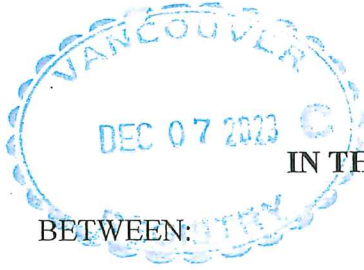


No. H-230320
Vancouver Registry



IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

LANYARD INVESTMENTS INC. as general partner of LFC
KESEF-B21 LIMITED PARTNERSHIP
FISGARD CAPITAL CORPORATION

Petitioners

AND:

AC NANAIMO INVESTMENT GP LTD.
AC NANAIMO INVESTMENT LIMITED PARTNERSHIP
AC NANAIMO NOMINEE LTD. formerly known as ANSEN
NANAIMO 26 DEVELOPMENT BARE TRUSTEE LTD.
COROMANDEL HOLDINGS LTD.
ZHEN YU ZHONG also known as ZHENYU ZHONG
JUN CHAO MO also known as JUNCHAO MO
ALIGN BC PROPERTIES CORP. formerly known as VIVAGRAN
DEVELOPMENT CORP.
ZHONG LIANG
XINTAI LIU
YING LIANG
CHENMING LI
JOHN DOE

ALL TENANTS OR OCCUPIERS OF THE SUBJECT LANDS AND PREMISES

Respondents

REQUISITION - GENERAL

Filed by: OWEN BIRD LAW CORPORATION

Required:

Please file the attached Second Report of the Receiver and Manager, D. Manning & Associates Inc. dated December 6, 2023.

Date: December 7, 2023.

Signature of lawyer for filing party(ies)
Alan A. Frydenlund, K.C.



No. H230320
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

Between:

LANYARD INVESTMENTS INC. as general partner of
KESEF-B21 LIMITED PARTNERSHIP
FISGARD CAPITAL CORPORATION

Petitioners

AND:

AC NANAIMO INVESTMENT GP LTD.
AC NANAIMO INVESTMENT LIMITED PARTNERSHIP
AC NANAIMO NOMINEE LTD. formerly known as ANSEN NANAIMO 26
DEVELOPMENT BARE TRUSTEE LTD.
COROMANDEL HOLDINGS LTD.
ZHEN YU ZHONG also known as ZHENYU ZHONG JUN CHAO MO also known as
JUNCHAO MO ALIGN BC PROPERTIES CORP. formerly known as VIVAGRAN
DEVELOPMENT CORP.
ZHONG LIANG XINTAI LIU YING
LIANG CHENMING LI
JOHN DOE
ALL TENANTS OR OCCUPIERS OF THE SUBJECT LANDS AND PREMISES

Respondents

**IN THE MATTER OF THE RECEIVERSHIP OF
AC NANAIMO INVESTMENT LIMITED PARTNERSHIP and AC NANAIMO
NOMINEE LTD. formerly known as ANSEN NANAIMO 26 DEVELOPMENT BARE
TRUSTEE LTD.**

**SECOND REPORT OF THE RECEIVER MANAGER
D. MANNING & ASSOCIATES INC.**

DECEMBER 6, 2023

D. MANNING & ASSOCIATES INC.
COURT-APPOINTED RECEIVER MANAGER OF THE
ASSETS, UNDERTAKINGS AND PROPERTY OF
AC NANAIMO INVESTMENT LIMITED PARTNERSHIP and
AC NANAIMO NOMINEE LTD. formerly known as
ANSEN NANAIMO 26 DEVELOPMENT BARE TRUSTEE
SUITE 520 – 625 HOWE STREET
VANCOUVER, B.C. V6C 2T6
(604)683-8030, FAX (604)683-8327
www.manning-trustee.com

I. INTRODUCTION

This is the Second Report of D. Manning & Associates Inc. (the “**Receiver**”), in its capacity as Court-Appointed Receiver Manager of the Assets, Undertakings and Property of AC Nanaimo Investment Limited Partnership (“**AC LP**”) and AC Nanaimo Nominee Ltd. formerly known as Ansen Nanaimo 26 Development Bare Trustee (“**AC Nominee**”) (collectively the “**Companies**”). Collectively, the Companies are a real estate developer, one of many operating under the umbrella of the Coromandel Group of Companies (“**Coromandel**”). The Receiver’s First Report was dated November 14, 2023.

AC Nominee is the registered owner, and AC LP is the beneficial owner, of a development property consisting of nine (9) adjacent lots in the City of Vancouver, legally described as, for which the Receiver is seeking sale approval by this court:

Parcel Identifier: 013-823-892, Lot 5 Except the North 20 Feet now Lane Block 1 South ½ of Section 46 Town of Hastings Suburban Lands Plan 2440 (Civic address: 2415 East 26th Avenue, Vancouver, B.C.)

Parcel Identifier: 013-823-906, Lot 6 Except the North 20 Feet now Lane Block 1 South ½ of Section 46 Town of Hastings Suburban Lands Plan 2440 (Civic address: 2419 East 26th Avenue, Vancouver, B.C.)

Parcel Identifier: 013-823-881, Lot 7 Except the North 20 Feet now Lane Block 1 South ½ of Section 46 Town of Hastings Suburban Lands Plan 2440 (Civic address: 2425 East 26th Avenue, Vancouver, B.C.)

Parcel Identifier: 013-823-914, Lot 8 Except the North 20 Feet now Lane Block 1 South ½ of Section 46 Town of Hastings Suburban Lands Plan 2440 (Civic address: 2441 East 26th Avenue, Vancouver, B.C.)

Parcel Identifier: 013-823-554, Lot 9 Except the North 20 Feet now Lane Block 1 South ½ of Section 46 Town of Hastings Suburban Lands Plan 2440 (Civic address: 2459 East 26th Avenue, Vancouver, B.C.)

Parcel Identifier: 013-823-402, Lot 10 Except the North 20 Feet now Lane Block 1 South ½ of Section 46 Town of Hastings Suburban Lands Plan 2440 (Civic address: 2461 East 26th Avenue, Vancouver, B.C.)

Parcel Identifier: 013-823-543, Lot 11 Except the North 20 Feet now Lane Block 1 South ½ of Section 46 Town of Hastings Suburban Lands Plan 2440 (Civic address: 2469 East 26th Avenue, Vancouver, B.C.)

Parcel Identifier: 013-823-922, Lot 12 Except the North 20 Feet now Lane Block 1 South ½ of Section 46 Town of Hastings Suburban Lands Plan 2440 (Civic address: 2475 East 26th Avenue, Vancouver, B.C.)

Parcel Identifier: 013-823-931, Lot 13 Except the North 20 Feet now Lane Block
 1 South ½ of Section 46 Town of Hastings Suburban Lands Plan 2440
 (Civic address: 2483 East 26th Avenue, Vancouver, B.C.)

(collectively the “**Properties**”)

Being nine (9) contiguous single family lots, eight (8) of which contain tenanted single-family houses. 2425 East 26th Avenue is an unimproved (land only) rented lot subject to a Bare Land Use Agreement. The Properties are on the north side of East 26th Avenue, near the Nanaimo Skytrain Station.

The Receiver was appointed by Order of Justice Forth of the Supreme Court of British Columbia on August 23, 2023 (the “**Order**”) on the application of Lanyard Investments Inc. as general partner of Kesef-B21 Limited Partnership (“**Lanyard**”), the secured creditor and mortgagee of the Properties, in first position. A copy of the entered Order is attached as **Schedule “A”**.

II. MARKETING OF THE PROPERTIES

The Receiver’s First Report describes the marketing of the Properties which we summarize. The Properties have been, and continue to be, listed with Colliers MacAulay Nicolls Inc. (“**Colliers**”).

Colliers’ Marketing Report on the Properties dated December 4, 2023 is attached as **Schedule “B”** and is summarized as follows:

- Listed September 18, 2023;
- Advertised in Western Investor;
- Installation of two 4’ x 8’ signs
- Continuously marketed on Bill Randall’s personal Web site;
- Continuously marketed on Casey Weeks and Morgan Iannone’s personal Web site;
- Continuously marketed on Colliers’ Web site;
- Initial e-mail communication “E-Blast” delivered September 26, 2023 to 3,833 addresses;
- Follow-up E-Blast to unopened list one week later to 2,175 addresses;
- Total unique opens: 2,545;
- LinkedIn Post Impressions (posted September 26, 2023): 6,433;
- Colliers Canada and IW Commercial Web Listing Views: 356;
- Active Interest and Discussions: 43;
- Confidentiality Agreements signed for access to Data Room: 10.

In addition, the Receiver has advertised the Properties on its Web site (www.manning-trustee.com) and has advertised weekly in Insolvency Insider, a weekly e-newsletter that is sent to approximately 6,000 professionals in the insolvency profession and related industries.

III. OFFERS RECEIVED ON THE PROPERTIES

The City of Vancouver (the “City”) submitted an Offer to the Receiver, through Colliers, on November 2, 2023. The terms of the City’s Offer were:

Purchaser:	City of Vancouver
Purchaser’s Agent:	None
Price:	\$15,300,000
Deposit:	Either \$1.00 or \$10.00
Subjects:	City Council approval (by November 24, 2023) “Reports and investigations” (by November 24, 2023)
Other terms:	Signed Property Condition Disclosure Statement Vacant possession on closing date
Completion:	Either 10 or 25 business days following Court approval
Acceptance open:	5:00 PM, November 6, 2023

The Receiver countered the City’s Offer on November 7, 2023 with the following terms:

Price:	\$17,000,000
Deposit:	\$500,000
Subjects:	None
Other terms:	No Property Condition Disclosure Statement City to assume all existing tenancies
Completion:	10 business days following Court approval
Acceptance open:	5:00 PM, November 15, 2023

The City made a further Counteroffer on November 9, 2023, with the following terms:

Price:	\$16,400,000
Deposit:	\$500,000 within 5 business days of acceptance
Subjects:	None
Other terms:	City to assume all existing tenancies
Completion:	10 business days following Court approval

The Receiver accepted the City’s Counteroffer on November 9, 2023. The deposit of \$500,000 was received by the Receiver on November 15, 2023 (collectively “City Offer”)

The Receiver filed a Notice of Application to approve the City Offer November 16, 2023, returnable December 7, 2023, some 23 days for Colliers and the Receiver to advise interested parties of the price and court date and the practice direction issued by this court as to the sealed bid process.

On November 16, 2023, the Receiver’s counsel advised, by email, Mr. Bill Randall of Colliers as to the sealed bid process with the closing of bids being 4 PM Tuesday, December 5, 2023, and the ability of the City to rebid by 10 PM Wednesday, December 6, 2023, a copy of which e-mail is attached hereto as **Schedule “C”**.

On December 1, 2023, the Receiver, through its counsel, received a competitive Offer

for the Properties from 1447800 B.C. Ltd. (“**1447800**”) through their solicitors, Lawson Lundell LLP..

Pursuant to the sealed bid practice direction, the Receiver’s counsel contacted Lawson Lundell LLP and asked of 1447800:

1. the operating minds of the purchaser;
2. their bona fides and ability to complete; and
3. if they were in any way connected to any parties to the foreclosure proceeding pursuant to which the Receiver was appointed;

and learned that the purchaser is related to the holders of the second mortgage filed on title to the Properties.

The Receiver’s counsel has confirmed that the operating mind of 1447800 is Mr. Xintai (Jeffrey) Liu, and that 1447800 is related to Xintai Liu, Ying Liang and Chenming Li (collectively the “**Second Mortgagees**”).

The e-mail and reply in respect of the same are attached hereto as **Schedule “D”**.

The 1447800 Offer is attached as **Schedule “E”**.

Purchaser:	1447800 B.C. Ltd.
Purchaser’s Agent:	none
Price:	\$19,000,000
Deposit:	\$600,000
Subjects:	None
Other terms:	<ol style="list-style-type: none">1. Purchaser to assume all existing tenancies2. \$0.01 to be allocated to Personal Property3. a portion of the Purchase price to be paid in cash equal to the Receiver’s Charges plus the First Mortgage Payout Amount less the Deposit4. Remainder of purchase price to be paid by a non-interest-bearing Demand Promissory Note from the Buyer to the Receiver5; Upon closing, Receiver to assign the Demand Promissory Note to Xintai Liu (40/60 interest), Ying Liang (10/60 interest) and Chenming Li (10/60 interest)6. Provisions regarding holdbacks for non-resident withholding taxes that may be payable to CRA7. Interest on the deposit to be credited to the account of the Buyer
Completion:	60 business days following Court approval or February 16, 2024, whichever is later
Acceptance open:	5:00 PM, December 7, 2023

Pursuant to the Competitive Bid Process, the Receiver’s counsel contacted counsel for the City and advised that there was a Competitive Bid. Counsel for the City advised Receiver’s counsel that they had received a copy of the 1447800 Offer from counsel for

the Second Mortgagee and that they intended to engage in negotiations with counsel for the Second Mortgagee to see if the City could raise their bid to a sufficient level to have the Second Mortgagee support the City Offer and not the 1447800 Offer.

Counsel for the Receiver advised counsel for the City that they had until 10:00 PM on December 6, 2023 to submit a further revised Offer.

The City's further revised Offer in the amount of \$17,200,000 ("**City's Rebid**") was submitted on December 6, 2023, and it is attached as **Schedule "E"**.

On receipt of the City's Rebid counsel for the Receiver contacted counsel for the Second Mortgage to advise of the same and counsel for the Receiver told counsel for the Second Mortgagee that the Receiver supported the City's Rebid for reasons including those as set out below. The Second Mortgagee asked if the Receiver would support the 1447800 Offer if the deposit was increased to \$1,000,000 and certain changes to Schedule "A" to the 1447800 Offer were changed to coincide with the City Offer.

IV. RECEIVER'S ANALYSIS

The 1447800 Offer (\$19,000,000) is significantly nominally higher than the City's Rebid (\$17,200,000). However, the 1447800 Offer yields about \$561,000.00 less due to the later closing date (set off by the lower commission), so the yield differential is effectively an offer of \$18,439,000 being \$1,509,000 (the "**Differential**") higher than the City's Rebid.

The 1447800 Offer completes 60 business days following Court approval or February 16, 2024, whichever is later. In this scenario, February 16, 2024 is later. The City's Rebid completes only 10 business days following Court approval, or December 21, 2023. February 16, 2024, is 57 days later than December 21, 2023.

The estimated per diem on the mortgages and Receiver's borrowings is \$8,000 per day. 57 days x \$8,000 = \$456,000.

Colliers' commission on the City's Rebid is \$270,900 (1.5% plus GST), while on the 1447800 Offer it is \$105,000 (\$100,000 plus GST) as the Receiver negotiated a reduced commission if a "related party" purchased the Properties.

With the foregoing adjustments, the 1447800 Offer is \$1,509,000 higher than the City's Rebid.

As set out in **Schedule "D"**, the Receiver has been advised by 1447800's counsel that ***"Our client advises that it holds a portion of the purchase price to be paid in cash, and is expecting to receive the balance of funds to complete upon the upcoming maturity of an investment. It is also lining up financing for completion. The directing mind of the purchaser is the principal of a well-known private lender in this market, Cenyard, who routinely completes investment, loan and acquisition transactions relating to land in the Lower Mainland."***

The Receiver views the 1447800 Offer as riskier to the stakeholders and conditional to

the stakeholders on:

1. 1447800 receiving funds on the maturity of an investment; and
2. Obtaining financing so the actual completion of the transaction may very well depend on whether 1447800 is able to liquidate its investment, and to obtain third party financing.

These introduce the very real possibility and risk that the sale may not complete and although there is a risk to 1447800 to the extent of a forfeited deposit of \$600,000, it is indeed a risk to all that the transaction may well not close.

If 1447800 does not close the purchase their only risk is the loss of its deposit of \$600,000 which will be applied on account of the indebtedness, which risk is mitigated by that fact that:

1. per diem interest totaling approximately \$456,000 will be lost to the closing date; and
2. monies applied on account of indebtedness are for the benefit of a related party to 1447800, being the Second Mortgagee;

so the Receiver views the deposit as effectively an inexpensive or “free option” for 1447800 to purchase the Properties which if not exercised will require:

1. remarketing of the Properties and the concomitant market risk;
2. additional material Receiver’s time and costs.

The Differential between the 1447800 Offer and the City Rebid is less than 189 days per diem which could easily be absorbed as the Properties would have to be remarketed in March of 2024 with the result being that unless a price of \$19,000,000 could be achieved by selling the Properties within one half year of 1447800 failing to close, the City’s Rebid would be superior.

The 1447800 Offer also requires the Receiver to seek additional CRA filings.

If the 1447800 Offer is approved the “cash” portion of the purchase price may be a controversial determination as it is the amount “required” to be paid on account of the Purchase Price as it includes an estimate of Receiver’s Charges as well as the amount owing on the first mortgage.

The 1447800 Offer surprisingly includes a representation from the Receiver that the Seller (Receiver) has no knowledge that any Person associated with the Buyer has any direct or indirect interest in this sale and purchase, which is not true.

