4 Prediction
Low	High	Low	High	Low	High	R G N
5.50%	6.25%	5.50%	6.50%	6.25%	7.50%	↔ ↔ ↔

Multi-Family Apartment						
High-Rise			Low-Rise		Q4 Prediction	
Low	High		Low	High	A	B
3.75%	4.75%		3.75%	4.75%	↔	↔

Colliers Cap Rate Report Q3 2024 Waterloo

Neighbourhood Description

The subject property is located in the downtown area of Owen Sound, Ontario. This mixed-use commercial and residential building is located along a major thoroughfare, with good visibility and accessibility. The subject is located on the west side of Second Ave E, just south of Hwy 6. The surrounding neighborhood features a mix of shops, restaurants, and cultural attractions. Some of these attractions and shops included The Billy Bishop Museum, Sydenham River, and Metro grocery shop. Public transportation is readily available through Owen Sound Transit, and access to Hwy 6 is considered to be good via major arteries. Overall, the subject is considered to be in a desirable location within the City of Owen Sound.

AERIAL PHOTOS
950 Second Ave E



PIN 370740538



DESCRIPTION OF SITE

Location

The subject site is located on the west side of Second Ave E in a well populated area in the City of Owen Sound. The area was fully developed and considered to be an urban location within Owen Sound. There is street parking available in the immediate area.

Site Area

The site totals 5,790 sf. It consists of 2 separate sites which, for the purposes of this appraisal, will be viewed as one combined site. The property at 950 Second Ave E is 4,886 sf and PIN #370740538 is 904 sf. The subject site is mostly rectangular in shape. See aerial view for details.

Services

Second Ave E is a 2-lane paved road and all municipal services including hydro, gas, and water are provided.

Topography and Drainage

The site is level, and it is at grade with the neighbouring properties. No drainage problems were evident on the site.

Soil Characteristics

It is assumed that in view of the size of the structures on the surrounding properties and the subject that those soils within the area are capable of handling reasonable heavy building loads. Based on my inspection of the subject property, no visible contamination was noted. An environmental assessment has not been supplied or reviewed. For the purpose of this appraisal, we have assumed that there are not environmental problems or concerns.

DESCRIPTION OF IMPROVEMENTS

The building was viewed on December 4, 2024. Currently the building is vacant on the main floor. Access could not be obtained as no key for the front commercial doors was located. There are 6 renovated apartments above. Looking through the window the main floor commercial space appeared renovated. The space was improved with laminate floor cover, drywall ceiling and walls. Although appearing vacant, the space appeared to be clean and tidy. The subject building fronts onto 2nd Avenue East and backs onto 1st Avenue East. Past the rear of the building, on the west side of 1st Ave East there is a Water inlet similar to a canal which travels north to a marina/boat docks and further onto Georgian Bay. The building has parking in front for the various business. There is parking at the rear but no customer entrance at the back of the building. The weather was snowy and wet on the day of viewing. The basement does appear to be dry with no water leaking visible or smell of moisture noticed by the appraiser.

The building was not measured as access could not be obtained. There are entrances at the front for the commercial units and one for the residential units upstairs. The street at the front is asphalt and the rear was snow covered but assumed to be asphalt as well.

The subject building is a two-storey building with brick veneer exterior. The building appears to be concrete block and brick veneer. The roof was flat and not seen. The building sides immediately to there neighbouring buildings on each side. As per MPAC the building totalled 8,469 sf with a ground floor of 4,480 sf and a second floor of 3,989 sf. There was also a full basement.

The appraiser was able to view three residential units in this building. Photographs could only be taken in one unit as the other two viewed had people present and photographs were declined. The appraiser can confirm all five units were renovated. They all appeared very similar in terms of improvements and materials used. All were clean, tidy and well maintained. The apartments overall were above average condition.

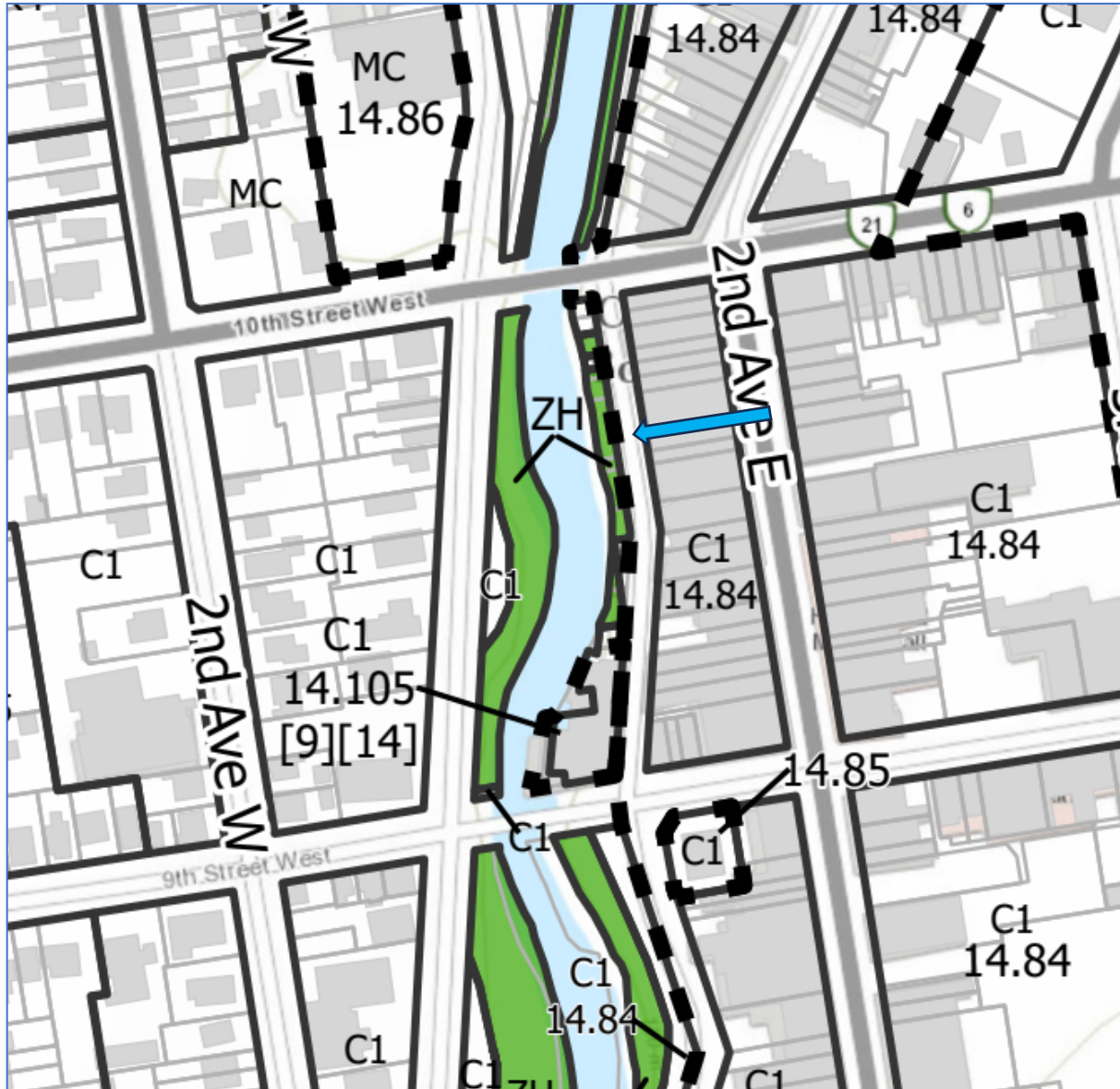
It appears there is access to the 948 Second Ave East apartments only through the second level of 950 Second Ave East.

Apartment 5 is a two-bedroom, one kitchen, 1 x 3-pc washroom, living area. The apartment appears renovated. The floor cover is laminate throughout, the walls and ceiling are drywall. The 3-pc washroom is improved with a shower insert, toilet and premade vanity. There is a ductless split for heat and air conditioning. The kitchen is improved with wood cabinets and laminate counter tops. The unit was found to be clean, tidy and well maintained during the viewing. The ceiling height was approximately 10 ft 9 inches, and the widows are vinyl.

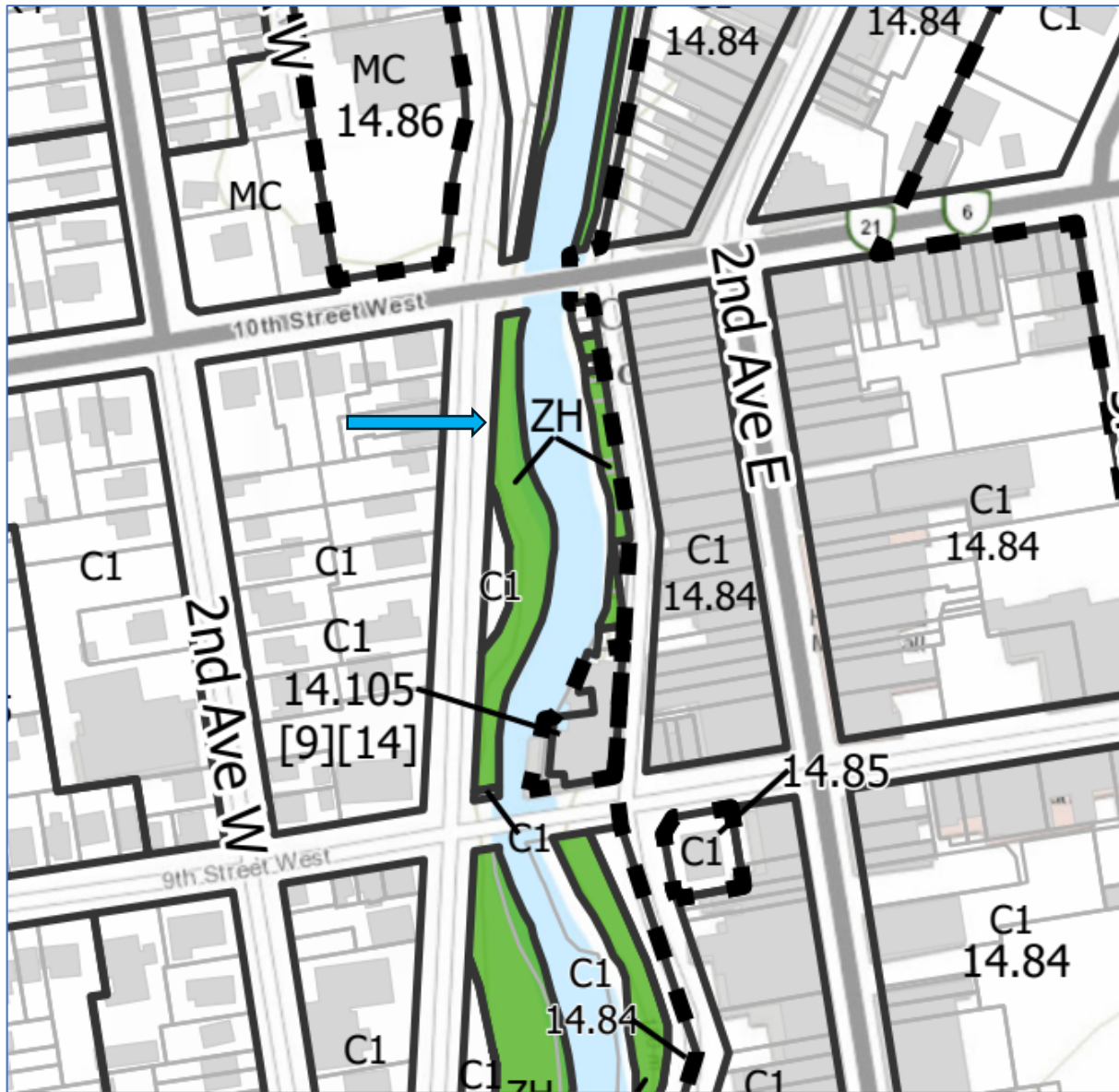
The subject building was originally built in the 1880s. Overall, the building is considered to be average plus condition.

LAND USE CONTROLS
City of Owen Sound Zoning

950 Second Ave E:



PIN #370740538:



The subject 950 Second Ave E is zoned C1(14.84); Core Commercial Zone. PIN #370740538 is zoned ZH; Hazard Zone.

Permitted uses in a C1 zone:

Uses	Uses Permitted In Zone					
	C1	C2	C3	C4	C5 (Section 14.82)	MC
Automotive Rental Establishment		●	●	●		
Automotive Body/Repair Shop (see Section 5.16.1)		●	●	●		
Automotive Washing Establishments		●				
Catering Services	●	●				
Clinics	●	●	●	●	●	●
Commercial Schools	●	●	●	●		●
Commercial Use	●	●	●	●	●	●
Community Centre	●					
Community Lifestyle Facilities	●	●		●	●	●
Convenience Stores	●	●	●	●	●	●
Crisis Residence	●	●	●	●		●
Day Nursery	●	●	●	●		●
Drinking Establishments	●	●			●	●
Financial Institutions	●	●	●	●	●	●
Funeral Homes	●	●	●	●		
Gas Bar		●	●		●	

Uses	Uses Permitted In Zone					
	C1	C2	C3	C4	C5 (Section 14.82)	MC
Grocery Store	●	●	●		●	
Group Home	●					●
Group Residence	●	●	●	●		●
Hotels	●	●		●		●
Laundromat	●	●				●
Libraries	●	●		●		●
Long Term Care Facility	●		●	●		●
Marinas						●
Museums/Galleries	●	●	●	●		●
Offices	●	●	●	●	●	●
Parking Area or Structure	●				●	●
Personal Service Use	●	●	●	●	●	●
Place of Worship (see Section 5.17.4)	●	●	●	●		●
Printing and Publishing Establishments	●	●				
Public Park (see Section 5.17.5)	●	●	●	●	●	●
Public Uses	●	●		●		●
Rental Stores, Media	●	●	●			●
Repair Stores	●	●				●
Restaurants	●	●		●	●	●
Restaurants, Drive-Thru		●		●	●	
Retail Stores	●	●	●	●	●	●
Schools (see Section 5.17.3)	●	●		●		●
Self Serve Use	●	●		●		
Service Uses	●	●				●
Shopping Centres	●	●		●	●	●
Storage, Indoor	●					●
Studios	●	●	●	●		●
Transportation Depot	●					●

Uses	Uses Permitted In Zone					
	C1	C2	C3	C4	C5 (Section 14.82)	MC
Industrial Use, Accessory (see Sec. 5.17.13)	●	●				●
Vehicle Sales Establishments		●				
Veterinarian Clinics	●	●		●		
Wholesale Establishments	●	●		●		
RESIDENTIAL						
Dwelling, Single Detached	●*	●	●			●*
Dwelling, Semi Detached	●*		●			●*
Dwelling, Duplex	●*		●			●*
Dwelling, Converted	●	●	●	●		●
Dwelling, Townhouse	●*		●			●
Dwelling, Apartment	●	●	●	●		●
Dwelling Units in combination with a permitted non-residential use	●	●	●	●		●

Permitted uses in a ZH zone:

Uses	Uses Permitted in Zone
Boat Launch and Dock Facility	●
Public Park (see Section 5.17.5)	●
Works and facilities in connection with the prevention of erosion, flood control, pedestrian access, protection of vegetation and wildlife	●

950 Second Ave E consists of a commercial building. The zoning designation C1 appears to allow for a wide range of commercial uses as well as residential uses. The subject consisted of retail space on the main floor and residential units on the second floor. Thus, the subject appears to be a legal conforming use.

PIN #370740538 consists of a vacant lot. The zoning designation ZH appears to allow for docking facilities, a public park, and facilities in connection with protecting wildlife and vegetation. The subject consisted of vacant parcel of land.

Thus, the subject building at 950 Second Ave E appears to be a legal conforming use. The vacant parcel does not appear to have much value as there are only a minimal number of permitted uses. It is currently vacant and thus considered to be a legal conforming use.

HIGHEST AND BEST USE

Highest and Best Use

Real estate is valued in terms of its highest and best use. Highest and best use is defined as:

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability

*Source: The Dictionary of Real Estate Appraisal
Third Edition, 1993
Appraisal Institute*

To properly analyze highest and best use, two determinations must be made. First, the highest and best development of the site as though vacant and available for use is made. Second, the highest and best use of the property as improved is analyzed and estimated. The highest and best use of both the land as though vacant and the property as improved must meet four criteria: physically possible, legally permissible, financially feasible, and maximally productive. Of the uses that satisfy the first three tests, the use that produces the highest price or value consistent with the rate of return warranted by the market is the maximally productive use.

Subject Property – As Though Vacant

Physically Possible

Analysis of the site characteristics and nearby improvements in the area indicates the subject site could adequately support physical development.

Legally Permissible

The subject properties are zoned C1 and ZH. As mentioned above it is assumed that the subject is a legal conforming use as per the current zoning.

Financially Feasible

Commercial uses are financially feasible as some of the available land has been developed with commercial or mixed-commercial residential buildings and demand for them has been steady.

As Vacant

The subject property is best suited for a commercial or residential development to the maximum density permitted under existing zoning by-laws, as if vacant.

As Improved

The zoning allows for commercial and residential uses. The current improvements consist of a two-storey commercial building with retail space on the ground floor and residential units on the second floor. Thus, it is considered to be the highest and best use of the subject, as improved.

VALUATION TECHNIQUE

Valuation Premise

The market for any real estate consists of those entities that can benefit from the highest and best use of a particular property and, accordingly, are willing and able to pay a competitive price. In most cases, for any particular property the market is represented by a fairly clearly defined group of individuals or financial entities. The valuation contained in this document attempts to replicate the analysis that a prospective purchaser would likely use.

Method of Valuation

The three traditional approaches to value, Cost, Direct Comparison, and Income Capitalization, have been considered in estimating the market value for the subject property. Based upon the available market data and the likely motivations of the typical purchaser, the Direct Comparison Approach and the Income Approach using a form of Direct Capitalization have formed the primary basis of our reconciliation of a final estimate of value. The Cost Approach has not been developed. While investors are generally aware of replacement cost, they place little reliance on the fully developed Cost Approach when determining a value for acquisition purposes.

The Income Approach is presented first followed by the Direct Market Comparison Approach which is in turn followed by Reconciliation and a Final Estimate of Value.

Reasonable Exposure Time

Exposure time may be defined as follows:

"The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market."

The subject is located within a developed mixed commercial/residential area. A reasonable exposure time of 6 weeks - 6 months is estimated.

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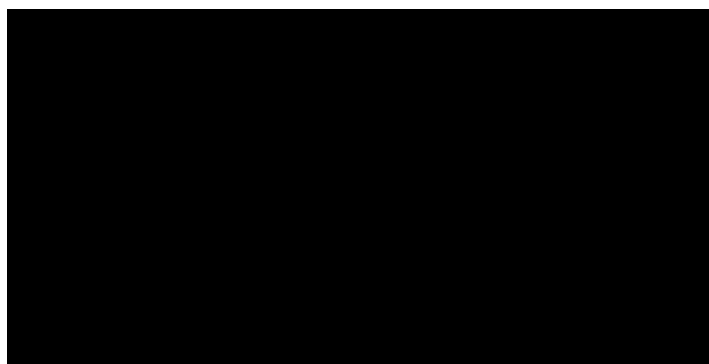
INCOME APPROACH

The Income Capitalization Approach includes an analysis of the market for similar comparable properties that have leased within a meaningful timeframe, and a pro forma estimation of a Year 1 stabilized net operating income is developed.

The Income Capitalization Approach is developed, which typically converts an estimate of a single year's income expectancy into an indication of value using an appropriate capitalization rate. After analysis of pertinent data to select an appropriate capitalization rate, the net operating income is stabilized and capitalized to an estimation of current market value.

Subject Occupancy

The subject property consisted of 2 commercial units on the ground floor that were vacant as of the effective date and 6 residential units above. Below is a rent roll of the residential units that was provided to the appraiser by the client:



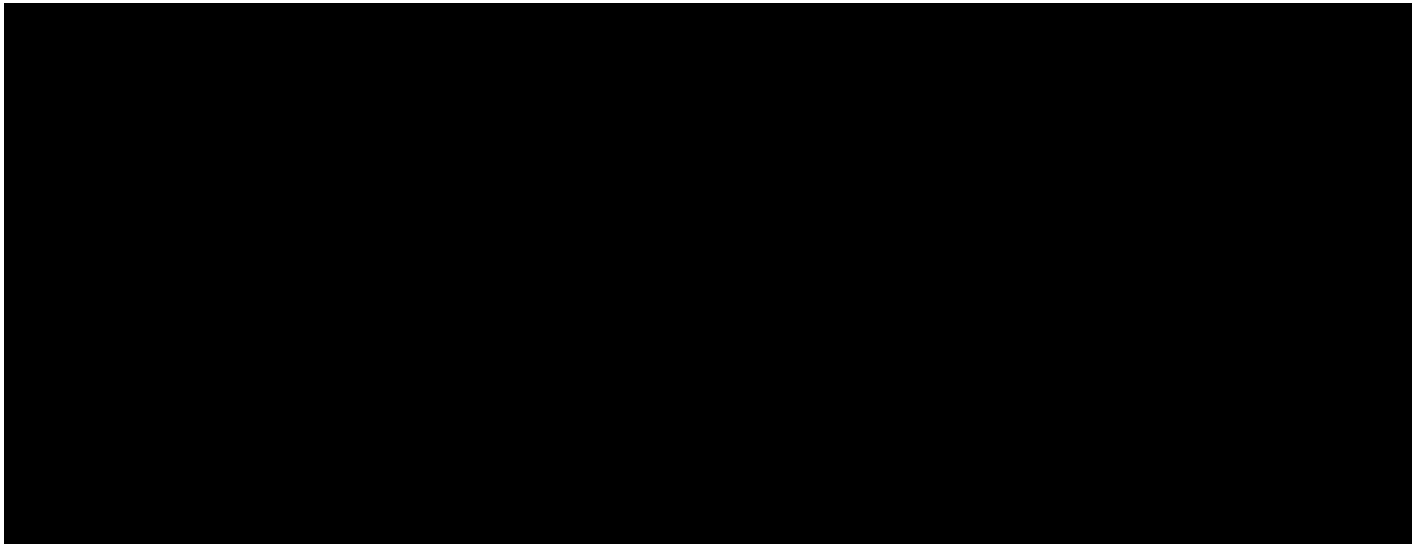
As is noted above, it appears that two units were occupied but the rent was unknown with the other 4 units being occupied and the rent provided. The appraiser analyzed the market rental rates in order to determine a rental rate to apply to the vacant units.

	Apartment Lease Rates						
#	Location, Owen Sound	Date	# of Bedrooms	Condition	Monthly Rate	Utilities Included	Parking Included
1	876 7th Ave W #2	01/30/2024	2	Dated	\$1,600	No	Yes
2	489 14th St W	06/11/2024	2	Average	\$1,750	No	Yes
3	820 20th St E	10/18/2024	2	Average	\$2,200	No	Yes
4	1723 8th Ave E #107	05/26/2024	2	Good	\$2,500	No	Yes
5	80 9th St E #702	04/25/2024	2	Good	\$2,525	No	Yes
6	845 2nd Ave E #205	07/08/2024	2	Good	\$2,550	No	Yes

Residential Lease Rate Analysis Summary

There were 6 lease rates analyzed for two bedroom units. The rates range from \$1,600/month to \$2,550/month. The subject units appeared to be updated and were in above average condition. This would point towards a rental rate at the mid/upper end of the range. The appraiser also noted that the highest rent achieved in the subject building was \$2,000/month. This appears to be towards the middle of the range. It is possible based on the market analysis that a slightly higher rental rate can be achieved for a unit as of the effective date. Due to rent control it is the in place contractual lease rates that will be utilized in the analysis with the market lease rate being \$2,000/month or slightly

higher. This indicates the possibility of increasing the rents on some of the other units as tenants vacant as some of the rental rates were far below this amount. As two of the units were occupied with the rents unknown the appraiser made an assumption that the in place rent for those units was an average of the rent of the other four units where the rental amount was known. The average rent for the other four units was \$1,637. This amount will be assumed for the two units with the rent unknown.



The ground floor unit was vacant. Thus a market lease rate was assumed for the ground floor space.

Market Rent

A survey of **commercial lease rates** was done and shown below:

Commercial Lease Rates							
#	Location, Owen Sound	Date	Size/sf	Rental Rate/SF	TMI	Gross Rent	Comments
1	882 2nd Ave E	01/16/2024	1,185	\$15.70	\$0.00	\$15.70	Average condition
2	1023 2nd Ave E	02/19/2024	1,200	\$15.50	\$0.00	\$15.50	Average condition
3	677 6th St E C1	01/30/2024	450	\$26.67	\$0.00	\$26.67	Average condition
4	776 2nd Ave E	07/31/2024	1,400	\$8.14	\$0.00	\$8.14	Average condition
5	925 16th St E #1	04/23/2024	1,800	\$26.00	\$0.00	\$26.00	Average condition
6	879 10th St W	04/04/2024	1,400	\$14.00	\$0.00	\$14.00	Average condition
7	345 8th St E #101	02/13/2024	1,480	\$25.86	\$0.00	\$25.86	Good location

Variances are largely a result of differences in location, use, unit size, and condition.

Commercial Lease Rate Analysis Summary

There were 7 lease rates analyzed. The comparable lease rates range from \$8.14/sf - \$26.67 sf on a gross basis. The main floor space of the subject appeared to be in average condition. There was an additional basement as well. The main floor space of the subject was 4,480 sf which is larger than of the comparable lease rates. This would point towards a lease rate at the lower end of the range as typically larger spaces would lease at a lower price per square foot. Thus a lease rate of \$11/sf gross is considered appropriate for the subject and will be utilized in the analysis. When applied to the subject's 4,480 sf this results in an annual gross income of \$49,280.

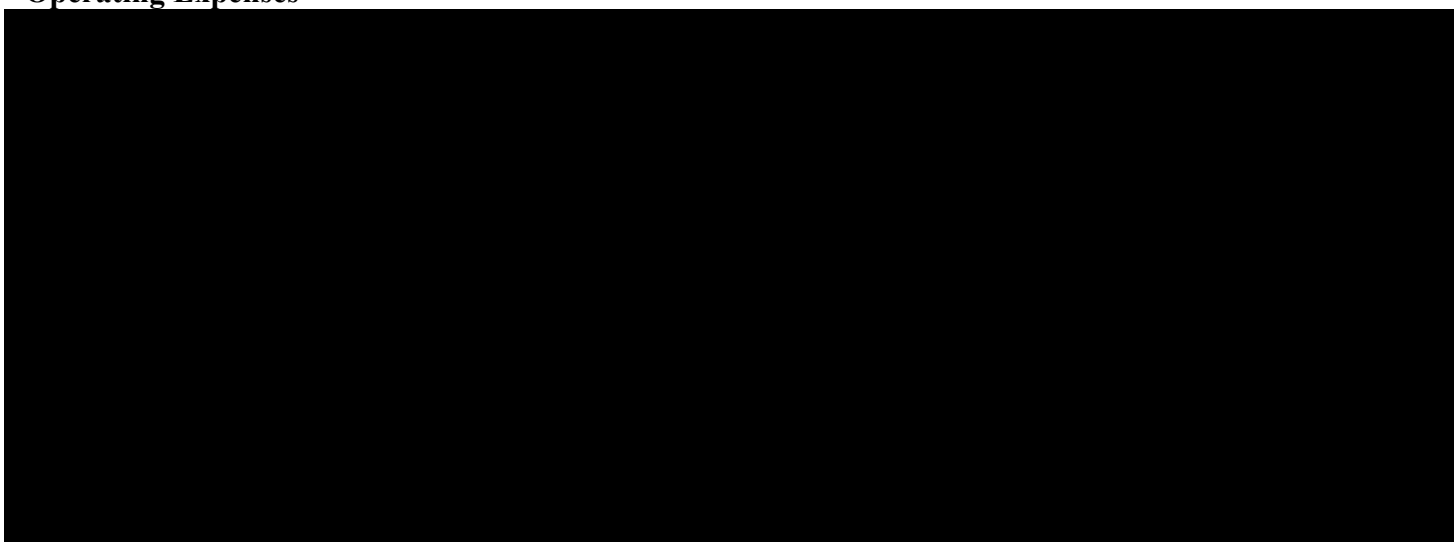
General Vacancy

The subject is located in a desirable area within the City of Owen Sound. As per the October 2024 CMHC report for Owen Sound, the vacancy rate was 1.7% for residential units. Below is a summary of the information from CMHC:

	Vacancy Rate	Average Rent	Median Rent	# of units
Owen Sound	1.7	\$1,159	\$1,063	2,055

The appraiser did note that as of the effective date of the appraisal, there were two units vacant with a third unit that was being vacated shortly after the effective date. Additionally, the main floor of the subject was occupied by a retail tenant and commercial vacancy rates are generally much higher than residential vacancy rates. Based on the aforementioned a blended bad debt/vacancy rate of 8% will be utilized for the subject property.

Operating Expenses



Property Management:



Structural Reserve:



Capitalization Technique

In the evaluation of real property, the marketplace has proven that there is a relationship between the income and value. In light of this, the Appraiser methodology has several tools available to measure this relationship, resulting in an estimate of value to the subject property through the capitalization of the Net Income. In today's marketplace, two methods are widely accepted which may yield a good estimate of value. These methods are the Mortgage Equity Capitalization Technique and the Direct Capitalization Technique. It is the Direct Capitalization Technique which will be used in this report.

The Direct Capitalization Technique involves the analysis of sales of similar types of properties to derive a relationship between the selling price and the Annual Net Operating Income. This overall rate is expected to represent what an informed, prudent and rational investor is requiring for similar competitive properties in the marketplace. Similar refers to similarities with respect to risk and durability of income or investment return of specific properties. The Direct Capitalization Technique is usually an excellent means of estimating Market Value when revenue producing properties are the subject matter. This technique is especially useful where standard or typical type of revenue producing properties are concerned. I have investigated the market for sales of similar properties to determine an appropriate capitalization rate for the subject. I have included various comparable which are considered to reasonably provide an estimated capitalization rate for the subject.

Not all of the comparable sales developed in the Direct Comparison Approach had reliable income information from which to develop going-in capitalization rates. Consequently, we went back to the market to widen the search and develop yield rates for comparable properties in the broader market.

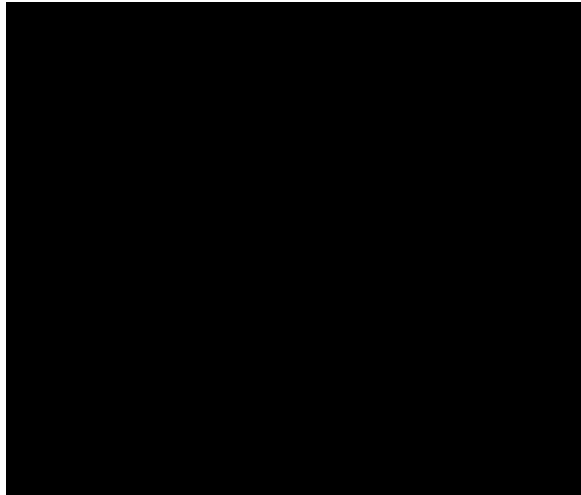
The following is a summary of my findings:

No.	Sale Date	Location	Type	Estimated Net Income	Sale Price	Going In Capitalization Rate
1	09/26/2024	669 Elgin St, Port Elgin	Multi Family	\$125,000	\$2,500,000	5.00%
2	08/30/2024	74 John St W, Bradford	Retail/Residential	\$130,000	\$2,000,000	6.50%
3	06/21/2024	27 Hooper Rd, Barrie	Industrial	\$197,400	\$4,200,000	4.70%
4	04/16/2024	37 W Holland St, Bradford	Retail/Residential	\$160,650	\$2,975,000	5.40%
5	06/14/2023	18 Boucher St W, Meaford	Hospitality	\$125,280	\$1,080,000	11.60%
6	12/05/2023	521-527 Bay St, Midland	Retail/Residential	\$173,070	\$2,700,000	6.41%
7	12/30/2024	504 Dundas St N, Cambridge	Retail	\$96,040	\$1,400,000	6.86%
8	08/28/2024	1591 London Line, Sarnia	Retail	\$60,000	\$1,000,000	6.00%
9	04/16/2024	725 Bridge St W, Waterloo	Office	\$629,375	\$6,625,000	9.50%
10	03/28/2024	9755 Northville Cres, Thedford	Self Storage	\$100,000	\$1,070,000	9.35%
11	08/20/2024	1038 King St W, Hamilton	Retail/Residential	\$305,100	\$4,500,000	6.78%
12	10/03/2023	143 St Paul Cres, St Catharines	Retail	\$144,625	\$2,225,000	6.50%
13	04/03/2023	364 Scott St, St Catharines	Retail	\$94,500	\$1,575,000	6.00%
14	06/16/2022	992 3rd Ave E, Owen Sound	Multi Family	\$61,000	\$700,000	8.71%
15	05/26/2023	418 Sherman Ave, Hamilton	Retail	\$108,000	\$1,475,000	7.32%

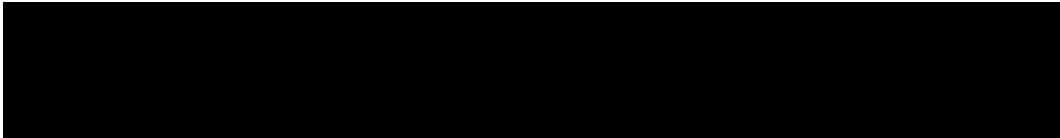
Summary

Capitalization rates on similar commercial/residential buildings in Owen Sound were difficult to find. As such, the appraiser chose to extend the search parameters to include time, locations, and different types of improvements that would offer a similar demand. It was difficult to find comparable sales with capitalization rates. Consequently, the appraiser went back to the market to widen the search and develop yield rates for comparable properties in the broader market. The following sales were utilized in developing the overall capitalization rate for the subject property. The sales demonstrate an unadjusted going in capitalization rates that range from a low of 4.7% to a high of 11.6%. Capitalization rate #3 is the sale of an industrial property that was located in Barrie. Barrie is considered to be a superior market than the subject. This sale sets the low end of the range. Sale #5 was the sale of a hospitality asset in Meaford. Hospitality assets are considered risky and less desirable overall than a retail residential property such as the subject. This sale sets the upper end of the range. The appraiser noted that the subject was located in Owen Sound which was considered to be an inferior market than many of the capitalization rates that were located in Hamilton, Bradford, Cambridge, Waterloo etc. This points towards a higher capitalization rate for the subject. The subject was

in average plus condition. This points towards a lower capitalization rate as it did not appear that extensive renovations were needed. However, the appraiser also noted that most of the rental rates in the building appeared to be close to the market rental rates indicating less upside potential in the rents. This would point towards a higher capitalization rate. The subject was a mixed use asset with retail on the ground floor and residential on the upper floors. Overall, this is considered to be a desirable asset and that would point towards a lower capitalization rate than some other asset classes such as self-storage or hospitality. As per the CBRE Q3 2024 capitalization rate reports, the capitalization rate for Urban Street front properties in London was 6.75% - 8.25% and in Kitchener/Waterloo the range was 6% - 7%. Both of these markets were considered to be superior than Owen Sound which would point towards a capitalization rate for the subject that was higher than this range. Based on all the aforementioned information, a capitalization rate towards the higher end of the range of [REDACTED] % will be utilized.



Thus, the final value estimate by the Income Approach, as of the effective date of this appraisal is:



DIRECT MARKET COMPARISON APPROACH

The following are details of the most comparable improved sales in the area followed by an analysis of the data and a conclusion as to an estimate of market value.

Sale #	Location	Sale Price	Sale Date	Improvement Size (sf)	Price Per SF	Site Size (sf)
1	52 Sykes St S, Meaford	\$370,000	10/18/2023	2,680	\$138	2,590
2	136 Victoria St, Chatsworth	\$370,000	10/15/2024	2,015	\$184	17,424
3	1104 8th St E, Owen Sound	\$375,000	06/29/2023	1,152	\$326	8,712
4	8 Collingwood St E, Meaford	\$600,000	05/01/2024	6,100	\$98	7,800
5	1095 1st St W, Owen Sound	\$610,000	05/01/2024	6,698	\$91	15,921
6	705 3rd Ave E, Owen Sound	\$650,000	12/03/2022	2,983	\$218	5,170
7	992 3rd Ave E, Owen Sound	\$700,000	06/16/2022	5,060	\$138	5,250
8	975 2nd Ave E, Owen Sound	\$755,000	12/23/2022	7,200	\$105	2,450
9	122 Hurontario St, Collingwood	\$1,600,000	10/25/2024	4,705	\$340	3,465
10	1029 4th Ave W, Owen Sound	\$1,300,000	11/10/2022	12,000	\$108	35,208
S	950 Second Ave E & PIN 370740538	N/A	N/A	8,469	N/A	5,784

Adjustments to Sales Data

The sales selected for this analysis are compared to the subject property and appropriate adjustments for the elements of comparison are considered. Elements of comparison analysed in this valuation include real property rights conveyed, financing terms, conditions of sale, market conditions, location, physical characteristics, building size, site size, economic characteristics and use considerations. The analysis is based on a direct market approach. The subject property was analyzed and compared to the comparable sales and the metric of comparison was the price per square foot of improvements with adjustments made as necessary for the items considered and mentioned above.

Sale 1
52 Sykes St S, Meaford



Sold Date:	10/18/2023
Purchase Price:	\$370,000
Vendor:	Han Jooyan
Legal Description:	Pt Lt 529 Pl 309 Meaford As In R503729; Meaford
Site Size:	35' x 74'; total site size 2,590 sf
Improvement Size:	2,680 sf
Price per Square Foot:	\$138

Remarks: This is the sale of a two-storey commercial property located at 52 Sykes St S in Meaford, Ontario. It occupies a corner lot in a desirable location and features a 2,680 sq ft improvement. The property is in fair condition. The site measures 35 x 74 feet, and the property has a basement.

Sale 2
136 Victoria St, Chatsworth



Sold date:	10/15/2024
Purchase price:	\$370,000
Legal:	Lt 1-2 Pl 123 Holland; Chatsworth
Lot size:	132' x 132'; total site size 17,424 sf
Improvement size:	2,015 sf
Price per Square Foot:	\$184

Remarks: This is the sale of a one storey, commercial property with an attached residential unit located at 136 Victoria St in Chatsworth. The location offers good exposure along Victoria St and Front St, situated on a corner lot. The property provides ample parking. The improvements were in good condition and the building included a finished basement. The main level was being uses as a local general store and restaurant, with 1-bedroom residential unit attached at the back.

Sale 3
1104 8th St E, Owen Sound



Sold Date:	06/29/2023
Purchase Price:	\$375,000
Vendor:	The W.R. Van Wyck Group Limited
Legal Description:	Lt 79 P1 8 Owen Sound; Owen Sound
Lot Size:	66' x 132', total site size: 8,712 sf
Improvement Size:	1,152 sf
Sale Price per sf:	\$326

Remarks: This is the sale of a commercial property known as the "Bradbury House," located at 1104 8th St E in Owen Sound. The building has a total area of 1,152 sq ft and is zoned for office use. It featured one washroom and provided on-site parking for five vehicles. The site measured 66 x 132 feet, and the basement was unfinished, offering additional storage space. The property consisted of two storeys and was in good condition overall.

Sale 4
8 Collingwood St E, Meaford



Sold Date:	05/01/2024
Purchase Price:	\$600,000
Vendor:	Five Point Developments Inc.
PIN:	371080176
Site Size:	60' x 130'; total site size 7,800 sf
Improvement Size:	6,100 sf
Price per Square Foot:	\$98

Remarks: This is the sale of a two storey, commercial building located at 8 Collingwood St E in Meaford. The property, previously utilized as a theater, had been converted to retail and residential use. The property was in a state of disrepair at the time of sale. The property had a basement and on-site parking for eight vehicles.

Sale 5
1095 1st St W, Owen Sound



Sold Date:	05/01/2024
Purchase Price:	\$610,000
Legal Description:	Pt Lt 5 E/S Stephen St And N/S Frost St Pl Owen Sound; Pt Rdal In Front Of Lt 5 E/S Stephen St And N/S Frost St To The River Pl Owen Sound (Aka Le Marchand Place); Owen Sound
Site Size:	183' x 87'
Improvement Size:	6,698 sf
Price per Square Foot:	\$91

Remarks: This is the sale of a multi-use commercial property located at 1095 1st St W in Owen Sound. The building featured a total area of 6,698 sq ft and consisted of two storeys. It was situated in the River District, with one large commercial space of 4,000 sq ft and two additional units of 1,000 sq ft each. The site property included 20 parking spaces. The improvements were in poor condition, requiring extensive repairs.

Sale 6
705 3rd Ave E, Owen Sound



Sold Date:	12/03/2022
Purchase Price:	\$650,000
Legal Description:	Pt Lt 18 E/S Scrope St Pl Owen Sound As In R255136; Owen Sound
Vendor:	Franklin Vickers & Barbara Vickers-Holland, David Holland
Site Size:	47' x 110'; total site size 5,170
Improvement Size:	2,983 sf
Price per Square Foot:	\$218

Remarks: This is the sale of a two storey, residential property located at 705 3rd Ave in Owen Sound. The building featured a total area of 2,983 sq ft. It included four separate rental units: three 1-bedroom units and one 2-bedroom unit, with the main floor unit offering potential for additional bedroom conversion. The property was in good condition and had 3 parking spaces available.

Sale 7
992 3rd Ave E, Owen Sound



Sold Date:	06/16/2022
Purchase Price:	\$700,000
Legal Description:	Lt 14 Rcp 850 Owen Sound S/T R234392; Owen Sound
Vendor:	Kpln Property Management Inc
Site Size:	50' x 105'; total site size 5,250 sf
Improvement Size:	5,060 sf
Capitalization Rate:	8.7%
Price per Square Foot:	\$138

Remarks: This is the sale of a three storey, 12-unit apartment building located at 992 3rd Ave E in Owen Sound. The property featured a total area of 5,060 sq ft and consisted entirely of one-bedroom units, all of which were fully occupied. The building was in fair condition, with some units renovated and newer windows installed throughout. The site provided parking.

Sale 8
975 2nd Ave E, Owen Sound



Sold Date:	12/23/2022
Purchase Price:	\$755,000
Legal Description:	Lt 38 Rep 850 Owen Sound S/T Interest In R137134; Owen Sound
Vendor:	Kyliunn Corp
Site Size:	25' x 98'; total site size 2,450 sf
Improvement Size:	7,200 sf
Price per Square Foot:	\$105

Remarks: This is the sale of a three storey, multi-unit apartment building located at 975 2nd Ave in Owen Sound. The property featured a total area of 7,200 sq ft and consisted of 13 one-bedroom units, all fully occupied. The building included a basement, and there were 5 parking spaces available for tenants. The property was used as a rooming house and appeared to be in inferior condition to the subject.

Sale 9
122 Hurontario St, Collingwood



Sold Date:	10/25/2024
Purchase Price:	\$1,600,000
Vendor:	Brac Properties Ltd.
PIN:	582860114
Site Size:	21' x 165'; total site size 3,465 sf
Improvement Size:	4,705 sf
Price per Square Foot:	\$340

Remarks: This is the sale of a two storey, commercial building located in Collingwood. The ground floor was tenanted by Bell and the second floor consisted of two apartments. The site provided parking. The condition of the improvements was considered to be superior than the subject and the location was superior.

Sale 10
1029 4th Ave W, Owen Sound



Sold Date: 11/10/2022
Purchase Price: \$1,300,000
Vendor: Southbridge Health Care Gp Inc
PIN: 370520164
Site Size: 216' x 163'; total site size 35,208 sf
Improvement Size: 12,000 sf
Price per Square Foot: \$108

Remarks: This is the sale of a single storey commercial building that was most recently used as a long term care home. The improvements were 12,000 sf located on a 35,208 sf site. The location was considered to be inferior than the subject and the condition was considered to be inferior.

DIRECT MARKET COMPARISON CHART						
	Location	Sale Date/Sale Price Price /SF	Description of Improvements	Improvement/Condition	Site Size	Overall Adjustments
S	950 Second Ave E & PIN #370740538	N/A	8,469 sf Retail/Residential Unfinished basement	Average plus	5,784 sf	
1	52 Sykes St S, Meaford ↑↑	10/18/2023 \$370,000 \$138	2,680 sf ↓↓↓ Retail/Residential	Inferior ↑	2,590 sf ↑	↑
2	136 Victoria St, Chatsworth ↑↑↑	10/15/2024 \$370,000 \$184	2,015 sf ↓↓↓↓ Retail/Residential Finished basement ↓↓	Similar	17,424 sf ↓	↓↓↓↓↓
3	1104 8th St E, Owen Sound ↑	06/29/2023 \$375,000 \$326	1,152 sf ↓↓↓↓↓↓ Office/Residential	Superior ↓	8,712 sf ↓	↓↓↓↓↓↓↓
4	8 Collingwood St E, Meaford ↑↑	05/01/2024 \$600,000 \$98	6,100 sf ↓ Retail/Residential	Inferior ↑↑↑	7,800 sf ↓	↑↑↑
5	1095 1st St W, Owen Sound ↑↑	05/01/2024 \$610,000 \$91	6,698 sf ↓ Office/Residential	Inferior ↑↑↑	15,921 sf ↓	↑↑↑
6	705 3rd Ave E, Owen Sound ↑↑	12/03/2022 \$650,000 \$218	2,983 sf ↓↓↓ Multifamily ↓↓	Superior ↓↓	5,170 sf	↓↓↓↓↓
7	992 3rd Ave E, Owen Sound ↑	06/16/2022 ↓ \$700,000 \$138	5,060 sf ↓ Multi Family ↓↓	Inferior ↑↑↑	5,250 sf	-
8	975 2nd Ave E, Owen Sound	12/23/2022 \$755,000 \$105	7,200 sf ↓ Retail/Residential	Inferior ↑↑↑	2,450 sf ↑	↑↑↑
9	122 Hurontario St, Collingwood ↓↓	10/25/2024 \$1,600,000 \$340	4,705 sf ↓↓ Retail/Residential	Superior ↓↓	3,465 sf ↑	↓↓↓↓↓

10	1029 4 th Ave W, Owen Sound ↑	11/10/2022 \$1,300,000 \$108	12,000 sf ↑↑ Long term care	Inferior ↑↑	35,208 ↓↓	↑↑↑
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Analysis of Comparable Sales

Sale Date:

In a changing market, it may be necessary to adjust sale prices to reflect the time difference between the sale date of a comparable and the date of valuation. It appears demand for similar properties in the area has remained stable over the last ~15 months. Sale #7 occurred during superior market conditions before many of the interest rate hikes that occurred and thus it needed a downward adjustment.

Property Rights Conveyed:

In the sales analysis, it is important the pertinent property rights of the comparable sales are similar to the subject property. No adjustments were deemed necessary.

Financing Terms:

Due to differing financial arrangements, the sale price of differing properties may be different. More favourable financing may include a Vendor Take Back Mortgage and a lower rate than the current market rate. This situation may result in a positive influence on the sale price. Conversely, a higher VTB interest rate may also affect the sale price. No adjustments were necessary.

Conditions of Sale:

The motivations of the purchaser and vendor may affect the sale price and adjustments for these types of sales are necessary as in some cases, these motivations may affect the sale price. For example, a property that is under power of sale may require a certain sense of urgency on the part of the seller/lender, causing a lower sale price than otherwise would be attained if the property had adequate marketing time on the real estate market. Other instances include land assembly whereby the purchaser has a need to pay a higher price in order to acquire a certain piece of property. No adjustments were necessary.

Location:

An adjustment for location may be needed when the location characteristics of a comparable property is different from the subject property. The subject property was located in a desirable location within Owen Sound. Sale #9 was located in a superior location. The other remaining comparable sales with the exception of sale #8 were all in inferior locations than the subject. Adjustments were made accordingly.

Improvements

The improvements were in average plus condition. Sales #3, #6, and #9 were considered to be in superior condition with sales #1, #4, #5, #7, #8 and #10 being in inferior condition. Adjustments were made accordingly.

The subject totalled 8,469 sf. Typically, smaller improvements sell at a higher price per square foot than larger improvements. The reverse is also true. All the comparable sales with the exception of sale #10 were of improvements that were smaller than the subject and thus they all needed downward adjustments. Sale #10 needed an upward adjustment.

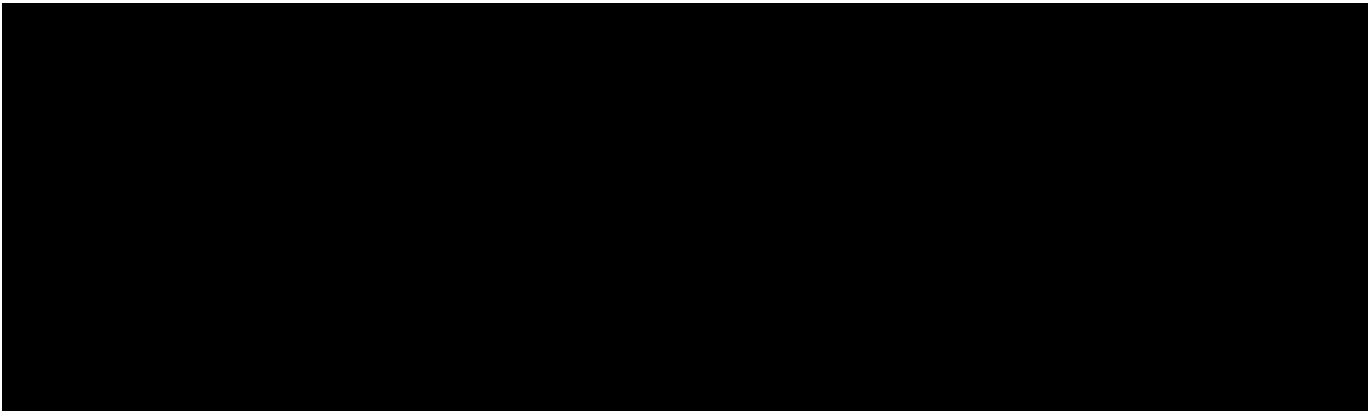
The subject did not have a finished basement whereas sale #2 did have a finished basement. Thus this sale needed a downward adjustment.

The subject consisted of a mixed use building with the main floor being commercial and the upper floor being residential. Sales #6 and #7 were both exclusively used for residential and were multifamily buildings which is considered to be a more desirable asset class. Thus these sales needed downward adjustments.

Site Size

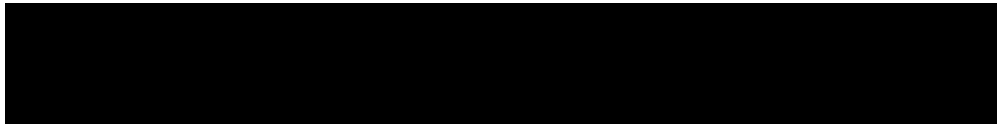
Sales #1, #8 and #9 were on sites that were smaller than the subject site. Sales #2, #3, #4, #5, and #10 were all on larger sites than the subject. Adjustments were made accordingly.

Conclusion:



In this regard, with consideration given to the assumptions and limiting conditions contained herein, it is felt that the subject, should reasonably achieve a price per square foot of \$ [redacted] /sf. When applied to the subject's 8,469 sf this results in an overall estimate of value of [redacted] (rounded).

Thus, the final value estimate by the Direct Market Comparison Approach, as of the effective date of this appraisal is:



DIRECT MARKET COMPARISON MAP



RECONCILIATION AND FINAL ESTIMATE OF VALUE

Between the various approaches, the following estimated market values were concluded:

VALUATION

Income Approach – *Direct Capitalization*

Direct Comparison Approach



Each of the valuation methods has a varying degree of applicability with respect to the subject building. In the case of the Cost Approach, the determination of physical and functional depreciation is difficult and thus this approach is somewhat less reliable and therefore has not been developed. Further, while investors are generally aware of replacement cost, they place little reliance on the fully developed Cost Approach when determining a value for acquisition purposes.

The Income Approach using a form of the Direct Capitalization was analyzed. The property had 2 commercial units and 6 residential units. This approach was given some weight as part of the final estimate of value as the property is an income producing property with 7 units. Thus, many buyers would be looking at the subject as an investment and focused on the cash flow.

The Direct Comparison Approach produced 10 sales of commercial properties with varying degrees of comparability to the subject. The range of prices is most heavily influenced by location, building and lot size, condition and quality of the improvements, use, and the prevailing market conditions at the time of sale. This approach was also considered as part of the final estimate of value. Many properties such as the subject are bought by end users that are more focused on this approach. However, the subject is larger in size than the typical urban street front property and thus some buyers would be focused on the income as mentioned above.

Based on the aforementioned, the Income Approach was given the most weight as part of the final estimate of value. The Income Approach is strongly supported by both the Direct Market Comparison Approach.

Thus, in my opinion, the estimated current market value of the subject property effective date December 4, 2024 is:



UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

SUBJECT	942 Second Ave E & PIN #370740539, Province of Ontario
REAL PROPERTY INTEREST	Leased Fee Interest
EFFECTIVE DATE	December 4, 2024

AT THE REQUEST OF OUR CLIENT, I HAVE INSPECTED THE PROPERTY DESCRIBED IN THIS REPORT AND CONSIDERED ANY RELEVANT MATTERS WITH RESPECT TO FORMING AN OPINION OF CURRENT MARKET VALUE OF THE PROPERTY, IN ORDER TO ASSIST ALBERT GELMAN INC. AND THE ONTARIO COURT OF JUSTICE IN A RECEIVERSHIP PROCESS ON THE SUBJECT PROPERTY. THIS APPRAISAL IS VOID IF USED FOR ANY OTHER PURPOSE.

The certification that appears in this report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice (“CUSPAP”) and the following conditions:

1. This report is prepared only for ALBERT GELMAN INC. & THE ONTARIO COURT OF JUSTICE, and authorized users specifically identified in this report and only for the specific use identified herein. No other person may rely on this report or any part of this report without first obtaining consent from the client and written authorization from the authors. Liability is expressly denied to any other person and, accordingly, no responsibility is accepted for any damage suffered by any other person as a result of decisions made or actions taken based on this report. Liability is expressly denied for any unauthorized user or for anyone who uses this report for any use not specifically identified in this report. Payment of the appraisal fee has no effect on liability. Reliance on this report without authorization or for an unauthorized use is unreasonable.
2. Because market conditions, including economic, social and political factors, may change rapidly and, on occasion, without warning, this report cannot be relied upon as of any date other than the effective date specified in this report unless specifically authorized by the author(s).
3. The author will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The property is appraised on the basis of it being under responsible ownership. No registry office search has been performed and the author assumes that the title is good and marketable and free and clear of all encumbrances. Matters of a legal nature, including confirming who holds legal title to the appraised property or any portion of the appraised property, are outside the scope of work and expertise of the appraiser. Any information regarding the identity of a property’s owner or identifying the property owned by the listed client and/or applicant provided by the appraiser is for informational purposes only and any reliance on such information is unreasonable. Any information provided by the appraiser does not constitute any title confirmation. Any information provided does not negate the need to retain a real estate lawyer, surveyor or other appropriate experts to verify matters of ownership and/or title.
4. Verification of compliance with governmental regulations, bylaws or statutes is outside the scope of work and expertise of the appraiser. Any information provided by the appraiser is for informational purposes only and any reliance is unreasonable. Any information provided by the appraiser does not negate the need to retain an appropriately qualified professional to determine government regulation compliance.
5. No survey of the property has been made. Any sketch in this report shows approximate dimensions and is included only to assist the reader of this report in visualizing the property. It is unreasonable to rely on this report as an alternative to a survey, and an accredited surveyor ought to be retained for such matters.

6. This report is completed on the basis that testimony or appearance in court concerning this report is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to: adequate time to review the report and related data, and the provision of appropriate compensation.
7. Unless otherwise stated in this report, the author has no knowledge of any hidden or unapparent conditions (including, but not limited to: its soils, physical structure, mechanical or other operating systems, foundation, etc.) of/on the subject property or of/on a neighbouring property that could affect the value of the subject property. It has been assumed that there are no such conditions. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the author. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.
8. The author is not qualified to comment on detrimental environmental, chemical or biological conditions that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air which may include but are not limited to moulds and mildews or the conditions that may give rise to either. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report. It is an assumption of this report that the property complies with all regulatory requirements concerning environmental, chemical and biological matters, and it is assumed that the property is free of any detrimental environmental, chemical legal and biological conditions that may affect the market value of the property appraised. If a party relying on this report requires information about or an assessment of detrimental environmental, chemical or biological conditions that may impact the value conclusion herein, that party is advised to retain an expert qualified in such matters. The author expressly denies any legal liability related to the effect of detrimental environmental, chemical or biological matters on the market value of the property.
9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources the author considered reliable. Unless otherwise stated herein, the author did not verify client-supplied information, which the author believed to be correct.
10. The term “inspection” refers to observation only as defined by CUSPAP and reporting of the general material finishing and conditions observed for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only.
11. The opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The author has not confirmed that all mandatory building inspections have been completed to date, nor has the availability/issuance of an occupancy permit been confirmed. The author has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this visual inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the author.
12. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The author acknowledges that the information collected herein is personal and confidential and shall

not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the author's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the author's privacy policy and in accordance with the PIPEDA.

13. The author has agreed to enter into the assignment as requested by the client named in this report for the use specified by the client, which is stated in this report. The client has agreed that the performance of this report and the format are appropriate for the authorized use.
14. This report, its content and all attachments/addendums and their content are the property of the author. The client, authorized users and any appraisal facilitator are prohibited, strictly forbidden, and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.
15. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the author can be reasonably relied upon.
16. This report form is the property of the Appraisal Institute of Canada (AIC) and for use only by AIC members in good standing. Use by any other person is a violation of AIC copyright.
17. Where the authorized use of this report is for financing or mortgage lending or mortgage insurance, it is a condition of reliance on this report that the authorized user has or will conduct lending, underwriting and insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender or insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct loan underwriting or insuring due diligence similar to the standards set out by the Office of the Superintendent of Financial Institutions (OSFI), even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition. Any reliance on this report without satisfaction of this condition is unreasonable.

CERTIFICATION

AUTHORIZED USER	Albert Gelman Inc. & The Ontario Court of Justice
SUBJECT PROPERTY	942 Second Ave E & PIN #370740539, City of Owen Sound, Province of Ontario
INSPECTION DATE	December 4, 2024

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct, and I have considered all factors believed to affect the value of the property.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- I have no bias with respect to the properties that are the subject of this report or to the parties involved with this assignment.
- My compensation is not contingent upon any action or event resulting from the analyses, opinions, or conclusions in or the use of the report.
- My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with CUSPAP.
- I have the knowledge and experience to complete the assignment competently.
- I, Tracey Smith have reviewed the report.
- I, Yehuda Belzberg assisted in completing this report
- Jonathan Knell assisted in inspecting the subject property
- No one provided significant professional assistance to the persons signing this report.

The Appraisal Institute of Canada has a Mandatory Recertification Program for designated members. As of the date of this report, we have fulfilled the requirements of the program.

The final estimate of the current market value, as at the effective date of the appraisal date December 4, 2024 is:



Y. Belzberg

January 20, 2025

Yehuda Belzberg, Candidate Appraiser

Date

Tracey Smith

January 20, 2025

Tracey Smith, BA, AACI, P. App,

Date

TL SMITH APPRAISALS

tlsmith121861@yahoo.com

Tracey Smith, P.App; AACI +1 416-220-1842

COMPREHENSIVE APPRAISAL

OF A

A COMMERCIAL PROPERTY



LOCATED AT

942 SECOND AVE E & PIN #370740539

CITY OF OWEN SOUND,

PROVINCE OF ONTARIO

AUTHORIZED USER

ALBERT GELMAN INC. & THE ONTARIO COURT OF JUSTICE

EFFECTIVE DATE

DECEMBER 4, 2024

PART 1: LETTER OF TRANSMITTAL

TL SMITH APPRAISALS**tlsmith121861@yahoo.com****Tracey Smith, P.App; AACI +1 416-220-1842****January 15, 2025**

Authorized User: Albert Gelman Inc. & The Ontario Court of Justice
Address of Property: 942 Second Ave E & PIN #370740539
Authorized Client: Albert Gelman Inc.

Market Value:

To whom it may concern

RE: VALUATION OF A COMMERCIAL PROPERTY LOCATED AT 942 SECOND AVE E & PIN #370740539, CITY OF OWEN SOUND

At your request, I am forwarding to you the enclosed **Comprehensive Appraisal Report** which comprises my valuation of the above described property. The purpose of this report is to estimate the current market value of the subject property. The property rights appraised are those of the Leased Fee Interest and the effective date of my valuation is December 4, 2024, the date of my inspection. The purpose is to assist with a receivership process on the subject property, as of the effective date of this appraisal. Void if used for any other use.

No person or party other than the authorized intended user specifically identified herein can rely on this report without first obtaining written authorization from the author of this report. Such authorization is at the discretion of the author and may only be issued with permission from the client of this report. The report is prepared in accordance with the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP). This letter must be read together with the below-referenced report, with authorized signatures and attachments including all assumptions, limiting conditions and extraordinary items.

Albert Gleman Inc & The Ontario Court of Justice agree that any reliance by *same* on the above-referenced report, is conditional on *Albert Gelman Inc & The Ontario Court of Justice*. agreeing to be bound by all assumptions, limiting conditions and extraordinary items included in the above-referenced report and this reliance letter.

The site is located at 942 Second Ave E and PIN #370740539 in the City of Owen Sound. 942 Second Ave E is improved with a 3 storey building with retail on the ground floor and apartments on the second and third floor. PIN #370740539 appears to be a vacant parcel of land. The subject property is designated under Part IV of the Ontario Heritage Act.

The following appraisal report contains my estimate of market value of the above described property. In my opinion, the estimated current market value of the subject property located at 942 Second Ave E and PIN #370740539, as of the effective date of December 4, 2024 is:



The following report contains the data, analysis and conclusions supporting the valuation. I trust you will find this report satisfactory and that it fulfills its intended purpose.

Respectfully submitted,

Handwritten signature of Tracey Smith in black ink.

Tracey Smith, BA, AACI, P.App.

Handwritten signature of Yehuda Belzberg in black ink.

Yehuda Belzberg Candidate Appraiser

**Photographs of the Subject
Front and Rear Views**



Street Views



***Photographs of the Subject
Rear Laneway***



Rear Laneway and Rear Parking



**Photographs of the Subject
Rear of Building**



Front Entrance



Photographs of the Subject

Commercial Unit



Commercial Unit



**Photographs of the Subject
Commercial Unit Rear Space**



Washroom



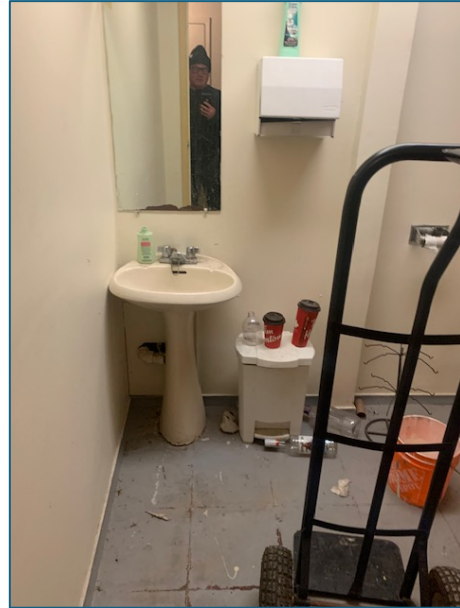
**Photographs of the Subject
Commercial Unit Mezzanine**



Rear Enter/Exit the Commercial Unit



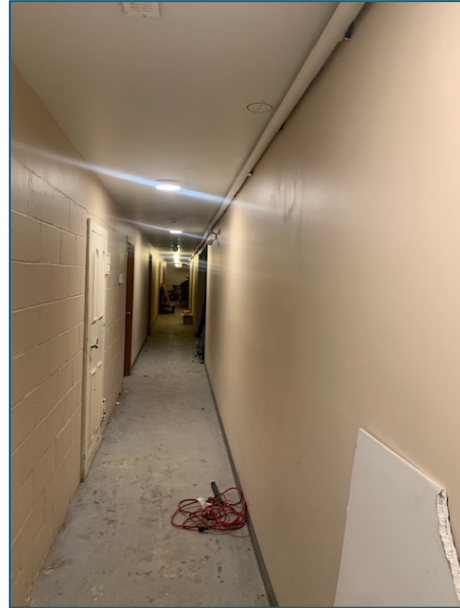
**Photographs of the Subject
Basement**



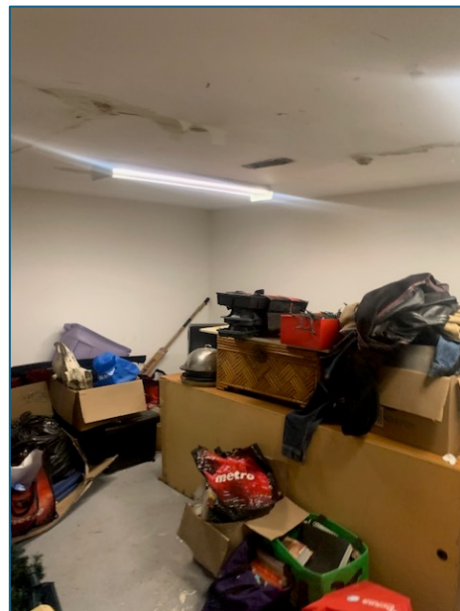
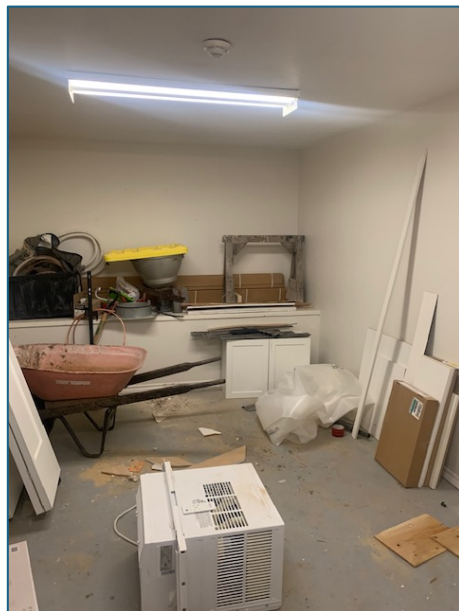
Basement



**Photographs of the Subject
Storage Rooms**



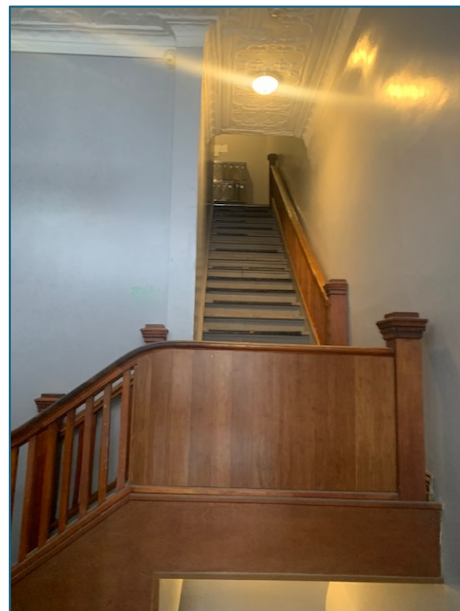
Storage Rooms



**Photographs of the Subject
Mechanicals**



Mechanicals and Stairs to Apartments



*Photographs of the Subject
Apartments*

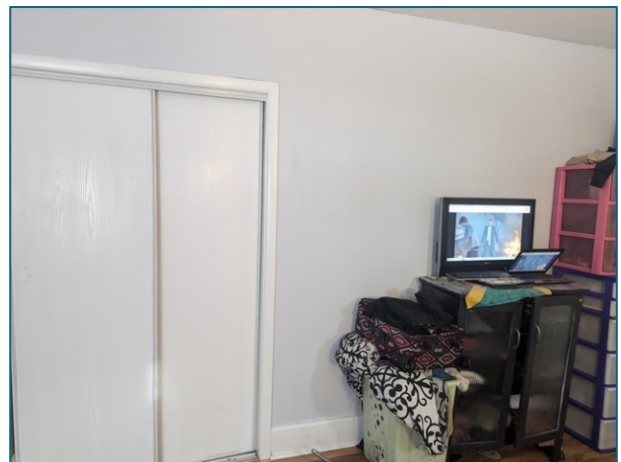
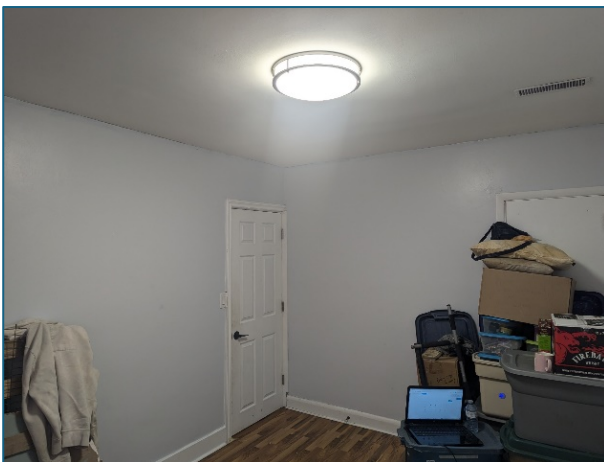


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SUMMARY OF SALIENT FACTS

LOCATION OF PROPERTY:	942 Second Ave E & PIN #370740539, City of Owen Sound, Province of Ontario
LEGAL DESCRIPTION:	942 Second Ave E: Pt Lt 4 W/S Poulett St Pl Owen Sound As In R278636; Owen Sound PIN #370740539: Pt River Frontages On E/S Of The River Sydenham Pl Owen Sound Lying Btn The Rear Of The Town Lots Fronting On The W Side Of Poulette St From Lt 1 To 24; Owen Sound
ARN:	942 Second Ave E: 425904003001700 PIN #370740539: 251801005700910
PIN:	942 Second Ave E: 370740425 PIN #370740539: 370740539
REGISTERED OWNER:	942 Second Ave E: 11393251 Canada Inc. PIN #370740539: 11393251 Canada Inc.
EFFECTIVE DATE OF APPRAISAL:	December 4, 2024
SUBJECT SITE AREA:	942 Second Ave E: 5,015 sf PIN #370740539: 936 sf
IMPROVEMENTS:	15,048 sf three storey commercial building
PURPOSE OF THE APPRAISAL:	To estimate the current market value of the subject property as of the effective date of the appraisal.
AUTHORIZED USE OF APPRAISAL:	To assist with a receivership process on the subject property, as of the effective date of this appraisal.
PROPERTY RIGHTS APPRAISED:	Leased Fee Interest
OWEN SOUND ZONING:	942 Second Ave E: C1(14.84) Core Commercial Zone PIN #370740539: ZH Hazzard Zone
HIGHEST AND BEST USE:	Current use is the highest and best use

VALUATION

**DIRECT MARKET COMPARISON APPROACH
INCOME APPROACH
FINAL ESTIMATE OF MARKET VALUE**



PURPOSE OF THE APPRAISAL

Report Format

The Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) necessitates that an appraisal report be identified as one of the following types of reports:

Current – Refers to an appraisal where the effective date of the report is simultaneous with the date the report was prepared or inspected, where market conditions have not changed materially between the dates.

