Court File No. S-253889

Estate No. 11-254849

Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

**NATIONAL BANK OF CANADA**

PETITIONER

AND

**RUPERT MEWS LIMITED PARTNERSHIP,**
**RUPERT MEWS GP LTD. AND 1152846 B.C. LTD.**

RESPONDENT

**IN THE MATTER OF THE RECEIVERSHIP OF RUPERT MEWS LIMITED PARTNERSHIP, RUPERT MEWS GP LTD. AND 1152846 B.C. LTD.**

# SUPPLEMENTAL REPORT TO THE FIRST REPORT OF THE RECEIVER

November 16, 2026

**KPMG INC., IN ITS CAPACITY AS**
**COURT-APPOINTED RECEIVER**

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# *1. INTRODUCTION AND PURPOSE OF REPORT*

**Introduction**

1. On June 19, 2025 (the "**Appointment Date**"), on the application of the National Bank of Canada ("**NBC**"), the Supreme Court of British Columbia (the "**Court**") granted an order (the "**Receivership Order**") pursuant to subsection 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, appointing KPMG Inc. ("**KPMG**") as receiver and manager (in such capacity, the "**Receiver**"), without security, of all the assets, undertakings and property of Rupert Mews Limited Partnership ("**Rupert Mews LP**"), Rupert Mews GP Ltd. ("**Rupert Mews GP**"), and 1152846 B.C. Ltd. ("**115 BC**" and together with Rupert Mews LP and Rupert Mews GP, the "**Companies**").
2. On October 14, 2026, the Receiver filed its First Report and the Confidential Supplement (the "**First Confidential Supplement**") in support of its application seeking, among other things, the sale approval and vesting order approving the Proposed Transaction (the "**Porte SAVO**") with Porte Acquisitions Corp., as assigned to PHRLP (together, "**Porte**", and the Proposed Transaction, the "**Porte Transaction**"). The hearing of the application has been adjourned to permit the Receiver to consider a subsequent offer for the Properties.

**Purpose of the Report**

3. This is the Receiver's supplemental report to the First Report (the "**Supplemental Report**" or this "**Report**"), which has been prepared to provide the Court with:
    a. information regarding the offer to purchase the Properties received from 1600475 B.C. Ltd. ("**475 BC**") following the date of the First Report, including the circumstances surrounding its delivery and the adjournment of the hearing of the Receiver's application;
    b. a summary of the settlement reached between NBC and the guarantors of the Companies' indebtedness to NBC, which is related to the offer from 475 BC;
    c. a summary of the key non-financial terms of the contract of purchase and sale between the Receiver and 475 BC accepted by the Receiver on November 4, 2026 (the "**475 Agreement**") and the transaction contemplated therein (the "**475 Transaction**");
    d. the Receiver's assessment of the 475 Transaction relative to the Porte Transaction, NBC's position as the fulcrum creditor and its support for the 475 Transaction; and
    e. the Receiver's recommendations and information pertaining to the Receiver's application seeking:

i. a sale approval and vesting order approving the 475 Transaction (the "**475 SAVO**"), in place of the Porte SAVO;

ii. a sealing order temporarily sealing the First Confidential Supplement and the Confidential Supplement to this Supplemental Report dated November 16, 2026 (the "**Second Confidential Supplement**"), which contain commercially sensitive information relating to the Porte Transaction and the 475 Transaction, including the purchase price and deposit under the 475 Agreement and the financial terms of the NBC Settlement (as defined herein); and

iii. the balance of the relief sought in the First Report, with references to the Proposed Transaction read as references to the 475 Transaction.

**Terms of Reference**

4. All Court materials, orders and other materials filed in connection with these proceedings are available to creditors and other interested parties in electronic format on the Receiver's website established for the proceedings https://kpmg.com/ca/en/services/advisory/deal-advisory/creditorlinks/rupert-mews-limited-partnership-et-al.html (the "**Receiver's Website**").
5. In preparing this Report, the Receiver has been provided with, and has relied upon, unaudited financial information, available books and records, creditor information, account statements, and other information prepared by the Companies or provided by the Companies' representatives (collectively, the "**Information**").
6. The Receiver has reviewed the Information for reasonableness, internal consistency and its use in the context in which it was provided. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Auditing Standards ("**GAAS**") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information.
7. The information contained in this Report is not intended to be relied upon by any prospective purchaser, investor, creditor or other stakeholder for any purpose other than these receivership proceedings.
8. Unless otherwise stated, all monetary amounts noted in this Report are expressed in Canadian dollars.
9. This Report should be read in conjunction with the First Report. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the First Report, a copy of which (without appendices) is attached hereto as Appendix "**A**".

## *2. THE 475 OFFER*

**Receipt of the 475 Offer**

10. As described in paragraphs 51 to 54 of the First Report, Mr. Danaei expressed an interest in submitting an offer in July 2026 and was invited by the Receiver to do so through CBRE. As at the date of the First Report, no offer had been received.
11. On October 16, 2026, counsel to Danacan and Tavankar wrote to McCarthy (the "**AMLC Letter**") advising that:
    a. the principals of Danacan incorporated 475 BC to make an offer for the Properties, which 475 BC signed on September 17, 2026; and
    b. 475 BC's counsel at Redpoint mistakenly sent the offer on September 18, 2026 to an unrelated third party rather than to the Receiver, which is why it was never received by the Receiver.
12. The AMLC Letter enclosed a revised offer (the "**475 Offer**") that was conditional upon a settlement between NBC and the guarantors. Revisions included changes to the purchase price, deposit and dates contemplated in the offer. A copy of the AMLC Letter, with commercially sensitive information redacted, is attached as Appendix "**B**" to this Report. An unredacted copy of the AMLC Letter is attached to the Second Confidential Supplement.
13. To allow the 475 Offer to be considered without cost to the estate, 475 BC agreed to fund the $13,050 cost of extending the insurance over the Properties for a period of three months as a condition of the adjournment of the hearing scheduled for October 21, 2026. The Receiver received these funds and made forwarded payment to the insurance company on or about November 6, 2026.

**The NBC Settlement**

14. Danacan, Amir-Hossein-Khashayar Danaei and Keyvan-Mohammad Danaei (the "**Guarantors**") guaranteed the Companies' indebtedness to NBC, and NBC has commenced Supreme Court of British Columbia Action No. S263717 against them (the "**Guarantee Action**") to enforce the guarantees. NBC and the Guarantors have agreed that the Guarantors will make a payment to NBC upon completion of the 475 Transaction in exchange for a release and the dismissal of the Guarantee Action (the "**NBC Settlement**").
15. NBC advised the Receiver on or about October 27, 2026 that the form of settlement agreement had been agreed between the parties, and the Receiver understands the NBC Settlement has been executed by all parties. Accordingly, the settlement condition was removed from the final form of the 475 Offer. The Receiver is not a party to the NBC Settlement, and the settlement payment is made directly to NBC and does not form part of the purchase price.

**The 475 Agreement**

16. Following negotiations between McCarthy and 475 BC's counsel, in consultation with NBC, the Receiver accepted the 475 Agreement on November 4, 2026, subject to Court approval. A redacted copy of the 475 Agreement is attached as Appendix "**C**".
17. On November 4, 2026, McCarthy delivered to Porte's counsel a termination notice, confirming the termination of the Porte Transaction. Upon termination, the only requirement of the Receiver is to refund the deposit. McCarthy is in the process of returning the deposit to Porte.
18. The key non-financial terms of the 475 Agreement are as follows (the financial terms are set out in the Second Confidential Supplement):
    a. **Conditions**: subject only to Court approval, with no financing or due diligence conditions;
    b. **Deposit**: payable to McCarthy, in trust, within two Business Days of execution and refundable only if the Court does not approve the sale or the Receiver terminates the agreement. The deposit was received on or about November 6, 2026 by McCarthy;
    c. **Closing**: 14 Business Days after the 475 SAVO is granted, with either party entitled to terminate if the 475 SAVO is not granted by December 4, 2026;
    d. **"As is, where is"**: no representations or warranties, with 475 BC assuming all existing tenancies;
    e. **Title**: free and clear of encumbrances, other than the permitted encumbrances listed in the 475 Agreement; and
    f. **Other offers**: the Receiver remains subject to the Court's discretion to consider other offers.

## *3. RECEIVER'S ASSESSMENT AND NBC'S POSITION*

19. The purchase price under the 475 Agreement is materially higher than the Purchase Price under the Porte Transaction. The Receiver believes this premium is likely attributable to the NBC Settlement, as completion of the 475 Transaction releases the Guarantors from their liability to NBC, a benefit that would not be available to an arm's length purchaser.
20. The Receiver recognizes that 475 BC is related to the Companies and the Guarantors. However, the Receiver considers the 475 Transaction to be the best available outcome for NBC and the estate because:
    a. it provides a materially higher recovery, and NBC will also receive the settlement payment from the Guarantors;
    b. it is subject only to Court approval and is on terms consistent with those customarily required by the Receiver;
    c. 475 BC's principals had the same opportunity as other parties to participate in the sales process;

d. the consideration to be received for the Properties pursuant to the 475 Transaction is reasonable and fair, considering market conditions and the value of the Properties;
e. the Properties were adequately marketed to the public for a significant amount of time prior to the acceptance of the 475 Agreement; and
f. no other creditor is prejudiced, as NBC is the only creditor with an economic interest in the Properties.

21. Even with the higher purchase price and the settlement payment, NBC will suffer a significant shortfall on its indebtedness, which was approximately $9.3 million as at May 12, 2025, with interest and costs continuing to accrue. NBC therefore remains the fulcrum creditor and has advised the Receiver that it supports the 475 Transaction.

## *4. SEALING RELIEF*

22. The Second Confidential Supplement contains the purchase price and deposit under the 475 Agreement, the amount of the NBC Settlement, and unredacted copies of the 475 Agreement and the AMLC Letter. If the 475 Transaction does not close and the Properties must be remarketed, disclosure of this information would severely compromise the Receiver's ability to obtain the highest price, to the prejudice of the Companies' stakeholders.
23. The Receiver therefore seeks an order sealing the First Confidential Supplement and the Second Confidential Supplement until the earlier of the Receiver filing its certificate confirming the closing of the 475 Transaction or further order of the Court. As the non-financial terms of the 475 Agreement are disclosed in this Report, the Receiver considers the proposed sealing to be the least restrictive means available.