V. RECEIVER’S RECOMMENDATIONS

The Receiver makes the following recommendations:


- 1) Court approval of the City’s Rebid unless 1447800 materially increases its deposit,

- presently \$600,000, by a factor of, say three, to mitigate the market and timing risks to all stakeholders of 1447800 failing to close the purchase if approved.
- 2) Continue monitoring PQ's collection of rents from tenants and deal with any tenancy-related issues;
 - 3) Obtain court authorization for the Receiver to file Speculation and Vacancy Tax Declarations and Empty Homes Tax Declarations for all of the Properties;
 - 4) Seek further directions from the court if required;
 - 5) Complete the sale of the Properties including payment of applicable real estate commissions, property taxes and other items requiring adjustment;
 - 6) Assign tenancy agreements to the Purchaser;
 - 7) Continue to address creditor and stakeholder enquiries;
 - 8) Pay operating costs to maintain and preserve the Properties;
 - 9) Prepare and file B.C. Speculation and Vacancy Tax, City of Vancouver Empty Homes Tax and federal Unused Housing Tax returns for the year 2023 and as otherwise may be required;
 - 10) Address all withholding taxes and file returns as may be necessary to obtain clearance;
 - 11) Pay Receivership costs and Receiver's legal costs;
 - 12) Determine the appropriate holdbacks for the Receiver and its legal counsel's costs, then make distributions to secured creditors from sale proceeds on the Property pursuant to a Court Order;
 - 13) Apply for the Receiver's discharge and passing of accounts;
 - 14) Prepare and file final statutory returns.

Yours very truly,

D. MANNING & ASSOCIATES INC.
LICENSED INSOLVENCY TRUSTEE
COURT-APPOINTED RECEIVER MANAGER OF THE ASSETS, UNDERTAKINGS
AND PROPERTY OF AC NANAIMO INVESTMENT LIMITED PARTNERSHIP and AC NANAIMO
NOMINEE LTD. formerly known as ANSEN NANAIMO 26 DEVELOPMENT BARE TRUSTEE
LTD.

(not in its personal capacity)


Per: Alex E.H. Ng, LIT, CIRP

Attachments

SCHEDULE "A"

COURT ORDER APPOINTING RECEIVER
DATED AUGUST 23, 2023



No. H 230320
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

LANYARD INVESTMENTS INC. as general partner of
KESEF-B21 LIMITED PARTNERSHIP
FISGARD CAPITAL CORPORATION

Petitioners

AND:

AC NANAIMO INVESTMENT GP LTD.
AC NANAIMO INVESTMENT LIMITED PARTNERSHIP
AC NANAIMO NOMINEE LTD. formerly known as ANSEN NANAIMO 26
DEVELOPMENT BARE TRUSTEE LTD.
COROMANDEL HOLDINGS LTD.
ZHEN YU ZHONG also known as ZHENYU ZHONG JUN CHAO MO also known as
JUNCHAO MO ALIGN BC PROPERTIES CORP. formerly known as VIVAGRAN
DEVELOPMENT CORP.
ZHONG LIANG XINTAI LIU YING
LIANG CHENMING LI
JOHN DOE
ALL TENANTS OR OCCUPIERS OF THE SUBJECT LANDS AND PREMISES

Respondents

IN THE MATTER OF THE RECEIVERSHIP OF
AC NANAIMO INVESTMENT LIMITED PARTNERSHIP and AC NANAIMO
NOMINEE LTD. formerly known as ANSEN NANAIMO 26 DEVELOPMENT BARE
TRUSTEE LTD.

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE)

JUSTICE FORTH)

) WEDNESDAY THE 23RD DAY OF AUGUST
) 2023

ON THE APPLICATION of LANYARD INVESTMENTS INC. as general partner of KESEF-
B21 LIMITED PARTNERSHIP and FISGARD CAPITAL CORPORATION 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 39 of the *Law and Equity Act*, R.S.B.C. 1996 c. 253, as amended (the "LEA") appointing D. Manning & Associates Inc. as Receiver and Manager (in such capacity, the "Receiver") without security, of all of the assets, undertakings and property of AC NANAIMO INVESTMENT LIMITED PARTNERSHIP and AC NANAIMO NOMINEE LTD. formerly known as ANSEN NANAIMO 26 DEVELOPMENT BARE TRUSTEE LTD. (collectively the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, coming on for hearing this day at Vancouver, British Columbia.

AND ON READING the Affidavit #1 of Herpaul Bains sworn August 14, 2023, Affidavit #3 of Gemma Potts sworn August 11, 2023, Affidavit #1 of Brian Chelin sworn April 24, 2023 and the consent of D. Manning & Associates Inc. to act as the Receiver; AND ON HEARING Alan A. Frydenlund KC, Counsel for LANYARD INVESTMENTS INC. as general partner of KESEF-B21 LIMITED PARTNERSHIP and FISGARD CAPITAL CORPORATION and other counsel as listed on Schedule "C" hereto, and no one else appearing, although duly served.

THIS COURT ORDERS AND DECLARES that:

APPOINTMENT

1. Pursuant to Section 243(1) of the BIA and Section 39 of the *Law and Equity Act*. D. Manning & Associates Inc. is appointed Receiver, without security, of all of the assets, undertakings and property of the Debtor located at 2415 – 2483 East 26th Street, Vancouver B.C. legally described as:

Parcel Identifier: 013-823-892, Lot 5 Except the North 20 Feet now Lane Block 1 South 1/2 of Section 46 Town of Hastings Suburban Lands Plan 2440

Parcel Identifier: 013-823-906, Lot 6, Except the North 20 Feet now Lane, Block 1 South 1/2 of Section 46 Town of Hastings Suburban Lands Plan 2440

Parcel Identifier: 004-170-881, Lot 7, Except the North 20 Feet, now Road Block 1 South 1/2 of Section 46 Town of Hastings Suburban Lands Plan 2440

Parcel Identifier: 013-823-914, Lot 8, Except the North 20 Feet now Lane, Block 1 South 1/2 of Section 46 Town of Hastings Suburban Lands Plan 2440

Parcel Identifier: 011-949-554, Lot 9, Except the North 20 Feet now Road, Block 1 South 1/2 of Section 46 Town of Hastings Suburban Lands Plan 2440

Parcel Identifier: 010-162-402, Lot 10, Except the North 20 Feet, now Lane, Block 1 South 1/2 of Section 46 Town of Hastings Suburban Lands Plan 2440

Parcel Identifier: 002-412-543, Lot 11, Except the North 20 Feet, now Lane, Block 1 South 1/2 of Section 46 Town of Hastings Suburban Lands Plan 2440

Parcel Identifier: 013-823-922, Lot 12, Except the North 20 Feet now Lane, Block 1 South 1/2 of Section 46 Town of Hastings Suburban Lands Plan 2440

Parcel Identifier: 013-823-931, Lot 13, Except the North 20 Feet now Lane, Block 1 South 1/2 of Section 46 Town of Hastings Suburban Lands Plan 2440

including all proceeds (the "Property").

RECEIVER'S POWERS

2. The Receiver is 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 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 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, changing locks and security codes, relocation of Property, engaging independent security personnel, taking physical inventories and placing insurance coverage;
 - (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 these amounts, including, without limitation, enforcement of 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 undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) to initiate, manage and direct all legal proceedings now pending or hereafter pending (including appeals or applications for judicial review) in respect of the Debtor, the Property or the Receiver, including initiating, prosecuting, continuing, defending, settling or compromising the proceedings;
- (k) 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 considers appropriate;

to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business with the approval of this Court

and in each such case notice under Section 59(10) of the *Personal Property Security Act*, R.S.B.C. 1996, c. 359 shall not be required;

- (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, free and clear of any liens or encumbrances;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver considers appropriate on all matters relating to the Property and the receivership, and to share information, subject to confidentiality terms as the Receiver considers appropriate;
- (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 considered necessary or appropriate by the Receiver, in the name of the Debtor;
- (p) to enter into agreements with any Licensed Insolvency Trustee appointed in respect of the Debtor, including, without limitation, 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

3. Each of (i) the Debtor; (ii) all of the Debtor's 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 (collectively, "Persons" and each 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 (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
4. All Persons, other than governmental authorities, 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 (collectively, the "Records") in that Person's possession or control. Upon request, governmental authorities shall advise the Receiver of the existence of any Records in that Person's possession or control.
5. Upon request, all Persons shall provide to the Receiver or permit the Receiver to make, retain and take away copies of the Records and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities, provided however that nothing in paragraphs 4, 5 or 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 solicitor client privilege or statutory provisions prohibiting such disclosure.
6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by an 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 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 require including, without limitation, providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. 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 stayed and suspended pending further Order of this Court; provided, however, that nothing in this Order shall prevent any Person from commencing a Proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such Proceeding is not commenced before the expiration of the stay provided by this paragraph and provided that no further step shall be taken in respect of the Proceeding except for service of the initiating documentation on the Debtor and the Receiver.

NO EXERCISE OF RIGHTS OR REMEDIES

9. All rights and remedies (including, without limitation, set-off rights) against the Debtor, the Receiver, or affecting the Property, are stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this Order shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) affect the rights of any regulatory body as set forth in section 69.6(2) of the BIA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien. This stay and suspension shall not apply in respect of any "eligible financial contract" as defined in the BIA.

NO INTERFERENCE WITH THE RECEIVER

10. 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. Nothing in this Order shall prohibit any party to an eligible financial contract from closing out and terminating such contract in accordance with its terms.

CONTINUATION OF SERVICES

11. 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 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 the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. 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

13. Subject to the employees' right to terminate their employment, 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 of the Debtor, including any successor employer liabilities as referred to in Section 14.06(1.2) of the BIA, other than amounts the Receiver may specifically agree in writing to pay or in respect of obligations imposed specifically on receivers by applicable legislation, including sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47. The Receiver shall be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts relating to any employees that the Receiver may hire in accordance with the terms and conditions of such employment by the Receiver.

PERSONAL INFORMATION

14. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 or Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, the Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner

which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. Nothing in this Order 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 relating to the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination (collectively "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation.
16. 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 the Receiver is actually in possession.
17. Notwithstanding anything in federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arises or environmental damage that occurred:
 - (a) before the Receiver's appointment; or,
 - (b) after the Receiver's appointment, unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
18. Notwithstanding anything in federal or provincial law, but subject to paragraph 17 of this Order, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, if the Receiver complies with the BIA section 14.06(4), the Receiver is not personally liable for the failure to comply with the order and is not personally liable for any costs that are or would be incurred by any Person in carrying out the terms of the order.

LIMITATION ON THE RECEIVER'S LIABILITY

19. 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:
 - (a) any gross negligence or wilful misconduct on its part; or

- (b) amounts in respect of obligations imposed specifically on receivers by applicable legislation.

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

20. The Receiver and its legal counsel, if any, are granted a charge (the "**Receiver's Charge**") on the Property as security for the payment of their fees and disbursements, in each case at their standard rates, in respect of these proceedings, whether incurred before or after the making of this Order. 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.
21. The Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are referred to a judge of the Supreme Court of British Columbia and may be heard on a summary basis.
22. 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

23. The Receiver is authorized and 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 \$25,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as the Receiver 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 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.
24. 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.
25. The Receiver is authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

- 26. 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.

ALLOCATION

- 27. Any interested party may apply to this Court on notice to any other party likely to be affected for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the Property.

SERVICE AND NOTICE OF MATERIALS

- 28. The Receiver shall establish and maintain a website in respect of these proceedings at: manning-trustee.com (the "Website") and shall post there as soon as practicable:
 - (a) all materials prescribed by statute or regulation to be made publicly available, including pursuant to Rule 10-2 of the *Supreme Court Civil Rules*; and,
 - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
- 29. Any Person who is served with a copy of this Order and that wishes to be served with any future application or other materials in these proceedings must provide to counsel for each of the Receiver and the Applicant a demand for notice in the form attached as Schedule B (the "Demand for Notice"). The Receiver and the Applicant need only provide further notice in respect of these proceedings to Persons that have delivered a properly completed Demand for Notice. The failure of any Person to provide a properly completed Demand for Notice releases the Receiver and the Applicant from any requirement to provide further notice in respect of these proceedings until such Person delivers a properly completed Demand for Notice.
- 30. The Receiver shall maintain a service list identifying all parties that have delivered a properly completed Demand for Notice (the "Service List"). The Receiver shall post and maintain an up-to-date form of the Service List on the Website.
- 31. Any interested party, including the Receiver, may serve any court materials in these proceedings by facsimile or by emailing a PDF or other electronic copy of such materials to the numbers or addresses, as applicable, set out on the Service List. Any interested party, including the Receiver, may serve any court materials in these proceedings by mail to any party on the Service List that has not provided a facsimile number or email address, and materials delivered by mail shall be deemed received five (5) days after mailing.

32. Notwithstanding paragraph 31 of this Order, service of the Notice of Application and any affidavits filed in support shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c.C-50 and its regulations for the Federal Crown and the *Crown Proceedings Act*, R.S.B.C. 1996 c.89 in respect of the British Columbia Crown.
33. The Receiver and its counsel are authorised to serve or distribute this Order, any other orders and any other materials as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding copies by facsimile or by email to the Debtor's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of any legal or juridical obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*.

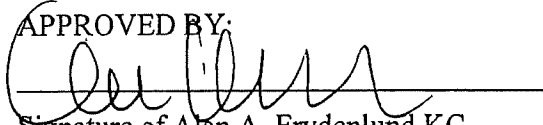
GENERAL

34. Any interested party may apply to this Court to vary or amend this Order on not less than seven (7) clear business days' notice to the Service List and to any other party who may be affected by the variation or amendment, or upon such other notice, if any, as this Court may order.
35. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
36. Nothing in this Order shall prevent the Receiver from acting as a licensed insolvency trustee of the Debtor.
37. This Court requests the aid, recognition and assistance of any court, tribunal, regulatory or administrative body having jurisdiction, wherever located, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All such courts, tribunals and regulatory and administrative bodies are 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.
38. The Receiver is authorized and empowered to apply to any court, tribunal or regulatory or administrative body, wherever located, for recognition of this Order and for assistance in carrying out the terms of this Order and 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.
39. The Petitioners shall have their costs of this motion, up to and including entry and service of this Order, as provided for by the terms of the Petitioners' security or, if not so provided by the Petitioner'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.

40. Endorsement of this Order by counsel appearing on this application other than the Petitioners is dispensed with.

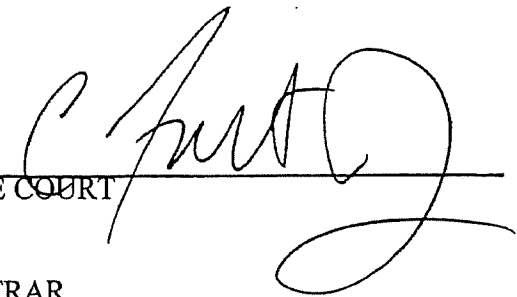
THE FOLLOWING PARTIES APPROVE OF THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

APPROVED BY:



Signature of Alan A. Frydenlund KC

lawyer for Petitioners/Applicant


BY THE COURT

REGISTRAR



SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that D. Manning & Associates Inc. , the ~~Receiver and Manager~~ (the "Receiver") of all of the assets, undertakings and property of AC NANAIMO INVESTMENT LIMITED PARTNERSHIP and AC NANAIMO NOMINEE LTD. formerly known as ANSEN NANAIMO 26 DEVELOPMENT BARE TRUSTEE LTD. 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 Supreme Court of British Columbia and/or the Supreme Court of British Columbia (the "Court") dated the _____ day of _____, 2023 (the "Order") made in SCBC Action No. H 230320 _____ 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 ~~daily~~ ~~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 _____ 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 the 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 _____.
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 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.

23

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

DATED the [redacted] day of [redacted], 202__.

D. Manning & Associates Inc., solely in its capacity as Receiver and Manager of the Property, and not in its personal capacity

Per:
Name:
Title:

Schedule "B"

Demand for Notice

TO: [Name of Applicant]
c/o [Name of Counsel to the Applicant]
Attention:
Email:

AND TO: D. Manning & Associates Inc.
c/o Owen Bird Law Corporation
Attention: Alan A. Frydenlund KC
Email: afrydenlund@owenbird.com

Re: In the matter of the Receivership of AC NANAIMO INVESTMENT LIMITED PARTNERSHIP and AC NANAIMO NOMINEE LTD. formerly known as ANSEN NANAIMO 26 DEVELOPMENT BARE TRUSTEE LTD.

I hereby request that notice of all further proceedings in the above Receivership be sent to me in the following manner:

- 1. By email, at the following address (or addresses):

OR

- 2. By facsimile, at the following facsimile number (or numbers):

OR

- 3. By mail, at the following address:

Name of Creditor: _____

Name of Counsel (if any): _____

Creditor's Contact Address: _____

Creditor's Contact Phone Number: _____

25

SCHEDULE "C"
Counsel Appearing

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

LANYARD INVESTMENTS INC. as general partner of LFC KESEF-B21 LIMITED
PARTNERSHIP
FISGARD CAPITAL CORPORATION

Petitioners

- and -

AC NANAIMO INVESTMENT GP LTD.
AC NANAIMO INVESTMENT LIMITED PARTNERSHIP
AC NANAIMO NOMINEE LTD. formerly known as ANSEN
NANAIMO 26 DEVELOPMENT BARE TRUSTEE LTD.
COROMANDEL HOLDINGS LTD.
ZHEN YU ZHONG also known as ZHENYU ZHONG
JUN CHAO MO also known as JUNCHAO MO
ALIGN BC PROPERTIES CORP. formerly known as VIVAGRAN
DEVELOPMENT CORP.
ZHONG LIANG
XINTAI LIU
YING LIANG
CHENMING LI
JOHN DOE

ALL TENANTS OR OCCUPIERS OF THE SUBJECT LANDS AND PREMISES

Respondents

SCHEDULE "B"

COLLIERS MacAULAY NICOLLS INC.
MARKETING REPORT
DATED DECEMBER 4, 2023



December 4, 2023

Marketing Report

2415 - 2483 East 26th Avenue Vancouver | BC

Prepared for: D. Manning & Associates Inc.

