

mortgage, related loan documents and security of any of the Mortgagees listed on Schedule “E” hereto in respect of a Property known municipally as 887 Queen Street East, Toronto, Ontario (the “Property”) or subject to an Option Agreement in favour of Trinity Urban Properties Inc. (“Trinity”) dated July 6, 2012 listed on Schedule “E” hereto (the “Purchase Option”) was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of Woodgreen Management Inc., the Orders of this Honourable Court dated December 24, 2013, January 6, 2014 and January 20, 2014, the Tenth Report of the Manager dated June 5, 2014, upon the consent of Woodgreen Management Inc., the Manager and the Respondents not opposing this Order:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion be and it is hereby abridged so that this motion is properly returnable today and hereby dispenses with further services thereof.

CONTINUING ORDERS

2. **THIS COURT ORDERS** that the Orders of the Honourable Justice Newbould dated October 4, 2013 (the “October 4 Order”), October 25, 2013 and November 5, 2013 (the “November 5 Order”) continue in full force and effect except as modified by this Order in respect of each Property and all related rents, parking fees, income, receipts, revenues and other proceeds from or in respect of such Property (the “Property Revenues”).
3. **THIS COURT ORDERS** that the Manager’s Borrowing Charge and the Manager’s Charge shall rank in subsequent priority to any and all security interests, trusts, liens, charges, mortgages and encumbrances, statutory or otherwise in favour of the

Mortgagee and specifically the security listed on Schedule “E” hereto (the “Mortgage”) validly registered on title to the Property or against the Corporation listed on Schedule “D” hereto (individually a “Borrower” and collectively the “Borrowers”) as of January 16, 2014. The Manager’s Borrowing Charge and the Manager’s Charge shall not be registered on title to any Property and shall not, in the event the stay of proceedings is lifted in accordance with paragraphs 9, 14, or 15 hereof or by Court Order, impair any Mortgagee’s ability to sell or lease the Property subject to its Mortgage.

4. **THIS COURT ORDERS** that the Property Revenues derived from each Property shall be used only to fund the costs and expenses directly relating to the management, maintenance, operation and sale of that respective Property, including reasonable fees and disbursements of the Manager incurred directly in connection with the management, maintenance, operation and sale of that Property and the performance of its obligations under this Order in respect of that Property and payment of all amounts owing under the Mortgage, against the Property, when due (the “Property-Specific Costs”), and for greater certainty shall not be used to fund any allocation of the fees, costs and expenses associated with any other property or the fees of the Manager relating thereto, provided that the Manager shall have no personal liability for obligations of the Borrower.

5. **THIS COURT ORDERS** that each Borrower shall pay when due, all Property-Specific Costs owing by the Borrower to its respective Mortgagee and arm’s length creditors on account of taxes or other amounts that, if not paid, would have the benefit of a lien, charge or other encumbrance ranking in priority to the Mortgage and the Manager will cause such payments to be made from the Property of that respective Property to the

extent funds are available provided that the Manager shall have no personal liability for the obligations of any Borrower. No Borrower shall pay any claims against the Borrower that arose prior to the date of the November 5 Order, other than the obligations in relation to its Mortgage, without the consent of the Mortgagee in question.

6. **THIS COURT ORDERS** that the proceeds of any borrowing under the Manager's Borrowing Charge (as defined in the November 5 Order) in respect of any Property shall be used only to fund its Property-Specific costs.

COSTS

7. **THIS COURT ORDERS** that the costs of the Applicants and Respondents of this Application and the costs of the Inspector (as defined in the October 4 Order) shall not form part of the Manager's Charge or the Manager's Borrowing Charge and shall be borne by the Applicants or Respondents, as may be determined by this Court from time to time.

COMPLIANCE WITH THE MORTGAGE

8. **THIS COURT ORDERS** that each Borrower shall hereafter comply with the terms of the Mortgage in favour of the Mortgagee and specifically the documents set out in Schedule "E" hereto as applicable from and after the date of this amending Order. For greater certainty, nothing in this paragraph 8 requires the Borrower or the Manager to cure the alleged existing or continuing events of default as of the date of this Order listed in Schedule "F" hereto, if any. Nothing in this paragraph prejudices the right of the Mortgagee to rely on such existing or continuing defaults if the stay of proceedings

is lifted in accordance with paragraphs 9, 14 or 15 hereof or by Court Order. Nothing in this Order prejudices the rights of the Mortgagee to add any costs, fees or other amounts arising from the existing defaults under its Mortgage and/or these proceedings to the indebtedness secured by its Mortgage as permitted by the Mortgage or applicable laws.