## *5. UPDATE ON PROFESSIONAL FEES AND DISBURSEMENTS*

24. The Professional Fees, as defined in the First Report, have been updated and summarized in the table below.

| Rupert Mews Limited Partnership et. al - In Receivership<br>Summary of Professional Fees<br>As at November 13, 2026 | | | |
|---|---|---|---|
| **Service Period** | **Fees and disbursements** | **Taxes** | **Total Amount** |
| **KPMG Inc.** | | | |
| **Paid fees** | | | |
| June 19 - June 30, 2025 | 58,234 | 2,912 | 61,145 |
| July 1 - August 31, 2025 | 73,140 | 3,657 | 76,797 |
| Total Paid fees | 131,374 | 6,569 | 137,942 |
| **Unpaid fees** | | | |
| September 1, 2025 - August 21, 2026 | 126,409 | 6,346 | 132,754 |
| August 22 - October 31, 2026 | 35,590 | 1,780 | 37,370 |
| Estimated costs to complete | 18,000 | 900 | 18,900 |
| Total Unpaid fees | 179,999 | 9,025 | 189,024 |
| **Total Fees for KPMG Inc.** | **311,372** | **15,594** | **326,966** |
| **McCarthy Tetrault LLP** | | | |
| **Paid fees** | | | |
| June 19 - June 30, 2025 | 8,383 | 1,006 | 9,389 |
| July 1 - July 31, 2025 | 4,109 | 486 | 4,595 |
| August 1 - August 31, 2025 | 1,944 | 233 | 2,178 |
| September 1 - October 31, 2025 | 439 | 53 | 491 |
| November 1 - December 31, 2025 | 73 | 9 | 82 |
| January 1 - May 31, 2026 | 17,865 | 2,127 | 19,992 |
| June 1 - June 30, 2026 | 15,338 | 1,682 | 17,020 |
| Total Paid fees | 48,152 | 5,595 | 53,747 |
| **Unpaid fees** | | | |
| July 1 - July 31, 2026 | 396 | 48 | 444 |
| August 1 - August 31, 2026 | 9,048 | 1,086 | 10,134 |
| September 1 - September 29, 2026 | 22,158 | 2,659 | 24,816 |
| September 30 - November 13, 2026 | 34,804 | 4,176 | 38,980 |
| Estimated costs to complete | 9,500 | 1,140 | 10,640 |
| Total Unpaid fees | 75,906 | 9,109 | 85,014 |
| **Total Fees for McCarthy Tetrault LLP** | **124,058** | **14,704** | **138,761** |
| **Total Professional Fees** | **435,430** | **30,297** | **465,727** |

25. For the period September 1, 2025 to October 31, 2026, the Receiver has unpaid fees in the amount of $161,999, and estimates costs to complete in the amount of approximately $18,000 exclusive of taxes (the "**Updated Receiver's Fees**").
26. For the period July 1 to November 13, 2026, McCarthy has unpaid fees in the amount of $66,406, exclusive of taxes, and estimates costs to complete in the amount of approximately $9,500, exclusive of taxes (the "**Updated McCarthy Fees**", and, together with the Updated Receiver's Fees and the Professional Fees, the "**Updated Professional Fees**").
27. The Receiver is seeking approval of the Updated Professional Fees.
28. The Receiver is of the view that the Updated Professional Fees have been incurred in a prudent and economical manner and are fair and reasonable given the activities of the Receiver to date as outlined in this Report.

# *6. RECEIVER'S RECOMMENDATIONS*

29. The Receiver respectfully requests and recommends that this Court grant the relief set out in this Report and seeks a Court order granting the following:
    a. approving the 475 Transaction and granting the 475 SAVO;
    b. sealing the First Confidential Supplement and the Second Confidential Supplement as described above;
    c. approving the Updated Professional Fees; and
    d. granting the balance of the relief sought in the First Report, with references to the Proposed Transaction read as references to the 475 Transaction.

This Report is respectfully submitted this 16th day of November, 2026.

**KPMG INC.,**
**In its capacity as Court-appointed Receiver of Rupert Mews Limited Partnership,**
**Rupert Mews GP Ltd. and 1152846 B.C. LTD.**
**and not in its personal or corporate capacity**

Per: _____

Huey Lee CPA, CIRP, LIT

Senior Vice President

# Appendix “A”

Court File No. S-253889

Estate No. 11-254849

Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

**NATIONAL BANK OF CANADA**

PETITIONER

AND

**RUPERT MEWS LIMITED PARTNERSHIP,**
**RUPERT MEWS GP LTD. AND 1152846 B.C. LTD.**

RESPONDENT

**IN THE MATTER OF THE RECEIVERSHIP OF RUPERT MEWS LIMITED PARTNERSHIP, RUPERT MEWS GP LTD. AND 1152846 B.C. LTD.**

# FIRST REPORT OF THE RECEIVER

October 5, 2026

**KPMG INC., IN ITS CAPACITY AS**
**COURT-APPOINTED RECEIVER**

777 Dunsmuir Street,
Vancouver, British Columbia,
Attention: Huey Lee
Tel: (604) 646-6398
hueylee@kpmg.com

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# 1. *INTRODUCTION AND PURPOSE OF REPORT*

**Introduction**

1. On June 19, 2025 (the "**Appointment Date**"), on the application of the National Bank of Canada ("**NBC**"), the Supreme Court of British Columbia (the "**Court**") granted an order (the "**Receivership Order**") pursuant to subsection 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, appointing KPMG Inc. ("**KPMG**") as receiver and manager (in such capacity, the "**Receiver**"), without security, of all the assets, undertakings and property of Rupert Mews Limited Partnership ("**Rupert Mews LP**"), Rupert Mews GP Ltd. ("**Rupert Mews GP**"), and 1152846 B.C. Ltd. ("**115 BC**" and together with Rupert Mews LP and Rupert Mews GP, the "**Companies**").

**Purpose of the Report**

2. This is the Receiver's first report to the Court (the "**First Report**" or this "**Report**") which has been prepared to provide the Court with:
   a) a summary of the Receiver's activities since the Appointment Date;
   b) a summary of the sales process for the Properties and prevailing market conditions;
   c) details of the proposed transaction ("**Proposed Transaction**") contemplated by the purchase and sale agreement ("**PSA**") entered into between the Receiver and Porte Acquisitions Corp. (the "**Purchaser**");
   d) the Receiver's recommendations and information pertaining to the Receiver's application seeking:
      i. a sale approval and vesting order (the "**SAVO**") approving the Proposed Transaction and authorizing the Receiver to take such steps as are necessary to complete the Proposed Transaction,
      ii. a sealing order (the "**Sealing Order**") temporarily sealing the Confidential Supplement of Receiver dated October 5, 2026 (the "**Confidential Supplement**"), that contains commercially sensitive information, such as:
         i. the appraised value of the Properties;
         ii. the offers received pursuant to the sales process; and,
         iii. financial terms of the PSA, and
      iii. a distribution and discharge order (the "**Distribution and Discharge Order**") approving:

i. the reported actions of the Receiver in administering the receivership proceedings;
ii. the professional fees and disbursements of the Receiver and the Receiver's legal counsel, McCarthy Tétrault LLP ("**McCarthy**");
iii. an increase in the Receiver's borrowing powers should the Proposed Transaction not close;
iv. a distribution to NBC of any funds remaining in the Receiver's trust account after the payment of any costs and professional fees; and
v. the discharge of the Receiver upon filing of a certificate (the "**Discharge Certificate**") by the Receiver confirming the completion of the Remaining Matters (as defined herein).

**Terms of Reference**

3. All Court materials, orders and other materials filed in connection with these proceedings are available to creditors and other interested parties in electronic format on the Receiver's website established for the proceedings https://kpmg.com/ca/en/services/advisory/deal-advisory/creditorlinks/rupert-mews-limited-partnership-et-al.html (the "**Receiver's Website**").
4. In preparing this Report, the Receiver has been provided with, and has relied upon, unaudited financial information, available books and records, creditor information, account statements, and other information prepared by the Companies or provided by the Companies' representatives (collectively, the "**Information**").
5. The Receiver has reviewed the Information for reasonableness, internal consistency and its use in the context in which it was provided. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Auditing Standards ("**GAAS**") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information.
6. The information contained in this Report is not intended to be relied upon by any prospective purchaser, investor, creditor or other stakeholder for any purpose other than these receivership proceedings.
7. Unless otherwise stated, all monetary amounts noted in this Report are expressed in Canadian dollars.

## *2. BACKGROUND*

8. 115 BC is the legal owner, and Rupert Mews LP is the beneficial owner, of five adjacent residential properties located in North Vancouver, British Columbia at:

a) 1565 Rupert Street (the "**Vacant Unit**");
b) 1571 Rupert Street;
c) 1581 Rupert Street;
d) 1585 Rupert Street; and
e) 1589 Rupert Street

(together, the "**Properties**").

9. Rupert Mews GP is the general partner of Rupert Mews LP. Rupert Mews GP does not hold any property, nor does it engage in any business other than as the general partner of Rupert Mews LP.
10. Rupert Mews LP has four limited partners: Danacan Holdings Inc. ("**Danacan**"), which holds a 50% interest; 1137951 B.C. Ltd. ("**113 BC**"), which holds a 40% interest; Tavankar Industries Ltd. ("**Tavankar**"), which holds a 5% interest; and D.M.S. Enterprises Ltd. ("**DMS**", Danacan, 113 BC, Tavankar, and DMS are collectively referred to as, the "**Limited Partners**"), which holds a 5% interest.
11. 115 BC is the trustee under a bare trust agreement and holds legal title to the Properties on behalf of Rupert Mews LP. Rupert Mews LP is the beneficial owner of the Properties, and 115 BC does not hold any beneficial interest in the Properties other than in its capacity as bare trustee.

**The Properties**

12. As at the Appointment Date, the Properties consisted of five residential homes: four tenanted properties (the "**Tenanted Units**") and the Vacant Unit.
13. Each of the Tenanted Units is subject to a month-to-month residential lease that is governed by the *Residential Tenancy Act*.
14. The Vacant Unit was vacant at the Appointment Date. As further detailed below, the Vacant Unit is not in habitable condition and cannot be tenanted without the performance of extensive remediation work.
15. The Properties were originally intended to be redeveloped by the Companies into a multi-family development, which would require demolishing the existing buildings and completing new construction.
16. Prior to 2024, the Companies obtained a development permit for the Properties from the District of North Vancouver. However, the development permit lapsed in 2024 and has not been renewed.

**The Limited Partnership Dispute**

17. On September 19, 2024, 113 BC filed a petition (the "**Limited Partner Petition**"), with the Court in proceedings No. S-246543 (Vancouver Registry) (the "**Limited Partner Action**"). The Limited Partner Petition sought, among other things, an order for the dissolution of Rupert Mews LP, an accounting to facilitate the settling of accounts between the Limited Partners, and the appointment of a receiver or receiver-manager of Rupert Mews LP.