Morgan Iannone

Executive Vice President
+1 604 662 2654
Morgan.Iannone@colliers.com

Casey Weeks

Executive Vice President
+1 604 661 0811
Casey.Weeks@colliers.com

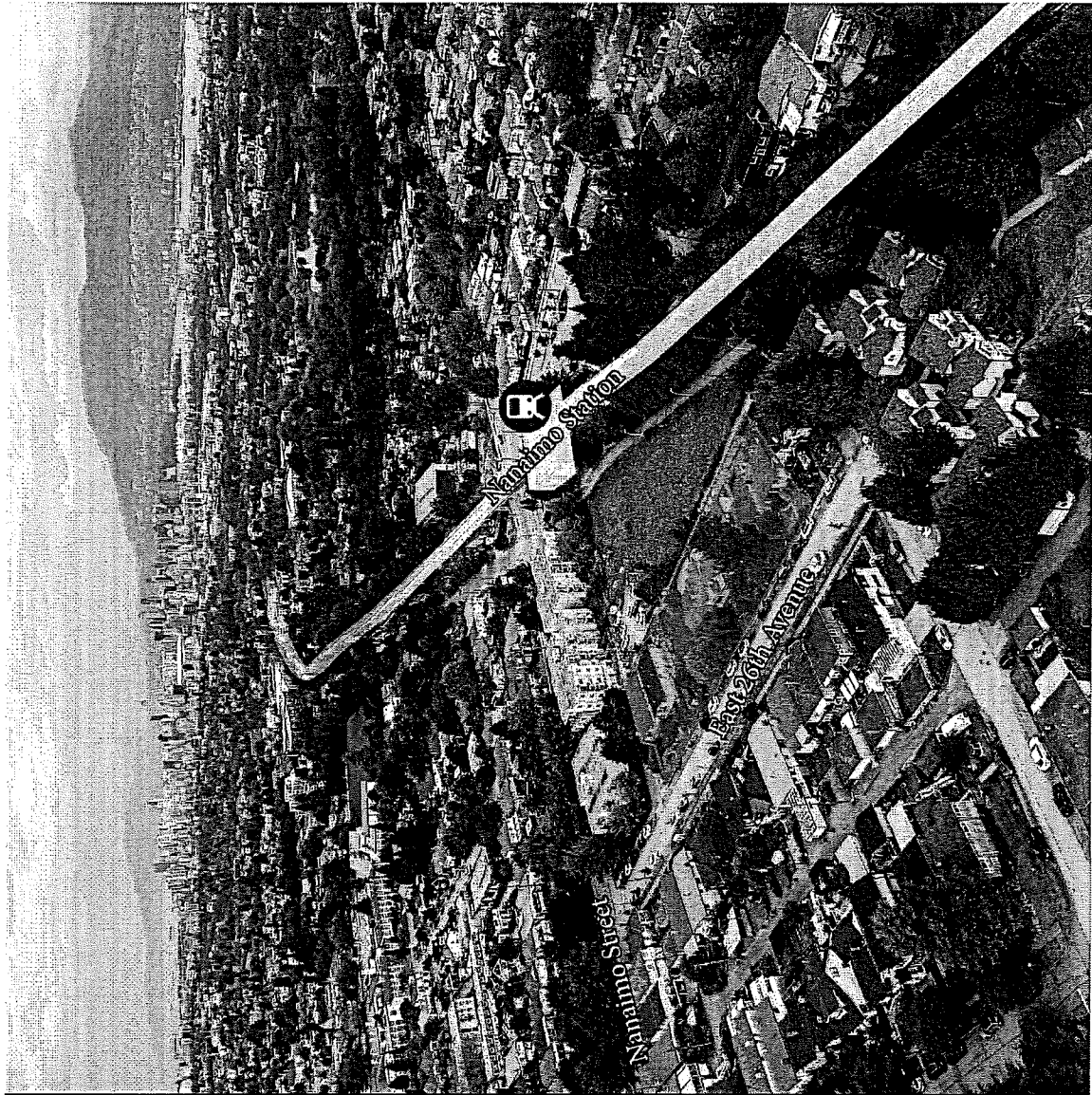
Bill Randall

Executive Vice President
+1 604 692 1097
Bill.Randall@colliers.com

Madison Bourgeois

Senior Investment Project Specialist
+1 780 969 3000
madison.bourgeois@colliers.com

Accelerating success.



Overview of Marketing Process

- Run a sales process and market 2415 - 2483 East 26th Avenue Vancouver, BC to our proprietary database of developer & investor contacts locally, nationally and internationally.

Initial Email Communication "E-Blast" Delivered Sept 26 2023 3,833

Follow up E-Blast to Unopened List 1 week Later 2,175

Total Unique Opens 2,545

LinkedIn Post Impressions - Posted Sept 26 2023 6,133

Colliers Canada & IW Commercial Web Listing Views 356

Active Interest & Discussions 43

CA's Signed for Access to Data Room 10

Additional Marketing Activities

- Listed September 18, 2023
- Advertised in Western Investor
- Advertised in Business in Vancouver Oct 16 issue
- Installation of (2) 4x8 signs
- Continuously marketed on Bill Randall's personal website
- Continuously marketed on Casey Weeks & Morgan Iannone's personal website
- Continuously marketed on Colliers' website
- Download Brochure
- View Web Listing

Update

- On November 11th, notified all 42 Interested Parties of the Court Date and the process for competing bids.
- Competing bids must be submitted by 4pm December 5th, 2023 two groups Holborn and Pacific Reach are taking a closer look
- 2nd mortgagee may submit a bid or two as the group appears to be fractured
- Received competing offer from 1447800 B.C. Ltd on December 1 2023

Next Steps

1. Approval hearing Dec 7, 2023
2. Competing bids must be submitted by 4pm December 5th, 2023

Data Room Files

Consultant Reports

Report of Findings – Phase I Environmental Site Assessment

Environmental Report - Phase 1

Geotech Report

Offer Form

Schedule A to Agreement of Purchase & Sale

Policy & Zoning

City of Vancouver Zoning & Development Bylaw

Vancouver Plan

Receivership Documents

Entered Receivership Order - August 23 2023

Receivers Rent Roll

Titles

Title Documents for each property

Expressions of Interest

Name of Prospect	Company	Data Room Access	Status
Jeremy Waldman	Hudson	9/26/2023	Reviewing Data Room
Alistair Arnold	Omni		Inquired / Initial Discussions
Jamie Vaughan	Sightline Development		Inquired / Initial Discussions
Will Wang	Shokai Canada		Inquired / Initial Discussions
Ben Lin	Intracorp	9/26/2023	Reviewing Data Room
Bruce Ma	Create	9/26/2023	Reviewing Data Room
Daniel Kong	Create	9/26/2023	Reviewing Data Room
Sean Lee	Qualico	9/27/2023	Reviewing Data Room
Riley Mari	Locamp		Inquired / Initial Discussions
Winnie Ng	Concert Properties		Inquired / Initial Discussions
Jared Stern	PCI		Inquired / Initial Discussions

Expressions of Interest

Name of Prospect	Company	Data Room Access	Status
Thomas Roxburgh	Rize Alliance		Inquired / Initial Discussions
Meghan Henselwood	Manulife		Inquired / Initial Discussions
Eric Cheung	Regal Century Management		Inquired / Initial Discussions
Shannon Price	BC Transportation Financing Authority	9/29/2023	Reviewing Data Room
Giovanni Piovesan-Keane	BC Transportation Financing Authority	9/29/2023	Reviewing Data Room
Roc Chen	Realtor		Inquired / Initial Discussions
Phil Lin			Inquired / Initial Discussions
Dan Dibadj	Pacific Reach		Inquired / Initial Discussions
Gareth Langdon	Concert Properties	10/4/2023	Reviewing Data Room
Marcos Mogyoro	Anthem		Inquired / Initial Discussions
Gary Chan	Halborn		Inquired / Initial Discussions

Expressions of Interest

Name of Prospect	Company	Data Room Access	Status
Michael Slatkey	City of Vancouver	10/17/2023	Prepared Copies Not Available
Stu Carmichael	CWPC	10/20/2023	Reviewing Data Room
Ian Duke	Westbank		Inquired / Initial Discussions
Beau Jarvis	Wesgroup		Inquired / Initial Discussions
Ryan Zhang			Inquired / Initial Discussions
Ben Rener	Qualex Landmark		Inquired / Initial Discussions
Nevin Sangha			Inquired / Initial Discussions
	Translink/MOTI		Inquired / Initial Discussions
Robert Brown	Chesterman Propertie		Inquired / Initial Discussions
Jesse Wang	Kingdom Canada		Inquired / Initial Discussions
Farzad Tehari	Mirage Group		Inquired / Initial Discussions

Expressions of Interest

Name of Prospect	Company	Data Room Access	Status
Bob Cheema	Bills Developments Ltd.		Inquired / Initial Discussions
Rui Ho			Inquired / Initial Discussions
Norm Shearing	OpenForm Properties	10/25/2023	Reviewing Data Room
Xintal Lin	1447800 BC Ltd	11/3/2023	Reviewing Data Room
John Serda	Realtor		Inquired / Initial Discussions
Vincent Wang	Pacific Evergreen Realty		Inquired / Initial Discussions
Stefan Ferrario	RF Properties		Inquired / Detailed Discussions
James Redekop	RF Properties		Inquired / Detailed Discussions
Deep Phillon	Realtor		Inquired / Initial Discussions
Charles Yu (Jack Yong)			Inquired / Initial Discussions



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Vancouver, BC V6C 2R3 | Canada

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For Sale

Shorncliffe

5845 Sunshine Coast Highway,
Sechelt, BC

Oceanfront development site on the Sunshine Coast. A 2-acre parcel of land with direct oceanfront access.



Matt Saunders
Personal Real Estate Corporation
matt.saunders@colliers.com

Agron Bajraktari
agron.bajraktari@colliers.com

Grocery Anchored Shopping Mall

For Sale

3232 Highway 16, Houston
Located along the Yellowhead Highway, in BC's northern interior with a 8.0% Cap Rate.

Matt Saunders
Personal Real Estate Corporation
matt.saunders@colliers.com

LUXE | High Profile Retail/Restaurant Space

For Sale/Lease

5591-5631 No. 3 Road, Richmond
Brand-new, concrete construction luxury retail units for sale. Three units available, offering up to 6,024 SF of premier retail space with patio opportunities..

Stephen Moscovich
Personal Real Estate Corporation
stephen.moscovich@colliers.com

Large Scale Development Site

For Sale

2415 to 2483 East 26th Avenue, Vancouver
29,403 SF Transit-Oriented Development Site in East Vancouver.

Casey Weeks
Personal Real Estate Corporation
casey.weeks@colliers.com

Morgan Iannone
Personal Real Estate Corporation
morgan.iannone@colliers.com

Peretz Centre

For Sale

6184 Ash Street, Vancouver
A 15,996 SF two-storey commercial building adjacent to the Oakridge Centre Development.

Don Viner
don.viner@colliers.com

Matt Saunders
Personal Real Estate Corporation
matt.saunders@colliers.com

Fully Leased Neighbourhood Shopping Centre

For Sale

13190 58A Avenue, Surrey
Brand new, 11,000 SF, fully leased retail centre, available for purchase.

Mike Grewal
Personal Real Estate Corporation
mike.grewal@colliers.com

Owner/Occupier Opportunity In Surrey

For Sale

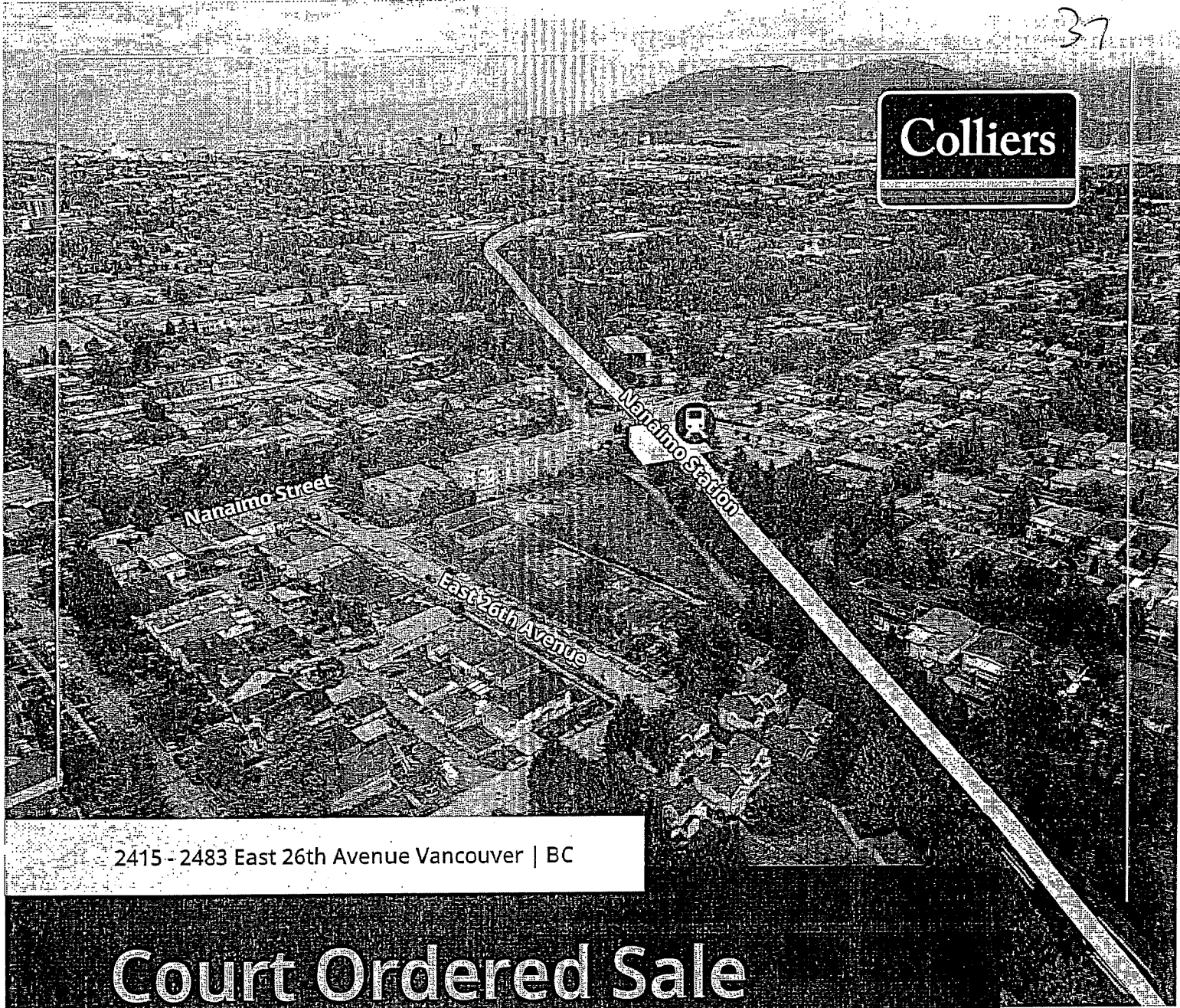
8395 King George Boulevard, Surrey
Opportunity to purchase a +/- 7,519 SF freestanding commercial building.

Mike Grewal
Personal Real Estate Corporation
mike.grewal@colliers.com

Dylan Sohi
Personal Real Estate Corporation
dylan.sohi@colliers.com

19th Floor, 200 Granville Street, Vancouver, BC V6C2R6 | +1 604 681 4111 | collierscanada.com

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2415 - 2483 East 26th Avenue Vancouver | BC

Court Ordered Sale 29,403 SF Transit-Oriented Development Site

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Morgan.Iannone@colliers.com

Casey Weeks*
Personal Real Estate Corporation
Executive Vice President
+1 604 661 0811
Casey.Weeks@colliers.com

Bill Randall
Personal Real Estate Corporation
Executive Vice President
+1 604 692 1097
Bill.Randall@colliers.com

Property Overview

Colliers is pleased to announce the opportunity to acquire a large scale development site in East Vancouver, one of Metro Vancouver's fastest growing and most desirable areas.