Retrospective – Refers to an appraisal where the effective date of the report precedes the inspection date or the date the report was prepared and whereby market conditions may be materially different in the time frame between these dates. In this type of appraisal, the “retrospective” value is based on market conditions, perceptions and perspective that existed as of the effective date.

Prospective – Refers to an appraisal where the effective date of the report is after the inspection date or the date the report was prepared. In this type of appraisal, the “prospective” value opinion is intended to reflect the projected market conditions to a future effective date.

Up-Date – Refers to an appraisal where the subject was previously appraised and has not undergone significant changes and/or the time between the effective date of the original appraisal and the up-date is not unreasonably long. It is an extension of a previously completed appraisal, updated to the effective date of the report and is intended for readers familiar with the original report of the subject property.

CUSPAP necessitates that an appraisal report be identified as one of the following types of reports which depends on the needs of the users and appraisers:

Comprehensive – comprehensive and detailed

Concise – concise and briefly descriptive

Form – a standard format combining check off boxes and short narrative comments.

The basic distinguishing difference between each different type of report is the level of detail of presentation.

Classification of the Appraisal

*This is a **Comprehensive Appraisal Report** which is a **Current Valuation** intended to comply with the reporting requirements set forth by CUSPAP. As such, it presents a detailed discussion of the date, reasoning, and analyses that were used in the appraisal process to develop the appraiser’s opinion of value. The depth of discussion contained in this report is specific to the needs of the client and for the authorized use stated below. The appraiser is not responsible for unauthorized use of the report.*

Purpose of the Appraisal

The purpose of this appraisal is to estimate the current market value of a 5,016 sf commercial site improved with a 15,048 sf three storey commercial building located at located at 942 Second Ave E, as well as PIN #370740539, a 936 sf vacant lot, located in the City of Owen Sound, Province of Ontario.

Authorized use of the Appraisal

The authorized use is to assist with a receivership process on the subject property, as of the effective date of this appraisal.

Extraordinary Assumptions

An extraordinary assumption refers to any hypothesis - either fictitious or unconfirmed - which, if not true, could alter the appraiser's opinions or conclusions.

The appraiser measured the subject improvements and also relied on measurements provided by MPAC as well as the appraiser's measurements. It is assumed that these measurements are accurate and will be utilized in the report.

The appraiser was provided with some financial information related to the subject property including a rent roll. Not all of the information was provided and thus certain assumptions needed to be made for some of the income. Additionally, the back up information for the rent roll in the form of leases were not provided. Lastly not all the operating expenses were provided. Thus, for the purposes of this appraisal a number of assumptions had to be made for the income and these assumptions are presumed to be accurate. Additionally, the income information that was provided is also assumed to be accurate and was relied upon in this appraisal.

None of the residential apartments were inspected by the appraiser. The information as to the condition of the residential units was taken from information provided by the property manager whose name is Don Lewis whose company name is Guaranteed Property Solutions. This includes four pictures of an apartment provided by the property manager. Due to the inability of the appraiser to inspect these units, the appraiser relied upon the information provided by the property management company and this information is assumed to be accurate.

The subject property of this appraisal includes 942 Second Ave E in Owen Sound as well as a small vacant parcel of land that was 936 sf identified as PIN #370740539. As seen from the aerial picture, it was close to the subject on the west side of 1st Ave E and back onto the river. For the purposes of this appraisal, it is assumed that this parcel of land does not add any value to the subject property due to its size and its proximity to the river would inhibit any type of development on the parcel.

If any of these assumptions are found to be inaccurate or incorrect then the value contained herein is subject to change and/or be VOID.

Extraordinary Limiting Conditions

Extraordinary limiting condition refers to the necessary modification or exclusion of any Appraisal Standard Rule that is outlined in the Standards of Professional Appraisal Practice of the Appraisal Institute of Canada.

There are no extraordinary limiting conditions to the conclusions of this report.

Effective Date

The effective date of this appraisal is December 4, 2024.

Property Rights Appraised

The property rights appraised are those of the Leased Fee Interest in the real estate comprising the property.

History of the Subject

Address: 942 Second Ave E & PIN #370740539, City of Owen Sound, Province of Ontario

Consideration on Record/Registration Date: **942 Second Ave E:** \$1,500,000; 06/15/2020
PIN #370740539: \$1; 11/21/2022

Registered Owner: **942 Second Ave E:** 11393251 Canada Inc.
PIN #370740539: 11393251 Canada Inc.

According to TREB/MLS the subject property was listed for sale on 09/06/2024 for \$1,990,000 and the listing expired on 12/05/2024. No other listings for sale or for lease for the subject property were found on MLS in the last 36 months. As per Geowarehouse, 942 Second Ave E was last transferred on 06/15/2020 for a consideration of \$1,500,000. PIN #370740539 was last transferred on 11/21/2022 for a consideration of \$1. The appraiser has had no dealings with the subject property.

Property Assessment

The subject property is assessed for 2024 municipal taxes as follows:

Address: 942 Second Ave E & PIN #370740539, City of Owen Sound,
Province of Ontario

Assessed Value 2024: **942 Second Ave E:** \$650,000
PIN #370740539: \$10,600

Property Taxes 2024: **942 Second Ave E:** \$20,315 (based on 2024 Owen Sound Tax Bill)
PIN #370740539: ~\$500/year (estimate)

Scope of the Assignment

The scope of this report outlines our framework for the assignment;

- The City of Owen Sound Zoning By-Law designations were reviewed when possible.
- An interior and exterior inspection of the subject was conducted by Jonathan Knell, Candidate Appraiser on December 4, 2024.
- The Comparable Sales and the subject information and areas are based on TREB, MPAC and Land Registry records. The subject size is based on the appraiser's measurements.
- Analysis of the highest and best use of the subject property was completed having regard to the land use controls. I have relied on discussions with municipal planning personnel and my own experience.

- The Direct Market Comparison Approach and the Income Approach was used to estimate the current market value of the subject.
- Sales data was extracted from the Owen Sound Real Estate Board and Land Registry. The comparable sales were inspected and an analysis of the sales was completed.
- Market research consisted of analyzing sales of comparable development sites in the general vicinity of the subject which took place over the past three years.
- The valuation and conclusions are subject to the accuracy of the information readily available.

Definition of Market Value

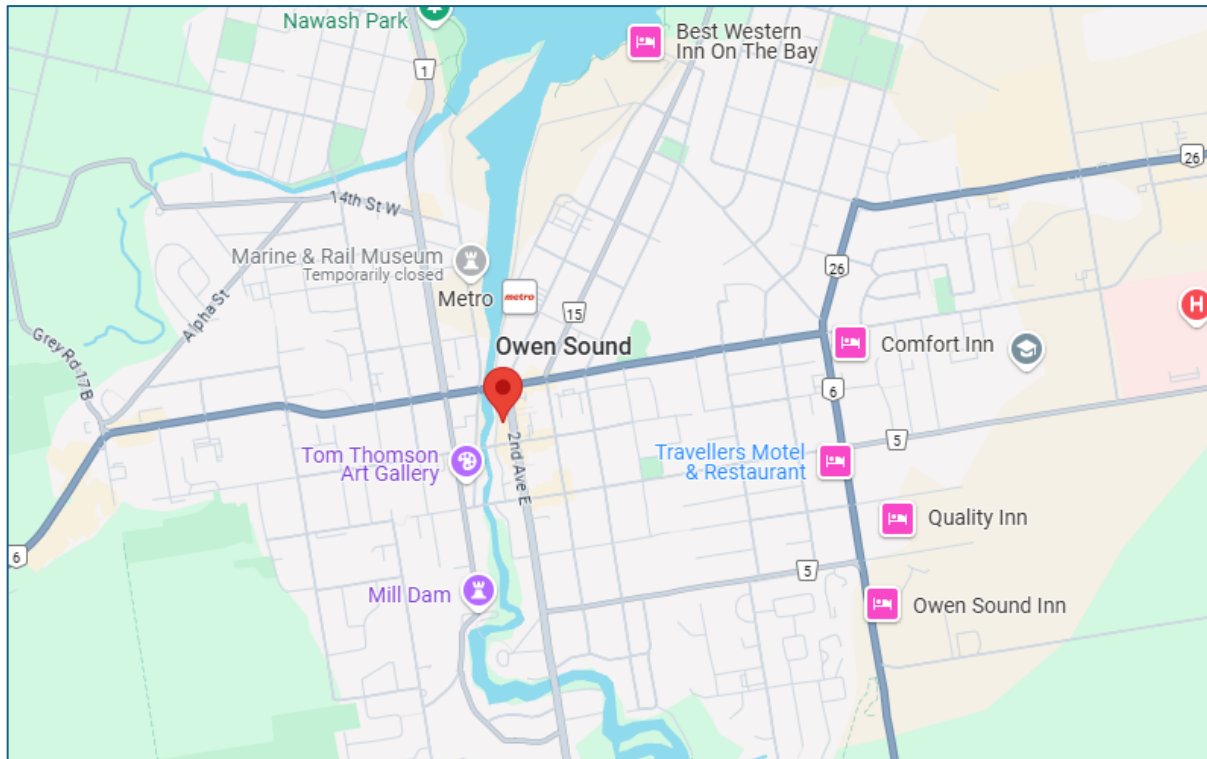
Market value, as defined by the Appraisal Institute of Canada, and as used in this Report is:

"The most probable price in terms of money at which a property should bring in a competitive and open market under all conditions requisite for a fair sale, the buyer and seller each acting prudently and knowledgeably and assuming the price is not affected by any undue stimuli.

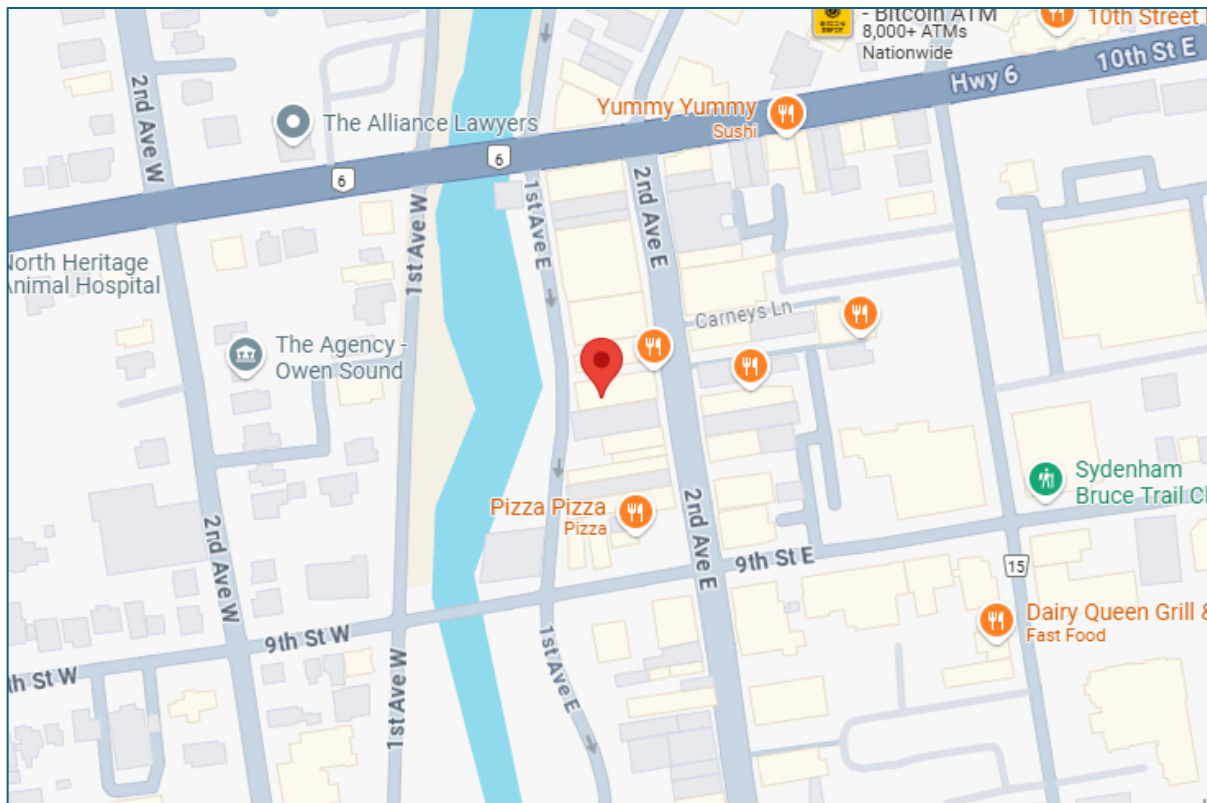
Implicit in this definition are the consummation of a sale as of a specific date and the passage of title from seller to buyer under conditions whereby:

1. *Buyer and seller are typically motivated.*
2. *Both parties are well informed or well advised, and are acting in what they consider their best interest.*
3. *A reasonable time is allowed for exposure in the open market.*
4. *Payment is made in terms of cash and Canadian dollars or in terms of financial arrangements comparable thereto, and*
5. *The price represents the normal consideration for the property sold, unaffected by special or creative financing or sale concessions granted by anyone associated with the sale."*

LOCATION MAP



NEIGHBOURHOOD MAP



MARKET OVERVIEW:

The Bank of Canada on December 11th reduced its target for the overnight rate to 3¼%, with the Bank Rate at 3½% and the deposit rate at 3¼%. The Bank is continuing its policy of balance sheet normalization.

The global economy is evolving largely as expected in the Bank's October Monetary Policy Report (MPR). In the United States, the economy continues to show broad-based strength, with robust consumption and a solid labour market. US inflation has been holding steady, with some price pressures persisting. In the euro area, recent indicators point to weaker growth. In China, recent policy actions combined with strong exports are supporting growth, but household spending remains subdued. Global financial conditions have eased and the Canadian dollar has depreciated in the face of broad-based strength in the US dollar.

In Canada, the economy grew by 1% in the third quarter, somewhat below the Bank's October projection, and the fourth quarter also looks weaker than projected. Third-quarter GDP growth was pulled down by business investment, inventories and exports. In contrast, consumer spending and housing activity both picked up, suggesting lower interest rates are beginning to boost household spending. Historical revisions to the National Accounts have increased the level of GDP over the past three years, largely reflecting higher investment and consumption. The unemployment rate rose to 6.8% in November as employment continued to grow more slowly than the labour force. Wage growth showed some signs of easing, but remains elevated relative to productivity.

A number of policy measures have been announced that will affect the outlook for near-term growth and inflation in Canada. Reductions in targeted immigration levels suggest GDP growth next year will be below the Bank's October forecast. The effects on inflation will likely be more muted, given that lower immigration dampens both demand and supply. Other federal and provincial policies—including a temporary suspension of the GST on some consumer products, one-time payments to individuals, and changes to mortgage rules—will affect the dynamics of demand and inflation. The Bank will look through effects that are temporary and focus on underlying trends to guide its policy decisions.

In addition, the possibility the incoming US administration will impose new tariffs on Canadian exports to the United States has increased uncertainty and clouded the economic outlook.

CPI inflation has been about 2% since the summer, and is expected to average close to the 2% target over the next couple of years. Since October, the upward pressure on inflation from shelter and the downward pressure from goods prices have both moderated as expected. Looking ahead, the GST holiday will temporarily lower inflation but that will be unwound once the GST break ends. Measures of core inflation will help us assess the trend in CPI inflation.

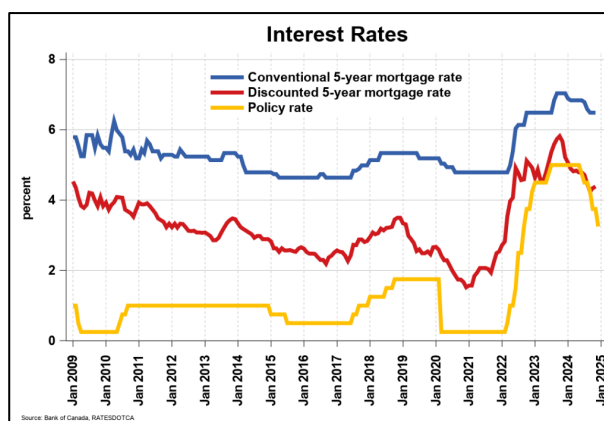
With inflation around 2%, the economy in excess supply, and recent indicators tilted towards softer growth than projected, Governing Council decided to reduce the policy rate by a further 50 basis points to support growth and keep inflation close to the middle of the 1-3% target range. Governing Council has reduced the policy rate substantially since June. Going forward, we will be evaluating the need for further reductions in the policy rate one decision at a time. Our decisions will be guided by incoming information and our assessment of the implications for the inflation outlook. The Bank is committed to maintaining price stability for Canadians by keeping inflation close to the 2% target.

According to Crea Stats, following the Bank of Canada's December 11th statement, the cut was widely expected by financial markets in the lead-up to the decision. This marked the fifth rate reduction since the onset of the pandemic, bringing rates down 1.75% from where they stood in April 2024.

The Canadian economy grew by 1% in the third quarter and is expected to come in weaker than projected according to the Bank of Canada. The Bank made note of a pickup in housing activity, noting that lower interest rates are likely boosting the market. The Bank also noted the employment market remains soft as the unemployment rate rose again November.

While the Bank observed that a number of federal and provincial policy measures will be coming into effect in the near term, they will be looking through any temporary effects and focusing on underlying trends to guide their policy decisions. The Bank stated the possibility of new tariffs on Canadian exports to the United States under the incoming administration has added uncertainty to its economic outlook.

With inflation currently trending around 2% and expected to remain close to that target over the next two years, and the economy still underperforming, the Bank notes it will evaluate the need for further reductions at each successive meeting.



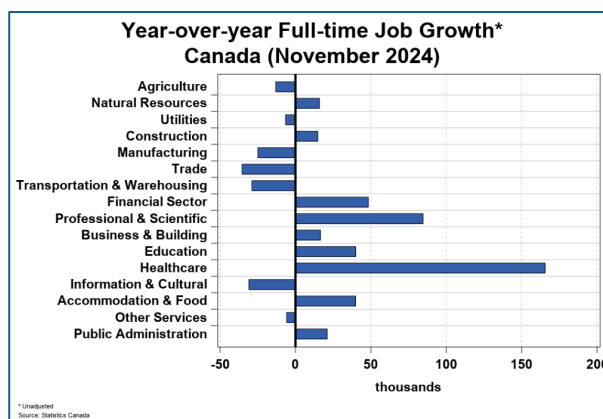
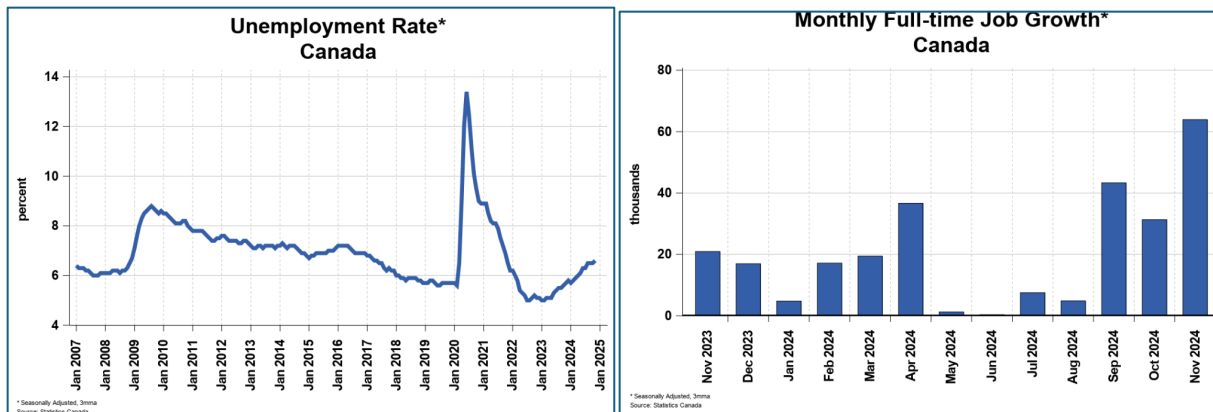
Source: stats.crea.ca

National Employment Trends:

The unemployment rate in Canada was 6.6% as of November 2024, up 0.1% from the previous month. The unemployment rate stood 6.8% below the peak from June 2020 and is below the long-run average.

There were 63,900 more full-time jobs in November 2024 compared to a month earlier. A loss of 26,700 part-time positions led to an increase of 37,200 total jobs in November.

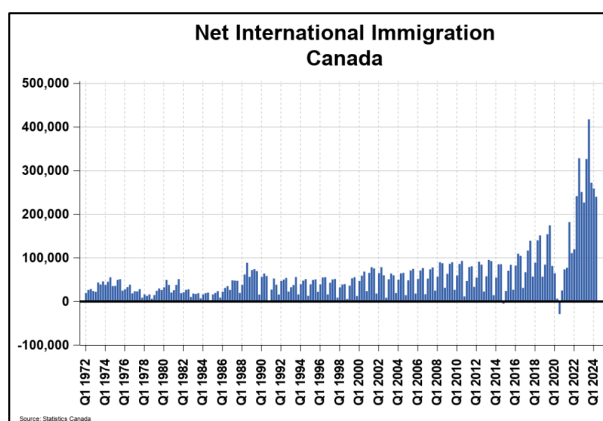
Full-time employment has recovered since reaching a bottom in August 2022 and now stands at a record high.



Source: stats.crea.ca

Changes in Population from Immigration:

International immigration added 240,303 people to Canada’s population in the second quarter of 2024. This was a decrease of 26.5% from the same period in 2023.



Source: stats.crea.ca

www.crea.ca

www.bankofcanada.ca

Greater Toronto Area (GTA) home sales increased strongly on a year over-year basis in November 2024. Many buyers benefitted from more affordable market conditions brought about by lower borrowing costs. New listings were also up compared to November 2023, but by a much lesser annual rate. This meant that market conditions tightened, resulting in overall average price growth compared to last year.

“As we approach the end of 2024, I am pleased to report an improvement in housing market conditions. Many home buyers patiently waited on the sidelines for reduced inflation and lower borrowing costs. With selling prices remaining well off their historic peak and monthly mortgage payments trending lower, the stage is set for an accelerating market recovery in 2025,” said Toronto Regional Real Estate Board (TRREB) President Jennifer Pearce.

GTA REALTORS® reported 5,875 home sales through TRREB’s MLS® System in November 2024 – up by 40.1 per cent compared to 4,194 sales reported in November 2023. New listings entered into the MLS® System amounted to 11,592 – up by 6.6 per cent year-over-year. On a seasonally adjusted basis, November sales were up month-over month compared to October.

The MLS® Home Price Index Composite benchmark was down by 1.2 per cent year-over year in November 2024 – a much lesser annual rate of decline compared to previous months. The average selling price was up by 2.6 per cent compared to November 2023 to \$1,106,050. Year-over-year average price growth was greater than that for the HPI Composite benchmark because of a greater weighting of detached home sales compared to last year. On a seasonally adjusted basis, the average selling price edged slightly lower compared to October.

“Market conditions have tightened, particularly for single-family homes. The detached market segment experienced average annual price growth above the rate of inflation, particularly in the City of Toronto. In contrast, the condominium apartment segment continued to experience lower average selling prices compared to a year ago. Condo buyers are benefitting from a lot of choice and therefore negotiating power. This will attract renter households into homeownership as borrowing costs trend lower in the months ahead,” said TRREB Chief Market Analyst Jason Mercer.

While the rental market will remain relatively well-supplied as more renters transition to homeownership, expect rental demand to pick up as population growth remains high. The rental market could strengthen for both tenants and landlords by reducing the backlog of cases at the Landlord and Tenant Board (LTB).

“Reforming the LTB to make it faster and fairer will go a long way to getting more individuals and families into homes they can afford,” said TRREB CEO John DiMichele.

Source: Toronto Regional Real Estate Board

Canada Economic Data:

Economic Indicators 2016 - 2025										
Annual Data	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Real Sector										
Population (million)	36.1	36.5	37.0	37.5	38.0	38.3	38.7	39.1	39.5	39.9
GDP per capita (USD)	42,409	45,184	46,523	46,401	43,288	49,254	52,048	54,208	56,144	58,042
GDP (USD bn)	1,529	1,649	1,721	1,742	1,644	1,885	2,013	2,119	2,217	2,316
GDP (CAD bn)	2,026	2,141	2,231	2,311	2,204	2,366	2,521	2,645	2,751	2,858
Economic Growth (Nominal GDP, ann. var. %)	1.8	5.7	4.2	3.6	-4.6	7.3	6.6	4.9	4.0	3.9
Economic Growth (GDP, ann. var. %)	1.0	3.0	2.4	1.9	-5.4	5.8	3.8	2.3	2.0	1.7
Domestic Demand (ann. var. %)	0.5	3.3	2.5	1.4	-4.5	5.3	4.0	2.3	2.0	1.8
Private Consumption (ann. var. %)	1.9	3.8	2.5	1.6	-6.1	4.8	4.8	2.7	2.2	1.8
Government Consumption (ann. var. %)	1.8	2.1	2.9	2.0	-1.1	3.6	1.8	1.3	1.4	1.5
Fixed Investment (ann. var. %)	-4.7	3.3	1.8	0.3	-3.6	7.8	3.7	2.3	2.0	1.7
Non-Residential Fixed Investment (ann. var. %)	-12.3	1.9	3.1	1.1	-13.1	2.3	7.7	-	-	-
Exports (G&S, ann. var. %)	1.4	1.4	3.7	1.3	-9.8	7.8	5.8	3.5	2.9	2.3
Imports (G&S, ann. var. %)	0.1	4.6	3.4	0.4	-11.3	8.4	6.0	3.3	2.6	2.0
Industrial Production (ann. var. %)	0.1	3.7	3.7	-0.2	-8.3	7.2	4.3	2.1	1.8	1.4
Retail Sales (ann. var. %)	5.2	7.1	3.0	1.2	-1.7	-	-	-	-	-
Car Sales (million)	1.98	2.08	2.04	1.96	1.57	1.84	1.93	-	-	-
Housing Starts (thousands of units, saar)	198	220	214	208	219	241	218	218	215	213
Home Prices Index (ann. var. %)	9.9	12.1	4.0	1.2	5.9	-	-	-	-	-
Disposable Income (ann. var. %)	0.3	5.0	3.1	3.8	10.0	0.6	2.5	3.9	3.8	3.7
Unemployment (% of active population, aop)	7.1	6.4	5.9	5.7	9.6	7.5	6.3	6.1	6.0	5.8
Wages (ann. var. %)	0.5	2.0	2.6	2.7	6.8	2.7	2.5	3.0	2.7	2.5
Fiscal Balance (% of GDP)	-0.5	-0.1	0.3	0.5	-10.7	-6.4	-3.7	-3.3	-2.9	-2.5
Public Debt (% of GDP)	91.7	88.8	88.8	86.8	117.8	117.2	116.7	114.2	111.8	109.5
Monetary and Financial Sector										
Inflation (CPI, ann. var. %, eop)	1.5	1.9	2.0	2.2	0.7	-	-	-	-	-
Inflation (CPI, ann. var. %, aop)	1.4	1.6	2.3	1.9	0.7	2.0	1.9	2.0	2.0	2.0
Inflation (Core, ann. var. %, aop)	1.9	1.1	1.5	1.8	1.2	-	-	-	-	-
Inflation (PPI, ann. var. %, aop)	-0.2	3.1	3.9	-0.1	-0.5	6.3	2.3	1.9	1.9	2.0
Target for the Overnight Rate (% eop)	0.50	1.00	1.75	1.75	0.25	0.25	0.34	0.89	1.36	1.84
3-Month T-Bill (% eop)	0.48	1.05	1.67	1.66	0.07	0.16	0.40	0.91	1.36	1.81
10-Year Bond Yield (% eop)	1.71	2.06	1.97	1.70	0.68	1.69	1.94	2.23	2.46	2.69
Exchange Rate (CAD per USD, eop)	1.34	1.26	1.36	1.30	1.27	1.25	1.25	1.24	1.24	1.23
Exchange Rate (CAD per USD, aop)	1.32	1.30	1.30	1.33	1.34	1.26	1.25	1.25	1.24	1.23
External Sector										
Current Account Balance (% of GDP)	-3.1	-2.8	-2.3	-2.1	-1.9	-1.5	-1.6	-1.7	-1.8	-2.0
Current Account Balance (USD bn)	-47.2	-46.4	-40.3	-35.7	-31.8	-27.5	-32.3	-36.7	-40.9	-45.4
Merchandise Trade Balance (USD bn)	-18.9	-18.9	-15.3	-11.6	-27.8	-26.0	-24.7	-33.2	-44.0	-57.3
Merchandise Exports (USD bn)	394	424	453	451	391	443	463	489	515	540
Merchandise Imports (USD bn)	413	443	469	462	419	469	488	523	559	597
Foreign Direct Investment (USD bn)	36.1	26.5	43.5	50.3	-	-	-	-	-	-

www.focus-economics.com

City of Owen Sound

Owen Sound, known as the "Scenic City," is the largest urban community in Grey County, Ontario, with a population of approximately 22,000 residents. Located at the mouths of the Pottawatomi and Sydenham Rivers on an inlet of Georgian Bay, it serves as a major port and the primary urban center of the Grey Bruce region.

The city offers an efficient transportation network, including Conventional Transit with four routes operating Monday through Saturday, and Mobility Transit for residents with mobility limitations. Owen Sound is well-connected to other communities through the Grey Transit Route, providing safe and affordable transportation options to various destinations in the area.

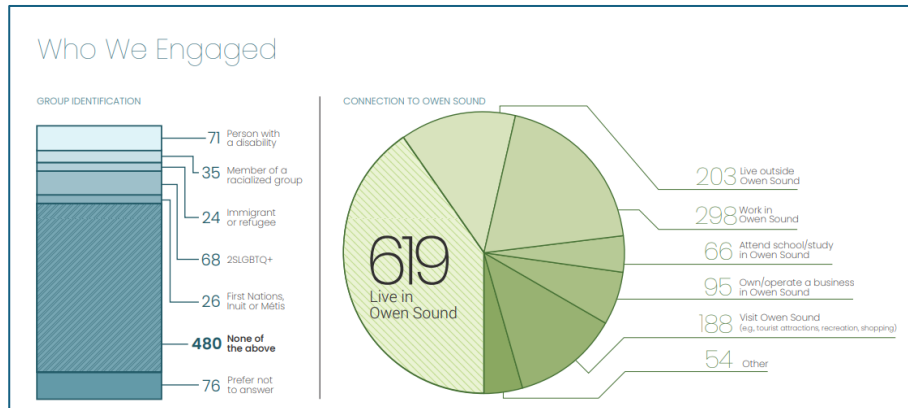
Owen Sound is served by several transportation options, making it accessible for residents and visitors. The nearest airport is the Owen Sound Billy Bishop Regional Airport, which offers limited commercial flights and is located just a short drive from the city center. For more extensive travel, Toronto Pearson International Airport is approximately 170 kilometers away, providing a wider range of domestic and international flights.

Owen Sound's economy is diverse, with key sectors including healthcare, education, manufacturing, and tourism. Significant employers in the city include local government, healthcare institutions, and educational facilities. The Owen Sound Transportation Company operates seasonal ferry services like the M.S. Chi-Cheemaun, contributing to the local economy alongside transportation services provided by the Grey Transit Route.

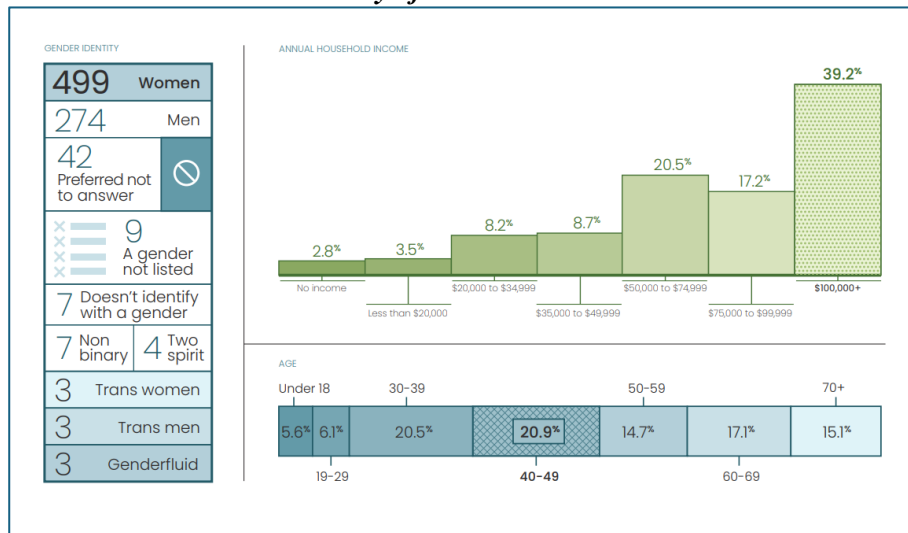
The city's proximity to natural attractions such as the Bruce Trail and Harrison Park boosts tourism, creating jobs in hospitality and recreation. Professional opportunities span various fields, including municipal services, healthcare, and education. This diverse economic landscape offers a range of career paths for residents, making Owen Sound an appealing place to live and work.

Known for its natural beauty, Owen Sound offers numerous parks, trails, and waterfronts that attract tourists and provide recreational opportunities. Outdoor enthusiasts can enjoy Harrison Park, Inglis Falls, and the Bruce Trail. The city is also recognized for its cultural heritage, hosting events like the Summerfolk Music and Crafts Festival and the Festival of Northern Lights. Family-friendly attractions include Story Book Park and various seasonal festivals. The local arts scene thrives with venues like the Tom Thomson Art Gallery and the Roxy Theatre.

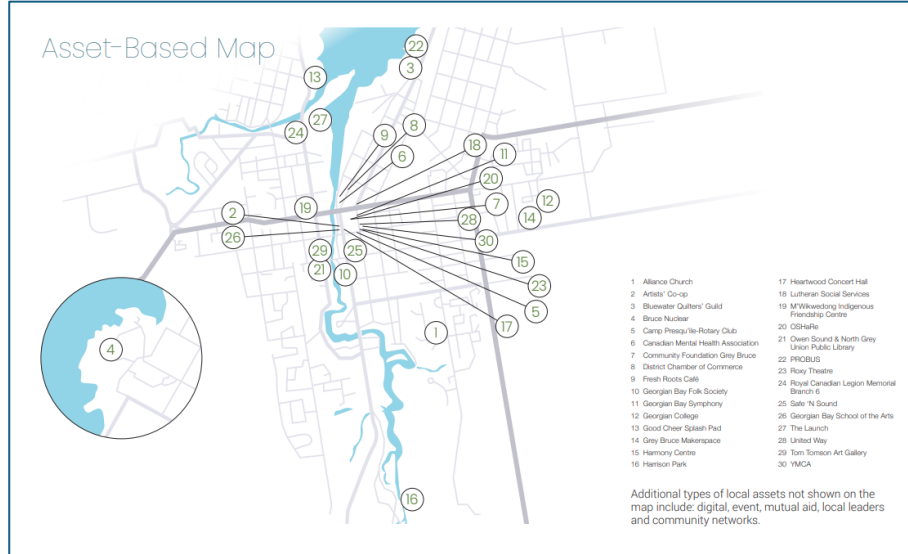
With its rich history, cultural attractions, scenic landscapes, and mix of outdoor adventures and cultural experiences, Owen Sound is a unique and vibrant community that attracts visitors year-round.



Source: City of Owen Sound Website



Source: City of Owen Sound Website



Source: City of Owen Sound Website

Q3 2024 Cap Rates		
Downtown Office	Δ Q/Q	Multifamily
AA	5.25% - 6.00% ◀▶	High Rise A
A	6.00% - 6.75% ◀▶	High Rise B
B	6.50% - 7.25% ◀▶	Low Rise A
		Low Rise B
Suburban Office		New Construction
A	7.25% - 8.00% ◀▶	
B	8.00% - 8.75% ◀▶	Seniors Housing
		Independent/Assisted Living A
Industrial		Independent/Assisted Living B
A	5.00% - 5.50% ◀▶	Long Term Care A
B	5.25% - 6.00% ◀▶	
		Hotel
Retail		Downtown Full Service
Regional	5.25% - 6.75% ◀▶	Suburban Limited Service
Power	6.25% - 7.25% ◀▶	Focused Service
Neighbourhood	5.75% - 6.75% ◀▶	
Strip	5.25% - 6.00% ◀▶	
Strip (non-anchored)	5.50% - 6.50% ◀▶	
Urban Streetfront	5.00% - 5.50% ◀▶	
High Street	5.00% - 5.50% ◀▶	

CBRE Q3 2024 CAP RATE REPORT TORONTO

Q3 2024 Cap Rates		
Downtown Office		△ Q/Q
AA	N/A	
A	6.00% - 6.75%	◀▶
B	6.50% - 7.25%	◀▶
Suburban Office		
A	6.50% - 7.50%	◀▶
B	7.00% - 7.75%	◀▶
Industrial		
A	5.75% - 6.50%	◀▶
B	6.00% - 7.00%	◀▶
Retail		
Regional	6.00% - 6.50%	◀▶
Power	6.00% - 6.50%	◀▶
Neighbourhood	6.00% - 6.50%	◀▶
Strip	5.50% - 6.35%	◀▶
Strip (non-anchored)	6.00% - 6.50%	◀▶
Urban Streetfront	6.00% - 7.00%	◀▶
High Street	N/A	
Multifamily		
High Rise A	4.25% - 4.75%	◀▶
High Rise B	4.25% - 5.00%	◀▶
Low Rise A	4.25% - 5.25%	◀▶
Low Rise B	4.25% - 5.50%	◀▶
New Construction	4.25% - 4.75%	◀▶
Seniors Housing		
Independent/Assisted Living A	6.25% - 6.75%	▼
Independent/Assisted Living B	7.75% - 8.50%	◀▶
Long Term Care A	7.25% - 7.75%	◀▶
Hotel		
Downtown Full Service	8.00% - 9.25%	◀▶
Suburban Limited Service	9.00% - 10.00%	◀▶
Focused Service	8.50% - 9.50%	◀▶

CBRE Q3 2024 CAP RATE REPORT KITCHENER WATERLOO

Q3 2024 Cap Rates		
Downtown Office		△ Q/Q
AA	N/A	
A	7.00% - 8.25%	◀▶
B	7.75% - 8.75%	▼
Suburban Office		
A	6.00% - 7.25%	▼
B	6.50% - 8.25%	▼
Industrial		
A	5.25% - 6.25%	▼
B	6.00% - 7.00%	◀▶
Retail		
Regional	6.25% - 7.00%	◀▶
Power	6.25% - 7.25%	◀▶
Neighbourhood	6.00% - 7.50%	◀▶
Strip	6.00% - 7.25%	◀▶
Strip (non-anchored)	6.25% - 7.50%	◀▶
Urban Streetfront	6.75% - 8.25%	▼
High Street	N/A	
Multifamily		
High Rise A	4.00% - 5.25%	◀▶
High Rise B	4.00% - 5.75%	◀▶
Low Rise A	4.25% - 6.00%	◀▶
Low Rise B	4.25% - 6.25%	▼
New Construction	4.50% - 5.25%	◀▶
Seniors Housing		
Independent/Assisted Living A	6.25% - 6.75%	▼
Independent/Assisted Living B	7.75% - 8.50%	◀▶
Long Term Care A	7.25% - 7.75%	◀▶
Hotel		
Downtown Full Service	8.00% - 9.50%	◀▶
Suburban Limited Service	9.00% - 10.00%	◀▶
Focused Service	8.50% - 9.50%	◀▶

CBRE Q3 2024 CAP RATE REPORT LONDON

Downtown Office						
Class A		Class B		Q4 Prediction		
Low	High	Low	High	A	B	
6.00%	6.75%	6.00%	7.25%	↔	↔	

Suburban Office						
Class A		Class B		Q4 Prediction		
Low	High	Low	High	A	B	
6.50%	7.75%	7.50%	9.00%	▲	▲	

Industrial						
Class A		Class B		Q4 Prediction		
Low	High	Low	High	A	B	
5.25%	6.00%	5.25%	6.50%	↔	↔	

Retail						
Regional/Power		Grocery/Community		Neighbourhood/Strip		Q4 Prediction
Low	High	Low	High	Low	High	R G N
5.50%	6.75%	5.50%	6.50%	5.50%	6.50%	↔ ↔ ↔

Multi-Family Apartment						
High-Rise			Low-Rise		Q4 Prediction	
Low	High		Low	High	A	B
3.75%	4.75%		3.75%	4.75%	↔	↔

Colliers Cap Rate Report Q3 2024 Toronto

Downtown Office						
Class A		Class B		Q4 Prediction		
Low	High	Low	High	A	B	
6.00%	6.50%	6.50%	7.00%	↔	↔	

Suburban Office						
Class A		Class B		Q4 Prediction		
Low	High	Low	High	A	B	
6.25%	6.75%	6.50%	7.50%	↔	↔	

Industrial						
Class A		Class B		Q4 Prediction		
Low	High	Low	High	A	B	
5.50%	6.00%	6.00%	7.00%	↔	↔	

Retail						
Regional/Power		Grocery/Community		Neighbourhood/Strip		Q4 Prediction
Low	High	Low	High	Low	High	R G N
5.50%	6.25%	5.50%	6.50%	6.25%	7.50%	↔ ↔ ↔

Multi-Family Apartment						
High-Rise			Low-Rise		Q4 Prediction	
Low	High		Low	High	A	B
3.75%	4.75%		3.75%	4.75%	↔	↔

Colliers Cap Rate Report Q3 2024 Waterloo

Neighbourhood Description

The subject property is located in the downtown area of Owen Sound, Ontario. This mixed-use commercial and residential building is located along a major thoroughfare, with good visibility and accessibility. The subject is located on the west side of Second Ave E, just south of Hwy 6. The surrounding neighborhood features a mix of shops, restaurants, and cultural attractions. Some of these attractions and shops included The Billy Bishop Museum, Sydenham River, and Metro grocery shop. Public transportation is readily available through Owen Sound Transit, and access to Hwy 6 is considered to be good via major arteries. Overall, the subject is considered to be in a desirable location within the City of Owen Sound.

AERIAL PHOTOS

942 Second Ave E



PIN #370740539



DESCRIPTION OF SITE

Location

The subject site is located on the west side of Second Ave E in a well populated area in the City of Owen Sound as well as a small parcel on the west side of First Ave E. The area was fully developed and considered to be an urban location within Owen Sound. There is parking both in the front and at the rear of the subject building.

Site Area

The site totals 5,951 sf. It consists of 2 separate sites which, for the purposes of this appraisal, will be viewed as one combined site. The property at 942 Second Ave E is 5,015 sf and PIN #370740539 is 936 sf. The subject site is mostly rectangular in shape. See aerial view for details.

Services

Second Ave E is a 2-lane paved road and all municipal services including hydro, gas, and water are provided. There is also street parking available.

Topography and Drainage

The site is level, and it is at grade with the neighbouring properties. No drainage problems were evident on the site.

Soil Characteristics

It is assumed that in view of the size of the structures on the surrounding properties and the subject that those soils within the area are capable of handling reasonable heavy building loads. Based on my inspection of the subject property, no visible contamination was noted. An environmental assessment has not been supplied or reviewed. For the purpose of this appraisal, we have assumed that there are not environmental problems or concerns.

DESCRIPTION OF IMPROVEMENTS

The building was viewed on December 4, 2024. The subject building is a historical building known as the McKay Building. Currently the building is tenanted by The Owen Sound artist Co-Op on the main floor commercial space. The subject building fronts onto 2nd Avenue East and backs onto 1st Avenue East. Past the rear of the building, on the west side of 1st Ave East there is a Water inlet similar to a canal which travels north to a marina/boat docks and further onto Georgian Bay. The building has parking in front for the various business. There is parking at the rear but no customer entrance at the back of the building. The weather was snowy and wet on the day of viewing. The basement does appear to be dry with no water leaking visible or smell of moisture noticed by the appraiser.

The building was measured from the inside using an electronic measuring device. The main floor, not including the stairs to the second floor is approximately 5,016 sf. All three floors of the subject building appeared to be the same size making the entire above grade square footage 15,048 sf. The commercial frontage is approximately 39 ft 4 inches in width from the interior, fronting a concrete sidewalk. The main floor interior ceiling height is 14 ft 1 inch in most areas. There are two entrances at the front, one for the commercial unit and one for the residential unit. At the rear there are two entrance/exit person door, a larger double wide door for moving in and out, which does not appear to be used. The rear site was snow covered but through MPAC it appears the rear has brick interlocking behind the building for parking. The street at the front is asphalt and the rear was snow covered but assumed to be asphalt as well.

The subject building is a three-storey building with brick veneer exterior. The building appears to be concrete block and brick foundation with a concrete floor in the basement. In the front areas of the basement, it is stone/rubble foundation. The roof was flat and not seen. The building sides immediately to there neighbouring buildings on each side.

The main floor fronts onto the sidewalk and is a commercial space currently occupied. The area is a large area with high ceilings. The ceilings are decorative tin, which can be common in historic buildings. The floor is mostly original hardwood. There is laminate ad broadloom in areas towards the rear. The front windows are wood framed and appear historic. There is some trim and crown molding work throughout the main floor. The exterior walls on the interior appear, by touch, to be a hard plaster or concrete. Most likely plaster given the buildings age. At the rear is a 2-pc washroom improved with toilet and pedestal vanity with hardwood floor cover. There is a kitchenette area and storage improved with laminate floor cover and tile floor cover. The walls are drywall and the countertop is laminate. There are 4 sinks present which is to be expected for an artist's space. There are wood stairs to a mezzanine with chip board exposed and broadloom floor cover. This space is approximately 300 sf. The windows on this level are wood framed.

The basement is accessed through the front or rear doors. The basement is divided into two areas. The first area at the front consists of 12 storage units in the basement with most being unoccupied or have not been used on many years. The walls are drywall, and the exterior walls are concrete block. At the rear is the mechanicals of the building including three toilet areas that do not appear to have been used in many years. It is to be noted that problems occur when water is drained from the plumbing, toilet fixtures and piping. Typically joining agents can dry out and leaks can occur. In synopsis the toilets and sinks might or might not be usable. The rear area has a storage room that could not be accessed. The main floor was neat and tidy which is to be expected of a commercial artist space. There were areas of deferred maintenance such as the broadloom in areas being at the end of its economic life cycle and bare chip board on the mezzanine, however; areas such as the main floor 2-pc and the front retail area are quite well kept as a historic building. The overall main floor would be considered average for Owen Sound.

The basement is slightly cluttered and unclean in areas and could use some attention. Storage lockers if unused should be emptied and maintained. The basement is in fair condition.

There are 12 apartments upstairs. The property manager sent the appraiser the 4 pictures he had in his possession. He had viewed the apartment previously and stated, "We are not going up there. We are booking a company to spray for the bed bugs". He further stated that the apartments were not in great condition. The occupants were on the lower end of the socio-economic scale. The apartments are all 2 bedrooms, 1 x 4-pc washroom, kitchen and living room. All are in original condition. It must be assumed the 2nd, and 3rd floor are in fair/poor condition.

The subject building was originally built in the 1880s. As noted above the main floor was considered to be in average condition. The basement was considered to be in fair condition. Although the upper floors were not viewed, they were considered to be in fair/poor condition based on information provided by the property manager. Overall, the subject is considered to be in fair/poor condition with some deferred maintenance including bed bugs as noted above.

The subject property is designated under Part IV of the Ontario Heritage Act.

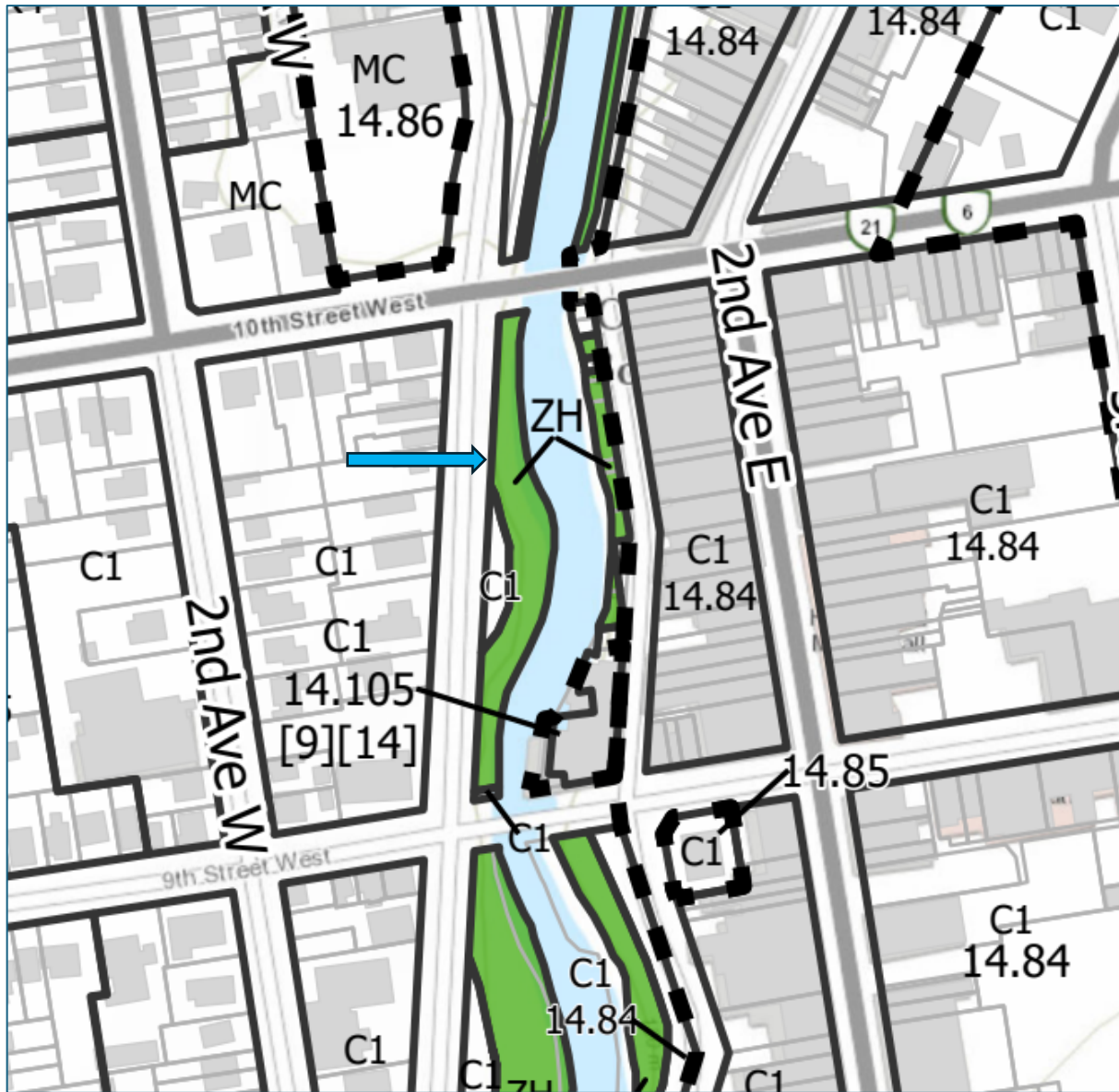
LAND USE CONTROLS

City of Owen Sound Zoning

942 Second Ave E:



PIN #370740539:



The subject 942 Second Ave E is zoned C1(14.84); Core Commercial Zone. PIN #370740539 is zoned ZH; Hazard Zone.

Permitted uses in a C1 zone:

Uses	Uses Permitted In Zone					
	C1	C2	C3	C4	C5 (Section 14.82)	MC
Automotive Rental Establishment		●	●	●		
Automotive Body/Repair Shop (see Section 5.16.1)		●	●	●		
Automotive Washing Establishments		●				
Catering Services	●	●				
Clinics	●	●	●	●	●	●
Commercial Schools	●	●	●	●		●
Commercial Use	●	●	●	●	●	●
Community Centre	●					
Community Lifestyle Facilities	●	●		●	●	●
Convenience Stores	●	●	●	●	●	●
Crisis Residence	●	●	●	●		●
Day Nursery	●	●	●	●		●
Drinking Establishments	●	●			●	●
Financial Institutions	●	●	●	●	●	●
Funeral Homes	●	●	●	●		
Gas Bar		●	●		●	

Uses	Uses Permitted In Zone					
	C1	C2	C3	C4	C5 (Section 14.82)	MC
Grocery Store	●	●	●		●	
Group Home	●					●
Group Residence	●	●	●	●		●
Hotels	●	●		●		●
Laundromat	●	●				●
Libraries	●	●		●		●
Long Term Care Facility	●		●	●		●
Marinas						●
Museums/Galleries	●	●	●	●		●
Offices	●	●	●	●	●	●
Parking Area or Structure	●				●	●
Personal Service Use	●	●	●	●	●	●
Place of Worship (see Section 5.17.4)	●	●	●	●		●
Printing and Publishing Establishments	●	●				
Public Park (see Section 5.17.5)	●	●	●	●	●	●
Public Uses	●	●		●		●
Rental Stores, Media	●	●	●			●
Repair Stores	●	●				●
Restaurants	●	●		●	●	●
Restaurants, Drive-Thru		●		●	●	
Retail Stores	●	●	●	●	●	●
Schools (see Section 5.17.3)	●	●		●		●
Self Serve Use	●	●		●		
Service Uses	●	●				●
Shopping Centres	●	●		●	●	●
Storage, Indoor	●					●
Studios	●	●	●	●		●
Transportation Depot	●					●

Uses	Uses Permitted In Zone					
	C1	C2	C3	C4	C5 (Section 14.82)	MC
Industrial Use, Accessory (see Sec. 5.17.13)	●	●				●
Vehicle Sales Establishments		●				
Veterinarian Clinics	●	●		●		
Wholesale Establishments	●	●		●		
RESIDENTIAL						
Dwelling, Single Detached	●*	●	●			●*
Dwelling, Semi Detached	●*		●			●*
Dwelling, Duplex	●*		●			●*
Dwelling, Converted	●	●	●	●		●
Dwelling, Townhouse	●*		●			●
Dwelling, Apartment	●	●	●	●		●
Dwelling Units in combination with a permitted non-residential use	●	●	●	●		●

Permitted uses in a ZH zone:

Uses	Uses Permitted in Zone
Boat Launch and Dock Facility	●
Public Park (see Section 5.17.5)	●
Works and facilities in connection with the prevention of erosion, flood control, pedestrian access, protection of vegetation and wildlife	●

942 Second Ave E consists of a commercial building. The zoning designation C1 appears to allow for a wide range of commercial uses as well as residential uses. The subject consisted of retail space on the main floor and residential units on the second and third floor. Thus, the subject appears to be a legal conforming use.

PIN #370740539 consists of a vacant lot. The zoning designation ZH appears to allow for docking facilities, a public park, and facilities in connection with protecting wildlife and vegetation. The subject consisted of vacant parcel of land. Thus, the subject building at 942 Second Ave E appears to be a legal conforming use. The vacant parcel does not appear to have much value as there are only a minimal amount of permitted uses. It is currently vacant and thus considered to be a legal conforming use.

HIGHEST AND BEST USE

Highest and Best Use

Real estate is valued in terms of its highest and best use. Highest and best use is defined as:

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability

*Source: The Dictionary of Real Estate Appraisal
Third Edition, 1993
Appraisal Institute*

To properly analyze highest and best use, two determinations must be made. First, the highest and best development of the site as though vacant and available for use is made. Second, the highest and best use of the property as improved is analyzed and estimated. The highest and best use of both the land as though vacant and the property as improved must meet four criteria: physically possible, legally permissible, financially feasible, and maximally productive. Of the uses that satisfy the first three tests, the use that produces the highest price or value consistent with the rate of return warranted by the market is the maximally productive use.

Subject Property – As Though Vacant

Physically Possible

Analysis of the site characteristics and nearby improvements in the area indicates the subject site could adequately support physical development.

Legally Permissible

The subject properties are zoned C1 and ZH. As mentioned above it is assumed that the subject is a legal conforming use as per the current zoning.

Financially Feasible

Commercial uses are financially feasible as some of the available land has been developed with commercial or mixed-commercial residential buildings and demand for them has been steady.

As Vacant

The subject property is best suited for a commercial or residential development to the maximum density permitted under existing zoning by-laws, as if vacant.

As Improved

The zoning allows for commercial and residential uses. The current improvements consist of a three storey commercial building with retail on the ground floor and residential units on the second and third floor. Thus, it is considered to be the highest and best use of the subject, as improved.

VALUATION TECHNIQUE

Valuation Premise

The market for any real estate consists of those entities that can benefit from the highest and best use of a particular property and, accordingly, are willing and able to pay a competitive price. In most cases, for any particular property the market is represented by a fairly clearly defined group of individuals or financial entities. The valuation contained in this document attempts to replicate the analysis that a prospective purchaser would likely use.

Method of Valuation

The three traditional approaches to value, Cost, Direct Comparison, and Income Capitalization, have been considered in estimating the market value for the subject property. Based upon the available market data and the likely motivations of the typical purchaser, the Direct Comparison Approach and the Income Approach using a form of Direct Capitalization have formed the primary basis of our reconciliation of a final estimate of value. The Cost Approach has not been developed. While investors are generally aware of replacement cost, they place little reliance on the fully developed Cost Approach when determining a value for acquisition purposes.

The Income Approach is presented first followed by the Direct Market Comparison Approach which is in turn followed by Reconciliation and a Final Estimate of Value.

Reasonable Exposure Time

Exposure time may be defined as follows:

"The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market."

The subject is located within a developed mixed commercial/residential area. A reasonable exposure time of 6 weeks to 6 months is estimated.

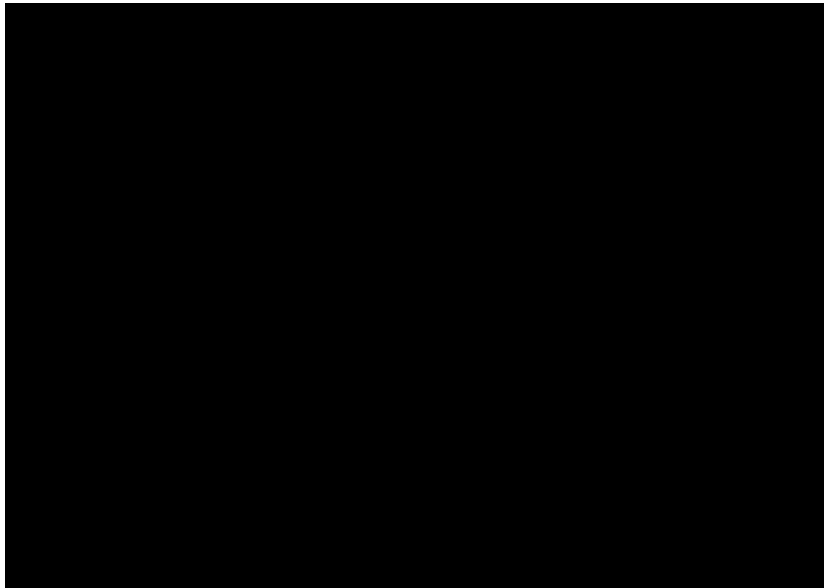
INCOME APPROACH

The Income Capitalization Approach includes an analysis of the market for similar comparable properties that have leased within a meaningful timeframe, and a pro forma estimation of a Year 1 stabilized net operating income is developed.

The Income Capitalization Approach is developed, which typically converts an estimate of a single year's income expectancy into an indication of value using an appropriate capitalization rate. After analysis of pertinent data to select an appropriate capitalization rate, the net operating income is stabilized and capitalized to an estimation of current market value.

Subject Occupancy

The subject property consisted of one commercial tenant on the ground floor and 12 residential units above. Below is a rent roll of the residential units that was provided to the appraiser by the client:

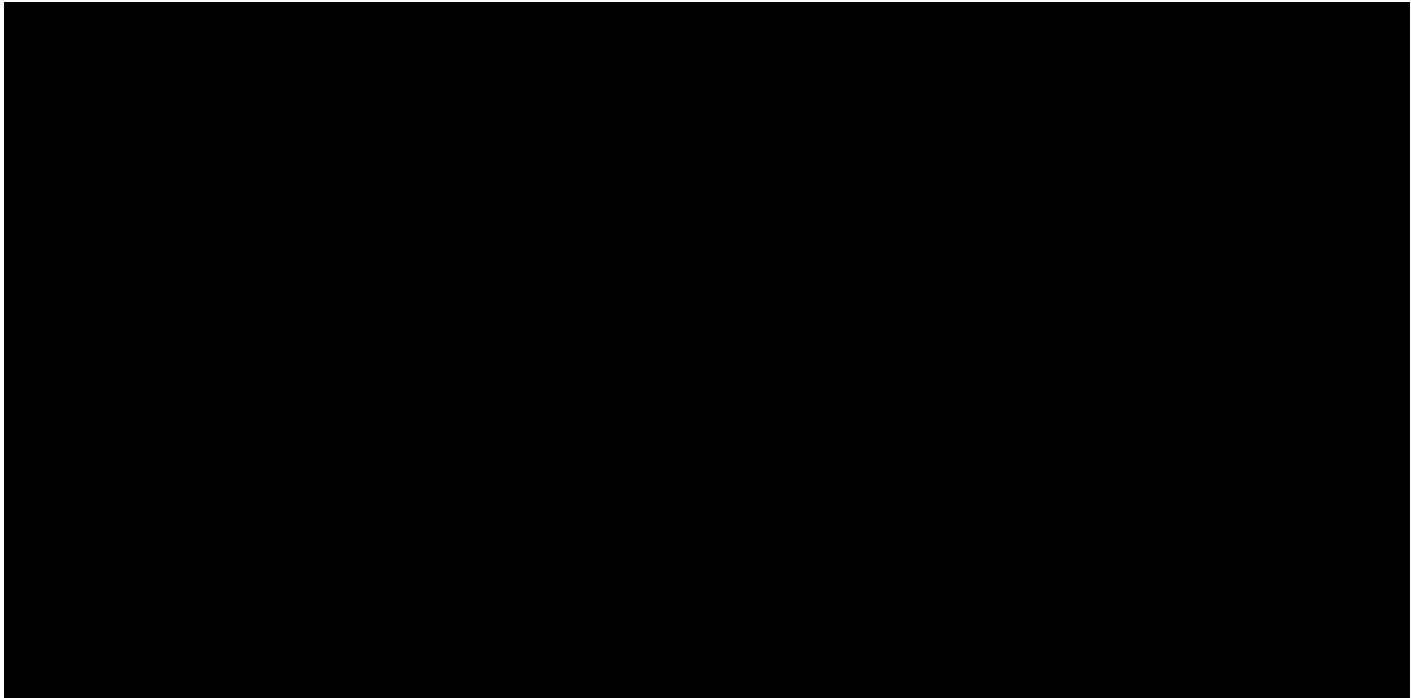


As is noted above, it appears that two units were vacant as of the effective date, one tenant was moving out shortly after the effective date and the rent for two of the units was unknown. The average rent from the 7 units where the rent is known was \$1,159. For the purposes of this appraisal, it is this amount that will be utilized for the two units that the rent was unknown. All the units were two bedroom units. The appraiser analyzed the market rental rates in order to determine a rental rate to apply to the vacant units.