18. Among other things, the Limited Partner Petition alleged: (i) numerous breaches of the partnership agreement between the Limited Partners; and, (ii) that, due to ongoing governance disputes, Rupert Mews LP was no longer capable of fulfilling its purpose of redeveloping and selling the Properties.
19. On November 18, 2024, Danacan and Tavankar filed a response to the Limited Partner Petition (the "**Response to Limited Partner Petition**").
20. To the knowledge of the Receiver, there have been no material developments in the Limited Partner Action by mid-2025, when NBC sought the appointment of a receiver.

**The NBC Loan and Security**

21. NBC provided Rupert Mews LP and Rupert Mews GP with an uncommitted interim land loan in the amount of approximately $9.3 million pursuant to a loan agreement dated October 8, 2020, as amended. The purpose of the loan was to provide acquisition financing for the Properties. The loan was initially required to be repaid within 12 months of the initial drawdown, but the Companies subsequently obtained multiple extensions, with the final extension requiring repayment by May 1, 2025.
22. After the Companies failed to repay the loan on May 1, 2025, NBC demanded repayment and issued notices pursuant to the BIA. As at May 12, 2025, NBC was owed approximately $9.3 million, exclusive of interest, fees and expenses. NBC subsequently sought the appointment of a receiver.

## *3. ACTIVITIES OF THE RECEIVER*

23. On June 19, 2025, following its appointment, the Receiver attended the Properties, notified the tenants of the Tenanted Units of the receivership proceedings and inspected the Properties. While the Receiver did not take physical possession of the Tenanted Units, it secured the Vacant Unit.
24. Since its appointment, the Receiver has undertaken the following activities:

    a) sent notices to financial institutions requesting that the Companies' accounts be frozen but remain open for deposits only;
    b) established the Receiver's estate bank account;
    c) confirmed that there was adequate insurance coverage in place and directed the insurance provider to add the Receiver as a named insured/loss payee;
    d) reviewed bank statements and rental agreements;
    e) arranged for mail redirection to the Receiver's office;
    f) prepared the Notice and Statement of the Receiver which was sent to the known creditors of the Companies as required by the BIA;

g) liaised with Canada Revenue Agency, BC Hydro, the District of North Vancouver Property Tax Office, the Land Title Office and FortisBC to obtain and review outstanding assessments and balances;

h) received and responded to numerous creditor and stakeholder inquiries throughout these receivership proceedings;

i) circulated a request for proposals ("**RFP**") to commercial realtors in the Vancouver area;

j) engaged CBRE Limited ("**CBRE**") to market and list the Properties in August 2025;

k) engaged Birds Nest Properties (the "**Property Manager**") on September 1, 2025 to manage the Properties and tenants;

l) reviewed monthly reporting from the Property Manager and approved miscellaneous repairs and maintenance required for the Properties;

m) communicated with CBRE regularly with respect to its marketing efforts and current market challenges; and

n) negotiated with prospective purchasers with respect to the Properties.

**The Properties and Tenants**

25. As at the Appointment Date, the Vacant Unit was not in habitable condition, and the Receiver took safety precautions to secure the Vacant Unit from unauthorized access, including boarding the exterior access points.

26. The Receiver also undertook certain testing for hazardous materials at the Vacant Unit to assess conditions and remediation requirements, if any. These conditions were disclosed to the Purchaser, and testing results were provided during the Purchaser's due diligence period.

27. The Receiver has determined that the value of the Properties is maximized by their potential for redevelopment of the adjoining parcels into a multi-family development, rather than by selling each of the Properties individually. In addition, in the Receiver's opinion, the remediation work required to render the Vacant Unit habitable exceeds the potential value that could be obtained for the Companies and their stakeholders by completing the remediation work and leasing the Vacant Unit. As a result, the Receiver did not undertake any remediation work on the Vacant Unit, nor has the Receiver attempted to rent the Vacant Unit.

**Funding the Receivership Proceedings**

28. Rental income collected from the Tenanted Units during the receivership proceedings was used to fund a portion of the ongoing operating costs associated with the Properties, including taxes, property management fees, repairs and maintenance, utilities, insurance and other carrying costs.

29. The Vacant Unit incurred ongoing carrying costs throughout the receivership, including insurance and property management costs, without offsetting rental income.
30. The remaining costs for these proceedings, including the remaining portion of the operating costs associated with the Properties, have been funded through the use of the Receiver's borrowings.

# *4. SALES PROCESS AND PROPOSED TRANSACTION*

**The Sales Process**

31. On June 27, 2025, the Receiver circulated an RFP to six commercial real estate brokerages in the Greater Vancouver area. The RFP sought information regarding qualifications and experience, valuation methodology, proposed listing price, commission structure, marketing strategy and anticipated timelines.
32. The Receiver received proposals from five commercial real estate brokerages. Following its review of the proposals, the Receiver selected CBRE as the listing broker due to CBRE's familiarity with the area and Properties along with their competitive sale timeline, list price and commission structure and entered into an exclusive sales listing agreement with CBRE dated August 11, 2025.
33. The Receiver also engaged CBRE's Valuation & Advisory Services group to prepare an independent appraisal (the "**CBRE Appraisal**") of the Properties. The CBRE Appraisal is attached as Appendix "A" to the Confidential Supplement.
34. Following its engagement, CBRE prepared marketing materials, created a data room, and commenced a marketing process for the Properties that was directed toward developers, investors and other prospective purchasers active in the Greater Vancouver development market. The Properties were listed for sale on September 9, 2025 at a list price of approximately $12.8 million.
35. CBRE posted the listing on its website, launched an email marketing campaign to its qualified investor list of over 1,000 parties, promoted the listing on LinkedIn, and placed advertisements in the North Shore News, the Western Investor Newspaper and the BC Landlord publication, as well as persistent mobile banner ads on North Shore News and Business in Vancouver Real Estate.
36. CBRE provided the Receiver with routine updates throughout the marketing process regarding its marketing efforts, prospective purchaser interest, and general market conditions. CBRE advised that prospective purchasers were hesitant and/or unable to submit offers on the Properties due to market and development-related factors, including:
    a) the lengthy development approval process in the District of North Vancouver;
    b) softening rental-market conditions;
    c) increased development costs; and
    d) challenges obtaining equity financing for development projects.

37. With respect to the development approval process, the District of North Vancouver is currently developing an official community plan (the "**OCP**") for the area where the Properties are located, which has caused some uncertainty with respect to obtaining further development permits and ensuring compliance with zoning requirements.
38. The OCP caused some uncertainty for potential purchasers of the Properties, with respect to the ability to redevelop the Properties into a multi-family development. The District of North Vancouver will also hold municipal elections in October 2026, which may cause additional development approval delays.
39. The Receiver also noted that there were at least three other residential construction projects near the Properties in various stages of development and/or leasing that impacted the sales process.
40. Between September 2025 to November 2025, CBRE communicated with 36 interested parties, 14 parties executed non-disclosure agreements, and 13 parties accessed the CBRE data room. However, no offers for the Properties were received.
41. In January 2026, given the limited interest from prospective purchasers, the Receiver, in consultation with CBRE, approved a list price reduction to $11.6 million in an effort to attract additional market interest. However, the reduced list price did not generate any acceptable offers.
42. In or about April 2026, the Receiver instructed CBRE to re-engage with prospective purchasers who had previously expressed interest in the Properties to invite them to submit offers based on their own assessment of the Properties and prevailing market conditions. These efforts resulted in two letters of intent ("**LOIs**"). Copies of the LOIs are attached as Appendix "B" and Appendix "C" to the Confidential Supplement.

**Proposed Transaction**

43. After a review of the LOIs and further negotiations, the Receiver entered into the PSA with the Purchaser on June 16, 2026, subject to a 90-day due diligence period and Court approval. A copy of the PSA with commercially sensitive information redacted is attached as Appendix "**A**" to this Report. An unredacted copy of the PSA is attached as Appendix "D" to the Confidential Supplement.
44. The Purchaser paid the initial deposit required under the PSA and undertook its due diligence. The Purchaser concluded its due diligence early, waiving its conditions on August 14, 2026 and paying the second deposit required under the PSA.
45. The Purchaser also opted to assign its interest in the PSA to Porte Homes (Rupert) Limited Partnership ("**PHRLP**") on August 17, 2026. The Purchaser provided supporting documentation reflecting that Porte Industries Ltd. owns all the shares of Porte and holds all the units of PHRLP.
46. The Proposed Transaction remains subject only to Court approval.
47. The key terms of the PSA are summarized in the Confidential Supplement.

48. The Receiver is of the view that the Properties have been exposed to the market for a lengthy period of time (nearly one year), the market has been extensively canvassed by CBRE and the Proposed Transaction is indicative of fair market value.
49. Furthermore, NBC, as the principal secured creditor, is supportive of the Proposed Transaction.
50. Given the foregoing, the Receiver is seeking Court approval of the Proposed Transaction contemplated by the PSA.

**Subsequent Interest**

51. On July 29, 2026, the Receiver received an email from Keyvan Danaei ("**Mr. Danaei**") a director of Danacan, a former director and shareholder of Rupert Mews GP and a personal guarantor of the Companies' debt to NBC, indicating an interest in submitting an offer for the Properties, inquiring about the sales procedures and if the Receiver had accepted an offer.
52. The Receiver responded to Mr. Danaei's email advising that CBRE was the listing agent for the Properties and prospective purchasers are invited to submit offers through CBRE. The Receiver also confirmed that the Receiver was under contract and not in a position to enter into another contract at that time, but Mr. Danaei was welcome to submit an offer for the Receiver's review and ultimately, any offer was subject to court approval.
53. On August 20, 2026, CBRE was contacted by Redpoint Law LLP ("**Redpoint**") advising that Redpoint had been retained by a numbered company, of which Mr. Danaei is one of the principals, to assist with drafting an offer to purchase the Properties.
54. To date, the Receiver has not received an offer from Mr. Danaei or any party associated with Mr. Danaei.

## *5. SEALING RELIEF*

55. In the event the Proposed Transaction does not close, the Properties may be subject to further marketing, and the Receiver's ability to obtain the highest and best possible price would be severely compromised if the contents of the Confidential Supplement (which contains confidential and commercially sensitive financial information relating to, among other things, the CBRE Appraisal, the LOIs, and the PSA) are made available on the Court record. Disclosure of the information contained in the Confidential Supplement would cause irreparable harm and prejudice to the creditors and other stakeholders of the Companies.
56. As a result, the Receiver seeks the Sealing Order, which would seal the contents of the Confidential Supplement, until the earlier of: (i) the Receiver filing its certificate confirming that the Proposed Transaction has closed; or (ii) further order of the Court. The Receiver considers the proposed Sealing

Order to be necessary and constitutes the least restrictive means possible to prevent disclosure of the confidential and commercially sensitive information in the Confidential Supplement, and that no reasonable alternative measures exist.

