

Court File No. CV-25-00744295-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

**RIOCAN REAL ESTATE INVESTMENT TRUST, RIOCAN HOLDINGS INC.,
RIOCAN HOLDINGS (OAKVILLE PLACE) INC., RIOCAN PROPERTY
SERVICES TRUST, RC HOLDINGS II LP, RC NA GP 2 TRUST and RIOCAN
FINANCIAL SERVICES LIMITED**

Applicants

-and-

**2455034 ONTARIO LIMITED PARTNERSHIP, 2455034 ONTARIO INC.,
2491815 ONTARIO LIMITED PARTNERSHIP, 2491815 ONTARIO INC.,
2491816 ONTARIO LIMITED PARTNERSHIP, 2491816 ONTARIO INC.,
2681842 ONTARIO LIMITED PARTNERSHIP, 2681845 ONTARIO INC.,
2681842 ONTARIO INC.**

Respondents

**IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED;
and SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43,
AS AMENDED**

**NOTICE OF MOTION
(CO-OWNERSHIP TRANSACTIONS)
(Returnable September 22, 2025)**

FTI Consulting Canada Inc. (“**FTI**”), as court-appointed receiver and manager (in such capacity, the “**Receiver**”) of the assets, undertakings and properties of 2455034 Ontario Limited Partnership, 2455034 Ontario Inc. (together with 2455034 Ontario Limited Partnership, “**RC-HBC**”), 2491815 Ontario Limited Partnership, 2491815 Ontario Inc., 2491816 Ontario Limited Partnership, 2491816 Ontario Inc., 2681842 Ontario Limited Partnership, 2681842 Ontario Inc., 2681845 Ontario Inc. (collectively, the “**JV Entities**” and each individually, a “**JV Entity**”), will make a Motion before the Honourable Justice Osborne of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) on September 22, 2025 at 1:30 p.m. or as soon after that time as the motion can be heard, by judicial videoconference via Zoom at Toronto, Ontario.

THE MOTION IS FOR AN ORDER, among other things:

1. If necessary, abridging the time for service of this Notice of Motion and the Motion Record and dispensing with service on any person other than those served;
2. Approving the transaction (the **"Oakville Transaction"**) contemplated by the Binding Term Sheet for the purchase of RC-HBC's non-managing 50% co-ownership interest in the Oakville Place Shopping Centre, dated August 8, 2025 (the **"Oakville Term Sheet"**), between the Receiver and RioCan Acquisitions Inc. (the **"Purchaser"**), and vesting in the Purchaser, or such other affiliate of the Purchaser as the Purchaser may designate as its nominee, all of RC-HBC's right, title and interest in and to the Purchased Interest (as defined in the Oakville Term Sheet) (the **"Oakville Purchased Interest"**);
3. Approving the transaction (the **"Georgian Transaction"**) contemplated by the Binding Term Sheet for the purchase of RC-HBC's non-managing 50% co-ownership interest in the Georgian Mall Shopping Centre, dated August 8, 2025 (the **"Georgian Term Sheet"**) and, together with the Oakville Term Sheet, the **"Term Sheets"**), between the Receiver and the Purchaser, and vesting in the Purchaser, or such other affiliate of the Purchaser as the Purchaser may designate as its nominee, all of RC-HBC's right, title and interest in and to the Purchased Interest (as defined in the Georgian Term Sheet) (the **"Georgian Purchased Interest"**);
4. Authorizing the Receiver to execute and enter into agreements of purchase and sale in respect of the Oakville Transaction and the Georgian Transaction (together, the **"Purchase Agreements"**), which Purchase Agreements shall be in form and substance acceptable to the Purchaser (or its nominee) and Receiver and consistent with the terms of the Term Sheets, subject to such amendments, additions and/or deletions as may be negotiated between the Receiver and the Purchaser (or its nominee);

5. Authorizing the Receiver to solicit Alternative Transactions (as defined in the Term Sheets);
6. Approving the payment, if applicable, of the Termination Consideration (as defined in the Term Sheets) and granting a court-ordered charge to secure that payment; and
7. Sealing the Confidential Appendices to the Third Report of the Receiver, dated September 15, 2025 (the “**Third Report**”).

THE GROUNDS FOR THE MOTION ARE:

8. On June 3, 2025, the Court granted an Order (the “**Appointment Order**”) appointing FTI as the Receiver of all of the assets, undertakings and properties of RC-HBC, among others, acquired for, or used in relation to a business carried on by RC-HBC, including the two non-managing 50% co-ownership interests in the Oakville Place Shopping Centre and the Georgian Mall (the “**Co-Ownership Interests**”);

Co-Ownership Interests

9. The Co-Ownership Interests are governed by:
 - (a) a Co-Ownership Agreement, dated July 9, 2015, between RioCan REIT, RC-HBC LP, and RioCan Holdings (Oakville Place) Inc., in connection with the Oakville Co-Ownership Interest; and
 - (b) a Co-Ownership Agreement, dated July 9, 2015, between RioCan REIT, RC-HBC LP, and RioCan Holdings Inc., in connection with the Georgian Co-Ownership Interest

(collectively, the “**Co-Ownership Agreements**”);