Apartment Lease Rates							
#	Location, Owen Sound	Date	# of Bedrooms	Condition	Monthly Rate	Utilities Included	Parking Included
1	876 7th Ave W #2	01/30/2024	2	Dated	\$1,600	No	Yes
2	489 14th St W	06/11/2024	2	Average	\$1,750	No	Yes
3	820 20th St E	10/18/2024	2	Average	\$2,200	No	Yes
4	1723 8th Ave E #107	05/26/2024	2	Good	\$2,500	No	Yes
5	80 9th St E #702	04/25/2024	2	Good	\$2,525	No	Yes
6	845 2nd Ave E #205	07/08/2024	2	Good	\$2,550	No	Yes

Residential Lease Rate Analysis Summary

There were 6 lease rates analyzed for two bedroom units. The rates range from \$1,600/month to \$2,550/month. The subject units are assumed to be in fair/poor condition. This would point towards a rental rate at the lower end of the range. It is also likely that at least some nominal work on the unit would need to be done before renting it i.e. paint, removal of beds bugs although the costs of these are nominal and it is common to do this type of cleaning or paint work before re-renting a unit. The appraiser also noted that the highest rent achieved in the subject building was \$1,600/month. Based on the aforementioned this is the rate that will be applied to the two vacant units and the one unit that is vacating.



The ground floor unit was occupied by a commercial tenant. However, no lease information was provided for that tenant and thus a market lease rate was assumed for the ground floor space.

Market Rent

A survey of **commercial lease rates** was done and shown below:

#	Location, Owen Sound	Date	Size/sf	Rental Rate/SF	TMI	Gross Rent	Comments
1	882 2nd Ave E	01/16/2024	1,185	\$15.70	\$0.00	\$15.70	Average condition
2	1023 2nd Ave E	02/19/2024	1,200	\$15.50	\$0.00	\$15.50	Average condition
3	677 6th St E C1	01/30/2024	450	\$26.67	\$0.00	\$26.67	Average condition
4	776 2nd Ave E	07/31/2024	1,400	\$8.14	\$0.00	\$8.14	Average condition
5	925 16th St E #1	04/23/2024	1,800	\$26.00	\$0.00	\$26.00	Average condition
6	879 10th St W	04/04/2024	1,400	\$14.00	\$0.00	\$14.00	Average condition
7	345 8th St E #101	02/13/2024	1,480	\$25.86	\$0.00	\$25.86	Good location

Variations are largely a result of differences in location, use, unit size, and condition.

Commercial Lease Rate Analysis Summary

There were 7 lease rates analyzed. The comparable lease rates range from \$8.14/sf - \$26.67 sf on a gross basis. The main floor space of the subject was in average condition. There was an additional basement as well although the basement was in fair condition. The main floor space of the subject was 5,016 sf which is larger than of the comparable lease rates. This would point towards a lease rate at the lower end of the range as typically larger spaces would lease at a lower price per square foot. Thus a lease rate of \$10/sf gross is considered appropriate for the subject and will be utilized in the analysis. When applied to the subject’s 5,016 sf this results in an annual gross income of \$50,160.

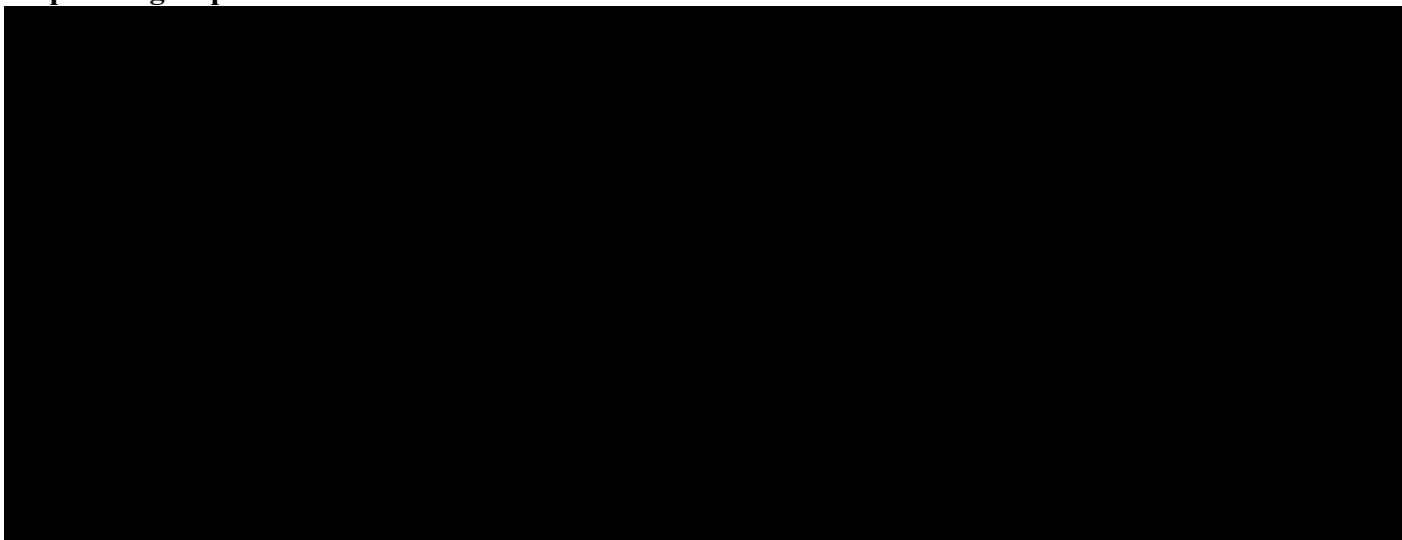
General Vacancy

The subject is located in a desirable area within the City of Owen Sound. As per the October 2024 CMHC report for Owen Sound, the vacancy rate was 1.7% for residential units. Below is a summary of the information from CMHC:

	Vacancy Rate	Average Rent	Median Rent	# of units
Owen Sound	1.7	\$1,159	\$1,063	2,055

The appraiser did note that as of the effective date of the appraisal, there were two units vacant with a third unit that was being vacated shortly after the effective date. Additionally, the main floor of the subject was occupied by a retail tenant and commercial vacancy rates are generally much higher than residential vacancy rates. Based on the aforementioned a blended bad debt/vacancy rate of 8% will be utilized for the subject property.

Operating Expenses



Property Management:



Structural Reserve:



Capitalization Technique

In the evaluation of real property, the marketplace has proven that there is a relationship between the income and value. In light of this, the Appraiser methodology has several tools available to measure this relationship, resulting in an estimate of value to the subject property through the capitalization of the Net Income. In today's marketplace, two methods are widely accepted which may yield a good estimate of value. These methods are the Mortgage Equity Capitalization Technique and the Direct Capitalization Technique. It is the Direct Capitalization Technique which will be used in this report.

The Direct Capitalization Technique involves the analysis of sales of similar types of properties to derive a relationship between the selling price and the Annual Net Operating Income. This overall rate is expected to represent what an informed, prudent and rational investor is requiring for similar competitive properties in the marketplace. Similar refers to similarities with respect to risk and durability of income or investment return of specific properties. The Direct Capitalization Technique is usually an excellent means of estimating Market Value when revenue producing properties are the subject matter. This technique is especially useful where standard or typical type of revenue producing properties are concerned. I have investigated the market for sales of similar properties to determine an appropriate capitalization rate for the subject. I have included various comparable which are considered to reasonably provide an estimated capitalization rate for the subject.

Not all of the comparable sales developed in the Direct Comparison Approach had reliable income information from which to develop going-in capitalization rates. Consequently, we went back to the market to widen the search and develop yield rates for comparable properties in the broader market.

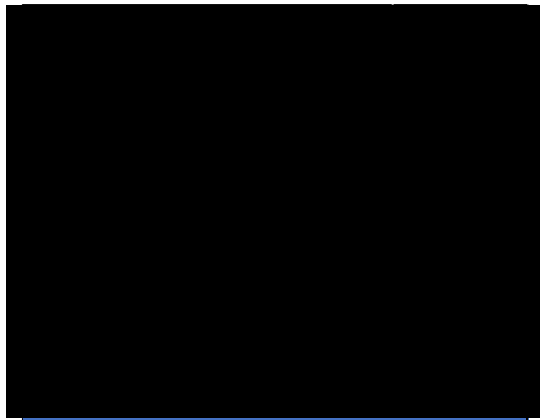
The following is a summary of my findings:

No.	Sale Date	Location	Type	Estimated Net Income	Sale Price	Going In Capitalization Rate
1	09/26/2024	669 Elgin St, Port Elgin	Multi Family	\$125,000	\$2,500,000	5.00%
2	08/30/2024	74 John St W, Bradford	Retail/Residential	\$130,000	\$2,000,000	6.50%
3	06/21/2024	27 Hooper Rd, Barrie	Industrial	\$197,400	\$4,200,000	4.70%
4	04/16/2024	37 W Holland St, Bradford	Retail/Residential	\$160,650	\$2,975,000	5.40%
5	06/14/2023	18 Boucher St W, Meaford	Hospitality	\$125,280	\$1,080,000	11.60%
6	12/05/2023	521-527 Bay St, Midland	Retail/Residential	\$173,070	\$2,700,000	6.41%
7	12/30/2024	504 Dundas St N, Cambridge	Retail	\$96,040	\$1,400,000	6.86%
8	08/28/2024	1591 London Line, Sarnia	Retail	\$60,000	\$1,000,000	6.00%
9	04/16/2024	725 Bridge St W, Waterloo	Office	\$629,375	\$6,625,000	9.50%
10	03/28/2024	9755 Northville Cres, Thedford	Self Storage	\$100,000	\$1,070,000	9.35%
11	08/20/2024	1038 King St W, Hamilton	Retail/Residential	\$305,100	\$4,500,000	6.78%
12	10/03/2023	143 St Paul Cres, St Catharines	Retail	\$144,625	\$2,225,000	6.50%
13	04/03/2023	364 Scott St, St Catharines	Retail	\$94,500	\$1,575,000	6.00%
14	06/16/2022	992 3rd Ave E, Owen Sound	Multi Family	\$61,000	\$700,000	8.71%
15	05/26/2023	418 Sherman Ave, Hamilton	Retail	\$108,000	\$1,475,000	7.32%

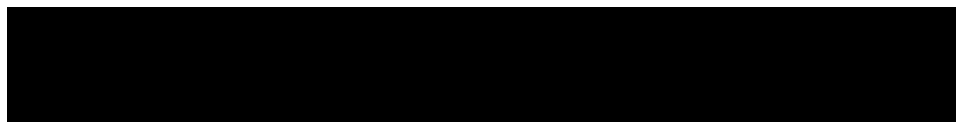
Summary

Capitalization rates on similar commercial/residential buildings in Owen Sound were difficult to find. As such, the appraiser chose to extend the search parameters to include time, locations, and different types of improvements that would offer a similar demand. It was difficult to find comparable sales with capitalization rates. Consequently, the appraiser went back to the market to widen the search and develop yield rates for

comparable properties in the broader market. The following sales were utilized in developing the overall capitalization rate for the subject property. The sales demonstrate an unadjusted going in capitalization rates that range from a low of 4.7% to a high of 11.6%. Capitalization rate #3 is the sale of an industrial property that was located in Barrie. Barrie is considered to be a superior market than the subject. This sale sets the low end of the range. Sale #5 was the sale of a hospitality asset in Meaford. Hospitality assets are considered risky and less desirable overall than a retail residential property such as the subject. This sale sets the upper end of the range. The appraiser noted that the subject was located in Owen Sound which was considered to be an inferior market than many of the capitalization rates that were located in Hamilton, Bradford, Cambridge, Waterloo etc. This points towards a higher capitalization rate for the subject. The subject was also in fair/poor condition, which would also point towards a higher capitalization rate. The subject was a mixed use asset with retail on the ground floor and residential on the upper floors. Overall, this is considered to be a desirable asset and that would point towards a lower capitalization rate than some other asset classes such as self-storage or hospitality. As per the CBRE Q3 2024 capitalization rate reports, the capitalization rate for Urban Street front properties in London was 6.75% - 8.25% and in Kitchener/Waterloo the range was 6% - 7%. Both of these markets were considered to be superior than Owen Sound which would point towards a capitalization rate for the subject that was higher than this range. Based on all the aforementioned information, a capitalization rate towards the higher end of the range of [REDACTED] % will be utilized.



Thus, the final value estimate by the Income Approach, as of the effective date of this appraisal is:



DIRECT MARKET COMPARISON APPROACH

The following are details of the most comparable improved sales in the area followed by an analysis of the data and a conclusion as to an estimate of market value.

Sale #	Location	Sale Price	Sale Date	Improvement Size (sf)	Price Per SF	Site Size (sf)
1	52 Sykes St S, Meaford	\$370,000	10/18/2023	2,680	\$138	2,590
2	136 Victoria St, Chatsworth	\$370,000	10/15/2024	2,015	\$184	17,424
3	1104 8th St E, Owen Sound	\$375,000	06/29/2023	1,152	\$326	8,712
4	8 Collingwood St E, Meaford	\$600,000	05/01/2024	6,100	\$98	7,800
5	1095 1st St W, Owen Sound	\$610,000	05/01/2024	6,698	\$91	15,921
6	705 3rd Ave E, Owen Sound	\$650,000	12/03/2022	2,983	\$218	5,170
7	992 3rd Ave E, Owen Sound	\$700,000	06/16/2022	5,060	\$138	5,250
8	975 2nd Ave E, Owen Sound	\$755,000	12/23/2022	7,200	\$105	2,450
9	122 Hurontario St, Collingwood	\$1,600,000	10/25/2024	4,705	\$340	3,465
10	1029 4th Ave W, Owen Sound	\$1,300,000	11/10/2022	12,000	\$108	35,208
S	942 Second Ave E & PIN #370740539, Owen Sound	N/A	N/A	15,048	N/A	5,851

Adjustments to Sales Data

The sales selected for this analysis are compared to the subject property and appropriate adjustments for the elements of comparison are considered. Elements of comparison analysed in this valuation include real property rights conveyed, financing terms, conditions of sale, market conditions, location, physical characteristics, building size, site size, economic characteristics and use considerations. The analysis is based on a direct market approach. The subject property was analyzed and compared to the comparable sales and the metric of comparison was the price per square foot of improvements with adjustments made as necessary for the items considered and mentioned above.

Sale 1
52 Sykes St S, Meaford



Sold Date:	10/18/2023
Purchase Price:	\$370,000
Vendor:	Han Jooyan
Legal Description:	Pt Lt 529 Pl 309 Meaford As In R503729; Meaford
Site Size:	35' x 74'; total site size 2,590 sf
Improvement Size:	2,680 sf
Price per Square Foot:	\$138

Remarks: This is the sale of a two-storey commercial property located at 52 Sykes St S in Meaford, Ontario. It occupies a corner lot in a desirable location and features a 2,680 sq ft improvement. The property is in fair condition. The site measures 35 x 74 feet, and the property has a basement.

Sale 2
136 Victoria St, Chatsworth



Sold date:	10/15/2024
Purchase price:	\$370,000
Legal:	Lt 1-2 Pl 123 Holland; Chatsworth
Lot size:	132' x 132'; total site size 17,424 sf
Improvement size:	2,015 sf
Price per Square Foot:	\$184

Remarks: This is the sale of a one storey, commercial property with an attached residential unit located at 136 Victoria St in Chatsworth. The location offers good exposure along Victoria St and Front St, situated on a corner lot. The property provides ample parking. The improvements were in good condition and the building included a finished basement. The main level was being uses as a local general store and restaurant, with 1-bedroom residential unit attached at the back.

Sale 3
1104 8th St E, Owen Sound



Sold Date:	06/29/2023
Purchase Price:	\$375,000
Vendor:	The W.R. Van Wyck Group Limited
Legal Description:	Lt 79 P1 8 Owen Sound; Owen Sound
Lot Size:	66' x 132', total site size: 8,712 sf
Improvement Size:	1,152 sf
Sale Price per sf:	\$326

Remarks: This is the sale of a commercial property known as the "Bradbury House," located at 1104 8th St E in Owen Sound. The building has a total area of 1,152 sq ft and is zoned for office use. It featured one washroom and provided on-site parking for five vehicles. The site measured 66 x 132 feet, and the basement was unfinished, offering additional storage space. The property consisted of two storeys and was in good condition overall.

Sale 4
8 Collingwood St E, Meaford



Sold Date:	05/01/2024
Purchase Price:	\$600,000
Vendor:	Five Point Developments Inc.
PIN:	371080176
Site Size:	60' x 130'; total site size 7,800 sf
Improvement Size:	6,100 sf
Price per Square Foot:	\$98

Remarks: This is the sale of a two storey, commercial building located at 8 Collingwood St E in Meaford. The property, previously utilized as a theater, had been converted to retail and residential use. The property was in a state of disrepair at the time of sale. The property had a basement and on-site parking for eight vehicles.

Sale 5
1095 1st St W, Owen Sound



Sold Date:	05/01/2024
Purchase Price:	\$610,000
Legal Description:	Pt Lt 5 E/S Stephen St And N/S Frost St Pl Owen Sound; Pt Rdal In Front Of Lt 5 E/S Stephen St And N/S Frost St To The River Pl Owen Sound (Aka Le Marchand Place); Owen Sound
Site Size:	183' x 87'
Improvement Size:	6,698 sf
Price per Square Foot:	\$91

Remarks: This is the sale of a multi-use commercial property located at 1095 1st St W in Owen Sound. The building featured a total area of 6,698 sq ft and consisted of two storeys. It was situated in the River District, with one large commercial space of 4,000 sq ft and two additional units of 1,000 sq ft each. The site property included 20 parking spaces. The improvements were in poor condition, requiring extensive repairs.

Sale 6
705 3rd Ave E, Owen Sound



Sold Date:	12/03/2022
Purchase Price:	\$650,000
Legal Description:	Pt Lt 18 E/S Scrope St Pl Owen Sound As In R255136; Owen Sound
Vendor:	Franklin Vickers & Barbara Vickers-Holland, David Holland
Site Size:	47' x 110'; total site size 5,170
Improvement Size:	2,983 sf
Price per Square Foot:	\$218

Remarks: This is the sale of a two storey, residential property located at 705 3rd Ave in Owen Sound. The building featured a total area of 2,983 sq ft. It included four separate rental units: three 1-bedroom units and one 2-bedroom unit, with the main floor unit offering potential for additional bedroom conversion. The property was in good condition and had 3 parking spaces available.

Sale 7
992 3rd Ave E, Owen Sound



Sold Date:	06/16/2022
Purchase Price:	\$700,000
Legal Description:	Lt 14 Rcp 850 Owen Sound S/T R234392; Owen Sound
Vendor:	Kpln Property Management Inc
Site Size:	50' x 105'; total site size 5,250 sf
Improvement Size:	5,060 sf
Capitalization Rate:	8.7%
Price per Square Foot:	\$138

Remarks: This is the sale of a three storey, 12-unit apartment building located at 992 3rd Ave E in Owen Sound. The property featured a total area of 5,060 sq ft and consisted entirely of one-bedroom units, all of which were fully occupied. The building was in fair condition, with some units renovated and newer windows installed throughout. The site provided parking.

Sale 8
975 2nd Ave E, Owen Sound



Sold Date:	12/23/2022
Purchase Price:	\$755,000
Legal Description:	Lt 38 Rep 850 Owen Sound S/T Interest In R137134; Owen Sound
Vendor:	Kyliunn Corp
Site Size:	25' x 98'; total site size 2,450 sf
Improvement Size:	7,200 sf
Price per Square Foot:	\$105

Remarks: This is the sale of a three storey, multi-unit apartment building located at 975 2nd Ave in Owen Sound. The property featured a total area of 7,200 sq ft and consisted of 13 one-bedroom units, all fully occupied. The building included a basement, and there were 5 parking spaces available for tenants. The property was used as a rooming house and appeared to be in similar condition to the subject.

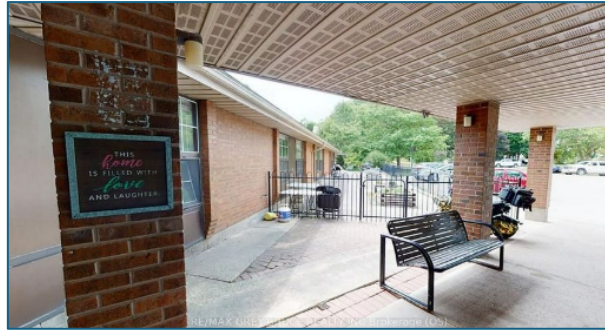
Sale 9
122 Hurontario St, Collingwood



Sold Date:	10/25/2024
Purchase Price:	\$1,600,000
Vendor:	Brac Properties Ltd.
PIN:	582860114
Site Size:	21' x 165'; total site size 3,465 sf
Improvement Size:	4,705 sf
Price per Square Foot:	\$340

Remarks: This is the sale of a two storey, commercial building located in Collingwood. The ground floor was tenanted by Bell and the second floor consisted of two apartments. The site provided parking. The condition of the improvements was considered to be superior than the subject and the location was superior.

Sale 10
1029 4th Ave W, Owen Sound



Sold Date: 11/10/2022
Purchase Price: \$1,300,000
Vendor: Southbridge Health Care Gp Inc
PIN: 370520164
Site Size: 216' x 163'; total site size 35,208 sf
Improvement Size: 12,000 sf
Price per Square Foot: \$108

Remarks: This is the sale of a single storey commercial building that was most recently used as a long term care home. The improvements were 12,000 sf located on a 35,208 sf site. The location was considered to be inferior than the subject and the condition was considered to be superior.

DIRECT MARKET COMPARISON CHART						
	Location	Sale Date/Sale Price Price /SF	Description of Improvements	Improvement/Condition	Site Size	Overall Adjustments
S	942 Second Ave E & PIN #370740539	N/A	15,048 sf Retail/Residential Unfinished basement	Fair/Poor	5,851 sf	
1	52 Sykes St S, Meaford ↑↑	10/18/2023 \$370,000 \$138	2,680 sf ↓↓↓↓ Retail/Residential	Superior ↓↓	2,590 sf ↑	↓↓↓↓
2	136 Victoria St, Chatsworth ↑↑↑	10/15/2024 \$370,000 \$184	2,015 sf ↓↓↓↓ Retail/Residential Finished basement ↓↓	Superior ↓↓↓↓↓	17,424 sf ↓	↓↓↓↓↓↓↓ ↓
3	1104 8th St E, Owen Sound ↑	06/29/2023 \$375,000 \$326	1,152 sf ↓↓↓↓↓↓ Office/Residential	Superior ↓↓↓↓↓	8,712 sf ↓	↓↓↓↓↓↓↓ ↓↓↓↓
4	8 Collingwood St E, Meaford ↑↑	05/01/2024 \$600,000 \$98	6,100 sf ↓↓↓↓ Retail/Residential	Inferior ↑	7,800 sf ↓	↓
5	1095 1st St W, Owen Sound ↑↑	05/01/2024 \$610,000 \$91	6,698 sf ↓↓↓↓ Office/Residential	Inferior ↑↑	15,921 sf ↓	-
6	705 3rd Ave E, Owen Sound ↑↑	12/03/2022 \$650,000 \$218	2,983 sf ↓↓↓↓ Multifamily ↓↓	Superior ↓↓↓↓↓	5,170 sf	↓↓↓↓↓↓↓ ↓
7	992 3rd Ave E, Owen Sound ↑	06/16/2022 ↓ \$700,000 \$138	5,060 sf ↓↓↓↓ Multi Family ↓↓	Similar	5,250 sf	↓↓↓↓↓
8	975 2nd Ave E, Owen Sound	12/23/2022 \$755,000 \$105	7,200 sf ↓↓↓↓ Retail/Residential	Similar	2,450 sf ↑	
9	122 Hurontario St, Collingwood ↓↓	10/25/2024 \$1,600,000 \$340	4,705 sf ↓↓↓↓ Retail/Residential	Superior ↓↓↓↓↓↓	3,465 sf ↑	↓↓↓↓↓↓↓ ↓↓↓

10	1029 4 th Ave W, Owen Sound ↑	11/10/2022 \$1,300,000 \$108	12,000 sf ↑ Long term care	Superior ↓↓	35,208 ↓↓	↓↓
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Analysis of Comparable Sales



Sale Date:

In a changing market, it may be necessary to adjust sale prices to reflect the time difference between the sale date of a comparable and the date of valuation. It appears demand for similar properties in the area has remained stable over the last ~15 months. Sale #7 occurred during superior market conditions before many of the interest rate hikes that occurred and thus it needed a downward adjustment.

Property Rights Conveyed:

In the sales analysis, it is important the pertinent property rights of the comparable sales are similar to the subject property. No adjustments were deemed necessary.

Financing Terms:

Due to differing financial arrangements, the sale price of differing properties may be different. More favourable financing may include a Vendor Take Back Mortgage and a lower rate the current market rate. This situation may result in a positive influence on the sale price. Conversely, a higher VTB interest rate may also affect the sale price. No adjustments were necessary.

Conditions of Sale:

The motivations of the purchaser and vendor may affect the sale price and adjustments for these types of sales are necessary as in some cases, these motivations may affect the sale price. For example, a property that is under power of sale may require a certain sense of urgency on the part of the seller/lender, causing a lower sale price than otherwise would be attained if the property had adequate marketing time on the real estate market. Other instances include land assembly whereby the purchaser has a need to pay a higher price in order to acquire a certain piece of property. No adjustments were necessary.

Location:

An adjustment for location may be needed when the location characteristics of a comparable property is different from the subject property. The subject property was located in a desirable location within Owen Sound. Sale #9 was located in a superior location. The other remaining comparable sales with the exception of sale #8 were all in inferior locations than the subject. Adjustments were made accordingly.

Improvements

The improvements were in fair to poor condition. Sales #1, #2, #3, #6, #9 and #10 were considered to be in superior condition with sales #4, and #5 being in inferior condition. Adjustments were made accordingly.

The subject totalled 15,048 sf. Typically, smaller improvements sell at a higher price per square foot than larger improvements. The reverse is also true. All the comparable sales were smaller in size than the subject and thus they all needed downward adjustments.

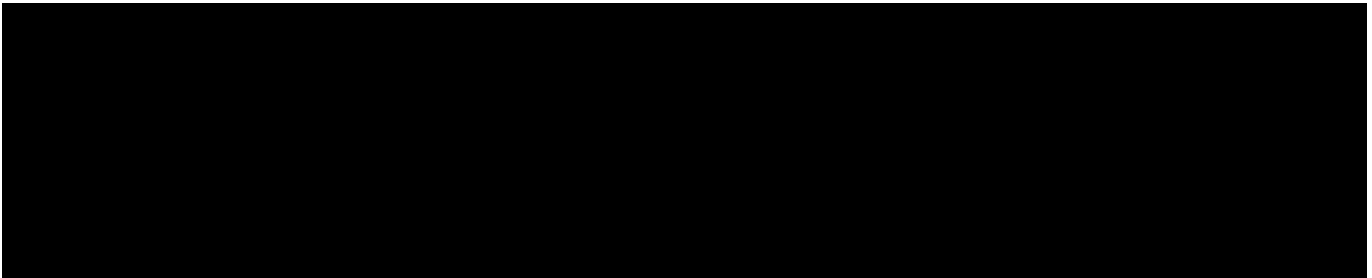
The subject did not have a finished basement whereas sale #2 did have a finished basement. Thus this sale needed a downward adjustment.

The subject consisted of a mixed use building with the main floor being commercial and the upper floors being residential. Sales #6 and #7 were both exclusively used for residential and were multifamily buildings which is considered to be a more desirable asset class. Thus these sales needed downward adjustments.

Site Size

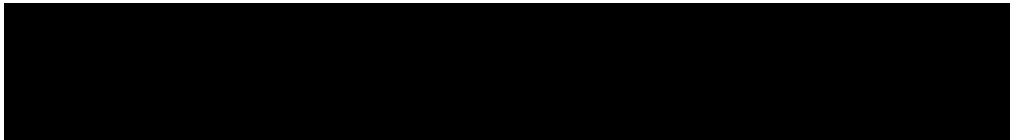
Sales #1, #8 and #9 were on sites that were smaller than the subject site. Sales #2, #3, #4, #5, and #10 were all on larger sites than the subject. Adjustments were made accordingly.

Conclusion:

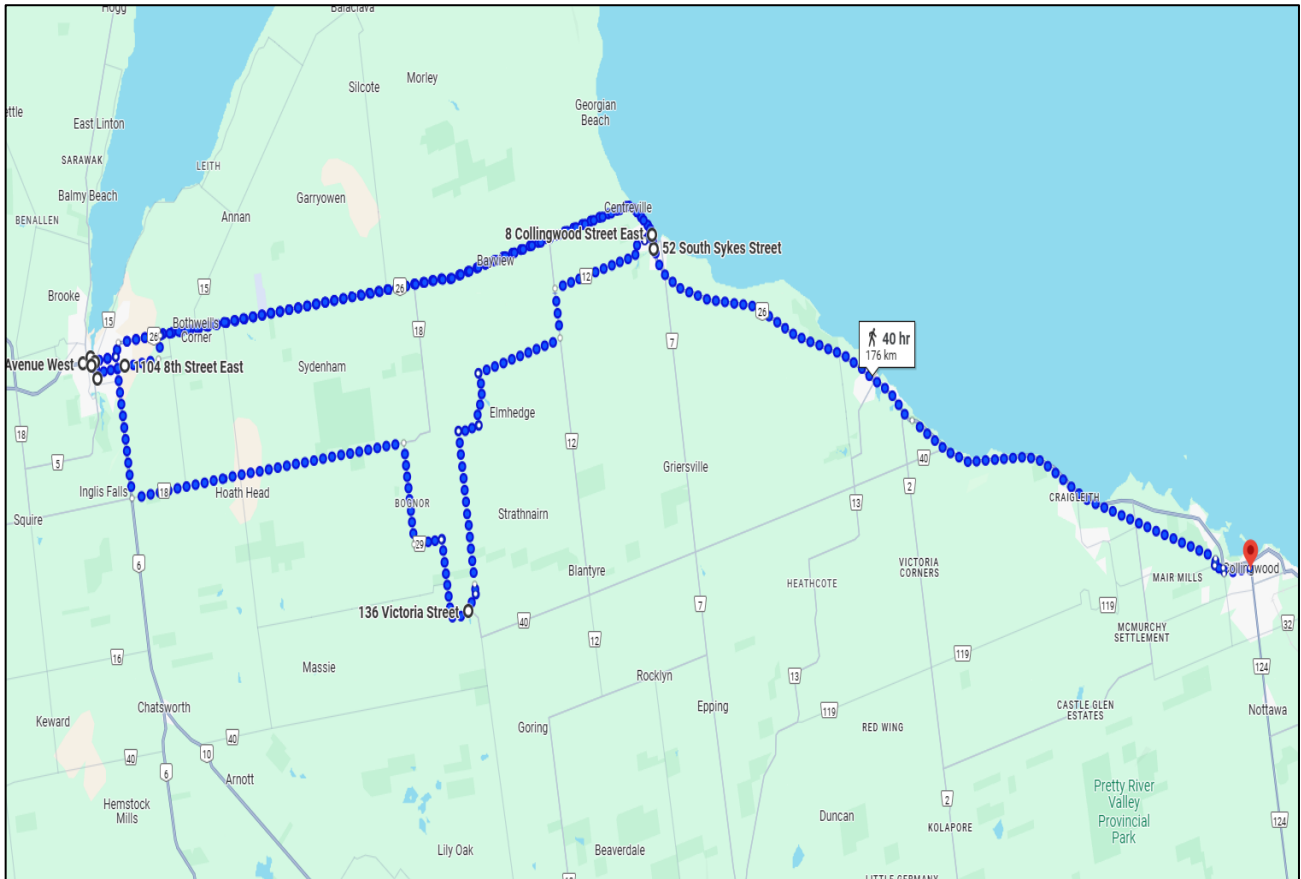


In this regard, with consideration given to the assumptions and limiting conditions contained herein, it is felt that the subject, should reasonably achieve a price per square foot of \$ [redacted] /sf. When applied to the subject's 15,048 sf this results in an overall estimate of value of \$ [redacted] (rounded).

Thus, the final value estimate by the Direct Market Comparison Approach, as of the effective date of this appraisal is:



DIRECT MARKET COMPARISON MAP



RECONCILIATION AND FINAL ESTIMATE OF VALUE

Between the various approaches, the following estimated market values were concluded:

VALUATION

Income Approach – *Direct Capitalization*

Direct Comparison Approach



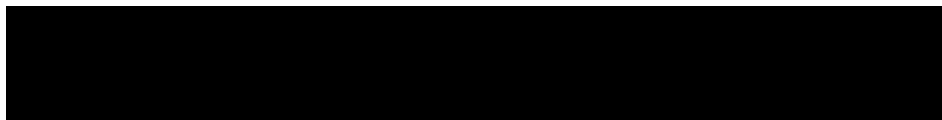
Each of the valuation methods has a varying degree of applicability with respect to the subject building. In the case of the Cost Approach, the determination of physical and functional depreciation is difficult and thus this approach is somewhat less reliable and therefore has not been developed. Further, while investors are generally aware of replacement cost, they place little reliance on the fully developed Cost Approach when determining a value for acquisition purposes.

The Income Approach using a form of the Direct Capitalization was analyzed. The property had one commercial tenant and 12 residential units. This approach was given some weight as part of the final estimate of value as the property is an income producing property with 13 units. Thus, many buyers would be looking at the subject as an investment and focused on the cash flow.

The Direct Comparison Approach produced 10 sales of commercial properties with varying degrees of comparability to the subject. The range of prices is most heavily influenced by location, building and lot size, condition and quality of the improvements, use, and the prevailing market conditions at the time of sale. This approach was also considered as part of the final estimate of value. Many properties such as the subject are bought by end users that are more focused on this approach. However, the subject is larger in size than the typical urban street front property and thus some buyers would be focused on the income as mentioned above.

Based on the aforementioned, the Income Approach was given the most weight as part of the final estimate of value. The Income Approach is strongly supported by both the Direct Market Comparison Approach.

Thus, in my opinion, the estimated current market value of the subject property effective date December 4, 2024 is:



UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

SUBJECT	942 Second Ave E & PIN #370740539, Province of Ontario
REAL PROPERTY INTEREST	Leased Fee Interest
EFFECTIVE DATE	December 4, 2024

AT THE REQUEST OF OUR CLIENT, I HAVE INSPECTED THE PROPERTY DESCRIBED IN THIS REPORT AND CONSIDERED ANY RELEVANT MATTERS WITH RESPECT TO FORMING AN OPINION OF CURRENT MARKET VALUE OF THE PROPERTY, IN ORDER TO ASSIST ALBERT GELMAN INC. & THE ONTARIO COURT OF JUSTICE IN A RECIEVERSHP PROCESS ON THE SUBJECT PROPERTY. THIS APPRAISAL IS VOID IF USED FOR ANY OTHER PURPOSE.

The certification that appears in this report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice (“CUSPAP”) and the following conditions:

1. This report is prepared only for ALBERT GELMAN INC., & THE ONTARIO COURT OF JUSTICE and authorized users specifically identified in this report and only for the specific use identified herein. No other person may rely on this report or any part of this report without first obtaining consent from the client and written authorization from the authors. Liability is expressly denied to any other person and, accordingly, no responsibility is accepted for any damage suffered by any other person as a result of decisions made or actions taken based on this report. Liability is expressly denied for any unauthorized user or for anyone who uses this report for any use not specifically identified in this report. Payment of the appraisal fee has no effect on liability. Reliance on this report without authorization or for an unauthorized use is unreasonable.
2. Because market conditions, including economic, social and political factors, may change rapidly and, on occasion, without warning, this report cannot be relied upon as of any date other than the effective date specified in this report unless specifically authorized by the author(s).
3. The author will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The property is appraised on the basis of it being under responsible ownership. No registry office search has been performed and the author assumes that the title is good and marketable and free and clear of all encumbrances. Matters of a legal nature, including confirming who holds legal title to the appraised property or any portion of the appraised property, are outside the scope of work and expertise of the appraiser. Any information regarding the identity of a property’s owner or identifying the property owned by the listed client and/or applicant provided by the appraiser is for informational purposes only and any reliance on such information is unreasonable. Any information provided by the appraiser does not constitute any title confirmation. Any information provided does not negate the need to retain a real estate lawyer, surveyor or other appropriate experts to verify matters of ownership and/or title.
4. Verification of compliance with governmental regulations, bylaws or statutes is outside the scope of work and expertise of the appraiser. Any information provided by the appraiser is for informational purposes only and any reliance is unreasonable. Any information provided by the appraiser does not negate the need to retain an appropriately qualified professional to determine government regulation compliance.
5. No survey of the property has been made. Any sketch in this report shows approximate dimensions and is included only to assist the reader of this report in visualizing the property. It is unreasonable to rely on this report as an alternative to a survey, and an accredited surveyor ought to be retained for such matters.

6. This report is completed on the basis that testimony or appearance in court concerning this report is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to: adequate time to review the report and related data, and the provision of appropriate compensation.
7. Unless otherwise stated in this report, the author has no knowledge of any hidden or unapparent conditions (including, but not limited to: its soils, physical structure, mechanical or other operating systems, foundation, etc.) of/on the subject property or of/on a neighbouring property that could affect the value of the subject property. It has been assumed that there are no such conditions. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the author. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.
8. The author is not qualified to comment on detrimental environmental, chemical or biological conditions that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air which may include but are not limited to moulds and mildews or the conditions that may give rise to either. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report. It is an assumption of this report that the property complies with all regulatory requirements concerning environmental, chemical and biological matters, and it is assumed that the property is free of any detrimental environmental, chemical legal and biological conditions that may affect the market value of the property appraised. If a party relying on this report requires information about or an assessment of detrimental environmental, chemical or biological conditions that may impact the value conclusion herein, that party is advised to retain an expert qualified in such matters. The author expressly denies any legal liability related to the effect of detrimental environmental, chemical or biological matters on the market value of the property.
9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources the author considered reliable. Unless otherwise stated herein, the author did not verify client-supplied information, which the author believed to be correct.
10. The term “inspection” refers to observation only as defined by CUSPAP and reporting of the general material finishing and conditions observed for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only.
11. The opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The author has not confirmed that all mandatory building inspections have been completed to date, nor has the availability/issuance of an occupancy permit been confirmed. The author has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this visual inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the author.
12. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The author acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the

author's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the author's privacy policy and in accordance with the PIPEDA.

13. The author has agreed to enter into the assignment as requested by the client named in this report for the use specified by the client, which is stated in this report. The client has agreed that the performance of this report and the format are appropriate for the authorized use.
14. This report, its content and all attachments/addendums and their content are the property of the author. The client, authorized users and any appraisal facilitator are prohibited, strictly forbidden, and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.
15. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the author can be reasonably relied upon.
16. This report form is the property of the Appraisal Institute of Canada (AIC) and for use only by AIC members in good standing. Use by any other person is a violation of AIC copyright.
17. Where the authorized use of this report is for financing or mortgage lending or mortgage insurance, it is a condition of reliance on this report that the authorized user has or will conduct lending, underwriting and insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender or insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct loan underwriting or insuring due diligence similar to the standards set out by the Office of the Superintendent of Financial Institutions (OSFI), even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition. Any reliance on this report without satisfaction of this condition is unreasonable.

CERTIFICATION

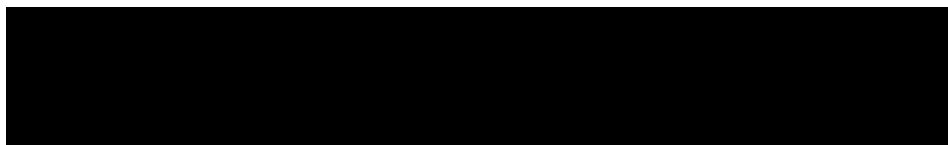
AUTHORIZED USER	Albert Gelman Inc. & The Ontario Court of Justice
SUBJECT PROPERTY	942 Second Ave E & PIN #370740539, City of Owen Sound, Province of Ontario
INSPECTION DATE	December 4, 2024

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct, and I have considered all factors believed to affect the value of the property.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- I have no bias with respect to the properties that are the subject of this report or to the parties involved with this assignment.
- My compensation is not contingent upon any action or event resulting from the analyses, opinions, or conclusions in or the use of the report.
- My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with CUSPAP.
- I have the knowledge and experience to complete the assignment competently.
- I, Tracey Smith have reviewed the report.
- I, Yehuda Belzberg assisted in completing this report
- Jonathan Knell assisted in inspecting the subject property
- No one provided significant professional assistance to the persons signing this report.

The Appraisal Institute of Canada has a Mandatory Recertification Program for designated members. As of the date of this report, we have fulfilled the requirements of the program.

The final estimate of the current market value, as at the effective date of the appraisal date December 4, 2024 is:



Y. Belzberg

January 15, 2025

Yehuda Belzberg, Candidate Appraiser

Date

Tracey Smith

January 15, 2025

Tracey Smith, BA, AACI, P. App,

Date

TL SMITH APPRAISALS

tlsmith121861@yahoo.com

Tracey Smith, P.App; AACI +1 416-220-1842

COMPREHENSIVE APPRAISAL OF A OF A COMMERCIAL PROPERTY



LOCATED AT
**948 SECOND AVE E,
CITY OF OWEN SOUND,
PROVINCE OF ONTARIO**

AUTHORIZED USER

ALBERT GELMAN INC. & THE ONTARIO COURT OF JUSTICE

EFFECTIVE DATE

DECEMBER 4, 2024

PART 1: LETTER OF TRANSMITTAL

TL SMITH APPRAISALS**tlsmith121861@yahoo.com****Tracey Smith, P.App; AACI +1 416-220-1842****January 20, 2025****Authorized User: Albert Gelman Inc. & The Ontario Court of Justice****Address of Property: 948 Second Ave E****Authorized Client: Albert Gelman Inc.****Market Value:** 

To Whom it may concern,

RE: VALUATION OF A COMMERCIAL PROPERTY LOCATED AT 948 SECOND AVE E, CITY OF OWEN SOUND

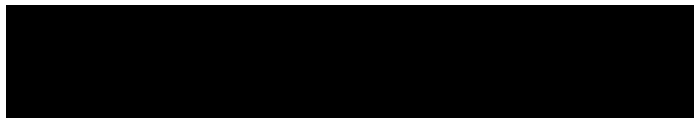
At your request, I am forwarding to you the enclosed **Comprehensive Appraisal Report** which comprises my valuation of the above described property. The purpose of this report is to estimate the current market value of the subject property. The property rights appraised are those of the Leased Fee Interest and the effective date of my valuation is December 4, 2024, the date of my inspection. The purpose is to assist with a receivership process on the subject property, as of the effective date of this appraisal. Void if used for any other use.

No person or party other than the authorized user specifically identified herein can rely on this report without obtaining written authorization from the author of this report. Such authorization is at the discretion of the author and may only be issued with permission from the client of this report. The report is prepared in accordance with the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP).

Albert Gleman Inc & The Ontario Court of Justice agree that any reliance by *same* on the above-referenced report, is conditional on *Albert Gelman Inc & The Ontario Court of Justice*. agreeing to be bound by all assumptions, limiting conditions and extraordinary items included in the above-referenced report and this reliance letter.

The site is located at 948 Second Ave E in the City of Owen Sound. 948 Second Ave E is improved with a two storey building with retail on the ground floor and residential apartments on the second floor. Access to the second floor apartments is available only through 950 Second Ave East. For the purpose of this appraisal, it is assumed an access is to be provided to the second floor apartment units and the cost to cure is estimated at \$50,000.

The following appraisal report contains my estimate of market value of the above described property. In my opinion, the estimated current market value of the subject property located at 948 Second Ave E, as of the effective date of December 4, 2024 is:



The following report contains the data, analysis and conclusions supporting the valuation. I trust you will find this report satisfactory and that it fulfills its intended purpose.

Respectfully submitted,

Handwritten signature of Tracey Smith in black ink.

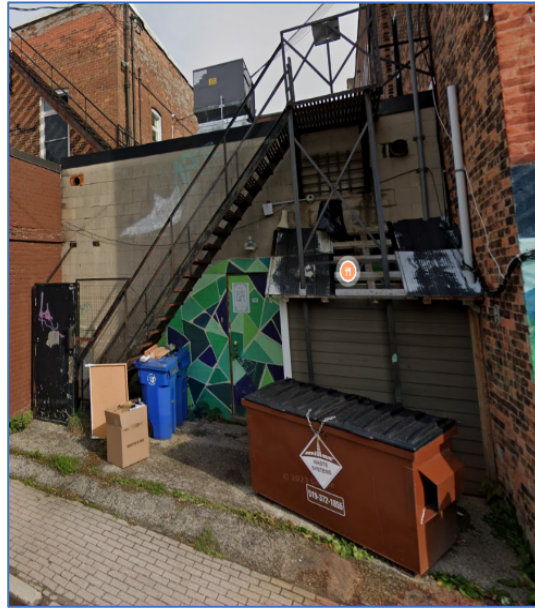
Tracey Smith, BA, AACI, P. App.

Handwritten signature of Yehuda Belzberg in black ink.

Yehuda Belzberg Candidate Appraiser

Photographs of the Subject

Front Views Rear View



Street Views



S

Photographs of the Subject

Rear Laneway

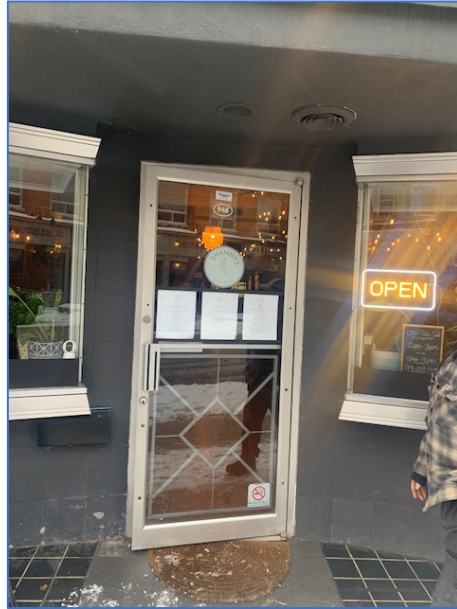


Rear Laneway



Photographs of the Subject

Front Door Commercial & Main Floor



Commercial Unit



Photographs of the Subject

Commercial Unit



Commercial Unit



Photographs of the Subject

Ceiling of Commercial Unit & Kitchen



Commercial Kitchen

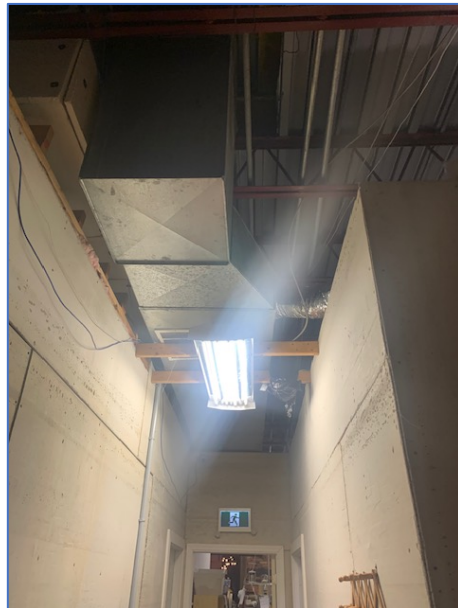


Photographs of the Subject

Commercial Unit Kitchen



Commercial Unit Kitchen



Photographs of the Subject

Basement



Residential Units Apartment 1 & 2 Landing



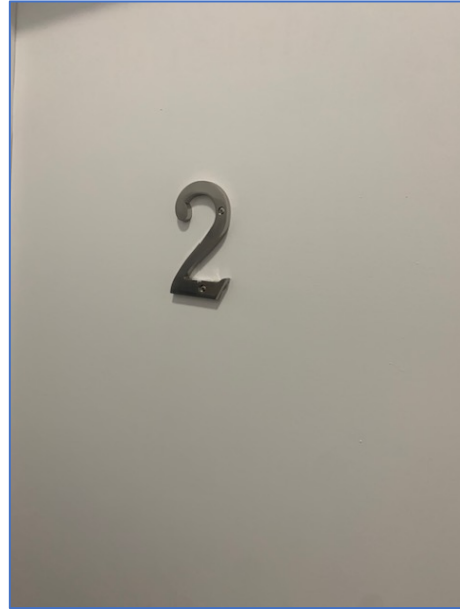
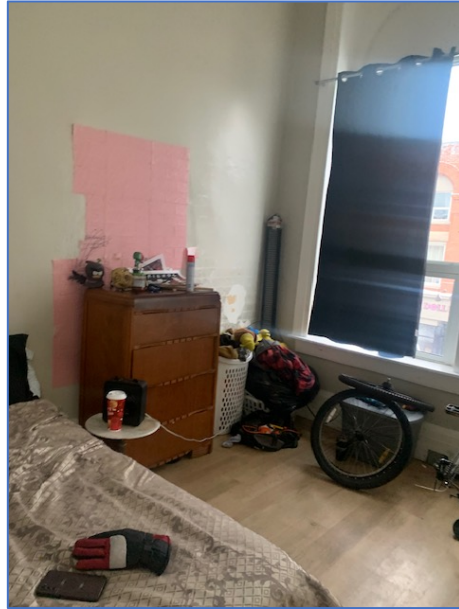
Photographs of the Subject

Apartment 1



Photographs of the Subject

Apartment 2



Photographs of the Subject



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SUMMARY OF SALIENT FACTS

LOCATION OF PROPERTY: 948 Second Ave E, City of Owen Sound, Province of Ontario

LEGAL DESCRIPTION: Pt Lt 4 W/S Poulett St Pl Owen Sound As In R288667 S/T Interest In R288667; Owen Sound

ARN: 425904003001600

PIN: 370740424

REGISTERED OWNER: 11393235 Canada Inc.

EFFECTIVE DATE OF APPRAISAL: December 4, 2024

SUBJECT SITE AREA: 2,938 sf

IMPROVEMENTS: 4,200 sf two storey commercial building

PURPOSE OF THE APPRAISAL: To estimate the current market value of the subject property as of the effective date of the appraisal.

AUTHORIZED USE OF APPRAISAL: To assist with a receivership process on the subject property, as of the effective date of this appraisal.

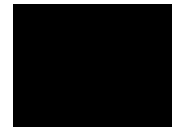
PROPERTY RIGHTS APPRAISED: Leased Fee Interest

OWEN SOUND ZONING: C1(14.84) Core Commercial Zone

HIGHEST AND BEST USE: Current use is the highest and best use

VALUATION

**DIRECT MARKET COMPARISON APPROACH
INCOME APPROACH
FINAL ESTIMATE OF MARKET VALUE**



PURPOSE OF THE APPRAISAL

Report Format

The Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) necessitates that an appraisal report be identified as one of the following types of reports:

Current – Refers to an appraisal where the effective date of the report is simultaneous with the date the report was prepared or inspected, where market conditions have not changed materially between the dates.

Retrospective – Refers to an appraisal where the effective date of the report precedes the inspection date or the date the report was prepared and whereby market conditions may be materially different in the time frame between these dates. In this type of appraisal, the “retrospective” value is based on market conditions, perceptions and perspective that existed as of the effective date.

Prospective – Refers to an appraisal where the effective date of the report is after the inspection date or the date the report was prepared. In this type of appraisal, the “prospective” value opinion is intended to reflect the projected market conditions to a future effective date.

Up-Date – Refers to an appraisal where the subject was previously appraised and has not undergone significant changes and/or the time between the effective date of the original appraisal and the up-date is not unreasonably long. It is an extension of a previously completed appraisal, updated to the effective date of the report and is intended for readers familiar with the original report of the subject property.

CUSPAP necessitates that an appraisal report be identified as one of the following types of reports which depends on the needs of the users and appraisers:

Comprehensive – comprehensive and detailed

Concise– concise and briefly descriptive

Form – a standard format combining check off boxes and short narrative comments.

The basic distinguishing difference between each different type of report is the level of detail of presentation.

Classification of the Appraisal

*This is a **Comprehensive Appraisal Report** which is a **Current Valuation** intended to comply with the reporting requirements set forth by CUSPAP. As such, it presents a detailed discussion of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. The depth of discussion contained in this report is specific to the needs of the client and for the authorized use stated below. The appraiser is not responsible for unauthorized use of the report.*

Purpose of the Appraisal

The purpose of this appraisal is to estimate the current market value of a 2,938 sf commercial site improved with a 4,200 sf two storey commercial building located at 948 Second Ave E, located in the City of Owen Sound, Province of Ontario.

Authorized use of the Appraisal

The authorized use is to assist with a receivership process on the subject property, as of the effective date of this appraisal.

Extraordinary Assumptions

An extraordinary assumption refers to any hypothesis - either fictitious or unconfirmed - which, if not true, could alter the appraiser's opinions or conclusions.

The appraiser measured the subject improvements and also relied on measurements provided by MPAC as well as the appraiser's measurements. It is assumed that these measurements are accurate and will be utilized in the report.

Access to the second floor apartments is available only through 950 Second Ave East. For the purpose of this appraisal, it is assumed an access is to be provided to the second floor apartment units and the cost to cure is estimated at \$50,000. This amount will be deducted as part of the final estimate of value.

The appraiser was provided with some financial information related to the subject property including a rent roll. Not all of the information was provided and thus certain assumptions needed to be made for some of the income. Additionally, the back up information for the rent roll in the form of leases were not provided. Lastly not all the operating expenses were provided. Thus, for the purposes of this appraisal a number of assumptions had to be made for the income and these assumptions are presumed to be accurate. Additionally, the income information that was provided is also assumed to be accurate and was relied upon in this appraisal.

If any of these assumptions are found to be inaccurate or incorrect then the value contained herein is subject to change and/or be VOID.

Extraordinary Limiting Conditions

Extraordinary limiting condition refers to the necessary modification or exclusion of any Appraisal Standard Rule that is outlined in the Standards of Professional Appraisal Practice of the Appraisal Institute of Canada.

There are no extraordinary limiting conditions to the conclusions of this report.

Effective Date

The effective date of this appraisal is December 4, 2024.

Property Rights Appraised

The property rights appraised are those of the Leased Fee Interest in the real estate comprising the property.

History of the Subject

Address:	948 Second Ave E, City of Owen Sound, Province of Ontario
Consideration on Record/Registration Date:	\$400,000; 06/15/2020
Registered Owner:	11393235 Canada Inc.

According to TREB/MLS the subject property was listed for sale on 09/06/2024 for \$585,514 and the listing was terminated on 09/18/2024. The subject property was listed for sale again on 09/18/2024 for \$670,000 and the listing was terminated on 12/04/2024. There were no other listings for sale or for lease for the subject on MLS in the past 36 months. As per Geowarehouse, 948 Second Ave E was last transferred on 06/15/2020 for a consideration of \$400,000. The appraiser has had no dealings with the subject property.

Property Assessment

The subject property is assessed for 2024 municipal taxes as follows:

Address:	948 Second Ave E, City of Owen Sound, Province of Ontario
Assessed Value 2025:	\$202,000
Property Taxes 2024:	\$7,347 (based on Owen Sound Tax Bill 2024)

Scope of the Assignment

The scope of this report outlines our framework for the assignment;

- The City of Owen Sound Zoning By-Law designations were reviewed when possible.
- The Comparable Sales and the subject information and areas are based on TREB, MPAC and Land Registry records. The subject size is based on the appraiser's measurements.
- Analysis of the highest and best use of the subject property was completed having regard to the land use controls. I have relied on discussions with municipal planning personnel and my own experience.
- The Direct Market Comparison Approach and the Income Approach was used to estimate the current market value of the subject.
- Sales data was extracted from the Owen Sound Real Estate Board and Land Registry. The comparable sales were inspected and an analysis of the sales was completed.
- Market research consisted of analyzing sales of comparable development sites in the general vicinity of the subject which took place over the past three years.
- The valuation and conclusions are subject to the accuracy of the information readily available.

Definition of Market Value

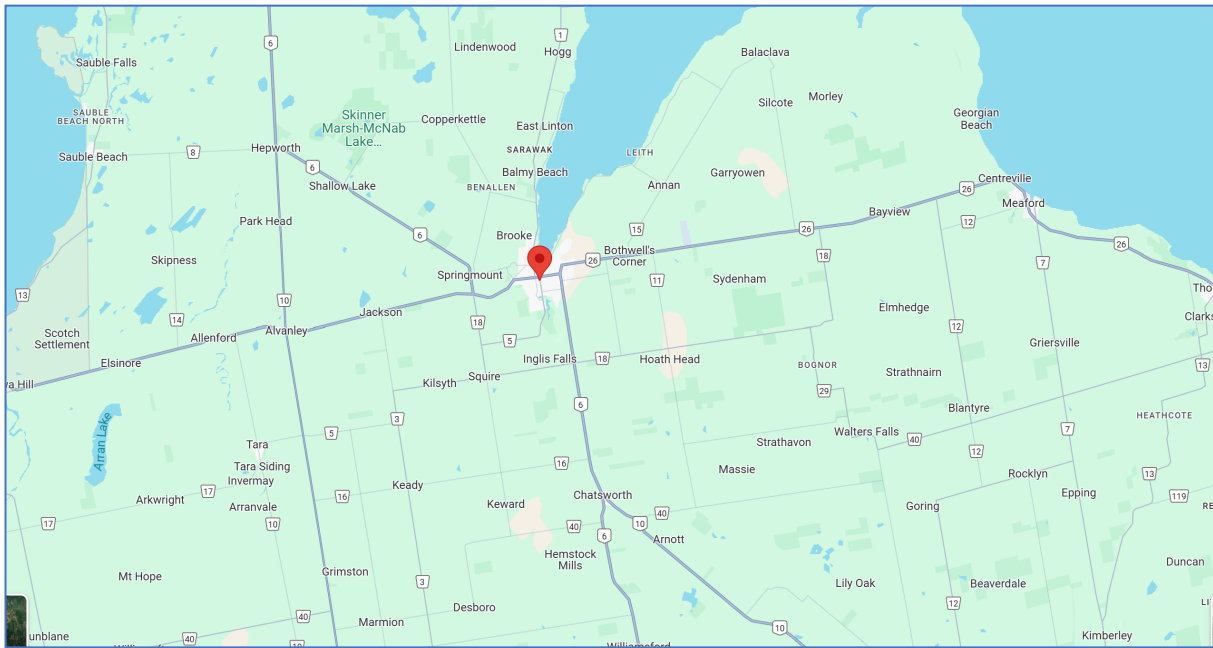
Market value, as defined by the Appraisal Institute of Canada, and as used in this Report is:

"The most probable price in terms of money at which a property should bring in a competitive and open market under all conditions requisite for a fair sale, the buyer and seller each acting prudently and knowledgeably and assuming the price is not affected by any undue stimuli.

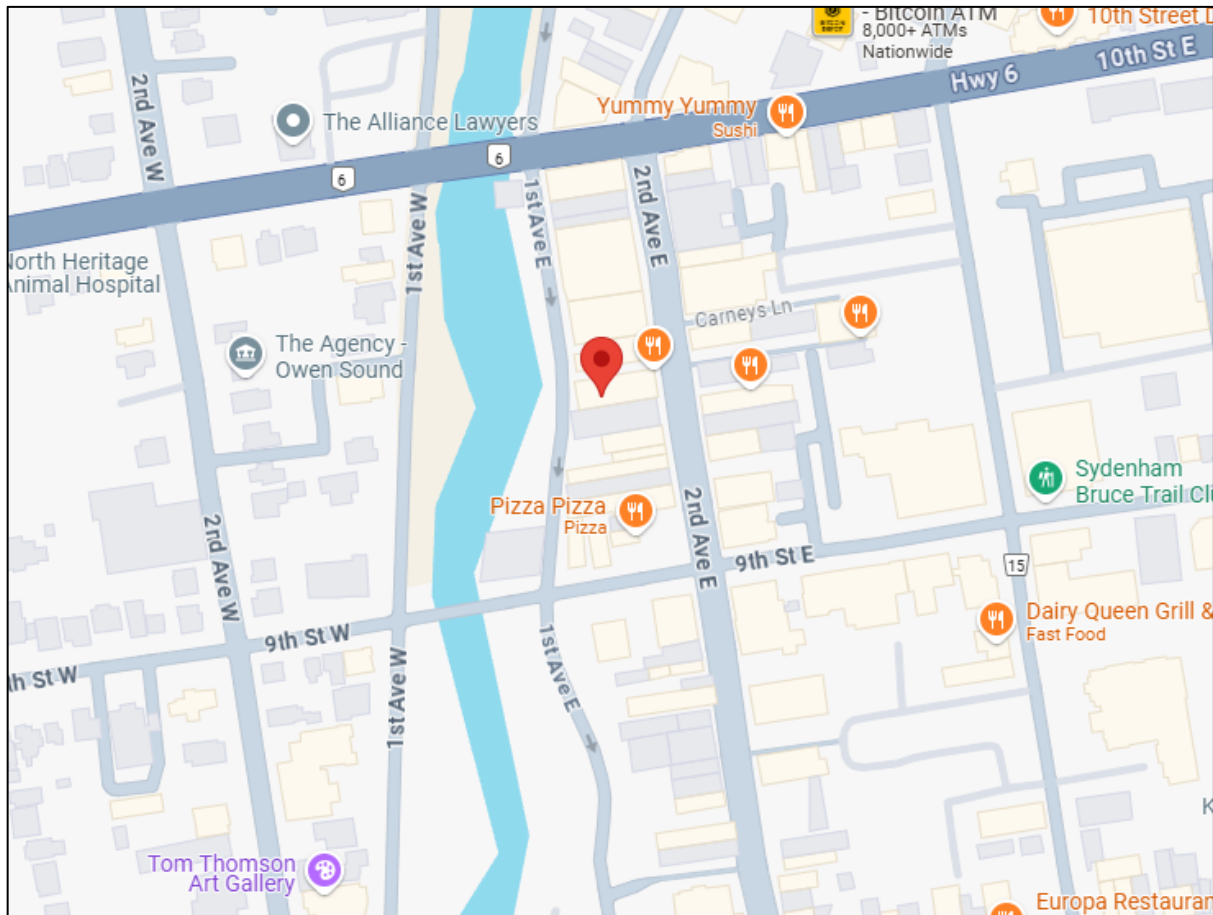
Implicit in this definition are the consummation of a sale as of a specific date and the passage of title from seller to buyer under conditions whereby:

1. *Buyer and seller are typically motivated.*
2. *Both parties are well informed or well advised, and are acting in what they consider their best interest.*
3. *A reasonable time is allowed for exposure in the open market.*
4. *Payment is made in terms of cash and Canadian dollars or in terms of financial arrangements comparable thereto, and*
5. *The price represents the normal consideration for the property sold, unaffected by special or creative financing or sale concessions granted by anyone associated with the sale."*

LOCATION MAP



NEIGHBOURHOOD MAP



MARKET OVERVIEW:

The Bank of Canada on December 11th reduced its target for the overnight rate to 3¼%, with the Bank Rate at 3½% and the deposit rate at 3¼%. The Bank is continuing its policy of balance sheet normalization.

The global economy is evolving largely as expected in the Bank's October Monetary Policy Report (MPR). In the United States, the economy continues to show broad-based strength, with robust consumption and a solid labour market. US inflation has been holding steady, with some price pressures persisting. In the euro area, recent indicators point to weaker growth. In China, recent policy actions combined with strong exports are supporting growth, but household spending remains subdued. Global financial conditions have eased and the Canadian dollar has depreciated in the face of broad-based strength in the US dollar.

In Canada, the economy grew by 1% in the third quarter, somewhat below the Bank's October projection, and the fourth quarter also looks weaker than projected. Third-quarter GDP growth was pulled down by business investment, inventories and exports. In contrast, consumer spending and housing activity both picked up, suggesting lower interest rates are beginning to boost household spending. Historical revisions to the National Accounts have increased the level of GDP over the past three years, largely reflecting higher investment and consumption. The unemployment rate rose to 6.8% in November as employment continued to grow more slowly than the labour force. Wage growth showed some signs of easing, but remains elevated relative to productivity.

A number of policy measures have been announced that will affect the outlook for near-term growth and inflation in Canada. Reductions in targeted immigration levels suggest GDP growth next year will be below the Bank's October forecast. The effects on inflation will likely be more muted, given that lower immigration dampens both demand and supply. Other federal and provincial policies—including a temporary suspension of the GST on some consumer products, one-time payments to individuals, and changes to mortgage rules—will affect the dynamics of demand and inflation. The Bank will look through effects that are temporary and focus on underlying trends to guide its policy decisions.

In addition, the possibility the incoming US administration will impose new tariffs on Canadian exports to the United States has increased uncertainty and clouded the economic outlook.

CPI inflation has been about 2% since the summer, and is expected to average close to the 2% target over the next couple of years. Since October, the upward pressure on inflation from shelter and the downward pressure from goods prices have both moderated as expected. Looking ahead, the GST holiday will temporarily lower inflation but that will be unwound once the GST break ends. Measures of core inflation will help us assess the trend in CPI inflation.

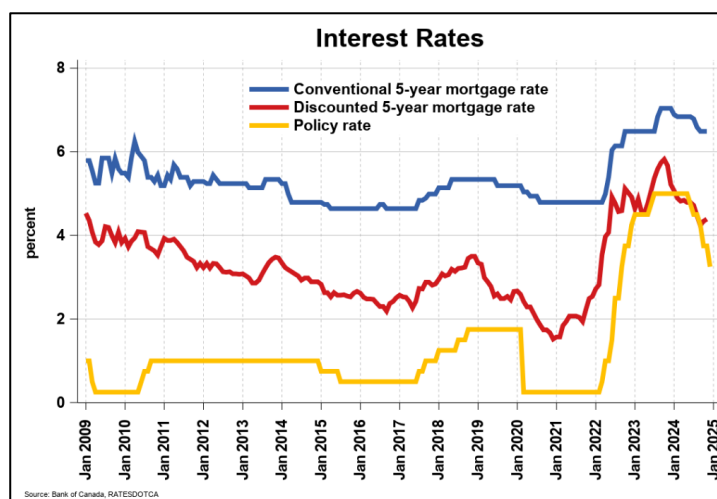
With inflation around 2%, the economy in excess supply, and recent indicators tilted towards softer growth than projected, Governing Council decided to reduce the policy rate by a further 50 basis points to support growth and keep inflation close to the middle of the 1-3% target range. Governing Council has reduced the policy rate substantially since June. Going forward, we will be evaluating the need for further reductions in the policy rate one decision at a time. Our decisions will be guided by incoming information and our assessment of the implications for the inflation outlook. The Bank is committed to maintaining price stability for Canadians by keeping inflation close to the 2% target.

