



No. S-258449  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

**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 AND ARRANGEMENT OF  
SQUARE NINE KING GEORGE DEVELOPMENT LTD. AND SQUARE NINE  
BUILDERS INC.**

**PETITIONERS**

**FOURTH REPORT OF THE MONITOR**

**January 9, 2026**

# FOURTH REPORT OF THE MONITOR

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## INTRODUCTION

1. On November 13, 2025 (the “**Filing Date**”), Square Nine King George Development Ltd. (“**Square Nine King George**”) and Square Nine Builders Inc. (“**Square Nine Builders**,” and collectively, the “**Petitioners**” or “**Square Nine**”) commenced proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) pursuant to an order granted by this Honourable Court, which was subsequently amended and restated on November 20, 2025 (the “**ARIO**”).
2. The ARIO provides for, among other things:
  - a. a stay of proceedings against the Petitioners (the “**Stay of Proceedings**”) until December 5, 2025;
  - b. the appointment of FTI Consulting Canada Inc. as Monitor of the Petitioners (in such capacity, the “**Monitor**”);
  - c. the approval of an interim financing facility (the “**Pillar DIP Facility**”) to be advanced by Pillar Capital Corp. (the “**Pillar**”);
  - d. certain priority charges against the property of the Petitioners (the “**Court-Ordered Charges**”); and
  - e. certain expanded powers of the Monitor with respect to Square Nine and its property.
3. On December 2, 2025, this Honourable Court granted an order (the “**Second ARIO**”) which, among other things:
  - a. extended the Stay of Proceedings until and including January 31, 2026; and
  - b. authorized Square Nine to replace the Pillar DIP Facility by way of a credit facility (the “**Replacement DIP Facility**”) from Cameron Stephens Mortgage

Capital Ltd. (“**CSMC**” or the “**Interim Lender**”) up to a maximum amount of \$1.0 million with a corresponding charge securing the Replacement DIP Facility (the “**Replacement DIP Lender’s Charge**”).

4. On December 9, 2025, this Honourable Court granted an order which, among other things, directed payment to the Monitor of the approximated \$128,000 (the “**Garnished Funds**”) that was garnished from the Square Nine King George’s bank account on November 24, 2025, and paid into Court.
5. On January 9, 2026, the Monitor filed a notice of application returnable January 15, 2026, for the following:
  - a. an order (the “**SAVO**”) which provides for, among other things, the approval of a sale transaction (the “**Commercial Units Transaction**”) for five commercial retail units (the “**Commercial Units**”) pursuant to a Contract of Purchase and Sale dated September 19, 2025 (as amended, the “**Commercial CPS**”) between Square Nine King George and 1559924 B.C. Ltd. (the “**Purchaser**”); and
  - b. an order (the “**Stay Extension Order**”) extending the Stay of Proceedings to April 30, 2026.

## **PURPOSE**

6. The purpose of this report is to provide this Honourable Court and the Petitioners’ stakeholders with information with respect to the following:
  - a. the activities of the Monitor since the Second Report of the Monitor dated December 1, 2025 (the “**Second Report**”);
  - b. a summary of the sale process conducted by Square Nine King George prior to the commencement of the CCAA Proceedings in respect of the Commercial CPS;
  - c. the key commercial terms of the Commercial CPS;

- d. the Petitioners' actual cash receipts and disbursements for the 8-week period which ended January 2, 2026, as compared to the cash flow forecast (the "**Second Cash Flow Forecast**") filed with the Second Report;
- e. an updated cash flow forecast (the "**Third Cash Flow Forecast**") prepared by the Petitioners for the period ending May 1, 2026, including the key assumptions on which the Third Cash Flow Forecast is based;
- f. the Monitor's application for the Stay Extension; and
- g. the Monitor's conclusions and recommendations.

#### **TERMS OF REFERENCE**

- 7. In preparing this report, the Monitor has relied upon certain information (the "**Information**") including the Petitioners' unaudited financial information, books and records and discussions with senior management of the Petitioners ("**Management**").
- 8. Except as described in this report, the Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook.
- 9. The Monitor has not examined or reviewed financial forecasts and projections referred to in this report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
- 10. Future-oriented financial information reported to be relied on in preparing this report is based on Management's assumptions regarding future events. Actual results may vary from forecast and such variations may be material.
- 11. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

## ACTIVITIES OF THE MONITOR

12. The Monitor's activities since the Second Report have included, among other things:
- a. engaging in ongoing discussions with the Petitioners and their legal counsel regarding Square Nine's business and financial affairs;
  - b. corresponding with Management and Pillar to facilitate the repayment of the Pillar DIP Facility;
  - c. investigating and determining the whereabouts of the Garnished Funds and preparing an application to this Honourable Court to have the funds returned to the Petitioners;
  - d. collecting the Garnished Funds;
  - e. reviewing bi-weekly cash reporting and variance analysis as required under the Replacement DIP Facility;
  - f. preparing and distributing a Request for Proposals to select brokerage firms in the Vancouver area in order to market the remaining 42 unsold residential units (the "**Residential Units**");
  - g. in conjunction with the Petitioners, preparing the Third Cash Flow Statement;
  - h. corresponding with CSMC, its advisors and legal counsel to discuss, among other things:
    - i. bi-weekly reporting as required under the Replacement DIP Facility;
    - ii. the Petitioners' realization strategy, including consultation on the selection of real estate brokerage firms to market the Residential Units; and

- iii. the CCAA Proceedings generally;
- i. advising and supporting Management with respect to its dealings with stakeholders, CCAA matters and the treatment of pre- and post-filing creditors;
- j. attending meetings and correspondence in relation to strata matters; and
- k. preparing the Third Report of the Monitor dated December 8, 2025, and this Fourth Report.