Civic Address	2415, 2469, 2419, 2425, 2475, 2459, 2441, 2461, 2483 - 26th AV E, Vancouver BC
PIDs	013-823-892, 002-412-543, 013-823-906, 004-170-881, 013-823-922, 011-949-554, 013-823-914, 010-162-402, 013-823-931
Legal Address	LOT 5-13, BLOCK 1, PLAN VAP2440, PART S1/2, DISTRICT LOT THSL, SECTION 46, NEW WESTMINSTER LAND DISTRICT, EXC N 20 FT
Zoning	CD-1 (210) - Nanaimo Street & 26th Avenue
Land Use Plan	Vancouver Plan - Rapid Transit Area
Neighbourhood Community Plan	Renfrew-Collingwood
Total Site Area	29,403 SF
Site Dimensions	297' x 99'
Maximum Building Height	Up to 25 storeys as prescribed in the Vancouver Plan 2050
Gross Taxes	\$53,346.41
Asking Price	Please Contact Listing Brokers

Key Highlights

- > **Scale:** Rare scale as a 29,403 SF site
- > **Transit-Oriented:** 50 metres from Nanaimo SkyTrain Station (8 minutes to downtown)
- > **Rezoning Potential:** The recently adopted Vancouver Plan 2050 prescribes towers up to 25 storeys in Rapid Transit areas
- > **Lack of Supply:** Supply constrained Vancouver market with significant demand
- > **Amenity Rich:** Gladstone Secondary School, Lord Beaconsfield Elementary, Trout Lake Park and Community Centre
- > **Access:** Easy access to throughout Metro Vancouver via Skytrain, Highway 1 and BC Parkway bike path



2415 - 2483 East 26th Avenue, Vancouver | 3

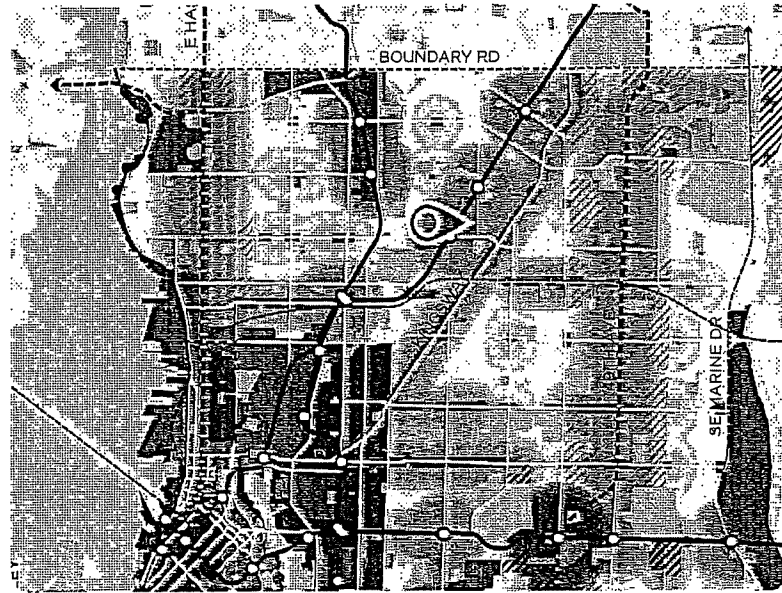


Land Use & Planning Context

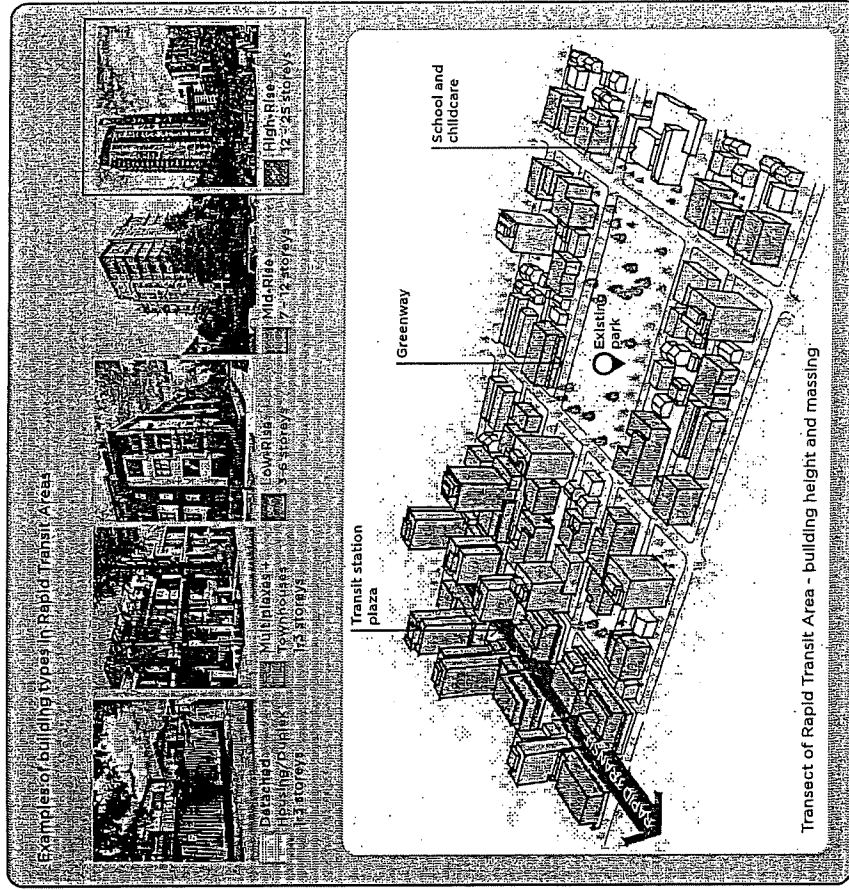
The Vancouver Plan was adopted by City Council in July 2022. The Plan prescribes the Nanaimo Station area as a "Rapid Transit Area" with the potential for residential towers up to 25 storeys.

The Vancouver Plan is visionary long-range land use plan providing direction for local area plans. Currently there is no area plan for Nanaimo Station, however, it is anticipated that a new Nanaimo Station plan, based on the Vancouver Plan, is forthcoming in the near term.

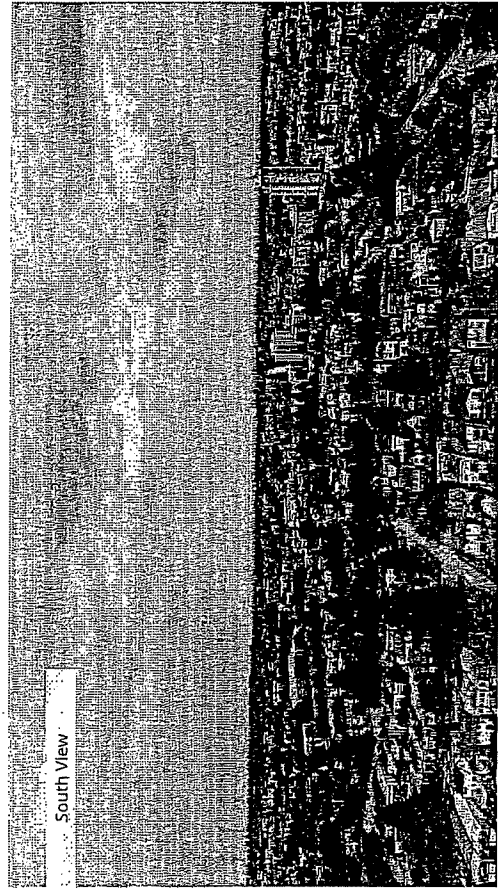
- Neighbourhood Types**
 - Metro Core/Broadway + MTC
 - Rapid Transit Area
 - Neighbourhood Centre
 - Village
 - Multiplex Area
 - Village/Neighbourhood Centre overlap with Rapid Transit Area
- Transit Network**
 - Existing Rapid Transit Station
 - Existing Rapid Transit
 - Major Transit Network
- Ecology**
 - Parks and open space and greenspace in other jurisdictions
 - Waterbody



Rapid Transit Area: Existing and future rapid transit areas will grow to accommodate more employment uses and a wide range of housing options, including rental and social housing.



Aerial Shots of Site
& Neighbourhood



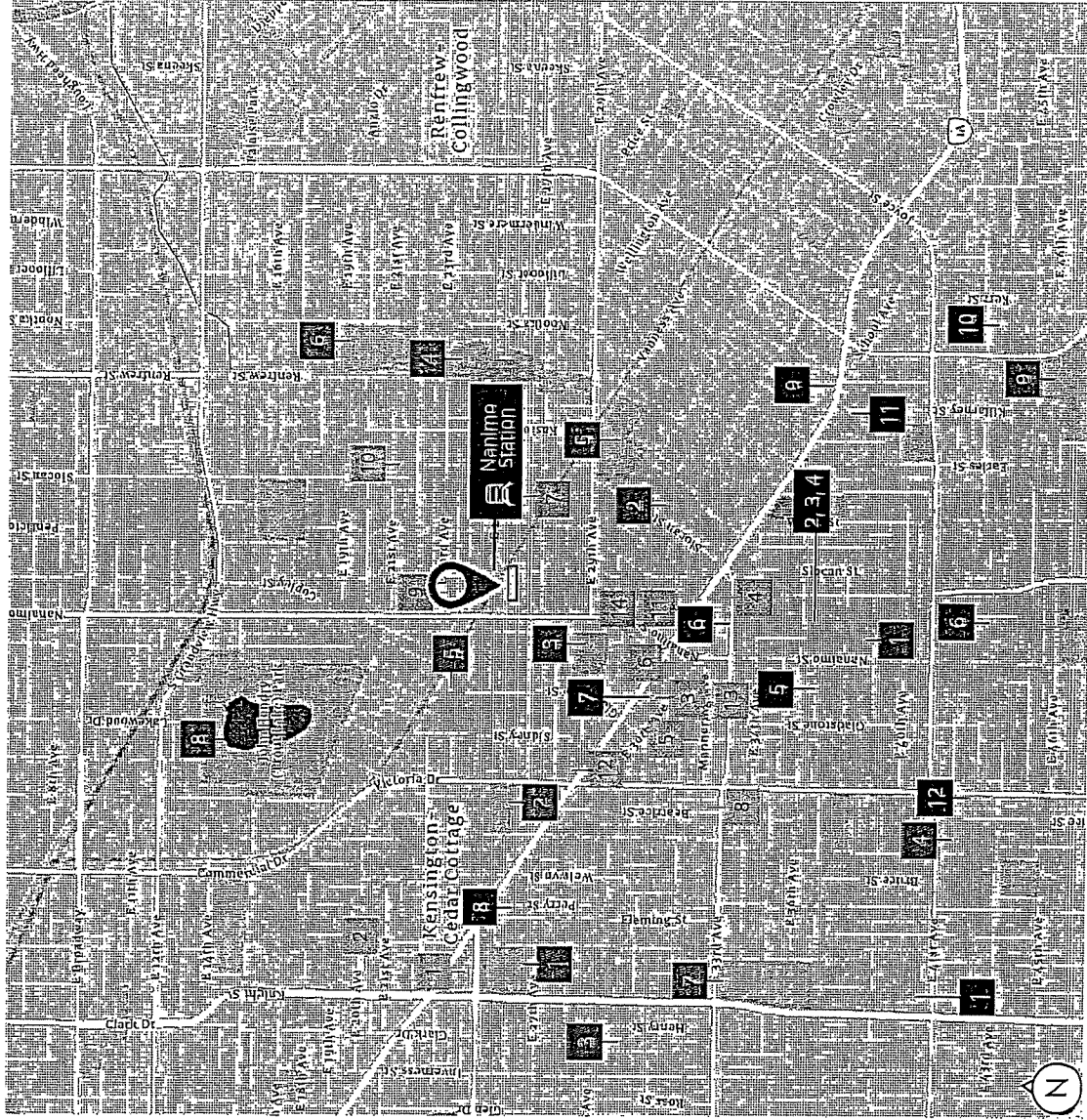


Location Overview

The subject property is located in the heart of East Vancouver's Joyce-Collingwood Neighbourhood surrounded by an abundance of amenities including Trout Lake Community Centre and Park, Gladstone Secondary School, and Lord Beaconsfield Elementary School.

Located steps from the Nanaimo Skytrain Station, this site provides a short 8-minute commute to downtown Vancouver. Additionally, being adjacent to the BC Parkway Bike Trail provides safe and quick cycle access throughout Metro Vancouver.

With an abundance of public amenities such as parks, community centres, transit, and child care facilities, Renfrew is fast becoming one of the City's most desirable Neighbourhoods.



Food & Drink	
418	East Side Craft House
419	Top Cantonese Cuisine
420	McKim Wonton Meilin Saga
421	Purdys Chocolatier
422	Neighbour's Restaurant & Pizza House
423	Church's Texas Chicken
424	Happy Family Restaurant
425	White Spot Kingsway
426	Chill Pepper House
427	Mediterranean Halal Meats and Grocery
428	Dairy Queen Grill & Chill
429	Moi Garden
Education	
430	Cunningham Elementary School
431	John Morquay Elementary School
432	Sir Richard McBride Elementary
433	Tecumseh Elementary School
434	Gladstone Secondary School
435	Waverley Elementary School
Services & Shops	
436	TD Canada Trust Branch and ATM
437	CIBC Branch with ATM
438	Scotiabank
439	RBC Royal Bank
440	Dollarama
441	Eldorado Liquor Store
442	Gordon's Guest House
443	88 Supermarket
444	Express News and Convenience
445	Banana Grove Market And Deli
446	Petro-Canada
447	Esso
448	T&T Supermarket Kingsway Store
449	Queens Medical Clinic
Parks & Recreation	
450	Kingcrest Park
451	Brewers Park
452	General Brock Park
453	Renfrew Ravine Park & Rim Trail
454	Slocan Community Hall & Park
455	Renfrew Park Community Centre
456	Kensington Community Centre & Park
457	Trout Lake Beach
458	Killarney Recreation Centre

Offering Process



All prospective purchasers are invited to submit Offers to Purchase through Colliers for consideration by the Receiver.

After signing a Confidentiality Agreement (CA), qualified parties will be provided access to the data room which contains pertinent information and documents relevant to the Offering.

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Madison Bourgeois*

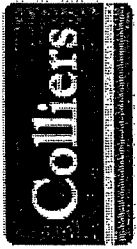
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*IW Investment & Land Sales Group

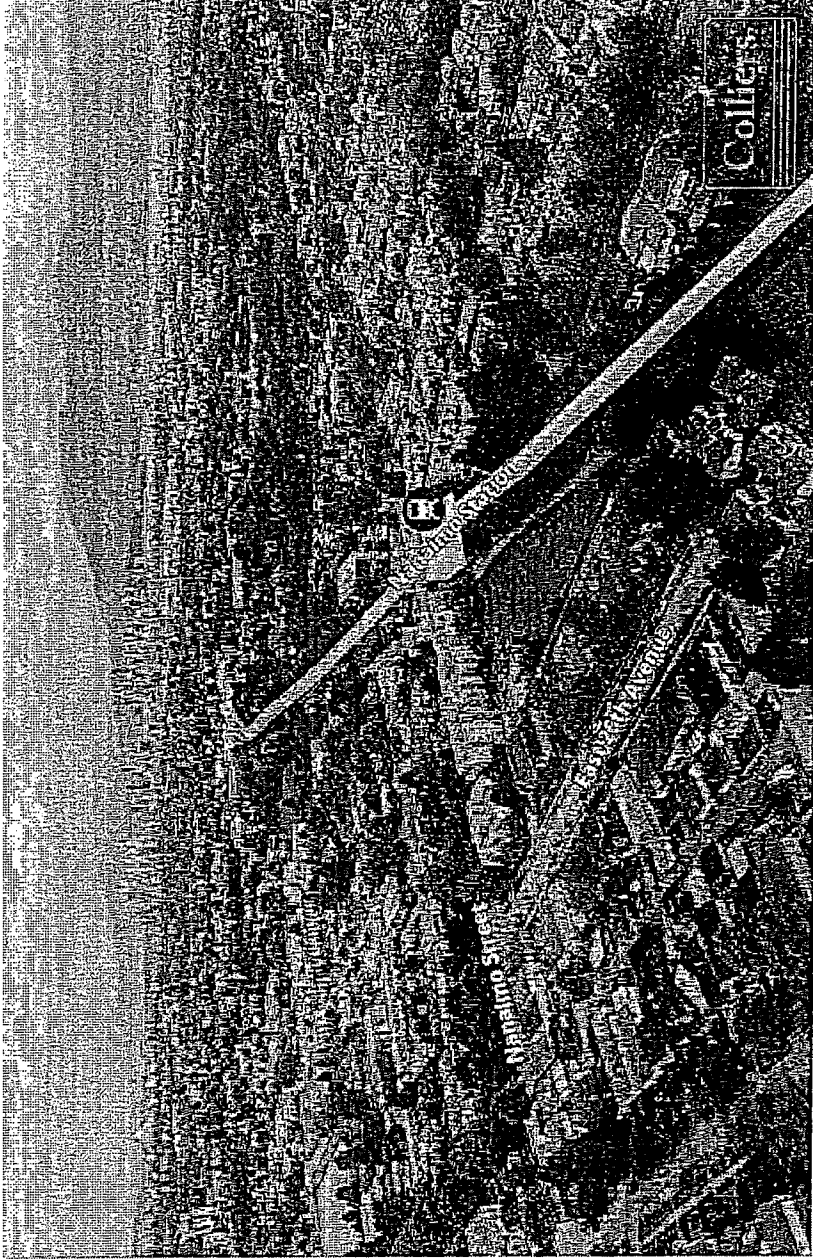
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Accelerating success



Learn more about this property online at:
<https://www.collierscanada.com/p-can2013627>



2415 - 2483 East 26th Avenue, Vancouver, British Columbia, Canada
Court Ordered Sale | 29,403 SF Transit-Oriented Development Site in East
Vancouver

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Land | Land Area: 29,403 SF

Casey Weeks, Morgan Iannone and Bill Randall are pleased to announce the opportunity to acquire a 29,403 SF Transit-Oriented Development Site only 50 metres from the Nanaimo Skytrain Station. The Vancouver Plan 2050 prescribes that future high-rise density development may be available for this site.