## *6. RECEIVER'S BORROWINGS*

57. Pursuant to the Receivership Order, the Receiver was authorized to borrow funds in an aggregate principal amount not exceeding $250,000 (the "**Receiver's Borrowings**"), on the terms and conditions set out therein.
58. As of the date of this Report, the Receiver has borrowed the full amount authorized under the Receiver's Borrowings, being $250,000. These funds have been used to, among other things:
    a) fund operating shortfalls associated with the Properties, which are generating insufficient rental income to cover ongoing expenses;
    b) pay critical operating costs, including utilities, insurance, and property management fees; and,
    c) fund professional fees and costs associated with the marketing process and administration of the estate.
59. While rental income generated from the Properties assisted in funding certain operating and carrying costs, such income has been insufficient to fully fund the administration of the receivership proceedings and the realization efforts undertaken by the Receiver.
60. Accordingly, the Receiver is seeking an order increasing the Receiver's Borrowings, from $250,000 to $500,000, in the event that the Proposed Transaction does not close by October 30, 2026.
61. In the Receiver's view, the proposed increase is reasonable and appropriate in the circumstances and will avoid cost and time associated with a further court application should the Proposed Transaction not close as the Receiver will be required to continue administering the receivership proceedings. The increase will ensure that the Receiver is able to meet critical payments, including outstanding and estimated professional fees required to administer the Receivership Proceedings and relaunch the marketing process.
62. In the event that the Proposed Transaction is approved by the Court and closes as expected, the Receiver does not anticipate requiring any funds to be drawn from the increased Receiver's Borrowings. However, in the event the Proposed Transaction does not complete, the Receiver will not have sufficient funds to continue the administration of the estate and engage in the remarketing of the Properties.
63. NBC is supportive of the increase to the Receiver's Borrowings and has agreed to fund the additional borrowings required by the Receiver, subject to the approval of this Court.
64. Additional information regarding the Receiver's receipts, disbursements and borrowings is provided later in this Report.

## *7. TRANSACTION REVIEW*

65. Based on its review of the available books and records, nothing has come to the Receiver's attention that, in its view, warrants further investigation or the commencement of proceedings in respect of a potential preference or transfer at undervalue. Further, the Receiver is of the view that conducting additional investigations would not be a cost-effective or commercially reasonable use of the remaining estate resources.

## *8. NBC CLAIM AND SECURITY*

66. The outstanding balance of the NBC indebtedness as at May 12, 2025, was $9,369,992.06 with interest and expenses, including legal costs, continuing to accrue.
67. McCarthy has reviewed the security documents provided by NBC's counsel and has provided a security opinion (the "**Security Opinion**") to the Receiver that, subject to the customary qualifications and assumptions, confirms NBC has valid and enforceable security interest/mortgages over the Properties.
68. The Receiver is unaware of any other creditors having a security interest in the Properties, by virtue of a security agreement, which would rank in priority to NBC.

## *9. INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS*

**Receipts and Disbursements - Cash Position as at September 30, 2026**

69. The Receiver's interim statement of receipts and disbursements (the "**Interim SRD**") for the period from June 19, 2025 to September 30, 2026 is summarized below.

| Rupert Mews Limited Partnership et al. - In Receivership<br>Statement of Receipts and Disbursements ("SRD")<br>For the period June 19, 2025 to September 30, 2026 | |
|---|---|
| | **Amount (CAD $)** |
| **Receipts** | |
| Receiver's borrowing certificate | 250,000 |
| Rental income from properties | 139,060 |
| Interest | 1,984 |
| Total receipts | 391,044 |
| **Disbursements** | |
| Receiver's fees | (131,374) |
| Property taxes | (77,287) |
| Property management | (52,815) |
| Legal fees | (48,152) |
| Annual utility fees | (16,018) |
| Bank fees | (18,895) |
| GST/PST | (13,271) |
| Insurance | (7,317) |
| OSB filing fees | (252) |
| Total disbursements | (365,380) |
| **Excess receipts over disbursements** | **25,664** |

**Notes:**

1. Property management includes property management fees, property repairs and maintenance and, property reserve funds of $3,000.

# *10. PROFESSIONAL FEES AND DISBURSEMENTS*

70. For the period from June 19, 2025 to August 31, 2025, the Receiver incurred and paid fees in the amount of $131,373.56, (exclusive of taxes, that were paid by the Receiver). The Receiver has unpaid fees from September 1, 2025 to August 21, 2026 in the amount of $161,408.75, and estimates costs to complete in the amount of approximately $35,000 exclusive of taxes (the "**Receiver's Fees**").
71. For the period from June 19, 2025 to June 30, 2026, McCarthy incurred fees in the amount of $48,152.06, exclusive of taxes, that were paid by the Receiver. McCarthy has unpaid fees to September 29, 2026 in the amount of $31,602.50, exclusive of taxes, and estimates costs to complete in the amount of approximately $8,000 exclusive of taxes (the "**McCarthy Fees**" and, together with the Receiver's Fees, the "**Professional Fees**"). A summary of the Professional Fees is set out below.

| Rupert Mews Limited Partnership et. al - In Receivership<br>Summary of Professional Fees<br>As at October 2, 2026 | | | |
|---|---|---|---|
| **Service Period** | **Fees and disbursements** | **Taxes** | **Total Amount** |
| **KPMG Inc.** | | | |
| **Paid fees** | | | |
| June 19 - June 30, 2025 | 58,234 | 2,912 | 61,145 |
| July 1 - August 31, 2025 | 73,140 | 3,657 | 76,797 |
| Total Paid fees | 131,374 | 6,569 | 137,942 |
| **Unpaid fees** | | | |
| September 1 2025 to August 21, 2026 | 126,409 | 6,346 | 132,754 |
| Estimated costs to complete | 35,000 | 1,750 | 36,750 |
| Total Unpaid fees | 161,409 | 8,096 | 169,504 |
| **Total Fees for KPMG Inc.** | **292,782** | **14,664** | **307,447** |
| **McCarthy Tetrault LLP** | | | |
| **Paid fees** | | | |
| June 19 - June 30, 2025 | 8,383 | 1,006 | 9,389 |
| July 1 - July 31, 2025 | 4,109 | 486 | 4,595 |
| August 1 - August 31, 2025 | 1,944 | 233 | 2,178 |
| September 1 - October 31, 2025 | 439 | 53 | 491 |
| November 1 - December 31, 2025 | 73 | 9 | 82 |
| January 1 - May 31, 2026 | 17,865 | 2,127 | 19,992 |
| June 1 - June 30, 2026 | 15,338 | 1,682 | 17,020 |
| Total Paid fees | 48,152 | 5,595 | 53,747 |
| **Unpaid fees** | | | |
| July 1 - July 31, 2026 | 396 | 48 | 444 |
| August 1 - August 31, 2026 | 9,048 | 1,086 | 10,134 |
| September 1 - September 29, 2026 | 22,158 | 2,659 | 24,816 |
| Estimated costs to complete | 8,000 | 960 | 8,960 |
| Total Unpaid fees | 39,602 | 4,752 | 44,354 |
| **Total Fees for McCarthy Tetrault LLP** | **87,754** | **10,347** | **98,101** |
| **Total Professional Fees** | **380,536** | **25,011** | **405,547** |

72. The Receiver is seeking approval of the Professional Fees. Copies of the invoices, including detailed time entries, can be made available to the Court for inspection at the hearing of the application.
73. The Receiver is of the view that the Professional Fees have been incurred in a prudent and economical manner and are fair and reasonable given the activities of the Receiver to date as outlined in this Report.

## *11. BOOKS AND RECORDS*

74. The Receiver has possession of certain books and records of the Companies obtained during the receivership proceedings.
75. The Receiver is seeking authorization to destroy the books and records of the Companies in its possession. The Receiver proposes to provide the former director(s) of the Companies with 30 days' notice of its intention to destroy the records unless retrieved by the former director(s) within that period.

## *12. DISTRIBUTIONS AND DISCHARGE OF THE RECEIVER*

**Distributions**

76. The Receiver is not aware of any other claims that would rank ahead of NBC. As such, the Receiver seeks approval to distribute funds as follows:
    a. repayment of all Receiver's borrowings;
    b. payment of the Professional Fees as detailed above; and
    c. distribution of all the remaining funds to NBC.
77. The Purchase Price will not satisfy the entirety of the Indebtedness owing to NBC. As such, no other creditors will receive any recovery.
78. The Receiver has confirmed:
    a. no amounts are owing related to wages or unremitted payroll withholding, as the Companies have no employees; and
    b. no assertion was received from the Canada Revenue Agency of a statutory priority claim for unpaid GST or HST under applicable tax legislation, nor any similar super priority claim from any other potential creditor of the Companies.

**Discharge of the Receiver**

79. Once the Proposed Transaction has closed, the Receiver will have substantially completed the administration of the receivership proceedings with the exception of the following administrative matters (the "**Remaining Matters**"):
    a) preparing the final GST return and closing the Receiver's GST account;
    b) making final distribution of remaining funds, preparing the final bank reconciliations, and closing the Receiver's bank account;
    c) preparing and issuing the Receiver's final report pursuant to subsection 246(3) of the BIA;
    d) any other matters incidental to the wind up of the administration of the receivership; and
    e) filing the Receiver's Discharge Certificate.
80. Upon completion of the Remaining Matters, the Receiver will have completed its statutory duties and the duties imposed by the Receivership Order and any subsequent orders of the Court. Accordingly, the Receiver seeks an order discharging KPMG as Receiver, effective upon the filing of the Receiver's Discharge Certificate certifying that the Remaining Matters have been completed.
81. The Receiver seeks an order releasing KPMG, effective upon its discharge, from any liability arising by reason of or in connection with its appointment or the performance of its duties as Receiver, save and except for any liability arising from gross negligence or wilful misconduct.

## *13. RECEIVER'S RECOMMENDATIONS*

82. The Receiver respectfully requests and recommends that this Court grant the relief set out in this Report and seeks a Court order granting the following:

    a) approval of the Receiver's activities in the administration of this receivership as set out in this Report;
    b) approval of the Proposed Transaction and the granting of the SAVO;
    c) approval to seal the Confidential Supplement until the earlier of the closing of the Proposed Transaction and further order of this Court;
    d) approval of an increase in the Receiver's borrowing authority from $250,000 to $500,000;
    e) approval of the Professional Fees;
    f) authorizing and directing the Receiver to destroy the Companies' books and records no earlier than 30 days after giving notice to the former director(s) of the Companies unless records are retrieved, subject to preserving such records as required by statute or agreement;
    g) approval of the Receiver's proposed distribution of funds; and
    h) discharging the Receiver, effective upon the filing of the Receiver's Discharge Certificate confirming completion of the Remaining Matters.

This Report is respectfully submitted this 5th day of October, 2026.