According to Crea Stats, following the Bank of Canada's December 11th statement, the cut was widely expected by financial markets in the lead-up to the decision. This marked the fifth rate reduction since the onset of the pandemic, bringing rates down 1.75% from where they stood in April 2024.

The Canadian economy grew by 1% in the third quarter and is expected to come in weaker than projected according to the Bank of Canada. The Bank made note of a pickup in housing activity, noting that lower interest rates are likely boosting the market. The Bank also noted the employment market remains soft as the unemployment rate rose again November.

While the Bank observed that a number of federal and provincial policy measures will be coming into effect in the near term, they will be looking through any temporary effects and focusing on underlying trends to guide their policy decisions. The Bank stated the possibility of new tariffs on Canadian exports to the United States under the incoming administration has added uncertainty to its economic outlook.

With inflation currently trending around 2% and expected to remain close to that target over the next two years, and the economy still underperforming, the Bank notes it will evaluate the need for further reductions at each successive meeting.



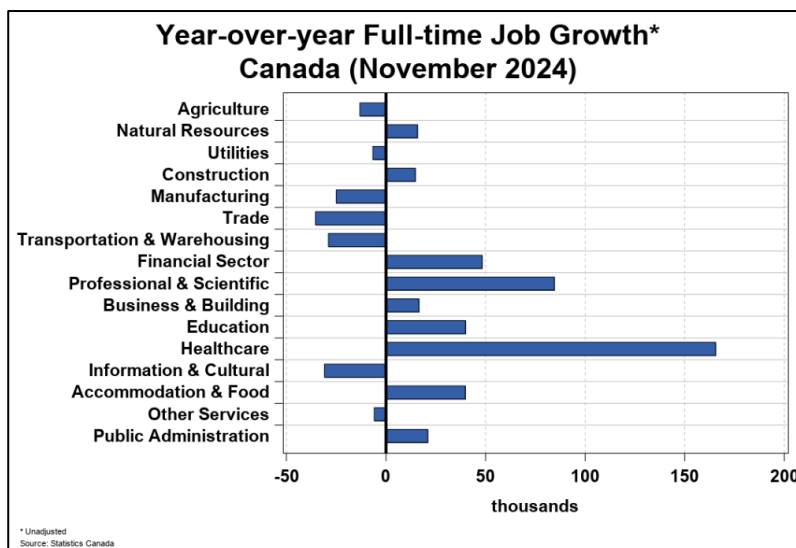
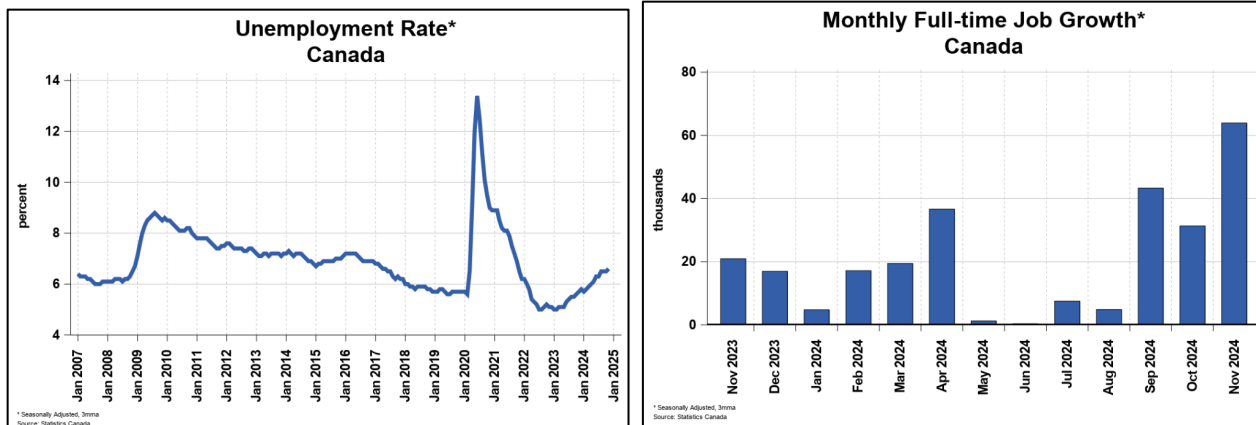
Source: stats.crea.ca

National Employment Trends:

The unemployment rate in Canada was 6.6% as of November 2024, up 0.1% from the previous month. The unemployment rate stood 6.8% below the peak from June 2020 and is below the long-run average.

There were 63,900 more full-time jobs in November 2024 compared to a month earlier. A loss of 26,700 part-time positions led to an increase of 37,200 total jobs in November.

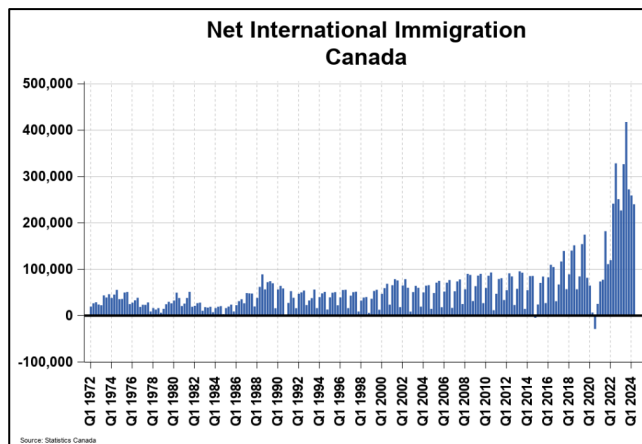
Full-time employment has recovered since reaching a bottom in August 2022 and now stands at a record high.



Source: stats.crea.ca

Changes in Population from Immigration:

International immigration added 240,303 people to Canada’s population in the second quarter of 2024. This was a decrease of 26.5% from the same period in 2023.



Source: stats.crea.ca

www.crea.ca

www.bankofcanada.ca

Greater Toronto Area (GTA) home sales increased strongly on a year over-year basis in November 2024. Many buyers benefitted from more affordable market conditions brought about by lower borrowing costs. New listings were also up compared to November 2023, but by a much lesser annual rate. This meant that market conditions tightened, resulting in overall average price growth compared to last year.

“As we approach the end of 2024, I am pleased to report an improvement in housing market conditions. Many home buyers patiently waited on the sidelines for reduced inflation and lower borrowing costs. With selling prices remaining well off their historic peak and monthly mortgage payments trending lower, the stage is set for an accelerating market recovery in 2025,” said Toronto Regional Real Estate Board (TRREB) President Jennifer Pearce.

GTA REALTORS® reported 5,875 home sales through TRREB’s MLS® System in November 2024 – up by 40.1 per cent compared to 4,194 sales reported in November 2023. New listings entered into the MLS® System amounted to 11,592 – up by 6.6 per cent year-over-year. On a seasonally adjusted basis, November sales were up month-overmonth compared to October.

The MLS® Home Price Index Composite benchmark was down by 1.2 per cent year-over year in November 2024 – a much lesser annual rate of decline compared to previous months. The average selling price was up by 2.6 per cent compared to November 2023 to \$1,106,050. Year-over-year average price growth was greater than that for the HPI Composite benchmark because of a greater weighting of detached home sales compared to last year. On a seasonally adjusted basis, the average selling price edged slightly lower compared to October.

“Market conditions have tightened, particularly for single-family homes. The detached market segment experienced average annual price growth above the rate of inflation, particularly in the City of Toronto. In contrast, the condominium apartment segment continued to experience lower average selling prices compared to a year ago. Condo buyers are benefitting from a lot of choice and therefore negotiating power. This will attract renter households into homeownership as borrowing costs trend lower in the months ahead,” said TRREB Chief Market Analyst Jason Mercer.

While the rental market will remain relatively well-supplied as more renters transition to homeownership, expect rental demand to pick up as population growth remains high. The rental market could strengthen for both tenants and landlords by reducing the backlog of cases at the Landlord and Tenant Board (LTB).

“Reforming the LTB to make it faster and fairer will go a long way to getting more individuals and families into homes they can afford,” said TRREB CEO John DiMichele.

Source: Toronto Regional Real Estate Board

Canada Economic Data:

Economic Indicators 2016 - 2025										
Annual Data	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Real Sector										
Population (million)	36.1	36.5	37.0	37.5	38.0	38.3	38.7	39.1	39.5	39.9
GDP per capita (USD)	42,409	45,184	46,523	46,401	43,288	49,254	52,048	54,208	56,144	58,042
GDP (USD bn)	1,529	1,649	1,721	1,742	1,644	1,885	2,013	2,119	2,217	2,316
GDP (CAD bn)	2,026	2,141	2,231	2,311	2,204	2,366	2,521	2,645	2,751	2,858
Economic Growth (Nominal GDP, ann. var. %)	1.8	5.7	4.2	3.6	-4.6	7.3	6.6	4.9	4.0	3.9
Economic Growth (GDP, ann. var. %)	1.0	3.0	2.4	1.9	-5.4	5.8	3.8	2.3	2.0	1.7
Domestic Demand (ann. var. %)	0.5	3.3	2.5	1.4	-4.5	5.3	4.0	2.3	2.0	1.8
Private Consumption (ann. var. %)	1.9	3.8	2.5	1.6	-6.1	4.8	4.8	2.7	2.2	1.8
Government Consumption (ann. var. %)	1.8	2.1	2.9	2.0	-1.1	3.6	1.8	1.3	1.4	1.5
Fixed Investment (ann. var. %)	-4.7	3.3	1.8	0.3	-3.6	7.8	3.7	2.3	2.0	1.7
Non-Residential Fixed Investment (ann. var. %)	-12.3	1.9	3.1	1.1	-13.1	2.3	7.7	-	-	-
Exports (G&S, ann. var. %)	1.4	1.4	3.7	1.3	-9.8	7.8	5.8	3.5	2.9	2.3
Imports (G&S, ann. var. %)	0.1	4.6	3.4	0.4	-11.3	8.4	6.0	3.3	2.6	2.0
Industrial Production (ann. var. %)	0.1	3.7	3.7	-0.2	-8.3	7.2	4.3	2.1	1.8	1.4
Retail Sales (ann. var. %)	5.2	7.1	3.0	1.2	-1.7	-	-	-	-	-
Car Sales (million)	1.98	2.08	2.04	1.96	1.57	1.84	1.93	-	-	-
Housing Starts (thousands of units, saar)	198	220	214	208	219	241	218	218	215	213
Home Prices Index (ann. var. %)	9.9	12.1	4.0	1.2	5.9	-	-	-	-	-
Disposable Income (ann. var. %)	0.3	5.0	3.1	3.8	10.0	0.6	2.5	3.9	3.8	3.7
Unemployment (% of active population, aop)	7.1	6.4	5.9	5.7	9.6	7.5	6.3	6.1	6.0	5.8
Wages (ann. var. %)	0.5	2.0	2.6	2.7	6.8	2.7	2.5	3.0	2.7	2.5
Fiscal Balance (% of GDP)	-0.5	-0.1	0.3	0.5	-10.7	-6.4	-3.7	-3.3	-2.9	-2.5
Public Debt (% of GDP)	91.7	88.8	88.8	86.8	117.8	117.2	116.7	114.2	111.8	109.5
Monetary and Financial Sector										
Inflation (CPI, ann. var. %, eop)	1.5	1.9	2.0	2.2	0.7	-	-	-	-	-
Inflation (CPI, ann. var. %, aop)	1.4	1.6	2.3	1.9	0.7	2.0	1.9	2.0	2.0	2.0
Inflation (Core, ann. var. %, aop)	1.9	1.1	1.5	1.8	1.2	-	-	-	-	-
Inflation (PPI, ann. var. %, aop)	-0.2	3.1	3.9	-0.1	-0.5	6.3	2.3	1.9	1.9	2.0
Target for the Overnight Rate (% eop)	0.50	1.00	1.75	1.75	0.25	0.25	0.34	0.89	1.36	1.84
3-Month T-Bill (% eop)	0.48	1.05	1.67	1.66	0.07	0.16	0.40	0.91	1.36	1.81
10-Year Bond Yield (% eop)	1.71	2.06	1.97	1.70	0.68	1.69	1.94	2.23	2.46	2.69
Exchange Rate (CAD per USD, eop)	1.34	1.26	1.36	1.30	1.27	1.25	1.25	1.24	1.24	1.23
Exchange Rate (CAD per USD, aop)	1.32	1.30	1.30	1.33	1.34	1.26	1.25	1.25	1.24	1.23
External Sector										
Current Account Balance (% of GDP)	-3.1	-2.8	-2.3	-2.1	-1.9	-1.5	-1.6	-1.7	-1.8	-2.0
Current Account Balance (USD bn)	-47.2	-46.4	-40.3	-35.7	-31.8	-27.5	-32.3	-36.7	-40.9	-45.4
Merchandise Trade Balance (USD bn)	-18.9	-18.9	-15.3	-11.6	-27.8	-26.0	-24.7	-33.2	-44.0	-57.3
Merchandise Exports (USD bn)	394	424	453	451	391	443	463	489	515	540
Merchandise Imports (USD bn)	413	443	469	462	419	469	488	523	559	597
Foreign Direct Investment (USD bn)	36.1	26.5	43.5	50.3	-	-	-	-	-	-

www.focus-economics.com

City of Owen Sound

Owen Sound, known as the "Scenic City," is the largest urban community in Grey County, Ontario, with a population of approximately 22,000 residents. Located at the mouths of the Pottawatomi and Sydenham Rivers on an inlet of Georgian Bay, it serves as a major port and the primary urban center of the Grey Bruce region.

The city offers an efficient transportation network, including Conventional Transit with four routes operating Monday through Saturday, and Mobility Transit for residents with mobility limitations. Owen Sound is well-connected to other communities through the Grey Transit Route, providing safe and affordable transportation options to various destinations in the area.

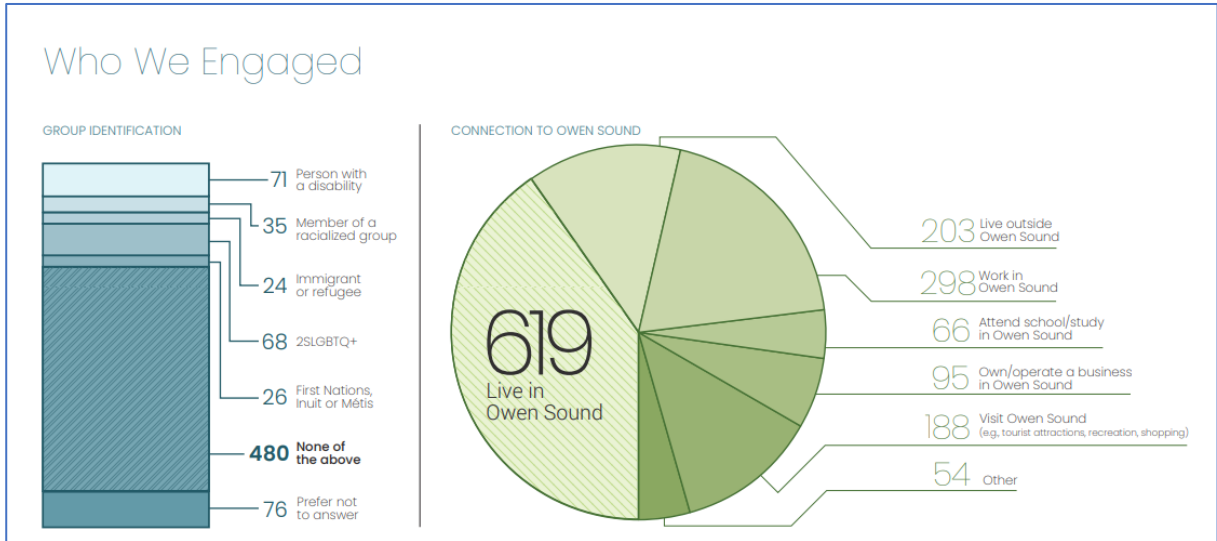
Owen Sound is served by several transportation options, making it accessible for residents and visitors. The nearest airport is the Owen Sound Billy Bishop Regional Airport, which offers limited commercial flights and is located just a short drive from the city center. For more extensive travel, Toronto Pearson International Airport is approximately 170 kilometers away, providing a wider range of domestic and international flights.

Owen Sound's economy is diverse, with key sectors including healthcare, education, manufacturing, and tourism. Significant employers in the city include local government, healthcare institutions, and educational facilities. The Owen Sound Transportation Company operates seasonal ferry services like the M.S. Chi-Cheemaun, contributing to the local economy alongside transportation services provided by the Grey Transit Route.

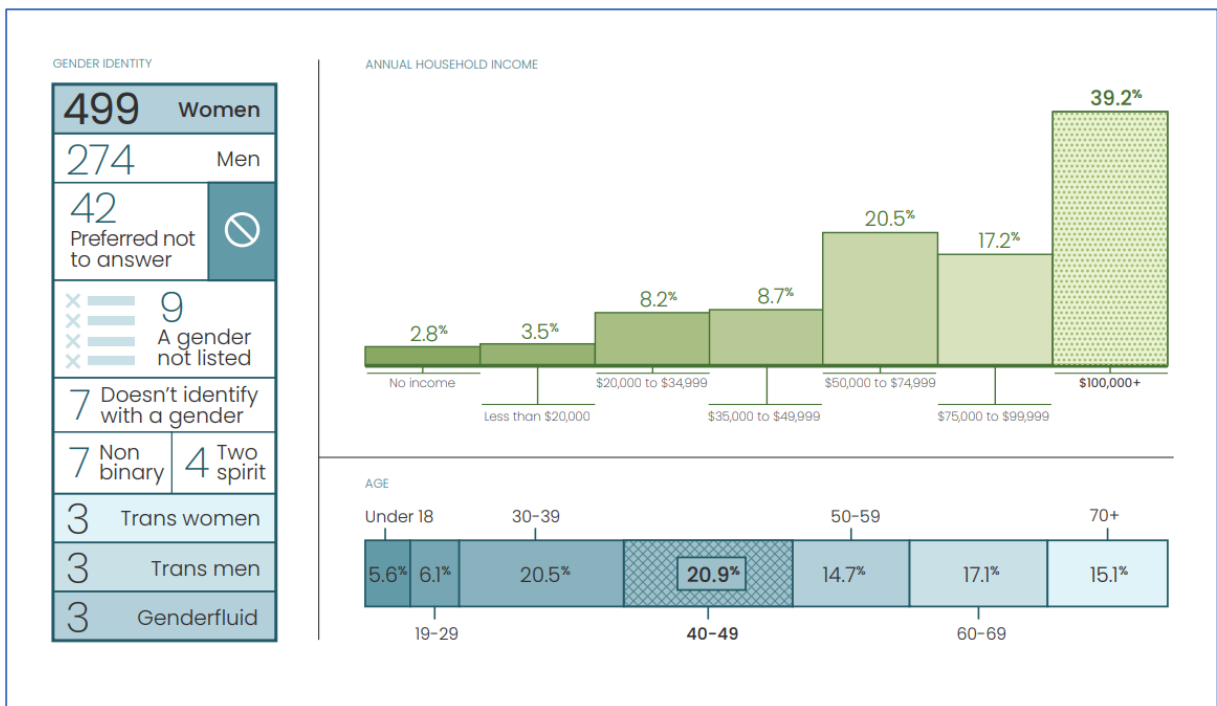
The city's proximity to natural attractions such as the Bruce Trail and Harrison Park boosts tourism, creating jobs in hospitality and recreation. Professional opportunities span various fields, including municipal services, healthcare, and education. This diverse economic landscape offers a range of career paths for residents, making Owen Sound an appealing place to live and work.

Known for its natural beauty, Owen Sound offers numerous parks, trails, and waterfronts that attract tourists and provide recreational opportunities. Outdoor enthusiasts can enjoy Harrison Park, Inglis Falls, and the Bruce Trail. The city is also recognized for its cultural heritage, hosting events like the Summerfolk Music and Crafts Festival and the Festival of Northern Lights. Family-friendly attractions include Story Book Park and various seasonal festivals. The local arts scene thrives with venues like the Tom Thomson Art Gallery and the Roxy Theatre.

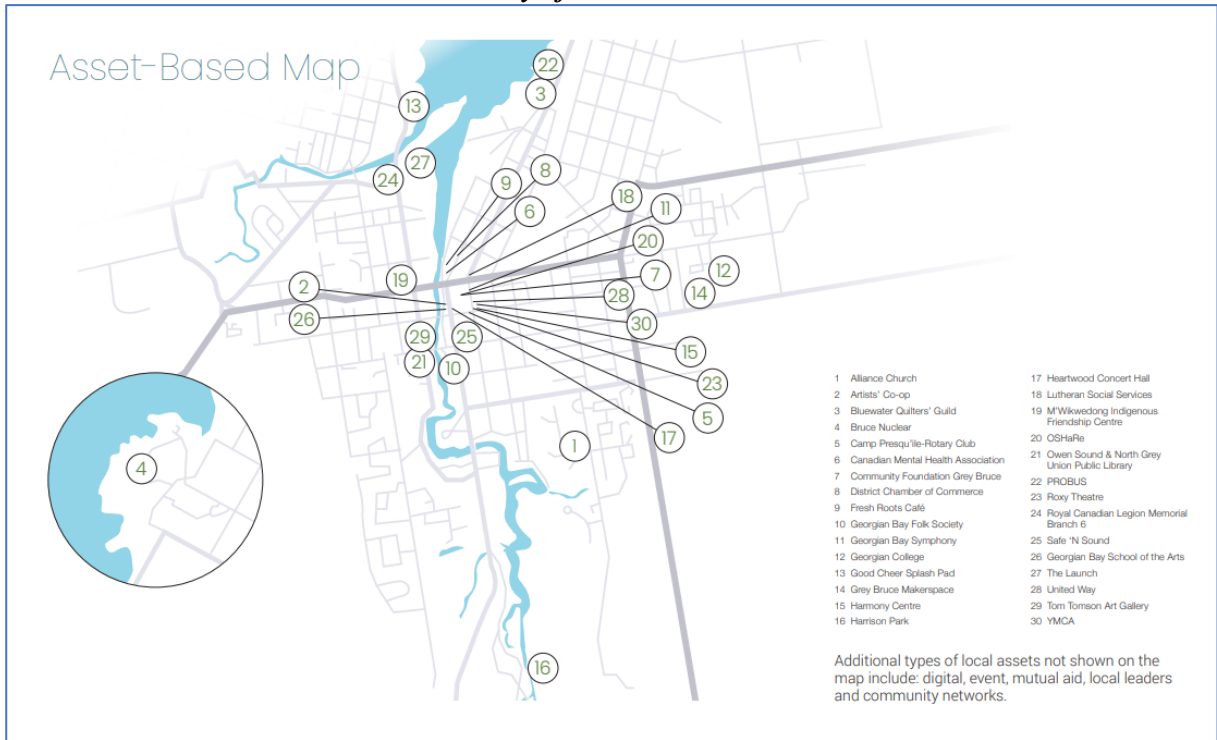
With its rich history, cultural attractions, scenic landscapes, and mix of outdoor adventures and cultural experiences, Owen Sound is a unique and vibrant community that attracts visitors year-round.



Source: City of Owen Sound Website



Source: City of Owen Sound Website



Source: City of Owen Sound Website

Q3 2024 Cap Rates		Δ Q/Q	
Downtown Office			
AA	5.25% - 6.00%	◀▶	
A	6.00% - 6.75%	◀▶	
B	6.50% - 7.25%	◀▶	
Suburban Office			
A	7.25% - 8.00%	◀▶	
B	8.00% - 8.75%	◀▶	
Industrial			
A	5.00% - 5.50%	◀▶	
B	5.25% - 6.00%	◀▶	
Retail			
Regional	5.25% - 6.75%	◀▶	
Power	6.25% - 7.25%	◀▶	
Neighbourhood	5.75% - 6.75%	◀▶	
Strip	5.25% - 6.00%	◀▶	
Strip (non-anchored)	5.50% - 6.50%	◀▶	
Urban Streetfront	5.00% - 5.50%	◀▶	
High Street	5.00% - 5.50%	◀▶	
Multifamily			
High Rise A	3.50% - 4.75%	◀▶	
High Rise B	3.75% - 5.00%	◀▶	
Low Rise A	3.50% - 4.75%	◀▶	
Low Rise B	3.75% - 5.00%	◀▶	
New Construction	4.00% - 4.75%	◀▶	
Seniors Housing			
Independent/Assisted Living A	5.75% - 6.50%	▼	
Independent/Assisted Living B	7.25% - 8.00%	◀▶	
Long Term Care A	7.25% - 7.75%	◀▶	
Hotel			
Downtown Full Service	5.25% - 6.75%	◀▶	
Suburban Limited Service	8.00% - 9.00%	◀▶	
Focused Service	7.50% - 8.50%	◀▶	

CBRE Q3 2024 CAP RATE REPORT TORONTO

Q3 2024 Cap Rates		
Downtown Office		Δ Q/Q
AA	N/A	
A	6.00% - 6.75%	◀▶
B	6.50% - 7.25%	◀▶
Suburban Office		
A	6.50% - 7.50%	◀▶
B	7.00% - 7.75%	◀▶
Industrial		
A	5.75% - 6.50%	◀▶
B	6.00% - 7.00%	◀▶
Retail		
Regional	6.00% - 6.50%	◀▶
Power	6.00% - 6.50%	◀▶
Neighbourhood	6.00% - 6.50%	◀▶
Strip	5.50% - 6.35%	◀▶
Strip (non-anchored)	6.00% - 6.50%	◀▶
Urban Streetfront	6.00% - 7.00%	◀▶
High Street	N/A	
Multifamily		
High Rise A	4.25% - 4.75%	◀▶
High Rise B	4.25% - 5.00%	◀▶
Low Rise A	4.25% - 5.25%	◀▶
Low Rise B	4.25% - 5.50%	◀▶
New Construction	4.25% - 4.75%	◀▶
Seniors Housing		
Independent/Assisted Living A	6.25% - 6.75%	▼
Independent/Assisted Living B	7.75% - 8.50%	◀▶
Long Term Care A	7.25% - 7.75%	◀▶
Hotel		
Downtown Full Service	8.00% - 9.25%	◀▶
Suburban Limited Service	9.00% - 10.00%	◀▶
Focused Service	8.50% - 9.50%	◀▶

CBRE Q3 2024 CAP RATE REPORT KITCHENER WATERLOO

Q3 2024 Cap Rates		
Downtown Office		Δ Q/Q
AA	N/A	
A	7.00% - 8.25%	◀▶
B	7.75% - 8.75%	▼
Suburban Office		
A	6.00% - 7.25%	▼
B	6.50% - 8.25%	▼
Industrial		
A	5.25% - 6.25%	▼
B	6.00% - 7.00%	◀▶
Retail		
Regional	6.25% - 7.00%	◀▶
Power	6.25% - 7.25%	◀▶
Neighbourhood	6.00% - 7.50%	◀▶
Strip	6.00% - 7.25%	◀▶
Strip (non-anchored)	6.25% - 7.50%	◀▶
Urban Streetfront	6.75% - 8.25%	▼
High Street	N/A	
Multifamily		
High Rise A	4.00% - 5.25%	◀▶
High Rise B	4.00% - 5.75%	◀▶
Low Rise A	4.25% - 6.00%	◀▶
Low Rise B	4.25% - 6.25%	▼
New Construction	4.50% - 5.25%	◀▶
Seniors Housing		
Independent/Assisted Living A	6.25% - 6.75%	▼
Independent/Assisted Living B	7.75% - 8.50%	◀▶
Long Term Care A	7.25% - 7.75%	◀▶
Hotel		
Downtown Full Service	8.00% - 9.50%	◀▶
Suburban Limited Service	9.00% - 10.00%	◀▶
Focused Service	8.50% - 9.50%	◀▶

CBRE Q3 2024 CAP RATE REPORT LONDON

Downtown Office						
Class A		Class B		Q4 Prediction		
Low	High	Low	High	A	B	
6.00%	6.75%	6.00%	7.25%	↔	↔	

Suburban Office						
Class A		Class B		Q4 Prediction		
Low	High	Low	High	A	B	
6.50%	7.75%	7.50%	9.00%	▲	▲	

Industrial						
Class A		Class B		Q4 Prediction		
Low	High	Low	High	A	B	
5.25%	6.00%	5.25%	6.50%	↔	↔	

Retail						
Regional/Power		Grocery/Community		Neighbourhood/Strip		Q4 Prediction
Low	High	Low	High	Low	High	R G N
5.50%	6.75%	5.50%	6.50%	5.50%	6.50%	↔ ↔ ↔

Multi-Family Apartment						
High-Rise			Low-Rise		Q4 Prediction	
Low	High		Low	High	A	B
3.75%	4.75%		3.75%	4.75%	↔	↔

Colliers Cap Rate Report Q3 2024 Toronto

Downtown Office						
Class A		Class B		Q4 Prediction		
Low	High	Low	High	A	B	
6.00%	6.50%	6.50%	7.00%	↔	↔	

Suburban Office						
Class A		Class B		Q4 Prediction		
Low	High	Low	High	A	B	
6.25%	6.75%	6.50%	7.50%	↔	↔	

Industrial						
Class A		Class B		Q4 Prediction		
Low	High	Low	High	A	B	
5.50%	6.00%	6.00%	7.00%	↔	↔	

Retail						
Regional/Power		Grocery/Community		Neighbourhood/Strip		Q4 Prediction
Low	High	Low	High	Low	High	R G N
5.50%	6.25%	5.50%	6.50%	6.25%	7.50%	↔ ↔ ↔

Multi-Family Apartment						
High-Rise			Low-Rise		Q4 Prediction	
Low	High		Low	High	A	B
3.75%	4.75%		3.75%	4.75%	↔	↔

Colliers Cap Rate Report Q3 2024 Waterloo

Neighbourhood Description

The subject property is located in the downtown area of Owen Sound, Ontario. This mixed-use commercial and residential building is located along a major thoroughfare, with good visibility and accessibility. The subject is located on the west side of Second Ave E, just south of Hwy 6. The surrounding neighborhood features a mix of shops, restaurants, and cultural attractions. Some of these attractions and shops included The Billy Bishop Museum, Sydenham River, and Metro grocery shop. Public transportation is readily available through Owen Sound Transit, and access to Hwy 6 is considered to be good via major arteries. Overall, the subject is considered to be in a desirable location within the City of Owen Sound.

AERIAL PHOTOS



DESCRIPTION OF SITE

Location

The subject site is located on the west side of Second Ave E in a well populated area in the City of Owen Sound. The area was fully developed and considered to be an urban location within Owen Sound. There is parking both at the front and rear of the subject building.

Site Area

The site totals 2,938 sf and was mostly rectangular in shape. It has ~23' of frontage and the depth was ~119'. See aerial view for details.

Services

Second Ave E is a 2-lane paved road and all municipal services including hydro, gas, and water are provided.

Topography and Drainage

The site is level, and it is at grade with the neighbouring properties. No drainage problems were evident on the site.

Soil Characteristics

It is assumed that in view of the size of the structures on the surrounding properties and the subject that those soils within the area are capable of handling reasonable heavy building loads. Based on my inspection of the subject property, no visible contamination was noted. An environmental assessment has not been supplied or reviewed. For the purpose of this appraisal, we have assumed that there are not environmental problems or concerns.

DESCRIPTION OF IMPROVEMENTS

The building was viewed on December 4, 2024. Currently the building is tenanted by Shannys Kitchen Restaurant on the main floor commercial space. The subject building fronts onto 2nd Avenue East and backs onto 1st Avenue East. Past the rear of the building, on the west side of 1st Ave East there is a Water inlet similar to a canal which travels north to a marina/boat docks and further onto Georgian Bay. The building has parking in front for the various business. There is parking at the rear but no customer entrance at the back of the building. The weather was snowy and wet on the day of viewing. The basement does appear to be dry with no water leaking visible or smell of moisture. The subject forms part of the Heritage Inventory.

The building was measured from the inside using an electronic measuring device. The total square footage of the building as per MPAC measured from the outside is 4,200 sf. This includes a ground floor of 2,825 sf and a second floor of 1,375 sf. The restaurant client area is approximately 1,227 sf and the kitchen area is 1,125 sf measured from the inside. The commercial frontage is approximately 24 ft width from the interior, fronting a concrete sidewalk. The kitchen area is 21 ft 6 inches concrete block wall to concrete block wall on the interior. The main floor interior ceiling height is 10 ft and the ceiling height in the kitchen is 13 ft 4 inches to the metal framing of the roof. There is only one entrance at the front. Currently there is no direct access to the second level apartments except through 950 Second Ave East. For the purposes of this appraisal, it is assumed an access point must be constructed and the cost to cure is estimated at \$50,000. At the rear there is one entrance/exit person door. The street at the front is asphalt and the rear was snow covered but assumed to be asphalt as well.

The subject building is a two-storey building with brick veneer, tin and stucco exterior. The building appears to be concrete block and brick foundation with a concrete floor in the basement. In the front areas of the basement, it is stone/rubble foundation. The roof was flat and not seen. The building sides immediately to there neighbouring buildings on each side. The basement measures 1,227 sf approximately and is only under the restaurant part of building and not under the kitchen area. The basement is unfinished. The ceiling height ranges from 5 ft 6 inches to the framing to 6 ft at the subfloor. The basement appears used only for mechanicals and storage.

The main floor fronts onto the sidewalk and is a commercial space currently occupied. The restaurant area is improved with hardwood floors, that are well maintained but might be original, 2 x 2-pc washrooms, bar area, brick veneer accent walls, and drywall. The ceilings are older and well maintained. The front door and windows are metal framed. The kitchen area is concrete floor and concrete block walls. There is drywall at the rear for a storage room and office. The area is populated with commercial grade kitchen equipment and improvements for a commercial grade kitchen including fire suppression system.

Overall, the basement is typical of an older property within the subject market segment and will be considered average. The commercial main floor is well maintained, net, tidy and improved. This area is considered average to above average.

There are two apartments for the subject building. Access is gained through a shared door via 950 Second Ave East and stairs leading up. At the top of the stairs, to the left are two apartments. The hallways are improved

with fresh paint, new door handles on the apartments and hardwood floors. The walls and ceilings are drywall. The hallways and entrance are clean and tidy.

Apartment One is a two-bedroom, one kitchen, 1 x 4-pc washroom, living area. The apartment appears renovated. The floor cover is laminate throughout, the walls and ceiling are drywall. The 4-pc washroom is improved with a ceramic tile tub surround, toilet and premade vanity. There is a ductless split for heat and air conditioning. The kitchen is improved with wood cabinets and laminate counter tops. The unit was found to be clean, tidy and well maintained during the viewing. The ceiling height was approximately 10 ft 11 inches, and the windows are vinyl.

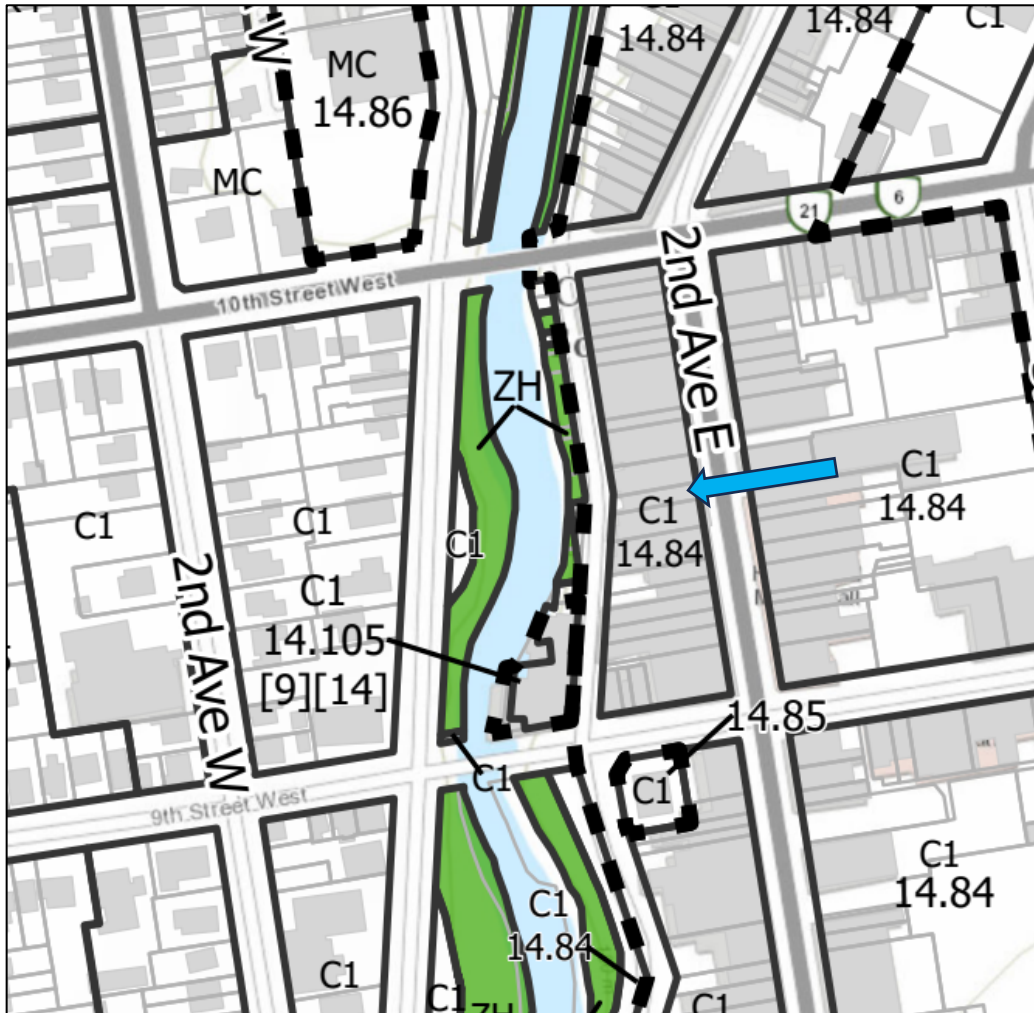
Apartment Two is a bachelor unit, improved with a 3-pc washroom and a combined bedroom, kitchen and living area. The apartment appears renovated. The floor cover is laminate throughout, the walls are drywall. The ceiling is stucco. There is a brick veneer accent wall. The 3-pc washroom is improved with a premade shower stall, toilet and premade vanity. There is a ductless split for heat and air conditioning. The kitchen is improved with wood cabinets and laminate counter tops. The unit is further improved with a rear exit door to the roof. The unit was found to be clean, tidy and well maintained during the viewing. The ceiling height was approximately 10 ft 11 inches, and the windows are vinyl.

The subject building was originally built in 1890. Overall, the building is considered to be in average plus condition.

LAND USE CONTROLS

City of Owen Sound Zoning

948 Second Ave E:



Permitted uses in a C1 zone include:

Uses	Uses Permitted In Zone					
	C1	C2	C3	C4	C5 (Section 14.82)	MC
Automotive Rental Establishment		●	●	●		
Automotive Body/Repair Shop (see Section 5.16.1)		●	●	●		
Automotive Washing Establishments		●				
Catering Services	●	●				
Clinics	●	●	●	●	●	●
Commercial Schools	●	●	●	●		●
Commercial Use	●	●	●	●	●	●
Community Centre	●					
Community Lifestyle Facilities	●	●		●	●	●
Convenience Stores	●	●	●	●	●	●
Crisis Residence	●	●	●	●		●
Day Nursery	●	●	●	●		●
Drinking Establishments	●	●			●	●
Financial Institutions	●	●	●	●	●	●
Funeral Homes	●	●	●	●		
Gas Bar		●	●		●	

Uses	Uses Permitted In Zone					
	C1	C2	C3	C4	C5 (Section 14.82)	MC
Grocery Store	●	●	●		●	
Group Home	●					●
Group Residence	●	●	●	●		●
Hotels	●	●		●		●
Laundromat	●	●				●
Libraries	●	●		●		●
Long Term Care Facility	●		●	●		●
Marinas						●
Museums/Galleries	●	●	●	●		●
Offices	●	●	●	●	●	●
Parking Area or Structure	●				●	●
Personal Service Use	●	●	●	●	●	●
Place of Worship (see Section 5.17.4)	●	●	●	●		●
Printing and Publishing Establishments	●	●				
Public Park (see Section 5.17.5)	●	●	●	●	●	●
Public Uses	●	●		●		●
Rental Stores, Media	●	●	●			●
Repair Stores	●	●				●
Restaurants	●	●		●	●	●
Restaurants, Drive-Thru		●		●	●	
Retail Stores	●	●	●	●	●	●
Schools (see Section 5.17.3)	●	●		●		●
Self Serve Use	●	●		●		
Service Uses	●	●				●
Shopping Centres	●	●		●	●	●
Storage, Indoor	●					●
Studios	●	●	●	●		●
Transportation Depot	●					●

Uses	Uses Permitted In Zone					
	C1	C2	C3	C4	C5 (Section 14.82)	MC
Industrial Use, Accessory (see Sec. 5.17.13)	●	●				●
Vehicle Sales Establishments		●				
Veterinarian Clinics	●	●		●		
Wholesale Establishments	●	●		●		
RESIDENTIAL						
Dwelling, Single Detached	●*	●	●			●*
Dwelling, Semi Detached	●*		●			●*
Dwelling, Duplex	●*		●			●*
Dwelling, Converted	●	●	●	●		●
Dwelling, Townhouse	●*		●			●
Dwelling, Apartment	●	●	●	●		●
Dwelling Units in combination with a permitted non-residential use	●	●	●	●		●

948 Second Ave E consist of a commercial building. The zoning designation C1 appears to allow for a wide range of commercial uses as well as residential uses. The subject consisted of retail space on the main floor and residential units on the second floor. Thus, the subject appears to be a legal conforming use.

HIGHEST AND BEST USE

Highest and Best Use

Real estate is valued in terms of its highest and best use. Highest and best use is defined as:

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability

*Source: The Dictionary of Real Estate Appraisal
Third Edition, 1993
Appraisal Institute*

To properly analyze highest and best use, two determinations must be made. First, the highest and best development of the site as though vacant and available for use is made. Second, the highest and best use of the property as improved is analyzed and estimated. The highest and best use of both the land as though vacant and the property as improved must meet four criteria: physically possible, legally permissible, financially feasible, and maximally productive. Of the uses that satisfy the first three tests, the use that produces the highest price or value consistent with the rate of return warranted by the market is the maximally productive use.

Subject Property – As Though Vacant

Physically Possible

Analysis of the site characteristics and nearby improvements in the area indicates the subject site could adequately support physical development.

Legally Permissible

The subject property is zoned C1. As mentioned above it is assumed that the subject is a legal conforming use as per the current zoning.

Financially Feasible

Commercial uses are financially feasible as some of the available land has been developed with commercial or mixed-commercial residential buildings and demand for them has been steady.

As Vacant

The subject property is best suited for a commercial or residential development to the maximum density permitted under existing zoning by-laws, as if vacant.

As Improved

The zoning allows for commercial and residential uses. The current improvements consists of a two storey commercial building with retail on the ground floor and residential units on the second floor. Thus, it is considered to be the highest and best use of the subject, as improved.

VALUATION TECHNIQUE

Valuation Premise

The market for any real estate consists of those entities that can benefit from the highest and best use of a particular property and, accordingly, are willing and able to pay a competitive price. In most cases, for any particular property the market is represented by a fairly clearly defined group of individuals or financial entities. The valuation contained in this document attempts to replicate the analysis that a prospective purchaser would likely use.

Method of Valuation

The three traditional approaches to value, Cost, Direct Comparison, and Income Capitalization, have been considered in estimating the market value for the subject property. Based upon the available market data and the likely motivations of the typical purchaser, the Direct Comparison Approach and the Income Approach using a form of Direct Capitalization have formed the primary basis of our reconciliation of a final estimate of value. The Cost Approach has not been developed. While investors are generally aware of replacement cost, they place little reliance on the fully developed Cost Approach when determining a value for acquisition purposes.

The Income Approach is presented first followed by the Direct Market Comparison Approach which is in turn followed by Reconciliation and a Final Estimate of Value.

Reasonable Exposure Time

Exposure time may be defined as follows:

"The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market."

The subject is located within a developed mixed commercial/residential area. A reasonable exposure time of 6 weeks-6 months is estimated.

INCOME APPROACH

The Income Capitalization Approach includes an analysis of the market for similar comparable properties that have leased within a meaningful timeframe, and a pro forma estimation of a Year 1 stabilized net operating income is developed.

The Income Capitalization Approach is developed, which typically converts an estimate of a single year's income expectancy into an indication of value using an appropriate capitalization rate. After analysis of pertinent data to select an appropriate capitalization rate, the net operating income is stabilized and capitalized to an estimation of current market value.

Subject Occupancy

The subject property consisted of one commercial unit on the ground floor that was occupied as of the effective date and 2 residential units above. Below is a rent roll of the residential units that was provided to the appraiser by the client:



Unit 1 was a two bedroom unit and unit 2 was a bachelor unit. Market lease rates were analyzed to see where the subject lease rate fall within the market.

Apartment Lease Rates							
#	Location, Owen Sound	Date	# of Bedrooms	Condition	Monthly Rate	Utilities Included	Parking Included
1	995 16th St E	Asking	0	Good	Asking \$1,520	No	Yes
2	1366 4th Ave W #1	01/12/2024	1	Average	\$1,200	No	Yes
3	1366 4th Ave W #2	12/27/2024	1	Average	\$1,250	No	Yes
4	2534 9th Ave E #2	12/26/2024	1	Good	\$1,450	No	Yes
5	1114 4th Ave E	09/19/2023	1	Good	\$1,600	No	Yes
6	876 7th Ave W #2	01/30/2024	2	Dated	\$1,600	No	Yes
7	489 14th St W	06/11/2024	2	Average	\$1,750	No	Yes
8	820 20th St E	10/18/2024	2	Average	\$2,200	No	Yes
9	1723 8th Ave E #107	05/26/2024	2	Good	\$2,500	No	Yes
10	80 9th St E #702	04/25/2024	2	Good	\$2,525	No	Yes
11	845 2nd Ave E #205	07/08/2024	2	Good	\$2,550	No	Yes

Residential Lease Rate Analysis Summary

There was a lack of lease rates available for bachelor units. Thus the lease rates for 4 one bedroom units were analyzed. Additionally, there was an asking price for one bachelor unit found. The subject's bachelor unit was in average plus condition and was leased at \$1,275/month. Based on the above market lease info it appears that this falls in line with the market for a bachelor unit. There was also 6 lease rates analyzed for two bedroom units. The rates range from \$1,600/month to \$2,550/month. The subject unit appeared to be updated and was in above average condition. This would point towards a rental rate at the mid/higher end of the range. The appraiser also noted that the subject unit was lease for \$2,000/month. This appears to be towards the middle of the range. It is possible based on the market analysis that a slightly higher rental rate can be achieved for a unit as of the effective date. Due to rent control it is the in place contractual lease rate that will be utilized in the analysis with the market lease rate being \$2,000/month or slightly higher.

The ground floor unit was vacant. However, no lease information was provided. Thus the market lease rates were investigated in order to apply a market leaser rate to the ground floor unit.

Market Rent

A survey of **commercial lease rates** was done and shown below:

Commercial Lease Rates							
#	Location, Owen Sound	Date	Size/sf	Rental Rate/SF	TMI	Gross Rent	Comments
1	882 2nd Ave E	01/16/2024	1,185	\$15.70	\$0.00	\$15.70	Average condition
2	1023 2nd Ave E	02/19/2024	1,200	\$15.50	\$0.00	\$15.50	Average condition
3	677 6th St E C1	01/30/2024	450	\$26.67	\$0.00	\$26.67	Average condition
4	776 2nd Ave E	07/31/2024	1,400	\$8.14	\$0.00	\$8.14	Average condition
5	925 16th St E #1	04/23/2024	1,800	\$26.00	\$0.00	\$26.00	Average condition
6	879 10th St W	04/04/2024	1,400	\$14.00	\$0.00	\$14.00	Average condition
7	345 8th St E #101	02/13/2024	1,480	\$25.86	\$0.00	\$25.86	Good location

Variances are largely a result of differences in location, use, unit size, and condition.

Commercial Lease Rate Analysis Summary

There were 7 lease rates analyzed. The comparable lease rates range from \$8.14/sf - \$26.67 sf on a gross basis. The main floor space of the subject appeared to be in average condition. There was an additional basement as well. The main floor space of the subject was 2,825 sf which is larger than of the comparable lease rates. This would point towards a lease rate at the lower end of the range as typically larger spaces would lease at a lower price per square foot. Thus a lease rate of \$13/sf gross is considered appropriate for the subject and will be utilized in the analysis. When applied to the subject's 2,825 sf this results in an annual gross income of \$36,725.

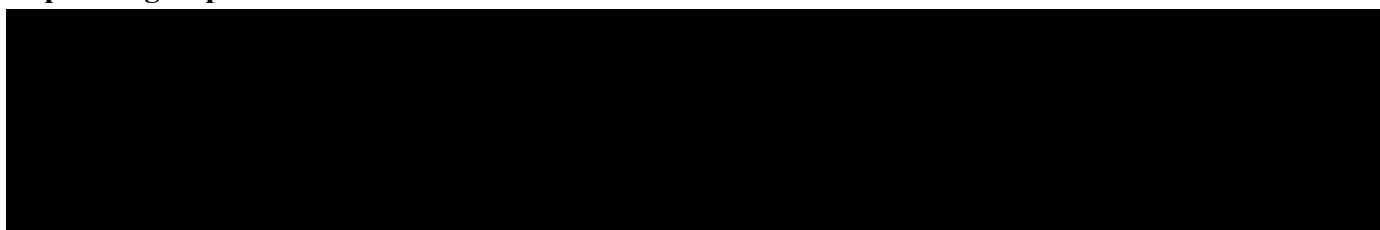
General Vacancy

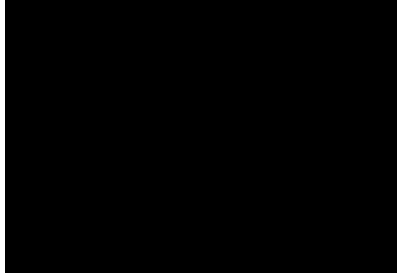
The subject is located in a desirable area within the City of Owen Sound. As per the October 2024 CMHC report for Owen Sound, the vacancy rate was 1.7% for residential units. Below is a summary of the information from CMHC:

	Vacancy Rate	Average Rent	Median Rent	# of units
Owen Sound	1.7	\$1,159	\$1,063	2,055

The appraiser did note that as of the effective date of the appraisal, there were two units vacant with a third unit that was being vacated shortly after the effective date. Additionally, the main floor of the subject was occupied by a retail tenant and commercial vacancy rates are generally much higher than residential vacancy rates. Based on the aforementioned a blended bad debt/vacancy rate of 8% will be utilized for the subject property.

Operating Expenses



**Property Management:****Structural Reserve:*****Capitalization Technique***

In the evaluation of real property, the marketplace has proven that there is a relationship between the income and value. In light of this, the Appraiser methodology has several tools available to measure this relationship, resulting in an estimate of value to the subject property through the capitalization of the Net Income. In today's marketplace, two methods are widely accepted which may yield a good estimate of value. These methods are the Mortgage Equity Capitalization Technique and the Direct Capitalization Technique. It is the Direct Capitalization Technique which will be used in this report.

The Direct Capitalization Technique involves the analysis of sales of similar types of properties to derive a relationship between the selling price and the Annual Net Operating Income. This overall rate is expected to represent what an informed, prudent and rational investor is requiring for similar competitive properties in the marketplace. Similar refers to similarities with respect to risk and durability of income or investment return of specific properties. The Direct Capitalization Technique is usually an excellent means of estimating Market Value when revenue producing properties are the subject matter. This technique is especially useful where standard or typical type of revenue producing properties are concerned. I have investigated the market for sales of similar properties to determine an appropriate capitalization rate for the subject. I have included various comparable which are considered to reasonably provide an estimated capitalization rate for the subject.

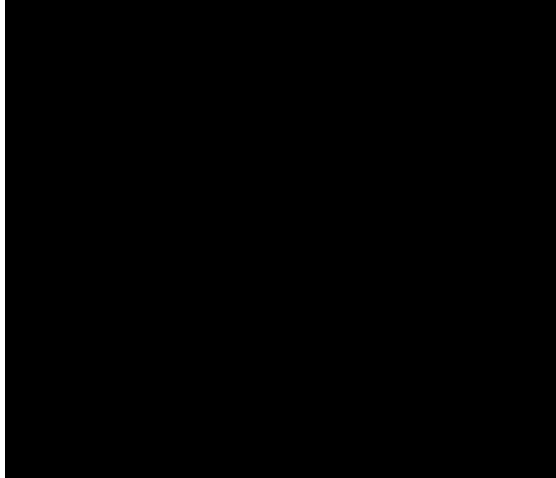
Not all of the comparable sales developed in the Direct Comparison Approach had reliable income information from which to develop going-in capitalization rates. Consequently, we went back to the market to widen the search and develop yield rates for comparable properties in the broader market.

The following is a summary of my findings:

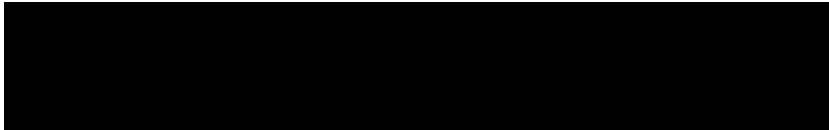
No.	Sale Date	Location	Type	Estimated Net Income	Sale Price	Going In Capitalization Rate
1	09/26/2024	669 Elgin St, Port Elgin	Multi Family	\$125,000	\$2,500,000	5.00%
2	08/30/2024	74 John St W, Bradford	Retail/Residential	\$130,000	\$2,000,000	6.50%
3	06/21/2024	27 Hooper Rd, Barrie	Industrial	\$197,400	\$4,200,000	4.70%
4	04/16/2024	37 W Holland St, Bradford	Retail/Residential	\$160,650	\$2,975,000	5.40%
5	06/14/2023	18 Boucher St W, Meaford	Hospitality	\$125,280	\$1,080,000	11.60%
6	12/05/2023	521-527 Bay St, Midland	Retail/Residential	\$173,070	\$2,700,000	6.41%
7	12/30/2024	504 Dundas St N, Cambridge	Retail	\$96,040	\$1,400,000	6.86%
8	08/28/2024	1591 London Line, Sarnia	Retail	\$60,000	\$1,000,000	6.00%
9	04/16/2024	725 Bridge St W, Waterloo	Office	\$629,375	\$6,625,000	9.50%
10	03/28/2024	9755 Northville Cres, Thedford	Self Storage	\$100,000	\$1,070,000	9.35%
11	08/20/2024	1038 King St W, Hamilton	Retail/Residential	\$305,100	\$4,500,000	6.78%
12	10/03/2023	143 St Paul Cres, St Catharines	Retail	\$144,625	\$2,225,000	6.50%
13	04/03/2023	364 Scott St, St Catharines	Retail	\$94,500	\$1,575,000	6.00%
14	06/16/2022	992 3rd Ave E, Owen Sound	Multi Family	\$61,000	\$700,000	8.71%
15	05/26/2023	418 Sherman Ave, Hamilton	Retail	\$108,000	\$1,475,000	7.32%

Summary

Capitalization rates on similar commercial/residential buildings in Owen Sound were difficult to find. As such, the appraiser chose to extend the search parameters to include time, locations, and different types of improvements that would offer a similar demand. It was difficult to find comparable sales with capitalization rates. Consequently, the appraiser went back to the market to widen the search and develop yield rates for comparable properties in the broader market. The following sales were utilized in developing the overall capitalization rate for the subject property. The sales demonstrate an unadjusted going in capitalization rates that range from a low of 4.7% to a high of 11.6%. Capitalization rate #3 is the sale of an industrial property that was located in Barrie. Barrie is considered to be a superior market than the subject. This sale sets the low end of the range. Sale #5 was the sale of a hospitality asset in Meaford. Hospitality assets are considered risky and less desirable overall than a retail residential property such as the subject. This sale sets the upper end of the range. The appraiser noted that the subject was located in Owen Sound which was considered to be an inferior market than many of the capitalization rates that were located in Hamilton, Bradford, Cambridge, Waterloo etc. This points towards a higher capitalization rate for the subject. The subject was in average plus condition. This points towards a lower capitalization rate. However, many of the lease rates are assumed to be at market rents, indicating less upside potential in the rents. This points towards a higher capitalization rate. The subject was a mixed use asset with retail on the ground floor and residential on the upper floors. Overall, this is considered to be a desirable asset and that would point towards a lower capitalization rate than some other asset classes such as self-storage or hospitality. As per the CBRE Q3 2024 capitalization rate reports, the capitalization rate for Urban Street front properties in London was 6.75% - 8.25% and in Kitchener/Waterloo the range was 6% - 7%. Both of these markets were considered to be superior than Owen Sound which would point towards a capitalization rate for the subject that was higher than this range. Based on all the aforementioned information, a capitalization rate towards the higher end of the range of █% will be utilized.



Thus, the final value estimate by the Income Approach, as of the effective date of this appraisal is:



DIRECT MARKET COMPARISON APPROACH

The following are details of the most comparable improved sales in the area followed by an analysis of the data and a conclusion as to an estimate of market value.

Sale #	Location	Sale Price	Sale Date	Improvement Size (sf)	Price Per SF	Site Size (sf)
1	52 Sykes St S, Meaford	\$370,000	10/18/2023	2,680	\$138	2,590
2	136 Victoria St, Chatsworth	\$370,000	10/15/2024	2,015	\$184	17,424
3	1104 8th St E, Owen Sound	\$375,000	06/29/2023	1,152	\$326	8,712
4	8 Collingwood St E, Meaford	\$600,000	05/01/2024	6,100	\$98	7,800
5	1095 1st St W, Owen Sound	\$610,000	05/01/2024	6,698	\$91	15,921
6	705 3rd Ave E, Owen Sound	\$650,000	12/03/2022	2,983	\$218	5,170
7	992 3rd Ave E, Owen Sound	\$700,000	06/16/2022	5,060	\$138	5,250
8	975 2nd Ave E, Owen Sound	\$755,000	12/23/2022	7,200	\$105	2,450
9	122 Hurontario St, Collingwood	\$1,600,000	10/25/2024	4,705	\$340	3,465
10	1029 4th Ave W, Owen Sound	\$1,300,000	11/10/2022	12,000	\$108	35,208
S	948 Second Ave E, Owen Sound	N/A	N/A	4,200	N/A	2,938

Adjustments to Sales Data

The sales selected for this analysis are compared to the subject property and appropriate adjustments for the elements of comparison are considered. Elements of comparison analysed in this valuation include real property rights conveyed, financing terms, conditions of sale, market conditions, location, physical characteristics, building size, site size, economic characteristics and use considerations. The analysis is based on a direct market approach. The subject property was analyzed and compared to the comparable sales and the metric of comparison was the price per square foot of improvements with adjustments made as necessary for the items considered and mentioned above.

Sale 1
52 Sykes St S, Meaford



Sold Date:	10/18/2023
Purchase Price:	\$370,000
Vendor:	Han Jooyan
Legal Description:	Pt Lt 529 Pl 309 Meaford As In R503729; Meaford
Site Size:	35' x 74'; total site size 2,590 sf
Improvement Size:	2,680 sf
Price per Square Foot:	\$138

Remarks: This is the sale of a two-storey commercial property located at 52 Sykes St S in Meaford, Ontario. It occupies a corner lot in a desirable location and features a 2,680 sq ft improvement. The property is in fair condition. The site measures 35 x 74 feet, and the property has a basement.

Sale 2
136 Victoria St, Chatsworth



Sold date:	10/15/2024
Purchase price:	\$370,000
Legal:	Lt 1-2 Pl 123 Holland; Chatsworth
Lot size:	132' x 132'; total site size 17,424 sf
Improvement size:	2,015 sf
Price per Square Foot:	\$184

Remarks: This is the sale of a one storey, commercial property with an attached residential unit located at 136 Victoria St in Chatsworth. The location offers good exposure along Victoria St and Front St, situated on a corner lot. The property provides ample parking. The improvements were in good condition and the building included a finished basement. The main level was being uses as a local general store and restaurant, with 1-bedroom residential unit attached at the back.

Sale 3
1104 8th St E, Owen Sound



Sold Date:	06/29/2023
Purchase Price:	\$375,000
Vendor:	The W.R. Van Wyck Group Limited
Legal Description:	Lt 79 P1 8 Owen Sound; Owen Sound
Lot Size:	66' x 132', total site size: 8,712 sf
Improvement Size:	1,152 sf
Sale Price per sf:	\$326

Remarks: This is the sale of a commercial property known as the "Bradbury House," located at 1104 8th St E in Owen Sound. The building has a total area of 1,152 sq ft and is zoned for office use. It featured one washroom and provided on-site parking for five vehicles. The site measured 66 x 132 feet, and the basement was unfinished, offering additional storage space. The property consisted of two storeys and was in good condition overall.

Sale 4
8 Collingwood St E, Meaford



Sold Date:	05/01/2024
Purchase Price:	\$600,000
Vendor:	Five Point Developments Inc.
PIN:	371080176
Site Size:	60' x 130'; total site size 7,800 sf
Improvement Size:	6,100 sf
Price per Square Foot:	\$98

Remarks: This is the sale of a two storey, commercial building located at 8 Collingwood St E in Meaford. The property, previously utilized as a theater, had been converted to retail and residential use. The property was in a state of disrepair at the time of sale. The property had a basement and on-site parking for eight vehicles.

Sale 5
1095 1st St W, Owen Sound



Sold Date:	05/01/2024
Purchase Price:	\$610,000
Legal Description:	Pt Lt 5 E/S Stephen St And N/S Frost St Pl Owen Sound; Pt Rdal In Front Of Lt 5 E/S Stephen St And N/S Frost St To The River Pl Owen Sound (Aka Le Marchand Place); Owen Sound
Site Size:	183' x 87'
Improvement Size:	6,698 sf
Price per Square Foot:	\$91

Remarks: This is the sale of a multi-use commercial property located at 1095 1st St W in Owen Sound. The building featured a total area of 6,698 sq ft and consisted of two storeys. It was situated in the River District, with one large commercial space of 4,000 sq ft and two additional units of 1,000 sq ft each. The site property included 20 parking spaces. The improvements were in poor condition, requiring extensive repairs.

Sale 6
705 3rd Ave E, Owen Sound



Sold Date:	12/03/2022
Purchase Price:	\$650,000
Legal Description:	Pt Lt 18 E/S Scrope St Pl Owen Sound As In R255136; Owen Sound
Vendor:	Franklin Vickers & Barbara Vickers-Holland, David Holland
Site Size:	47' x 110'; total site size 5,170
Improvement Size:	2,983 sf
Price per Square Foot:	\$218

Remarks: This is the sale of a two storey, residential property located at 705 3rd Ave in Owen Sound. The building featured a total area of 2,983 sq ft. It included four separate rental units: three 1-bedroom units and one 2-bedroom unit, with the main floor unit offering potential for additional bedroom conversion. The property was in good condition and had 3 parking spaces available.

Sale 7
992 3rd Ave E, Owen Sound



Sold Date:	06/16/2022
Purchase Price:	\$700,000
Legal Description:	Lt 14 Rcp 850 Owen Sound S/T R234392; Owen Sound
Vendor:	Kpln Property Management Inc
Site Size:	50' x 105'; total site size 5,250 sf
Improvement Size:	5,060 sf
Capitalization Rate:	8.7%
Price per Square Foot:	\$138

Remarks: This is the sale of a three storey, 12-unit apartment building located at 992 3rd Ave E in Owen Sound. The property featured a total area of 5,060 sq ft and consisted entirely of one-bedroom units, all of which were fully occupied. The building was in fair condition, with some units renovated and newer windows installed throughout. The site provided parking.

Sale 8
975 2nd Ave E, Owen Sound



Sold Date:	12/23/2022
Purchase Price:	\$755,000
Legal Description:	Lt 38 Rep 850 Owen Sound S/T Interest In R137134; Owen Sound
Vendor:	Kyliunn Corp
Site Size:	25' x 98'; total site size 2,450 sf
Improvement Size:	7,200 sf
Price per Square Foot:	\$105

Remarks: This is the sale of a three storey, multi-unit apartment building located at 975 2nd Ave in Owen Sound. The property featured a total area of 7,200 sq ft and consisted of 13 one-bedroom units, all fully occupied. The building included a basement, and there were 5 parking spaces available for tenants. The property was used as a rooming house and appeared to be in inferior condition to the subject.

Sale 9
122 Hurontario St, Collingwood



Sold Date:	10/25/2024
Purchase Price:	\$1,600,000
Vendor:	Brac Properties Ltd.
PIN:	582860114
Site Size:	21' x 165'; total site size 3,465 sf
Improvement Size:	4,705 sf
Price per Square Foot:	\$340

Remarks: This is the sale of a two storey, commercial building located in Collingwood. The ground floor was tenanted by Bell and the second floor consisted of two apartments. The site provided parking. The condition of the improvements was considered to be superior than the subject and the location was superior.

Sale 10
1029 4th Ave W, Owen Sound



Sold Date: 11/10/2022
Purchase Price: \$1,300,000
Vendor: Southbridge Health Care Gp Inc
PIN: 370520164
Site Size: 216' x 163'; total site size 35,208 sf
Improvement Size: 12,000 sf
Price per Square Foot: \$108

Remarks: This is the sale of a single storey commercial building that was most recently used as a long term care home. The improvements were 12,000 sf located on a 35,208 sf site. The location was considered to be inferior than the subject and the condition was considered to be inferior.

