

Supplemental Notice and Statement of the Receiver
(Subsections 245(1) and 246(1) of the *Bankruptcy and Insolvency Act*)

**In the Matter of the Receivership of Northern Citadel Capital Inc.,
One8One Davenport Inc. and 181 Davenport Retail Inc.**
of the City of Toronto
in the Province of Ontario

The Receiver gives notice and declares that:

1. On October 31, 2022, pursuant to an order (the “**Receivership Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), Richter Inc. was appointed as receiver and manager (in such capacity, the “**Receiver**”), without security, of all the assets, undertakings and properties (the “**Property**”) of each of Northern Citadel Capital Inc. (“**Northern Citadel**”) and One8One Davenport Inc. (“**One8One**”) to exercise the powers and duties set out in the Receivership Order, pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, (“**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended.
2. The Receivership Order was granted pursuant to an application (the “**Application**”) made by PricewaterhouseCoopers Inc., in its capacity as court appointed receiver and manager of Bridging Finance Inc. and certain related entities and investment funds, pursuant to security held by Bridging Finance Inc., as agent on behalf of Bridging Income Fund LP and the related investment funds (collectively, “**Bridging**”), in the Property of Northern Citadel, One8One and 181 Davenport Retail Inc. (“**181 Retail**”, and together with Northern Citadel and One8One, the “**Debtors**”).
3. On the hearing of the Application and in the granting of Receivership Order, the Court reserved its decision on the appointment of a receiver over the Property of 181 Retail due to various objections raised by the Debtors.
4. On November 10, 2022, the Receiver issued the required notice and statement of receiver pursuant to subsections 245(1) and 246(1) of the BIA in respect of Northern Citadel and One8One (the “**Notice**”). A copy of the Notice is attached hereto as **Schedule “A”**.
5. On January 19, 2023, the Court released its decision (and reasons) confirming the appointment of Richter as Receiver, without security, of all the Property of 181 Retail and the Receivership Order was subsequently amended to reflect such appointment (the “**Amended and Restated Receivership Order**”). The powers and duties of the Receiver as set out in the Amended and Restated Receivership Order, which was issued electronically on January 31, 2023, mirror those powers and duties set out in the Receivership Order.
6. The Receiver is preparing this supplemental Notice (the “**Supplemental Notice**”), pursuant to subsection 245(1) and 246(1) of the BIA, to supplement the Notice for the appointment of Richter as Receiver over the Property of 181 Retail.

7. The Receiver previously reported on the Property of Northern Citadel and One8One in the Notice (see Schedule "A"). According to information provided by the Debtors, as at December 31, 2022, the Property of 181 Retail consisted of the following:

181 Davenport Retail Inc.

Assets - Book Value (as at December 31, 2022)	(CAD\$)
Cash at bank	52,402
Term Deposit	253,999
Building and Improvements	4,186,219
Intercompany Loan Receivables - Mizrahi Inc.	255
Total Assets	4,492,875

Note: The above amounts represent book value of the 181 Davenport Retail Inc. assets as at December 31, 2022 and do not necessarily represent current and/or realizable values.

8. In accordance with the terms of the Amended and Restated Receivership Order, the Receiver is empowered and authorized, but not obligated, to take possession and exercise control of the Property. As at the date of this Supplemental Notice, the Receiver has not taken any steps to take possession or otherwise exercise control of the Debtor's Property.
9. The following information relates to the receivership:
- (a) Registered head office addresses for 181 Retail:
181 Davenport Retail Inc.
125 Hazelton Avenue,
Toronto,
Ontario M5R 2E4
 - (b) Principal line of business:
Real estate development/sales
 - (c) Location(s) of business:
181 Davenport Retail Inc.
125 Hazelton Avenue,
Toronto,
Ontario M5R 2E4
10. The Receiver previously reported on the creditors of Northern Citadel and One8One in the Notice (see Schedule "A"). According to information provided by the Debtors, 181 Retail has approximately \$4 million in secured obligations owing to KEB Hana Bank Canada.
11. A complete list of the 181 Retail's creditors as at January 19, 2023, based on information provided by the Debtors, is set out in the attached **Schedule "B"**.

12. The intended plan of action of the Receiver during the receivership, to the extent that such a plan has been determined, is to investigate the financial situation and affairs of the Debtors and to realize on their respective assets (to the extent any such assets are available/recoverable) for the benefit of all stakeholders.
13. Contact person for the Receiver:

Megha Sharma
Tel: 1.866.585.9751
Fax: 514.934.8603
Email: claims@richter.ca
14. Further information and materials related to the receivership proceedings may be obtained from the Receiver's website at <https://www.richter.ca/insolvencycase/northern-citadel-capital-inc--one8one-davenport-inc--and-181-davenport-retail-inc/>.

Dated at Toronto, in the Province of Ontario, on February 16, 2023.