The subject property is located in the heart of East Vancouver's Joyce-Collingwood Neighbourhood surrounded by an abundance of amenities including Trout Lake Community Centre and Park, Gladstone Secondary School, and Lord Beaconsfield Elementary School.

Located steps from the Nanaimo Skytrain Station, this site provides a short 8-minute commute to downtown Vancouver. Additionally, being adjacent to the BC Parkway Bike Trail provides safe and quick cycle access throughout Metro Vancouver.

Property Details

Property Types

Land

Features

- Scale: Rare scale as a 29,403 SF site
- Transit-Oriented: 50 metres from Nanaimo SkyTrain Station (8 minutes to downtown)
- Rezoning Potential: The recently adopted Vancouver Plan 2050 prescribes towers up to 25 storeys in Rapid Transit areas
- Lack of Supply: Supply constrained Vancouver market with significant demand
- Amenity Rich: Gladstone Secondary School, Lord Beaconsfield Elementary, Trout Lake Park and Community Centre
- Access: Easy access to throughout Metro Vancouver via Skytrain, Highway 1 and BC Parkway bike path

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Sale Areas

Area	Size
Site Dimensions	297' x 99'

Location



Casey Weeks

Executive Vice President - Investment | Personal Real Estate Corporation | IW Investment And Land Sales Group

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Morgan Iannone

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+1 604 562 0568



Bill Randall

Executive Vice President L Personal Real Estate Corporation

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+1 604 692 1097

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SCHEDULE "C"

E-MAIL FROM RECEIVER'S COUNSEL
TO COLLIERS MacAULAY NICOLLS INC.
DATED NOVEMBER 16, 2023

From: Alan Frydenlund <afrydenlund@owenbird.com>
Date: November 16, 2023 at 1:04:53 PM PST
To: "Randall, Bill" <Bill.Randall@colliers.com>
Cc: William Choo <wc@manning-trustee.com>, Alex Ng <alexng@manning-trustee.com>, bchelin@lanyardgroup.com, Anna Liguori <aliguori@owenbird.com>
Subject: Lanyard Investments Inc. v. AC Nanaimo Investment GP Ltd. et al

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Bill:

Attached is a filed copy of the application for court approval of the sale along with the Receiver's First Report. These documents are matters of public record and may be shared with any prospective purchaser as well as any other interested parties.

Here's is a link to the mandatory, court implemented sealed bid process:

https://www.bccourts.ca/supreme_court/practice_and_procedure/practice_directions/civil/PD-62_Sealed_Bid_Procedures_for_Foreclosures_and_other_Matters_Involving_Sales_of_Land.pdf

This process needs to be carefully reviewed so that you can field and answer queries. You will need to provide this link to all interested parties and ensure that the parties/realtors have read and understood the process.

The sale approval hearing is scheduled for THURSDAY DECEMBER 7, 2023, in Vancouver. If a competing bid is not received in compliance with the terms of the bid process, then it will *almost* certainly not be considered or approved by the court. In accordance with the terms of the bid process, any competing bid must be received by me by 4pm on TUESDAY DECEMBER 5TH, 2023. The original offeror will then have until 10pm on WEDNESDAY DECEMBER 6, 2023 to submit a revised bid. Please flip me contact info for the original offeror's realtor so that, if a competing bid is received, I can give prompt notice.

Competing bidders should be made cognizant of the terms of the bid process that address the deposit. It's not ok for the deposit to be paid to the offeror's realtor.

In order to ensure that bids are compliant, and offers can be compared "apples to apples," it would be best for you to provide competing bidders with a proper template for the contract. I would suggest creating one with all relevant information included (stating that the offer is subject only to court approval, that the comp/poss/adj dates will be 10 BUSINESS days after court approval or as otherwise ordered by the court, etc.) and attaching the Schedule A, leaving only names and the purchase price to be filled out. If a competitive offer is set to close more than 10 business days following court approval the court may (or may not) consider it but if the court does, it will take into account the per diem interest accruing on the mortgages for the additional time period. The mortgages, I am told, accrue at about \$8,000 daily so when comparing bids with a longer close that needs to take that into account to be at the same "yield" (price) as the offer before the court.

If you have any questions, let me know.

Regards,

Alan A. Frydenlund K.C.*

Barrister & Solicitor | Shareholder

OWEN BIRD LAW CORPORATION

O: 604-688-0401 D: 604-691-7511 F: 604-632-4486
E: afrydenlund@owenbird.com | W: www.owenbird.com
2900 – 733 Seymour Street, P.O. Box 1, Vancouver, B.C. V6B 0S6
***Personal Law Corporation**

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We are a member of Interlaw, an elite global network of independent law firms comprising 7,500+ lawyers in 150 cities worldwide.

We moved! Owen Bird is now located at Vancouver Centre II at 2900 – 733 Seymour Street, Vancouver, B.C. V6B 0S6.

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SCHEDULE "D"

E-MAIL FROM LAWSON LUNDELL LLP
TO RECEIVER'S COUNSEL
DATED DECEMBER 1, 2023

From: Julia Winters <jwinters@lawsonlundell.com>

Sent: Monday, December 4, 2023 12:33 PM

To: Alan Frydenlund <afrydenlund@owenbird.com>; Weeks, Casey <Casey.Weeks@colliers.com>

Cc: Jack Yong <jyong@lawsonlundell.com>; Noor Mann <nmann@lawsonlundell.com>; Anna Liguori <aliguori@owenbird.com>

Subject: RE: East 26th and Nanaimo (Lanyard et al v AC Nanaimo H-230320)

Alan,

Please below responses to your inquiries.

Regards,

Julia

Julia Winters (she/her) | Partner
Lawson Lundell LLP
D 604.631.9171 | F 604.669.1620

From: Alan Frydenlund <afrydenlund@owenbird.com>

Sent: Friday, December 1, 2023 3:34 PM

To: Julia Winters (3171) - 15Flr <jwinters@lawsonlundell.com>; Weeks, Casey <Casey.Weeks@colliers.com>

Cc: Jack Yong (3216) - 15Flr <jyong@lawsonlundell.com>; Noor Mann (3161) - 14Flr <nmann@lawsonlundell.com>; Anna Liguori <aliguori@owenbird.com>

Subject: RE: East 26th and Nanaimo (Lanyard et al v AC Nanaimo H-230320)

[THIS MESSAGE ORIGINATED FROM OUTSIDE OUR FIRM]

Julia:

Attached please find the Acknowledgement of Receipt of your Transmittal Letter.

In the case of a corporate purchaser, pursuant to paragraph 6 (d) the protocol embedded below, kindly advise us of:

1. the operating minds of the purchaser; LL: Jeffrey Liu, aka Xintai Liu.
2. their *bona fides* and ability to complete the sale; and LL: Our client advises that it holds a portion of the purchase price to be paid in cash, and is expecting to receive the balance of funds to complete upon the upcoming maturity of an investment. It is also lining up financing for completion. The directing mind of the purchaser is the principal of a well-known private lender in this market, Cenyard, who routinely completes investment, loan and acquisition transactions relating to land in the Lower Mainland.

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- 3. if they are in anyway connected to any parties to the foreclosure proceeding pursuant to which the Receiver was appointed. LL: The purchaser is related to the holders of the second mortgage filed on title to the subject properties, being Xintai Liu, Chenming Li and Ying Liang.

6 (d) The Seller's counsel may request that any Offeror provide further information as to the identity of any related parties or operating minds of any corporate entities, so as to satisfy itself as to the Offeror(s)' bona fides and ability to complete the sale, including paying the purchase funds upon closing. Should any such Offeror(s) not provide information as may reasonably be requested by the time reasonably required in the request, the Seller's counsel may decline to consider their offer.

<https://www.bccourts.ca/supreme-court/practice-and-procedure/practice-directions/civil/PD-62-Sealed-Bid-Procedures-for-Foreclosures-and-other-Matters-Involving-Sales-of-Land.pdf>

Thank you.

Alan A. Frydenlund K.C.*

Barrister & Solicitor | Shareholder

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 O: 604-688-0401 D: 604-691-7511 F: 604-632-4486
 E: afrydenlund@owenbird.com | W: www.owenbird.com
 2900 – 733 Seymour Street, P.O. Box 1, Vancouver, B.C. V6B 0S6
 *Personal Law Corporation

We are a member of Interlaw, an elite global network of independent law firms comprising 7,500+ lawyers in 150 cities worldwide.

We moved! Owen Bird is now located at Vancouver Centre II at 2900 – 733 Seymour Street, Vancouver, B.C. V6B 0S6.

From: Julia Winters <jwinters@lawsonlundell.com>
Sent: Friday, December 1, 2023 3:01 PM
To: Alan Frydenlund <afrydenlund@owenbird.com>; Weeks, Casey <Casey.Weeks@colliers.com>
Cc: Jack Yong <jyong@lawsonlundell.com>; Noor Mann <nmann@lawsonlundell.com>
Subject: East 26th and Nanaimo (Lanyard et al v AC Nanaimo H-230320)


Alan, Casey,

We represent 1447800 B.C. Ltd. in its offer to purchase certain lots at East 26th and Nanaimo. Please find attached a contract signed by the buyer, a transmission letter signed on behalf of 1447800 B.C. Ltd., and for convenience of comparison, a blackline we ran of this contract compared against the City's accepted offer. The text recognition software was not perfect, but it should be clear enough what the substantive changes are.

Our client advises that it will pay the deposit before next Tuesday, which payment will be made to Owen Bird Law Corporation, in trust.

Regards,

Julia



JULIA WINTERS (she/her) | Partner
 D 604.631.9171 | F 604.669.1620 | E jwinters@lawsonlundell.com
LAWSON LUNDELL LLP 1600 - 925 West Georgia Street, Vancouver, BC V6C 3L2
 Vancouver | Calgary | Yellowknife | Kelowna



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SCHEDULE "E"

1447800 OFFER ON PROPERTIES
DATED DECEMBER 1, 2023

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PURCHASE CONTRACT

Effective Date: December 1, 2023

Parties: 1447800 B.C. Ltd. and D. Manning & Associates Inc., Court-Appointed Receiver and Manager of the assets, undertakings and property of AC Nanaimo Investment Limited Partnership and AC Nanaimo Nominee Ltd. (formerly known as Ansen Nanaimo 26 Development Bare Trustee Ltd.) pursuant to an order of the Supreme Court of British Columbia made August 23, 2023 in a proceeding numbered H230320 in the Vancouver Registry (“**Receivership Order**”). Consideration: In return for the Deposit and the Buyer’s agreements, the receipt and sufficiency of which the Seller acknowledges, and in return for the Seller’s agreements, the receipt and sufficiency of which the Buyer acknowledges, the Seller and Buyer agree to be bound by the terms and conditions of this Contract. Contract terms and conditions: The Seller and Buyer agree as follows:

SECTION 1. INTERPRETATION

1.1 Definitions. In this Contract:

- 1.1.1. “**Buyer**” means 1447800 B.C. Ltd.;
- 1.1.2. “**Closing Date**” means the later of February 16, 2024 and 60 days after Court approval or, if the LTO is not open on that day, the first following day that the LTO is open for business;
- 1.1.3. “**Contract**” means this document and attached schedules;
- 1.1.4. “**CPL**” means the Certificate of Pending Litigation registered against title to the Property under number CB580918;
- 1.1.5. “**Deposit**” means \$600,000.00;
- 1.1.6. “**Effective Date**” means the date set out at the start of this Contract;
- 1.1.7. “**Financial Charges**” mean mortgages and assignments of rents and any other financial charges registered against title to the Property on the Closing Date;
- 1.1.8. “**including**” means “including, without limitation”;
- 1.1.9. “**LTO**” means the New Westminster Land Title Office;
- 1.1.10. “**Permitted Charges**” means all non-financial charges, and all reservations and exceptions in the original Crown grant for the Property;
- 1.1.11. “**Person**” means any legal entity including any individual, firm, corporation, or government body;

- 1.1.12. **“Property”** means collectively, those certain lands in Vancouver, British Columbia legally described as:

PID: 013-823-892, LOT 5 EXCEPT THE NORTH 20 FEET NOW LANE
BLOCK 1 SOUTH 1/2 OF SECTION 46 TOWN OF HASTINGS SUBURBAN
LANDS PLAN 2440

PID: 013-823-906, LOT 6 EXCEPT THE NORTH 20 FEET NOW LANE,
BLOCK 1 SOUTH 1/2 OF SECTION 46 TOWN OF HASTINGS SUBURBAN
LANDS PLAN 2440

PID: 004-170-881, LOT 7, EXCEPT THE NORTH 20 FEET, NOW ROAD
BLOCK 1 SOUTH 1/2 OF SECTION 46 TOWN OF HASTINGS SUBURBAN
LANDS PLAN 2440

PID: 013-823-914, LOT 8, EXCEPT THE NORTH 20 FEET NOW LANE,
BLOCK 1 SOUTH 1/2 OF SECTION 46 TOWN OF HASTINGS SUBURBAN
LANDS PLAN 2440

PID: 011-949-554, LOT 9, EXCEPT THE NORTH 20 FEET NOW ROAD,
BLOCK 1 SOUTH 1/2 OF SECTION 46 TOWN OF HASTINGS SUBURBAN
LANDS PLAN 2440

PID: 010-162-402, LOT 10, EXCEPT THE NORTH 20 FEET, NOW LANE,
BLOCK 1 SOUTH 1/2 OF SECTION 46 TOWN OF HASTINGS SUBURBAN
LANDS PLAN 2440

PID: 002-412-543, LOT 11, EXCEPT THE NORTH 20 FEET, NOW LANE,
BLOCK 1 SOUTH 1/2 OF SECTION 46 TOWN OF HASTINGS SUBURBAN
LANDS PLAN 2440

PID: 013-823-922, LOT 12, EXCEPT THE NORTH 20 FEET NOW LANE,
BLOCK 1 SOUTH 1/2 OF SECTION 46 TOWN OF HASTINGS SUBURBAN
LANDS PLAN 2440 and

PID: 013-823-931, LOT 13, EXCEPT THE NORTH 20 FEET NOW LANE,
BLOCK 1 SOUTH 1/2 OF SECTION 46 TOWN OF HASTINGS SUBURBAN
LANDS PLAN 2440,

together with the houses and other improvements on those lands;

- 1.1.13. **“Purchase Price”** means \$19,000,000.00;

- 1.1.14. **“Seller”** means D. Manning & Associates Inc., in its capacity as Court-Appointed Receiver and Manager of the assets, undertakings and property of AC Nanaimo Investment Limited Partnership and AC Nanaimo Nominee Ltd. (formerly known as Ansen Nanaimo 26 Development Bare Trustee Ltd.) pursuant to the Receivership Order;

- 1.1.15. “**Seller’s Representatives**” means Owen Bird Law Corporation;
- 1.1.16. “**Tax**” means any value-added taxes levied under the *Excise Tax Act* (Canada), including the goods and services tax or the harmonized sales tax, as each may be in effect from time to time; and
- 1.1.17. “**Transfer**” means a vesting order pronounced as contemplated by the Receivership Order conveying the Property to the Buyer.
- 1.2 **Interpretation.** The following provisions will apply to this Contract:
- 1.2.1. sections and headings are for convenient reference, and are not to affect the meanings of provisions, and use of the singular or masculine includes the plural, feminine, or body corporate, and vice versa;
- 1.2.2. if a court of competent jurisdiction finds any provision invalid, illegal, or unenforceable, and severs it from this Contract, the remaining provisions are to remain in force and effect;
- 1.2.3. time will be of the essence, and if the Buyer or Seller expressly or impliedly waives that requirement, the Buyer or Seller may re-instate it by delivering notice to the other;
- 1.2.4. this Contract represents the entire agreement between the Buyer and Seller regarding the matters set out in it, and supersedes all prior agreements, understandings, letters of intent, negotiations, or discussion about those matters, and no amendment is to have any force or effect unless the Buyer and Seller have signed it;
- 1.2.5. the Seller will execute and deliver to the Buyer, on request, such further assurances and documents, and do such further things, as the Buyer may require to give full force and effect to this Contract; and
- 1.2.6. references to statutes and bylaws are to them as they exist on the Effective Date, and to later amendments or replacements of them.

SECTION 2. SALE AND PURCHASE

- 2.1 **Sale and purchase.** The Seller will sell the Property to the Buyer free from all liens, charges, encumbrances, equities, claims, encroachments, and defects in title, except for Permitted Charges, and the Buyer will purchase the Property from the Seller, subject to the terms and conditions of this Contract.
- 2.2 **Purchase price.** The Buyer will pay the Purchase Price to the Seller for the Property. The Purchase Price will include any buildings, improvements, fixtures, appurtenances, and attachments thereto, and all blinds, awnings, screen doors, windows, curtain rods, tracks,

valances, fixed mirrors, fixed carpeting, electric plumbing, heating and air conditioning fixtures and all appurtenances and attachments thereto.