DIRECT MARKET COMPARISON CHART						
	Location	Sale Date/Sale Price Price /SF	Description of Improvements	Improvement/Condition	Site Size	Overall Adjustments
S	948 Second Ave E	N/A	4,200 sf Retail/Residential Unfinished basement	Average plus	2,938 sf	
1	52 Sykes St S, Meaford ↑↑	10/18/2023 \$370,000 \$138	2,680 sf ↓ Retail/Residential	Inferior ↑	2,590 sf	↑↑
2	136 Victoria St, Chatsworth ↑↑↑	10/15/2024 \$370,000 \$184	2,015 sf ↓↓ Retail/Residential Finished basement ↓↓	Similar	17,424 sf ↓↓	↓↓↓↓↓
3	1104 8th St E, Owen Sound ↑	06/29/2023 \$375,000 \$326	1,152 sf ↓↓↓↓ Office/Residential	Superior ↓	8,712 sf ↓↓	↓↓↓↓↓↓↓
4	8 Collingwood St E, Meaford ↑↑	05/01/2024 \$600,000 \$98	6,100 sf ↑↑ Retail/Residential	Inferior ↑↑↑	7,800 sf ↓↓	↑↑↑
5	1095 1st St W, Owen Sound ↑↑	05/01/2024 \$610,000 \$91	6,698 sf ↑↑ Office/Residential	Inferior ↑↑↑	15,921 sf ↓↓	↑↑↑
6	705 3rd Ave E, Owen Sound ↑↑	12/03/2022 \$650,000 \$218	2,983 sf ↓ Multifamily ↓↓	Superior ↓↓	5,170 sf ↑	↓↓↓↓↓
7	992 3rd Ave E, Owen Sound ↑	06/16/2022 ↓ \$700,000 \$138	5,060 sf Multi Family ↓↓	Inferior ↑↑↑	5,250 sf ↑	↑↑
8	975 2nd Ave E, Owen Sound	12/23/2022 \$755,000 \$105	7,200 sf ↑↑ Retail/Residential	Inferior ↑↑↑	2,450 sf	↑↑↑↑
9	122 Hurontario St, Collingwood ↓↓	10/25/2024 \$1,600,000 \$340	4,705 sf Retail/Residential	Superior ↓↓	3,465 sf	↓↓↓↓↓↓↓

10	1029 4 th Ave W, Owen Sound ↑	11/10/2022 \$1,300,000 \$108	12,000 sf ↑↑↑↑ Long term care	Inferior ↑↑	35,208 ↓↓↓	↑↑↑
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Analysis of Comparable Sales

Sale Date:

In a changing market, it may be necessary to adjust sale prices to reflect the time difference between the sale date of a comparable and the date of valuation. It appears demand for similar properties in the area has remained stable over the last ~15 months. Sale #7 occurred during superior market conditions before many of the interest rate hikes that occurred and thus it needed a downward adjustment.

Property Rights Conveyed:

In the sales analysis, it is important the pertinent property rights of the comparable sales are similar to the subject property. No adjustments were deemed necessary.

Financing Terms:

Due to differing financial arrangements, the sale price of differing properties may be different. More favourable financing may include a Vendor Take Back Mortgage and a lower rate than the current market rate. This situation may result in a positive influence on the sale price. Conversely, a higher VTB interest rate may also affect the sale price. No adjustments were necessary.

Conditions of Sale:

The motivations of the purchaser and vendor may affect the sale price and adjustments for these types of sales are necessary as in some cases, these motivations may affect the sale price. For example, a property that is under power of sale may require a certain sense of urgency on the part of the seller/lender, causing a lower sale price than otherwise would be attained if the property had adequate marketing time on the real estate market. Other instances include land assembly whereby the purchaser has a need to pay a higher price in order to acquire a certain piece of property. No adjustments were necessary.

Location:

An adjustment for location may be needed when the location characteristics of a comparable property is different from the subject property. The subject property was located in a desirable location within Owen Sound. Sale #9 was located in a superior location. The other remaining comparable sales with the exception of sale #8 were all in inferior locations than the subject. Adjustments were made accordingly.

Improvements

The improvements were in average plus condition. Sales #3, #6, and #9 were considered to be in superior condition with sales #1, #4, #5, #7, #8 and #10 being in inferior condition. Adjustments were made accordingly.

The subject totalled 4,200 sf. Typically, smaller improvements sell at a higher price per square foot than larger improvements. The reverse is also true. Comparable sales #1, #2, #3, and #6 were all smaller in size than the subject. Sales #4, #5, #7, and #10 were of improvements that were larger in size than the subject. Adjustments were made accordingly.

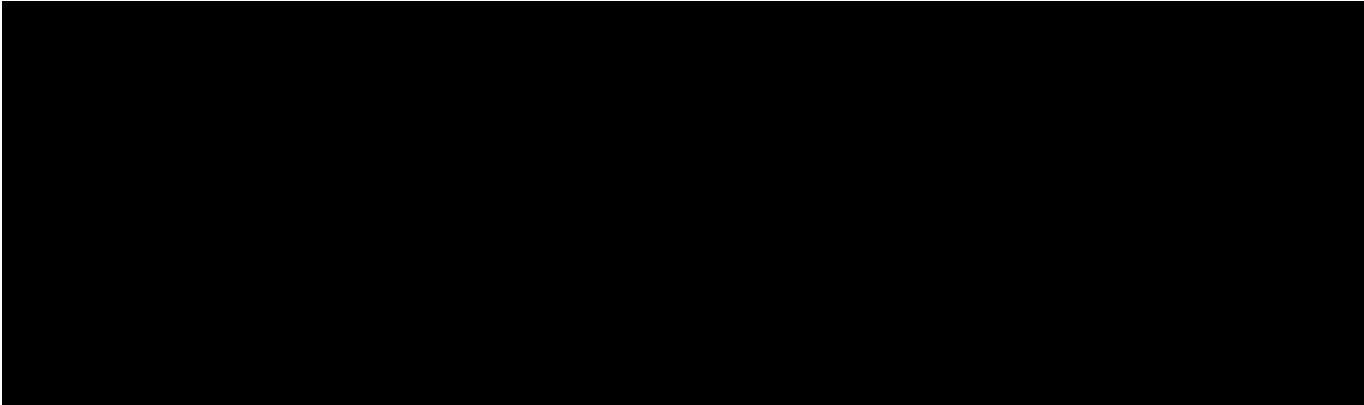
The subject did not have a finished basement whereas sale #2 did have a finished basement. Thus this sale needed a downward adjustment.

The subject consisted of a mixed use building with the main floor being commercial and the upper floor being residential. Sales #6 and #7 were both exclusively used for residential and were multifamily buildings which is considered to be a more desirable asset class. Thus these sales needed downward adjustments.

Site Size

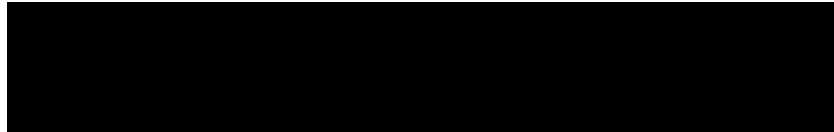
Sales #2, #3, #4, #5, #6 #7 and #10 were all on larger sites than the subject. Adjustments were made accordingly.

Conclusion:

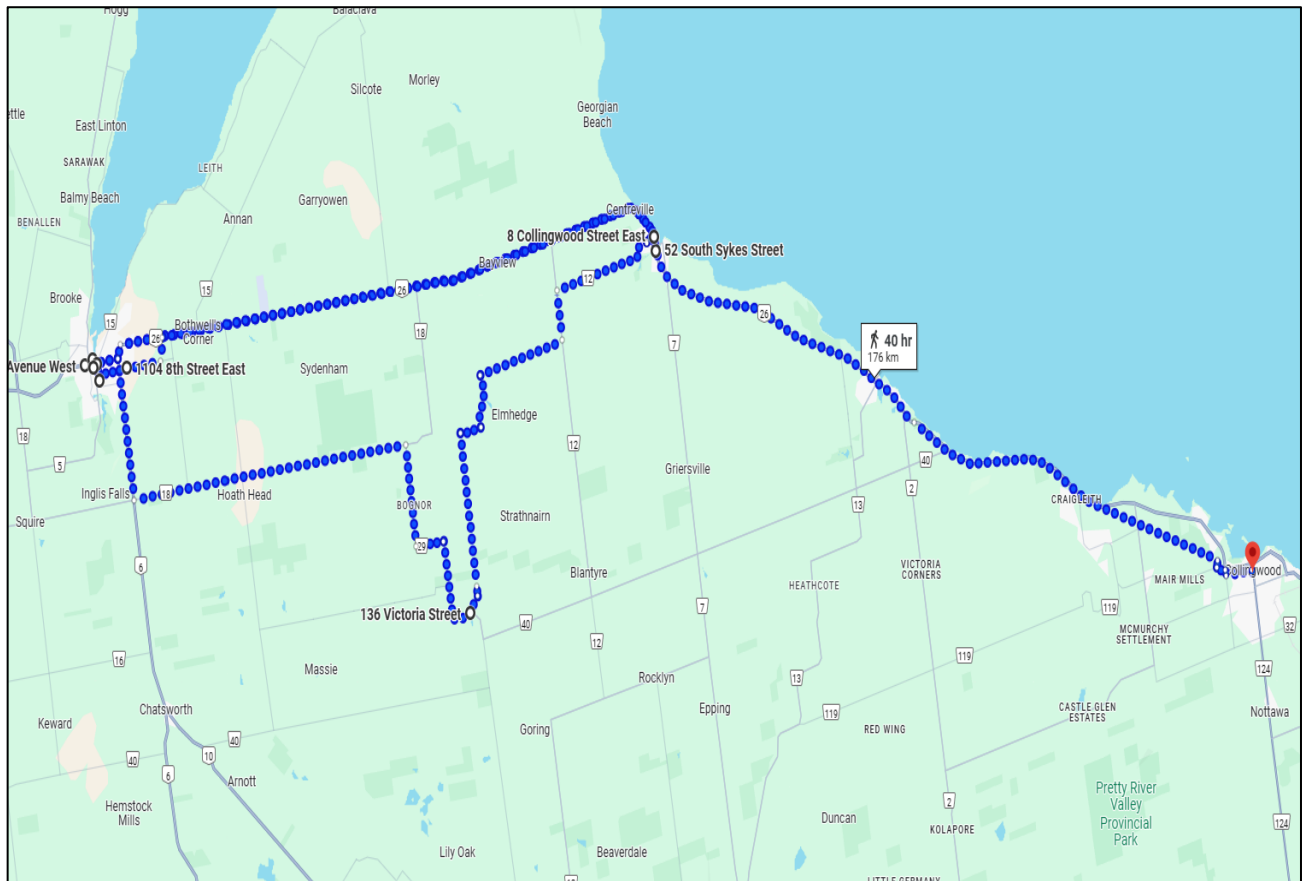


In this regard, with consideration given to the assumptions and limiting conditions contained herein, it is felt that the subject, should reasonably achieve a price per square foot of \$ [redacted] /sf. When applied to the subject's 4,200 sf this results in an overall estimate of value of \$ [redacted] (rounded).

Thus, the final value estimate by the Direct Market Comparison Approach, as of the effective date of this appraisal is:



DIRECT MARKET COMPARISON MAP



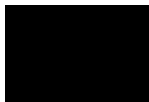
RECONCILIATION AND FINAL ESTIMATE OF VALUE

Between the various approaches, the following estimated market values were concluded:

VALUATION

Income Approach – *Direct Capitalization*

Direct Comparison Approach



Each of the valuation methods has a varying degree of applicability with respect to the subject building. In the case of the Cost Approach, the determination of physical and functional depreciation is difficult and thus this approach is somewhat less reliable and therefore has not been developed. Further, while investors are generally aware of replacement cost, they place little reliance on the fully developed Cost Approach when determining a value for acquisition purposes.

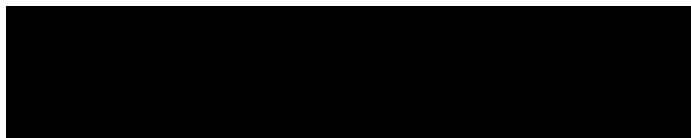
The Income Approach using a form of the Direct Capitalization was analyzed. The property had one commercial unit and 2 residential units. This approach was given some weight as part of the final estimate of value as the property is an income producing property with 3 units that all appeared to be occupied as of the effective date. Thus, many buyers would be looking at the subject as an investment and focused on the cash flow.

The Direct Comparison Approach produced 10 sales of commercial properties with varying degrees of comparability to the subject. The range of prices is most heavily influenced by location, building and lot size, condition and quality of the improvements, use, and the prevailing market conditions at the time of sale. This approach was also considered as part of the final estimate of value. Many properties such as the subject are bought by end users that are more focused on this approach. However, the subject is larger in size than the typical urban street front property and thus some buyers would be focused on the income as mentioned above.

Based on the aforementioned, the Income Approach was given the most weight as part of the final estimate of value. Although the final estimate of value from the Direct Market Comparison Approach was higher, it is still considered to support the final. Estimate of value from the Income Approach.

As noted above, there did not appear to be access to the second floor apartments at 948 Second Ave E as of the effective date. For the purposes of this appraisal it is assumed that an access staircase would be built and the cost to cure was estimated at \$50,000. This amount will be deducted from the final estimate of value.

Thus, in my opinion, the estimated current market value of the subject property effective date December 4, 2024 is:



UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

SUBJECT	948 Second Ave E, Province of Ontario
REAL PROPERTY INTEREST	Leased Fee Interest
EFFECTIVE DATE	December 4, 2024

AT THE REQUEST OF OUR CLIENT, I HAVE INSPECTED THE PROPERTY DESCRIBED IN THIS REPORT AND CONSIDERED ANY RELEVANT MATTERS WITH RESPECT TO FORMING AN OPINION OF CURRENT MARKET VALUE OF THE PROPERTY, IN ORDER TO ASSIST ALBERT GELMAN INC. & THE ONTARIO COURT OF JUSTICE IN A RECEIVERSHIP PROCESS ON THE SUBJECT PROPERTY. THIS APPRAISAL IS VOID IF USED FOR ANY OTHER PURPOSE.

The certification that appears in this report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice (“CUSPAP”) and the following conditions:

1. This report is prepared only for ALBERT GELMAN INC., & THE ONTARIO COURT OF JUSTICE and authorized users specifically identified in this report and only for the specific use identified herein. No other person may rely on this report or any part of this report without first obtaining consent from the client and written authorization from the authors. Liability is expressly denied to any other person and, accordingly, no responsibility is accepted for any damage suffered by any other person as a result of decisions made or actions taken based on this report. Liability is expressly denied for any unauthorized user or for anyone who uses this report for any use not specifically identified in this report. Payment of the appraisal fee has no effect on liability. Reliance on this report without authorization or for an unauthorized use is unreasonable.
2. Because market conditions, including economic, social and political factors, may change rapidly and, on occasion, without warning, this report cannot be relied upon as of any date other than the effective date specified in this report unless specifically authorized by the author(s).
3. The author will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The property is appraised on the basis of it being under responsible ownership. No registry office search has been performed and the author assumes that the title is good and marketable and free and clear of all encumbrances. Matters of a legal nature, including confirming who holds legal title to the appraised property or any portion of the appraised property, are outside the scope of work and expertise of the appraiser. Any information regarding the identity of a property’s owner or identifying the property owned by the listed client and/or applicant provided by the appraiser is for informational purposes only and any reliance on such information is unreasonable. Any information provided by the appraiser does not constitute any title confirmation. Any information provided does not negate the need to retain a real estate lawyer, surveyor or other appropriate experts to verify matters of ownership and/or title.
4. Verification of compliance with governmental regulations, bylaws or statutes is outside the scope of work and expertise of the appraiser. Any information provided by the appraiser is for informational purposes only and any reliance is unreasonable. Any information provided by the appraiser does not negate the need to retain an appropriately qualified professional to determine government regulation compliance.
5. No survey of the property has been made. Any sketch in this report shows approximate dimensions and is included only to assist the reader of this report in visualizing the property. It is unreasonable to rely on this report as an alternative to a survey, and an accredited surveyor ought to be retained for such matters.

6. This report is completed on the basis that testimony or appearance in court concerning this report is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to: adequate time to review the report and related data, and the provision of appropriate compensation.
7. Unless otherwise stated in this report, the author has no knowledge of any hidden or unapparent conditions (including, but not limited to: its soils, physical structure, mechanical or other operating systems, foundation, etc.) of/on the subject property or of/on a neighbouring property that could affect the value of the subject property. It has been assumed that there are no such conditions. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the author. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.
8. The author is not qualified to comment on detrimental environmental, chemical or biological conditions that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air which may include but are not limited to moulds and mildews or the conditions that may give rise to either. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report. It is an assumption of this report that the property complies with all regulatory requirements concerning environmental, chemical and biological matters, and it is assumed that the property is free of any detrimental environmental, chemical legal and biological conditions that may affect the market value of the property appraised. If a party relying on this report requires information about or an assessment of detrimental environmental, chemical or biological conditions that may impact the value conclusion herein, that party is advised to retain an expert qualified in such matters. The author expressly denies any legal liability related to the effect of detrimental environmental, chemical or biological matters on the market value of the property.
9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources the author considered reliable. Unless otherwise stated herein, the author did not verify client-supplied information, which the author believed to be correct.
10. The term “inspection” refers to observation only as defined by CUSPAP and reporting of the general material finishing and conditions observed for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only.
11. The opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The author has not confirmed that all mandatory building inspections have been completed to date, nor has the availability/issuance of an occupancy permit been confirmed. The author has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this visual inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the author.
12. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The author acknowledges that the information collected herein is personal and confidential and shall

not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the author's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the author's privacy policy and in accordance with the PIPEDA.

13. The author has agreed to enter into the assignment as requested by the client named in this report for the use specified by the client, which is stated in this report. The client has agreed that the performance of this report and the format are appropriate for the authorized use.
14. This report, its content and all attachments/addendums and their content are the property of the author. The client, authorized users and any appraisal facilitator are prohibited, strictly forbidden, and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.
15. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the author can be reasonably relied upon.
16. This report form is the property of the Appraisal Institute of Canada (AIC) and for use only by AIC members in good standing. Use by any other person is a violation of AIC copyright.
17. Where the authorized use of this report is for financing or mortgage lending or mortgage insurance, it is a condition of reliance on this report that the authorized user has or will conduct lending, underwriting and insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender or insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct loan underwriting or insuring due diligence similar to the standards set out by the Office of the Superintendent of Financial Institutions (OSFI), even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition. Any reliance on this report without satisfaction of this condition is unreasonable.

CERTIFICATION

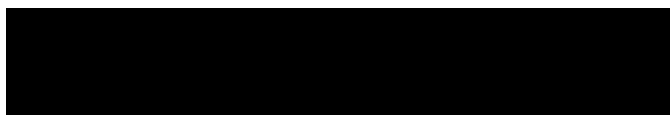
AUTHORIZED USER	Albert Gelman Inc. & The Ontario Court of Justice
SUBJECT PROPERTY	948 Second Ave E, City of Owen Sound, Province of Ontario
INSPECTION DATE	December 4, 2024

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct, and I have considered all factors believed to affect the value of the property.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- I have no bias with respect to the properties that are the subject of this report or to the parties involved with this assignment.
- My compensation is not contingent upon any action or event resulting from the analyses, opinions, or conclusions in or the use of the report.
- My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with CUSPAP.
- I have the knowledge and experience to complete the assignment competently.
- I, Tracey Smith have reviewed the report.
- I, Yehuda Belzberg assisted in completing this report
- Jonathan Knell assisted in inspecting the subject property
- No one provided significant professional assistance to the persons signing this report.

The Appraisal Institute of Canada has a Mandatory Recertification Program for designated members. As of the date of this report, we have fulfilled the requirements of the program.

The final estimate of the current market value, as at the effective date of the appraisal date December 4, 2024 is:



Y. Belzberg

January 20, 2025

Yehuda Belzberg, Candidate Appraiser

Date

Tracey Smith

January 20, 2025

Tracey Smith, BA, AACI, P. App,

Date

APPENDIX “H”

15. PLANNING ACT: This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.

JK

~~**16. DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O. 1990.~~

TM

17. RESIDENCY: (a) Subject to (b) below, the Seller represents and warrants that the Seller is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Seller shall deliver to the Buyer a statutory declaration that Seller is not then a non-resident of Canada;
 (b) provided that if the Seller is a non-resident under the non-residency provisions of the Income Tax Act, the Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate.

18. ADJUSTMENTS: Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.

19. TIME LIMITS: Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.

20. PROPERTY ASSESSMENT: The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.

21. TENDER: Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Lynx high value payment system as set out and prescribed by the *Canadian Payments Act (R.S.C., 1985, c. C-21)*, as amended from time to time.

22. FAMILY LAW ACT: Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O. 1990 unless the spouse of the Seller has executed the consent hereinafter provided.

JK

~~**23. UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing urea formaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains urea formaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.~~

TM

24. LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE: The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.

25. CONSUMER REPORTS: The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.

26. AGREEMENT IN WRITING: If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.

27. ELECTRONIC SIGNATURES: The parties hereto consent and agree to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000, S.O. 2000, c17* as amended from time to time with respect to this Agreement and any other documents respecting this transaction.

28. TIME AND DATE: Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):

JK

INITIALS OF SELLER(S):

TM

29. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein. SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) Jonathan Kepler 08/21/25
(Buyer/Authorized Signing Officer) (Seal) (Date)
(Witness) (Buyer/Authorized Signing Officer) (Seal) (Date)

I, the Undersigned Seller, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:
(Witness) Tom McElroy 08/27/25
(Seller/Authorized Signing Officer) (Seal) (Date)
(Witness) (Seller/Authorized Signing Officer) (Seal) (Date)

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O.1990, and hereby agrees to execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 5:16 PM on 09/03/25 this day of, 20.....
(a.m./p.m.)

Tom McElroy
(Signature of Seller or Buyer)

INFORMATION ON BROKERAGE(S)	
Listing Brokerage EXP REALTY BROKERAGE Jennifer Jones/Angelik Jones (Salesperson/Broker/Broker of Record Name)	1-866-530-7737 (Tel.No.)
Co-op/Buyer Brokerage The Agency Real Estate Brokerage Alicia Gillespie (Salesperson/Broker/Broker of Record Name)	519-472-0990 (Tel.No.)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

Tom McElroy 09/03/25
(Seller) (Date)

(Seller) (Date)

Address for Service (Tel. No.)

Seller's Lawyer (Tel. No.)

Address (Fax. No.)

Email (Tel. No.)

(Tel. No.) (Fax. No.)

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

Jonathan Kepler 09/04/25
(Buyer) (Date)

(Buyer) (Date)

Address for Service (Tel. No.)

Buyer's Lawyer **Jordan Overholt** (Tel. No.)

Address **380 Wellington Street Tower B, 6th Floor London, ON N6A 5B5**

Email **jordan@jtoverholt.com**

226-926-9007 **226-270-5540**
(Tel. No.) (Fax. No.)

FOR OFFICE USE ONLY **COMMISSION TRUST AGREEMENT**

To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale:
In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.

DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale. Acknowledged by:
ANGELIK JONES Alicia Gillespie
(Authorized to bind the Listing Brokerage) (Authorized to bind the Co-operating Brokerage)

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Schedule A Agreement of Purchase and Sale – Commercial

Form 500

for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

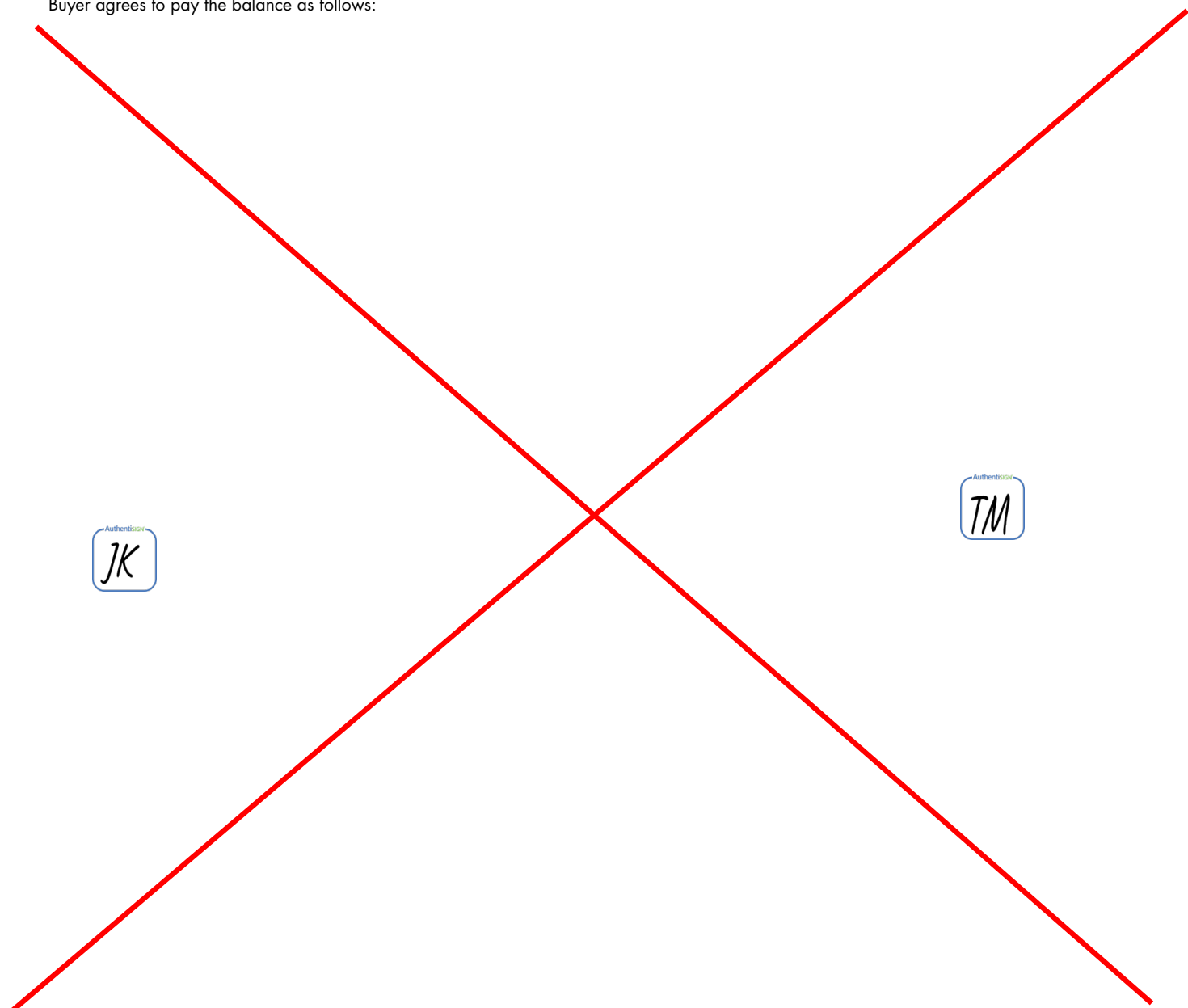
BUYER: Kepler Real Estate Inc., and

SELLER: Albet Gelman Inc. in its Capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc.

for the purchase and sale of 942-944 2nd Ave. East, Owen Sound, ON N4K 2H6

dated the 22nd day of August, 2025

Buyer agrees to pay the balance as follows:



Authentisign
JK

Authentisign
TM

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

Authentisign
JK

INITIALS OF SELLER(S):

Authentisign
TM

- a. in accordance with a written public statement or other form of disclosure satisfactory to both parties; or
- b. as required in connection with the application for Court approval.

GENERAL

18. Any notice to be given or document to be delivered to the Seller pursuant to this Agreement shall be sufficient if delivered personally or by electronic mail (i.e. email) to the Seller as follows:

Albert Gelman Inc.
250 Ferrand Drive, Suite 403
Toronto, ON M3C 3G8
Attention: Bryan Gelman
Fax: 416-504-1655
Email: bgelman@albertgelman.com

With a Copy to:

Angelik Jones/Jennifer Jones, The Jennifer Jones Team, eXp Realty Brokerage
Attention: 24418 Hwy 48
Baldwin, ON L0E 1A0
Fax:
Email: angelik@jj.team, jenn@jj.team

19. Any notice to be given or document to be delivered to the Buyer pursuant to this Agreement shall be sufficient if delivered personally or by electronic mail (i.e. email) to the Buyer as follows:

Name: Jordan Overholt
Address: 380 Wellington Street
Attention: Tower B, 6th Floor
London, ON N6A 5B5
Fax: 226-270-5540
Email: jordan@jtoverholt.com

With a Copy to:

Name: Alicia Gillespie
Address: 43363 Sparta Line
Attention: St. Thomas, ON
N5P 3S8
Fax:
Email: alicia@aliciagillespie.com



Agreement, whereupon the deposit and any interest earned thereon shall be returned to the Buyer and neither party shall have any further rights or liabilities hereunder against the other.

28. The Seller, by acceptance of the Offer, is entering into the Agreement solely in its capacity as the Court Appointed Receiver and not in its personal or any other capacity. Any claim against the Seller shall be limited to, and only enforceable against the property and assets then held by or available to the Seller in its capacity as Receiver and shall not apply to its personal property and assets held by it in any other capacity. The Seller shall have no personal or corporate liability of any kind, whether in equity, contract, tort or otherwise.

[end of page]



Form 320

for use in the Province of Ontario

Confirmation of Co-operation and Representation Buyer/Seller

BUYER: Kepler Real Estate Inc.

SELLER: Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada Inc.

For the transaction on the property known as: 942-944 2nd Ave East, Owen Sound, ON N4K 2H6

DEFINITIONS AND INTERPRETATIONS: For the purposes of this Confirmation of Co-operation and Representation: "Seller" includes a vendor, landlord, lessor or a prospective seller, vendor, landlord or lessor and "Buyer" includes a purchaser, tenant, lessee or a prospective buyer, purchaser, tenant or lessee and "sale" includes a lease, and "Agreement of Purchase and Sale" includes an Agreement to Lease. Commission shall be deemed to include other remuneration.

The following information is confirmed by the undersigned salesperson/broker representative(s) of the Brokerage(s). If a Co-operating Brokerage is involved in the transaction, the Brokerages agree to co-operate, in consideration of, and on the terms and conditions as set out below.

DECLARATION OF INSURANCE: The undersigned salesperson/broker representative(s) of the Brokerage(s) hereby declare that he/she is insured as required by the Trust in Real Estate Services Act, 2002 (TRESA).

1. SELLER BROKERAGE (Single Representation)

- a) [X] The Seller Brokerage or a Designated Representative of the Seller Brokerage represents the interests of the Seller in this transaction. It is further understood and agreed that:
1) [X] Neither the Seller Brokerage nor a Designated Representative of the Seller Brokerage is representing the Buyer and has not entered into a representation agreement with the Buyer.
2) [] The Seller Brokerage or a Designated Representative of the Seller Brokerage is providing assistance to the Buyer and the Buyer is a self-represented party.
3) [] The Seller client and Buyer client are each separately represented by different designated representatives of the same Brokerage and there is no multiple representation.

2. SELLER BROKERAGE (Multiple Representation)

- a) [] The Seller Brokerage has entered into Representation Agreement with the Buyer and there is Multiple Representation.
b) [] The Designated Representative who represents the Seller also represents the Buyer and there is Multiple Representation.

Additional comments and/or disclosures by Seller Brokerage: (e.g., The Seller Brokerage represents more than one Buyer offering on this property.)

3. PROPERTY SOLD BY BUYER BROKERAGE

- a) [] The Brokerage or a Designated Representative of the Brokerage represents the Buyer and the Brokerage will be paid by the Buyer directly.

4. CO-OPERATING BROKERAGE

- a) [X] CO-OPERATING BROKERAGE - REPRESENTATION:
1) [X] The Co-operating Brokerage or a Designated Representative of the Co-operating Brokerage represents the interests of the Buyer in this transaction.
b) [X] CO-OPERATING BROKERAGE - COMMISSION:
1) [X] The Seller Brokerage will pay the Co-operating Brokerage the commission as indicated in the MLS® information for the property in the amount of 2.5% to be paid from the amount paid by the Seller to the Seller Brokerage. (Commission As Indicated In MLS® Information)
2) [] The Co-operating Brokerage will be paid as follows:

Additional comments and/or disclosures by Co-operating Brokerage: (e.g., The Co-operating Brokerage represents more than one Buyer offering on this property.)

INITIALS OF BUYER(S)/SELLER(S)/BROKERAGE REPRESENTATIVE(S) (Where applicable)

Authentisign JK BUYER

Authentisign AG CO-OPERATING/BUYER BROKERAGE

Authentisign TM SELLER

Authentisign AJ SELLER BROKERAGE

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Commission will be payable as described above, plus applicable taxes.

COMMISSION TRUST AGREEMENT: If the above Co-operating Brokerage is receiving payment of commission from the Seller Brokerage, then the agreement between Seller Brokerage and Co-operating Brokerage further includes a Commission Trust Agreement, the consideration for which is the Co-operating Brokerage procuring an offer for a trade of the property, acceptable to the Seller. This Commission Trust Agreement shall be subject to and governed by the MLS® rules and regulations pertaining to commission trusts of the Seller Brokerage's local real estate board, if the local board's MLS® rules and regulations so provide. Otherwise, the provisions of the OREA recommended MLS® rules and regulations shall apply to this Commission Trust Agreement. For the purpose of this Commission Trust Agreement, the Commission Trust Amount shall be the amount noted in Section 4 above. The Seller Brokerage hereby declares that all monies received in connection with the trade shall constitute a Commission Trust and shall be held, in trust, for the Co-operating Brokerage under the terms of the applicable MLS® rules and regulations.

SIGNED BY THE BROKER/SALESPERSON REPRESENTATIVE(S) OF THE BROKERAGE(S) (Where applicable)

The Agency Real Estate Brokerage
(Name of Co-operating/Buyer Brokerage)
304-1886 Oxford Street West, London ON, N6K0J8
Tel.: 519-472-0990 Fax:

EXP REALTY BROKERAGE
(Name of Seller Brokerage)
4711 Yonge Street, 10th Floor, Toronto, ON, M2N 6K8
Tel.: 1-866-530-7737 Fax:

Authentisign
Alicia Gillespie 08/22/25
(Authorized to bind the Co-operating/Buyer Brokerage) (Date)
Alicia Gillespie
(Print Name of Salesperson/Broker/Broker of Record)

Authentisign
ANGELIK JONES 08/27/25
(Authorized to bind the Seller Brokerage) (Date)
Jennifer Jones/Angelik Jones
(Print Name of Salesperson/Broker/Broker of Record)

CONSENT FOR MULTIPLE REPRESENTATION

The Buyer and Seller confirm that they have previously consented to Multiple Representation.
The Buyer and Seller consent with their initials Multiple Representation for this transaction.

INITIALS OF BUYER(S) INITIALS OF SELLER(S)

ACKNOWLEDGEMENT

I have received, read, and understand the above information.

Jonathan Kepler 08/22/25
(Signature of Buyer) (Date) (Signature of Seller) (Date)

Tom McElroy 08/27/25
(Signature of Buyer) (Date) (Signature of Seller) (Date)



Amendment to Agreement of Purchase and Sale

Form 120

for use in the Province of Ontario

BETWEEN: Kepler Real Estate Inc.

BUYER:

AND Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada Inc.

SELLER:

RE: Agreement of Purchase and Sale between the Seller and Buyer, dated the 22nd day of August, 2025,

concerning the property known as 942-944 2nd Avenue East Owen Sound, ON

N4K 2H6 as more particularly described in the aforementioned Agreement.

The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

Delete:

This Offer is conditional until September 19th, 2025 for the Buyer to conduct a satisfactory "Due Diligence" review of the subject property. Such "Due Diligence" will be for the Buyer to examine all aspects of this transaction. This shall include, but not necessarily be limited to, all the arrangements for inspections, and any other matters which the Buyer may consider relevant to the completion of this purchase. Satisfaction of such "Due Diligence" review shall be at the sole, unfettered, and absolute discretion of the Buyer, failing which this Offer shall become null and void. This condition is included for the benefit of the Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller as aforesaid within the time period stated herein.

This Offer is conditional upon the approval of the terms hereof by the Buyer's solicitor. Unless the Buyer gives notice in writing delivered to the Seller personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto not later than 11:59 PM on September 19th, 2025, that this condition is fulfilled, this Offer shall be null and void and the deposit shall be returned to the Buyer in full without deduction. This condition is included for the benefit of Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller as aforesaid within the time period stated herein.

Insert:

This Offer is conditional until October 1st, 2025 for the Buyer to conduct a satisfactory "Due Diligence" review of the subject property. Such "Due Diligence" will be for the Buyer to examine all aspects of this transaction. This shall include, but not necessarily be limited to, all the arrangements for inspections, and any other matters which the Buyer may consider relevant to the completion of this purchase. Satisfaction of such "Due Diligence" review shall be at the sole, unfettered, and absolute discretion of the Buyer, failing which this Offer shall become null and void. This condition is included for the benefit of the Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller as aforesaid within the time period stated herein.

This Offer is conditional upon the approval of the terms hereof by the Buyer's solicitor. Unless the Buyer gives notice in writing delivered to the Seller personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto not later than 11:59 PM on October 1st, 2025, that this condition is fulfilled, this Offer shall be null and void and the deposit shall be returned to the Buyer in full without deduction. This condition is included for the benefit of Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller as aforesaid within the time period stated herein.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

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IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by Buyer until 11:50 (a.m./p.m.) on the 19th day of September, 2025, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor. Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of: Jonathan Kepler IN WITNESS whereof I have hereunto set my hand and seal: 09/17/25
(Witness) (Buyer/Seller) (Seal) (Date)
(Witness) (Buyer/Seller) (Seal) (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of: Tom McElroy IN WITNESS whereof I have hereunto set my hand and seal: 09/18/25
(Witness) (Buyer/Seller) (Seal) (Date)
(Witness) (Buyer/Seller) (Seal) (Date)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

(Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 3:25 PM this 09/18/25 (a.m./p.m.) day of September, 2025.

Tom McElroy
(Signature of Seller or Buyer)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.
Tom McElroy 09/18/25
(Seller) (Date)
(Seller) (Date)
Address for Service
(Tel. No.)
Seller's Lawyer
Address
Email
(Tel. No.) (Fax. No.)

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.
Jonathan Kepler 09/19/25
(Buyer) (Date)
(Buyer) (Date)
Address for Service
(Tel. No.)
Buyer's Lawyer
Address
Email
(Tel. No.) (Fax. No.)



Amendment to Agreement of Purchase and Sale

Form 120

for use in the Province of Ontario

BETWEEN: Kepler Real Estate Inc.

BUYER:

AND Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada Inc.

SELLER:

RE: Agreement of Purchase and Sale between the Seller and Buyer, dated the 22nd day of August, 2025,

concerning the property known as 942-944 2nd Avenue East Owen Sound, ON

N4K 2H6 as more particularly described in the aforementioned Agreement.

The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

Delete:

This Offer is conditional until **October 1st, 2025** for the Buyer to conduct a satisfactory "Due Diligence" review of the subject property. Such "Due Diligence" will be for the Buyer to examine all aspects of this transaction. This shall include, but not necessarily be limited to, all the arrangements for inspections, and any other matters which the Buyer may consider relevant to the completion of this purchase. Satisfaction of such "Due Diligence" review shall be at the sole, unfettered, and absolute discretion of the Buyer, failing which this Offer shall become null and void. This condition is included for the benefit of the Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller as aforesaid within the time period stated herein.

This Offer is conditional upon the approval of the terms hereof by the Buyer's solicitor. Unless the Buyer gives notice in writing delivered to the Seller personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto not later than 11:59 PM on **October 1st, 2025**, that this condition is fulfilled, this Offer shall be null and void and the deposit shall be returned to the Buyer in full without deduction. This condition is included for the benefit of Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller as aforesaid within the time period stated herein.

Insert:

This Offer is conditional until **October 10th, 2025** for the Buyer to conduct a satisfactory "Due Diligence" review of the subject property. Such "Due Diligence" will be for the Buyer to examine all aspects of this transaction. This shall include, but not necessarily be limited to, all the arrangements for inspections, and any other matters which the Buyer may consider relevant to the completion of this purchase. Satisfaction of such "Due Diligence" review shall be at the sole, unfettered, and absolute discretion of the Buyer, failing which this Offer shall become null and void. This condition is included for the benefit of the Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller as aforesaid within the time period stated herein.

This Offer is conditional upon the approval of the terms hereof by the Buyer's solicitor. Unless the Buyer gives notice in writing delivered to the Seller personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto not later than 11:59 PM on **October 10th, 2025**, that this condition is fulfilled, this Offer shall be null and void and the deposit shall be returned to the Buyer in full without deduction. This condition is included for the benefit of Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller as aforesaid within the time period stated herein.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

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IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by Buyer until 11:50 (a.m./p.m.) on the 30th day of September, 2025, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor. Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of: Jonathan Kepler IN WITNESS whereof I have hereunto set my hand and seal: 09/28/25
(Witness) (Buyer/Seller) (Seal) (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of: Tom McElroy IN WITNESS whereof I have hereunto set my hand and seal: 09/29/25
(Witness) (Buyer/Seller) (Seal) (Date)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

(Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 5:07 PM this 09/29/25 day of....., 20.....
(a.m./p.m.)

Tom McElroy
(Signature of Seller or Buyer)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.
Tom McElroy 09/29/25
(Seller) (Date)
(Seller) (Date)
Address for Service
(Tel. No.)
Seller's Lawyer
Address
Email
(Tel. No.) (Fax. No.)

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.
Jonathan Kepler 09/29/25
(Buyer) (Date)
(Buyer) (Date)
Address for Service
(Tel. No.)
Buyer's Lawyer
Address
Email
(Tel. No.) (Fax. No.)



Amendment to Agreement of Purchase and Sale

Form 120

for use in the Province of Ontario

BETWEEN: Kepler Real Estate Inc.

BUYER:

AND SELLER: Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada Inc.

RE: Agreement of Purchase and Sale between the Seller and Buyer, dated the 22nd day of August, 2025,

concerning the property known as 942-944 2nd Avenue East, Owen Sound, ON

N4K 2H6 as more particularly described in the aforementioned Agreement.

The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

Delete:

This Offer is conditional until October 10th, 2025 for the Buyer to conduct a satisfactory "Due Diligence" review of the subject property. Such "Due Diligence" will be for the Buyer to examine all aspects of this transaction. This shall include, but not necessarily be limited to, all the arrangements for inspections, and any other matters which the Buyer may consider relevant to the completion of this purchase. Satisfaction of such "Due Diligence" review shall be at the sole, unfettered, and absolute discretion of the Buyer, failing which this Offer shall become null and void. This condition is included for the benefit of the Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller as aforesaid within the time period stated herein.

This Offer is conditional upon the approval of the terms hereof by the Buyer's solicitor. Unless the Buyer gives notice in writing delivered to the Seller personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto not later than 11:59 PM on October 10th, 2025, that this condition is fulfilled, this Offer shall be null and void and the deposit shall be returned to the Buyer in full without deduction. This condition is included for the benefit of Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller as aforesaid within the time period stated herein.

Insert:

This Offer is conditional until October 16th, 2025 for the Buyer to conduct a satisfactory "Due Diligence" review of the subject property. Such "Due Diligence" will be for the Buyer to examine all aspects of this transaction. This shall include, but not necessarily be limited to, all the arrangements for inspections, and any other matters which the Buyer may consider relevant to the completion of this purchase. Satisfaction of such "Due Diligence" review shall be at the sole, unfettered, and absolute discretion of the Buyer, failing which this Offer shall become null and void. This condition is included for the benefit of the Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller as aforesaid within the time period stated herein.

This Offer is conditional upon the approval of the terms hereof by the Buyer's solicitor. Unless the Buyer gives notice in writing delivered to the Seller personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto not later than 11:59 PM on October 16th, 2025, that this condition is fulfilled, this Offer shall be null and void and the deposit shall be returned to the Buyer in full without deduction. This condition is included for the benefit of Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller as aforesaid within the time period stated within.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

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IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by Buyer until 11:50 (a.m./p.m.) on the 9th day of October, 2025, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor. Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal: Jonathan Kepler 10/08/25 (Witness) (Buyer/Seller) (Seal) (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal: Tom McElroy 10/09/25 (Witness) (Buyer/Seller) (Seal) (Date)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

(Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 11:09 AM this 10/09/25 (a.m./p.m.) this day of 2025.

Tom McElroy (Signature of Seller or Buyer)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer. Tom McElroy 10/09/25 (Seller) (Date)

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer. (Buyer) (Date)



Amendment to Agreement of Purchase and Sale

Form 120

for use in the Province of Ontario

BETWEEN: Kepler Real Estate Inc.

BUYER:

AND SELLER: Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada Inc.

RE: Agreement of Purchase and Sale between the Seller and Buyer, dated the 22nd day of August, 2025,

concerning the property known as 942-944 2nd Ave East Owen Sound, ON

N4K 2H6 as more particularly described in the aforementioned Agreement.

The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

Delete:

This Offer is conditional until October 16th, 2025 for the Buyer to conduct a satisfactory "Due Diligence" review of the subject property. Such "Due Diligence" will be for the Buyer to examine all aspects of this transaction. This shall include, but not necessarily be limited to, all the arrangements for inspections, and any other matters which the Buyer may consider relevant to the completion of this purchase. Satisfaction of such "Due Diligence" review shall be at the sole, unfettered, and absolute discretion of the Buyer, failing which this Offer shall become null and void. This condition is included for the benefit of the Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller as aforesaid within the time period stated herein.

This Offer is conditional upon the approval of the terms hereof by the Buyer's solicitor. Unless the Buyer gives notice in writing delivered to the Seller personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto not later than 11:59 PM on October 16th, 2025, that this condition is fulfilled, this Offer shall be null and void and the deposit shall be returned to the Buyer in full without deduction. This condition is included for the benefit of Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller as aforesaid within the time period stated herein.

Deposit: \$100,000.00 One Hundred Thousand Dollars

Authentisign
JK

The Buyer agrees to deliver the deposit, in the form of certified funds, to eXp Realty Brokerage within five (5) days of waiving or fulfilling all Buyer conditions contained in this Agreement of Purchase and Sale.

Authentisign
TM

Insert:

Deposit: \$50,000.00 Fifty Thousand Dollars

Authentisign
JK

The Deposit shall be delivered by the Buyer within 48 hours upon final acceptance of this Agreement of Purchase and Sale, in the form of certified funds, to eXp Realty Brokerage.

Authentisign
TM

INITIALS OF BUYER(S):

Authentisign
JK

INITIALS OF SELLER(S):

Authentisign
TM

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Authentisign JK Seller TM Authentisign JK 5:00 p.m. TM

Authentisign TM

IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by Buyer until 5:00 p.m. on the 15th day of October, 2025, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor. Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of: Jonathan Kepler (Buyer/Seller) 10/14/25 (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of: Tom McElroy (Buyer/Seller) 10/14/25 (Date)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

(Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 9:30 am 10/15/25 (a.m./p.m.) day of, 20.

Jonathan Kepler (Signature of Seller or Buyer)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer. Tom McElroy 10/15/25 (Date) Seller's Lawyer: James Quigley 100 Sheppard Avenue East, Suite 850, Toronto, ON M2N 6N5

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer. Jonathan Kepler 10/15/25 (Date) Buyer's Lawyer: Michael Forcier 712 2nd Ave E, Owen Sound, N4K 2H2

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APPENDIX “I”



Agreement of Purchase and Sale Commercial

Form 500

for use in the Province of Ontario

This Agreement of Purchase and Sale dated this 23 day of April, 2025

BUYER: Ravi Patel
(Full legal names of all Buyers), agrees to purchase from

SELLER: Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada
(Full legal names of all Sellers), the following

REAL PROPERTY:

Address 950-956 & 948 2nd Avenue East, Owen Sound, ON, N4K 2H6

fronting on the West side of 2nd Avenue East

in the Town of Owen Sound

63.50 feet 118.80 feet

DEPOSIT: Buyer submits Five Thousand Dollars (CDN\$) ~~1,670,000.00~~ 75,000.00
One Hundred and Fifty Thousand Dollars (CDN\$) ~~58,000.00~~ 65,000.00
Sixty-Five Thousand Dollars (CDN\$) ~~58,000.00~~ 65,000.00

EXP REALTY, BROKERAGE

by negotiable cheque payable to EXP REALTY, BROKERAGE "Deposit Holder"
to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A B, B1, C & D attached hereto form(s) part of this Agreement.

1. IRREVOCABILITY: This offer shall be irrevocable by 20th ~~8th~~ 16th ~~1st~~ 13th ~~6th~~ May until 9:00 pm ~~6:00 p.m.~~ on 25 the 24th day of April, 2025 after which time, if not accepted, this offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. COMPLETION DATE: This Agreement shall be completed by no later than 6:00 p.m. on the 25th day of April, 2025 See Schedule B

Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S): [Signature]

INITIALS OF SELLER(S): [Signature]

3. **NOTICES:** The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **The Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices where the Brokerage represents both the Seller and the Buyer (multiple representation) or where the Buyer or the Seller is a self-represented party.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.:
(For delivery of Documents to Seller)

FAX No.:
(For delivery of Documents to Buyer)

Email Address: angelik@jj.team
(For delivery of Documents to Seller)

Email Address: ovemmanuel1@gmail.com
(For delivery of Documents to Buyer)

4. **CHATELS INCLUDED:**

See Schedule B



Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. **FIXTURES EXCLUDED:**

See Schedule B



~~6. **RENTAL ITEMS (Including Lease, Lease to Own):** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:~~



~~The Buyer agrees to co-operate and execute such documentation as may be required to facilitate such assumption.~~

7. **HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price.** The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, if applicable, is not included in the Purchase Price.

INITIALS OF BUYER(S):



INITIALS OF SELLER(S):



TBD

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the day of....., 20....., (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there

Continued Use

are no outstanding work orders or deficiency notices affecting the property, that its present use (.....) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.

~~10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telecommunication services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telecommunication lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.~~

11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Ontario. Unless otherwise agreed to by the lawyers, such exchange of Requisite Deliveries shall occur by the delivery of the Requisite Deliveries of each party to the office of the lawyer for the other party or such other location agreeable to both lawyers.

12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this offer there shall be a binding agreement of purchase and sale between Buyer and Seller.

~~14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.~~

DS
RP

Authentication
[Signature]

Authentication
TM

Authentication
[Signature]

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INITIALS OF BUYER(S):

DS
RP

INITIALS OF SELLER(S):

Authentication
[Signature]



15. PLANNING ACT: This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.



~~**16. DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O. 1990.~~

17. RESIDENCY: (a) Subject to (b) below, the Seller represents and warrants that the Seller is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Seller shall deliver to the Buyer a statutory declaration that Seller is not then a non-resident of Canada;
(b) provided that if the Seller is a non-resident under the non-residency provisions of the Income Tax Act, the Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate.

18. ADJUSTMENTS: Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.

19. TIME LIMITS: Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.

20. PROPERTY ASSESSMENT: The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.

21. TENDER: Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Lynx high value payment system as set out and prescribed by the *Canadian Payments Act (R.S.C., 1985, c. C-21)*, as amended from time to time.

22. FAMILY LAW ACT: Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O. 1990 unless the spouse of the Seller has executed the consent hereinafter provided.



~~**23. UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing urea formaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains urea formaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.~~



24. LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE: The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.

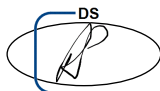
25. CONSUMER REPORTS: The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.

26. AGREEMENT IN WRITING: If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.

27. ELECTRONIC SIGNATURES: The parties hereto consent and agree to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000, S.O. 2000, c17* as amended from time to time with respect to this Agreement and any other documents respecting this transaction.

28. TIME AND DATE: Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):



INITIALS OF SELLER(S):



29. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein. SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

DocuSigned by: [Signature] 23-Apr-2025
(Witness) (Buyer/Authorized Signing Officer) (Seal) (Date)
(Witness) (Buyer/Authorized Signing Officer) (Seal) (Date)

I, the Undersigned Seller, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer. SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

Authentisign [Signature] 04/23/25
(Witness) (Seller/Authorized Signing Officer) (Seal) (Date)
(Witness) (Seller/Authorized Signing Officer) (Seal) (Date)

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O.1990, and hereby agrees to execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 6:30pm this 17-May-2025 day of [Signature] (a.m./p.m.) (Signature of Seller of Buyer)

INFORMATION ON BROKERAGE(S)
Listing Brokerage: EXP REALTY, BROKERAGE 866-539-7737 (Tel.No.)
Jennifer Jones/Angelik Jones (Salesperson/Broker/Broker of Record Name)
Co-op/Buyer Brokerage: Royal LePage Signature Realty 905-568-2121 (Tel.No.)
Oswald Emmanuel (Salesperson/Broker/Broker of Record Name)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.
[Signature] 05/16/25
(Seller) (Date)
(Seller) (Date)
Address for Service (Tel. No.)
Seller's Lawyer
Address
Email (Tel. No.) (Fax. No.)

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.
[Signature] 17-May-2025
(Buyer) Ravi Patel (Date)
(Buyer) (Date)
Address for Service (Tel. No.)
Buyer's Lawyer
Address
Email (Tel. No.) (Fax. No.)

FOR OFFICE USE ONLY COMMISSION TRUST AGREEMENT
To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale:
In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.
DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale.
[Signature] ANGELIK JONES (Authorized to bind the Listing Brokerage)
[Signature] oswald Emmanuel (Authorized to bind the Co-operating Brokerage)



Schedule A Agreement of Purchase and Sale – Commercial

Form 500
for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: Ravi Patel , and

SELLER: Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada

for the purchase and sale of 950-956 & 948 2nd Avenue East, Owen Sound, ON, N4K 2H6

dated the 23 day of April, 2025

Buyer agrees to pay the balance as follows:

DS

Authenticat

Authenticat

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

SCHEDULE "B" TO THE AGREEMENT OF PURCHASE AND SALE

1. The Property is being sold on an "as is, where is" and "without recourse" basis with no representations, warranties or (except as expressly stated herein) condition, express or implied, statutory or otherwise of any nature and kind whatsoever as to title, encumbrances, description, present or future use, fitness for use, environmental condition including the existence of hazardous substances, merchantability, quantity, defect (latent or patent), condition, location of structures, improvements and mezzanines or the legality thereof, zoning or lawful use of the Property, rights over adjoining properties and any easements, right-of-way, rights of re-entry, restrictions and/or covenants which run with the land, ingress and egress to the Property, the condition or state of repair of any chattels, encroachments on the Property by adjoining properties or encroachments by the Property on adjoining properties, if any, any outstanding work orders, orders to comply, deficiency notices, building permits or building permit applications, municipal or other governmental requirements agreements or requirements (including site plan agreements, development agreements, Subdivision agreements, building or fire codes, building and zoning bylaws and regulations, development fees, imposts, lot levies and sewer charges) or any other matter or thing whatsoever, either stated or implied. The Buyer acknowledges having reviewed the state of title to the Property and agrees to accept title subject to all of the foregoing, and that it shall, despite any presumption to the contrary at law or otherwise, not be entitled to make any requisition as to title or otherwise.
2. This Agreement is conditional upon the Seller obtaining an Order of the Court approving the said Agreement, as well as conditional upon the Seller obtaining an Order of the Court vesting the Property in the Buyer, on Closing directing all registered charges to be deleted from title (collectively, the "**Sale Approval and Vesting Order**"). The Buyer shall accept title to the Property subject to all other encumbrances and registrations. On Closing, title will be transferred by the Sale Approval and Vesting Order and not by Transfer/Deed of Land. Buyer acknowledges and agrees that it shall satisfy itself regarding title during the Buyer's Conditional Period (the "**Buyer's Conditional Period**").
3. The Buyer acknowledges that it has relied entirely on its own judgment, inspection and investigation of the Property and any rights necessary to the access, use and enjoyment of, appurtenant or otherwise, the Property.

DS


Authentic


4. In the event of any conflict or inconsistency between any provision of this Schedule "B" and any provision of this Agreement of Purchase and Sale not contained in Schedule "B", the provision of Schedule "B" shall govern and prevail.
5. The Buyer acknowledges that the Seller is selling the Property pursuant to the Sale Approval and Vesting Order.
6. The Seller shall not be required to furnish any abstracts of title or any survey or other document.
7. The Buyer acknowledges that the fixtures, improvements and chattels, if any, presently on the Property are to be taken by it, at its own risk completely, without representation or warranty of any kind from the Seller as to the ownership or state of repair of any such fixtures, improvements and chattels. The Buyer further acknowledges that the chattels and fixtures presently on the Property may be subject to security interests.
8. The Buyer acknowledges and agrees that the Buyer is acquiring the Property together with all of the chattels (list to be provided) on an "as is where is" basis. The Buyer represents and warrants to the Seller that the Buyer has absolutely satisfied itself as to the status and condition of the Chattels including without limitation their state of repairs.
9. The Buyer agrees with the Seller that the Buyer takes title to the Property subject to any tenancies in existence. The Buyer shall obtain possession of the Property at the Buyer's own expense. The Buyer acknowledges that the Seller will not obtain or provide any acknowledgments or agreements with respect to the Property from third parties, the property manager and any tenants.
10. The Buyer acknowledges that any information supplied to the Buyer by the Seller or its agents or representatives is, and was supplied, without any representation or warranty, and that the responsibility for the verification of any such information shall be wholly the responsibility of the Buyer.
11. The Buyer shall be responsible for payment of all outstanding realty taxes owing on the Property from the Closing Date, and payment of all taxes exigible on sale and transfer of the Property and any Chattels and fixtures, including without limitation, HST as applicable, retail sales tax as applicable and Land Transfer Tax.
12. The Seller shall provide the Buyer with only the keys to the Property that are in its possession.

DS


Authentication


13. **CLOSING DATE:** The closing date shall occur on the later of (i) five (5) days (not including Saturday, Sunday or any day which is a statutory holiday in the Province of Ontario) following the obtaining of the Court Approval and Vesting Order by the Seller, or (ii) on such later date as the Seller may designate, in its sole discretion.
14. PROVIDED THAT in the event that the Court Approval and Vesting Order are for any reason (not including the default of the Buyer) not obtained by the 90th day following the date of this Agreement, this Agreement shall be null and void and the deposit shall be returned to the Buyer.

CLOSING DOCUMENTS

Deliveries by Seller

15. The Seller will deliver on closing to the Buyer a certificate signed by the Seller confirming that the Seller is not a non-resident of Canada for the purpose of section 116 of the Income Tax Act, together with the Sale Approval and Vesting Order for registration by the Buyer, with all Land Transfer Taxes to be paid by the Buyer.

Deliveries by Buyer

16. At or before Closing, upon fulfillment by the Seller of all of the conditions herein in favour of the Buyer which have not been waived in writing by the Buyer, the Buyer shall deliver the following, each of which shall be in form and substance satisfactory to the Seller, acting reasonably:
- payment of the Purchase Price pursuant to this Agreement;
 - a certified copy of the articles of incorporation of the Buyer;
 - evidence satisfactory to the Seller that the Buyer is registered for HST under the Excise Tax Act, including the Buyer's HST number and an undertaking to self-assess for HST; and

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

CONFIDENTIALITY

17. The Buyer shall not publicly announce the existence of the Agreement of Purchase and Sale or disclose any of its contents except:

DS


Authentication


- a. in accordance with a written public statement or other form of disclosure satisfactory to both parties; or
- b. as required in connection with the application for Court approval.

GENERAL

18. Any notice to be given or document to be delivered to the Seller pursuant to this Agreement shall be sufficient if delivered personally or by electronic mail (i.e. email) to the Seller as follows:

Albert Gelman Inc.
250 Ferrand Drive, Suite 403
Toronto, ON M3C 3G8
Attention: Bryan Gelman
Fax: 416-504-1655
Email: bgelman@albertgelman.com

With a Copy to:

Angelik Jones/Jennifer Jones, The Jennifer Jones Team, eXp Realty Brokerage
Attention: 24418 Hwy 48
Baldwin, ON L0E 1A0
Fax:
Email: angelik@jj.team, jenn@jj.team

19. Any notice to be given or document to be delivered to the Buyer pursuant to this Agreement shall be sufficient if delivered personally or by electronic mail (i.e. email) to the Buyer as follows:

Name:
Address:
Attention:
Fax:
Email:

With a Copy to:

Name:
Address:
Attention:
Fax:
Email:



20. Any written notice or delivery of documents given in either manner prior to 5:00 p.m. (Toronto time) on a Business Day shall be deemed to have been given and received on the day of delivery or facsimile transmission. The address for notice to either party may be changed by notice in writing given by such party to the other party.
21. This Agreement shall be interpreted with all changes of gender and number required by the context.
22. This Agreement or any amendments to this Agreement may be delivered by either party by facsimile transmission, email or any similar system reproducing the original with the necessary signatures. Such delivery shall be deemed to be made when the facsimile transmission or email is received by the applicable party. The signatory shall promptly thereafter deliver the original to the recipient if requested to do so.
23. On the closing date, the Buyer shall deliver the balance of the purchase price due on closing by wire transfer in good funds using the LVTS system to the Seller or as Seller shall direct, together with other closing documents as provided above, all not later than 1:00 p.m. on the date set for closing (unless the Seller otherwise agrees in its sole discretion). The parties agree that the transaction shall proceed in accordance with the terms of a Document Registration Agreement to be prepared by the Seller's solicitors in the Seller's solicitors' standard form which shall set out the arrangements more particularly described in section 11 of the Agreement of Purchase and Sale.
24. In the event that the closing date falls on a date on which the court office or the land registry office is not open or available to accept registrations, then in such event the closing shall take place on the next day on which the court office and the land registry office are open.
25. Property taxes only shall be adjusted as of the closing date. The Buyer acknowledges and agrees that the Seller shall not deliver any undertaking to re-adjust on closing.
26. Sections 10, 14, 16, and 23 of the Agreement of Purchase and Sale are hereby deleted.
27. Notwithstanding anything to the contrary contained in this Agreement, if at any time or times prior to the closing date, the Seller is unable to complete this Agreement as a result of any action taken by an encumbrancer, any action taken by the present registered owner, the refusal by the present registered owner to take any action, the exercise of any right by the present registered owner or other party which is not terminated upon acceptance of this Agreement, a certificate of pending litigation is registered against the Property, a court order is made prohibiting the completion of the sale, or if the Buyer submits a valid title requisition which the Seller is unable or unwilling to satisfy prior to Closing, or if the sale of the Property is restrained or otherwise enjoined at any time by a Court of competent jurisdiction, the Seller may, in its sole and unfettered discretion, elect by written notice to the Buyer to terminate this

DS


Authentic


Agreement, whereupon the deposit and any interest earned thereon shall be returned to the Buyer and neither party shall have any further rights or liabilities hereunder against the other.

28. The Seller, by acceptance of the Offer, is entering into the Agreement solely in its capacity as the Court Appointed Receiver and not in its personal or any other capacity. Any claim against the Seller shall be limited to, and only enforceable against the property and assets then held by or available to the Seller in its capacity as Receiver and shall not apply to its personal property and assets held by it in any other capacity. The Seller shall have no personal or corporate liability of any kind, whether in equity, contract, tort or otherwise.

[end of page]

DS


Authentication




Schedule B1

Agreement of Purchase and Sale / Agreement to Lease

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: Ravi Patel, and

SELLER: Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada

for the property known as 950-956 & 948 2nd Avenue East, Owen Sound, ON, N4K 2H6

dated the 23 day of April, 2025

SCHEDULE B1 - Ontario Interest Bearing Account

The parties to this Agreement hereby acknowledge and agree that the Deposit Holder shall place the deposit in its interest-bearing Real Estate Trust Account, which earns interest at the rate of Prime minus 2.2% per annum, as of January 1st, 2025. Deposit Holder shall pay any interest it earns or receives on the deposit to Buyer following completion or other termination of this Agreement, provided the amount of interest earned or received on the deposit is equal to or greater than \$350.00; Deposit Holder shall be entitled to retain any interest earned or received on the deposit, which is less than \$350.00. Any interest payment issued by the Deposit Holder that is not accepted/negotiated by Buyer within six (6) months of the payment date shall be forfeited to Deposit Holder. Where Buyer is a private individual (not a corporation), interest will not be paid to Buyer unless Buyer provides its Social Insurance Number ("SIN") to Deposit Holder for T5 purposes pursuant to the Income Tax Act on or before the closing date of the transaction.

The Buyer shall deliver the deposit to Deposit Holder no later than 24 hours, (unless otherwise stated and agreed upon in this agreement) from that time and date specified in the "Confirmation of Acceptance" section of this Agreement, and acknowledges that the deposit must be delivered directly to Deposit Holder and may not be delivered to any other person or entity (e.g., the deposit cannot be delivered to a bank branch nor to a brokerage office).

Notwithstanding any other provision in this Agreement or any Schedule attached hereto, the parties agree that any deposit to be delivered by Buyer to Deposit Holder must be delivered by way of certified cheque, bank draft, Electronic Funds Transfer ("EFT") to an account designated by the Deposit Holder, or any other payment method accepted and approved by Deposit Holder. In the event Buyer elects to deliver the deposit via EFT, Buyer agrees to provide all such information required by Deposit Holder to: (i) complete an EFT from Buyer's bank account to the account designated by Deposit Holder; and (ii) comply with the requirements of the Trust in Real Estate Services Act, 2002, as amended from time to time, and any other applicable laws.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



Schedule C Agreement of Purchase and Sale - Commercial



Form 505

for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: Ravi Patel , and

SELLER: Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada Inc.

for the purchase and sale of 950-956 & 948 2nd Avenue E Owen Sound

ON N4K 2H6 dated the ... 23 day of April , 20.. 25

948 2nd Avenue E:

ARN: 425904003001600

PIN: 370740424

Lot Measurements As Per MPAC: 23.1 x 118.8 Feet

Legal Description: PT LT 4 W/S POULETT ST PL OWEN SOUND AS IN R288667 S/T

INTEREST IN R288667; OWEN SOUND

950-956 2nd Avenue E:

ARN: 425904003001400

PIN: 370740423

Lot Measurements As Per MPAC: 40.4 x 118.8 Feet

Legal Description: PT LT 3 W/S POULETT ST, 4 W/S POULETT ST PL OWEN SOUND AS

IN R512556 S/T R512556; OWEN SOUND

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 



Schedule D Agreement of Purchase and Sale - Commercial

Form 505 for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: Ravi Patel, and

SELLER: Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada

for the purchase and sale of 950-956 & 948 2nd Ave E Owen Sound

ON N4K 2H6 dated the 23 day of April , 2025

The Buyer(s) agrees to pay the balance of the purchase price, subject to adjustments, by certified cheque or bank draft, to the Seller(s) on completion of this transaction.