**KPMG INC.,**
**In its capacity as Court-appointed Receiver of Rupert Mews Limited Partnership,**
**Rupert Mews GP Ltd. and 1152846 B.C. LTD.**
**and not in its personal or corporate capacity**

Per: _____

Huey Lee CPA, CIRP, LIT

Senior Vice President

# Appendix “B”

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# INFORMATION ABOUT THE CONTRACT OF PURCHASE AND SALE
# COMMERCIAL REAL ESTATE

THIS INFORMATION IS INCLUDED FOR THE ASSISTANCE OF THE PARTIES ONLY. IT DOES NOT FORM PART OF THE CONTRACT AND SHOULD NOT AFFECT THE PROPER INTERPRETATION OF ANY OF ITS TERMS.

1. **CONTRACT:** This document, when signed by both parties, is a legally binding contract. READ IT CAREFULLY. The parties should ensure that everything that is agreed to is in writing.
2. **DEPOSIT(S):** Section 28 of the *Real Estate Services Act* requires that money held by a brokerage in respect of a real estate transaction for which there is an agreement between the parties for the acquisition and disposition of the real estate be held by the brokerage as a stakeholder. The money is held for the real estate transaction and not on behalf of one of the parties. If a party does not remove a subject clause, the brokerage requires the written agreement of both parties in order to release the deposit. If both parties do not sign the agreement to release the deposit, then the parties will have to apply to court for a determination of the deposit issue.
3. **COMPLETION:** (Sections 6.1 and 17) Unless the parties are prepared to meet at the Land Title Office and exchange title documents for the purchase price, it is, in every case, advisable for the completion of the sale to take place in the following sequence:
   (a) The buyer pays the purchase price or down payment in trust to the buyer's lawyer or notary (who should advise the buyer of the exact amount required) several days before the completion date and the buyer signs the documents.
   (b) The buyer's lawyer or notary prepares the documents and forwards them for signature to the seller's lawyer or notary who returns the documents to the buyer's lawyer or notary.
   (c) The buyer's lawyer or notary then attends to the deposit of the signed title documents (and any mortgages) at the appropriate Land Title Office.
   (d) The buyer's lawyer or notary releases the sale proceeds at the buyer's lawyer's or notary's office.

   Since the seller is entitled to the seller's proceeds on the completion date, and since the sequence described above takes a day or more, it is strongly recommended that the buyer deposits the money and the signed documents AT LEAST TWO DAYS before the completion date, or at the request of the conveyancer, and that the seller delivers the signed transfer documents no later than the morning of the day before the completion date.

   While it is possible to have a Saturday or Sunday completion date using the Land Title Office's electronic filing system, parties are strongly encouraged NOT to schedule a Saturday or Sunday completion date as it will restrict their access to fewer lawyers or notaries who operate on Saturdays or Sundays; lenders will generally not fund new mortgages on Saturdays or Sundays; lenders with existing mortgages may not accept payouts on Saturdays or Sundays; and other offices necessary as part of the closing process may not be open.
4. **POSSESSION:** (Sections 7.1 and 18) The buyer should make arrangements through the REALTORS® for obtaining possession. The seller will not generally let the buyer move in before the seller has received the sale proceeds. Where residential tenants are involved, buyers and sellers should consult the *Residential Tenancy Act.*
5. **ADJUSTMENT:** (Sections 8.1 and 19) The buyer and seller should consider any additional adjustments that are necessary given the nature of the property, how any costs are payable by tenants, and whether the seller holds any of the tenant's funds with respect to such costs.
6. **TITLE:** (Section 22) It is up to the buyer to satisfy themselves with matters of zoning, building, or use restrictions, toxic or environmental hazards, encroachments on or by the property, and any encumbrances which are staying on title before becoming legally bound. It is up to the seller to specify in the contract if there are any encumbrances, other than those listed in Section 22 and Schedule 22, which are staying on title before becoming legally bound. If the buyer is taking out a mortgage, they should make sure that title, zoning, and building restrictions are all acceptable to their mortgage company. In certain circumstances, the mortgage company could refuse to advance funds. If the seller is allowing the buyer to assume their mortgage, they may still be responsible for payment of the mortgage, unless arrangements are made with their mortgage company.


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7. **CUSTOMARY COSTS:** (Section 31) In particular circumstances, there may be additional costs, but the following costs are applicable in most circumstances:

| Costs to be Borne by the Seller | Costs to be Borne by the Buyer | |
|---|---|---|
| Lawyer or notary fees and expenses:<br>- attending to execution documents. | Lawyer or notary fees and expenses:<br>- searching title,<br>- investigating title, and<br>- drafting documents. | Land Title Registration fees.<br>Fire Insurance Premium.<br>Sales Tax (if applicable).<br>Property Transfer Tax.<br>Goods and Services Tax (if applicable). |
| Costs of clearing title, including:<br>- discharge fees charged by encumbrance holders, and<br>- prepayment penalties. | Land Title Registration fees.<br>Survey Certificate (if required).<br>Costs of Mortgage, including:<br>- mortgage company's lawyer / notary, and<br>- appraisal (if applicable). | |
| Real Estate Commission (plus GST).<br>Goods and Services Tax (if applicable). | | |

In addition to the above costs, there may be financial adjustments between the seller and buyer pursuant to Section 19.

8. **RISK:** (Section 32) The buyer should arrange for insurance to be effective as of 12:01 am on the completion date. The seller should maintain the seller's insurance in effect until the later of the date the seller receives the proceeds of sale, or the date the seller vacates the property.

9. **FORM OF CONTRACT:** This Contract of Purchase and Sale is designed primarily for the purchase and sale of freehold commercial real estate. If your transaction involves: a building under construction, an operating business with or without employees being hired, a sale and purchase of shares in the ownership of the property, the purchase of a leasehold interest, and / or other special circumstances, additional provisions not contained in this form may be needed, and professional advice should be obtained.


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BCrea British Columbia Real Estate Association | THE CANADIAN BAR ASSOCIATION British Columbia Branch

# CONTRACT OF PURCHASE AND SALE FOR COMMERCIAL REAL ESTATE

MLS® NO: _____ DATE: November 2, 2026

## PART 1 – INFORMATION SUMMARY

| | | | |
|---|---|---|---|
| **1.** | **Prepared By** Redpoint Law LLP | | |
| **1.1** | Name of Brokerage N/a | | |
| **1.2** | Brokerage Address N/a | Phone No. N/a | |
| **1.3** | REALTOR®'s Name N/a | | |
| **1.4** | Personal Real Estate Corporation N/a | | |
| **1.5** | REALTOR®'s Email Address N/a | Fax No. N/a | |
| **1.6** | Brokerage Phone No. N/a | Fax No. N/a | |
| **2.** | **Parties to the Contract** | | |
| **2.1** | Seller KPMG INC., in its capacity as court-appointed receiver of the assets, undertakings and property of<br>Seller Rupert Mews Limited Partnership, Rupert Mews GP Ltd., and 1152846 B.C. Ltd.<br>Seller and not in its personal capacity | | |
| **2.2** | Seller's Address | | |
| **2.3** | Seller's Phone No. | Fax No. | |
| **2.4** | Seller's Email Address | | |
| **2.5** | Seller's Incorporation No. | **2.6** Seller's GST No. | |
| **2.7** | Buyer 1600475 B.C. Ltd.<br>Buyer _____<br>Buyer _____ | | |
| **2.8** | Buyer's Address c/o Redpoint Law LLP - 660 - 355 Burrard Street, Vancouver, B.C. V6C 2G8 | | |
| **2.9** | Buyer's Phone No. 604-757-3032 | Fax No. 604-757-3062 | |
| **2.10** | Buyer's Email Address smcinnes@redpointlaw.ca | | |
| **2.11** | Buyer's Incorporation No. 1600475 | **2.12** Buyer's GST No. | |
| **3.** | **Property** | | |
| **3.1** | Civic Address of Property 1565-1589 Rupert Street, North Vancouver, B.C. | | |
| **3.2** | Legal Description of Property See Schedule "A" | | |
| | PID See Schedule "A" | | |

MKD

BUYER'S INITIALS

Initial HL

SELLER'S INITIALS



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| | | | Section |
|---|---|---|---|
| **4.** | **Purchase Price** | **$** | **Section** |
| **4.1** | [redacted] Dollars | | 14 |
| **5.** | **Deposit** | | |
| **5.1** | Deposit to be provided by the following date:<br>☐ within 48 hours of acceptance of offer or counter-offer<br>☐ date _____<br>☑ other Paid to McCarthy Tétrault LLP, in trust, within two Business Days following execution and delivery of this Contract by both parties. | | 15 |
| **5.2** | Amount of Deposit [redacted] | | 15 |
| **5.3** | Deposit to be paid in trust to McCarthy Tétrault LLP | | 15 |
| **6.** | **Completion Date** | | |
| **6.1** | Completion Date See Schedule "A" | | 17 |
| **7.** | **Possession Date** | | |
| **7.1** | Possession Date Upon completion | | 18 |
| **7.2** | Vacant Possession ☐ Yes ☐ No | **7.3** All Existing Tenancies ☑ Yes ☐ No | 18 |
| **8.** | **Adjustment Date** | | |
| **8.1** | Adjustment Date The Completion Date | | 19 |
| **9.** | **Viewing Date** | | |
| **9.1** | Viewing Date N/A | | 21 |
| **10.** | **Agency Disclosure** | | |
| **10.1** | Seller's Designated Agent | REALTOR® Lance Coulson PREC<br>REALTOR® _____<br>Brokerage CBRE Limited | 38A |
| **10.2** | Buyer's Designated Agent | REALTOR® N/A<br>REALTOR® _____<br>Brokerage N/A | 38B |
| **10.3** | Limited Dual Agency Designated Agent | REALTOR® _____<br>REALTOR® _____<br>Brokerage _____ | 38C |
| **10.4** | Date of Limited Dual Agency Agreement | | 38C |



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| | | | |
|---|---|---|---|
| **11.** | **Acceptance** | | |
| **11.1** | Offer Open Until Date November 6, 2026 | Time 5:00 p.m. | 44 |
| **12.** | **Schedules** | | |
| 15 | Deposit | Attached ☐ Yes ☒ No | 15 |
| 16A | Buyer's Conditions | Attached ☐ Yes ☒ No | 16 |
| 16B | Seller's Conditions | Attached ☐ Yes ☒ No | 16 |
| 18 | Accepted Tenancies | Attached ☐ Yes ☒ No | 18 |
| 20A | Additional Included Items | Attached ☐ Yes ☒ No | 20 |
| 20B | Excluded Items | Attached ☐ Yes ☒ No | 20 |
| 22 | Additional Permitted Encumbrances | Attached ☐ Yes ☒ No | 22 |
| 23 | Additional Seller's Warranties and Representations | Attached ☐ Yes ☒ No | 23 |
| 24 | Additional Buyer's Warranties and Representations | Attached ☐ Yes ☒ No | 24 |
| 40 | Additional Terms See Schedule "A" | Attached ☒ Yes ☐ No | 40 |

## PART 2 – TERMS

**13.** **INFORMATION SUMMARY:** The Information Summary being Part 1 to this Contract of Purchase and Sale for Commercial Real Estate, and the Schedules attached to this Contract of Purchase and Sale for Commercial Real Estate, form an integral part of this offer. The seller and buyer acknowledge that they have read all of Part 1 and Part 2 and the Schedules to this Contract of Purchase and Sale for Commercial Real Estate.