9. **THIS COURT ORDERS** that there shall be an automatic lifting of the stay imposed by paragraphs 12 and 13 of the November 5 Order to permit the Mortgagee to enforce its rights and remedies against a Borrower or that Borrower's Property (including the Property Revenues) under and in accordance with the Mortgage in the event of any breach of paragraph 8 above including without limitation, any failure to pay any payment of principal, interest and all reserves when due pursuant to the terms of the Mortgage.
10. **THIS COURT ORDERS** that the Manager shall provide the Mortgagee and Respondents, with notice of any breach of this Order, including paragraph 8, of which it becomes aware in respect of that Mortgagee's Mortgage and shall, on a monthly basis, provide the Mortgagee and Respondents with a certificate confirming that it is not aware of any breach of paragraph 8 in respect of that Mortgagee's Mortgage.
11. **THIS COURT ORDERS** that in the event the stay is lifted in accordance with paragraph 9, 14 or 15 hereof or by Court Order, the relief granted herein is without prejudice to the right of any Mortgagee to bring any action, proceeding or claim against the Borrower or to the right of each Mortgagee to raise any existing or continuing or future events of default in these proceedings.

SALE OF PROPERTY

12. THIS COURT ORDERS that subsection 5(l) and (m) of this Court's Order dated November 5, 2013, is modified to require the consent of the Mortgagee (with respect to the Property against which that Mortgagee has a Mortgage) to take further steps to market, list for sale, sell, convey, lease, rent, transfer or assign the relevant Property or put in place a different property manager for the relevant Property from and after the date of this amending Order, in accordance with the Mortgage (including from the date of this Order the sales process to market and sell the Property).

13. THIS COURT ORDERS that the Manager shall report to the Mortgagee and Respondents on the status of the Mortgagee's Property, including but not limited to providing timely reports in respect of leasing or sales activity, copies of any appraisals of the Property, all material information, reports and written communications by the sales agent retained by the Manager in respect of the Property (the "Sales Agent"), and any offers for the sale or lease of the Property in the possession of the Manager from time to time, and the Manager shall authorize the Sales Agent to cooperate fully with the Mortgagee, if applicable, to provide the Mortgagee timely information and documentation relating to the status of the process to sell the relevant Property or lease space in the relevant Property, subject to the respective recipient executing a confidentiality agreement in a form acceptable to the Manager, the recipient each acting reasonably. The Mortgagee's approval shall, if applicable, be required for the sale of a Property or lease of space in a Property. The Manager may request from the Mortgagee, and the Mortgagee shall provide, a mortgage statement as at the projected closing date in

an offer to purchase the Property that the Manager is interested in pursuing. Unless the Mortgagee agrees otherwise in writing, and subject to the right of the Manager to seek direction of this Court on notice to the Mortgagee, the Manager shall only accept and submit to Court for approval an offer to purchase such Property if the offer provides for payment in full in cash, at closing, of the amount outstanding as shown on the mortgage statement.

14. THIS COURT ORDERS that there shall be an automatic lifting of the stay imposed by paragraphs 12 and 13 of the November 5 Order to permit the Mortgagee to enforce any and/or all of its rights and remedies against its respective Borrower or that Borrower's Property (including the Property Revenues) under and in accordance with its Mortgage if: (i) by July 6, 2014, the Manager's plan to sell the Property has not been approved by that Mortgagee acting reasonably, the Manager has not commenced the sale process by retaining a reputable real estate agent and listed the Property for sale, or has not commenced to actively market the Property for sale; or (ii) at any time after July 6, 2014, the Manager fails to diligently, continuously and prudently market the Property for sale and market the available space in the Property for lease, unless the Manager and the Mortgagee have agreed in writing to extend the deadlines provided in this paragraph 14.