The Seller agrees to provide the Buyer with all Tenant leases or contracts (in their possession) in effect to review ~~or in the planning stage.~~ Twenty-One (21) ^{DS}

This offer is conditional upon the Buyer or their agent being able to arrange satisfactory financing ~~within Fifteen (15) business days~~ within Twenty-One (21) business days (excluding Saturday, Sunday and Statutory Holidays) from the date of acceptance of this Offer. This condition is included for the benefit of the Buyer and may be waived, at their sole option, by notice in writing to the Seller or their Agent within the conditional period, failing which this Agreement shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions. ^{DS}

This offer is conditional upon the Buyer or their agent being able to do "Due Diligence" within ~~Fifteen (15) business days~~ Twenty-One (21) business days from acceptance of this Offer, otherwise this Agreement of Purchase and Sale shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions. The Seller shall give full co-operation to the Buyer to perform his Due Diligence with regard to the: 1. Building Inspection. 2. Fire Inspection. 3. Health Inspection. 4. Electrical Safety Inspection. 5. Environmental Inspection. 6. Financing. TM

The Seller agrees to give notice to all tenants of the change of the ownership and direct all future rents to the Landlord.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): ^{DS}

INITIALS OF SELLER(S):



Confirmation of Co-operation and Representation Buyer/Seller

Form 320

for use in the Province of Ontario

BUYER: **Ravi Patel**

Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada

SELLER:

For the transaction on the property known as: **950-956 & 948 2nd Ave E** **Owen Sound** **ON N4K 2H6**

DEFINITIONS AND INTERPRETATIONS: For the purposes of this Confirmation of Co-operation and Representation: "Seller" includes a vendor, landlord, lessor or a prospective seller, vendor, landlord or lessor and "Buyer" includes a purchaser, tenant, lessee or a prospective buyer, purchaser, tenant or lessee and "sale" includes a lease, and "Agreement of Purchase and Sale" includes an Agreement to Lease. Commission shall be deemed to include other remuneration.

The following information is confirmed by the undersigned salesperson/broker representative(s) of the Brokerage(s). If a Co-operating Brokerage is involved in the transaction, the Brokerages agree to co-operate, in consideration of, and on the terms and conditions as set out below.

DECLARATION OF INSURANCE: The undersigned salesperson/broker representative(s) of the Brokerage(s) hereby declare that he/she is insured as required by the Trust in Real Estate Services Act, 2002 (TRESA).

1. SELLER BROKERAGE (Single Representation)

- a) The Seller Brokerage or a Designated Representative of the Seller Brokerage represents the interests of the Seller in this transaction. It is further understood and agreed that:
 - 1) Neither the Seller Brokerage nor a Designated Representative of the Seller Brokerage is representing the Buyer and has not entered into a representation agreement with the Buyer.
 - 2) The Seller Brokerage or a Designated Representative of the Seller Brokerage is providing assistance to the Buyer and the Buyer is a self-represented party.
 - 3) The Seller client and Buyer client are each separately represented by different designated representatives of the same Brokerage and there is no multiple representation.

2. SELLER BROKERAGE (Multiple Representation)

- a) The Seller Brokerage has entered into Representation Agreement with the Buyer and there is Multiple Representation.
- b) The Designated Representative who represents the Seller also represents the Buyer and there is Multiple Representation.

Additional comments and/or disclosures by Seller Brokerage: (e.g., The Seller Brokerage represents more than one Buyer offering on this property.)

3. PROPERTY SOLD BY BUYER BROKERAGE


- a) The Brokerage or a Designated Representative of the Brokerage represents the Buyer and the Brokerage will be paid by the Buyer directly.

4. CO-OPERATING BROKERAGE

- a) **CO-OPERATING BROKERAGE – REPRESENTATION:**
 - 1) The Co-operating Brokerage or a Designated Representative of the Co-operating Brokerage represents the interests of the Buyer in this transaction.
- b) **CO-OPERATING BROKERAGE – COMMISSION:**
 - 1) The Seller Brokerage will pay the Co-operating Brokerage the commission as indicated in the MLS® information for the property in the amount of **2.5% + HST** to be paid from the amount paid by the Seller to the Seller Brokerage. (Commission As Indicated In MLS® Information)
 - 2) The Co-operating Brokerage will be paid as follows:

Additional comments and/or disclosures by Co-operating Brokerage: (e.g., The Co-operating Brokerage represents more than one Buyer offering on this property.)

INITIALS OF BUYER(S)/SELLER(S)/BROKERAGE REPRESENTATIVE(S) (Where applicable)

			
BUYER	CO-OPERATING/BUYER BROKERAGE	SELLER	SELLER BROKERAGE

Commission will be payable as described above, plus applicable taxes.

COMMISSION TRUST AGREEMENT: If the above Co-operating Brokerage is receiving payment of commission from the Seller Brokerage, then the agreement between Seller Brokerage and Co-operating Brokerage further includes a Commission Trust Agreement, the consideration for which is the Co-operating Brokerage procuring an offer for a trade of the property, acceptable to the Seller. This Commission Trust Agreement shall be subject to and governed by the MLS® rules and regulations pertaining to commission trusts of the Seller Brokerage's local real estate board, if the local board's MLS® rules and regulations so provide. Otherwise, the provisions of the OREA recommended MLS® rules and regulations shall apply to this Commission Trust Agreement. For the purpose of this Commission Trust Agreement, the Commission Trust Amount shall be the amount noted in Section 4 above. The Seller Brokerage hereby declares that all monies received in connection with the trade shall constitute a Commission Trust and shall be held, in trust, for the Co-operating Brokerage under the terms of the applicable MLS® rules and regulations.

SIGNED BY THE BROKER/SALESPERSON REPRESENTATIVE(S) OF THE BROKERAGE(S) (Where applicable)

Royal LePage Signature Realty
(Name of Co-operating/Buyer Brokerage)

30 Eglinton Ave West Suite 201 **Mississauga ON L5R 3E7**

Tel.: **905-568-2121** Fax: **905-568-2588**

DocuSigned by: _____

oswald Emmanuel 23-Apr-2025

(Authorized to bind the Co-operating/Buyer Brokerage) (Date)

OSWALD EMMANUEL
(Print Name of Salesperson/Broker/Broker of Record)

EXP REALTY, BROKERAGE
(Name of Seller Brokerage)

4711 Yonge St 10/Flr Ste B **Toronto ON M2N6K8**

Tel.: **866-530-7737** Fax: _____

AuthenticSign _____

ANGELIK JONES 04/23/2025

(Authorized to bind the Seller Brokerage) (Date)

JENNIFER JONES/ANGELIK JONES
(Print Name of Salesperson/Broker/Broker of Record)

CONSENT FOR MULTIPLE REPRESENTATION

The Buyer and Seller confirm that they have previously consented to Multiple Representation.
The Buyer and Seller consent with their initials Multiple Representation for this transaction.

INITIALS OF BUYER(S)

INITIALS OF SELLER(S)

ACKNOWLEDGEMENT

I have received, read, and understand the above information.

DocuSigned by: _____
23-Apr-2025

Ravi Patel (Date)

(Signature of Buyer) (Date)

AuthenticSign _____
04/23/2025

(Signature of Seller) (Date)

(Signature of Seller) (Date)



Waiver

Agreement of Purchase and Sale - Commercial

Form 573

for use in the Province of Ontario

DS
[Signature]

TM
[Signature]

BUYER: Ravi Patel
Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada Inc.

SELLER: ~~Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada Inc.~~

REAL PROPERTY: 950-956 & 948 2nd Ave E

Owen Sound

ON N4K 2H6

In accordance with the terms and conditions of the Agreement of Purchase and Sale - Commercial dated the 23 day of April

20²⁵, regarding the above property, I/We hereby waive the condition(s) which read(s) as follows:

8 pm on

This offer is conditional upon the Buyer or their agent being able to arrange satisfactory financing By the 15th of Oct 2025. This condition is included for the benefit of the Buyer and may be waived, at their sole option, by notice in writing to the Seller or their Agent within the conditional period, failing which this Agreement shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions.

This offer is conditional upon the Buyer or their agent being able to do "Due Diligence by the 16th of Oct 2025, otherwise, this Agreement of Purchase and Sale shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions. The Seller shall give full co-operation to the Buyer to perform his Due Diligence with regard to the: 1. Building Inspection. 2. Fire Inspection. 3. Health Inspection. 4. Electrical Safety Inspection. 5. Environmental Inspection. 6. Financing.

All other terms and conditions in the aforementioned Agreement of Purchase and Sale - Commercial to remain unchanged.

For the purposes of this Waiver, "Buyer" includes purchaser, and "Seller" includes vendor.

DATED at Milton, Ontario, at 4.45 this 15 day of October 2025
(a.m./p.m.)

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) _____

DocuSigned by:
[Signature]
C9FA7A5157DB477...
(Buyer/Seller/Authorized Signing Officer) Ravi Patel

15-Oct-2025
(Seal) (Date)

(Witness) _____

(Buyer/Seller/Authorized Signing Officer)

(Seal) (Date)

Receipt acknowledged at 6:29 PM this day of 10/15/25 20 by:

Print Name: Tom McElroy

Signature: *Tom McElroy*



Amendment to Agreement of Purchase and Sale

Form 120

for use in the Province of Ontario

BETWEEN:

BUYER: Ravi Patel

AND

SELLER: Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada Inc.

RE: Agreement of Purchase and Sale between the Seller and Buyer, dated the 15 day of April , 20²⁵

concerning the property known as 950-956 & 948 2nd Ave E

..... Owen Sound ON N4K 2H6 as more particularly described in the aforementioned Agreement.

The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

Insert

The deposit will be provided before 6.00 pm on Tuesday, 20th of May 2025

INITIALS OF BUYER(S):

DS

INITIALS OF SELLER(S):

IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by Buyer (Seller/Buyer) until 11.59 (a.m./p.m.)

on the 19 day of May, 2025, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor. Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of: **IN WITNESS** whereof I have hereunto set my hand and seal:
(Witness) (Buyer/Seller) Ravi Patel (Seal) (Date) 18-May-2025
(Witness) (Buyer/Seller) (Seal) (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of: **IN WITNESS** whereof I have hereunto set my hand and seal:
(Witness) (Buyer/Seller) Albert Gelman Inc. in its capacity as Court-Appoin (Seal) (Date) 05/18/25
(Witness) (Buyer/Seller) (Seal) (Date)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

..... (Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 5:23 PM this 05/18/25 day of....., 20..... (a.m./p.m.)

AuthentiSIGN
..... (Signature of Seller or Buyer)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.
..... (Seller) Albert Gelman Inc. in its capacity as Court-Appointed Re (Date) 05/18/2025
..... (Seller) (Date)
Address for Service (Tel. No.)
Seller's Lawyer
Address
Email
(Tel. No.) (Fax. No.)

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.
..... (Buyer) Ravi Patel (Date) 18-May-2025
..... (Buyer) (Date)
Address for Service (Tel. No.)
Buyer's Lawyer
Address
Email
(Tel. No.) (Fax. No.)



Amendment to Agreement of Purchase and Sale

Form 120

for use in the Province of Ontario

BETWEEN:

BUYER: Ravi Patel

AND

SELLER: Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada Inc.

RE: Agreement of Purchase and Sale between the Seller and Buyer, dated the 15 day of April, 2025,

concerning the property known as 950-956 & 948 2nd Ave E

Owen Sound ON N4K 2H6 as more particularly described in the aforementioned Agreement.

The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

Delete

This offer is conditional upon the Buyer or their agent being able to arrange satisfactory financing within Twnrtty one (21) business days (excluding Saturday, Sunday and Statutory Holidays) from the date of acceptance of this Offer. This condition is included for the benefit of the Buyer and may be waived, at their sole option, by notice in writing to the Seller or their Agent within the conditional period, failing which this Agreement shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions.

This offer is conditional upon the Buyer or their agent being able to do "Due Diligence"within Twenty one (21) business days from acceptance of this Offer, otherwise this Agreement of Purchase and Sale shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions. The Seller shall give full co-operation to the Buyer to perform his Due Diligence with regard to the: 1. Building Inspection. 2. Fire Inspection. 3. Health Inspection. 4. Electrical Safety Inspection. 5. Environmental Inspection. 6. Financing.

Insert :

This offer is conditional upon the Buyer or their agent being able to arrange satisfactory financing within Thirty Three (33) business days(excluding Saturday, Sunday and Statutory Holidays) from the date of acceptance of this Offer. This condition is included for the benefit of the Buyer and may be waived, at their sole option, by notice in writing to the Seller or their Agent within the conditional period, failing which this Agreement shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions.

This offer is conditional upon the Buyer or their agent being able to do "Due Diligence"within Thirty Three (33) business days from acceptance of this Offer, otherwise this Agreement of Purchase and Sale shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions. The Seller shall give full co-operation to the Buyer to perform his Due Diligence with regard to the: 1. Building Inspection. 2. Fire Inspection. 3. Health Inspection. 4. Electrical Safety Inspection. 5. Environmental Inspection. 6. Financing.

~~Closing date : minimum 15 days after the condition is fulfilled or as per Sch B~~

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by Buyer until 11.59
(Seller/Buyer) (a.m./p.m.)

on the 20 day of June, 2025, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor. Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal: 17-Jun-2025
(Witness) [Signature] (Buyer/Seller) Ravi Patel (Seal) (Date)

(Witness) (Buyer/Seller) (Seal) (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal: 06/17/25
(Witness) [Signature] (Buyer/Seller) (Seal) (Date)

(Witness) (Buyer/Seller) (Seal) (Date)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

(Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed 3:44 PM 06/17/25
and written was finally accepted by all parties at (a.m./p.m.) this _____ day of _____, 20_____

[Signature]
(Signature of Seller or Buyer)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

[Signature] 06/17/25
(Seller) Albert Gelman Inc. in its capacity as Court-Appointed Re (Date)

(Seller) (Date)

Address for Service

(Tel. No.)

Seller's Lawyer

Address

Email

(Tel. No.) (Fax. No.)

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

[Signature] 18-Jun-2025
(Buyer) Ravi Patel (Date)

(Buyer) (Date)

Address for Service

(Tel. No.)

Buyer's Lawyer

Address

Email

(Tel. No.) (Fax. No.)



Amendment to Agreement of Purchase and Sale

Form 120

for use in the Province of Ontario

BETWEEN:

BUYER: Ravi Patel

AND

SELLER: Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada Ltd.

RE: Agreement of Purchase and Sale between the Seller and Buyer, dated the 23rd ¹⁵ day of April, 2025,

concerning the property known as 950-956 & 948 2nd Ave E
Owen Sound ON N4K 2H6 as more particularly described in the aforementioned Agreement.

The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

Delete

This offer is conditional upon the Buyer or their agent being able to arrange satisfactory financing within Thirty Three (33) business days(excluding Saturday, Sunday and Statutory Holidays) from the date of acceptance of this Offer. This condition is included for the benefit of the Buyer and may be waived, at their sole option, by notice in writing to the Seller or their Agent within the conditional period, failing which this Agreement shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions.

This offer is conditional upon the Buyer or their agent being able to do "Due Diligence"within Thirty Three (33) business days from acceptance of this Offer, otherwise this Agreement of Purchase and Sale shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions. The Seller shall give full co-operation to the Buyer to perform his Due Diligence with regard to the: 1. Building Inspection. 2. Fire Inspection. 3. Health Inspection. 4. Electrical Safety Inspection. 5. Environmental Inspection. 6. Financing.

Insert

This offer is conditional upon the Buyer or their agent being able to arrange satisfactory financing By the 18th of July 2025. This condition is included for the benefit of the Buyer and may be waived, at their sole option, by notice in writing to the Seller or their Agent within the conditional period, failing which this Agreement shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions.

This offer is conditional upon the Buyer or their agent being able to do "Due Diligence by the 18th of July 2025, otherwise, this Agreement of Purchase and Sale shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions. The Seller shall give full co-operation to the Buyer to perform his Due Diligence with regard to the: 1. Building Inspection. 2. Fire Inspection. 3. Health Inspection. 4. Electrical Safety Inspection. 5. Environmental Inspection. 6. Financing.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by Buyer (Seller/Buyer) until 11.59 (a.m./p.m.)

on the 08 day of July, 2025, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor. Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of: DocuSigned by: Ravi Patel whereof I have hereunto set my hand and seal: 04-Jul-2025
(Witness) (Buyer/Seller) (Seal) (Date)
(Witness) (Buyer/Seller) (Seal) (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of: AuthenticSign whereof I have hereunto set my hand and seal: 07/04/25
(Witness) (Buyer/Seller) (Seal) (Date)
(Witness) (Buyer/Seller) (Seal) (Date)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

(Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 1:56 PM this 07/04/25 day of _____, 20_____.

(Signature of Seller or Buyer) AuthenticSign

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer. 07/04/2025
(Seller) Albert Gelman Inc. in its capacity as Court-Appointed Re (Date)
(Seller) (Date)
Address for Service
(Tel. No.)
Seller's Lawyer
Address
Email
(Tel. No.) (Fax. No.)

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer. 04-Jul-2025
(Buyer) Ravi Patel (Date)
(Buyer) (Date)
Address for Service
(Tel. No.)
Buyer's Lawyer
Address
Email
(Tel. No.) (Fax. No.)



Amendment to Agreement of Purchase and Sale

Form 120

for use in the Province of Ontario

BETWEEN:

BUYER: Ravi Patel

AND

SELLER: Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada Inc.

RE: Agreement of Purchase and Sale between the Seller and Buyer, dated the 23 day of April, 2025,

concerning the property known as 950-956 & 948 2nd Ave E

Owen Sound ON N4K 2H6 as more particularly described in the aforementioned Agreement.

The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

Delete

This offer is conditional upon the Buyer or their agent being able to arrange satisfactory financing By the 18th of July 2025. This condition is included for the benefit of the Buyer and may be waived, at their sole option, by notice in writing to the Seller or their Agent within the conditional period, failing which this Agreement shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions.

This offer is conditional upon the Buyer or their agent being able to do "Due Diligence by the 18th of July 2025, otherwise, this Agreement of Purchase and Sale shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions. The Seller shall give full co-operation to the Buyer to perform his Due Diligence with regard to the: 1. Building Inspection. 2. Fire Inspection. 3. Health Inspection. 4. Electrical Safety Inspection. 5. Environmental Inspection. 6. Financing.

Insert

This offer is conditional upon the Buyer or their agent being able to arrange satisfactory financing By the 25th of July 2025. This condition is included for the benefit of the Buyer and may be waived, at their sole option, by notice in writing to the Seller or their Agent within the conditional period, failing which this Agreement shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions.

This offer is conditional upon the Buyer or their agent being able to do "Due Diligence by the 25th of July 2025, otherwise, this Agreement of Purchase and Sale shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions. The Seller shall give full co-operation to the Buyer to perform his Due Diligence with regard to the: 1. Building Inspection. 2. Fire Inspection. 3. Health Inspection. 4. Electrical Safety Inspection. 5. Environmental Inspection. 6. Financing.

INITIALS OF BUYER(S):

DS

INITIALS OF SELLER(S):

IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by Buyer (Seller/Buyer) until 11.59 (a.m./p.m.)

on the 21 day of July, 2025, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor. Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:
(Witness) [Signature] (Buyer/Seller) Ravi Patel 19-Jul-2025 (Seal) (Date)
(Witness) _____ (Buyer/Seller) _____ (Seal) (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:
(Witness) _____ (Buyer/Seller) _____ 07/18/25 (Seal) (Date)
(Witness) _____ (Buyer/Seller) _____ (Seal) (Date)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

(Witness) _____ (Spouse) _____ (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 6:30 p.m. this 07/18/25 day of _____, 20_____
(a.m./p.m.)

[Signature]
(Signature of Seller or Buyer)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

[Signature] 07/18/2025
(Seller) Albert Gelman Inc. in its capacity as Court-Appointed Re (Date)
(Seller) _____ (Date)
Address for Service _____
(Tel. No.) _____
Seller's Lawyer _____
Address _____
Email _____
(Tel. No.) _____ (Fax. No.) _____

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer. 19-Jul-2025

[Signature] 19-Jul-2025
(Buyer) Ravi Patel (Date)
(Buyer) _____ (Date)
Address for Service _____
(Tel. No.) _____
Buyer's Lawyer _____
Address _____
Email _____
(Tel. No.) _____ (Fax. No.) _____



Amendment to Agreement of Purchase and Sale

Form 120

for use in the Province of Ontario

BETWEEN:

BUYER: Ravi Patel

AND

SELLER: Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada Inc.

RE: Agreement of Purchase and Sale between the Seller and Buyer, dated the 23 day of April, 2025,

concerning the property known as 950-956 & 948 2nd Ave E

Owen Sound ON N4K 2H6 as more particularly described in the aforementioned Agreement.

The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

Delete

This offer is conditional upon the Buyer or their agent being able to arrange satisfactory financing By the 25th of July 2025. This condition is included for the benefit of the Buyer and may be waived, at their sole option, by notice in writing to the Seller or their Agent within the conditional period, failing which this Agreement shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions.

This offer is conditional upon the Buyer or their agent being able to do "Due Diligence by the 25th of July 2025, otherwise, this Agreement of Purchase and Sale shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions. The Seller shall give full co-operation to the Buyer to perform his Due Diligence with regard to the: 1. Building Inspection. 2. Fire Inspection. 3. Health Inspection. 4. Electrical Safety Inspection. 5. Environmental Inspection. 6. Financing.

Insert

This offer is conditional upon the Buyer or their agent being able to arrange satisfactory financing By the 8th of Aug 2025. This condition is included for the benefit of the Buyer and may be waived, at their sole option, by notice in writing to the Seller or their Agent within the conditional period, failing which this Agreement shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions.

This offer is conditional upon the Buyer or their agent being able to do "Due Diligence by the 8th of Aug 2025, otherwise, this Agreement of Purchase and Sale shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions. The Seller shall give full co-operation to the Buyer to perform his Due Diligence with regard to the: 1. Building Inspection. 2. Fire Inspection. 3. Health Inspection. 4. Electrical Safety Inspection. 5. Environmental Inspection. 6. Financing.

INITIALS OF BUYER(S):

DS

INITIALS OF SELLER(S):

IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by Buyer until 11.59
(Seller/Buyer) (a.m./p.m.)

on the 27 day of July, 2025, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor.
Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of: **IN WITNESS** whereof I have hereunto set my hand and seal:
(Witness) [Signature] 25-Jul-2025
(Buyer/Seller) Ravi Patel (Seal) (Date)
(Witness) _____ (Buyer/Seller) (Seal) (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of: **IN WITNESS** whereof I have hereunto set my hand and seal:
(Witness) _____ 07/25/25
(Buyer/Seller) _____ (Seal) (Date)
(Witness) _____ (Buyer/Seller) (Seal) (Date)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

(Witness) _____ (Spouse) _____ (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 5:15 PM this 07/25/25
(a.m./p.m.) day of _____, 20____.

[Signature]
(Signature of Seller or Buyer)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

[Signature] 07/25/2025
(Seller) Albert Gelman Inc. in its capacity as Court-Appointed Re (Date)
(Seller) _____ (Date)
Address for Service _____
(Tel. No.) _____
Seller's Lawyer _____
Address _____
Email _____
(Tel. No.) _____ (Fax. No.) _____

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

[Signature] 25-Jul-2025
(Buyer) Ravi Patel (Date)
(Buyer) _____ (Date)
Address for Service _____
(Tel. No.) _____
Buyer's Lawyer _____
Address _____
Email _____
(Tel. No.) _____ (Fax. No.) _____



Amendment to Agreement of Purchase and Sale

Form 120

for use in the Province of Ontario

BETWEEN:

BUYER: Ravi Patel

AND

SELLER: Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada Inc.

RE: Agreement of Purchase and Sale between the Seller and Buyer, dated the 23 day of April, 2025,

concerning the property known as 950-956 & 948 2nd Ave E

Owen Sound ON N4K 2H6 as more particularly described in the aforementioned Agreement.

The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

Delete

This offer is conditional upon the Buyer or their agent being able to arrange satisfactory financing By the 8th of Aug 2025. This condition is included for the benefit of the Buyer and may be waived, at their sole option, by notice in writing to the Seller or their Agent within the conditional period, failing which this Agreement shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions.

This offer is conditional upon the Buyer or their agent being able to do "Due Diligence by the 8th of Aug 2025, otherwise, this Agreement of Purchase and Sale shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions. The Seller shall give full co-operation to the Buyer to perform his Due Diligence with regard to the: 1. Building Inspection. 2. Fire Inspection. 3. Health Inspection. 4. Electrical Safety Inspection. 5. Environmental Inspection. 6. Financing.

~~Ravi Patel~~  

Insert

This offer is conditional upon the Buyer or their agent being able to arrange satisfactory financing By the 22nd of Aug 2025. This condition is included for the benefit of the Buyer and may be waived, at their sole option, by notice in writing to the Seller or their Agent within the conditional period, failing which this Agreement shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions.

This offer is conditional upon the Buyer or their agent being able to do "Due Diligence by the 22nd of Aug 2025, otherwise, this Agreement of Purchase and Sale shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions. The Seller shall give full co-operation to the Buyer to perform his Due Diligence with regard to the: 1. Building Inspection. 2. Fire Inspection. 3. Health Inspection. 4. Electrical Safety Inspection. 5. Environmental Inspection. 6. Financing.

~~Buyer name~~  
~~1001320346 ONTARIO INC~~

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 


IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by Buyer until 11.59
(Seller/Buyer) (a.m./p.m.)

on the 09 day of August, 2025, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor.
Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of:

DocuSigned by:
IN WITNESS whereof I have hereunto set my hand and seal:

C9FA7A5157DB477...
(Buyer/Seller) **Ravi Patel**

08-Aug-2025
(Seal) (Date)

(Witness)


(Witness)

(Buyer/Seller)

(Seal) (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of:

AuthentiSIGN
IN WITNESS whereof I have hereunto set my hand and seal:

(Buyer/Seller)

08/08/25
(Seal) (Date)

(Witness)

(Witness)

(Buyer/Seller)

(Seal) (Date)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

(Witness)

(Spouse)

(Seal) (Date)

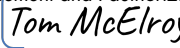
CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 5:42 PM this 08/08/25
(a.m./p.m.) day of....., 20.....

AuthentiSIGN

(Signature of Seller or Buyer)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.


C9FA7A5157DB477...
(Seller) Albert Gelman Inc. in its capacity as Court-Appointed Re (Date) 08/08/2025

(Seller) (Date)

Address for Service

(Tel. No.)


Seller's Lawyer

Address

Email

(Tel. No.) (Fax. No.)

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.


C9FA7A5157DB477...
(Buyer) **Ravi Patel** (Date) 08-Aug-2025

(Buyer) (Date)

Address for Service

(Tel. No.)

Buyer's Lawyer

Address

Email

(Tel. No.) (Fax. No.)



Amendment to Agreement of Purchase and Sale

Form 120

for use in the Province of Ontario

BETWEEN:

BUYER: Ravi Patel

AND

SELLER: Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada Inc.

RE: Agreement of Purchase and Sale between the Seller and Buyer, dated the 23 day of April, 2025,

concerning the property known as 950 -956 & 948 2nd Ave. E., Owen Sound, ON, N4K 2H6

..... as more particularly described in the aforementioned Agreement.

The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

Delete:

14. PROVIDED THAT in the event that the Court Approval and Vesting Order are for any reason (not including the default of the Buyer) not obtained by the 90th day following the date of this Agreement, this Agreement shall be null and void and the deposit shall be returned to the Buyer.

Insert:

14. PROVIDED THAT in the event that the Court Approval and Vesting Order is for any reason (not including the default of the Buyer) not obtained by the 90th day following the date on which the Buyer waives/fulfills all conditions contained within this Agreement, this Agreement shall be null and void and the deposit shall be returned to the Buyer.

THE BUYER shall have the right to assign this Agreement to a corporation at any time prior to the final waiver of any Buyer conditions set out herein, by delivery to the Seller's lawyers of a written assignment agreement executed by both the assignor Buyer and the assignee corporation, PROVIDED that the Buyer shall remain liable for all damages sustained by the Seller should the Buyer or its assignee default under this Agreement. For greater clarity, both the Buyer and its assignee shall be liable together, on a joint and several basis, for any and all damages sustained by the Seller should one or both of the Buyer and its assignee breach any promise, obligation, or warranty set out in this Agreement. Buyer hereby acknowledges that the Deposit under this Agreement may be insufficient to compensate Seller for Seller's damages resulting from Buyer's or Buyer's assignee's breach of the terms of this Agreement and agrees to compensate the Seller upon written demand.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by Seller (Seller/Buyer) until 6:00 (a.m./p.m.)

on the 14 day of August, 2025, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor. Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:
(Witness) Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada Inc. (Buyer/Seller) (Seal) (Date) 08/12/25
(Witness) (Buyer/Seller) (Seal) (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:
(Witness) Ravi Patel (Buyer/Seller) (Seal) (Date) 13-Aug-2025
(Witness) (Buyer/Seller) (Seal) (Date)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

(Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed 6.30 pm and 13-Aug-2025

and written was finally accepted by all parties at this day of 20.....
(a.m./p.m.) DocuSigned by:
Ravi Patel
(Signature of Seller or Buyer)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.
Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada Inc. (Date) 08/14/25
(Seller) (Date)
Address for Service
(Tel. No.)
Seller's Lawyer
Address
Email
(Tel. No.) (Fax. No.)

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.
Ravi Patel (Date) 13-Aug-2025
(Buyer) (Date)
Address for Service
(Tel. No.)
Buyer's Lawyer
Address
Email
(Tel. No.) (Fax. No.)



Amendment to Agreement of Purchase and Sale

Form 120

for use in the Province of Ontario

BETWEEN:

BUYER: Ravi Patel

AND

SELLER: Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada Inc.

RE: Agreement of Purchase and Sale between the Seller and Buyer, dated the 23 day of April, 2025,

concerning the property known as 950-956 & 948 2nd Ave E

Owen Sound ON N4K 2H6 as more particularly described in the aforementioned Agreement.

The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

Delete

This offer is conditional upon the Buyer or their agent being able to arrange satisfactory financing By the 22nd of Aug 2025. This condition is included for the benefit of the Buyer and may be waived, at their sole option, by notice in writing to the Seller or their Agent within the conditional period, failing which this Agreement shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions.

This offer is conditional upon the Buyer or their agent being able to do "Due Diligence by the 22nd of Aug 2025, otherwise, this Agreement of Purchase and Sale shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions. The Seller shall give full co-operation to the Buyer to perform his Due Diligence with regard to the: 1. Building Inspection. 2. Fire Inspection. 3. Health Inspection. 4. Electrical Safety Inspection. 5. Environmental Inspection. 6. Financing.

Insert

This offer is conditional upon the Buyer or their agent being able to arrange satisfactory financing By the 5th of Sep 2025. This condition is included for the benefit of the Buyer and may be waived, at their sole option, by notice in writing to the Seller or their Agent within the conditional period, failing which this Agreement shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions.

This offer is conditional upon the Buyer or their agent being able to do "Due Diligence by the 5th of Sep 2025, otherwise, this Agreement of Purchase and Sale shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions. The Seller shall give full co-operation to the Buyer to perform his Due Diligence with regard to the: 1. Building Inspection. 2. Fire Inspection. 3. Health Inspection. 4. Electrical Safety Inspection. 5. Environmental Inspection. 6. Financing.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by Buyer (Seller/Buyer) until 11.59 (a.m./p.m.)

on the 23 day of August, 2025, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor. Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of: **IN WITNESS** whereof I have hereunto set my hand and seal:
(Witness) [Signature] 22-Aug-2025
(Buyer/Seller) Ravi Patel (Seal) (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of: **IN WITNESS** whereof I have hereunto set my hand and seal:
(Witness) [Signature] 08/22/25
(Buyer/Seller) Tom McElroy (Seal) (Date)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

(Witness) _____ (Spouse) _____ (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 4:12 PM this 08/22/25 day of _____, 20_____.
(a.m./p.m.)

[Signature] Tom McElroy
(Signature of Seller or Buyer)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.
[Signature] Tom McElroy 08/22/2025
(Seller) Albert Gelman Inc. in its capacity as Court-Appointed Re (Date)
(Seller) _____ (Date)
Address for Service _____
(Tel. No.) _____
Seller's Lawyer _____
Address _____
Email _____
(Tel. No.) _____ (Fax. No.) _____

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.
[Signature] Ravi Patel 22-Aug-2025
(Buyer) C9FA7A5157DB477 (Date)
(Buyer) _____ (Date)
Address for Service _____
(Tel. No.) _____
Buyer's Lawyer _____
Address _____
Email _____
(Tel. No.) _____ (Fax. No.) _____



Amendment to Agreement of Purchase and Sale

Form 120

for use in the Province of Ontario

BETWEEN:

BUYER: Ravi Patel

AND

SELLER: Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada Inc.

RE: Agreement of Purchase and Sale between the Seller and Buyer, dated the 23 day of April, 2025,

concerning the property known as 950-956 & 948 2nd Ave E

Owen Sound ON N4K 2H6 as more particularly described in the aforementioned Agreement.

The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

Delete

This offer is conditional upon the Buyer or their agent being able to arrange satisfactory financing By the 5th of Sep 2025. This condition is included for the benefit of the Buyer and may be waived, at their sole option, by notice in writing to the Seller or their Agent within the conditional period, failing which this Agreement shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions.

This offer is conditional upon the Buyer or their agent being able to do "Due Diligence by the 5th of Sep 2025, otherwise, this Agreement of Purchase and Sale shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions. The Seller shall give full co-operation to the Buyer to perform his Due Diligence with regard to the: 1. Building Inspection. 2. Fire Inspection. 3. Health Inspection. 4. Electrical Safety Inspection. 5. Environmental Inspection. 6. Financing.

Insert

This offer is conditional upon the Buyer or their agent being able to arrange satisfactory financing By the 19th of Sep 2025. This condition is included for the benefit of the Buyer and may be waived, at their sole option, by notice in writing to the Seller or their Agent within the conditional period, failing which this Agreement shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions.

This offer is conditional upon the Buyer or their agent being able to do "Due Diligence by the 19th of Sep 2025, otherwise, this Agreement of Purchase and Sale shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions. The Seller shall give full co-operation to the Buyer to perform his Due Diligence with regard to the: 1. Building Inspection. 2. Fire Inspection. 3. Health Inspection. 4. Electrical Safety Inspection. 5. Environmental Inspection. 6. Financing.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by Buyer (Seller/Buyer) until 11.59 (a.m./p.m.)

on the 06 day of September, 2025, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor. Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of: **DocuSigned by: Ravi Patel** whereof I have hereunto set my hand and seal: 05-Sep-2025
(Witness) (Buyer/Seller) (Seal) (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of: **AuthentiSIGN** whereof I have hereunto set my hand and seal: 09/05/25
(Witness) (Buyer/Seller) (Seal) (Date)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

(Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 4:57 PM this 09/05/25 day of....., 20..... (a.m./p.m.)

AuthentiSIGN (Signature of Seller or Buyer)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer. 09/05/2025
(Seller) Albert Gelman Inc. in its capacity as Court-Appointed Re (Date)
(Seller) (Date)
Address for Service (Tel. No.)
Seller's Lawyer
Address
Email
(Tel. No.) (Fax. No.)

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer. 05-Sep-2025
(Buyer) Ravi Patel (Date)
(Buyer) (Date)
Address for Service (Tel. No.)
Buyer's Lawyer
Address
Email
(Tel. No.) (Fax. No.)



Amendment to Agreement of Purchase and Sale

Form 120

for use in the Province of Ontario

BETWEEN:

BUYER: Ravi Patel

AND

SELLER: Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada Inc.

RE: Agreement of Purchase and Sale between the Seller and Buyer, dated the 23 day of April, 2025,

concerning the property known as 950-956 & 948 2nd Ave E

Owen Sound ON N4K 2H6 as more particularly described in the aforementioned Agreement.

The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

Delete

This offer is conditional upon the Buyer or their agent being able to arrange satisfactory financing By the 19th of Sep 2025. This condition is included for the benefit of the Buyer and may be waived, at their sole option, by notice in writing to the Seller or their Agent within the conditional period, failing which this Agreement shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions.

This offer is conditional upon the Buyer or their agent being able to do "Due Diligence by the 19th of Sep 2025, otherwise, this Agreement of Purchase and Sale shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions. The Seller shall give full co-operation to the Buyer to perform his Due Diligence with regard to the: 1. Building Inspection. 2. Fire Inspection. 3. Health Inspection. 4. Electrical Safety Inspection. 5. Environmental Inspection. 6. Financing.

Insert

This offer is conditional upon the Buyer or their agent being able to arrange satisfactory financing By the 30th of Sep 2025. This condition is included for the benefit of the Buyer and may be waived, at their sole option, by notice in writing to the Seller or their Agent within the conditional period, failing which this Agreement shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions.

This offer is conditional upon the Buyer or their agent being able to do "Due Diligence by the 30th of Sep 2025, otherwise, this Agreement of Purchase and Sale shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions. The Seller shall give full co-operation to the Buyer to perform his Due Diligence with regard to the: 1. Building Inspection. 2. Fire Inspection. 3. Health Inspection. 4. Electrical Safety Inspection. 5. Environmental Inspection. 6. Financing.

INITIALS OF BUYER(S):

DS

INITIALS OF SELLER(S):

DS

IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by **Buyer** (Seller/Buyer) until **11.59** (a.m./p.m.)

on the **20** day of **September**, 20**25**, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor. Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of:

DocuSigned by: **Ravi Patel** whereof I have hereunto set my hand and seal:

(Witness)

(Buyer/Seller) **Ravi Patel**

(Seal) (Date) **19-Sep-2025**

(Witness)

(Buyer/Seller)

(Seal) (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of:

DocuSigned by: **Ravi Patel** whereof I have hereunto set my hand and seal:

(Witness)

(Buyer/Seller)

(Seal) (Date) **9/19/2025**

(Witness)

(Buyer/Seller)

(Seal) (Date)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

(Witness)

(Spouse)

(Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at **6:30 pm** this **9/19/2025** day of **20** (a.m./p.m.)

DocuSigned by: **Ravi Patel**
(Signature of Seller or Buyer)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

DocuSigned by: **Ravi Patel**
(Seller) **Albert Gelman Inc. in its capacity as Court-Appointed Re** 9/19/2025 (Date)

DocuSigned by: **Ravi Patel**
(Buyer) **Ravi Patel** 19-Sep-2025 (Date)

(Seller)

(Buyer)

Address for Service

Address for Service

(Tel. No.)

(Tel. No.)

Seller's Lawyer

Buyer's Lawyer

Address

Address

Email

Email

(Tel. No.) (Fax. No.)

(Tel. No.) (Fax. No.)



Amendment to Agreement of Purchase and Sale

Form 120

for use in the Province of Ontario

BETWEEN:

BUYER: Ravi Patel

AND

SELLER: Albert Gelman Inc. in its capacity as Court-Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc., and 11393235 Canada Inc.

RE: Agreement of Purchase and Sale between the Seller and Buyer, dated the 23 day of April, 2025,

concerning the property known as 950-956 & 948 2nd Ave E

Owen Sound ON N4K 2H6 as more particularly described in the aforementioned Agreement.

The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

Delete

This offer is conditional upon the Buyer or their agent being able to arrange satisfactory financing By the 30 of Sep 2025. This condition is included for the benefit of the Buyer and may be waived, at their sole option, by notice in writing to the Seller or their Agent within the conditional period, failing which this Agreement shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions.

This offer is conditional upon the Buyer or their agent being able to do "Due Diligence by the 30th of Sep 2025, otherwise, this Agreement of Purchase and Sale shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions. The Seller shall give full co-operation to the Buyer to perform his Due Diligence with regard to the: 1. Building Inspection. 2. Fire Inspection. 3. Health Inspection. 4. Electrical Safety Inspection. 5. Environmental Inspection. 6. Financing.

Insert

This offer is conditional upon the Buyer or their agent being able to arrange satisfactory financing By the 10th of Oct 2025. This condition is included for the benefit of the Buyer and may be waived, at their sole option, by notice in writing to the Seller or their Agent within the conditional period, failing which this Agreement shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions.

This offer is conditional upon the Buyer or their agent being able to do "Due Diligence by the 10th of Oct 2025, otherwise, this Agreement of Purchase and Sale shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions. The Seller shall give full co-operation to the Buyer to perform his Due Diligence with regard to the: 1. Building Inspection. 2. Fire Inspection. 3. Health Inspection. 4. Electrical Safety Inspection. 5. Environmental Inspection. 6. Financing.

INITIALS OF BUYER(S):

DS

INITIALS OF SELLER(S):

DS

IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by Buyer until 11.59
(Seller/Buyer) (a.m./p.m.)

on the 01 day of October, 2025, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor.
Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of: In Witness Whereof I have hereunto set my hand and seal:
(Witness) [Signature] 30-Sep-2025
(Buyer/Seller) Ravi Patel (Seal) (Date)
(Witness) _____ (Buyer/Seller) (Seal) (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of: In Witness Whereof I have hereunto set my hand and seal:
(Witness) [Signature] 9/30/2025
(Buyer/Seller) _____ (Seal) (Date)
(Witness) _____ (Buyer/Seller) (Seal) (Date)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

(Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 7 pm this 9/30/2025 day of _____, 20_____
(a.m./p.m.)

DocuSigned by:
[Signature]
(Signature of Seller or Buyer) _____

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.
DocuSigned by:
[Signature] 9/30/2025
(Seller) Albert Gelman Inc. in its capacity as Court-Appointed Re (Date)
(Seller) _____ (Date)
Address for Service _____
(Tel. No.) _____
Seller's Lawyer _____
Address _____
Email _____
(Tel. No.) _____ (Fax. No.) _____

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.
DocuSigned by:
[Signature] 30-Sep-2025
(Buyer) Ravi Patel (Date)
(Buyer) _____ (Date)
Address for Service _____
(Tel. No.) _____
Buyer's Lawyer _____
Address _____
Email _____
(Tel. No.) _____ (Fax. No.) _____



Amendment to Agreement of Purchase and Sale

Form 120

for use in the Province of Ontario

BETWEEN:

BUYER: Ravi Patel



and 11393235 Canada Inc.

AND

SELLER: Albert Gelman Inc. in its capacity as Court

Appointed Receiver of 10603503 Canada Inc., 11393251 Canada Inc.

RE: Agreement of Purchase and Sale between the Seller and Buyer, dated the 23 day of April, 2025,

concerning the property known as 950-956 & 948 2nd Ave E

Owen Sound ON N4K 2H6 as more particularly described in the aforementioned Agreement.

The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

Delete

This offer is conditional upon the Buyer or their agent being able to arrange satisfactory financing By the 10th of Oct 2025. This condition is included for the benefit of the Buyer and may be waived, at their sole option, by notice in writing to the Seller or their Agent within the conditional period, failing which this Agreement shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions.

This offer is conditional upon the Buyer or their agent being able to do "Due Diligence by the 10th of Oct 2025, otherwise, this Agreement of Purchase and Sale shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions. The Seller shall give full co-operation to the Buyer to perform his Due Diligence with regard to the: 1. Building Inspection. 2. Fire Inspection. 3. Health Inspection. 4. Electrical Safety Inspection. 5. Environmental Inspection. 6. Financing.

Insert



8 pm on the 15th day



This offer is conditional upon the Buyer or their agent being able to arrange satisfactory financing By the ~~10th~~ of Oct 2025. This condition is included for the benefit of the Buyer and may be waived, at their sole option, by notice in writing to the Seller or their Agent within the conditional period, failing which this Agreement shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions.

This offer is conditional upon the Buyer or their agent being able to do "Due Diligence by the 16th of Oct 2025, otherwise, this Agreement of Purchase and Sale shall become null and void and the Buyer's deposit shall be returned to them in full without interest or deductions. The Seller shall give full co-operation to the Buyer to perform his Due Diligence with regard to the: 1. Building Inspection. 2. Fire Inspection. 3. Health Inspection. 4. Electrical Safety Inspection. 5. Environmental Inspection. 6. Financing.

All parties agree that this extension will be the final extension given for this agreement

INITIALS OF BUYER(S):



INITIALS OF SELLER(S):



Seller



11.59

(a.m./p.m.)

Buyer
(Seller/Buyer)

IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by



10



October

2025

on the day of after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor.

Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

(Witness)

DocuSigned by:



(Buyer/Seller) Ravi Patel



10-Oct-2025

(Seal) (Date)

(Witness)

(Buyer/Seller)



(Seal) (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

(Witness)

Tom McElroy

(Buyer/Seller)



10/10/25

(Seal) (Date)

(Witness)

(Buyer/Seller)



(Seal) (Date)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

(Witness)

(Spouse)



(Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed

and written was finally accepted by all parties at this day of 20.....
9pm (a.m./p.m.) 11-Oct-2025

DocuSigned by:



(Signature of Seller or Buyer)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

Tom McElroy

10/10/25

(Seller) Albert Gelman Inc. in its capacity as Court-Appointed Receiver

(Seller) Appointed Receiver of 10603503 Canada Inc., 11393251 Canada

Address for Service

(Tel. No.)

Seller's Lawyer

Address

Email

(Tel. No.)

(Fax. No.)

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

Ravi Patel

10-Oct-2025

(Buyer) Ravi Patel

(Buyer) Address for Service

Address for Service

(Tel. No.)

Buyer's Lawyer

Address

Email

(Tel. No.)

(Fax. No.)

APPENDIX “L”

DIRECTION RE TITLE

TO: James S. Quigley
SZK Law

AND TO: Albert Gelman Inc. in its capacity as Court – Appointed Receiver of 10603503
Canada Inc. 11393251 Canada Inc. and 11393235 Canada

RE: 1001320346 Ontario Inc. and Ravi Kantilal Patel (the "Purchaser") p/f . Albert
Gelman Inc. in its capacity as Court – Appointed Receiver of 10603503 Canada
Inc. 11393251 Canada Inc. and 11393235 Canada
(the "Vendor")
950-956 & 948 2nd Avenue East, Owen Sound, Ontario N4K 2H6 (the "Property")
Closing Date:
Our File No: 8-2025-BP

You are hereby authorized, instructed and directed to complete the Transferee portion of the
Transfer as follows:

Transferee

1001320346 Ontario Inc.
Registered Owner

And for so doing this shall be your good and sufficient authority.

Dated at the City of Richmond Hill in the Province of Ontario this 11th day of November, 2025

Signed by:
Ravi Kantilal Patel
C9FA7A5157DB477...
Ravi Kantilal Patel ASO for 1001320346 Ontario
Inc.

Signed by:
Shalina Shailesh Patel
5DD7D2228C88440...
Shalina Shailesh Patel ASO for 1001320346
Ontario Inc.

Signed by:
Ravi Kantilal Patel
C9FA7A5157DB477...
Ravi Kantilal Patel

APPENDIX “M”

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. 001

AMOUNT \$ 100,000 (net received of \$99,982.50)

1. THIS IS TO CERTIFY that Albert Gelman Inc., the receiver (the "Receiver") of the assets, undertakings and properties 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the 20th day of ~~November~~, 2024 (the "Order") made in an action having Court file number CV-24-00000236-0000 has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ 100,000, being part of the total principal sum of \$ 250,000 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 notional rate per annum equal to the rate of 3 per cent above the prime commercial lending rate of Bank of RBC 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 5th day of December, 2024

Albert Gelman Inc., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per:



Digitally signed
by Tom McElroy

Name: Tom McElroy

Title: Managing Director (Ontario)

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. 002

AMOUNT \$ 70,000 (net received of \$69,982.50)

1. THIS IS TO CERTIFY that Albert Gelman Inc., the receiver (the "Receiver") of the assets, undertakings and properties 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the 20th day of November 2024 (the "Order") made in an action having Court file number CV-24-00000236-0000 has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ 70,000, being part of the total principal sum of \$ 250,000 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 notional rate per annum equal to the rate of 3 per cent above the prime commercial lending rate of Bank of RBC 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 11th day of February, 2025

Albert Gelman Inc., solely in its capacity
as Receiver of the Property, and not in its
personal capacity



Digitally signed by Tom McElroy
DN: cn=Tom McElroy, c=CA,
o=Albert Gelman Inc.,
email=tmcelroy@albertgelman.com
Date: 2025.02.11 18:01:14 -05'00'

Per: _____

Name: Tom McElroy

Title: Managing Director (Ontario)

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. 003

AMOUNT \$ 75,000

1. THIS IS TO CERTIFY that Albert Gelman Inc., the receiver (the "Receiver") of the assets, undertakings and properties 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the 20th day of November, 2024 (the "Order") made in an action having Court file number CV-24-00000236-0000 has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ 75,000, being part of the total principal sum of \$ 250,000 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 notional rate per annum equal to the rate of 3 per cent above the prime commercial lending rate of Bank of RBC 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 2nd day of May, 2025

Albert Gelman Inc., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per:



Name: Tom McElroy

Title: Managing Director (Ontario)

APPENDIX “L”

**In the Matter of the Receivership of 10603503 Canada Inc.,
11393251 Canada Inc. and 11393235 Canada Inc.
Receiver's Final Statement of Receipts and Disbursements
As at November 12, 2025**

Receipts

Receiver's Borrowings	\$ 245,000
Rental income	203,743
Interest income	1,652
	<u>\$ 450,395</u> A

Disbursements

Receiver's Fees to October 31, 2025	150,708
Insurance	108,727
Repairs and maintenance	70,137
HST charged on disbursements	35,434
Legal fees of Receiver's counsel to October 31, 2025	28,754
Utilities	20,701
Appraisal fees	11,500
Environmental consultants	8,650
Miscellaneous expenses	1,711
	<u>436,322</u> B

Actual net receipts over disbursements **\$ 14,073** **C = A-B**

Estimated Priority Payables

Property tax arrears (as of December 2, 2024)	\$ 105,933
Property tax arrears (accrued from December 3, 2024 to date)	To be confirmed
Repayments of Receiver's Borrowings	245,000

Total Estimated Priority Payables **\$ 350,933**

Estimated accruals to complete mandate (defined in the First Report of the Receiver dated November 12, 2025 as the "Estimated Final Accruals")

Receiver's fees (incl. HST)	\$ 33,900
Legal fees of Receiver's counsel (incl. HST)	39,550
Property management fees and costs (incl. HST)	28,250
Insurance expense	20,038
Utilities	10,000
Repairs and maintenance	15,000
Administrative disbursements (incl. HST)	3,955

Total Estimated Final Accruals **\$ 150,693**

APPENDIX “M”

**ONTARIO
SUPERIOR COURT OF JUSTICE**

KINDRED CREDIT UNION LIMITED

Applicant

- and -

10603503 CANADA INC., 11393251 CANADA INC. and 11393235 CANADA INC.

Respondents

**IN THE MATTER OF AN APPLICATION PURSUANT TO SUBSECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985 c. B-3, AS AMENDED; AND
SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED**

RECEIVER'S AFFIDAVIT OF FEES

I, Tom McElroy, of the City of Toronto, make oath and say as follows:

1. I am a Licenced Insolvency Trustee and Managing Director of Albert Gelman Inc. ("**Receiver**"), Receiver of 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc., and as such have knowledge of the facts herein deposed to.
2. The Receiver has prepared invoices in connection with its fees as follows:
 - a. An account dated December 31, 2024 for the period to December 31, 2024 of \$47,228.50, plus HST thereon;
 - b. An account dated March 31, 2025 for the period January 1 to March 31, 2025 of \$55,707.00, plus HST thereon;
 - c. An account dated August 31, 2025 for the period from April 1 to August 31, 2025 of \$33,786.00, plus HST thereon;
 - d. An account dated October 4, 2025 for the period from September 1 to September 30, 2025 of \$6,185.00, plus HST thereon; and,

10603503 Canada Inc. et al
 c/o Albert Gelman Inc.
 250 Ferrand Drive
 Toronto, ON M3C 3G8

Invoice

Invoice Date: Dec 31, 2024

Invoice No: 7784

Billing Through: Dec 31, 2024

File ID: 10603503CANKINDRED

Re: 10603503 Canada Inc. et al

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2024-11-05	TMCELROY	Kindred Credit - Review of draft form of appointment Order; Request PPSA and title searches be prepared by N. Monks; Review of PPSA searches and parcel registers; Conduct online search of properties;	1.50	\$575.00	\$862.50
2024-11-05	BGELMAN	Review of draft order; execute consent to act as Receiver;	0.50	\$615.00	\$307.50
2024-11-06	NMONKS	New file set up in Ascend, BillQuick and server folder	0.30	\$325.00	\$97.50
2024-11-07	BGELMAN	Review of appraisals and ESA reports for each property;	0.50	\$615.00	\$307.50
2024-11-07	TMCELROY	Review of real property appraisals; Prepare summary of net equity of each real property; Review of Phase I ESAs and reliance letters;	1.00	\$575.00	\$575.00
2024-11-11	TMCELROY	Review of application record; Discuss pre-receivership matters with B. Gelman;	1.10	\$575.00	\$632.50
2024-11-11	BGELMAN	Review of materials for Receivership mandate;	0.40	\$615.00	\$246.00
2024-11-14	TMCELROY	Conference call with applicant creditor and legal counsel re pre-appointment matters; Debrief discussion with B. Gelman; Email to Hillary re tenant information;	0.70	\$575.00	\$402.50
2024-11-15	BGELMAN	File review with Tom McElroy;	0.20	\$615.00	\$123.00
2024-11-15	IRAGUIMOV	Attended meeting with Bryan G and Tom M re file review and checklist;	0.90	\$470.00	\$423.00
2024-11-20	TMCELROY	Planning meeting with I. Raguimov and B. Gelman re attached at site and taking possession; Email to R. Tusi re maintenance checks;	1.40	\$575.00	\$805.00
2024-11-20	BGELMAN	Planning meeting	0.50	\$615.00	\$307.50
2024-11-20	IRAGUIMOV	Reviewed documents on file prior to the attendance of the property tomorrow; reviewed received order	1.00	\$470.00	\$470.00
2024-11-21	TMCELROY	Travel to/from Owen Sound to take possession of real properties and meet with Dan to discuss property checks and management;	8.00	\$575.00	\$4,600.00
2024-11-21	BGELMAN	Emails with Receiver's counsel re registration of Order on title to properties and signing of documents regarding the registration; travel and attend onsite at Debtor's buildings in Owen sound, meeting with tenants, meeting with inspector re next steps, group discussion re delegation of tasks; Email to representatives of Kindred Credit re update;	8.00	\$615.00	\$4,920.00
2024-11-21	IRAGUIMOV	Attended premises with Bryan G anf Tom M; met with tenants; surveyed the property; met with the property manager;	8.50	\$470.00	\$3,995.00
2024-11-22	TMCELROY	Review of Receivership checklist with B. Gelman and I. Raguimov; Delegate tasks;	1.00	\$575.00	\$575.00

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Re: 10603503 Canada Inc. et al

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2024-11-22	IRAGUIMOV	Communication with Kindred Credit officer; communication with counsel re tax certificates; communication with the locksmith; communication with the former owners of the properties; communication with the VP of BGWealth; attended meeting with Tom M and Bryan G re internal file review and checklist;	1.10	\$470.00	\$517.00
2024-11-23	TMCELROY	Email to Wendy R. (CRA) re appointment and proof of claim;	0.20	\$575.00	\$115.00
2024-11-23	BGELMAN	Email to appraiser to coordinate appraisals on 4 buildings;	0.10	\$615.00	\$61.50
2024-11-25	TMCELROY	Emails to/from Hillary Robertson re various matters; Emails to corporate officers re appointment; Instruction to I. Raguimov re utilities; Discuss various matters with I. Raguimov including property manager, utilities, rent roll, tenants, etc.; Call with and email to J. Muddle; Review of insurance policies; Email to Debtors' insurance broker; Call with appraiser;	2.80	\$575.00	\$1,610.00
2024-11-25	BGELMAN	Meetings and review of emails pertaining to receivership matters, including emails to stakeholders, insurance and tenant matters;	0.50	\$615.00	\$307.50
2024-11-25	IRAGUIMOV	Internal meeting with Tom M re file progression; call with the property manager; call with the insurance broker; completed questionnaire for each separate location; email communication with the insurance broker; email communication with the appointing creditor;	2.10	\$470.00	\$987.00
2024-11-26	TMCELROY	Discuss potential pre-receivership sale with B. Gelman; Correspondence from secured creditor counsel re same; Review of insolvency program insurance questionnaires for each of the real properties and comments to I. Raguimov re same; Conference call with secured creditor and counsel; Call with appraiser; Review of lease agreements; Review and respond to correspondence from C. Dunkerly; Call with insurance broker; Email to/from secured creditor counsel re riverfront parcels; Several emails to Tom B. (property manager); Several emails to Don (property inspector); Emails to Appraiser; Call with Craig Dunkerly; Draft email to Craig Dunkerly; Set up case website;	6.10	\$575.00	\$3,507.50

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2024-11-26	NMONKS	Completed Corporate Profile searches for the 2 following companies, 2391628 Ontario Inc and Oswald Emmanuel Real Estate Inc.; completed 2 Teranet Property searches	0.40	\$325.00	\$130.00
2024-11-26	BGELMAN	General update call with Tom McElroy; Attend update call with representatives of Kindred Credit and their counsel; review of Geowarehouse reports for additional properties along water; Attend call with principal of debtor corporation; Review of emails pertaining to property identification and inclusive in receivership;	2.20	\$615.00	\$1,353.00
2024-11-26	IRAGUIMOV	Call with the property manager; call with the insurance broker; amended questionnaire for each separate location; email communication with the insurance broker; attended call with the debtor, Tom M and Bryan G;	1.90	\$470.00	\$893.00
2024-11-27	TMCELROY	Correspondence to H. Robertson; Correspondence from second mortgagee counsel; Call with D. Lewis (property inspector) re attendance at site, security measures on site and other matters; Review and respond to correspondence from insurance broker re information required for new policies; Draft email to D. Lewis re information required for insurance purposes; Email to counsel re Receiver's authority to sell additional two parcels; Internal meeting to review file checklist and delegate tasks; Review and amend notice of Receivership letter to tenants; Prepare tenant information forms to be completed in order to produce rent roll;	3.50	\$575.00	\$2,012.50
2024-11-27	BGELMAN	Review of emails between counsel for Kindred and 2nd mortgagor and respond to same; Attend meeting with Tom McElroy and Iana Raguimov re file checklist review; initiate set up of bank account and new e-transfer email address for tenant use;	0.70	\$615.00	\$430.50
2024-11-27	IRAGUIMOV	Internal meeting with Tom M and Bryan G re file progression; call with one of the tenants; call with the insurance broker; call with the property manager;	1.30	\$470.00	\$611.00

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Date	Person	Description	Hours	Rate	Total
2024-11-28	TMCELROY	Call with D. Lewis (property manager) re letter to tenants and other matters; Finalize and sign letter to tenants; Review and respond to prospective purchaser of properties; Call with representative of Pinchin re Phase I ESAs for each property; Update creditor information in Ascend; Review, amend and sign notice and statement of Receiver; Instructions to N. Monks re sending notice to creditors; Review current listing of one of the Properties and instruct I. Raguimov to contact realtor;	4.10	\$575.00	\$2,357.50
2024-11-28	BGELMAN	Review and comments to cover letter to tenants; Review of Notice and Statement of Receiver and call with Tom McElroy re same;	0.40	\$615.00	\$246.00
2024-11-28	IRAGUIMOV	Drafted Notice of receivership; sent to Tom M for review; attended call with Tom M re environments assessment;	2.10	\$470.00	\$987.00
2024-11-29	TMCELROY	Voicemail exchange with W. Rudeger (CRA officer); Call with W. Rudeger re status of HST and corp. tax accounts for each Debtor company; Email to T. Bester re notice to tenants of Receivership;	0.50	\$575.00	\$287.50
2024-11-29	NMONKS	Emailed, faxed and mailed to all known creditor and corporate officer the Notice of Receivership letter; completed the affidavit of mailing service	0.50	\$325.00	\$162.50
2024-11-29	IRAGUIMOV	Call with the Shanny's tenant; call with the tenant from the ground floor; call with the insurance broker re finalizing the insurance coverage;	1.10	\$470.00	\$517.00
2024-11-29	MSHAFIQUE	Review and sign Affidavit;	0.10	\$385.00	\$38.50
2024-12-01	TMCELROY	Review of Pinchin Proposal re Phase I ESA; Comments to B. Gelman re same; Email to H. Robertson re Receiver's borrowings;	0.60	\$575.00	\$345.00
2024-12-02	TMCELROY	Review of email sfrom Debtor insurnace broker; Email to Receiver insurance broker; Email to Danielle (Versa Bank) re auto deposit to trust account; Sign Pinchin Phase I ESA proposal; Review and respond to correspondence from H. Robinson re Receivership funding; Email to counsel re response to C. Dunkerley email re existing APS;	1.10	\$575.00	\$632.50
2024-12-02	IRAGUIMOV	Reviewed communication with insurance broker; call with the realtor; follow up communication with the realtor;	0.90	\$470.00	\$423.00
2024-12-02	BGELMAN	Update call with Tom McElroy re review of loan terms from Kindred for working capital;	0.20	\$615.00	\$123.00

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2024-12-03	TMCELROY	Call with Don Lewis re attendance at property; Review appointment certificate; Correspondence from counsel re issues with APS entered into by Craig Dunkerly;	0.60	\$575.00	\$345.00
2024-12-03	BGELMAN	Review of email from counsel pertaining to real estate APS which debtor signed prior to receivership; email to counsel for debtor re same;	0.30	\$615.00	\$184.50
2024-12-03	IRAGUIMOV	Call with Hydro One; call with City of OS; communication with tenants;	1.40	\$470.00	\$658.00
2024-12-04	BGELMAN	Attend checklist and update meeting with AGI team;	0.50	\$615.00	\$307.50
2024-12-04	TMCELROY	Internal file review meeting with I. Reguimov and B. Gelman; Call with property manager re various matters; Review and respond to correspondence from appraiser re request for info; Discuss collection of rent from commercial tenants, banking matters and other matters with I. Raguimov; Review and sign estate trust cheque; Discuss various matters with B. Gelman;	2.30	\$575.00	\$1,322.50
2024-12-04	IRAGUIMOV	Call with Hydro One; call with City of OS; communication with tenants; communication with utilities companies; communication with property manager; attended meeting with Tom M and Bryan G re checklist and file progression;	1.90	\$470.00	\$893.00
2024-12-05	TMCELROY	Prepare and issue Receiver's borrowings certificate to secured creditor; Instructions to D. Cherniak re banking matters;	0.70	\$575.00	\$402.50
2024-12-05	BGELMAN	Update call with Tom McElroy re next steps in relation to bug infestation and tenant issues;	0.30	\$615.00	\$184.50
2024-12-05	IRAGUIMOV	Communication with tenants; call with Hydro One	0.20	\$470.00	\$94.00
2024-12-06	TMCELROY	Call with and email to J. Mundle (second mortgagee); Email to counsel re APS provided by second/third mortgagees; Call with counsel re various matters;	0.80	\$575.00	\$460.00
2024-12-09	IRAGUIMOV	Followed up with Enbridge;	0.10	\$470.00	\$47.00
2024-12-10	TMCELROY	Instructions to D. Cherniak re banking matters; Review and sign estate trust cheques; Email to property manager;	0.50	\$575.00	\$287.50
2024-12-10	BGELMAN	Review and approval of Pinchen trust cheque and review contract;	0.10	\$615.00	\$61.50
2024-12-10	RBUBNIC	Prepared November 2024 bank reconciliation.	0.10	\$335.00	\$33.50
2024-12-11	TMCELROY	Email to property manager; Review and sign estate trust cheque;	0.20	\$575.00	\$115.00
2024-12-12	TMCELROY	Email to Pinchin; File update meeting with I. Raguimov and B. Gelman; Email to property manager; Call with D. Lewis re various matters;	0.90	\$575.00	\$517.50

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<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2024-12-12	BGELMAN	Update with Tom McElroy re details regarding property manager;	0.30	\$615.00	\$184.50
2024-12-12	IRAGUIMOV	Call with Hydro One agent; call with Hydro One Networks agent; discussed all the outstanding accounts in detail; communication with the hydro one network agent	1.30	\$470.00	\$611.00
2024-12-13	TMCELROY	Internal meeting with I. Raguimov re file checklist and delegating tasks;	0.50	\$575.00	\$287.50
2024-12-13	IRAGUIMOV	Call with Enbridge Canada; call with the town of owen sound; call with the property manager Don;	0.90	\$470.00	\$423.00
2024-12-17	TMCELROY	Email to insurance broker;	0.20	\$575.00	\$115.00
2024-12-18	TMCELROY	Review of solicitors accounts; Approve disbursement;	0.20	\$575.00	\$115.00
2024-12-20	TMCELROY	Review of form of property management contract; Email to counsel re same; Voicemail and email to H. Robertson; Email to property manager;	0.80	\$575.00	\$460.00
2024-12-20	DCHERNIAK	Attend to opening of trust account and banking related administration;	0.50	\$250.00	\$125.00
2024-12-23	IRAGUIMOV	Call with Hydro One; call with Enbridge; call with the property manager Don re updates and pest treatment;	1.10	\$470.00	\$517.00
2024-12-24	TMCELROY	Review of pest control quote; Emails to/from Don Lewis re same;	0.30	\$575.00	\$172.50
Total Fees:					\$47,228.50
HST/GST:					\$6,139.85

Summary by Staff:

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Bryan A. Gelman (Principal, CIRP LIT)	15.70	\$615.00	\$9,655.50
Daphna Cherniak (Estate Administrator)	0.50	\$250.00	\$125.00
Ianina Raguimov (LIT, CIRP)	27.80	\$470.00	\$13,066.00
Mahmood Shafique (Associate)	0.10	\$385.00	\$38.50
Nicole Monks (Estate Administrator)	1.20	\$325.00	\$390.00
Robert Bubnic (Senior Estate Administrator)	0.10	\$335.00	\$33.50
Tom McElroy (Director, CPA CBV CIRP LIT)	41.60	\$575.00	\$23,920.00

Disbursements:

Non-Taxable Disbursements

SEARCH FEES: \$108.38

Taxable Disbursements

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Disbursements:

PHOTOCOPIES:	\$3.00
POSTAGE:	\$4.90
PROMERIC FEE:	\$325.00
SEARCH FEES:	\$165.55

Total Disbursements: \$606.83

HST/GST: \$64.79

Amount Due This Invoice: **\$54,039.97**

Invoice Summary:

TOTAL FEES AND DISBURSEMENTS:	\$47,835.33
TOTAL HST/GST:	\$6,204.64
TOTAL AMOUNT DUE:	\$54,039.97

Payment of this account is due on receipt
 HST Registration # 83741 9514 RT0001

HST/GST No. 83741 9514 RT 0001

Payment of this account is due on receipt, within 30 days of invoice date.
 1% interest per month will be charged on overdue accounts.

