

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE *MATTER* OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
EXTREME FITNESS, INC.

APPLICATION UNDER THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C-36, AS AMENDED

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**RESPONDING MOTION RECORD  
(MOTION RETURNABLE MAY 28, 2013)**

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**TAB "1"**

**ONTARIO  
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**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,  
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**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT  
OF EXTREME FITNESS, INC.**

**APPLICATION UNDER THE COMPANIES' CREDITORS ARRANGEMENT ACT,  
R.S.C. 1985, c. C-36, AS AMENDED**

**AFFIDAVIT OF PHIL SORRELL  
(sworn April 19, 2013)**

I, Phil Sorrell, of the Town of Campbellville, in the Province of Ontario, **MAKE OATH  
AND SAY AS FOLLOWS:**

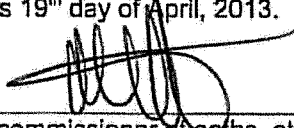
1 I am Vice President Sales and Leasing (sales representative) of Primecore Realty Inc., responsible for leasing for Goodlife Fitness Centres Inc. ("GoodLife") across Canada. As such, I have personal knowledge of the matters to which I hereinafter depose. Where I do not have personal knowledge of the matters set out herein, I have stated the source of my information, and believe it to be true.

2 I have been advised by John M. Davies, of MacKenzie Ray Heron & Edwardh, Real Estate Appraisers & Consultants, that basement space in the Danforth area is typically included as part of the ground floor area, and included in the rent for the ground floor. Attached hereto at Exhibit A is a copy of a letter from John M. Davies dated April 18, 2013.

3 I have been advised by Jeff Van Haeren, Director of Construction for GoodLife, that the area of the basement space being used by the Tenant at the property municipally known as

635 Danforth Avenue, Toronto, Ontario, is less than 4,000 square feet. Attached hereto at Exhibit B is a copy of an e-mail to me from Jeff Van Haeren dated April 17, 2013.

SWORN BEFORE ME at the City of Toronto, )  
in the Province of Ontario, )  
this 19<sup>th</sup> day of April, 2013. )



\_\_\_\_\_  
A commissioner of oaths, etc. )

  
\_\_\_\_\_  
PHIL SORRELL

Margarita Spevak, a Commissioner, etc.,  
Province of Ontario, while a Student-at-Law.  
Expires April 29, 2014.

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,  
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**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT  
OF EXTREME FITNESS, INC.**

Court File No. CV-13-10000-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**AFFIDAVIT OF PHIL SORRELL**


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**Alissa K. Mitchell (LSUC # 35104E)**  
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Fax: 519.858.8511

*Lawyers for Goodlife Fitness Centres Inc.*

**TAB "A"**

Attached is Exhibit "A" to the Affidavit of  
PHIL SORRELL sworn the  
19<sup>th</sup> day of April, 2013

  
\_\_\_\_\_  
A Commissioner, Etc.

Margarita Spevak, a Commissioner, etc.,  
Province of Ontario, while a Student-at-Law,  
Executed April 29, 2014.

MacKenzie Ray Heron & Edwardh  
Real Estate Appraisers & Consultants Ltd. P.L.C.

EXHIBIT "A"

MR  
HE

April 18, 2013

Via Email: [sross@goodlifefitness.com](mailto:sross@goodlifefitness.com)

Goodlife Fitness Centres Inc.  
201 King Street  
London, Ontario  
N6A 1C9

Attention: Stephanie Ross

RE: 637 Danforth Avenue

I have been involved with litigation matters pertaining to retail premises on Danforth Avenue over several years. Most recently, I appeared as an expert witness in arbitration proceedings pertaining to the determination of the market rent of retail premises, with basement, upon the exercise of an option in a lease. The arbitration took place last month.


Goodlife has now asked me to comment upon rental rates for basement space in respect of premises located on the Danforth, specifically within the area known as "Greektown on the Danforth". This area extends along both sides of Danforth Avenue between Hampton Avenue and Dewhurst Boulevard; it is roughly centered on Pape Avenue.

Basement space within Greektown does not normally lease as a separate entity. Rental rates are normally quoted for ground floor space. Listings typically indicate whether or not basement space is included with wording such as "includes full basement", or "large ground floor retail premises with usable basement". MLS listings may indicate that basement space is included by a simple check mark within a box beside the word "Basement".

If I can be of further assistance, please do not hesitate to contact me again.

Yours truly,

MacKenzie Ray Heron & Edwardh



John M. Davies  
BSc. FRICS, AACI, P. App.

**TAB "B"**



Attached is Exhibit "B" to the Affidavit of  
PHIL SORRELL sworn the  
19<sup>th</sup> day of April, 2013

  
\_\_\_\_\_  
A Commissioner, Etc.

Margarita Spevak, a Commissioner, etc.,  
Province of Ontario, while a Student at Law.  
Expires April 29, 2014.

Ross, Stephanie

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From: Jeff Van Haeren [Jeff@trigoncanada.ca]  
Sent: April 17, 2013 3:59 PM  
To: Sorrell, Phil; Ross, Stephanie  
Subject: FW: GLF: Toronto Danforth

Importance: High

This includes non-useable space, which I don't know if we should or should not be paying for.

Jeff Van Haeren  
Trigon Construction Management  
35 Ridgeway Circle  
Woodstock, ON, N4V 1C9  
T: 519.602.6002  
F: 519.602.6262

From: Mike Myers  
Sent: Wednesday, April 17, 2013 3:56 PM  
To: Jeff Van Haeren  
Subject: GLF: Toronto Danforth  
Importance: High

Hi Jeff,

I have calculated the areas of Danforth and they're as follows:

Basement (office area)	-	813 Ft2
Basement (Wet area)	-	3'026 Ft2
Main Floor Plan	-	11'405 Ft2
Main Floor Mezzanine	-	2'083 Ft2
Second Floor Plan	-	10'950 Ft2
Second Floor Mezzanine	-	3'260 Ft2
Third Floor	-	1'265 Ft2
<hr/>		
<b>Totalling:</b>	<b>-</b>	<b>33'076 Ft2</b>

This is including some exterior walls, service areas, bridge, stairwells, duct shafts. Which will bring the area down closer to 30k or less?

Thank you,

*Mike Myers*

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No virus found in this message.

Checked by AVG - [www.avg.com](http://www.avg.com)

Version: 2013.0.3272 / Virus Database: 3162/6250 - Release Date: 04/17/13

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**RESPONDING MOTION RECORD**

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