

IN THE MATTER OF THE RECEIVERSHIP OF THE REAL PROPERTY OF
VAUGHAN CROSSINGS INC.

NOTICE AND STATEMENT OF THE RECEIVER
(The Bankruptcy and Insolvency Act Subsections 245(1) and 246(1))

The Receiver gives notice and declares that:

1. On the 19th day of September, 2016 the undersigned Ira Smith Trustee & Receiver Inc. (“ISI”) became the Receiver, in respect of the real property of Vaughan Crossings Inc. (the “Company”), an insolvent company that is described below. The assets that the Receiver is currently aware of are as follows¹:

	\$
a) Cash on hand	Unknown
b) Accounts receivable	Unknown
c) Fixed assets – land and site improvements	14,000,000.00
d) Prepaids and deposits	Unknown

The Receiver is unable to and does not express an opinion on any other assets and liabilities of the Company apart from the above noted assets and the liabilities indicated hereafter.

2. The undersigned became the Receiver by virtue of being appointed by Vector Financial Services Limited, Scollard Trustee Corporation and Olympia Trust Company pursuant to:

A first and second Charge/Mortgage registered against all property and assets (collectively, the “**Owned Property**”) comprising Part Lot 24, RCP 10309, being Parts 10 & 11 on Plan 64R-7307 exc Part 1 on Expr Plan R650078, PIN 03274-0103 LT, 0 Dufferin Street, Vaughan, Ontario, and a first Charge/Mortgage registered against Part Lot 25, RCP 10309, being Part 1 on Plan 65R-14039, PIN 03274-0104 LT, 7850 Dufferin Street, Vaughan, Ontario; and (iii) a first Charge of Lease of all property and assets (collectively, the “**Leased Property**”) comprising the leasehold interest in Part Lot 22, 25, 26, 27 & 28, RCP 10309, PINs 03274-0106 LT, 03274-0107 LT, 03274-0185 LT & 03274-0186 LT, 7818 Dufferin Street, Vaughan;

3. The books and records, including those required to realize upon the Company’s assets, have not yet been located. The Receiver intends to obtain an appraisal of the real property and then run a sales process by advertising the Company’s assets for sale, allowing potential purchasers to perform due diligence and then make offers to purchase to the Receiver.
4. The following information relates to the appointment:
 - (a) Address of insolvent company: Suite 306 – 7501 Keele Street
Vaughan, ON L4K 1Y2

¹ The Receiver currently does not have possession of the books and records of the Company. Accordingly, the information is as currently estimated by the Receiver from other sources, is tentative and is subject to change.

- (b) Principal line of business: Real estate development
- (c) Location(s) of business: As described above.
- (d) Amount owed by the insolvent company to each creditor who holds or may hold a security interest against the real property described above, is as indicated on the attached list.

A search of the Ontario Personal Property Security Registration System has indicated that the following parties may have a security interest in certain assets of the insolvent Company:

1. Vector Financial Services Limited

The list of creditors of the insolvent Company including above noted secured creditors and the amount owed to each creditor and the total amount due by the insolvent Company, based on the information currently available to the Receiver, is as follows:

See attached list.

- (f) The intended plan of action of the Receiver is as follows:

The Receiver proposes to preserve the value of the Company's real property while advertising the Company's assets for sale. The Receiver will invite expressions of interest from potential purchasers, allow for a due diligence period and receive offers to purchase under specific terms and conditions of sale.

- (g) Contact person for the Receiver:

Mr. Ira Smith
Fax 905-738-9848

Telephone 905-738-4167 ext. 111
Email ira@irasmithinc.com

DATED at Vaughan, ON, this 29th day of September, 2016.

Yours truly,

IRA SMITH TRUSTEE & RECEIVER INC.
Receiver and Manager of the real property of
Vaughan Crossings Inc.

Per:



Ira Smith
President

**IN THE MATTER OF THE RECEIVERSHIP OF THE REAL PROPERTY OF
VAUGHAN CROSSINGS INC.**

Creditor list

<u>Secured/Lien claimant</u>	<u>Amount \$</u>
Vector Financial Services Limited	8,600,000.00
Scollard Trustee Corporation	14,800,000.00
Kohn Partnership Architects Inc.	202,806.35
2388208 Ontario Corporation	121,835.69
Sora Construction Ltd.	1,898,263.75
Triaxis Construction Limited	212,434.11
	<u>25,835,339.90</u>
<u>Unsecured</u>	<u>Amount \$</u>
Chaitons LLP	35,001.58
Tier1 Advisory	3,197.45
	<u>38,199.03</u>
<u>Contingent</u>	<u>Amount \$</u>
Ruth Goodman, Estate Trustee	Unkown
Barbara Schwartzberg, Estate Trustee	Unkown
Sharon Katz, Estate Trustee	Unkown
Sarah Kranc, Estate Trustee	Unkown

Note:

1. The Receiver is currently not in possession of the books and records of the Company. Accordingly, this list is tentative and subject to change.