**14.** **PURCHASE PRICE:** The purchase price of the property will be the amount set out in Section 4.1 (the "Purchase Price").

**15.** **DEPOSIT:** A deposit in the amount set out in Section 5.2, which will form part of the Purchase Price, will be paid in accordance with Section 26 except as otherwise set out in Schedule 15 and on the terms set out in Schedule 15. All monies paid pursuant to this Section (the "Deposit") will be delivered in trust to the party identified in Section 5.3 and held in trust in accordance with the provisions of the *Real Estate Services Act*. In the event the buyer fails to pay the Deposit as required by this contract, the seller may, at the seller's option, terminate this contract. The party who receives the Deposit is authorized to pay all or any portion of the Deposit to the buyer's or seller's conveyancer (the "Conveyancer") without further written direction of the buyer or seller, provided that: (a) the Conveyancer is a lawyer or notary; (b) such money is to be held in trust by the Conveyancer as stakeholder pursuant to the provisions of the *Real Estate Services Act* pending the completion of the transaction and not on behalf of any of the principals to the transaction; and (c) if the sale does not complete, the money should be returned to such party as stakeholder or paid into court.

**16.** **CONDITIONS:** The obligations of the buyer described in this contract are subject to the satisfaction or waiver of the conditions precedent set out in Schedule 16A, if any (the "Buyer's Conditions"). The Buyer's Conditions are inserted for the sole benefit of the buyer. The satisfaction or waiver of the Buyer's Conditions will be determined by the sole discretion of the buyer, and the buyer agrees to use reasonable efforts to satisfy the Buyer's Conditions. The Buyer's Conditions may only be satisfied or waived by the buyer giving written notice (the "Buyer's Notice")


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to the seller on or before the time and date specified for each condition. Unless each Buyer's Condition is waived or declared fulfilled by delivery of the Buyer's Notice to the seller on or before the time and date specified for each condition, this contract will be terminated thereupon and the Deposit returnable in accordance with the *Real Estate Services Act*.

The obligations of the seller described in this contract are subject to the satisfaction or waiver of the conditions precedent set out in Schedule 16B, if any (the "Seller's Conditions"). The Seller's Conditions are inserted for the sole benefit of the seller. The satisfaction or waiver of the Seller's Conditions will be determined by the sole discretion of the seller, and the seller agrees to use reasonable efforts to satisfy the Seller's Conditions. These conditions may only be satisfied or waived by the seller giving written notice (the "Seller's Notice") to the buyer on or before the time and date specified for each condition. Unless each Seller's Condition is waived or declared fulfilled by delivery of the Seller's Notice to the buyer on or before the time and date specified for each condition, this contract will be terminated thereupon and the Deposit returnable in accordance with the *Real Estate Services Act*.

17. **COMPLETION:** The sale will be completed on the date specified in Section 6.1 (the "Completion Date") at the appropriate Land Title Office.

18. **POSSESSION:** The buyer will have possession of the property at the time and on the date specified in Section 7.1 (the "Possession Date") with vacant possession if so indicated in Section 7.2, or subject to all existing tenancies if so indicated in Section 7.3; or subject to the specified tenancies set out in Schedule 18, if so indicated in Section 12 (if Section 7.3 or 12 is selected, such tenancies shall be the "Accepted Tenancies").

19. **ADJUSTMENTS:** The buyer will assume and pay all taxes, rates, local improvement assessments, fuel, utilities, insurance, rents, tenant deposits, including interest and prepaid rents, and other charges from, and including, the date set for adjustments, and all adjustments both incoming and outgoing of whatsoever nature will be made as of the date specified in Section 8.1 (the "Adjustment Date").

20. **INCLUDED ITEMS:** The Purchase Price includes the Accepted Tenancies, any buildings, improvements, fixtures, appurtenances and attachments thereto, and all security systems, security bars, blinds, awnings, curtain rods, tracks and valances, fixed mirrors, fixed carpeting, electric, plumbing, heating and air conditioning fixtures, and all appurtenances and attachments thereto as viewed by the buyer at the date of inspection, together with those items set out in Schedule 20A but excluding those items set out in Schedule 20B.

21. **VIEWED:** The property and all included items will be in substantially the same condition on the Possession Date as when viewed by the buyer on the date specified in Section 9.1.

22. **TITLE:** Free and clear of all encumbrances except subsisting conditions, provisos, restrictions, exceptions, and reservations, including royalties, contained in the original grant or contained in any other grant or disposition from the Crown, registered or pending restrictive covenants and rights-of-way in favour of utilities and public authorities, the Accepted Tenancies and any additional permitted encumbrances set out in Schedule 22.

23. **ADDITIONAL SELLER'S WARRANTIES AND REPRESENTATIONS:** In addition to the representations and warranties set out in this contract, the seller makes the additional representations and warranties set out in Schedule 23 to the buyer.

24. **ADDITIONAL BUYER'S WARRANTIES AND REPRESENTATIONS:** In addition to the representations and warranties set out in this contract, the buyer makes the additional representations and warranties set out in Schedule 24 to the seller.


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**25.** **GST:** In addition to the purchase price, the applicable Goods and Services Tax (the "GST") imposed under the *Excise Tax Act* (Canada) (the "Act") will be paid by the buyer. On or before the Completion Date, the buyer may confirm to the seller's lawyer or notary that it is registered for the purposes of Part IX of the Act and will provide its registration number. If the buyer does not confirm that it is a registrant under Part IX of the Act on or before the Completion Date, then the buyer will pay the applicable GST to the seller on the Completion Date; the seller will then remit the GST as required by the Act. All taxes payable pursuant to the *Provincial Sales Tax Act* arising out of the purchase of the property will be paid by the buyer, and evidence of such payment will be provided to the Seller.

**26.** **TENDER:** Tender or payment of monies by the buyer to the seller will be by bank draft, wire transfer, certified cheque, or lawyer's / notary's or real estate brokerage's trust cheque.

**27.** **DOCUMENTS:** All documents required to give effect to this contract will be delivered in registerable form where necessary and will be lodged for registration at the appropriate Land Title Office by 4:00 pm on the Completion Date.

**27A.** **SELLER'S PARTICULARS AND RESIDENCY:** The seller shall deliver to the buyer on or before the Completion Date a statutory declaration of the seller containing: (A) particulars regarding the seller that are required to be included in the buyer's Property Transfer Tax Return to be filed in connection with the completion of the transaction contemplated by this contract (and the seller hereby consents to the buyer inserting such particulars on such return); and (B) if the seller is not a non-resident of Canada as described in the non-residency provisions of the *Income Tax Act*, confirmation that the seller is not then, and on the Completion Date will not be, a non-resident of Canada. If on the Completion Date the seller is a non-resident of Canada as described in the residency provisions of the *Income Tax Act*, the buyer shall be entitled to hold back from the Purchase Price the amount provided for under Section 116 of the *Income Tax Act*.

**28.** **TIME:** Time will be of the essence hereof, and unless the balance of the payment is paid and such formal agreement to pay the balance as may be necessary is entered into on or before the Completion Date, the seller may, at the seller's option, terminate this contract, and in such event, the amount paid by the buyer will be non-refundable and absolutely forfeited to the seller, subject to the provisions of Section 28 of the *Real Estate Services Act*, on account of damages, without prejudice to the seller's other remedies.

**29.** **BUYER FINANCING:** If the buyer is relying upon a new mortgage to finance the Purchase Price, the buyer, while still required to pay the Purchase Price on the Completion Date, may wait to pay the Purchase Price to the seller until after the transfer and new mortgage documents have been lodged for registration at the appropriate Land Title Office, but only if, before such lodging, the buyer has: (a) made available for tender to the seller that portion of the Purchase Price not secured by the new mortgage; (b) fulfilled all the new mortgagee's conditions for funding except lodging the mortgage for registration; and (c) made available to the seller a lawyer's or notary's undertaking to pay the Purchase Price upon the lodging of the transfer and new mortgage documents and the advance by the mortgagee of the mortgage proceeds pursuant to the Canadian Bar Association (BC Branch) (Real Property Section) standard undertakings (the "CBA Standard Undertakings").

**30.** **CLEARING TITLE:** If the seller has existing financial charges to be cleared from title, the seller, while still required to clear such charges, may wait to pay and discharge existing financial charges until immediately after receipt of the Purchase Price, but in this event, the seller agrees that payment of the Purchase Price shall be made by the buyer's lawyer or notary to the seller's lawyer or notary on the CBA Standard Undertakings to pay out and discharge the financial charges, and remit the balance, if any, to the seller.

**31.** **COSTS:** The buyer will bear all costs of the conveyance and, if applicable, any costs related to arranging a mortgage and the seller will bear all costs of clearing title.


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**32.** **RISK:** All buildings on the property and all other items included in the purchase and sale will be, and remain, at the risk of the seller until 12:01 am on the Completion Date. After that time, the property and all included items will be at the risk of the buyer. If loss or damage to the property occurs before the seller is paid the Purchase Price, then any insurance proceeds shall be held in trust for the buyer and seller according to their interests in the property.

**33.** **GOVERNING LAW:** This contract will be governed by the laws of the Province of British Columbia. The parties submit to the exclusive jurisdiction of the courts in the Province of British Columbia regarding any dispute that may arise out of this transaction.

**34.** **CONFIDENTIALITY:** Unless the transaction contemplated by this contract is completed, the buyer and seller will keep all negotiations regarding the property confidential, and the buyer will not disclose to any third party the contents or effect of any documents, materials, or information provided pursuant to or obtained in relation to this contract without the prior written consent of the seller, except that each of the buyer and seller may disclose the same to its employees, inspectors, lenders, agents, advisors, consultants, potential investors, and such other persons as may reasonably be required, and except that the buyer and seller may disclose the same as required by law or in connection with any regulatory disclosure requirements which must be satisfied in connection with the proposed sale and purchase of the property.

**35.** **PLURAL:** In this contract, any reference to a party includes that party's heirs, executors, administrators, successors, and assigns; singular includes plural, and masculine includes feminine.