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INVOICE

Invoice Date: Mar 31, 2025
Invoice Num: 7923
Billing Through: Mar 31, 2025
File ID: 10603503CANKINDRED-ON-R

Re: 10603503 Canada Inc. et al

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
1/2/2025	IRAGUIMOV	Communication with property manager;	0.10	\$500.00	\$50.00
1/3/2025	IRAGUIMOV	Communication with property manager; reviewed information sent by the property manager;	0.30	\$500.00	\$150.00
1/3/2025	NMONKS	Opened, scanned and saved incoming mail from Canada Post	0.50	\$350.00	\$175.00
1/3/2025	TMCELROY	Discuss payment of rent by commercial tenants and other matters with I. Raguimov;	0.30	\$595.00	\$178.50
1/6/2025	BGELMAN	Review of utility account statements relating to Hydro;	0.10	\$645.00	\$64.50
1/6/2025	IRAGUIMOV	Call with Hydro One; call with Enbridge; call with the City of Owen Sound; communication with property manager;	0.80	\$500.00	\$400.00
1/6/2025	NMONKS	Opened, scanned and saved incoming mail from Canada Post; email sent to the director regarding GST/HST electronic filings	0.30	\$350.00	\$105.00
1/7/2025	IRAGUIMOV	Call with an appraiser; indepth review of the income approach, income and expenses for the properties; call with the City of Owen Sound; reviewed communication sent by the tenant; communication with the property manager; attended meeting with Tom M and Bryan G re file progression; communication with commercial tenant	1.10	\$500.00	\$550.00
1/7/2025	TMCELROY	Email to property manager; Review and respond to correspondence from H. Robinson; Email to appraiser; Review information provided by property manager re pest remediation; File status review meeting with I. Raguimov and B. Gelman; Review and sign estate trust cheque;	1.50	\$595.00	\$892.50
1/8/2025	BGELMAN	Attend update call with representatives of Kindred; Review and respond to email from ODSP re rent payment;	0.60	\$645.00	\$387.00
1/8/2025	IRAGUIMOV	Call with the appraiser; call with the counsel; call with the property manager; communication with the tenants; call with the city of OS;	0.90	\$500.00	\$450.00
1/8/2025	NMONKS	Received Authorization letter to Release information from Grey Bruce Community Legal Clinic, forward to Trustee on file	0.10	\$350.00	\$35.00
1/8/2025	TMCELROY	Prepare summary of outstanding matters re properties and email to Don Lewis (property manager) re same; Review and consider correspondence from local media; Update meeting with Hillary, B. Gelman and James; Email to counsel re property tax certificates; Emails to/from appraiser;	1.60	\$595.00	\$952.00

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1/9/2025	BGELMAN	Review of draft management contract, rent roll and other information provided by property manager; Review of emails from Marketing department at Kindred;	0.30	\$645.00	\$193.50
1/9/2025	IRAGUIMOV	Call with the loan officer; communication with the loan officer; drafted response to newspaper editor; internal meeting with Bryan G re editor's questions.	1.10	\$500.00	\$550.00
1/10/2025	BGELMAN	Attend call with property manager;	0.70	\$645.00	\$451.50
1/10/2025	IRAGUIMOV	Call with ENbridge; attended call with property manager, Tom M, Bryan G; communication with property manager; communication with loan manager; communication with editor; reviewed communication with editor;	0.90	\$500.00	\$450.00
1/10/2025	TMCELROY	Conference call with B. Gelman, I. Raguimov and D. Lewis (property manager) re status of property and other matters; Emails to Don Lewis; Discuss banking matters to D. Cherniak;	1.20	\$595.00	\$714.00
1/12/2025	BGELMAN	Review of draft ESA Phase 1 report;	0.20	\$645.00	\$129.00
1/13/2025	IRAGUIMOV	Reviewed outstanding utilities invoices; communication with Kindred credit union officer; call with the 2nd mortgage holder;	0.70	\$500.00	\$350.00
1/13/2025	NMONKS	Opened, scanned and saved incoming mail from Canada Post	0.10	\$350.00	\$35.00
1/13/2025	TMCELROY	Review of pest control report; Approve disbursement; Review of letter from R. Holton; Draft email to R. Holton, staff lawyer - Grey Bruce Community legal clinic; Review and sign estate trust cheque; Call with counsel re form of property management agreement; Email to D. Lewis;	1.60	\$595.00	\$952.00
1/14/2025	IRAGUIMOV	Cal with the commercial tenant; communication with the commercial tenant; communication with the property manager;	0.20	\$500.00	\$100.00
1/14/2025	RBUBNIC	Prepared December 2024 bank reconciliation.	0.10	\$350.00	\$35.00
1/14/2025	TMCELROY	Call with M. Strybos (Pinchin) re Phase I ESAs; Detailed review of Phase I ESA for each property; Email to M. Strybos (Pinchin)	1.40	\$595.00	\$833.00
1/16/2025	BGELMAN	Review of appraisal report in relation to 942 Second Ave. E building;	0.30	\$645.00	\$193.50
1/16/2025	IRAGUIMOV	Communication with the tenant; call with the Enbridge	0.30	\$500.00	\$150.00
1/16/2025	NMONKS	Opened, scanned and saved incoming mail Canada Post	0.10	\$350.00	\$35.00
1/17/2025	BGELMAN	Update call with Tom McElroy re listing agent and update on property management;	0.30	\$645.00	\$193.50
1/17/2025	IRAGUIMOV	Attended call with Don, the property manager and Tom M;	0.40	\$500.00	\$200.00

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File ID: 10603503CANKINDRED-ON-R

Re: 10603503 Canada Inc. et al

1/17/2025	TMCELROY	Conference call with D. Lewis (property manager) and I. Raguimov; Follow up email to D. Lewis setting out action items and status of various matters; Internal discussion with B. Gelman re file update; Email to counsel; Review and respond to correspondence from realtor; Review of form of property management agreement draft by counsel; Email to D. Lewis re same; Review and analysis of 942 Second St. appraisal;	3.90	\$595.00	\$2,320.50
1/18/2025	BGELMAN	Review and approval of December 31, 2024 bank reconciliation;	0.10	\$645.00	\$64.50
1/19/2025	TMCELROY	Emails to appraiser re draft appraisal of 942 Second St. property;	0.20	\$595.00	\$119.00
1/20/2025	BGELMAN	Meeting with Tom McElroy re update and appraisals; Review of appraisals; Review and approval of insurance trust cheque;	0.90	\$645.00	\$580.50
1/20/2025	NMONKS	Opened, scanned and saved incoming mail - Canada Post; faxed letter of Receiver's Sixth month interim report to OSB	0.40	\$350.00	\$140.00
1/20/2025	TMCELROY	Call with appraiser re draft appraisals; Review and approve disbursement; Instructions to D. Cherniak re banking matters; Review of draft appraisals for 950 Second Ave., and 948 Second Ave.; Discuss same with B. Gelman; Review and sign estate trust cheque; Email to H. Robertson re property appraisals; Prepare interim SRD; Prepare BIA interim Reports per BIA s. 246;	3.50	\$595.00	\$2,082.50
1/21/2025	BGELMAN	Attend initial call with listing agent for sale of properties;	0.40	\$645.00	\$258.00
1/21/2025	IRAGUIMOV	Attended call with realtor and her team, Tom M and Bryan G to discuss future listing;	0.30	\$500.00	\$150.00
1/21/2025	TMCELROY	Conference call with realtor and Receiver; Email interim report to C. Dunkerely;	0.70	\$595.00	\$416.50
1/22/2025	TMCELROY	Review and respond to correspondence from realtor; Review and respond to correspondence from prospective purchaser; Approve utility disbursement;	0.50	\$595.00	\$297.50
1/23/2025	IRAGUIMOV	Call with the property manager; call with the tenant	0.90	\$500.00	\$450.00
1/23/2025	TMCELROY	Review and respond to correspondence from realtor re various matters;	0.30	\$595.00	\$178.50
1/24/2025	IRAGUIMOV	Call with the property manager; call with the secured creditor and Tom M re file update;	0.80	\$500.00	\$400.00
1/24/2025	TMCELROY	Meeting with Receiver and Kindred Credit; Execute property management agreement;	0.50	\$595.00	\$297.50
1/26/2025	TMCELROY	Email to Realtor (A. Jones);	0.10	\$595.00	\$59.50
1/27/2025	BGELMAN	Review of summary email provided by T. McElroy;	0.20	\$645.00	\$129.00
1/27/2025	IRAGUIMOV	Call with the property manager;	0.30	\$500.00	\$150.00

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Invoice Date: Mar 31, 2025
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Re: 10603503 Canada Inc. et al

1/27/2025	TMCELROY	Weekly call with D. Lewis (property manager) to discuss various matters; Follow up email to Don Lewis re matters to be addressed; Voicemail left for CRA officer; Email to CRA officer; Email to R. Paterson re payment of rent of Indigenous tenants;	1.70	\$595.00	\$1,011.50
1/28/2025	IRAGUIMOV	Call with the property manager;	0.20	\$500.00	\$100.00
1/28/2025	TMCELROY	Call with D. Lewis re various property management matters;	0.30	\$595.00	\$178.50
1/30/2025	BGELMAN	Attend call with proposed broker for sale of buildings; Review of memo from realtor re next steps for listing;	1.00	\$645.00	\$645.00
1/30/2025	TMCELROY	Email to/from counsel re marketing and sales process; Call with realtor re proposed marketing and sales process; Emails to/from realtors; Email to D. Lewis re matters to address to list properties;	1.20	\$595.00	\$714.00
1/31/2025	BGELMAN	Attend call with representatives of Kindred Credit and proposed listing agents Angelik and Jennifer Jones;	0.70	\$645.00	\$451.50
1/31/2025	IRAGUIMOV	Reviewed interim SRD; reviewed outstanding invoices;	0.30	\$500.00	\$150.00
1/31/2025	RBUBNIC	Prepare cheque requisition for payment of appraisal fees to Bell Property Appraisers and Consultants Inc, invoice 0000062G, 0000064I and 0000063H.	0.30	\$350.00	\$105.00
1/31/2025	TMCELROY	Conference call with Kindred Credit, proposed realtor and Receiver; Approve disbursement; Update call with D. Lewis re various property management matters; Prepare interim SRD with projected disbursements re additional funds required from secured creditors;	1.60	\$595.00	\$952.00
2/2/2025	TMCELROY	Review and sign estate trust cheque; Prepare form of Estoppel certificate and email to property manager re same;	0.50	\$595.00	\$297.50
2/3/2025	IRAGUIMOV	Communication with commercial tenant; call with shanny's kitchen commercial tenant re outstanding rent; call with art shoppe tenant re rent; call with the town of owen sound re backflow installation; call with the hydro one;	1.20	\$500.00	\$600.00
2/3/2025	TMCELROY	Instructions to D. Cherniak re banking matters; Call with and email to H. Robertson re additional borrowings required by Receiver;	0.30	\$595.00	\$178.50
2/4/2025	TMCELROY	Review and respond to correspondence form Hillary (Kindred); Email to realtors;	0.30	\$595.00	\$178.50
2/6/2025	IRAGUIMOV	Calls and communications with each commercial tenants re returned rent payment and new payment arrangements;	0.40	\$500.00	\$200.00

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Re: 10603503 Canada Inc. et al

2/6/2025	TMCELROY	Review of counsel comments re listing agreements; Review of counsel comments re form of ORAE APS and supplementary conditions; Call with I. Klaiman re J. Mundel request to redem secured creditors security and other matters;	1.10	\$595.00	\$654.50
2/7/2025	IRAGUIMOV	Payments review of the commercial tenants; communication with both commercial tenants re new payments;	0.30	\$500.00	\$150.00
2/7/2025	TMCELROY	Discuss status of collection of rental payments from Tenants with I. Raguimov; Instructions to D. Cherniak re banking matters; Update supplementary conditions to OREA form of APS; Emails to realtor re for of listing agreements and form of OREA APS and supplementary conditions;	1.50	\$595.00	\$892.50
2/10/2025	BGELMAN	Review and respond to email from Hilary at Kindred;	0.20	\$645.00	\$129.00
2/10/2025	IRAGUIMOV	Communication with the commercial tenants; calls with the commercial tenants; reviewed proof of payments received; sent rent for posting;	0.60	\$500.00	\$300.00
2/10/2025	TMCELROY	Prepare summary of rental receipts received to date; Send same to property manager; Correspondence from counsel re purchase offer from J. Mundle; Email to M. Cassone (counsel to Kindred) re same; Review and respond to correspondence from H. Robinson re proposed offer from J. Mundle; Instructions to D. Cherniak re banking matters;	1.20	\$595.00	\$714.00
2/11/2025	BGELMAN	Update call with Tom McElroy re sales process;	0.20	\$645.00	\$129.00
2/11/2025	TMCELROY	Prepare Receiver's Borrowing certificate and send same to secured creditor; Review and sign estate trust cheque;	0.60	\$595.00	\$357.00
2/12/2025	BGELMAN	Review of listing agreements with Tom McElroy and approval of same; discuss timing of sales process and confirmation of process;	0.50	\$645.00	\$322.50
2/12/2025	IRAGUIMOV	Communication with the property manager re outstanding invoices	0.30	\$500.00	\$150.00
2/12/2025	TMCELROY	Review of listing agreement and form of OREA APS for all three properties; Email to realtor re same; Call with Don Lewis (property manager) re status of property maintenance and other matters; Call with realtor re timing of listing, listing agreements and other matters; Call with H. Robinson re various matters; Begin drafting Receiver's First Report to Court;	5.40	\$595.00	\$3,213.00
2/12/2025	TMCELROY	Review and sign estate trust cheque;	0.10	\$595.00	\$59.50
2/13/2025	RBUBNIC	Prepared bank reconciliation for January 2025.	0.10	\$350.00	\$35.00
2/13/2025	TMCELROY	Call with A. Jones (realtor) re terms and conditions of listing agreement and next steps re listing properties for sale;	0.50	\$595.00	\$297.50

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2/14/2025	IRAGUIMOV	Communication with property manager; communication with tenants; call with Hydro One	1.30	\$500.00	\$650.00
2/14/2025	MSHAFIQUE	Conduct corporate profile search for 3 entities;	0.10	\$400.00	\$40.00
2/14/2025	TMCELROY	Review and sign estate trust cheque; Email to counsel re independent legal opinion re Kindred security; Continue drafting Receiver's First Report to Court; Prepared Receiver's affidavit;	6.20	\$595.00	\$3,689.00
2/18/2025	BGELMAN	Review and approval listing agreements;	0.20	\$645.00	\$129.00
2/18/2025	IRAGUIMOV	Call with the CRA agent re outstanding returns; communication with the tenant re outstanding rent; communication with the tenant re future sale of the property; call with the Art shoppe tenant re outstanding rent; discussed instructions and step by the step with the wire process	1.10	\$500.00	\$550.00
2/18/2025	TMCELROY	Email to counsel re listing agreement; Approve disbursement; Instructions to D. Cherniak re banking matters; Review and sign listing agreements for each of the three properties;	0.80	\$595.00	\$476.00
2/19/2025	BGELMAN	Review and approval of bank reconciliation;	0.10	\$645.00	\$64.50
2/19/2025	TMCELROY	Email to/from realtor re form of APS, requirement for Schedule "B", NDAs and other matters;	0.30	\$595.00	\$178.50
2/20/2025	TMCELROY	Review and sign estate trust cheques; Call with realtor re prospective purchasers who have contracted the Receiver; Review property information packages prepared by realtor;	1.30	\$595.00	\$773.50
2/21/2025	IRAGUIMOV	Reviewed payments from the commercial tenants; communication with the commercial tenant	0.10	\$500.00	\$50.00
2/21/2025	TMCELROY	Emails to/from realtor; Review and respond to correspondence from H. Robertson re status of listing; Email listing to H. Robertson;	0.40	\$595.00	\$238.00
2/23/2025	IRAGUIMOV	Follow up with the property manager re back flow contractor and work required;	0.20	\$500.00	\$100.00
2/24/2025	IRAGUIMOV	Communication with the property manager;	0.30	\$500.00	\$150.00
2/24/2025	TMCELROY	Update call with D. Lewis re property management related matters; Approve disbursement; Review of Fire Inspection report; Email to realtor; Email to D. Lewis re status of various repairs, maintenance and property management matters; Review and sign estate trust cheques;	1.40	\$595.00	\$833.00
2/25/2025	BGELMAN	Update call with Tom McElroy re listing status; call with Howard Manis re sales process;	0.30	\$645.00	\$193.50
2/25/2025	TMCELROY	Email from realtor re property management issues; Conference call with realtor and D. Lewis to discuss certain property management matters and listing matters; Follow up email; Review of updated listing agreement;	1.10	\$595.00	\$654.50
2/26/2025	IRAGUIMOV	Call with Hydro One re received invoices; reviewed received invoices;	0.40	\$500.00	\$200.00

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Re: 10603503 Canada Inc. et al

2/26/2025	TMCELROY	Review of CRA notice of assessment re HST;	0.10	\$595.00	\$59.50
2/28/2025	IRAGUIMOV	Call with the Clty of Owen Sound re water bills; communication with the city of OS re water bills; prepared requisitions and processed invoices for water;	0.40	\$500.00	\$200.00
3/3/2025	TMCELROY	Review and sign estate trust cheques; Review and respond to correspondence from Michael C. (counsel to Kindred Credit); Review and respond to correspondence from realtor; Review of property manager invoice and approve same;	0.60	\$595.00	\$357.00
3/4/2025	TMCELROY	Review and sign estate trust cheque;	0.10	\$595.00	\$59.50
3/5/2025	TMCELROY	Review of HST assessment;	0.10	\$595.00	\$59.50
3/6/2025	TMCELROY	Email to/from property manager; Call with realtor re various matters; Call with D. Lewis re various matters; Approve disbursements (2); Review and sign estate trust cheques (3); Review and approve accounts of counsel; Discuss various maintenance issues with I. Raguimov;	1.30	\$595.00	\$773.50
3/7/2025	IRAGUIMOV	Call with the commercial tenant; reviewed rent proof;	0.30	\$500.00	\$150.00
3/9/2025	TMCELROY	Review and sign estate trust cheque;	0.10	\$595.00	\$59.50
3/11/2025	TMCELROY	Review and sign estate trust cheque;	0.10	\$595.00	\$59.50
3/13/2025	BGELMAN	Review of update emails from Tom McElroy re status of property;	0.10	\$645.00	\$64.50
3/13/2025	RBUBNIC	Prepared bank reconciliation for February 2025.	0.10	\$350.00	\$35.00
3/13/2025	TMCELROY	Emails to/from relator re market response to listing and other matters; Call with D. Lewis (property manager);	0.40	\$595.00	\$238.00
3/14/2025	TMCELROY	Call with realtor re status of interest in properties; Call with property manager re various matters; Review and respond to correspondence from H. Robinson;	0.60	\$595.00	\$357.00
3/17/2025	TMCELROY	Prepare updated rent roll and send to Realtor; Call with property manager re various matters; Approve disbursement; Instructions to D. Cherniak re banking matters; Review and sign estate trust cheque;	1.60	\$595.00	\$952.00
3/18/2025	BGELMAN	Update meeting with Tom McElroy re listing process;	0.30	\$645.00	\$193.50
3/18/2025	IRAGUIMOV	Attended call with Tom M and credit union re sale process	0.40	\$500.00	\$200.00
3/18/2025	TMCELROY	Prep for and attend meeting with Hillary R., James C. and realtors re status of sales process and other matters; Review and sign estate trust cheque;	0.60	\$595.00	\$357.00
3/19/2025	TMCELROY	Review and respond to correspondence from D. Lewis re repairs and maintenance matters; Review and respond to correspondence from realtor;	0.30	\$595.00	\$178.50

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3/20/2025	BGELMAN	Meeting with Tom McElroy re plumbing leak and mould remediation;	0.50	\$645.00	\$322.50
3/20/2025	TSCOTT	Review email report re water damage related to failed water heater and unreported water leaks unit 10. Contact PM D Lewis for additional details and contemplated remediation plan to resolve collateral damage from same in mechanical access crawl space under unit 10 and 2nd flow unit impacted;	0.70	\$475.00	\$332.50
3/20/2025	TMCELROY	Emails to/from H. Robertson; Voicemail left for C. Kerr (mortgagee); Email to counsel re legal opinion; Call with realtor re status of showing and other matters; Call with C. Kerr (mortgagee); Call with property manager re discovery of mold; Internal discussion with B. Gelman and T. Scott re next steps re mold remediation;	1.60	\$595.00	\$952.00
3/21/2025	TSCOTT	Telcon with D Lewis, update status of water leak repairs/damages - approve additional max \$1,000 to ameliorate cosmetic damages caused by water leak to be completed 24/25 March.;	0.30	\$475.00	\$142.50
3/21/2025	TMCELROY	Call with realtor re various matters including questions raised by prospective purchasers; Discuss matters related to remediation of mold with T. Scott; Correspondence from D. Lewis re same; Email to Hilary R. re review of offers;	0.70	\$595.00	\$416.50
3/22/2025	BGELMAN	Review and approval of bank reconciliation;	0.10	\$645.00	\$64.50
3/24/2025	TMCELROY	Review and approve disbursement for Insurance; Instructions to D. Cherniak re banking matters; Calls and emails to/from realtor re various questions from purchasers; Review and sign estate trust cheque; Detailed review of all offers receiver for both properties; Prepare summary;	2.50	\$595.00	\$1,487.50
3/25/2025	BGELMAN	Review of offers received; update meeting with Tom McElroy; Attend call with Kindred Credit team and realtors to discuss offers presented to date;	2.00	\$645.00	\$1,290.00
3/25/2025	IRAGUIMOV	Attended meeting re offers review; reviewed hydro one statements and requested payments	0.20	\$500.00	\$100.00
3/25/2025	ICHEN	Corporate profile searches for - Kepler Real Estate Inc., 1000981870 Ontario Inc., 1001063516 Ontario Ltd., 16010032 Canada Inc., and Oswald Emmanuel Real Estate.	0.50	\$350.00	\$175.00
3/25/2025	TSCOTT	Receive/review maintenance/repair list, send list to D Lewis (Property Manager) -telcon with same to review and request D Lewis to provide action plan to remedy challenges;	0.40	\$475.00	\$190.00
3/25/2025	TMCELROY	Discuss offers with Realtor; Meeting with secured creditor to discuss offers and next steps; Follow up calls with Realtor re various matters; Review of offers received with secured creditor and Realtor;	1.60	\$595.00	\$952.00
3/26/2025	BGELMAN	Attend call with representatives of Kindred Credit and realtors;	0.40	\$645.00	\$258.00

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Date	Staff	Description	Hours	Rate	Amount
3/26/2025	TMCELROY	Review of correspondence from D. Lewis re various repair and maintenance items; Call with counsel re offers received and next steps re same; Conference call with Receiver, Realtor and secured creditor; Review of realtor draft correspondence to Offerors re improved offers;	1.20	\$595.00	\$714.00
3/27/2025	TMCELROY	Review and sign estate trust cheques (3); Call with H. Robertson re various matters; Review of revised offers on both properties circulated by realtor;	0.90	\$595.00	\$535.50
3/28/2025	BGELMAN	Review of offer schedule with revisions and other emails from realtor; Attend teams call with representatives of Kindred Credit and realtor;	1.40	\$645.00	\$903.00
3/28/2025	TMCELROY	Conference call with Kindred, Realtor and Receiver; Email to counsel re APS re Mackay building;	0.70	\$595.00	\$416.50
3/31/2025	BGELMAN	Attend call with counsel for Receiver to discuss offer and sign back provisions;	0.30	\$645.00	\$193.50
3/31/2025	TSCOTT	Receive/review email from D Lewis (Prop Mgr) open item maintenance/repair list - telcon with same - direct D Lewis to continue to pursue Fire Plan production, replace fire door and repairs to windows-send follow up email;	0.50	\$475.00	\$237.50
3/31/2025	TMCELROY	Continue drafting Receiver's First Report to Court; Meeting with Realtor, Receiver and counsel; Review and sign estate trust cheque;	2.50	\$595.00	\$1,487.50

Total Fees: **\$55,707.00**
HST/GST: \$7,241.91

Summary by Staff:

	Hours	Rate	Amount
Bryan A Gelman, Senior Managing Director, CIRP, LIT	12.40	\$645.00	\$7,998.00
Ianina Raguimov, Director, CIRP, LIT	17.10	\$500.00	\$8,550.00
Ivy Chen, Estate Administrator	0.50	\$350.00	\$175.00
Mahmood Shafique, Senior Associate	0.10	\$400.00	\$40.00
Nicole Monks, Estate Administrator	1.50	\$350.00	\$525.00
Robert Bubnic, Senior Estate Administrator	0.60	\$350.00	\$210.00
Terry Scott, CPA	1.90	\$475.00	\$902.50
Tom McElroy, Managing Director, CPA, CBV, CIRP, LIT	62.70	\$595.00	\$37,306.50

Disbursements:

Non-Taxable Disbursements

SEARCH FEES (NON-TAXABLE): \$32.00

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Taxable Disbursements

PHOTOCOPIES:	\$1.50
POSTAGE:	\$23.12
SEARCH FEES:	\$65.90

Total Expenses: \$122.52

HST/GST: \$11.79

Amount Due This Invoice: **\$63,083.22**

Invoice Summary:

TOTAL FEES AND DISBURSEMENTS:	\$55,817.73
TOTAL HST/GST:	\$7,253.70
TOTAL AMOUNT DUE:	\$63,083.22

GST/HST Registration # 83741 9514 RT0001

HST/GST No. 83741 9514 RT 0001 Payment of this account is due on receipt, within 30 days of invoice date. 1% interest per month will be charged on overdue accounts.

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INVOICE

Invoice Date: Sep 8, 2025
Invoice Num: 8304
Billing Through: Aug 31, 2025
File ID: 10603503CANKINDRED-ON-R

Re: 10603503 Canada Inc. et al

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
4/1/2025	TSCOTT	Discussion with T McElroy re: potential purchaser, review email from A Jones (RE Agent) requesting access to units for cooperating agent as well as home inspector - coordinate same with D Lewis (Prop Mgr);	0.30	\$475.00	\$142.50
4/1/2025	TMCELROY	Review and sign estate trust cheque; Instructions to R. Bubnic re banking matters; Review and respond to correspondence from realtor;	0.40	\$595.00	\$238.00
4/2/2025	TMCELROY	Prepare updated rent summary; Review and respond to correspondence from D. Lewis; Sign amended APS condition; File update meeting with B. Gelman;	0.60	\$595.00	\$357.00
4/3/2025	TSCOTT	Receive/review report of pest infestation from restaurant tenant, follow-up via telcon and email with D Lewis (Prop Mgr) to confirm response/remedial actions with pest control service;	0.20	\$475.00	\$95.00
4/3/2025	TMCELROY	Call with realtor re various matters;	0.20	\$595.00	\$119.00
4/7/2025	TSCOTT	Receive/review notification from D Lewis (Prop Manager) confirming acquisition of Fire Exit door installed - follow-up call to discuss requirement to source/install "crash bar" and closer - request email confirmation of same for Receiver's approval;	0.40	\$475.00	\$190.00
4/8/2025	BGELMAN	Review of past emails pertaining to sale process; Update meeting with Tom McElroy to discuss next steps relating to purchaser requesting a substantial discount; Attend call with Kindred Credit representatives and realtor; attend call with Angelik Jones from realtor firm;	1.20	\$645.00	\$774.00
4/8/2025	TSCOTT	Century Gothic",sans-serif">Purchaser challenges (tom McElroy meeting), renter challenges; Telcon A Jones (RE Agent) re deficiencies and opportunities for improving purchaser perception/price; Meeting B Gelman re cost/benefit of vacant vs tenanted units at McKay building; D Lewis meeting, ameliorating aesthetics and housekeeping/maintenance challenges; Review/verify invoice submission by property manager – submit for payment;	0.60	\$475.00	\$285.00

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4/8/2025	TMCELROY	Emails to/from realtor re purchase of McKay building; Discuss same with B. Gelman; Email to H. Robinson re same; Conference call with Receiver, Kindred Credit and Realtor re McKay purchaser and other matters; Internal meeting with T. Scott re repairs and maintenance and tenant matters and resolutions to same; Sign mutual release re McKay building;	1.50	\$595.00	\$892.50
4/9/2025	BGELMAN	Meeting with Terry Scott to discuss analysis of selling building vacant vs. tenanted and sensitivity analysis;	0.70	\$645.00	\$451.50
4/10/2025	TMCELROY	Correspondence from realtor; Email to Kindred;	0.20	\$595.00	\$119.00
4/11/2025	RBUBNIC	Prepared March 2025 bank reconciliation.	0.10	\$350.00	\$35.00
4/11/2025	TSCOTT	Century Gothic",sans-serif">Telcon D Lewis (GPS) re cost to procure/install emergency exit crash bar – request same to provide written quote – subsequently direct to proceed; Produce form N11 template - submit to D Lewis; Receive/review GPS invoice and disbursements collate/produce cheque requisition;	0.80	\$475.00	\$380.00
4/11/2025	TMCELROY	Discussion with T. Scott re various repairs and maintenance required; Review of solicitors accounts; Approve disbursement; Review and sign estate trust cheques (2);	0.50	\$595.00	\$297.50
4/12/2025	BGELMAN	Sign trust cheques;	0.10	\$645.00	\$64.50
4/12/2025	TMCELROY	Prepare updated budget and circulate to H. Robinson;	0.50	\$595.00	\$297.50
4/14/2025	BGELMAN	Review of offer submitted;	0.20	\$645.00	\$129.00
4/14/2025	TMCELROY	Review of revised offer from Kespler Realty;	0.20	\$595.00	\$119.00
4/15/2025	BGELMAN	Call with Tom McElroy to discuss revised SRD and borrowing request;	0.10	\$645.00	\$64.50
4/16/2025	BGELMAN	Review of additional offers;	0.60	\$645.00	\$387.00
4/16/2025	TMCELROY	Review of updated offer summary prepared by realtor;	0.20	\$595.00	\$119.00
4/17/2025	BGELMAN	Review of offer summer and third offer received; call with broker Angelik Jones for update on next steps; Attend call with representatives of Kindred Credit to discuss offers on real property and sign backs; calls with realtor re sign backs;	1.50	\$645.00	\$967.50
4/18/2025	BGELMAN	Call with counsel for Receiver to discuss sign back of offer; review, revisions and sign back of offer;	0.70	\$645.00	\$451.50
4/18/2025	TMCELROY	Review and sign March 2025 bank reconciliation;	0.10	\$595.00	\$59.50
4/20/2025	BGELMAN	Review and approval of bank reconciliation;	0.10	\$645.00	\$64.50

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4/21/2025	BGELMAN	Review of Offer on 950 2nd Ave and comments to same to counsel for Receiver; emails with realtor; Review of sign back on McKay building and comments to lender re same;	1.00	\$645.00	\$645.00
4/22/2025	BGELMAN	Emails and call with Angelik Jones to discuss offer process on both listings;	0.30	\$645.00	\$193.50
4/23/2025	BGELMAN	Review and sign offer for two properties;	0.20	\$645.00	\$129.00
4/25/2025	BGELMAN	Meeting with Tom McElroy re offer sign back review; Respond to emails with broker and lender group;	0.20	\$645.00	\$129.00
4/25/2025	TMCELROY	Discuss existing offers on both properties with B. Gelman; Email to realtor sign back amount of R. Patel offer; Call with realtor re status of listings and offers from R. Patel and J. Mundel; Email to Hillary R. re status of listing and existing offers;	0.80	\$595.00	\$476.00
4/29/2025	TMCELROY	Email to secured creditor; Update from realtor re status of listings and next steps;	0.30	\$595.00	\$178.50
5/1/2025	TMCELROY	Instructions to R. Bubnic re banking matters; Prepare Receiver's Borrowings Certificate and send to secured creditor;	0.50	\$595.00	\$297.50
5/2/2025	BGELMAN	Review of sign back offer;	0.10	\$645.00	\$64.50
5/2/2025	TMCELROY	Review and respond to correspondence from realtor; Email to/from property manager; Email to T. Caskenette (Caseworker) re payment of rent to Receiver; Review and sign estate trust cheques (2);	0.50	\$595.00	\$297.50
5/5/2025	BGELMAN	Review and respond to email from Hilary at Kindred; Review of offer and comments to same; call with counsel J. Quigley re offer and potential for sign back;	0.50	\$645.00	\$322.50
5/5/2025	RBUBNIC	Scan, post and deposit rental income cheque from The Corporation of the County of Grey.	0.10	\$350.00	\$35.00
5/5/2025	TSCOTT	Receive/review invoices sent by Pest Control services, call same to clarify if/when additional treatments/service required to manage pest issues at Restaurant tenant's premises – forward follow-up direction to D Lewis (GPS) – produce cheque req for payment; Telcon D Lewis (GPS) to discussed contemplated actions to resolves various deficiencies – send follow-up email summarizing same;	1.10	\$475.00	\$522.50
5/5/2025	TSCOTT	Review plumbing invoice, call service provider request resend same with Receiver as named customer - follow-up with email to same;	0.30	\$475.00	\$142.50
5/6/2025	BGELMAN	Call with Angelik Jones regarding counter offers on both properties; call with Hilary Robertson for update;	0.40	\$645.00	\$258.00
5/6/2025	TMCELROY	Review and sign estate trust cheque; Review and approve insurance disbursement;	0.20	\$595.00	\$119.00

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5/7/2025	BGELMAN	File update meeting with Tom McElroy;	0.20	\$645.00	\$129.00
5/7/2025	TMCELROY	File review meeting with B. Gelman;	0.20	\$595.00	\$119.00
5/8/2025	TSCOTT	Review open maintenance/repair items - follow-up call with D Lewis (GPS) seeking update to open items list of maintenance/repair;	0.30	\$475.00	\$142.50
5/8/2025	TMCELROY	Review and sign estate trust cheque; Review and respond to correspondence from H. Robinson;	0.20	\$595.00	\$119.00
5/9/2025	BGELMAN	Review and sign back offer on deal for the two properties; review and sign offer for the one property including review and comments to personal guarantee provisions; emails with counsel re same;	0.60	\$645.00	\$387.00
5/9/2025	RBUBNIC	Prepared bank reconciliation for April 2025.	0.10	\$350.00	\$35.00
5/9/2025	TMCELROY	Correspondence to/from property manager re various matters;	0.20	\$595.00	\$119.00
5/10/2025	TMCELROY	Review and sign April 2025 bank reconciliation;	0.10	\$595.00	\$59.50
5/12/2025	BGELMAN	Review and response to sign back on joint building sale; Review and sign sign back for joint building sale; Call from Angelik Jones re timing for PNW from purchaser;	0.40	\$645.00	\$258.00
5/12/2025	TSCOTT	Kindred (1.6) Receive/review invoice from MUZZELL PLUMBING INC – submit for payment; Meet with T McElroy, review rent roll, may payments received, edit occupancy matrix, telcon with D Lewis (GPS) re same including vacancy status and remedial actions, send follow-up email; Receive/review invoice from L-Ray Plumbing Inc (water heater unit 10) compare to previous water heater replacement – call vendor to advice specific nomenclature for Receiver's billing submit for payment and confirmation of unit/location or this appliance – follow-up email to same – subsequently receive revised memo – telcon confirm with D Lewis (GPS) work completed – submit for payment;	1.60	\$475.00	\$760.00
5/12/2025	TMCELROY	Prepare estimated monthly costs on a unit-by-unit basis and requested by secured creditor;	1.00	\$595.00	\$595.00
5/14/2025	TMCELROY	Review and sign estate trust cheque;	0.10	\$595.00	\$59.50
5/15/2025	BGELMAN	Review of market analysis provided by A. Jones;	0.20	\$645.00	\$129.00

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Date	Client	Description	Hours	Rate	Total
5/15/2025	TSCOTT	Coord conference with D Lewis (GPS) related to outstanding maintenance, repair and tenant challenges – produce minutes to same;	1.10	\$475.00	\$522.50
5/16/2025	BGELMAN	Calls from James at Kindred Credit to discuss offers and sign backs; multiple calls with Angelik Jones re next steps for both offer sign backs; Sign back offers; emails re same;	1.50	\$645.00	\$967.50
5/16/2025	TSCOTT	Receive/review Invoice from D Lewis (GPS) – send request for receipts to support disbursements;	0.40	\$475.00	\$190.00
5/16/2025	TMCELROY	Update monthly receipts and disbursements summary and forward to secured creditors; Email from ODSB re rental supplements;	0.20	\$595.00	\$119.00
5/18/2025	BGELMAN	Review and sign amendment for deposit paid;	0.10	\$645.00	\$64.50
5/20/2025	BGELMAN	Review and sign irrevocable date change; Call with Angelik Jones for status update on both listings;	0.20	\$645.00	\$129.00
5/20/2025	CROWE	Correspond with D Cherniak, Owen Sound government and I Raguimov regarding cheque;	0.20	\$450.00	\$90.00
5/20/2025	TSCOTT	Update Telcon D Lewis (GPS) re leak suspected to be from sink drainpipe at Unit 8 infiltrating Commercial unit below and damaged mailboxes @ 944 (Mackay) that require repair/replacement to restore postal service; Receive/review from D Lewis (GPS) quotes for repairs/maintenance 944 front lobby and hallway, discuss same with T McElroy follow-up email approval to D Lewis requesting work be completed within 10 days; Receive request for Debtor to recover personal property from storage locker(s) at 944 – provide D Lewis with Form 74 and instructions for same via email;	1.80	\$475.00	\$855.00
5/20/2025	TMCELROY	Discuss various property management matters with T. Scott;	0.20	\$595.00	\$119.00
5/21/2025	TSCOTT	Receive/review email confirmation from D Lewis (GPS) expected repairs for front entrance floor and hallway lighting – follow-up email to same requesting before/after images of same as well as images of any repairs recommended for vacant units;	0.30	\$475.00	\$142.50
5/21/2025	TMCELROY	Discuss property management matters with T. Scott; Review of counsel's accounts; Approve disbursement;	0.20	\$595.00	\$119.00

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5/22/2025	BGELMAN	Call from A. Jones re amendment to APS; review and sign APS;	0.20	\$645.00	\$129.00
5/22/2025	TMCELROY	Review and respond to correspondence from Kayla Girard re rent subsidy;	0.30	\$595.00	\$178.50
5/28/2025	TMCELROY	Review and respond to correspondence from K. Girard re rent payments; Approve disbursement;	0.30	\$595.00	\$178.50
5/29/2025	TMCELROY	Review and sign estate trust cheque;	0.10	\$595.00	\$59.50
6/2/2025	TMCELROY	Correspondence from ODSP; Review and sign estate trust cheque;	0.20	\$595.00	\$119.00
6/3/2025	RBUBNIC	Scan, post and deposit rental income cheque from Ontario Disability Support Program.	0.10	\$350.00	\$35.00
6/3/2025	TMCELROY	Review and respond to correspondence from realtor re lease agreements;	0.10	\$595.00	\$59.50
6/3/2025	TMCELROY	Instructions to R. Bubnic re banking matters;	0.10	\$595.00	\$59.50
6/4/2025	TMCELROY	Conference call with realtor and property manager re residential lease agreements;	0.20	\$595.00	\$119.00
6/5/2025	TMCELROY	Call with and email to Relator re offers;	0.20	\$595.00	\$119.00
6/7/2025	TMCELROY	Prepare summary of rent collected as per requirement of purchasers lender; Forward same realtor;	0.50	\$595.00	\$297.50
6/9/2025	BGELMAN	Calls with Angelik Jones re purchaser's non-submission of financial information; email to lender re-update;	0.30	\$645.00	\$193.50
6/10/2025	BGELMAN	Call with prospective purchaser (JM) and discuss personal statement of net worth and sale; update calls with Realtor; Reporting email to Kindred representatives; email to counsel re Stat Dec document and personal guarantee;	1.00	\$645.00	\$645.00
6/10/2025	RBUBNIC	Prepared bank reconciliation for May 2025.	0.10	\$350.00	\$35.00
6/10/2025	TMCELROY	Discuss sale of McKay building and next steps re same;	0.20	\$595.00	\$119.00
6/11/2025	BGELMAN	Update call with Angelik Jones re guarantee to be signed by purchaser and revised wording to APS re personal guarantee; review and sign amendment to APS;	0.40	\$645.00	\$258.00

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Date	Agent	Description	Hours	Rate	Amount
6/11/2025	TSCOTT	Call from D Lewis (GPS) – Fire Marshall visit, 944 unit 8 receiving power from 952 Unit 6 via extension cords. Unit 8 smoke detector therefore not functioning – GPS installed battery operated detector, one interior fire door (944) second level requires service/repair (to be done by GPS). Roofs of 944-952 need to be cleaned. Unit 9 had bicycle and debris in hallway. Fire Marshall Report to be provided when available; Discussion with D Lewis (GPS) re semi anonymous complaint from parent of tenant provide to RE Agent – direct same to follow-up with parent and determine details. Update on other O/S property repair/maintenance challenges;	0.50	\$475.00	\$237.50
6/11/2025	TMCELROY	Correspondence from realtor; Review of APS amending agreement;	0.20	\$595.00	\$119.00
6/14/2025	TMCELROY	Review and sign May 2025 bank reconciliation;	0.10	\$595.00	\$59.50
6/16/2025	BGELMAN	Email to listing broker re non-production of stat dec; email to representatives of lender re update; Review and sign mutual release; Attend file update meeting;	0.40	\$645.00	\$258.00
6/16/2025	TMCELROY	Internal file review meeting with B. Gelman;	0.10	\$595.00	\$59.50
6/17/2025	BGELMAN	Review of amending agreement and call with Angelik Jones re amending provision for closing date;	0.20	\$645.00	\$129.00
6/17/2025	TMCELROY	Correspondence as between realtor and secured creditors; Approve disbursement;	0.30	\$595.00	\$178.50
6/18/2025	BGELMAN	Review and respond to email from realtor;	0.10	\$645.00	\$64.50
6/18/2025	TSCOTT	Receive/review email notification from A Jones (RE) re scheduled visit by potential purchaser and request for specific access, follow-up call with same to review property challenges from potential purchasers' perspective;	0.20	\$475.00	\$95.00
6/18/2025	TMCELROY	Call with H. Millborne re sale of properties and potential purchaser re same;	0.30	\$595.00	\$178.50
6/19/2025	TSCOTT	Internal meeting T McElroy; Telcon D Lewis (GPS) re maintenance/repair status; Receive / review utility bills - produce cheque req;	0.60	\$475.00	\$285.00
6/19/2025	TMCELROY	Discuss property manager with B. Gelman; Call with and email to Arun (Richmond Advisory) re property management; Call with realtor re new property manager; Review and respond to correspondence from Richmond Advisory; Review and sign estate trust cheques;	1.00	\$595.00	\$595.00
6/20/2025	TMCELROY	Prepare summary of rent collected to date for the McKay building and forward same to realtor; Review and respond to correspondence from new property manager; Email to D. Lewis;	0.50	\$595.00	\$297.50

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6/23/2025	CROWE	Review draft Richmond property management agreement for T McElroy and discuss;	0.30	\$450.00	\$135.00
6/23/2025	RBUBNIC	Scan, post and deposit two (2) cheques from Ontario Disability with respect to rental income.	0.20	\$350.00	\$70.00
6/23/2025	TMCELROY	Prepare rent collected summary; Review and respond to correspondence from D. Lewis; Review of property management agreement; Review of rent attornment letter;	0.60	\$595.00	\$357.00
6/25/2025	CROWE	Draft rental attornment notice; Discuss tenant notices with T McElroy; Amend notice to reflect appointment of Richmond; Brief Richmond on mandate letter;	0.80	\$450.00	\$360.00
6/25/2025	TMCELROY	Review of new offer re McKay building;	0.20	\$595.00	\$119.00
6/26/2025	BGELMAN	Review of offer on property; call with Jennifer Jones re same;	0.20	\$645.00	\$129.00
7/2/2025	BGELMAN	Review and respond to emails from agent re offer and sign back; call with James at kindred credit; call with Angelik Jones re potential offer; Further calls with James and Angelik re offers received and review of same;	0.80	\$645.00	\$516.00
7/3/2025	BGELMAN	Review of revised offer and calls with Angelik and Jennifer Jones re same; Comments to revised offer and revisions; review of counsel comments; emails with lender group; review and sign signback;	2.00	\$645.00	\$1,290.00
7/4/2025	BGELMAN	Review and respond to email from broker re request to extend APS by several weeks to accommodate appraisal; Review and sign conditional sale for other property; Attend update meeting with Tom McElroy;	0.20	\$645.00	\$129.00
7/4/2025	TMCELROY	Internal file review meeting with B. Gelman;	0.10	\$595.00	\$59.50
7/5/2025	TMCELROY	Review and sign estate trust cheques;	0.10	\$595.00	\$59.50
7/6/2025	TMCELROY	Review and approve disbursement to property manager re April, May and June invoices;	0.10	\$595.00	\$59.50
7/7/2025	RBUBNIC	Scan, post and deposit rental income cheques from Ontario Disability and The Corporation of the County of Grey.	0.50	\$350.00	\$175.00
7/7/2025	TMCELROY	Approve disbursement; Review and respond to correspondence from property manager; Review of water bills for three properties;	0.30	\$595.00	\$178.50
7/8/2025	TMCELROY	Correspondence from Hydro One re arrears; Review and sign estate trust cheque;	0.20	\$595.00	\$119.00
7/10/2025	RBUBNIC	Prepared bank reconciliation for June 2025.	0.10	\$350.00	\$35.00
7/11/2025	TMCELROY	Approve disbursement;	0.10	\$595.00	\$59.50
7/13/2025	TMCELROY	Review and sign June 2025 bank reconciliation;	0.10	\$595.00	\$59.50
7/15/2025	TMCELROY	Review and sign estate trust cheque;	0.10	\$595.00	\$59.50
7/16/2025	TMCELROY	Approve disbursements (2);	0.10	\$595.00	\$59.50
7/18/2025	BGELMAN	Review and sign amendment to APS;	0.10	\$645.00	\$64.50

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7/21/2025	BGELMAN	Review and sign cheque for insurance;	0.10	\$645.00	\$64.50
7/21/2025	TSCOTT	Receive/review email notification from J Jones (RE Agent) re tenant complaint of other tenant allegedly arrested/released for violent incident forcing complainant to move out of building - contact A Mehta (Property Manager) to investigate and provide recommendations for resolution;	0.20	\$475.00	\$95.00
7/22/2025	TMCELROY	Correspondence from property manager re repairs and maintenance matters; Review and sign estate trust cheques;	0.20	\$595.00	\$119.00
7/25/2025	BGELMAN	Call with James Craig re further extension request from purchaser; Update call with Tom McElroy;	0.20	\$645.00	\$129.00
7/25/2025	TMCELROY	File update meeting with B. Gelman;	0.10	\$595.00	\$59.50
7/28/2025	TMCELROY	Review and sign listing agreement extension; Review and approve disbursement;	0.20	\$595.00	\$119.00
7/30/2025	TMCELROY	Approve disbursement;	0.10	\$595.00	\$59.50
7/31/2025	RBUBNIC	Scan, post and deposit rental income cheque from Ontario Disability.	0.10	\$350.00	\$35.00
8/1/2025	TMCELROY	Correspondence from counsel re purchaser change of legal counsel; Review and sign estate trust cheque;	0.20	\$595.00	\$119.00
8/5/2025	TMCELROY	Email to counsel re timing re AVO hearing;	0.10	\$595.00	\$59.50
8/6/2025	RBUBNIC	Scan, post and deposit rental income cheque from The Corporation of the County of Grey.	0.10	\$350.00	\$35.00
8/6/2025	TMCELROY	Review and respond to emails (2) from relator; Review and respond to correspondence from counsel;	0.20	\$595.00	\$119.00
8/7/2025	TMCELROY	Review and respond to correspondence from realtor; Numerous emails to/from counsel re requests from purchaser; Call with counsel re various matters related to APS and sale matters; Email to City of Owen Sound re waste water account; Several calls with realtor re requests for information from purchaser and other matters; Review of APS amendment;	1.70	\$595.00	\$1,011.50
8/8/2025	TMCELROY	Review of APA amendment and discuss same with realtor; Sign APA amendment;	0.20	\$595.00	\$119.00
8/11/2025	BGELMAN	Review and respond to email from Angelik Jones re next steps with respect to APS;	0.10	\$645.00	\$64.50
8/11/2025	TMCELROY	Review and respond to correspondence from City of Owen Sound re water bills requested from purchaser;	0.10	\$595.00	\$59.50
8/12/2025	BGELMAN	Review and sign amending agreement with prospective purchaser;	0.10	\$645.00	\$64.50
8/13/2025	TSCOTT	Receive/review request from RE Agent for utility bills for properties to disclose to purchasers' agents - provide same;	0.20	\$475.00	\$95.00

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8/13/2025	TMCELROY	Review and forward email from City of Owen Sound re waste water bills requested by purchaser; Emails to/from realtor re closing matters;	0.30	\$595.00	\$178.50
8/14/2025	BGELMAN	Review and sign amendment to APS;	0.10	\$645.00	\$64.50
8/14/2025	TMCELROY	Review and respond to correspondence from property manager;	0.10	\$595.00	\$59.50
8/15/2025	TMCELROY	Review and respond to correspondence from property manager; Approve disbursement; Review of water invoice from City of Owen Sound; Approve payment of same;	0.40	\$595.00	\$238.00
8/16/2025	TMCELROY	Review and sign July 2025 bank reconciliation;	0.10	\$595.00	\$59.50
8/17/2025	TMCELROY	Review and respond to correspondence from property manager; Email to property manager re lease agreement and estoppel certificates required by purchasers lender to approve financing;	0.40	\$595.00	\$238.00
8/19/2025	TMCELROY	Review and respond to correspondence from realtor; Review and respond to correspondence from City of Owen Sound re property tax sales request;	0.40	\$595.00	\$238.00
8/20/2025	TMCELROY	Emails to/from property manager re lease agreements and Estoppel Certificate; Call with realtor re documents required by purchasers as part of due diligence; Email to/from counsel re purchaser remaining on APS until closing; Approve disbursement; Emails to/from counsel re response to City of Owen Sound re request to register property tax certificates and start sales proceedings; Review and sign estate trust cheques;	0.90	\$595.00	\$535.50
8/21/2025	TSCOTT	Receive/review/collate utility bills (X 3) – produce/submit cheque requisitions for same;	0.20	\$475.00	\$95.00
8/22/2025	BGELMAN	Update from Tom McElroy; call with realtors and representatives of kindred credit;	1.00	\$645.00	\$645.00
8/22/2025	TMCELROY	Emails to/from each of the property manger, realtor and counsel re various matters related to purchaser requests for information; Calls (2) with realtor re purchaser requested amendments to APS; Review correspondence from purchaser; Call with counsel re Estoppel certificates and other matters; Conference call with realtor, secured creditors and Receiver; Review and sign estate trust cheque;	1.90	\$595.00	\$1,130.50
8/25/2025	TMCELROY	Review and respond to correspondence from water utility;	0.10	\$595.00	\$59.50
8/25/2025	TMCELROY	Review and sign APS amendment;	0.10	\$595.00	\$59.50
8/26/2025	BGELMAN	Attend file update meeting with Tom McElroy;	0.10	\$645.00	\$64.50
8/26/2025	TMCELROY	Discuss mutual release re offer on McKay Building with realtor; Sign same;	0.20	\$595.00	\$119.00

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Date	Staff	Description	Hours	Rate	Amount
8/26/2025	TMCELROY	File review meeting with B. Gelman;	0.20	\$595.00	\$119.00
8/27/2025	BGELMAN	Attend call with realtor and representative of Kindred Credit re offer and counter offer;	0.20	\$645.00	\$129.00
8/27/2025	TMCELROY	Call with realtor re existing offers for McKay building; Email to property manager re status of Estoppel certificates; Review of offers from two prospective purchasers for McKay building; Review and sign estate trust cheque; Conference call with Kindred, Receiver and realtor;	1.30	\$595.00	\$773.50
8/28/2025	IRAGUIMOV	Call with the tenant	0.20	\$500.00	\$100.00
8/28/2025	TMCELROY	Review and sign listing amendment agreement;	0.10	\$595.00	\$59.50

Total Fees: **\$33,786.00**

HST/GST: \$4,392.18

Summary by Staff:

	Hours	Rate	Amount
Bryan A Gelman, President, CIRP, LIT	18.90	\$645.00	\$12,190.50
Chris Rowe, Senior Manager, CA (ANZ)	1.30	\$450.00	\$585.00
Ianina Raguimov, Director, CIRP, LIT	0.20	\$500.00	\$100.00
Robert Bubnic, Senior Estate Administrator	1.50	\$350.00	\$525.00
Terry Scott, CPA	11.10	\$475.00	\$5,272.50
Tom McElroy, Managing Director, CPA, CBV, CIRP, LIT	25.40	\$595.00	\$15,113.00

Disbursements:

Taxable Disbursements

POSTAGE: \$29.52

Total Expenses: **\$29.52**

HST/GST: \$3.84

Amount Due This Invoice: **\$38,211.54**

Invoice Summary:

TOTAL FEES AND DISBURSEMENTS:	\$33,811.68
TOTAL HST/GST:	\$4,396.02
TOTAL AMOUNT DUE:	\$38,211.54

10603503 Canada Inc. et al
c/o Albert Gelman Inc.
250 Ferrand Drive
Toronto, ON M3C 3G

INVOICE

Invoice Date: Sep 8, 2025

Invoice Num: 8304

Billing Through: Aug 31, 2025

File ID: 10603503CANKINDRED-ON-R

Re: 10603503 Canada Inc. et al

Payment Methods:

Interac e-Transfer:

Payment by e-transfer must include the FILE ID located on the upper corner of the invoice.
Send payment to payments@albertgelman.com.

Electronic Funds Transfer (EFT) / Wire (CDN\$):

Beneficiary Bank: The Toronto-Dominion Bank
Branch Address: 161 Bay St., Toronto, Ontario M5J 2T2
Bank Institution Number: 004
Transit: 05002
Account Number: 5252455
Beneficiary Name: Albert Gelman Inc.
Swift Code: TDOMCATTOR

Cheques:

Payments by cheque can be mailed to:
Albert Gelman Inc.
250 Ferrand Drive, Suite 403, Toronto, Ontario M3C 3G8

10603503 Canada Inc. et al
 c/o Albert Gelman Inc.
 250 Ferrand Drive
 Toronto, ON M3C 3G

INVOICE

Invoice Date: Oct 4, 2025
Invoice Num: 8397
Billing Through: Sep 30, 2025
File ID: 10603503CANKINDRED-ON-R

Re: 10603503 Canada Inc. et al

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
9/2/2025	BGELMAN	Call with Tom McElroy re review of options for counter sign on MacKay building; Call with real estate agent A. Jones re update; Emails to Kindred representatives re same;	0.60	\$645.00	\$387.00
9/2/2025	TMCELROY	Review of sign back offer re McKay building and discuss response with B. Gelman; Call with realtor re condition re deposit; Discuss same with counsel;	0.60	\$595.00	\$357.00
9/3/2025	BGELMAN	Review and respond to emails regarding counter offer;	0.20	\$645.00	\$129.00
9/3/2025	TSCOTT	Receive review complaint from S MacDougall (Shanny's Kitchen) related to pest infestation management – forward same A Mehta (Richmond) for resolution; Send email response to S MacDougall (Shanny's Kitchen) to confirm status of services provided by former pest control management provider;	0.30	\$475.00	\$142.50
9/3/2025	TMCELROY	Review of APS sign back re McKay building and discuss same with B. Gelman; Sign APS amendment; Review and respond to correspondence from counsel re request from purchaser; Emails to/from property manager; Review and sign estate trust cheque;	0.60	\$595.00	\$357.00
9/4/2025	TMCELROY	Meeting with property manager to discuss management matters;	0.10	\$595.00	\$59.50
9/5/2025	BGELMAN	Call with realtor team and counsel re estoppel certificates and approach to obtaining them; Address extension request from buyer re Estoppel Certificates;	0.50	\$645.00	\$322.50
9/5/2025	TMCELROY	Conference call with Receiver, Receiver's counsel and realtor; Review of counsel letter to tenants re Estoppel Certificates; Review and sign estate trust cheque; Approval of property manager invoice;	0.60	\$595.00	\$357.00
9/8/2025	TMCELROY	Review and sign estate trust cheque;	0.10	\$595.00	\$59.50
9/9/2025	TMCELROY	Approve disbursement;	0.10	\$595.00	\$59.50
9/10/2025	BGELMAN	Update calls with Angelik and Jennifer Jones re update on estoppel certificates; Update with Tom McElroy re same;	0.20	\$645.00	\$129.00
9/10/2025	TMCELROY	Review and sign estate trust cheque; Review and respond to correspondence from realtor;	0.20	\$595.00	\$119.00
9/11/2025	TSCOTT	Receive review follow-up complaint from S MacDougall (Shanny's Kitchen) related to pest infestation management. Investigate reasons for delay – forward same A Mehta (Richmond) directing resolution by end of day Sep 12 for resolution. Provide same with expected outcomes related to challenges of this nature;	0.50	\$475.00	\$237.50

10603503 Canada Inc. et al
 c/o Albert Gelman Inc.
 250 Ferrand Drive
 Toronto, ON M3C 3G

INVOICE

Invoice Date: Oct 4, 2025
Invoice Num: 8397
Billing Through: Sep 30, 2025
File ID: 10603503CANKINDRED-ON-R

Re: 10603503 Canada Inc. et al

9/11/2025	TMCELROY	Discuss timeline re extensions with counsel; Voicemail exchange with W. Rueger (CRA); Call with W. Rueger (CRA) re Directors request for access to CRA records and information re the Debtor companies; Review and respond to correspondence from property manager;	0.60	\$595.00	\$357.00
9/12/2025	TSCOTT	Continue investigation related to pest management challenges - telcon K Bray (Richmond) to discuss challenges, root cause of tenant complaints, and corrective actions to be implemented by Richmond, including follow-up validations;	0.50	\$475.00	\$237.50
9/12/2025	TMCELROY	Review and respond to correspondence from realtor;	0.10	\$595.00	\$59.50
9/15/2025	TSCOTT	Telcon K Bray (Richmond) receive report on the rectifying pest management challenges;	0.20	\$475.00	\$95.00
9/15/2025	TMCELROY	Emails from property manager and realtor; Approve disbursement;	0.20	\$595.00	\$119.00
9/16/2025	TMCELROY	Correspondence from realtor; Review and sign estate trust cheque;	0.20	\$595.00	\$119.00
9/17/2025	TMCELROY	Correspondence from realtor; Correspondence from property manager;	0.20	\$595.00	\$119.00
9/18/2025	TMCELROY	Correspondence from realtor and Kindred Credit; Review and sign APS amending agreement;	0.20	\$595.00	\$119.00
9/19/2025	BGELMAN	Call with agent re extension; review and sign amendments;	0.20	\$645.00	\$129.00
9/19/2025	TMCELROY	Correspondence from realtor and property manager;	0.20	\$595.00	\$119.00
9/22/2025	TMCELROY	Emails to/from property manager;	0.20	\$595.00	\$119.00
9/23/2025	JDOWDELL	Fax interim report to OSB, save confirmation.	0.10	\$400.00	\$40.00
9/23/2025	TPAUL	Bank Rec Prepared for the month of august 2025.	0.10	\$325.00	\$32.50
9/23/2025	TSCOTT	Receive/review email from K Bray reporting progress with pest management activities - reply to same;	0.20	\$475.00	\$95.00
9/23/2025	TMCELROY	Review and respond to correspondence from property manager; Email to legal counsel re tenant request for new lease agreement; Prepare Receiver's six month report and updated interim SRD to be included therewith; Instructions to J. Dowdell to file with OSB; Email interim report to C. Dunkerly;	1.80	\$595.00	\$1,071.00
9/25/2025	BGELMAN	Update meeting with Tom McElroy;	0.10	\$645.00	\$64.50
9/25/2025	TSCOTT	Receive/review invoice 15046 from L-Ray Plumbing & Heating Ltd. telcon with Nyssa (customer Service) request invoice resent with corrected Receiver's nomenclature and include location/apt where repairs were effected;	0.30	\$475.00	\$142.50
9/25/2025	TMCELROY	Correspondence from realtor and property manager; File update meeting with B. Gelman;	0.20	\$595.00	\$119.00

10603503 Canada Inc. et al
 c/o Albert Gelman Inc.
 250 Ferrand Drive
 Toronto, ON M3C 3G

INVOICE

Invoice Date: Oct 4, 2025
Invoice Num: 8397
Billing Through: Sep 30, 2025
File ID: 10603503CANKINDRED-ON-R

Re: 10603503 Canada Inc. et al

Date	Staff	Description	Hours	Rate	Amount
9/27/2025	TMCELROY	Review and sign August 2025 bank reconciliation;	0.10	\$595.00	\$59.50
9/29/2025	BGELMAN	Review and approval of amendment to listing agreement;	0.10	\$645.00	\$64.50
9/29/2025	TMCELROY	Correspondence with property manager;	0.10	\$595.00	\$59.50
9/30/2025	BGELMAN	Calls with realtor re extension and approval of same;	0.20	\$645.00	\$129.00

Total Fees: **\$6,185.00**
HST/GST: \$804.05

Summary by Staff:

Staff	Hours	Rate	Amount
Bryan A Gelman, President, CIRP, LIT	2.10	\$645.00	\$1,354.50
Jacqueline Dowdell, Associate	0.10	\$400.00	\$40.00
Tanvi Paul, Junior Estate Administrator	0.10	\$325.00	\$32.50
Terry Scott, CPA	2.00	\$475.00	\$950.00
Tom McElroy, Managing Director, CPA, CBV, CIRP, LIT	6.40	\$595.00	\$3,808.00

Amount Due This Invoice: **\$6,989.05**

Invoice Summary:	
TOTAL FEES AND DISBURSEMENTS:	\$6,185.00
TOTAL HST/GST:	\$804.05
TOTAL AMOUNT DUE:	\$6,989.05

GST/HST Registration # 83741 9514 RT0001

10603503 Canada Inc. et al
c/o Albert Gelman Inc.
250 Ferrand Drive
Toronto, ON M3C 3G

INVOICE

Invoice Date: Oct 4, 2025

Invoice Num: 8397

Billing Through: Sep 30, 2025

File ID: 10603503CANKINDRED-ON-R

Re: 10603503 Canada Inc. et al

Payment Methods:

Interac e-Transfer:

Payment by e-transfer must include the FILE ID located on the upper corner of the invoice.
Send payment to payments@albertgelman.com.

Electronic Funds Transfer (EFT) / Wire (CDN\$):

Beneficiary Bank: The Toronto-Dominion Bank
Branch Address: 161 Bay St., Toronto, Ontario M5J 2T2
Bank Institution Number: 004
Transit: 05002
Account Number: 5252455
Beneficiary Name: Albert Gelman Inc.
Swift Code: TDOMCATTOR

Cheques:

Payments by cheque can be mailed to:
Albert Gelman Inc.
250 Ferrand Drive, Suite 403, Toronto, Ontario M3C 3G8

10603503 Canada Inc. et al
 c/o Albert Gelman Inc.
 250 Ferrand Drive
 Toronto, ON M3C 3G

INVOICE

Invoice Date: Nov 7, 2025
Invoice Num: 8428
Billing Through: Oct 31, 2025
File ID: 10603503CANKINDRED-ON-R

Re: 10603503 Canada Inc. et al

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
10/1/2025	JDOWDELL	Payment request.	0.10	\$400.00	\$40.00
10/1/2025	TMCELROY	Review of insurance invoice; Approve disbursement;	0.10	\$595.00	\$59.50
10/2/2025	TMCELROY	Review and sign estate trust cheque;	0.10	\$595.00	\$59.50
10/3/2025	TMCELROY	Review and approve RAS invoice; Review and sign estate trust cheque;	0.20	\$595.00	\$119.00
10/8/2025	IRAGUIMOV	Call with the commercial tenant of the company	0.30	\$500.00	\$150.00
10/9/2025	TMCELROY	Call with realtor re various matters; Call with property manager re access to unit 9 and other matters; Email to realtor and property manager; Review and sign APS amendment;	0.60	\$595.00	\$357.00
10/10/2025	TMCELROY	Review and signed APS amending agreement;	0.20	\$595.00	\$119.00
10/14/2025	TMCELROY	Review and sign estate trust cheque; Emails from realtor, secured creditor and counsel; Review and respond to correspondence from secured creditor; Review and sign APS amendment;	0.40	\$595.00	\$238.00
10/15/2025	BGELMAN	Review of correspondence relating to sale of both properties; call with Tom McElroy re next steps in relation to closings;	0.20	\$645.00	\$129.00
10/15/2025	TMCELROY	Review and sign APS amendment; Review and respond to correspondence from realtor re binding offer; Review and sign condition waiver; Correspondence from counsel re court hearing; Continue drafting First report to Court;	2.40	\$595.00	\$1,428.00
10/16/2025	TMCELROY	Email to Artist Co-op re lease renewal;	0.20	\$595.00	\$119.00
10/17/2025	JDOWDELL	PPSA searches.	0.20	\$400.00	\$80.00
10/17/2025	TMCELROY	Emails to/from counsel re Court hearing; Continue drafting Report to Court; Review and respond to correspondence from secured creditor;	4.90	\$595.00	\$2,915.50
10/18/2025	TMCELROY	Review and sign September 2025 bank reconciliation;	0.10	\$595.00	\$59.50
10/20/2025	BGELMAN	Updates from T. McElroy re sale process and next steps for court approval;	0.20	\$645.00	\$129.00
10/20/2025	TMCELROY	Emails to/from realtor re information required for report to Court;	0.20	\$595.00	\$119.00
10/21/2025	TMCELROY	Approve disbursements (2);	0.10	\$595.00	\$59.50
10/22/2025	TMCELROY	Review and respond to correspondence from counsel; Review and respond to correspondence from commercial tenant; Review and sign estate trust cheques;	0.40	\$595.00	\$238.00
10/23/2025	TPAUL	Bank Rec prepared for the month of Sept 2025.	0.10	\$325.00	\$32.50
10/23/2025	TMCELROY	Review and respond to correspondence from commercial tenant; Review and respond to correspondence from secured creditor;	0.40	\$595.00	\$238.00

10603503 Canada Inc. et al
 c/o Albert Gelman Inc.
 250 Ferrand Drive
 Toronto, ON M3C 3G

INVOICE

Invoice Date: Nov 7, 2025
Invoice Num: 8428
Billing Through: Oct 31, 2025
File ID: 10603503CANKINDRED-ON-R

Re: 10603503 Canada Inc. et al

Date	Staff	Description	Hours	Rate	Amount
10/24/2025	TMCELROY	Review and sign listing agreement extensions;	0.20	\$595.00	\$119.00
10/27/2025	BGELMAN	Attend update call with Tom McElroy;	0.10	\$645.00	\$64.50
10/27/2025	TMCELROY	File update meeting with B. Gelman; Emails to/from property manager re various matters;	0.50	\$595.00	\$297.50
10/28/2025	TSCOTT	Receive/review utility bills – produce/submit cheque req;	0.20	\$475.00	\$95.00
10/28/2025	TMCELROY	Correspondence to/from property manager re various matters;	0.20	\$595.00	\$119.00
10/29/2025	TMCELROY	Review and sign estate trust cheque;	0.10	\$595.00	\$59.50
10/31/2025	TSCOTT	Receive, review, monitor correspondences between Shanny's Kitchen and RAS re broken window and potential hazard to persons near same – assist/direct RAS in resolution;	0.50	\$475.00	\$237.50
10/31/2025	TMCELROY	Correspondence from tenant; Email to property manager;	0.20	\$595.00	\$119.00

Total Fees: **\$7,800.00**
HST/GST: \$1,014.00

Summary by Staff:

Staff	Hours	Rate	Amount
Bryan A Gelman, President, CIRP, LIT	0.50	\$645.00	\$322.50
Ianina Raguimov, Director, CIRP, LIT	0.30	\$500.00	\$150.00
Jacqueline Dowdell, Associate	0.30	\$400.00	\$120.00
Tanvi Paul, Junior Estate Administrator	0.10	\$325.00	\$32.50
Terry Scott, CPA	0.70	\$475.00	\$332.50
Tom McElroy, Managing Director, CPA, CBV, CIRP, LIT	11.50	\$595.00	\$6,842.50

Disbursements:

Taxable Disbursements

POSTAGE: \$1.23

Total Expenses: \$1.23
HST/GST: \$0.16

Amount Due This Invoice: **\$8,815.39**

Invoice Summary:

TOTAL FEES AND DISBURSEMENTS:	\$7,801.07
TOTAL HST/GST:	\$1,014.16
TOTAL AMOUNT DUE:	\$8,815.39

10603503 Canada Inc. et al
c/o Albert Gelman Inc.
250 Ferrand Drive
Toronto, ON M3C 3G

INVOICE

Invoice Date: Nov 7, 2025

Invoice Num: 8428

Billing Through: Oct 31, 2025

File ID: 10603503CANKINDRED-ON-R

Re: 10603503 Canada Inc. et al

GST/HST Registration # 83741 9514 RT0001

Payment Methods:

Interac e-Transfer:

Payment by e-transfer must include the FILE ID located on the upper corner of the invoice.
Send payment to payments@albertgelman.com.