RICHTER INC.

in its capacity as Receiver of
Northern Citadel Capital Inc., One8One Davenport Inc. and 181 Davenport Retail Inc.
and not in its personal or corporate capacity

Per:



Adam Sherman, MBA, CIRP, LIT
Senior Vice President

Schedule "A" - Notice

Notice and Statement of the Receiver

(Subsections 245(1) and 246(1) of the *Bankruptcy and Insolvency Act*)

In the Matter of the Receivership of Northern Citadel Capital Inc. and One8One Davenport Inc.
of the City of Toronto
in the Province of Ontario

The Receiver gives notice and declares that:

1. On October 31, 2022 (the "**Appointment Date**"), pursuant to an order (the "**Receivership Order**") of the Ontario Superior Court of Justice (Commercial List) (the "**Court**"), Richter Inc. was appointed as receiver and manager (in such capacity, the "**Receiver**"), without security, of all of the assets, undertakings and properties (the "**Property**") of each of Northern Citadel Capital Inc. ("**Northern Citadel**") and One8One Davenport Inc. ("**One8One**" and together with Northern Citadel, the "**Debtors**") to exercise the powers and duties set out in the Receivership Order, pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, ("**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended.
2. The Receivership Order was granted pursuant to an application made by PricewaterhouseCoopers Inc., in its capacity as court appointed receiver and manager of Bridging Finance Inc. and certain related entities and investment funds, pursuant to security held by Bridging Finance Inc., as agent on behalf of Bridging Income Fund LP and the related investment funds (collectively, "**Bridging**"), in the Property of the Debtors.
3. According to information provided by the Debtors, the Debtors' Property as at the Appointment Date, consisted of the following:

Northern Citadel Capital Inc.

Assets - Book Value	(CAD\$)
Accounts Receivable (Mizrahi Enterprises Inc.)	10,591,263

Note: The above amounts represent book value of the Northern Citadel assets and do not necessarily represent realizable values.

One8One Davenport Inc.

Assets - Book Value	(CAD\$)
Deposits (City of Toronto)	10,100

Note: The above amounts represent book value of the One8One assets and do not necessarily represent realizable values.

4. Pursuant to and subject to the terms of the Receivership Order, the Receiver is empowered and authorized, but not obligated, to take possession and exercise control of the Property. As at the date of this notice, and as the Debtors have no active business activities, the Receiver has not taken any steps to take possession or otherwise exercise control of the Property.
5. The following information relates to the receivership:
 - (a) Registered head office addresses for the Debtors:

Northern Citadel Capital Inc.
189 Forest Hill Road,
Toronto,
Ontario M5P 2N3

One8One Davenport Inc.
125 Hazelton Avenue,
Toronto,
Ontario M5R 2E4
 - (b) Principal line of business:

Real estate development
 - (c) Location(s) of business:

Northern Citadel Capital Inc.
189 Forest Hill Road,
Toronto,
Ontario M5P 2N3

One8One Davenport Inc.
125 Hazelton Avenue,
Toronto,
Ontario M5R 2E4
6. According to information provided by the Debtors, One8One has no secured obligations and Northern Citadel has secured obligations owing to Bridging totaling approximately \$57 million.
7. A complete list of the Debtors' creditors as at the Appointment Date, based on information provided by the Debtors, is set out in the attached Schedule "A".
8. The intended plan of action of the Receiver during the receivership, to the extent that such a plan has been determined, is to investigate the financial situation and affairs of the Debtors and to realize on their respective assets (to the extent any such assets are available/recoverable) for the benefit of all stakeholders.

9. Contact person for the Receiver:

Megha Sharma
Tel: 1.866.585.9751
Fax: 514.934.8603
Email: claims@richter.ca

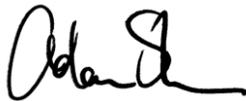
10. Further information and materials related to the receivership proceedings including the Receivership Order may be obtained from the Receiver's website at <https://www.richter.ca/insolvencycase/northern-citadel-capital-inc--one8one-davenport-inc--and-181-davenport-retail-inc/>.

Dated at Toronto, in the Province of Ontario, on November 10, 2022.

RICHTER INC.

in its capacity as Receiver and Manager of
Northern Citadel Capital Inc. and One8One Davenport Inc.
and not in its personal capacity

Per:



Adam Sherman, MBA, CIRP, LIT
Senior Vice President

Northern Citadel Capital Inc. and One8One Davenport Inc.

Schedule "A" – List of Creditors

Northern Citadel Capital Inc.	(CAD\$)
<u>Secured Creditors</u>	
Bridging Finance Inc. et al*	<u>57,119,483</u>
<u>Unsecured Creditors</u>	Nil
<u>Total Liabilities</u>	<u>57,119,483</u>
One8One Davenport Inc.	(CAD\$)
<u>Secured Creditors</u>	Nil
<u>Unsecured Creditors</u>	
Mizrahi Inc.	137,142
Mizrahi Enterprises Inc.	<u>11,436,444</u>
<u>Total Liabilities</u>	<u>11,573,586</u>

* This amount is inclusive of accrued interest on the principal amount of loan but does not include legal and enforcement costs owed to Bridging.

Note: The above information has been provided by the Debtors. As at the date of this notice, the Receiver has not been provided the Debtors' books and records.

181 Davenport Retail Inc.
Schedule "B" – List of Creditors

181 Davenport Retail Inc.	(CAD\$)
<u>Secured Creditors</u>	
KEB Hana Bank Canada	<u>4,066,060</u>
<u>Unsecured Creditors</u>	
GST/HST Payable	15,443
<u>Total Liabilities</u>	<u>4,081,503</u>

Note: The above information has been provided by 181 Davenport Retail Inc. As at the date of this notice, the Receiver has not been provided the Debtors' books and records.