- 2.3 **Deposit.** The Seller acknowledges the sufficiency of the Deposit. The Buyer will pay the Deposit within 5 business days after the Seller's acceptance. The Deposit is on account of the Purchase Price.
- 2.4 **Closing.** The completion of the sale and purchase of the Property will occur on the Closing Date, subject to the terms and conditions of this Contract.

SECTION 3. REPRESENTATIONS

- 3.1 **Seller's representations.** Regardless of any independent investigations the Buyer may make, the Seller represents to the Buyer, as representations that are true and correct on the Effective Date and will be true and correct on the Closing Date, that: in response to the Buyer's inquiry under section 116 of the *Income Tax Act* (Canada) and under Part IX of the *Excise Tax Act* (Canada), the Seller is a resident of Canada within the meaning of those Acts, and, in the case of the *Excise Tax Act*, the Seller is resident in Canada by reason other than subsection 32(2) which deems a non-resident to be resident in Canada if that non-resident has a permanent establishment in Canada;
- 3.1.1. the Seller is the court-appointed receiver for the registered and beneficial owner of the Property, and
- 3.1.2. the Seller has no knowledge that any Person associated with the Buyer has any direct or indirect interest in this sale and purchase.

SECTION 4. CONDITIONS

- 4.1 **Buyer's conditions.** Despite anything to the contrary in this Contract, the Buyer's obligation to complete the purchase of the Property from the Seller will be subject to the following conditions:
- 4.1.1. the Seller's representations in section 3.1 will be true and correct on the Closing Date;
- 4.1.2. on the Closing Date, the Seller will have complied with all of the Seller's obligations under this Contract unless they are obligations with which the Contract expressly requires the Seller to comply after the Closing Date; and
- 4.1.3. approval by the Court of this Contract within 30 business days after acceptance.

**SECTION 5.
AGREEMENTS**

- 5.1 **Transfer of title.** The Seller will transfer title to the Property to the Buyer on the Closing Date according to the requirements of this Contract subject to the Permitted Charges, by way of vesting order.
- 5.2 **Statements and Leases.** Within five days after the Effective Date, the Seller will deliver to the Buyer:
- 5.2.1. copies of all leases of any portions of the Property that are within the Seller's possession or control.
- 5.3 **Investigation.** The Buyer, and its officials, employees, agents, and contractors, may enter the Property at any time before the Closing Date to carry out, at its cost, such inspections, investigations, tests, and surveys as it considers necessary or desirable. The Buyer will restore the surface of the Property, and repair any damage it causes in doing so.
- 5.4 **Risk.** The Property will be at the risk of the Seller until the date and time of submission of the Transfer for registration in the LTO, and, after that, will be at the risk of the Buyer.
- 5.5 **Possession.** The Buyer will assume all tenancies and occupants of the Property, subject to Permitted Charges, on the Closing Date after payment of the Purchase Price.
- 5.6 **Adjustments.** Subject to Schedule "A", the Seller and Buyer will adjust all items customarily the subject of adjustment in the sale and purchase of property similar to the Property at the Closing Date. If the adjustments are inaccurate or incomplete, the Seller and Buyer will make further adjustments after the Closing Date.
- 5.7 **CPL.** The Seller will cause the CPL to be discharged and released from title to the Property on the Closing Date.
- 5.8 **Costs, fees, and taxes.** The Seller will pay the costs of clearing title except for Permitted Charges. The Buyer will pay any land title transfer fees and LTO application and registration fees. The Seller will execute and deliver to the Buyer on or before the Closing Date an appropriate GST exemption certificate to relieve the parties of their obligations to pay, collect and remit GST in respect of the transaction. The Buyer and Seller will each pay their own legal costs. The Buyer and Seller will pay such costs, fees, and taxes when due.
- 5.9 **Commissions.** The Seller will pay when due all fees and commissions of its real estate brokers, real estate agents, and other like Persons in connection with the sale of the Property. The Buyer may include such fees and commissions as part of the adjustments. The Buyer confirms that it is not represented by any broker or real estate agent and therefore no commissions or fees are payable to relation thereto and if for any reason the Buyer engages an agent or like person, all costs associated therewith shall be for the Buyer's account.

**SECTION 6.
CLOSING**

- 6.1 **Documents.** Before the Closing Date:
- 6.1.1. the Buyer will cause its solicitors to prepare the Transfer, statements of adjustments, notice to tenants under leases of the Property, and other conveyance documents the Buyer considers necessary to complete the transaction, and to deliver them to the Seller's Representatives; and
- 6.1.2. the Seller will sign those documents, in a form reasonably satisfactory to the Seller and the Buyer, and cause the Seller's Representatives to return them to the Buyer's solicitors.
- 6.2 **Closing.** The Buyer will pay the adjusted Purchase Price on the Closing Date by way of certified cheque or wire transfer to the Seller's Representatives, in trust.
- The Seller and Buyer instruct the Seller's Representatives and Buyer's solicitors respectively to otherwise conduct the closing according to the customary practices of reputable lawyers having experience in such matters.
- 6.3 **Financial Charges.** If any Financial Charges are registered against title to the Property, the Seller, while still required to discharge such Financial Charges, may wait to do so until immediately after receipt of the adjusted Purchase Price but, in this case, the Buyer may pay the adjusted Purchase Price to the Seller's Representatives in trust on an undertaking to pay the monies pursuant to the Receivership Order and any subsequent vesting order.
- 6.4 **Tender.** The Buyer may tender documents or money to the Seller's Representatives, and the Seller may tender documents on the Buyer or the Buyer's solicitors. The Buyer shall tender money by certified cheque or wire transfer.

**SECTION 7.
GENERAL PROVISIONS**

- 7.1 **Survival.** All representations, agreements, and indemnities in this Contract will survive closing, registration of the Transfer, and payment of the Purchase Price despite any independent inquiry or investigation by the Buyer or the waiver by the Buyer of any condition set out in section 4.1, the subject matter of which is contained in a representation in the Contract.
- 7.2 **Notice.** Any notice, approval, consent, request, confirmation, or demand required or permitted under this Contract must be in writing, and the sender must deliver it by prepaid registered mail from any post office in British Columbia, by email or by personal service addressed to the Buyer as follows:

1447800 B.C. Ltd.
4351 Erwin Drive
West Vancouver, British Columbia
V7V 1H7
Email: JeffreyL@cenyard.com

Attention: Jeffrey Liu

with a copy to:

Lawson Lundell LLP
Suite 1600 - 925 West Georgia Street
Vancouver, BC V6C 3L2
Attention: Jack M. Yong
E-mail: jjong@lawsonlundell.com

Attention: Jack Yong

or to the Seller, by email or prepaid registered mail as follows:

D. Manning & Associates Inc.
520-625 Howe St.
Vancouver, British Columbia
V6C 2T6
Attention: Alex Ng (alexng@manning-trustee.com)

with a copy to:

Owen Bird Law Corporation
2900 - 733 Seymour Street
Vancouver B.C. V6B 056

Attention: Alan Frydenlund KC (afrydenlund@owenbird.com)

or to such other address in the Province of British Columbia of which either party may notify the other according to the requirements of this section 7.2. Service will be deemed complete, if made by registered mail 72 hours after the date and hour of mailing, if made by electronic transmission on the first business day after the date of transmission; and if made by personal service upon the effecting of such service.

Schedule "A", attached hereto forms an integral part of this contract.


- 7.3 **Effect of Contract.** This Contract will enure to the benefit of and bind the Seller and Buyer and their respective heirs, executors, administrators, successors and assigns.
- 7.4 **Counterparts.** This Contract may be executed in counterparts and delivered by electronic means. Such counterparts together will be deemed an original document.

TO EVIDENCE THIS CONTRACT the Seller and Buyer have signed it as of the Effective Date.

This Purchase Contract is open for acceptance until 5:00 pm Vancouver Time December 7, 2023 after which, if not fully executed by both parties, this Contract shall be null and void.

1447800 B.C. LTD.

Per:


Authorized Signatory

D. Manning & Associates Inc., Court-Appointed Receiver and Manager of the assets, undertakings and property of AC Nanaimo Investment Limited Partnership and AC Nanaimo Nominee Ltd. formerly known as Ansen Nanaimo 26 Development Bare Trustee Ltd., not in its personal capacity

By its authorized signatory:

Per:

Alex En Hwa Ng

SCHEDULE "A"
(COURT APPROVED SALE AGREEMENT)

DATE: December 1, 2023

CONTRACT OF PURCHASE AND SALE RE:

Parcel Identifier: 013-823-892, Lot 5

Parcel Identifier: 013-823-906, Lot 6

Parcel Identifier: 004-170-881, Lot 7

Parcel Identifier: 013-823-914, Lot 8

Parcel Identifier: 011-949-554, Lot 9

Parcel Identifier: 010-162-402, Lot 10

Parcel Identifier: 002-412-543, Lot 11

Parcel Identifier: 013-823-922, Lot 12

Parcel Identifier: 013-823-931, Lot 13

Except the North 20 Feet now Lane, Block 1 South 1/2 of Section 46 Town of Hastings Suburban Lands Plan 2440

Civic Addresses:

2415, 2419, 2425, 2441, 2459, 2461, 2469, 2475 and 2483 East 26th Avenue Vancouver, B.C.

together with improvements and personal property related thereto (collectively the "**Property**"), between the Receiver (defined below), and 1447800 B.C. Ltd. (the "**Buyer**") of today's date, as attached.

Notwithstanding any term or condition contained in the Agreement of Purchase and Sale ("**APS**", and together with this Schedule "A", the "**Offer**"), this Schedule "A" modifies and where applicable overrides the APS. On entering into the Offer, the parties hereto agree as follows:

1. Where a conflict arises between the terms of this Schedule "A" and the APS, the terms of this Schedule "A" will apply. Capitalized terms not defined in this Schedule "A" shall have the meanings ascribed to them in the APS.
2. D. Manning & Associates Inc., Court-Appointed Receiver and Manager of the Assets, Undertakings and Property of AC Nanaimo Investment Limited Partnership and AC Nanaimo Nominee Ltd. (formerly known as Ansen Nanaimo 26 Development Bare Trustee Ltd.) (the "**Receiver**") pursuant to a Court Order in Action No. H230320 (Vancouver Registry) of the Supreme Court of British Columbia (the "**Court**") and not in its personal capacity, agrees, subject to the other terms of this Offer, to present this Offer to the Court for approval and in so doing is not contractually or otherwise liable to any party in any way.
3. The Buyer accepts the Property "as is, where is" as of the Possession Date and releases the Receiver from any and all claims resulting from or relating to the age, fitness, condition, zoning, lawful use, or circumstances and location of the Property, and agrees to accept the

Property subject to any outstanding work orders or notices or infractions as of the date of closing and subject to the existing municipal or other governmental by-laws, restrictions or orders affecting its use, including subdivision agreements, covenants, caveats, rights of way and easements.

- 4. The Buyer acknowledges and agrees that the Receiver makes no representations and/or warranties of any nature or kind whatsoever, including, without limitation, with respect to the Property, the fitness, condition (including environmental condition), zoning or lawful use of the Property and agrees to accept the Property in a "as is, where is" condition and subject to any outstanding work orders or notices of infractions as of the date of closing and subject to the existing municipal or other governmental by-laws, restrictions or orders affecting its use, including sub-division agreements, covenants, caveats, rights of way and easements.
- 5. The Buyer acknowledges that it has relied entirely upon its own inspection and investigation with respect to quantity, quality and value of the Property and its suitability for any purpose, including occupancy, development, or derivation of value.
- 6. The Buyer acknowledges that the fixtures and chattels presently on the premises are to be taken by the Buyer at the Buyer's own risk completely, without representation or warranty of any kind from the Receiver as to the ownership or state of repair of any such fixtures and chattels. Without limitation, to the extent that the Receiver is unable to convey title to any chattels, separate arrangements will have to be made by the Buyer with any owner of any chattels in order for the Buyer to take title to any chattels. The Receiver accepts that the Buyer will allocate \$0.01 of the Purchase Price to any personal property comprising the Property.
- 7. The Buyer acknowledges that any information supplied to the Buyer by the Receiver or its agents or representatives is and was supplied without any representation or warranty, and that the responsibility for verification of any such information shall be wholly the responsibility of the Buyer, no property condition disclosure statement concerning the Property, its occupants and any related personal property shall form part of the Contract, and the Buyer is relying entirely on its own inspection and neither the Receiver nor its agents make any representations or warranties whatsoever in respect to the Property, its occupants, leases, licences of occupation and any related personal property, including, without limitation, with respect to title thereof, or in connection with the use or condition of any portion of the Property and any related personal property, including the buildings thereon and in respect to all matters whatsoever the Buyer accepts the Property and any related personal property "as is, where is". Without limiting the generality of the foregoing or any other provision hereof, the Buyer acknowledges that it is relying on its own environmental inspection or investigation of the Property and is not relying on the Receiver, and the Buyer further acknowledges and agrees that the Receiver makes no representations or warranties in respect to the environmental condition of the Property.
- 8. The Buyer hereby waives any requirement for the Receiver to provide to the Buyer a site profile for the Property under the *Environmental Management Act* of the Province of British Columbia and any regulations in respect thereto.

9. The Receiver shall provide the Buyer with only those keys to the premises comprising the Property that are in its possession.
10. This Offer is subject to approval by the Court within 30 business days after the acceptance by the Receiver, (the "**Court Approval Date**"). This condition is for the mutual benefit of the Buyer and the Receiver and may not be unilaterally waived by either party. If this condition is not satisfied by the time specified above, this Offer will automatically terminate. The Buyer may, at its sole option exercised by written notice given to the Receiver, extend the Court Approval Date by no more than 30 days, which option can be exercised only once.
11. The Receiver has instructed its listing agent to maximize the proceeds of sale within the Court approval process. This Offer will become public information prior to the Court approval date, and the Buyer acknowledges and agrees that other prospective purchasers may attend in Court in person or by agent at the hearing of the motion to approve this Offer and such prospective purchasers may make competing offers which may be approved by the Court. The Buyer will have the ability (subject to the Court's discretion) to modify the Offer to respond to competing offers and it is recommended that the Buyer seek independent legal advice to advance its own offer to the Court. So long as it remains in force the Receiver will be complying with the Supreme Court of British Columbia's Practice Direction - 62 "Sealed Bid Process for Foreclosures and Other Matters Involving the Sales of Land" as may be amended or in force from time to time and the Buyer hereby acknowledges and agrees to that Bid Process and any amendments thereto. The Receiver may be compelled to advocate that the Court consider other Offers in order to obtain the highest price for the Property. The Receiver gives no undertaking to advocate the acceptance of this offer. To protect its interest in purchasing the Property, the Buyer acknowledges and agrees that a representative should attend at the Court hearing on behalf of the Buyer and be prepared there to make such amended or increased offer to purchase the Property as the Court may permit or direct, and it is recommended that the Buyer seek independent legal advice to advance its own offer to the Court.
12. This Offer may be terminated by written notice given to the Buyer at the Receiver's sole option if:
 - (a) at any time prior to Court approval, if the Receiver (in its sole discretion) determines it is not appropriate to present this Offer to the Court;
 - (b) at any time prior to Court approval, the security which is the subject of the Court proceedings is redeemed; or
 - (c) the Court makes an Order cancelling or changing the Receivership Order;and in any such event the Receiver shall have no further obligations or liability to the Buyer under this Offer or otherwise. This condition is for the sole benefit of the Receiver.
13. In the event that:

- (a) The mortgagor or any other person shall become entitled to redeem, assign or place the mortgage in good standing and does so prior to the completion of the sale; or
 - (b) The Receiver is unable to complete the sale pursuant to the Court Order; then the Receiver shall have the right to terminate this Offer and upon giving written notice to the Buyer that it is so doing, this Offer shall be cancelled, without interest or deduction. Written notice shall be deemed to be validly given if received by the agent or solicitor or notary for the Buyer.
14. The Receiver shall not be required to furnish any title documents and shall only be required to provide such deeds, copies thereof, or evidence of title as are in its possession or control.
15. The Buyer acknowledges and agrees that time will be of the essence hereof, and unless the balance of the cash payment is paid or such formal agreement to pay the balance as may be necessary is entered into on or before the Closing Date, the Receiver may at its option either terminate or reaffirm the Offer, and in either event the amount paid by the Buyer, including without limitation the Deposit will be absolutely forfeited to the Receiver on account of damages without prejudice to any of the Receiver's other remedies.
16. The Completion, Possession and Adjustment dates shall not be later than the Closing Date, or such earlier or later date as the Buyer and the Receiver may agree in writing.
17. The Buyer does not require title and the Property to be conveyed with vacant possession, the Buyer will assume all tenancies, occupiers, leases, licences of occupation or any rights as may be in effect or alleged as of the date of completion. The Receiver makes no representations or warranties with respect to any of the foregoing including, without limitation, occupants, leases, damage deposits, tenancy or occupants' disputes of any kind. The Receiver assumes no responsibility for any defects in the tenancies or disputes arising therefrom. The Buyer accepts the Property and the occupants on an "as is, where is" basis. Without further limiting the generality of the foregoing or any other provision hereof, the Buyer acknowledges that it is relying on its own inspection or investigation of the Property and is not relying on the Receiver. There will be no adjustments on closing for damage deposits or other occupant security and the only adjustment for rental on closing will be on account of rental income received by the Receiver.
18. The Buyer acknowledges and agrees to provide the net sale proceeds to Owen Bird Law Corporation, In Trust, by way of certified cheque or wire transfer of funds to such account as the Receiver may direct in writing.
19. This Agreement may be signed in counterparts and each such counterpart will constitute an original document and, taken together, will constitute one and the same instrument.
20. In addition to the purchase price, the Buyer is liable for all applicable Goods and Services Tax ("GST"), Property Transfer Tax ("PTT"), Provincial Sales Tax ("PST") and any other applicable taxes, and without limitation. The Buyer will be liable for and shall pay all GST, PTT, PST and registration charges and transfer fees properly payable upon and in connection with the sale and transfer of the Property by the Receiver to the Buyer. The Buyer shall pay any GST, PST and/or PTT payable in respect of the purchase of the

Property hereunder, and shall fully comply with the provisions of the federal *Excise Tax Act*, *Provincial Sales Tax Act*, and *Property Transfer Tax Act*. The Buyer shall obtain its own legal, accounting and other professional advice as to GST, PST, PTT and any other applicable taxes.

