



April 13, 2022

To the Creditors:

On December 17, 2021, the Ontario Superior Court of Justice (the “**Court**”) granted an order appointing Alvarez & Marsal Canada Inc. as receiver and manager (“**Receiver**”) of all of the assets, undertakings and properties of Ideal (BC) developments Inc. (“**Ideal BC**”), including the lands and premises located at 2, 6, and 8 Bond Crescent and 8, 10, 12, 14, 16, and 18 Bostwick Crescent, Richmond Hill, Ontario (collectively, the “**Property**”).

The Receiver understands that, between May 15, 2020 and June 1, 2021, Ideal BC entered into 28 agreements of purchase and sale (each a “**Unit Sales Agreement**”) with unit purchasers (“**Unit Purchasers**”). This message is provided to creditors of Ideal BC, including the Unit Purchasers, as a courtesy update in respect of the sale of the Property as further described below. As we have previously indicated, the Receiver strongly suggests that any interested party obtain their own independent legal advice.

On January 25, 2022, the Court issued an order approving a sale process in respect of the Property (the “**Sale Process**”). In accordance with the Sale Process, marketing of the Property commenced on February 8, 2022. Interested parties were informed that the deadline for submission of offers for the Property was 5:00 p.m. on March 22, 2022.

The Receiver, through its sales agent, Marcus & Millichap Real Estate Investments Services Canada Inc. (“**M&M**”), conducted a comprehensive sale process whereby the Property was broadly marketed for six weeks through direct emails to approximately 1,200 investors, an advertisement in The Globe and Mail Newspaper, MLS listing and roughly 400 direct calls to major builders including all that have built in York Region (and certain other regions) over the past several years. This process generated 7 distinct offers.

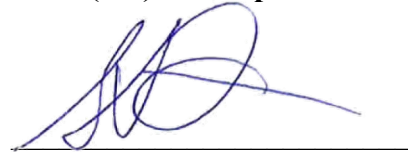
As part of the Sale Process, potential bidders were made aware of the Unit Sales Agreements and were expressly asked whether they were willing to assume the Unit Sales Agreements. No bidders indicated a willingness to accept the Unit Sales Agreements. After significant negotiations with a number of bidders, on April 11, 2022, the Receiver accepted an offer for the sale of the Property (the “**Sale Agreement**”), which is subject to approval of the Court.

The Receiver intends to bring a motion to the Court for an Approval and Vesting Order in respect of the Sale Agreement on May 3, 2022 (the “**Hearing Date**”) and will provide more details in respect of the Sale Process in an upcoming report to the Court which will be issued in advance of the Hearing Date. The relief sought will include an order confirming that the proposed purchaser shall not assume or be deemed to have assumed any obligations in respect of Unit Sales Agreements, and that no party to any Unit Sales Agreement shall have any right, interest or claim thereunder as against the Property or the proposed purchaser.

The proposed purchase price for the Property will not be disclosed prior to Court Approval. In the upcoming motion, the Receiver also intends to seek the Court's approval in respect of the distribution of sale proceeds. Ultimate stakeholder recoveries will be based on (among other things) the timing of completion of the sale transaction and final confirmation of amounts owing to secured lenders. Based on the Receiver's current estimation there may not be any material recovery for unsecured creditors from the sale of the Property.

As indicated in our First Report to Court, the Receiver has initiated discussions with Tarion, through its external counsel, in respect of the Unit Purchasers and their respective deposits paid. The Receiver will continue to share information with Tarion with respect to Ideal BC and the Receivership proceedings. Unit Purchasers have the option to contact Tarion directly with any questions regarding their deposits or related matters or obtain other information via its website at www.tarion.com.

**Alvarez & Marsal Canada Inc., in its capacity as Receiver of
Ideal (BC) Developments Inc., and not in its personal capacity**



Per: Stephen Ferguson
Senior Vice-President