**36.** **SURVIVAL OF REPRESENTATIONS AND WARRANTIES:** There are no representations, warranties, guarantees, promises, or agreements other than those set out in this contract and any attached Schedules. All of the warranties contained in this contract and any attached Schedules are made as of and will be true on the Completion Date, unless otherwise agreed in writing.

**37.** **PERSONAL INFORMATION:** The buyer and seller hereby consent to the collection, use, and disclosure by the brokerages and by the managing broker(s), associate broker(s), and representative(s) of those brokerages (collectively the "REALTOR[S]®") described in Section 38, the real estate boards or associations of which those brokerages and REALTOR(S)® are members and, if the property is listed on a Multiple Listing Service®, the real estate board or association that operates that Multiple Listing Service®, of personal information about the buyer and seller:

A. for all purposes consistent with the transaction contemplated herein;
B. if the property is listed on a Multiple Listing Service®, for the purpose of the compilation, retention, and publication by the real estate board or association that operates the Multiple Listing Service® and other real estate boards or associations of any statistics, including historical Multiple Listing Service® data for use by persons authorized to use the Multiple Listing Service® of that real estate board or association and other real estate boards or associations;
C. for enforcing codes of professional conduct and ethics for members of real estate boards or associations; and
D. for the purposes (and to the recipients) described in British Columbia Real Estate Association's Privacy Notice and Consent form.

The personal information provided by the buyer and seller may be stored on databases outside Canada, in which case it would be subject to the laws of the jurisdiction in which it is located.

**38.** **AGENCY DISCLOSURE:** The seller and buyer acknowledge and confirm as follows (initial appropriate box[es] and complete details as applicable):



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INITIALS

A. The seller acknowledges having received, read, and understood the BC Financial Services Authority (BCFSA) form entitled Disclosure of Representation in Trading Services and hereby confirms that the seller has an agency relationship with the designated agent(s) / REALTOR(S)® specified in Section 10.1 who is / are licensed in relation to the brokerage specified in Section 10.1.

INITIALS

B. ~~The buyer acknowledges having received, read, and understood the BCFSA form entitled~~ Disclosure of Representation in Trading Services ~~and hereby confirms~~ that the buyer has an agency relationship ~~with the designated~~ agent(s) / REALTOR(S)® specified in Section 10.2 who is ~~/ are licensed in relation to the brokerage specified in Section 10.2~~.

INITIALS

C. ~~The seller and buyer each acknowledge having received, read, and understood the BCFSA~~ form entitled Disclosure of Risks Associated with Dual Agency ~~and hereby~~ confirm that they each consent to a dual agency relationship ~~with the~~ designated agent(s) / REALTOR(S)® specified in Section 10.3 who is / are licensed in relation to the brokerage specified in Section 10.3, having ~~signed a dual~~ agency agreement with such designated agent(s) / REALTOR(S)® ~~dated the date set out in Section 10.4~~.

INITIALS

D. If only Section 38A has been completed, the buyer acknowledges having received, read, and understood the BCFSA form Disclosure of Risks to Unrepresented Parties from the seller's agent listed in Section 38A and hereby confirms that the buyer has no agency relationship.

INITIALS

E. If only Section 38B has been completed, the seller acknowledges having received, read, and understood the BCFSA form Disclosure of Risks to Unrepresented Parties from the buyer's agent listed in Section 38B and hereby confirms that the seller has no agency relationship.

**39. ASSIGNMENT OF REMUNERATION:** The buyer and seller agree that the seller's authorization and instruction set out in Section 45(c) below is a confirmation of the equitable assignment by the seller in the listing contract and is notice of the equitable assignment to anyone acting on behalf of the buyer or seller.

**39A. RESTRICTION ON ASSIGNMENT OF CONTRACT:** The buyer and seller agree that this contract: (a) must not be assigned without the written consent of the seller, and (b) the seller is entitled to any profit resulting from an assignment of the contract by the buyer or any subsequent assignee.

**40. ADDITIONAL TERMS:** The additional terms set out in Schedule 40 are hereby incorporated into and form a part of this contract.

**41. ACCEPTANCE IRREVOCABLE:**

BUYER'S INITIALS SEAL

SELLER'S INITIALS SEAL

The seller and buyer specifically confirm that this Contract of Purchase and Sale, whether executed and sealed by hand or by digital or electronic signature and seal, or otherwise, is hereby executed under seal, which is evidenced by each of the buyer and seller making the deliberate, intentional, and conscious act of inserting their initials (whether by hand or electronically) in the appropriate space provided beside this Section 41. The parties intend that the act of inserting their initials as set out above is to have the same effect as if this Contract of Purchase and Sale had been physically sealed by wax, stamp, embossing, sticker, or any other manner. It is agreed and understood that, without limiting the foregoing, the seller's acceptance is irrevocable, including without limitation during the period prior to the date specified for the buyer to either:

A. fulfil or waive the terms and conditions herein contained; and / or
B. exercise any option(s) herein contained.

BUYER'S INITIALS

SELLER'S INITIALS



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**42.** **COUNTERPARTS:** The parties agree that this Contract of Purchase and Sale and any amendments or attachments thereto may be executed in counterparts by the parties and delivered originally or by facsimile, email, or other means of electronic transmission. Each such counterpart, when so executed and delivered, is deemed to be an original, and all such counterparts of a relevant document taken together shall constitute one and the same relevant document as though the signatures of all the parties were upon the same document.

**43.** **THIS IS A LEGAL DOCUMENT. READ THIS ENTIRE DOCUMENT AND INFORMATION PAGE BEFORE YOU SIGN.**

**44.** **OFFER:** This offer, or counter-offer, will be open for acceptance until the time and date specified in Section 11.1 (unless withdrawn in writing with notification to the other party of such revocation prior to notification of its acceptance), and upon acceptance of the offer, or counter-offer, by accepting in writing and notifying the other party of such acceptance, there will be a binding Contract of Purchase and Sale on the terms and conditions set forth.

| | | |
|---|---|---|
| SEAL | SEAL | SEAL |
| BUYER | BUYER | BUYER |
| 1600475 B.C. Ltd. | | |
| PRINT NAME | PRINT NAME | PRINT NAME |
| WITNESS | WITNESS | WITNESS |

**45.** **ACCEPTANCE:** The seller:

A. hereby accepts the above offer, or counter-offer, and agrees to complete the sale upon the terms and conditions set out above;
B. agrees to pay a commission as per the listing contract; and
C. authorizes and instructs the buyer and anyone acting on behalf of the buyer or seller to pay the commission out of the cash proceeds of sale and forward copies of the seller's statement of adjustments to the cooperating brokerage / listing brokerage, as requested forthwith after completion.

The seller declares their residency as defined under the *Income Tax Act*:

RESIDENT OF CANADA Initial HL INITIALS NON-RESIDENT OF CANADA INITIALS

Signed by: Huey Lee 884D0C88005148E...

| | | |
|---|---|---|
| SEAL | SEAL | SEAL |
| SELLER | SELLER | SELLER |
| KPMG INC. | | |
| PRINT NAME | PRINT NAME | PRINT NAME |
| in its capacity as court-appointed receiver | | |
| WITNESS | WITNESS | WITNESS |

**46.** **FINAL ACCEPTANCE DATE:** The buyer and seller agree that the final acceptance date of the offer, or counter-offer, as applicable, contained in this contract is November 4, 2026 (the "Final Acceptance Date") being the date that the last party executed and delivered this contract, and such party, or their REALTOR®, is authorized and directed to insert such date in this Section 46.

*PREC represents Personal Real Estate Corporation

Trademarks are owned or controlled by The Canadian Real Estate Association (CREA) and identify real estate professionals who are members of CREA (REALTOR®) and / or the quality of services they provide (MLS®).



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**SCHEDULE "A"**
TO THE AGREEMENT OF PURCHASE AND SALE

BETWEEN

KPMG INC., in its capacity as court-appointed receiver of the assets, undertakings and property of Rupert Mews Limited Partnership, Rupert Mews GP Ltd., and 1152846 B.C. Ltd., and not in its personal capacity

(the "**Seller**")

AND:

1600475 B.C. Ltd.

(the "**Buyer**")

RE:
1565-1589 Rupert Street, North Vancouver, BC

Parcel Identifiers: 004-423-305, 005-089-701, 007-046-405, 002-795-469, 014-741-555
Legal description: LOTS 10, 14 & 15 AND AMENDED LOT 11 (SEE 204726L) & AMENDED LOT 13 (SEE 204725-L) BLOCK 43 DISTRICT LOT 204 PLAN 1340

(the "**Property**")

The parties agree that the following terms replace, modify and, where applicable override the terms of the attached contract of purchase and sale for commercial real estate and any modifications, amendments, additions, or addenda thereto, (collectively the "**Contract**"). Where any conflict arises between the terms of this Schedule "A" and the Contract, the terms of this Schedule "A" shall apply.

1. Title will be transferred to the Buyer free and clear of all registered encumbrances, other than those listed in **Appendix "A"**, in accordance with the Vesting Order (defined herein) of the Supreme Court of British Columbia (the "**Court**").

2. The acceptance of this offer is subject to the approval of the Court and will become effective from the time an order of the Court is made approving this offer (the "**Vesting Order**").

3. Any existing registered financial charges to be paid under the terms of the Vesting Order may be paid by the Seller upon receipt of the purchase price and the Buyer may pay the purchase price to the Seller's lawyer in trust on undertakings to pay those financial charges in accordance with the terms of the Vesting Order.

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4. Possession will be given to the Buyer upon completion, subject to any existing tenancies, which the Buyer will acquire and assume with the Property, and otherwise will be governed by the terms of the Vesting Order.

5. The Buyer is purchasing the property on an "as is, where is" basis as of the Completion Date. The Buyer agrees that the Seller has no obligation to maintain the property in the condition it may have been in at some time before the Completion Date contemplated by this agreement. The Buyer agrees that the purchase price does not include any chattels/personal property. The Seller assumes no risk with respect to the buildings on the Property or any other items included in this purchase and sale.

6. No property condition disclosure statement concerning the Property will be given by the Seller.

7. The Seller is subject to the jurisdiction and discretion of the Court to entertain other offers and to any further Orders the Court may make regarding the Property. The Seller may be compelled to advocate that the Court consider other offers in order to obtain the highest price for the Property. In that regard, the Buyer may wish to consider making its own arrangements to support this offer in Court if other offers are received by the Seller.

8. Acceptance of this offer by the Seller, and any obligation of the Seller to put this offer before the Court, may be terminated at any time before the Court makes the Vesting Order approving this sale if the debts secured against the Property are redeemed, or at the option of the Seller in its sole discretion. This condition is for the sole benefit of the Seller.

9. Real estate commission is payable relative to this offer only if this offer is approved by the Court and the sale is completed pursuant to the Vesting Order.