21. The Receiver and the Buyer agree that any interest accruing on the Deposit paid under this Offer will be for the account of the Buyer, and that such Deposit will be paid as follows:
- (a) to the Receiver on account of the Purchase Price, contemporaneously with the completion of the transactions contemplated in this Offer;
 - (b) to the Buyer, if the transactions contemplated by this Offer are not completed by reason of the Buyer's conditions in Section 4.1 of the APS not being fulfilled or waived, or if the Buyer is otherwise not required to complete the purchase contemplated by this Offer; or
 - (c) to the Receiver, as liquidated damages (the parties hereby agreeing that such amount constitutes a genuine pre-estimate of damages) and the Receiver's sole and exclusive remedy against the Buyer, its directors, officers and agents, if the transactions contemplated by this Offer are not completed solely by reason of the Buyer's default.

Upon a termination of this Offer pursuant to Section (b), the Receiver and the Buyer irrevocably direct the person holding the Deposit paid under Section 2 of the APS and any interest accrued thereon in full to the Buyer without deduction save for the sum of \$10.00 (which will be retained by the Receiver in any event as consideration for the Receiver agreeing to not revoke or withdraw this Offer prior to the times specified in Section 4.1 of the APS except in accordance herewith). This Section 21 will survive any termination of this Offer.

22. In this Offer, the following definitions have the following meanings:
- (a) "**First Mortgage**" means, collectively, the mortgage and assignment of rents registered on title to the Property under registration numbers CA8849501 and CA8849502, respectively, in favour of the First Mortgagees;
 - (b) "**First Mortgagees**" means, collectively, Lanyard Investments Inc. (as to an undivided 845/1230 interest) and Fisgard Capital Corporation (as to an undivided 385/1230 interest);
 - (c) "**First Mortgage Payout Amount**" means an amount equal to the amount calculated as representing sufficient funds to require the First Mortgagees to provide a registrable discharge of the First Mortgage, as determined by the First Mortgagees' payout statement for a payout on the Completion Date (without adding any per diem interest for payment made on the Completion Date after the cut-off time); and

- (d) **“Receiver’s Charges”** means all priority charges of the Receiver in respect of the Property.
23. On closing of the transactions contemplated by this Offer, the Buyer will pay the Purchase Price of the Property as follows:
- (a) by payment to the Receiver’s solicitors, in trust, of an amount in cash equal to the Receiver’s Charges plus the First Mortgage Payout Amount less the Deposit (provided that such amount will not exceed an amount equal to the Purchase Price less the Deposit); and
 - (b) by delivery of a non-interest-bearing demand promissory note by the Buyer to the Receiver in the amount of the Purchase Price (as adjusted pursuant to this Offer) less the Deposit less the sum in Section (a) above (the **“Note”**),

and the Receiver will deliver to the Buyer, on closing, an assignment of the Note to Xintai Liu (as to an undivided 40/60 interest), Ying Liang (as to an undivided 10/60 interest) and Chenming Li (as to an undivided 10/60 interest) in satisfaction of a portion of the debts owed by the owner of the Property to those lenders under a mortgage and assignment of rents charging the Property under registration numbers CA9849655 and CA9849656, respectively, equal to the amount of the Note.

24. The Receiver will bring an application for an order approving the sale of the Property pursuant to this Offer or other prospective purchasers pursuant to Section 11 of this Schedule “A” no later than the Court Approval Date, failing which this Offer will automatically terminate.
25. If, prior to the Completion Date, the Receiver does not deliver to the Buyer either: (i) a statutory declaration executed on behalf of the owner(s) of the Property (collectively, the **“Owner”**) in a form reasonably acceptable to the Buyer or the Buyer’s solicitors in which the Owner declares that it is a resident of Canada within the meaning of the Income Tax Act (Canada) (the **“Act”**); or (ii) a clearance certificate issued by Canada Revenue Agency (**“CRA”**) confirming that the Owner has no non-resident withholding tax obligations under the Act in connection with this transaction (the **“Clearance Certificate”**), then the Receiver and the Buyer hereby irrevocably authorize and direct the Buyer’s solicitors:
- (a) to withhold from the proceeds of the transaction otherwise payable to the Receiver on the Completion Date such funds (the **“Holdback Funds”**) as may be required to satisfy all requirements of CRA in connection with any non-resident withholding tax obligations of the Owner under the Act in connection with this transaction;
 - (b) to remit the Holdback Funds to CRA as required under the Act unless prior to the date required for such remittance the Receiver or the Owner or their respective solicitors deliver to the Buyer’s solicitors a comfort letter from CRA authorizing the Buyer’s solicitors to continue to withhold such funds until the Clearance Certificate is issued by CRA;
 - (c) to deal with the Holdback Funds as directed by CRA from time to time; and

- (d) subject to the foregoing, upon receipt of the Clearance Certificate from the Receiver or the Owner confirming that the Owner has satisfied all non-resident withholding tax obligations of the Owner under the Act in connection with this transaction, to release the Holdback Funds to the Receiver.

DATED as of December 1, 2023.

Buyer:

1447800 B.C. LTD.

Per:


Authorized Signatory

**D. MANNING & ASSOCIATES INC.
COURT-APPOINTED RECEIVER AND MANAGER OF THE ASSETS,
UNDERTAKINGS AND PROPERTY OF AC NANAIMO INVESTMENT LIMITED
PARTNERSHIP AND AC NANAIMO NOMINEE LTD. (FORMERLY KNOWN AS
ANSEN NANAIMO 26 DEVELOPMENT BARE TRUSTEE LTD.)**

(not in its personal capacity)

By its authorized signatory:

Per:

Alex En Hwa Ng

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APPENDIX A

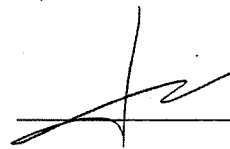
TRANSMISSION LETTER

Date/Time: Dec. 1, 2023

Enclosed is an offer to purchase with respect to the property municipally described as:
2415 - 2483 26th Avenue East, Vancouver, British Columbia ("Property").

As an offeror for the Property ("Offeror"), I acknowledge:

- (a) the Seller's counsel may not consider any offer received by them that is not accompanied by a deposit that is by way of bank draft or certified cheque, or proof of its deposit with the Offeror's realtor;
- (b) the Seller's counsel may not consider any offer received after the Bid Date or be required to forward the offer to the Court if received after the Bid Date;
- (c) the Seller's counsel has no responsibility to ensure that an offer is complete, satisfactory, or meets compliance as to form, and is under no obligation to confirm any unclear, missing, ambiguous, or incomplete term or item and may, at its sole discretion, not consider any such offer without incurring any liability to any party, including the Offeror;
- (d) the Seller's counsel may not consider any offer if they have not returned to the Offeror an endorsed copy of this letter; and
- (e) the Seller's counsel may refuse to accept any revisions, amendments or attempts to increase any offer after the Bid Date.



 Offeror(s)

ACKNOWLEDGEMENT OF RECEIPT

Date/Time: _____

By signing below, I/we hereby acknowledge receipt of either a sealed envelope or an email marked and/or stated to be from: _____

In addition, by my/our signature(s) below, I/we make no acknowledgement or representation as to the contents of the envelope. The Offeror must satisfy itself that the envelope contains an offer in the form required, is accompanied by a deposit in the appropriate amount and form, and that the contents comply with the Bid Process.

 Seller's counsel

SCHEDULE "F"

CITY OF VANCOUVER REBID ON PROPERTIES
SENT DECEMBER 6, 2023

PURCHASE CONTRACT

Effective Date: November 6th, 2023

Parties: City of Vancouver and D. Manning & Associates Inc., Court-Appointed Receiver and Manager of the assets, undertakings and property of AC Nanaimo Investment Limited Partnership and AC Nanaimo Nominee Ltd. (formerly known as Ansen Nanaimo 26 Development Bare Trustee Ltd.) pursuant to an order of the Supreme Court of British Columbia made August 23, 2023 in a proceeding numbered H230320 in the Vancouver Registry (“Receivership Order”).

Consideration: In return for the Deposit and the Buyer’s agreements, the receipt and sufficiency of which the Seller acknowledges, and in return for the Seller’s agreements, the receipt and sufficiency of which the Buyer acknowledges, the Seller and Buyer agree to be bound by the terms and conditions of this Contract.

Contract terms and conditions: The Seller and Buyer represent and agree that:

**SECTION 1
INTERPRETATION**

1.1 Definitions. In this Contract:

- 1.1.1 “Buyer” means the City of Vancouver;
- 1.1.2 “City’s Legal Director” means the Director of Legal Services for the City of Vancouver;
- 1.1.3 “Closing Date” means 10 (ten) business days after Court approval or, if the LTO is not open on that day, the first following day that the LTO is open for business;
- 1.1.4 “Contract” means this document and attached schedules;
- 1.1.5 “CPL” means the Certificate of Pending Litigation registered against title to the Property under number CB580918;
- 1.1.6 “Deposit” means \$500,000.00, to be paid 5 business days after acceptance by the Seller;
- 1.1.7 “Effective Date” means the date set out at the start of this Contract;
- 1.1.8 “Financial Charges” mean mortgages and assignments of rents registered against title to the Property on the Effective Date;
- 1.1.9 “Tax” means any value-added taxes levied under the *Excise Tax Act* (Canada), including the goods and services tax or the harmonized sales tax, as each may be in effect from time to time;
- 1.1.10 “including” means “including, without limitation”;

- 1.1.11 "LTO" means the New Westminster Land Title Office;
- 1.1.12 "Permitted Charges" means all non financial charges and reservations and exceptions in the original Crown grant for the Property;
- 1.1.13 "Person" means any legal entity including any individual, firm, corporation, or government body;
- 1.1.14 "Property" means collectively those certain lands in Vancouver, British Columbia legally described as:

PID: 013-823-892, LOT 5 EXCEPT THE NORTH 20 FEET NOW LANE BLOCK 1 SOUTH 1/2 OF SECTION 46 TOWN OF HASTINGS SUBURBAN LANDS PLAN 2440

PID: 013-823-906, LOT 6 EXCEPT THE NORTH 20 FEET NOW LANE, BLOCK 1 SOUTH 1/2 OF SECTION 46 TOWN OF HASTINGS SUBURBAN LANDS PLAN 2440

PID: 004-170-881, LOT 7, EXCEPT THE NORTH 20 FEET, NOW ROAD BLOCK 1 SOUTH 1/2 OF SECTION 46 TOWN OF HASTINGS SUBURBAN LANDS PLAN 2440

PID: 013-823-914, LOT 8, EXCEPT THE NORTH 20 FEET NOW LANE, BLOCK 1 SOUTH 1/2 OF SECTION 46 TOWN OF HASTINGS SUBURBAN LANDS PLAN 2440

PID: 011-949-554, LOT 9, EXCEPT THE NORTH 20 FEET NOW ROAD, BLOCK 1 SOUTH 1/2 OF SECTION 46 TOWN OF HASTINGS SUBURBAN LANDS PLAN 2440

PID: 010-162-402, LOT 10, EXCEPT THE NORTH 20 FEET, NOW LANE, BLOCK 1 SOUTH 1/2 OF SECTION 46 TOWN OF HASTINGS SUBURBAN LANDS PLAN 2440

PID: 002-412-543, LOT 11, EXCEPT THE NORTH 20 FEET, NOW LANE, BLOCK 1 SOUTH 1/2 OF SECTION 46 TOWN OF HASTINGS SUBURBAN LANDS PLAN 2440

PID: 013-823-922, LOT 12, EXCEPT THE NORTH 20 FEET NOW LANE, BLOCK 1 SOUTH 1/2 OF SECTION 46 TOWN OF HASTINGS SUBURBAN LANDS PLAN 2440 and

PID: 013-823-931, LOT 13, EXCEPT THE NORTH 20 FEET NOW LANE, BLOCK 1 SOUTH 1/2 OF SECTION 46 TOWN OF HASTINGS SUBURBAN LANDS PLAN 2440,

together with the houses and other improvements on those lands;

17,200,000.00

1.1.15 "Purchase Price" means ~~\$16,400,000.00~~; *JM*

1.1.16 "Seller" means D. Manning & Associates Inc., in its capacity as Court-Appointed Receiver and Manager of the assets, undertakings and property of AC Nanaimo Investment Limited Partnership and AC Nanaimo Nominee Ltd. (formerly known as Ansen Nanaimo 26 Development Bare Trustee Ltd.) pursuant to the Receivership Order;

1.1.17 "Seller's Representatives" means Owen Bird Law Corporation; and

1.1.18 "Transfer" means a vesting order pronounced as contemplated by the Receivership Order conveying the Property to the Buyer.

1.2 Interpretation. The following provisions will apply to this Contract:

- 1.2.1 sections and headings are for convenient reference, and are not to affect the meanings of provisions, and use of the singular or masculine includes the plural, feminine, or body corporate, and vice versa;
- 1.2.2 if a court of competent jurisdiction finds any provision invalid, illegal, or unenforceable, and severs it from this Contract, the remaining provisions are to remain in force and effect;
- 1.2.3 the Seller and Buyer will interpret the language of this Contract simply, fairly, and not strictly for or against either of them;
- 1.2.4 time will be of the essence, and if the Buyer or Seller expressly or impliedly waives that requirement, the Buyer or Seller may re-instate it by delivering notice to the other;
- 1.2.5 this Contract represents the entire agreement between the Buyer and Seller regarding the matters set out in it, and supersedes all prior agreements, understandings, letters of intent, negotiations, or discussion about those matters, and no amendment is to have any force or effect unless the Buyer and Seller have signed it;
- 1.2.6 the Seller will execute and deliver to the Buyer, on request, such further assurances and documents, and do such further things, as the Buyer may require to give full force and effect to this Contract;
- 1.2.7 references to statutes and bylaws are to them as they exist on the Effective Date, and to later amendments or replacements of them; and

**SECTION 2
SALE AND PURCHASE**

2.1 **Sale and purchase.** The Seller will sell the Property to the Buyer free from all liens, charges, encumbrances, equities, claims, encroachments, and defects in title, except for Permitted Charges, and the Buyer will purchase the Property from the Seller, subject to the terms and conditions of this Contract.

2.2 **Purchase price.** The Buyer will pay the Purchase Price to the Seller for the Property. The Purchase Price will include any buildings, improvements, fixtures, appurtenances, and attachments thereto, and all blinds, awnings, screen doors, windows, curtain rods, tracks, valances, fixed mirrors, fixed carpeting, electric plumbing, heating and air conditioning fixtures and all appurtenances and attachments thereto viewed by the Buyer at the date of inspection, namely, November 9, 2023.

2.3 **Deposit** The Seller acknowledges the sufficiency of the Deposit and requires receipt from the Buyer of the Deposit on acceptance. The Deposit is on account of the Purchase Price.

2.4 **Closing.** The completion of the sale and purchase of the Property will occur on the Closing Date.

SECTION 3 REPRESENTATIONS

3.1 **Seller's representations.** Regardless of any independent investigations the Buyer may make, the Seller represents to the Buyer, as representations that are true and correct on the Effective Date and will be true and correct on the Closing Date, that:

- 3.1.1 in response to the Buyer's inquiry under section 116 of the *Income Tax Act* (Canada) and under Part IX of the *Excise Tax Act* (Canada), the Seller is a resident of Canada within the meaning of those Acts, and, in the case of the *Excise Tax Act*, the Seller is resident in Canada by reason other than subsection 32(2) which deems a non-resident to be resident in Canada if that non-resident has a permanent establishment in Canada;
- 3.1.2 the Seller is the court-appointed receiver for the registered and beneficial owner of the Property, ; and
- 3.1.3 the Seller has no knowledge that any Person associated with the Buyer has any direct or indirect interest in this sale and purchase.