15. THIS COURT ORDERS that there shall be an automatic lifting of the stay imposed by paragraphs 12 and 13 of the November 5 Order to permit the Mortgagee to enforce its rights and remedies against its respective Borrower or that Borrower's Property (including the Property Revenues) if the sale of its Property is not fully completed by August 29, 2014 (whether or not the relevant Mortgage is in good standing), unless the

Manager and the Mortgagee have agreed in writing to extend the deadline provided in this paragraph 15.

16. **THIS COURT HEREBY REQUESTS** that aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada to give effect to this Order and to assist the Manager and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Manager, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Manager and its agents in carrying out the terms of this Order.
 17. **THIS COURT ORDERS** that the Manager be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.
 18. **THIS COURT ORDERS** that the stay imposed by paragraphs 12 and 13 of the November 5 Order is lifted for the purposes of permitting any Mortgagee to deliver a notice for purposes of section 244 of the *Bankruptcy and Insolvency Act* (Canada) if any Mortgagee considers it necessary or appropriate to do so.
 19. **THIS COURT ORDERS** that any interested party may apply to this Court to seek the advice and direction of the Court in respect of this Order or the activities of the Manager on not less than seven (7) days' notice to the Manager and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
-

SCHEDULE "A" COMPANIES

1. Dr. Bernstein Diet Clinics Ltd.
2. 2272551 Ontario Limited
3. DBDC Investments Atlantic Ltd.
4. DBDC Investments Pape Ltd.
5. DBDC Investments Highway 7 Ltd.
6. DBDC Investments Trent Ltd.
7. DBDC Investments St. Clair Ltd.
8. DBDC Investments Tisdale Ltd.
9. DBDC Investments Leslie Ltd.
10. DBDC Investments Lesliebrook Ltd.
11. DBDC Fraser Properties Ltd.
12. DBDC Fraser Lands Ltd.
13. DBDC Queen's Corner Ltd.
14. DBDC Queen's Plate Holdings Inc.
15. DBDC Dupont Developments Ltd.
16. DBDC Red Door Developments Inc.
17. DBDC Red Door Lands Inc.
18. DBDC Global Mills Ltd.
19. DBDC Donalda Developments Ltd.
20. DBDC Salmon River Properties Ltd.
21. DBDC Cityview Lands Ltd.
22. DBDC Weston Lands Ltd.
23. DBDC Double Rose Developments Ltd.
24. DBDC Skyway Holdings Ltd.
25. DBDC West Mall Holdings Ltd.
26. DBDC Royal Gate Holdings Ltd.
27. DBDC Dewhurst Developments Ltd.
28. DBDC Eddystone Place Ltd.
29. DBDC Richmond Row Holdings Ltd.

SCHEDULE "B" COMPANIES

1. Red Door Lands Ltd.

SCHEDULE "C" - LIST OF MORTGAGEES

1. Woodgreen Management Inc.

SCHEDULE "D"
LIST OF THE PROPERTIES

Property	Owner	Mortgagee
887 Queen Street East	Red Door Lands Ltd.	Woodgreen Management Inc., RioCan Mortgage Corp., Trinity Urban Properties Inc. (Option)

SCHEDULE "E"
LIST OF SECURITY DOCUMENTS

2. WOODGREEN MANAGEMENT INC.

I. Charge Mortgage of Land:

Mortgagor: Red Door Lands Ltd.
Mortgagee: Woodgreen Management Inc.
Amount of Mortgage: \$1,200,000.00
Registration Date: July 6, 2012
Registration No: **AT3067749**
Land Titles Office at: Toronto (No. 80)
Interest rate: 6.0% per annum calculated semi-annually, not in advance
Interest Adjustment Date: July 6,,2012
Maturity Date: July 5, 2015

SCHEDULE "F"
LIST OF DEFAULTS

I. GENERAL

- a. The Order of this Court dated November 5, 2013;
- b. This Order;
- c. prior to the date of this Order; and
- d. Any registration on title of an encumbrance, including a lien prior to the date of this Order.
- e. The appointment of the Manager over the assets of Red Door Lands Ltd.
- f. The issuance on November 5, 2013 of an Order of the Ontario Superior Court of Justice Newbould appointing a manager to take possession of the subject property;