10. The Buyer agrees that there may be GST and PTT payable relating to this transaction and that it is the responsibility of the Buyer to pay any such tax accruing on this sale. The Buyer agrees that the Seller may be responsible to collect and remit GST payable on this transaction. Accordingly, the Buyer agrees to pay any such tax to the Seller so that the Seller can, in turn, pay such GST as may be due and owing on this sale.

11. No representations are made regarding the residency of Rupert Mews Limited Partnership, Rupert Mews GP Ltd., and 1152846 B.C. Ltd. The Buyer is satisfied that there is no need for a holdback from the purchase price for the possibility that the Seller or Rupert Mews Limited Partnership, Rupert Mews GP Ltd., and 1152846 B.C. Ltd. are not Canadian residents for the purposes of the *Income Tax Act* (Canada).

12. The Buyer agrees not to holdback any part of the purchase price for any reason.

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13. The adjustments will include all items normally adjusted between a seller and a buyer in respect of the sale of property similar to the Property, provided that adjustments in respect of rents and security deposits will be made only to the extent such rents and security deposits have been actually received by the Seller. For greater certainty, no adjustment will be made in favour of the Buyer or the Seller in respect of any rents, security deposits or other amounts relating to the Property that have not been actually received by the Seller. Any adjustment in respect of rents actually received by the Seller through its property manager will be based on the net amount received by the Seller after deduction of the property manager's management fees and maintenance costs. Any adjustment in respect of security deposits will apply only to security deposits actually held by the Seller as of the Completion Date.

14. The Seller, as party having conduct of sale of the Property as Court-appointed receiver is not and will not be liable to the Buyer, nor to anyone claiming by through or under the Buyer, for any damages, costs or expenses, including but not limited to damage caused to the Buyer by the registered owner(s) of the Property or his/her tenants, guests, assigns, agents or persons unknown. For greater certainty, the Buyer is assuming all existing tenancies and is purchasing the Property on an "as is, where is" basis as of the Completion Date.

15. The Completion Date pursuant to section 6.1 of the Contract will be 14 Business Days after the date the Court grants the Vesting Order. For greater certainty, "**Business Day**" means any day, other than a Saturday or holiday listed in the definition of "holiday" in the *Interpretation Ac*t (British Columbia).

16. Notwithstanding the acceptance of this offer being subject to the Vesting Order as contemplated under paragraph 2, the Buyer will pay a deposit in the amount set out in section 5.2 of the Contract (the "**Deposit**") to McCarthy Tétrault LLP (the "**Seller's Solicitors**"), in trust, within two Business Days following the execution and delivery of this Contract by both parties. Any references to Redpoint Law LLP in section 5 of the Contract are hereby replaced with McCarthy Tétrault LLP.

17. The Deposit will form part of the Purchase Price, and will be paid in accordance with section 26 of the Contract. In the event the Buyer fails to pay the Deposit in accordance with the terms of the Contract, the Seller may, at the Seller's option, terminate the Contract. The Seller's Solicitors are authorized to pay all or any portion of the Deposit to the Buyer's or Seller's conveyancer (the "**Conveyancer**") without further written direction of the Buyer or Seller, provided that: (a) the Conveyancer is a lawyer or notary; (b) such money is to be held in trust by the Conveyancer as stakeholder pursuant to the provisions of the *Real Estate Services Act* pending the completion of the transaction and not on behalf of any of the principals to the transaction; and (c) if the sale does not complete, the Deposit should be returned to such party as stakeholder or paid into court. Section 15 of the Contract is hereby deleted in its entirety and replaced with this paragraph 17.

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18. The Seller's Solicitors will return the Deposit to the Buyer within five Business Days, if:

a. the Court does not grant a Vesting Order, as contemplated under paragraph 2; or

b. the Seller terminates the Contract.

19. This Agreement may be terminated by either party if the Vesting Order is not granted on or before December 4, 2026.

*[Signature page follows]*

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**Seller**:

KPMG INC., in its capacity as court-appointed receiver of the assets, undertakings and property of Rupert Mews Limited Partnership, Rupert Mews GP Ltd., and 1152846 B.C. Ltd. and not in its personal capacity

SIGNED: Signed by: Huey Lee 604B6C80065146E...

NAME: Huey Lee

DATE: November 4, 2026

**Buyer**:

1600475 B.C. Ltd.

SIGNED:

NAME: Amir Hossein Kh Danaei

DATE: Nov 2, 2026

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## APPENDIX "A"

## LIST OF ENCUMBRANCES TO REMAIN ON TITLE

*Legal Notations:*

1. This title may be affected by a permit under Part 14 of the *Local Government Act,* see CB267490.

*Charges, Liens and Interests:*

2. Covenant CB48334

3. The rights reserved to or vested in or deemed to be reserved to or vested in any Governmental Authority pursuant to the Crown Grant applicable to the Lands or pursuant to any applicable statutory provisions.

**Signature:**

**Email:** khashayar.danaei@gmail.com

Initial

# Appendix “C”

**From:** Bryan Hicks <Bryan@amlc.ca>
**Sent:** Friday, October 16, 2026 11:24 AM
**To:** Williams, Lance <lwilliams@mccarthy.ca>
**Cc:** Scott McInnes <smcinnes@redpointlaw.ca>; Nojan Kamoosi <nojan@amlc.ca>; Danielle White <danielle@amlc.ca>
**Subject:** [EXT] National Bank of Canada v. Rupert Mews Limited Partnership, et al | BC Supreme Court File No. S-253889, Vancouver Registry

Hi Lance,

As you know, we act for Danacan Holdings Inc. and Tavankar Industries Ltd. in the above-noted matter.

We write regarding your client's Notice of Application dated October 9, 2026 seeking, among other things, an Approval and Vesting order for the sale of the Lands to Porte Homes (Rupert) Limited Partnership. The defined terms below have the same meaning as set out in the Notice of Application, unless otherwise specified

The principals of Danacan incorporated 1600475 B.C. Ltd. ("**475**") for the purpose of making an offer to purchase the Lands. Indeed, we note that the First Report of the Receiver dated October 5, 2026 indicates at paragraphs 51 - 53 that Mr. Danei contacted the Receiver to inquire about the sales process and express his intention to submit an offer. 475 subsequently engaged Redpoint to assist with preparing and submitting the Offer. We confirm that 475 signed the attached Offer on September 17, 2026 and instructed Redpoint to submit the Offer on its behalf. Unfortunately, the lawyer originally handling the file at Redpoint mistakenly submitted the Offer to an unrelated third party on September 18, 2026 that has no involvement with this matter. That is, Redpoint intended to submit the Offer to the Receiver in accordance with 475's instructions but accidentally sent the Offer to the wrong person. That mistake explains why your client never received 475's offer. Redpoint is prepared to provide an affidavit confirming its mistake if that becomes necessary.

We attach the offer from 475 that it intended to submit several weeks ago, which we provide at this time subject to the following revisions and points of clarification:

1. Section 4.1 (Purchase Price) is revised as follows: The Purchase Price is changed to [redacted]
2. Section 5.2 (Amount of Deposit) is revised as follows: The Deposit is changed to [redacted]
3. Section 6.1 (Completion Date) is revised as follows: The Completion Date is changed to "45 days after the later of (i) the Court making an order approving the sale, and (ii) the Seller receiving the Buyer's written notice of satisfaction or waiver of the Purchaser's Condition, or the next business day if that date is not a business day".
4. Section 7.1 (Possession Date) is revised as follows: The Possession Date is changed to "Upon completion".
5. Section 8.1 (Adjustment Date) is revised as follows: The Adjustment Date is changed to "The date of completion".
6. Section 13 of Schedule "A" is deleted in its entirety and replaced with the following:

*"The obligation of the Purchaser to complete the purchase of the Property is subject to, on or before November 15, 2026, the National Bank of Canada ("**NBC**") and Danacan Holdings Inc., Amir-Hossein-Khashayar Danaei, and Keyvan-Mohammad Danaei (together, the "**Guarantors**") entering into a written settlement agreement, satisfactory to the Purchaser, on the following terms:*

*A) the Guarantors will, on a joint and several basis, pay NBC the all-inclusive sum of [redacted] upon completion of 475's purchase of the Property;*

*B) NBC will execute a full and final release of the Guarantors on standard terms to be settled by legal counsel for NBC and the Guarantors, releasing the Guarantors of any and all claims, including all claims relating in any way to the subject matter of Supreme Court of British Columbia Action No. S263717, Vancouver Registry (the "**Action**"); and*

*C) NBC and the Guarantors will cause a Consent Dismissal Order to be entered in the Action dismissing NBC's claims against the Guarantors as though decided on the merits and on a without costs basis*

*(the "**Purchaser's Condition**").*

*The Purchaser's Condition is for the Purchaser's sole benefit and may be waived unilaterally by the Purchaser, at the Purchaser's election. If the Purchaser does not give the Vendor notice of the satisfaction or waiver of the Purchaser's Condition within the time specified herein, then the Purchaser's obligation to purchase, and the Vendor's obligation to sell the Property will be at an end and the Deposit and all interest accrued on it will be returned immediately to the Purchaser."*

Regarding the Deposit, our client's intention is that the Deposit of [redacted] would be paid into trust with Redpoint within 48 hours of acceptance by the Receiver, and such Deposit would be immediately returnable if (i) the Court refuses to approve the sale to our client or approves a sale to another party, (ii) the Seller terminates the agreement with our client, or (iii) the Purchaser does not deliver notice of satisfaction or waiver of the Purchaser's Condition within the timeframe required.

Regarding the leases that are in place on four of the Properties, were note that the attached Offer requires vacant possession but that was an oversight. 475's intent is to acquire the leases with the Properties and we propose to adjust for rents and deposits on closing, on the basis on what has actually be received by the Receiver.

Regarding insurance, we understand that the existing insurance coverage for the Properties expires on or about October 30, 2026. Please confirm whether the existing insurance can be extended, or replacement coverage obtained, through the proposed Completion Date, and provide the proposed premium, coverage terms, and deductibles. Subject to acceptance by the Receiver and Court approval, 475 is prepared to fund the reasonable, documented additional premium required to maintain agreed coverage without interruption through Completion. The amount and timing of that payment would be agreed in writing before the revised purchase agreement is finalized.

These proposed terms are submitted for discussion and remain subject to a revised Agreement of Purchase and Sale by the Purchaser and the Receiver. Should the proposed business terms be acceptable in principle, we will promptly arrange for a revised agreement to be prepared, with the transaction remaining subject to Court approval. As part of a revised Agreement of Purchase and Sale, we would ensure that the offer was left open for a sufficient time period for review and comment on your side.

Please let me know when you are available to discuss.

I have copied Scott McInnes at Redpoint who has taken over for 475 on the solicitor side.

**Bryan Hicks**

Counsel

ALLEN / McMILLAN

**Allen / McMillan Litigation Counsel**

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