SECTION 4 CONDITIONS

4.1 **Buyer's conditions.** Despite anything to the contrary in this Contract, the Buyer's obligation to complete the purchase of the Property from the Seller will be subject to the following conditions:

- 4.1.1 the Seller's representations in section 3.1 will be true and correct on the Closing Date;
- 4.1.2 on the Closing Date, the Seller will have complied with all the Seller's obligations under this Contract unless they are obligations with which the Contract expressly requires the Seller to comply after the Closing Date; and

4.2 **Non-Refundable Monies.** The Seller in consideration of a non-refundable deposit by the Buyer in the amount of \$500,000.00 (sufficiency of which is hereby acknowledged by the Seller) acknowledges and agrees that the monies are paid by the Buyer in consideration of the Seller allowing the Buyer the benefit of the Buyer's conditions in section 4.1 and agreeing that the Seller's acceptance of this Contract is irrevocable.

SECTION 5 AGREEMENTS

5.1 **Transfer of title.** The Seller will transfer title to the Property to the Buyer on the Closing Date according to the requirements of this Contract subject to the Permitted Charges, by way of vesting order.

5.2 **Statements and Leases.** Within five days after the Effective Date, the Seller will deliver to the Buyer:

5.2.1 copies of all leases of any portions of the Property that are within the Seller's possession or control.

5.3 **Investigation.** The Buyer, and its officials, employees, agents, and contractors, may enter the Property at any time before the Closing Date to carry out, at its cost, such inspections, investigations, tests, and surveys as it considers necessary or desirable. The Buyer will restore the surface of the Property, and repair any damage it causes in doing so.

5.4 **Risk.** The Property will be at the risk of the Seller until the date and time of submission of the Transfer for registration in the LTO, and, after that, will be at the risk of the Buyer.

5.5 **Possession.** The Buyer will assume all tenancies and occupants of the Property, subject to Permitted Charges, on the Closing Date after payment of the Purchase Price.

5.6 **Adjustments.** The Seller and Buyer will adjust all items customarily the subject of adjustment in the sale and purchase of property similar to the Property at the Closing Date. If the adjustments are inaccurate or incomplete, the Seller and Buyer will make further adjustments after the Closing Date.

5.7 **CPL.** The Seller will cause the CPL to be discharged and released from title on the Closing Date.

5.8 **Costs, fees, and taxes.** The Seller will pay the costs of clearing title except for Permitted Charges. The Buyer will pay any land title transfer fees and LTO application and registration fees. As the Buyer is a registrant under the *Excise Tax Act* (Canada) with Business Number 121361042, the Buyer will remit directly to the Receiver General of Canada any Tax levied under the *Excise Tax Act* (Canada) and payable by the Buyer on the purchase of the Land. The Buyer and Seller will each pay their own legal costs. The Buyer and Seller will pay such costs, fees, and taxes when due.

5.9 **Commissions.** The Seller will pay when due all fees and commissions of its real estate brokers, real estate agents, and other like Persons in connection with the sale of the Property. The Buyer may include such fees and commissions as part of the adjustments. The Buyer confirms that it is not represented by any broker or real estate agent and therefore no commissions or fees are payable in relation thereto and if for any reason the Buyer engages an agent or like person, all costs associated therewith shall be for the Buyer's account.

**SECTION 6
CLOSING**

6.1 Documents. Before the Closing Date:

6.1.1 the Buyer will cause the City's Legal Director to prepare the Transfer, statements of adjustments, notice to tenants under leases of the Property, and other conveyance documents the Buyer considers necessary to complete the transaction, and to deliver them to the Seller's Representatives; and

6.1.2 the Seller will sign those documents, if satisfactory and cause the Seller's Representatives to return them to the City's Legal Director.

6.2 Closing. The Buyer will pay the adjusted Purchase Price on the Closing Date by way of certified cheque to the Seller's Representatives:

The Seller and Buyer instruct the Seller's Representatives and City's Legal Director respectively to otherwise conduct the closing according to the customary practices of reputable lawyers having experience in such matters,.

6.3 Financial Charges. If any Financial Charges are registered against title to the Property, the Seller, while still required to discharge such Financial Charges, may wait to do so until immediately after receipt of the adjusted Purchase Price but, in this case, the Buyer may pay the adjusted Purchase Price to the Seller's Representatives in trust on an undertaking to pay the monies to the Seller pursuant to the Receivership Order and any subsequent vesting order.

6.4 Tender. The Buyer may tender documents or money to the Seller's Representatives, and the Seller may tender documents on the Buyer or the City's Legal Director. The Buyer shall tender money by certified cheque.

SECTION 7 GENERAL PROVISIONS

7.1 Survival. All representations, agreements, and indemnities in this Contract will survive closing, registration of the Transfer, and payment of the Purchase Price despite any independent inquiry or investigation by the Buyer or the waiver by the Buyer of any condition set out in section 4.1, the subject matter of which is contained in a representation in the Contract.

7.2 Notice. Any notice, approval, consent, request, confirmation, or demand required or permitted under this Contract must be in writing, and the sender must deliver it by prepaid registered mail from any post office in British Columbia, by fax or by personal service addressed to the Buyer as follows:

City of Vancouver
453 West 12th Avenue
Vancouver, British Columbia
V5Y 1V4
Fax: (604) 871-6119

Attention: Director of Real Estate Services

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with a copy to:

City of Vancouver
453 West 12th Avenue
Vancouver, British Columbia
V5Y 1V4
Fax: (604) 873-7445

Attention: Director of Legal Services

with a copy to:

Whitelaw Twining
2400 - 200 Granville Street
Vancouver, B.C. V6C 1S4

Attention: John Fiddick (jfiddick@wt.ca)

or to the Seller, by email or prepaid registered mail as follows:

D. Manning & Associates Inc.
520-625 Howe St.
Vancouver, British Columbia
V6C 2T6

Attention: Alex Ng (alexng@manning-trustee.com)

with a copy to:

Owen Bird Law Corporation *Attention Alan Frydenlund KC (afrydenlund@owenbird.com)*
2900 - 733 Seymour Street
Vancouver B.C. V6B 0S6

or to such other address in the Province of British Columbia of which either party may notify the other according to the requirements of this section 7.2. Service will be deemed complete, if made by registered mail 72 hours after the date and hour of mailing; if made by faxed transmission on the first business day after the date of transmission; and if made by personal service upon the effecting of such service.

Schedule "A" attached hereto forms an integral part of this contract.
[remainder of page left deliberately blank]

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7.3 Effect of Contract. This Contract will enure to the benefit of and bind the Seller and Buyer and their respective heirs, executors, administrators, successors and assigns.

TO EVIDENCE THIS CONTRACT the Seller and Buyer have signed it as of the Effective Date.

This Purchase Contract is open for acceptance until 5:00 pm Pacific Standard Time November 10, 2023 after which, if not fully executed by both parties, this Purchase Contract shall be null and void.

City of Vancouver by its authorized signatory:

per: _____
Authorized Signatory

D. Manning & Associates Inc., Court-Appointed Receiver and Manager of the assets, undertakings and property of AC Nanaimo Investment Limited Partnership and AC Nanaimo Nominee Ltd. formerly known as Ansen Nanaimo 26 Development Bare Trustee Ltd., not in its personal capacity

By its authorized signatories:

per: _____
Alex Ng
En HWA

SCHEDULE "A"
(Court Approved Sale Agreement)

DATE: November 6 , 2023

CONTRACT OF PURCHASE AND SALE RE:

Parcel Identifier: 013-823-892, Lot 5
Parcel Identifier: 013-823-906, Lot 6
Parcel Identifier: 004-170-881, Lot 7
Parcel Identifier: 013-823-914, Lot 8
Parcel Identifier: 011-949-554, Lot 9
Parcel Identifier: 010-162-402, Lot 10
Parcel Identifier: 002-412-543, Lot 11
Parcel Identifier: 013-823-922, Lot 12
Parcel Identifier: 013-823-931, Lot 13
Except the North 20 Feet now Lane, Block 1 South ½ of Section 46
Town of Hastings Suburban Lands Plan 2440

Civic Addresses:

2415, 2419, 2425, 2441, 2459, 2461, 2469, 2475 and 2483 East 26th Avenue
Vancouver, B.C.

together with improvements and personal property related thereto (collectively the "Property"), between the Receiver (defined below), and City of Vancouver (the "Buyer") of today's date, as attached.

Notwithstanding any term or condition contained in the Agreement of Purchase and Sale ("APS"), this Schedule "A" modifies and where applicable overrides the APS. On entering into the APS the parties hereto agree as follows:

1. Where a conflict arises between the terms of this Schedule "A" and the APS, the terms of this Schedule "A" will apply. Capitalized terms not defined in this Schedule "A" shall have the meanings ascribed to them in the APS;
2. D. Manning & Associates Inc., Court-Appointed Receiver and Manager of the Assets, Undertakings and Property of AC Nanaimo Investment Limited Partnership and AC Nanaimo Nominee Ltd. (formerly known as Ansen Nanaimo 26 Development Bare Trustee Ltd.) (the "Receiver") pursuant to a Court Order in Action No. H230320 (Vancouver Registry) of the Supreme Court of British Columbia (the "Court") and not in its personal capacity, agrees, subject to the other terms of the APS, to present the APS to the Court for approval and in so doing is not contractually or otherwise liable to any party in any way.
3. The Buyer accepts the Property "as is, where is" as of the Possession Date and covenants and agrees to save the Receiver harmless from any and all claims resulting from or relating to the age, fitness, condition, zoning, lawful use, or circumstances and location of the Property,

and agrees to accept the Property subject to any outstanding work orders or notices or infractions as of the date of closing and subject to the existing municipal or other governmental by-laws, restrictions or orders affecting its use, including subdivision agreements, covenants, caveats, rights of way and easements.

4. The Buyer acknowledges and agrees that the Receiver makes no representations and/or warranties of any nature or kind whatsoever, including, without limitation, with respect to the Property, the fitness, condition (including environmental condition), zoning or lawful use of the Property and agrees to accept the Property in a "as is, where is" condition and subject to any outstanding work orders or notices of infractions as of the date of closing and subject to the existing municipal or other governmental by-laws, restrictions or orders affecting its use, including sub-division agreements, covenants, caveats, rights of way and easements.

5. The Buyer acknowledges that it has relied entirely upon its own inspection and investigation with respect to quantity, quality and value of the Property and its suitability for any purpose, including occupancy, development, or derivation of value.

6. The Buyer acknowledges that the fixtures and chattels presently on the premises are to be taken by the Buyer at the Buyer's own risk completely, without representation or warranty of any kind from the Receiver as to the ownership or state of repair of any such fixtures and chattels. Without limitation, to the extent that the Receiver is unable to convey title to any chattels, separate arrangements will have to be made by the Buyer with any owner of any chattels in order for the Buyer to take title to any chattels.

7. The Buyer acknowledges that any information supplied to the Buyer by the Receiver or its agents or representatives is and was supplied without any representation or warranty, and that the responsibility for verification of any such information shall be wholly the responsibility of the Buyer, no property condition disclosure statement concerning the Property, its occupants and any related personal property shall form part of the Contract, and the Buyer is relying entirely on its own inspection and neither the Receiver nor its agents make any representations or warranties whatsoever in respect to the Property it occupants, leases, licences of occupation and any related personal property, including, without limitation, with respect to title thereof, or in connection with the use or condition of any portion of the Property and any related personal property, including the buildings thereon and in respect to all matters whatsoever the Buyer accepts the Property and any related personal property "as is, where is". Without limiting the generality of the foregoing or any other provision hereof, the Buyer acknowledges that it is relying on its own environmental inspection or investigation of the Property and is not relying on the Receiver, and the Buyer further acknowledges and agrees that the Receiver makes no representations or warranties in respect to the environmental condition of the Property.

8. The Buyer hereby waives any requirement for the Receiver to provide to the Buyer a site profile for the Property under the Environmental Management Act of the Province of British Columbia and any regulations in respect thereto.

9. The Receiver shall provide the Buyer with only those keys to the premises comprising the Property that are in its possession.

10. The APS is subject to approval by the Court within 30 business days after acceptance. This condition is for the sole benefit of the Receiver.

11. The Receiver has instructed its listing agent to maximize the proceeds of sale within the Court approval process. This Offer will become public information prior to the Court approval date, and the Buyer acknowledges and agrees that other prospective purchasers may attend in Court in person or by agent at the hearing of the motion to approve this APS and such prospective purchasers may make competing offers which may be approved by the Court. The Buyer will have the ability (subject to the Court's discretion) to modify the APS to respond to competing Offers and it is recommended that the Buyer seek independent legal advice to advance its own APS to the Court. So long as it remains in force the Receiver will be complying with the Supreme Court of British Columbia's Practice Direction - 62 "Sealed Bid Process for Foreclosures and Other Matters Involving the Sales of Land" as may be amended or in force from time to time and the Buyer hereby acknowledges and agrees to that Bid Process and any amendments thereto. The Receiver may be compelled to advocate that the Court consider other Offers in order to obtain the highest price for the Property. The Receiver gives no undertaking to advocate the acceptance of this offer. To protect its interest in purchasing the Property, the Buyer acknowledges and agrees that a representative should attend at the Court hearing on behalf of the Buyer and be prepared there to make such amended or increased offer to purchase the Property as the Court may permit or direct, and it is recommended that the Buyer seek independent legal advice to advance its own APS to the Court.

12. The APS may be terminated at the Receiver's sole option if:

a) at any time prior to Court approval, if the Receiver (in its sole discretion) determines it is not appropriate to present the APS to the Court;

b) at any time prior to Court approval, the security which is the subject of the Court proceedings is redeemed; or

c) the Court makes an Order cancelling or changing the Receivership Order;

and in any such event the Receiver shall have no further obligations or liability to the Buyer under the APS or otherwise. This condition is for the sole benefit of the Receiver.

13. In the event that:

a) The mortgagor or any other person shall become entitled to redeem, assign or place the mortgage in good standing and does so prior to the completion of the sale; or

b) The Receiver is unable to complete the sale pursuant to the Court Order;

then the Receiver shall have the right to terminate the APS and upon giving written notice to the Buyer that it is so doing, the APS shall be cancelled, without interest or deduction. Written notice shall be deemed to be validly given if received by the agent or solicitor or notary for the Buyer.

14. The Receiver shall not be required to furnish any title documents and shall only be required to provide such deeds, copies thereof, or evidence of title as are in its possession or control.

15. The Buyer acknowledges and agrees that time will be of the essence hereof, and unless the balance of the cash payment is paid or such formal agreement to pay the balance as may be necessary is entered into on or before the Completion Date, the Receiver may at its option either terminate or reaffirm the APS, and in either event the amount paid by the Buyer, including without limitation the deposit will be absolutely forfeited to the Receiver on account of damages without prejudice to any of the Receiver's other remedies.

16. The Completion, Possession and Adjustment dates shall not be later than the later of the tenth business day after Court approval, or such earlier or later date as the Buyer and the Receiver may agree.

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18. The Buyer does not require title and the Property to be conveyed with vacant possession, the Buyer will assume all tenancies, occupiers, leases, licences of occupation or any rights as may be in effect or alleged as of the date of completion. The Receiver makes no representations or warranties with respect to any of the foregoing including, without limitation, occupants, leases, damage deposits, tenancy or occupants' disputes of any kind. The Receiver assumes no responsibility for any defects in the tenancies or disputes arising therefrom. The Buyer accepts the Property and the occupants on an "as is, where is" basis. Without further limiting the generality of the foregoing or any other provision hereof, the Buyer acknowledges that it is relying on its own inspection or investigation of the Property and is not relying on the Receiver. There will be no adjustments on closing for damage deposits or other occupant security and the only adjustment for rental on closing will be on account of rental income received by the Receiver.

19. The Buyer acknowledges and agrees to provide the net sale proceeds to Owen Bird Law Corporation, In Trust, by way of certified cheque or wire transfer of funds.

20. This Agreement may be signed in counterparts and each such counterpart will constitute an original document and, taken together, will constitute one and the same instrument.

21. In addition to the purchase price, the Buyer is liable for all applicable Goods and Services Tax ("GST"), Property Transfer Tax ("PTT"), Provincial Sales Tax ("PST") and any other applicable taxes, and without limitation. The Buyer will be liable for and shall pay all GST, PTT, PST and registration charges and transfer fees properly payable upon and in connection with the sale and transfer of the Property by the Receiver to the Buyer. On the completion date for the sale, the Buyer will provide the Receiver with a certificate signed by the Buyer or its officer confirming the Buyer's GST and PST registration numbers together with an undertaking to self-assess and remit any GST or PST payable in respect of the transaction and an indemnity in a form acceptable to the Receiver, and, in any event, the Buyer shall pay any GST, PST and/or PTT payable in respect of the purchase of the Property hereunder, and shall fully comply with the provisions of the federal Excise Tax Act, Provincial Sales Tax Act, and Property Transfer Tax Act. The Buyer shall obtain its own legal, accounting and other professional advice as to GST, PST, PTT and any other applicable taxes.

Witness

Buyer City of Vancouver by
its authorized signatory

D. MANNING & ASSOCIATES INC.
COURT-APPOINTED RECEIVER AND MANAGER OF THE ASSETS, UNDERTAKINGS AND
PROPERTY OF AC NANAIMO INVESTMENT LIMITED PARTNERSHIP AND AC NANAIMO NOMINEE
LTD. (FORMERLY KNOWN AS ANSEN NANAIMO 26 DEVELOPMENT BARE TRUSTEE LTD.)
(not in its personal capacity)

Witness

Per: _____

Authorized Signatory