Electronic Funds Transfer (EFT) / Wire (CDN\$):

Beneficiary Bank: The Toronto-Dominion Bank
Branch Address: 161 Bay St., Toronto, Ontario M5J 2T2
Bank Institution Number: 004
Transit: 05002
Account Number: 5252455
Beneficiary Name: Albert Gelman Inc.
Swift Code: TDOMCATTOR

Cheques:

Payments by cheque can be mailed to:
Albert Gelman Inc.
150 Ferrand Drive, Suite 1503, Toronto, Ontario M3C 3E5

APPENDIX “N”

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N :

KINDRED CREDIT UNION LIMITED

Applicant

- and -

10603503 CANADA INC., 11393251 CANADA INC. and
11393235 CANADA INC.

Respondents

**IN THE MATTER OF AN APPLICATION PURSUANT TO SUBSECTION 243(1) OF
THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985 c. B-3, AS AMENDED; AND
SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED**

AFFIDAVIT OF IAN KLAIMAN

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

1. I am a lawyer with the law firm of Spetter Zeitz Klaiman PC (“SZK”), lawyers for Albert Gelman Inc. (the “**Receiver**”) in its capacity as receiver appointed, without security, over all property, assets and undertakings of the Respondents and as such have knowledge of the matters to which I hereinafter depose. I verily believe to be true all matters that I depose to which I do not have first-hand knowledge of based on my review of the file.

2. Now produced and shown to me and marked as **Exhibit “A”** to this my Affidavit is a true copy of an accounts issued by SZK to the Receiver for the period between November 20, 2024, and October 24, 2025.

3. I am advised by the lawyers who docketed time on this matter and believe that the dockets reflect the services provided by SZK in this matter and the fees and disbursements claimed by it.

4. I submit that the hourly rates charged are reasonable and comparable with other law firms within the City of Toronto of equivalent competence and expertise in the bankruptcy area.

SWORN BEFORE ME by video
teleconference at the City of Toronto, in the
Province of Ontario on the 12th day of
November, 2025, in accordance with O. Reg.
431/20, Administering Oath or Declaration
Remotely



TIEGAN KILBRIDE
LSO No. P17363

IAN KLAIMAN

This is **Exhibit “A”** referred to
in the Affidavit of Ian Klaiman
Sworn before me this 12th
Day of November, 2025



A commissioner for taking Affidavits Virtually
Commissioned by Tiegán Kilbride
LSO#P17363, as per LSO corporate statement re COVID-19

INVOICE

Albert Gelman Inc.
60 Shaftesbury Ave
Toronto, Ontario M4T 1A3

Invoice Date: December 9, 2024
Invoice No.: 94228
Billing Through: December 9, 2024
Matter: 71081

RE: 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc.

Professional Fees

<u>Date</u>	<u>Description</u>	<u>Provider</u>	<u>Hours</u>
2024-11-20	call from B. Gelman; receipt and review receivership order; emails with B. Gelman	IJK	0.30
2024-11-21	Conduct 4 title searches on subject properties;	JSQ	1.20
2024-11-21	Prepare and register Application to Register Court Order re Appointment Order on 3 LT parcels and report to Bryan Gelman;	JSQ	0.80
2024-11-22	Prepare old POLARIS form of Document General to register Appointment Order on River Frontages non-convert R-PIN and register same;	JSQ	0.80
2024-11-22	Receipt and review of registered Court Order on R-PIN from Prantera, Silva (MPBSDP) ; Report to Bryan Gelman;	JSQ	0.20
2024-11-24	Email from lanina Raguimov requesting 4 tax certificates and arrange to obtain same;	JSQ	0.20
2024-11-27	Review email from Michael Cassone re additional properties which may be sold by Receiver, review parcel abstracts and respond to Tom McElroy;	JSQ	0.50
2024-11-27	emails with B. Gelman and T. McElroy	IJK	0.10
2024-12-02	Receipt and review of tax certificates for 3 parcels and send same to lanina Raguimov ;	JSQ	0.20
2024-12-02	email from T. McElroy; email from B. Gelman; review offer to purchase and email from S. Dunkerley; email to T. McElroy and B. Gelman	IJK	0.40
2024-12-02	Receipt and review of Agreement of Purchase and Sale from Tom McElroy;	JSQ	0.20
2024-12-03	Prepare memo re issues with recently received Agreement of Purchase and Sale from Craig Dunkerley;	JSQ	0.50
2024-12-03	email from B. Gelman	IJK	0.10
2024-12-04	review text messages between C. Dunkerley and T. Bester; further review 239 Agreement of Purchase and Sale; draft email to H. Manis; email to T. McElroy and B. Gelman; email from T. McElroy; email to H. Manis	IJK	1.20
2024-12-06	Receipt and review of 3 utility certificates and forward same to lanina Raguimov ;	JSQ	0.20
2024-12-06	Telephone call with Tom McElroy re status of property and offers;	JSQ	0.40

2024-12-06	Email from Tom McElroy discussing background of recently received offer for properties;	JSQ	0.10
2024-12-06	email from T. McElroy	IJK	0.10
Total			<u>7.50</u>
			\$4,235.00

Summary by Provider

IJK	Ian Klaiman	2.20	600.00	1,320.00
JSQ	James Quigley	<u>5.30</u>	550.00	<u>2,915.00</u>
		7.50		4,235.00

Total HST on Fees \$550.55

Disbursements Taxable

Subsearches of Title	158.80
Subsearches of Title	106.50
Registration-Court Order -s/c	11.80
Total	<u>\$277.10</u>

Total HST on Disbursements \$36.02

Disbursements Non-Taxable

Registration-Court Order	70.90
Registration-Court Order (Registry)	70.90
Owen Sound - Tax and Water Certificates - 10603503 Canada Inc. 950-956 2nd Ave E	80.00
Owen Sound - Tax and Water Certificates - 11393251 Canada Inc. 942-944 2nd Ave E	80.00
Owen Sound - Tax and Water Certificates - 11393235 Canada Inc. 948 2nd Ave E	80.00
Total	<u>\$381.80</u>

Total Fees and Disbursements	\$4,893.90
HST	\$586.57
Transferred from Trust	\$0.00
Total Fees, Disbursements & Taxes	\$5,480.47

Unpaid Balance as of Last Invoice \$0.00

SPETTER ZEITZ KLAIMAN PC

Ian Klaiman

Payment of this account is due on receipt.

Total HST: \$586.57
HST No.: 720773514



NOTE: This account bears interest from one month after delivery in accordance with the rate prescribed by Section 128 of the Courts of Justice Act.

INVOICE

Albert Gelman Inc.
60 Shaftesbury Ave
Toronto, Ontario M4T 1A3

Invoice Date: February 10, 2025
Invoice No.: 94805
Billing Through: February 10, 2025
Matter: 71081

RE: 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc.

Professional Fees

<u>Date</u>	<u>Description</u>	<u>Provider</u>	<u>Hours</u>
2024-12-03	Email from Tom McElroy re former owner is attempting to convince superintendent to give him rental proceeds;	JSQ	0.20
2024-12-04	Receipt and review of draft email by Ian Klaiman to Howard Manis re APS and other matters;	JSQ	0.20
2025-01-13	Telephone call with Tom McElroy re need for property management contract;	JSQ	0.30
2025-01-17	Prepare draft Property Management Agreement;	JSQ	1.20
2025-01-30	email from M. Cassone; initial review of three offers; email to B. Gelman and T. McElroy; emails with T. McElroy	IJK	0.70
2025-01-31	email from M. Cassone; email to M. Cassone	IJK	0.10
2025-02-02	emails from T. McElroy; initial review of draft APS/Schedule B, and listing agreements	IJK	0.40
2025-02-03	email to T. McElroy; email from M. Cassone; email from B. Gelman; email to B. Gelman; emails with T. McElroy; call with J. Mundle	IJK	0.40
2025-02-05	Review of 3 listing agreements, OREA Commercial APS form and receivership Schedule B to APS from Tom McElroy and make notes;	JSQ	1.20
2025-02-06	Final review of listing agreements, OREA standard APS and Schedule B and report to Tom McElroy ;	JSQ	0.50
2025-02-06	email to J. Mundle; email to P. McElroy; call with T. McElroy	IJK	0.40
2025-02-10	email to T. McElroy; email from T. McElroy; email to J. Mundle	IJK	0.40
	Total		6.00
			\$3,580.00

Summary by Provider

IJK	Ian Klaiman	2.40	600.00	1,440.00
JSQ	James Quigley	0.40	550.00	220.00
JSQ	James Quigley	3.20	600.00	1,920.00
		6.00		3,580.00

Total HST on Fees

\$465.40

Total Fees and Disbursements	\$3,580.00
HST	\$465.40
Transferred from Trust	\$0.00
Total Fees, Disbursements & Taxes	\$4,045.40

Unpaid Balance as of Last Invoice \$0.00

SPETTER ZEITZ KLAIMAN PC

Ian Klaiman

Payment of this account is due on receipt.

Total HST: \$465.40
HST No.: 720773514



NOTE: This account bears interest from one month after delivery in accordance with the rate prescribed by Section 128 of the Courts of Justice Act.

INVOICE

Albert Gelman Inc.
60 Shaftesbury Ave
Toronto, Ontario M4T 1A3

Invoice Date: March 5, 2025
Invoice No.: 94969
Billing Through: March 5, 2025
Matter: 71081

RE: 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc.

Professional Fees

<u>Date</u>	<u>Description</u>	<u>Provider</u>	<u>Hours</u>
2025-02-11	emails from T. McElroy and M. Cassone	IJK	0.20
2025-02-11	Receipt and review of Kindred 3 payout statements from Michael Cassone ;	JSQ	0.20
2025-02-14	email from T. McElroy	IJK	0.10
2025-02-14	Receipt of lengthy email from Tom McElroy attaching Application Record regarding security opinion and review same;	JSQ	0.50
2025-02-18	Receipt and review of Listing Agreement for 942-944 2nd Avenue in Owen Sound and provide comments to Tom McElroy;	JSQ	0.40
2025-02-19	Review and approve form of HDA from Tom McElroy;	JSQ	0.30
2025-03-03	Email exchange between Tom McElroy and Michael Cassone re timing of sale of properties;	JSQ	0.10
2025-03-03	email from M. Cassone; email from T. McElroy	IJK	0.10
	Total		1.90
			\$1,140.00

Summary by Provider

IJK	Ian Klaiman	0.40	600.00	240.00
JSQ	James Quigley	1.50	600.00	900.00
		1.90		1,140.00

Total HST on Fees

\$148.20

Total Fees and Disbursements	\$1,140.00
HST	\$148.20
Transferred from Trust	\$0.00
Total Fees, Disbursements & Taxes	\$1,288.20

Unpaid Balance as of Last Invoice \$0.00

SPETTER ZEITZ KLAIMAN PC

Ian Klaiman

Payment of this account is due on receipt.

Total HST: \$148.20
HST No.: 720773514



NOTE: This account bears interest from one month after delivery in accordance with the rate prescribed by Section 128 of the Courts of Justice Act.

INVOICE

Albert Gelman Inc.
 250 Ferrand Drive
 Suite 403
 Toronto, Ontario M3C 3G8

Invoice Date: March 31, 2025
Invoice No.: 95853
Billing Through: March 31, 2025
Matter: 71081

RE: 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc.

Professional Fees

<u>Date</u>	<u>Description</u>	<u>Provider</u>	<u>Hours</u>
2025-03-05	Review security;	JSQ	0.50
2025-03-20	email from T. McElroy	IJK	0.10
2025-03-25	emails with T. McElroy; review offer summary sheet	IJK	0.40
2025-03-25	Receipt and review of offer spreadsheet from Tom McElroy ;	JSQ	0.20
2025-03-26	call with T. McElroy to discuss offers and strategy	IJK	0.40
2025-03-28	email from T. McElroy; email from A. Jones; preliminary review of Agreement of Purchase and Sale	IJK	0.40
2025-03-30	emails with T. McElroy and A. Jones	IJK	0.10
2025-03-31	Receipt and review of Agreement of Purchase and Sale for 942-944 2nd Avenue E, Owen Sound, Ontario N4K 2H6;	JSQ	0.50
2025-03-31	prepare for and attend on Teams meeting with T. McElroy, J. Quigley, B. Gelman and A. Jones to review offers and strategy	IJK	0.50
2025-03-31	Teams meeting with Tom McElroy, Bryan Gelman, Ian Klaiman and realtor to discuss offer on property;	JSQ	0.50
2025-03-31	Final review of APS after changes made;	JSQ	0.20
Total			3.80
			\$2,280.00

Summary by Provider

IJK	Ian Klaiman	1.90	600.00	1,140.00
JSQ	James Quigley	1.90	600.00	1,140.00
		3.80		2,280.00

Total HST on Fees \$296.40

Total Fees and Disbursements	\$2,280.00
HST	\$296.40
Transferred from Trust	\$0.00
Total Fees, Disbursements & Taxes	\$2,576.40

Unpaid Balance as of Last Invoice \$0.00

SPETTER ZEITZ KLAIMAN PC

Ian Klaiman

Payment of this account is due on receipt.

Total HST: \$296.40
HST No.: 720773514



NOTE: This account bears interest from one month after delivery in accordance with the rate prescribed by Section 128 of the Courts of Justice Act.

INVOICE

Albert Gelman Inc.
 250 Ferrand Drive
 Suite 403
 Toronto, Ontario M3C 3G8

Invoice Date: April 30, 2025
Invoice No.: 96327
Billing Through: April 30, 2025
Matter: 71081

RE: 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc.

Professional Fees

<u>Date</u>	<u>Description</u>	<u>Provider</u>	<u>Hours</u>
2025-04-18	Receipt, review and comment on Agreement of Purchase and Sale for 942-944 2nd Ave East Owen Sound to Bryan Gelman;	JSQ	0.50
2025-04-22	Receipt and review and comment on APS for 950-956 & 948 Avenue East, Owen Sound;	JSQ	0.40
	Total		0.90
			\$540.00

Summary by Provider

JSQ	James Quigley	<u>0.90</u>	600.00	<u>540.00</u>
		0.90		540.00
	Total HST on Fees			\$70.20

Total Fees and Disbursements	\$540.00
HST	\$70.20
Transferred from Trust	\$0.00
Total Fees, Disbursements & Taxes	\$610.20

Unpaid Balance as of Last Invoice \$0.00

SPETTER ZEITZ KLAIMAN PC

Ian Klaiman

Payment of this account is due on receipt.

Total HST: \$70.20
HST No.: 720773514



NOTE: This account bears interest from one month after delivery in accordance with the rate prescribed by Section 128 of the Courts of Justice Act.

INVOICE

Albert Gelman Inc.
 250 Ferrand Drive
 Suite 403
 Toronto, Ontario M3C 3G8

Invoice Date: May 31, 2025
Invoice No.: 96699
Billing Through: May 31, 2025
Matter: 71081

RE: 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc.

Professional Fees

<u>Date</u>	<u>Description</u>	<u>Provider</u>	<u>Hours</u>
2025-05-05	Telephone call with Bryan Gelman re offer from second mortgage lender with personal guarantee of principal;	JSQ	0.30
2025-05-09	Review APS for 942-944 2nd Ave E and amend Schedule D to solidify guarantee and send to realtor; Multiple email exchanges with realtor and Bryan Gelman;	JSQ	0.80
2025-05-12	Email from Angelik Jones re status of Mundle offer;	JSQ	0.20
	Total		1.30
			\$780.00

Summary by Provider

JSQ	James Quigley	<u>1.30</u>	600.00	<u>780.00</u>
		1.30		780.00
	Total HST on Fees			\$101.40

Total Fees and Disbursements	\$780.00
HST	\$101.40
Transferred from Trust	\$0.00
Total Fees, Disbursements & Taxes	\$881.40

Unpaid Balance as of Last Invoice \$0.00

SPETTER ZEITZ KLAIMAN PC

Ian Klaiman

Payment of this account is due on receipt.

Total HST: \$101.40
HST No.: 720773514



NOTE: This account bears interest from one month after delivery in accordance with the rate prescribed by Section 128 of the Courts of Justice Act.

INVOICE

Albert Gelman Inc.
 250 Ferrand Drive
 Suite 403
 Toronto, Ontario M3C 3G8

Invoice Date: June 28, 2025
Invoice No.: 96853
Billing Through: June 28, 2025
Matter: 71081

RE: 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc.

Professional Fees

<u>Date</u>	<u>Description</u>	<u>Provider</u>	<u>Hours</u>
2025-06-10	Receipt and review of New Offer from Jeff Mundle for 942-944 2nd Ave. and correspond with realtor and Bryan Gelman;	JSQ	0.20
2025-06-11	Review if revised New Offer from Jeff Mundle for 942-944 2nd Ave., review and advise on amendment language and prepare Guarantee of Jeffrey Mundel;	JSQ	1.40
	Total		1.60
			\$960.00

Summary by Provider

JSQ	James Quigley	1.60	600.00	960.00
		<u>1.60</u>		<u>960.00</u>
	Total HST on Fees			\$124.80

Total Fees and Disbursements	\$960.00
HST	\$124.80
Transferred from Trust	\$0.00
Total Fees, Disbursements & Taxes	\$1,084.80

Unpaid Balance as of Last Invoice \$0.00

SPETTER ZEITZ KLAIMAN PC

Ian Klaiman

Payment of this account is due on receipt.

Total HST: \$124.80
HST No.: 720773514



NOTE: This account bears interest from one month after delivery in accordance with the rate prescribed by Section 128 of the Courts of Justice Act.

INVOICE

Albert Gelman Inc.
 250 Ferrand Drive
 Suite 403
 Toronto, Ontario M3C 3G8

Invoice Date: July 31, 2025
Invoice No.: 97674
Billing Through: July 31, 2025
Matter: 71081

RE: 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc.

Professional Fees

<u>Date</u>	<u>Description</u>	<u>Provider</u>	<u>Hours</u>
2025-07-03	Review of new offer to purchase 942-944 2nd Ave E Owen Sound from 1001213939 Ontario Inc. and provide email memo to AGI team re comments and needed amendments;	JSQ	0.50
2025-07-03	Prepare lengthy email memorandum to Angelik Jones re wording of amendments to new APS offer;	JSQ	0.70
2025-07-03	Email from James Craig that Kindred supports new offer;	JSQ	0.10
2025-07-24	Email from re Angelik Jones end of conditional period and purchaser lawyer has questions;	JSQ	0.10
2025-07-25	Email from Angelik Jones with purchaser lawyer contact details;	JSQ	0.10
2025-07-25	Email from Bryan Gelman re receiver recommends 2 week extension of sale closing;	JSQ	0.10
2025-07-25	Email from James Craig confirming 2 extension of sale closing;	JSQ	0.10
2025-07-25	Email from Angelik Jones re she will prepare an amendment extending closing date;	JSQ	0.10
2025-07-28	Email to info@sankalaw.com to arrange phone call;	JSQ	0.10
2025-07-28	Attempted to contact purchaser lawyer and left voicemail;	JSQ	0.10
2025-07-28	Telephone call with Angelik Jones re extension;	JSQ	0.20
2025-07-29	Email from Sanka Wijeratne that she is being replaced as purchaser lawyer;	JSQ	0.10
Total			2.30
			\$1,380.00

Summary by Provider

JSQ	James Quigley	<u>2.30</u>	600.00	<u>1,380.00</u>
		2.30		1,380.00
Total HST on Fees				\$179.40

Total Fees and Disbursements	\$1,380.00
HST	\$179.40
Transferred from Trust	\$0.00
Total Fees, Disbursements & Taxes	\$1,559.40

Unpaid Balance as of Last Invoice \$0.00

SPETTER ZEITZ KLAIMAN PC

Ian Klaiman

Payment of this account is due on receipt.

Total HST: \$179.40
HST No.: 720773514



NOTE: This account bears interest from one month after delivery in accordance with the rate prescribed by Section 128 of the Courts of Justice Act.

INVOICE

Albert Gelman Inc.
250 Ferrand Drive
Suite 403
Toronto, Ontario M3C 3G8

Invoice Date: August 31, 2025
Invoice No.: 98120
Billing Through: August 31, 2025
Matter: 71081

RE: 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc.

Professional Fees

<u>Date</u>	<u>Description</u>	<u>Provider</u>	<u>Hours</u>
2025-08-05	Email exchange with Tom McElroy re Court availability for Approval and Vesting Order;	JSQ	0.10
2025-08-05	Email exchange with new purchaser lawyer silvy@sfdolaw.com regarding waiver and approval and vesting order procedure and report to AGI;	JSQ	0.20
2025-08-06	Email from purchaser's lawyer asking for rent roll and chattel list and forwarded to AGI;	JSQ	0.20
2025-08-06	Email from realtor Angelik Jones that it is difficult to itemize the chattels;	JSQ	0.10
2025-08-06	Email from Arun Mehta re there is no list of chattels;	JSQ	0.10
2025-08-07	Email to AGI team confirming no chattel list but asking to be sent a rent roll to satisfy the purchaser's lawyer;	JSQ	0.10
2025-08-07	Email to silvy@sfdolaw.com re no list of chattels and still attempting to get rent roll;	JSQ	0.10
2025-08-07	Email from Tom McElroy attaching June rent statement;	JSQ	0.10
2025-08-07	Email to purchaser's lawyer attaching June rent statement;	JSQ	0.10
2025-08-07	Email to Tom McElroy stating that purchaser's lawyer is still requiring list of units;	JSQ	0.10
2025-08-07	Further email from purchaser's lawyer insisting on list of units;	JSQ	0.10
2025-08-07	Receipt of rent chart from Tom McElroy and deliver of same to purchaser's lawyer with disclaimer that chart may not be relied upon;	JSQ	0.20
2025-08-07	Telephone call with Tom McElroy that wrong rental chart was sent and new one coming;	JSQ	0.20
2025-08-07	Correct rent roll received from Angelik Jones ;	JSQ	0.10
2025-08-07	Delivered correct rent roll to 'silvy@sfdolaw.com' with disclaimer;	JSQ	0.20
2025-08-08	Emails and phone call with realtor Angelik Jones to discuss requested extension of conditions;	JSQ	0.30
2025-08-08	Communicate with Owen Sound court to get motion date;	JSQ	0.10
2025-08-08	Email from Angelik Jones that another 2 week extension of APS conditional period to be entered into;	JSQ	0.10

2025-08-08	Telephone call with realtor Angelik Jones re extension and purchaser wanting to sub numbered company - no;	JSQ	0.30
2025-08-12	Receipt and review of Amendment for McKay Offer (942-944) moving conditional period to Aug 18;	JSQ	0.10
2025-08-12	Receipt and review of email questions from Angelik Jones regarding 90-day termination provision and possible assignment of APS for 950-956 & 948 2nd Ave. E. (Shanny's Kitchen) and provide comprehensive answer;	JSQ	0.30
2025-08-14	Receipt and review of Amendment from Angelik Jones for 950-956 & 948 2nd Ave E Ravi Patel deal changing conditional period to Aug 22;	JSQ	0.10
2025-08-14	Receipt and review of amendment from Angelik Jones for Ravi Patel deal fixing drop dead date and adding assignment provision;	JSQ	0.10
2025-08-14	Email exchange with Angelik Jones re discussion with Patel's lawyer needed;	JSQ	0.10
2025-08-15	Email from Angelik Jones re final extension of 942-944 deal;	JSQ	0.10
2025-08-15	Email from Hillary Robertson agreeing to final extension for 942-944 deal;	JSQ	0.10
2025-08-16	Email exchange with silvy@sfdolaw.com regarding change of name of purchaser and careful review of APD for 950-956 to see if purchaser's lawyer's claim that assignment clause exists is true - could not find and reported same;	JSQ	0.30
2025-08-18	Email from Tom McElroy regarding need for tenant lease estoppel certificates;	JSQ	0.20
2025-08-18	Prepare and deliver to AGI two forms of tenant estoppel certificate for 950-956 & 948 deal (residential and commercial versions);	JSQ	0.70
2025-08-18	Email exchange with realtor Angelik Jones re completing commercial estoppel certificate if commercial lease is sent to me;	JSQ	0.10
2025-08-18	Receipt and review of commercial lease for Shanny's Kitchen; Prepare tenant estoppel certificate for Shanny's Kitchen lease and forward to 'Angelik Jones' ;	JSQ	0.60
2025-08-19	Email from silvy@sfdolaw.com re requested amendment to swap new corp with individual buyer;	JSQ	0.10
2025-08-19	Receipt and review of email from Crystal Moffatt regarding City of Owne Sound wanting to conduct enforcement on subject lands;	JSQ	0.20
2025-08-20	Email response to silvy@sfdolaw.com re amendment proposal to add new corporation as buyer; Report to AGI and realtor;	JSQ	0.20
2025-08-20	Email to Tom McElroy advising to deny City of Owen Sound's request for enforcement;	JSQ	0.20
2025-08-20	Receipt of email instructions from Tom McElroy re response to City re tax arrears;	JSQ	0.10
2025-08-20	Email to Crystal Moffatt re property tax arrears and for City to sit tight until sale;	JSQ	0.20
2025-08-20	Email to 'silvy@sfdolaw.com' re proposed amendment if satisfactory to add new corp as buyer;	JSQ	0.10
2025-08-20	Email from 'silvy@sfdolaw.com' seeking clarification whether amendment to add corp buyer would be an assignment or not;	JSQ	0.10
2025-08-22	Respond to 'silvy@sfdolaw.com' seeking clarification whether amendment to add corp buyer would be an assignment or not; Report to realtor and AGI;	JSQ	0.10

2025-08-22	Telephone call with silvy@sfdolaw.com re amendment and waiver of conditions;	JSQ	0.20
2025-08-22	Report to Angelik Jones on call with Patel's lawyer re waiver of conditions and amendment;	JSQ	0.10
2025-08-22	Receipt and review of Excel spreadsheet of tenancies and details and prepare 15 customized residential estoppel certificates over 3 buildings and 3 owners and send to Tom McElroy;	JSQ	1.40
2025-08-22	Telephone call with Tom McElroy re extension on Ravi Patel deal and request for abatement on other deal;	JSQ	0.30
2025-08-22	Email to Angelik Jones and Jennifer Jones re need help identifying purchasers for tenant estoppels;	JSQ	0.10
2025-08-22	Receipt and review of Amendment to Ravi Patel APS extending condition waiver to September 5, 2025;	JSQ	0.20
2025-08-23	Receipt and review of sign back for 942 -944 2nd Ave E from purchaser from realtor Angelik Jones;	JSQ	0.10
2025-08-25	Revise residential tenant estoppel certificates to customize for Ravi Patel purchaser;	JSQ	0.30
2025-08-25	Email exchange with property manager Arun Mehta re residential tenancy estoppel certificates;	JSQ	0.20
2025-08-26	Receipt and review of Schedule "D" for new offer from Angelik Jones via email;	JSQ	0.20
2025-08-27	Respond to Angelique Jones re assignment provision of Schedule D needs to be amended	JSQ	0.10
2025-08-27	Email from Tom McElroy to Arun Mehta re status of tenant estoppel certificates;	JSQ	0.10
2025-08-27	Email from Arun Mehta to Tom McElroy re status of tenant estoppel certificates;	JSQ	0.10
2025-08-27	Email exchange with realtor and Tom McElroy to provide wording for assignment provision;	JSQ	0.20
2025-08-27	Receipt and review of email from Angelik Jones re further amendment to deposit provision;	JSQ	0.10
2025-08-27	Receipt and review of email from Kayla Bray re status of tenant estoppel certificates;	JSQ	0.10
	Total		10.70
			\$6,420.00

Summary by Provider

JSQ	James Quigley	<u>10.70</u>	600.00	<u>6,420.00</u>
		10.70		6,420.00
	Total HST on Fees			\$834.60

Total Fees and Disbursements	\$6,420.00
HST	\$834.60
Transferred from Trust	\$0.00
Total Fees, Disbursements & Taxes	\$7,254.60

Unpaid Balance as of Last Invoice \$0.00

SPETTER ZEITZ KLAIMAN PC

Ian Klaiman

Payment of this account is due on receipt.

Total HST: \$834.60
HST No.: 720773514



NOTE: This account bears interest from one month after delivery in accordance with the rate prescribed by Section 128 of the Courts of Justice Act.

INVOICE

Albert Gelman Inc.
 250 Ferrand Drive
 Suite 403
 Toronto, Ontario M3C 3G8

Invoice Date: September 30, 2025
Invoice No.: 98637
Billing Through: September 30, 2025
Matter: 71081

RE: 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc.

Professional Fees

<u>Date</u>	<u>Description</u>	<u>Provider</u>	<u>Hours</u>
2025-09-02	Receipt and review of email from Angelik Jones with new amendment on McKay proposing to withhold deposit until after waiver;	JSQ	0.20
2025-09-02	Telephone call with Tom McElroy to discuss deposit matter on new amendment for McKay;	JSQ	0.20
2025-09-02	Follow email exchanges between property manager and realtor on tenant estoppel certificates for Ravi Patel deal;	JSQ	0.20
2025-09-03	Email from Kayla Bray re completion of tenant estoppels;	JSQ	0.10
2025-09-03	Email exchange with purchaser lawyer silvy@sfdolaw.com re tax info needed for property and ask Tom McElroy for same;	JSQ	0.20
2025-09-03	Receipt and review of emailed agenda for meeting from Borden Rhodes ;	JSQ	0.20
2025-09-04	Email exchanges with purchaser lawyer silvy@sfdolaw.com re taxes and first mortgage indebtedness; Send tax accounts to silvy@sfdolaw.com;	JSQ	0.20
2025-09-04	Receipt and review from realtor of accepted offer for 942-944 2nd Ave. E.;	JSQ	0.40
2025-09-04	Email from Tom McElroy that tenants refuse to sign tenant estoppel certificates;	JSQ	0.10
2025-09-05	MS Teams meeting with realtors and AGI to discuss tenant acknowledgment issue;	JSQ	0.50
2025-09-05	Amend and update tenant estoppel certificates;	JSQ	0.30
2025-09-05	Prepare demand letter to tenants to execute certificates;	JSQ	1.10
2025-09-05	Delivered tenant demand letter to realtors via email;	JSQ	0.10
2025-09-05	Email from James Craig approving 2 week extension;	JSQ	0.10
2025-09-11	Telephone call with Tom McElroy re when is Shanny's waiver of conditions up?	JSQ	0.10
2025-09-11	Email to Angelik Jones re when is Shanny's waiver up?	JSQ	0.10
2025-09-11	Receipt of email memo from Angelik Jones re attempt to get estoppel certificates plus 3 signed estoppel certificates;	JSQ	0.20
2025-09-12	Email from Angelik Jones with update re collection of tenant estoppel certificates;	JSQ	0.10

2025-09-12	Email from Tom McElroy to provide signed estoppel certificates to the purchaser;	JSQ	0.10
2025-09-17	Email from Angelik Jones re status of tenant estoppel certificates;	JSQ	0.10
2025-09-17	Email exchange with Jennifer Jones re Shanny's estoppel certificate;	JSQ	0.10
2025-09-22	Receipt and review of Amendment to APS for Ravi Patel deal to extend conditional period to Sept 30 from Angelik Jones and email Jones re are missing estoppel certificates still the issue?	JSQ	0.20
2025-09-22	Email from Angelik Jones confirming that Ravi Patel just needs to meet with his bank in order to waive conditions;	JSQ	0.10
2025-09-23	Email exchanges with Jennifer Jones and Tom McElroy re deceased tenant and whether new lease ought to be entered into;	JSQ	0.20
2025-09-23	Receipt and review of Receiver's Interim Report by email from Tom McElroy;	JSQ	0.20
2025-09-24	Email from Angelik Jones that purchaser does not want any leases enter into for now;	JSQ	0.10
2025-09-29	Email from Tom McElroy to Kayla Bray no new lease and set up utility account with occupant;	JSQ	0.10
Total			5.60
			\$3,360.00

Summary by Provider

JSQ	James Quigley	5.60	600.00	3,360.00
		5.60		3,360.00
	Total HST on Fees			\$436.80

Total Fees and Disbursements	\$3,360.00
HST	\$436.80
Transferred from Trust	\$0.00
Total Fees, Disbursements & Taxes	\$3,796.80

Unpaid Balance as of Last Invoice \$0.00

SPETTER ZEITZ KLAIMAN PC

Ian Klaiman

Payment of this account is due on receipt. Total HST: \$436.80
HST No.: 720773514



NOTE: This account bears interest from one month after delivery in accordance with the rate prescribed by Section 128 of the Courts of Justice Act.

INVOICE

Albert Gelman Inc.
250 Ferrand Drive
Suite 403
Toronto, Ontario M3C 3G8

Invoice Date: October 31, 2025
Invoice No.: 99124
Billing Through: October 31, 2025
Matter: 71081

RE: 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc.

Professional Fees

<u>Date</u>	<u>Description</u>	<u>Provider</u>	<u>Hours</u>
2025-10-14	Receipt and review of Amendment to ASP for Kepler on 942-944 2nd Ave E from Angelik Jones via email and rely comments on deposit provisions; Review proposed amendment by Angelik Jones and approve same;	JSQ	0.40
2025-10-14	Email exchanges between Hillary Robertson and Angelik Jones re timing of payment of the \$50k deposit; Further exchange with Angelik Jones saying purchaser needs 48 hours to deliver deposit;	JSQ	0.30
2025-10-15	Email exchange with Angelik Jones re how fast a sale might take to close;	JSQ	0.20
2025-10-15	Receipt and review of signed Kepler amendment firming up APS;	JSQ	0.20
2025-10-15	Seek first available Owen Sound court date for approval motion;	JSQ	0.10
2025-10-15	Correspond with Owen Sound Court to secure Nov 26 date for approval order;	JSQ	0.20
2025-10-16	Receipt and review of waivers for Waiver for 950-956 & 948 2nd Ave. E. (Shanny's) from Angelik Jones ;	JSQ	0.20
2025-10-17	Email exchanges with Tom McElroy re will seek approval for both deals Nov 26 and details of first report and form of orders;	JSQ	0.30
2025-10-17	Receipt of deposit receipts from Angelik Jones via email;	JSQ	0.10
2025-10-17	Receipt and review of complete APS and amendments from Michelle Francis-Turcott re 950-956 & 948 2nd Avenue East deal;	JSQ	0.10
2025-10-17	Email exchange with James Craig re timing of distribution of funds to Kindred;	JSQ	0.20
2025-10-17	Receipt of APS for 950-956 & 948 2nd Avenue East from Jenny Liang at realtor;	JSQ	0.10
2025-10-17	Receipt and review of email from Tom McElroy to James Craig explaining approval motion timing and relief sought;	JSQ	0.20
2025-10-20	Receipt and review of email exchange between Tom McElroy and Angelik Jones re information for First Report;	JSQ	0.20
2025-10-20	Email exchange with Angelik Jones confirming hearing date and possible closing date(s);	JSQ	0.10
2025-10-20	Receipt and review of marketing and offer history from Angelik Jones for us in first report;	JSQ	0.20

2025-10-20	Email exchange with Angelik Jones regarding whether an earlier court date is available;	JSQ	0.10
2025-10-21	Review draft First Report from Tom McElroy;	JSQ	0.70
2025-10-22	Prepare Auxiliary Order (approval, distribution, discharge);	JSQ	0.80
2025-10-22	Email to Angelik Jones requesting purchaser lawyer's contact info;	JSQ	0.10
2025-10-22	Telephone call to Stacey at Michael Forcier's office (Kepler's law firm) to confirm name of purchaser;	JSQ	0.30
2025-10-22	Email to 'silvy@sfdolaw.com' to confirm name of purchaser;	JSQ	0.10
2025-10-22	Email from silvy@sfdolaw.com that name of purchaser will be 1001320346 ONTARIO INC.;	JSQ	0.10
2025-10-22	Email from Michelle Francis-Turcott with names of purchasers' lawyers;	JSQ	0.10
2025-10-23	Email to silvy@sfdolaw.com requesting Direction re Title for motion material;	JSQ	0.10
2025-10-24	Email exchanges with Angelik Jones and Tom McElroy re extending listing agreements;	JSQ	0.20
	Total		5.70
			\$3,420.00

Summary by Provider

JSQ	James Quigley	5.70	600.00	3,420.00
		5.70		3,420.00
	Total HST on Fees			\$444.60

Total Fees and Disbursements	\$3,420.00
HST	\$444.60
Transferred from Trust	\$0.00
Total Fees, Disbursements & Taxes	\$3,864.60

Unpaid Balance as of Last Invoice \$0.00

SPETTER ZEITZ KLAIMAN PC

Ian Klaiman

Payment of this account is due on receipt.

Total HST: \$444.60
 HST No.: 720773514



NOTE: This account bears interest from one month after delivery in accordance with the rate prescribed by Section 128 of the Courts of Justice Act.

KINDRED CREDIT UNION LIMITED
Applicant

and

10603503 CANADA INC., et al.
Respondents

Court File No. CV-24-00000236-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at
OWEN SOUND

AFFIDAVIT

SPETTER ZEITZ KLAIMAN PC
Barristers and Solicitors
100 Sheppard Avenue East, Suite 850
Toronto, Ontario M2N 6N5
Tel: (416) 789-0652

JAMES S. QUIGLEY
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Email: squigley@szklaw.ca

Lawyers for the Receiver, Albert Gelman Inc.

TAB 3

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE) WEDNESDAY, THE 26TH
JUSTICE)
DAY OF NOVEMBER, 2025

B E T W E E N :

KINDRED CREDIT UNION LIMITED

Applicant

- and -

10603503 CANADA INC., 11393251 CANADA INC. and 11393235 CANADA INC.

Respondents

APPLICATION UNDER Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C 1985, c. B-3, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43.

ANCILLARY AND DISCHARGE ORDER

THIS MOTION made by **ALBERT GELMAN INC.** (the "**Receiver**" or "**AGI**"), in its capacity as receiver appointed, without security, of all the assets, undertakings and properties of 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc. (collectively the "**Debtor**") acquired for, or used in relation to business carried on by the Debtor, by Order of the Ontario Superior Court of Justice dated November 20, 2024, made pursuant to Section 243(1) of

the *Bankruptcy and Insolvency Act*, R.S.C 1985, c. B-3, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43., as amended, for an order, *inter alia*:

- (a) approving the First Report of the Receiver dated November 12, 2025 (the “**First Report**”) and the actions and activities of the Receiver described herein;
- (b) approving the Receiver’s final statement of receipts and disbursements as of November 12, 2025, attached as Appendix “L” to the First Report (the “**Final SRD**”), including the estimated final accruals to complete its mandate as set out on the Final SRD;
- (c) approving the fees and disbursements of the Receiver and its counsel Spetter Zeitz Klaiman PC detailed in the supporting fees affidavits appended to the First Report;
- (d) approving the Receiver’s proposed distribution as set out in the First Report and authorizing the distribution of funds according to same;
- (e) discharging AGI as Receiver of all the property, assets and undertaking of the Debtor upon the Receiver filing a discharge certificate with the Court; and
- (f) releasing AGI from any and all liability, as set out in paragraph 8 of this Order.

was heard this day at the Court House, 611-9th Avenue East, Owen Sound, Ontario.

ON READING the First Report and the fee affidavits of the Receiver and its counsel appended to the First Report (collectively, the “**Fee Affidavits**”), and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service of Tiegan Kilbride sworn November 13, 2025,

1. **THIS COURT ORDERS** that all capitalized terms not otherwise defined herein shall have the meaning given to them in the First Report.
2. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record be and are hereby abridged and validated such that this motion is properly returnable this day and hereby dispenses with further service thereof.
3. **THIS COURT ORDERS** that the First Report and the activities of the Receiver as set out therein are hereby 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.
4. **THIS COURT ORDERS** that the Final SRD be and is hereby approved.
5. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel as set out in the First Report and the Fee Affidavits attached thereto, including the Estimated Final Accruals reflected in the Final SRD, are hereby approved and the Receiver is authorized to pay any unpaid fees and disbursements herein approved including the Estimated Final Accruals.
6. **THIS COURT ORDERS** that the Receiver is authorized but not obligated, to make the Final Distributions (as described and defined in the First Report).
7. **THIS COURT ORDER** that that Confidential Appendix “A” and Confidential Appendix “B” to the First Report, shall be sealed, kept confidential, and shall not form part of the public record, but shall rather be placed separate and apart from all other contents of the Court File in a

separately sealed envelope on which is affixed is a notice setting out the title of these proceedings and a statement that the contents are subject to a sealing order.

8. **THIS COURT ORDERS** that upon the Receiver filing a certificate substantially in the form attached hereto as **Schedule “A”** certifying that the Remaining Activities (as described and defined in the First Report) have been completed, the Receiver shall be discharged as Receiver of the assets, undertakings and properties Debtor, provided however that notwithstanding its discharge herein: (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete its administration herein, and (b) 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 AGI, in its capacity as Receiver.

9. **THIS COURT ORDERS AND DECLARES** that AGI is hereby released and discharged from any and all liability that AGI now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of AGI while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver’s part. Without limiting the generality of the foregoing, AGI 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 proceedings, save and except for any gross negligence or wilful misconduct on the Receiver’s part.

SCHEDULE "A"

Court File No.: CV-24-00000236-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N :

KINDRED CREDIT UNION LIMITED

Applicant

- and -

10603503 CANADA INC., 11393251 CANADA INC. and 11393235 CANADA INC.

Respondents

APPLICATION UNDER Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C 1985, c. B-3, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43.

RECEIVER'S DISCHARGE CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable I Bloom of the Ontario Superior Court of Justice (the "**Court**") dated November 20, 2024 (the "**Appointment Order**"), Albert Gelman Inc. was appointed receiver (in such capacity, the "**Receiver**") without security, of all the assets, undertakings and properties of 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc. (collectively the "**Debtor**") acquired for, or used in relation to business carried on by the Debtor.

B. Pursuant to paragraph 8 of the Order of Justice _____ dated November 26, 2025 (the “**Discharge Order**”), Albert Gelman Inc. was discharged as Receiver of the Debtor, effective upon the filing by the Receiver with the Court of a certificate confirming that all matters to be attended to in connection with the completion of the administration of the receivership proceeding herein have been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Discharge Order.

THE RECEIVER CERTIFIES the following:

1. The Receiver has paid all amounts required to be paid pursuant to the Discharge Order;
and
2. All matters to be attended to in connection with the receivership of the Debtor have been completed to the satisfaction of the Receiver.

This Certificate was delivered by the Receiver on _____, 202__.

ALNER GELMAN INC. in its capacity as Receiver of the Debtor and not in its personal capacity

Per: _____

Name: Tom McElroy

Title: Managing Director (Ontario)

“I have the authority to bind the corporation”

KINDRED CREDIT UNION LIMITED
Applicant

and

10603503 CANADA INC. et al.
Respondents

Court File No. CV-24-00000236-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at
OWEN SOUND

ORDER

SPETTER ZEITZ KLAIMAN PC
Barristers and Solicitors
100 Sheppard Avenue East, Suite 850
Toronto, Ontario M2N 6N5

JAMES S. QUIGLEY
LSO No. 42924B
Tel: (416) 789-0659
Email: jsquigley@szklaw.ca

Lawyers for the Receiver,
Albert Gelman Inc.

TAB 4

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE
JUSTICE

)
)
)

WEDNESDAY, THE 26TH
DAY OF NOVEMBER, 2025

B E T W E E N :

KINDRED CREDIT UNION LIMITED

Applicant

- and -

10603503 CANADA INC., 11393251 CANADA INC. and 11393235 CANADA INC.

Respondents

APPLICATION UNDER Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C 1985, c. B-3, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43.

APPROVAL AND VESTING ORDER

THIS MOTION made by **ALBERT GELMAN INC.** (the "**Receiver**" or "**AGI**"), in its capacity as receiver appointed, without security, of all the assets, undertakings and properties of 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc. (collectively the "**Debtor**") acquired for, or used in relation to business carried on by the Debtor, by Order of the Ontario Superior Court of Justice dated November 20, 2024, made pursuant to Section 243(1) of

the *Bankruptcy and Insolvency Act*, R.S.C 1985, c. B-3, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43., as amended, for an order approving the sale transaction (the “**Transaction**”) of property located at 942 – 944 2nd Avenue East in Owen Sound, Ontario (the “**Property**”) as contemplated in an agreement of purchase and sale dated August 22, 2025 (the “**Sale Agreement**”) between the Receiver and Kepler Real Estate Inc. (the “**Purchaser**”) and appended as Appendix “H” to the First Report of the Receiver dated November 12, 2025 (the “**First Report**”), and vesting in the Purchaser all right, title and interest in and to the Property, was heard this day at the Court House, 611-9th Avenue East, Owen Sound, Ontario.

ON READING the First Report of the Receiver and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service of Tiegan Kilbride sworn November 13, 2025,

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record be and are hereby abridged and validated such that this motion is properly returnable this day and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that the unredacted version of Sale Agreement filed with the Court as Confidential Appendix “C” to the First Report, shall be sealed, kept confidential, and shall not form part of the public record, but shall rather be placed separate and apart from all other contents of the Court File in a separately sealed envelope on which is affixed is a notice setting out the title of these proceedings and a statement that the contents are subject to a sealing order. The Sale Agreement shall be sealed until the earlier to the completion of the Transaction or further order of the Court.

3. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale 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 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 Debtor's right, title and interest in and to the Property described in the Sale Agreement (and listed on **Schedule B** hereto) 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, 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, including those created by the Order of the Honourable Justice I. Bloom dated November 20, 2024; (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, easements and restrictive covenants listed on **Schedule "D"**) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Property are hereby expunged and discharged.

5. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for Grey County (No. 16) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act* and/or the *Registry Act*, as the case may be, the Land Registrar is hereby directed to enter “KEPLER REAL ESTATE INC.” as the owner of the subject Property identified in **Schedule “B”** hereto in fee simple, and is hereby directed to delete and expunge from title to the Property all of the Claims listed in **Schedule “C”** hereto.

6. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Property shall stand in the place and stead of the 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 Property with the same priority as they had with respect to the Property immediately prior to the sale, as if the 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 the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Property in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, 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.

9. **THIS COURT ORDERS AND DECLARES** that the Transaction is exempt from the application of section 6(3) of the *Retail Sales Act* (Ontario).

10. **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.

Schedule A – Form of Sale’s Officers Certificate

Court File No.: CV-24-00000236-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N :

KINDRED CREDIT UNION LIMITED

Applicant

- and -

10603503 CANADA INC., 11393251 CANADA INC. and 11393235 CANADA INC.

Respondents

APPLICATION UNDER Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C 1985, c. B-3, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43.

RECIEVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice I. Bloom of the Ontario Superior Court of Justice (the "**Court**") dated November 20, 2024, Albert Gelman Inc. was appointed as the Receiver (the "**Receiver**") of all the assets, undertakings and properties of 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc. (collectively the "**Debtor**") acquired for, or used in relation to business carried on by the Debtor, including the real property municipally described as 942 – 944 2nd Avenue East in Owen Sound, Ontario (the "**Property**").

B. Pursuant to an Order of the Court dated November 26, 2025, the Court approved the agreement of purchase and sale made as of August 22, 2025 (the "**Sale Agreement**") between the Receiver and Kepler Real Estate Inc. (the "**Purchaser**") of the Debtor’s right, title and interest in and to the Property, which vesting is to be effective with respect to the 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 Property; and (ii) the sale 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 Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Property payable on the Closing Date pursuant to the Sale Agreement; and
2. The Transaction has been completed to the satisfaction of the Receiver.
3. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**ALBERT GELMAN INC., in its capacity as
Receiver of the property of 10603503
Canada Inc., 11393251 Canada Inc. and
11393235 Canada Inc., not in its personal
capacity**

Per: _____
Name:
Title:

Schedule B – Purchased Assets (the Property)

LRO #16

Firstly:

PIN 37074-0425 (LT)

PT LT 4 W/S POULETT ST PL OWEN SOUND AS IN R278636; OWEN SOUND

and municipally known as 942 – 944 2nd Avenue East in Owen Sound, Ontario

Secondly:

PIN 37074-0539 (R)

PT RIVER FRONTAGES ON E/S OF THE RIVER SYDENHAM PL OWEN SOUND LYING BTN THE REAR OF THE TOWN LOTS FRONTING ON THE W SIDE OF POULETTE ST FROM LT 1 TO 24; OWEN SOUND

Schedule C – Claims to be deleted and expunged from title to Property

From PIN 37074-0425 (LT):

1. Instrument No. GY187766 registered June 15, 2020 being a Transfer from 2391628 Ontario Ltd. to 11393251 Canada Inc.
2. Instrument No. GY237687 registered December 15, 2022 being a Charge from 11393251 Canada Inc. to Kindred Credit Union Limited.
3. Instrument No. GY237688 registered December 15, 2022 being a Notice of Assignment of Rents (General) from 11393251 Canada Inc. to Kindred Credit Union Limited.
4. Instrument No. GY238084 registered December 22, 2022 being a Charge from 11393251 Canada Inc. to 2391628 Ontario Ltd.
5. Instrument No. GY238681 registered January 17, 2023 being a Charge from 11393251 Canada Inc. to Christina Kerr.
6. Instrument No. GY238682 registered January 17, 2023 being a Notice of Assignment of Rents (General) from 11393251 Canada Inc. to Christina Kerr.
7. Instrument No. GY238925 registered January 23, 2023 being a Postponement from 2391628 Ontario Ltd. to Christina Kerr.
8. Instrument No. GY239636 registered February 15, 2023 being a Notice of Change of Address from Christina Kerr.
9. Instrument No. GY265642 registered November 21, 2024 being an Application to Register Court Order from the Ontario Superior Court of Justice to Albert Gelman Inc.

PIN 37074-0539 (R):

1. Instrument No. R565505 registered June 18, 2020 being a Charge from 11393251 Canada Inc. and 11393235 Canada Inc. to 2391628 Ontario Ltd.
2. Instrument No. R565926 registered February 20, 2024 being a Charge from 11393251 Canada Inc. to Kindred Credit Union Limited.
3. Instrument No. 566005 registered November 22, 2024 being a Court Order from Ontario Superior Court of Justice to Albert Gelman Inc.

**Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants related to
the Property
(unaffected by the Vesting Order)**

The exceptions and qualifications set out in Section 44(1) (other than clause 11 thereof) of the *Land Titles Act* (Ontario), including the rights of any person who would, but for the Land Titles be entitled to the land or any part of it through length of adverse possession, prescription, misdescription or boundaries settled by convention and any lease to which subsection 70(2) of the *Land Titles Act* (Ontario) applies.

Any inchoate lien for municipal realty taxes, public utility charges or other governmental charges or levies accrued but not yet due and payable or, if due and payable, are adjusted for on closing.

Any and all interest (including liens, charges, adverse claims, security interests or other encumbrances) of any nature whatsoever now or hereafter claimed or held by His Majesty the King in Right of Canada, His Majesty the King in Right of any province of Canada, or by any other governmental department, agency or authority under or pursuant to any applicable legislation, statute or regulation and which do not, individually or in the aggregate materially impair the servicing, development, construction, operation, occupation, use, management, marketability or value of the Property.

Any municipal by-laws or regulations affecting the Property or its use, and any other municipal land use instrument including, without limitation, official plans and zoning and building by-laws, as well as decisions of the Committee of Adjustment or any other competent authority permitting variances therefrom and all applicable building codes provided same have in each case been complied with in all material respects to the Closing Date and which do not materially impair the use or operation of any part of the Property for the purposes for which it is being used as of the execution date.

Title defects or irregularities including any easements or rights of way in favour of any federal, provincial, municipal or other governmental bodies or regulatory authorities, any private or public utility, any railway company or any adjoining owner that do not, in the aggregate, materially impair the servicing, development, construction, operating, occupation, use, management, marketability or value of the Property.

Any subsisting reservations, limitations, provisos, conditions or executions, including royalties, contained in the original grant of the Property from the Crown.

Any interest of any nature whatsoever that are recorded under the *Railway Act* (Canada) or the *Railways Act* (Ontario).

Any and all licences, easements, rights-of-way, rights in the nature of easements and

agreements with respect thereto including, without limitation, agreements, easements, licences, rights-of-way and interest in the nature of easements for sidewalks, public ways, sewers, drains, utilities, gas steam and water mains or electric light and power, or telephone and telegraphic conduits, poles, wires and cables provided each have been complied with in all material respects and do not, individually or in the aggregate materially impair the servicing, development, construction, operation, occupation, use, management, marketability or value of the Property.

All applicable laws, including municipal, provincial or federal statutes, by laws, regulations or ordinances including any charge, trust, priority or preference given to or in favour of the Crown, Crown agents or municipalities pursuant thereto.

Those specific instruments more particularly set out below.

PERMITTED ENCUMBRANCES (SPECIFIC)

PIN 37074-0425 (LT):

1. Plan of Subdivision registered as Instrument No. PLSYDENHM1 on January 1, 1847.
2. Bylaw registered as Instrument No. R288317 on March 2, 1990.
3. Agreement registered as Instrument No. R292890 on July 4, 1990.
4. Agreement registered as Instrument No. R293819 on August 2, 1990.
5. Agreement registered as Instrument No. R528488 on September 5, 2006.

PIN 37074-0539 (R):

1. Plan of Subdivision registered as Instrument No. PLSYDENHM1 on January 1, 1847.
2. All deeds and other documents (such as Quit Claim Transfers) evidencing chain of title.
3. Bylaw registered as Instrument No. R565775 on November 16, 2022 from The Corporation of the City of Owen Sound.

KINDRED CREDIT UNION LIMITED
Applicant

and

10603503 CANADA INC.,
Respondents

Court File No. CV-24-00000236-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at
OWEN SOUND

ORDER

SPETTER ZEITZ KLAIMAN PC
Barristers and Solicitors
100 Sheppard Avenue East, Suite 850
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JAMES S. QUIGLEY
LSO No. 42924B
Tel: (416) 789-0659
Email: jsquigley@szklaw.ca

Lawyers for the Receiver,
Albert Gelman Inc.

TAB 5

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE
JUSTICE

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WEDNESDAY, THE 26TH
DAY OF NOVEMBER, 2025

B E T W E E N :

KINDRED CREDIT UNION LIMITED

Applicant

- and -

10603503 CANADA INC., 11393251 CANADA INC. and 11393235 CANADA INC.

Respondents

APPLICATION UNDER Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C 1985, c. B-3, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43.

APPROVAL AND VESTING ORDER

THIS MOTION made by **ALBERT GELMAN INC.** (the "**Receiver**" or "**AGI**"), in its capacity as receiver appointed, without security, of all the assets, undertakings and properties of 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc. (collectively the "**Debtor**") acquired for, or used in relation to business carried on by the Debtor, by Order of the Ontario Superior Court of Justice dated November 20, 2024, made pursuant to Section 243(1) of

the *Bankruptcy and Insolvency Act*, R.S.C 1985, c. B-3, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43., as amended, for an order approving the sale transaction (the “**Transaction**”) of property located at 950-956 and 948 2nd Avenue East in Owen Sound, Ontario (the “**Property**”) as contemplated in an agreement of purchase and sale dated April 23, 2025 (the “**Sale Agreement**”) between the Receiver and Ravi Patel (the “**Purchaser**”) and appended as Appendix “I” to the First Report of the Receiver dated November 12, 2025 (the “**First Report**”), and vesting in the Purchaser all right, title and interest in and to the Property, was heard this day at the Court House, 611-9th Avenue East, Owen Sound, Ontario.

ON READING the First Report of the Receiver and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service of Tiegan Kilbride sworn November 13, 2025,

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record be and are hereby abridged and validated such that this motion is properly returnable this day and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that the unredacted version of Sale Agreement filed with the Court as Confidential Appendix “D” to the First Report, shall be sealed, kept confidential, and shall not form part of the public record, but shall rather be placed separate and apart from all other contents of the Court File in a separately sealed envelope on which is affixed is a notice setting out the title of these proceedings and a statement that the contents are subject to a sealing order. The Sale Agreement shall be sealed until the earlier to the completion of the Transaction or further order of the Court.

3. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale 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 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 Debtor's right, title and interest in and to the Property described in the Sale Agreement (and listed on **Schedule B** hereto) shall vest absolutely in the Purchaser and its nominee, 1001320346 Ontario Inc., 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, 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, including those created by the Order of the Honourable Justice I. Bloom dated November 20, 2024; (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, easements and restrictive covenants listed on **Schedule "D"**) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Property are hereby expunged and discharged.

5. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for Grey County (No. 16) 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 “1001320346 ONTARIO INC.” as the owner of the subject Property identified in **Schedule “B”** hereto in fee simple, and is hereby directed to delete and expunge from title to the Property all of the Claims listed in **Schedule “C”** hereto.

6. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Property shall stand in the place and stead of the 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 Property with the same priority as they had with respect to the Property immediately prior to the sale, as if the 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 the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Property in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, 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.

9. **THIS COURT ORDERS AND DECLARES** that the Transaction is exempt from the application of section 6(3) of the *Retail Sales Act* (Ontario).

10. **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.

Schedule A – Form of Sale’s Officers Certificate

Court File No.: CV-24-00000236-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N :

KINDRED CREDIT UNION LIMITED

Applicant

- and -

10603503 CANADA INC., 11393251 CANADA INC. and 11393235 CANADA INC.

Respondents

APPLICATION UNDER Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C 1985, c. B-3, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43.

RECIEVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice I. Bloom of the Ontario Superior Court of Justice (the "**Court**") dated November 20, 2024, Albert Gelman Inc. was appointed as the Receiver (the "**Receiver**") of all the assets, undertakings and properties of 10603503 Canada Inc., 11393251 Canada Inc. and 11393235 Canada Inc. (collectively the "**Debtor**") acquired for, or used in relation to business carried on by the Debtor, including the real property municipally described as 950-956 and 948 2nd Avenue East in Owen Sound, Ontario (the "**Property**").

B. Pursuant to an Order of the Court dated November 26, 2025, the Court approved the agreement of purchase and sale made as of April 23, 2025 (the "**Sale Agreement**") between the Receiver and Ravi Patel (the "**Purchaser**") of the Debtor’s right, title and interest in and to the Property, which vesting is to be effective with respect to the 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 Property; and (ii) the sale 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 Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Property payable on the Closing Date pursuant to the Sale Agreement; and
2. The Transaction has been completed to the satisfaction of the Receiver.
3. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**ALBERT GELMAN INC., in its capacity as
Receiver of the property of 10603503
Canada Inc., 11393251 Canada Inc. and
11393235 Canada Inc., not in its personal
capacity**

Per: _____
Name:

Title:

Schedule B – Purchased Assets (the Property)

LRO #16

Firstly:

PIN 37074-0423 (LT)

PT LT 3 W/S POULETT, 4 W/S POULETT ST PL OWEN SOUND AS IN R512556
S/T R512556; OWEN SOUND

and municipally known as 950-956 2nd Avenue East in Owen Sound, Ontario

Secondly:

PIN 37074-0424 (LT)

PT LT 4 W/S POULETT ST PL OWEN SOUND AS IN R288667 S/T INTEREST IN
R288667; OWEN SOUND

and municipally known as 948 2nd Avenue East in Owen Sound, Ontario

Schedule C – Claims to be deleted and expunged from title to Property

From PIN 37074-0423 (LT):

1. Instrument No. GY167263 registered March 5, 2019 being a Transfer from Zebros Capital Corp. to 10603503 Canada Inc.
2. Instrument No. GY216022 registered October 28, 2021 being a Charge from 10603503 Canada Inc. to Kindred Credit Union Limited.
3. Instrument No. GY216023 registered October 28, 2021 being a Notice of Assignment of Rents (General) from 10603503 Canada Inc. to Kindred Credit Union Limited.
4. Instrument No. GY238299 registered January 4, 2023 being a Charge from 10603503 Canada Inc. to 2391628 Ontario Ltd.
5. Instrument No. GY239669 registered February 15, 2023 being a Charge from 10603503 Canada Inc. to Oswald Emmanuel Real Estate Inc.
6. Instrument No. GY239670 registered February 15, 2023 being a Notice of Assignment of Rents (General) from 10603503 Canada Inc. to Oswald Emmanuel Real Estate Inc.
7. Instrument No. GY239671 registered February 15, 2023 being a Postponement from 2391628 Ontario Ltd. to Oswald Emmanuel Real Estate Inc.
8. Instrument No. GY251708 registered December 7, 2023 being a Charge from 10603503 Canada Inc. to Maes Holdings Inc.
9. Instrument No. GY265642 registered November 21, 2024 being an Application to Register Court Order from the Ontario Superior Court of Justice to Albert Gelman Inc.

PIN 37074-0424 (R):

1. Instrument No. GY187763 registered June 15, 2020 being a Transfer from Lorrie William Metcalfe to 11393235 Canada Inc.
2. Instrument No. GY237685 registered December 15, 2022 being a Charge from 11393235 Canada Inc. to Kindred Credit Union Limited.
3. Instrument No. GY237686 registered December 15, 2022 being a Notice of Assignment of Rents (General) from 11393235 Canada Inc. to Kindred Credit Union Limited.

4. Instrument No. GY238298 registered January 4, 2023 being a Charge from 11393235 Canada Inc. to 2391628 Ontario Ltd.
5. Instrument No. GY238679 registered January 17, 2023 being a Charge from 11393235 Canada Inc. to Christina Kerr.
6. Instrument No. GY238680 registered January 17, 2023 being a Notice of Assignment of Rents (General) from 11393235 Canada Inc. to Christina Kerr.
7. Instrument No. GY238926 registered January 23, 2023 being a Postponement from 2391628 Ontario Ltd. to Christina Kerr.
8. Instrument No. GY239636 registered February 15, 2023 being a Notice of Change of Address from Christina Kerr.
9. Instrument No. GY265642 registered November 21, 2024 being an Application to Register Court Order from the Ontario Superior Court of Justice to Albert Gelman Inc.

**Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants related to
the Property
(unaffected by the Vesting Order)**

The exceptions and qualifications set out in Section 44(1) (other than clause 11 thereof) of the *Land Titles Act* (Ontario), including the rights of any person who would, but for the Land Titles be entitled to the land or any part of it through length of adverse possession, prescription, misdescription or boundaries settled by convention and any lease to which subsection 70(2) of the *Land Titles Act* (Ontario) applies.

Any inchoate lien for municipal realty taxes, public utility charges or other governmental charges or levies accrued but not yet due and payable or, if due and payable, are adjusted for on closing.

Any and all interest (including liens, charges, adverse claims, security interests or other encumbrances) of any nature whatsoever now or hereafter claimed or held by His Majesty the King in Right of Canada, His Majesty the King in Right of any province of Canada, or by any other governmental department, agency or authority under or pursuant to any applicable legislation, statute or regulation and which do not, individually or in the aggregate materially impair the servicing, development, construction, operation, occupation, use, management, marketability or value of the Property.

Any municipal by-laws or regulations affecting the Property or its use, and any other municipal land use instrument including, without limitation, official plans and zoning and building by-laws, as well as decisions of the Committee of Adjustment or any other competent authority permitting variances therefrom and all applicable building codes provided same have in each case been complied with in all material respects to the Closing Date and which do not materially impair the use or operation of any part of the Property for the purposes for which it is being used as of the execution date.

Title defects or irregularities including any easements or rights of way in favour of any federal, provincial, municipal or other governmental bodies or regulatory authorities, any private or public utility, any railway company or any adjoining owner that do not, in the aggregate, materially impair the servicing, development, construction, operating, occupation, use, management, marketability or value of the Property.

Any subsisting reservations, limitations, provisos, conditions or executions, including royalties, contained in the original grant of the Property from the Crown.

Any interest of any nature whatsoever that are recorded under the *Railway Act* (Canada) or the *Railways Act* (Ontario).

Any and all licences, easements, rights-of-way, rights in the nature of easements and

agreements with respect thereto including, without limitation, agreements, easements, licences, rights-of-way and interest in the nature of easements for sidewalks, public ways, sewers, drains, utilities, gas steam and water mains or electric light and power, or telephone and telegraphic conduits, poles, wires and cables provided each have been complied with in all material respects and do not, individually or in the aggregate materially impair the servicing, development, construction, operation, occupation, use, management, marketability or value of the Property.

All applicable laws, including municipal, provincial or federal statutes, by laws, regulations or ordinances including any charge, trust, priority or preference given to or in favour of the Crown, Crown agents or municipalities pursuant thereto.

Those specific instruments more particularly set out below.

PERMITTED ENCUMBRANCES (SPECIFIC)

PIN 37074-0425 (LT):

1. Plan of Subdivision registered as Instrument No. PLSYDENHM1 on January 1, 1847.
2. Agreement registered as Instrument No. R293819 on August 2, 1990.

PIN 37074-0424 (LT):

1. Plan of Subdivision registered as Instrument No. PLSYDENHM1 on January 1, 1847.

KINDRED CREDIT UNION LIMITED
Applicant

and

10603503 CANADA INC.,
Respondents

Court File No. CV-24-00000236-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at
OWEN SOUND

ORDER

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Albert Gelman Inc.

KINDRED CREDIT UNION LIMITED

-and-

**10603503 CANADA INC., 11393251
CANADA INC. and 11393235 CANADA
INC.**

Applicant

Respondents

Court File No.: CV-24-00000236-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
OWEN SOUND

MOTION RECORD

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