10. The Receiver believes a transfer of RC-HBC's Co-Ownership Interests in Oakville Place Shopping Centre ("**Oakville**") and Georgian Mall ("**Georgian**") to a third party capable of satisfying any obligations under the Co-Ownership Agreement over the long term is the best available option for RC-HBC and for all parties with an interest in Georgian and Oakville;
11. The Receiver has considered the options available to realize upon the Co-Ownership Interests;
12. The Co-Ownership Interest in Oakville is encumbered by a mortgage securing a first mortgage loan in the original principal amount of \$95,000,000 from The Toronto-Dominion Bank and The Canada Life Assurance Company, and a second mortgage securing, among other things, certain contingent obligations that may become owing to RioCan Financial Services Limited;
13. The Co-ownership Interest in Georgian is encumbered by a charge in favour of Desjardins Financial Security Life Assurance Company to secure obligations under a mortgage in the original principal amount of up to \$110,000,000 and a second mortgage in favour of RC Holding II LP (an affiliate of RioCan) securing a principal amount of \$24,500,000;

Approval of Term Sheets and Transactions For Sale of Co-Ownership Interests

14. Following its appointment, the Receiver gathered information regarding prior marketing efforts for the Co-Ownership Interests and the estimated value of the Co-Ownership Interests;

15. In accordance with its powers under the Appointment Order, the Receiver has negotiated and entered into the two Term Sheets with the Purchaser (an affiliate of RioCan) for the sale of the Co-Ownership Interests, subject to a 60-day period expiring on October 13, 2025 to identify and enter into alternative superior transactions (the **"Solicitation Period"**);
16. The Term Sheets provide aggregate consideration in excess of: (i) \$77,620,00 in the case of Georgian, and (ii) \$63,050,000 in the case of Oakville;
17. The Receiver is seeking this Court's approval of the Term Sheets and the transactions contemplated thereby;
18. The Term Sheets were the product of extensive and informed arm's length negotiations;
19. The transaction values under the Term Sheets are supported by broker opinions of value obtained by the Receiver for Georgian and Oakville;
20. The positions of the secured lenders to Georgian and Oakville will not be impaired by these transactions;
21. The Receiver is of the view that each of the Term Sheets provide an executable transaction equal to or in excess of the applicable secured debt with a logical acquirer of the Co-Ownership Interests in view of the circumstances surrounding the Co-Ownership Interests and Co-Ownership Agreements, and recommends that the Court approve the completion of the Oakville Transaction and the Georgian Transaction in the event that no higher or otherwise better transaction(s) are received in the Solicitation Process (as defined below);

Solicitation of Alternative Transactions

22. The permitted 60-day Solicitation Period under the Term Sheets provides an appropriate opportunity to test the market for alternative superior transactions that may exist concurrently with seeking Court approval of the Transactions and advancing definitive transaction documentation;
23. The Solicitation Period, and the solicitation process, commenced on August 13, 2025 and will conclude on October 13, 2025 and is in addition to the previously conducted and highly publicized sale process in the *Companies' Creditors Arrangement Act* (Canada) proceedings of Hudson's Bay Company;
24. In accordance with the Appointment Order, the Receiver has engaged RBC Capital Markets Realty Inc. ("**RBC CM**") as advisor in connection with the process to solicit alternative transactions during the Solicitation Period, concluding that RBC CM is a highly qualified candidate and its proposed fees are competitive with other options identified and within the range expected by the Receiver in the circumstances;
25. If an alternative superior transaction is identified during the Solicitation Period, the Purchaser shall have ten business days to match that alternative superior transaction;
26. If an alternative superior transaction is entered into, the Purchaser shall be entitled to a break fee equal to 2% of the consideration under the Term Sheets, which is to be secured by a court-ordered priority charge;
27. Based on the nature of the Co-Ownership Interests and current market factors, the Receiver is of the view that the Term Sheets resulting from extensive arm's length negotiations, combined with the alternative transaction solicitation process (the "**Solicitation Process**"), will yield the best recovery available for stakeholders in the circumstances.

Sealing Order

28. The Receiver seeks an order sealing the unredacted versions of the two broker opinions of value pending closing of the Transactions or alternate transaction(s) identified as part of the Solicitation Process
29. If the Transactions do not close, the disclosure of the financial terms of the broker opinions of value would materially prejudice any remarketing process for the Co-Ownership Interests.
30. There are no alternative measures that would mitigate the risk to the Solicitation Process from the public disclosure of this information;
31. The Receiver further seeks an order sealing the unredacted copy of the engagement letter with RBC CM. The Receiver is currently negotiating engagement terms with various brokers on various other properties that are the subject of these proceedings;
32. Public disclosure of the financial terms of the RBC CM engagement could impair the negotiation of engagement terms on those other properties, and could negatively impact recoveries on those other properties;
33. There are no reasonable alternative measures to sealing this information from the public record;
34. The salutary effects of sealing this information outweigh the deleterious effects of doing so;

Other Grounds

35. The inherent and equitable jurisdiction of this Court;

36. Rules 1.04, 2.03, 3.02, 16, and 37 of the Ontario *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended; and
37. Such further and other grounds as counsel may advise and this Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the Motion:

1. The Motion Record of the Receiver;
2. The Third Report; and
3. Such further and other evidence as counsel may advise and this Court may permit.

September 15, 2025

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Receiver

TO: THE SERVICE LIST

Applicants

Respondents

ONTARIO
 SUPERIOR COURT OF JUSTICE
 (COMMERCIAL LIST)

Proceeding commenced at Toronto

NOTICE OF MOTION
 (Returnable September 22, 2025)

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