### **MARKETING PROCESS**

- 13. The Commercial Units were initially listed for sale in May 2025 with NAI Commercial (“NAI”). NAI marketed the properties for approximately two months including placing advertisements on NAI’s own website, LoopNet and SpaceList. NAI did not receive any offers during the time it held the listing for the Commercial Units.
- 14. Concurrently, Square Nine reached out to its own contacts, facilitated several viewings, and independently received three offers on the Commercial Units:
  - a. an offer of \$10.6 million received on June 3, 2025, which failed to close as the proposed purchaser was unable to remove subjects;
  - b. an offer of \$8.5 million received on October 8, 2025, which was rejected by Square Nine as the purchaser intended to apply amounts owing under subordinate mortgages owing by the Petitioners as partial payment; and
  - c. the offer of \$8.4 million received from the Purchaser which resulted in the Commercial CPS.
- 15. On September 19, 2025, Square Nine entered into the Commercial CPS after determining that the offer was the highest and best offer available for the Commercial Units.

### **COMMERCIAL CPS**

- 16. The Commercial CPS is attached as Appendix “A” to this report.

17. The key commercial terms of the Commercial CPS are as follows:
- a. the purchase price will be \$8.4 million (the “**Purchase Price**”);
  - b. the completion date is January 21, 2026 (the “**Completion Date**”) with the Purchaser having the right, at its sole discretion, to extend the Completion Date on up to two occasions, each extension being for a period of 30 days, for a cumulative total extension of up to 60 days;
  - c. Square Nine King George is to provide the Purchaser a credit in the amount of \$300,000 for improvements on the property which is to be deducted from the Purchase Price in the Statement of Adjustments;
  - d. a deposit of \$400,000 is to be paid to the Purchaser’s solicitor in trust in two installments of \$200,000 on or before October 20, 2025 and December 20, 2025, and will form part of the Purchase Price;
  - e. the property is sold subject to and together with the benefit of all existing leases, tenancies and occupancy agreements;
  - f. the conditions precedent include:
    - i. the Purchaser obtaining a commitment for satisfactory financing on or before October 20, 2025;
    - ii. the Purchaser reviewing and approving all leases, estoppel certificates and rent rolls on or before October 20, 2025;
    - iii. the Purchaser reviewing and approving a title search of the property, including all registered charges, easements and covenants, on or before October 20, 2025;
    - iv. the Purchaser reviewing and approving all relevant strata documents, including the Form B Information Certificate, bylaws, rules, financial statements, minutes and notices of special levies, on or before October 20, 2025;

- v. the Purchaser reviewing and approving all relevant reports including but not limited to the following, on or before October 20, 2025:
  - 1. all geotechnical, structural and construction-related inspection reports;
  - 2. all site plans for the property and all “as built” plans and drawings for the property;
  - 3. copies of all outstanding work orders, deficiency notices or non-compliance notices from any governmental authority relating to the property;
  - 4. particulars of any disputes, claims or litigation, either outstanding or threatened, involving the property;
  - 5. all licenses, development permits, building permits, development agreements, servicing agreements, occupancy permits and other agreements or permits relating to or issued to Square Nine King George; and
  - 6. any other documents and material within the possession or control of Square Nine King George relating to the physical or economic condition of the property.

18. The Monitor’s comments with respect to the Commercial CPS are as follows:

- a. the marketing process undertaken by Square Nine King George was fair and provided participants with opportunity to submit an offer, and the Monitor does not believe that further time marketing the Commercial Units would result in a superior transaction given the recent trends in the real estate market;
- b. the offer represents the highest and best purchase price offered for the Commercial Units;

- c. a timely transaction to sell the Commercial Units will assist with funding the estate, repaying the Replacement DIP Facility and reducing secured pre-filing debts;
- d. the conditions precedent have all been completed or waived and the Monitor has received confirmation that the total deposit of \$400,000 has been received by the Purchaser's solicitor;
- e. the sale is supported by CSMC, a primary economic stakeholder in these CCAA Proceedings;
- f. obtaining the SAVO and closing the Commercial Units Transaction will allow Square Nine to avoid an "Event of Default" under the Replacement DIP Facility;
- g. overall, it is the Monitor's view that completing the Commercial Units Transaction is reasonable in the circumstances and is in the best interests of Square Nine's stakeholders.

#### **CASH FLOW VARIANCE ANALYSIS**

- 19. The Petitioners have provided biweekly cash flow reporting to the Interim Lender accompanied by rolling cash flow projections as provided for under the Replacement DIP Facility.
- 20. Square Nine's actual cash receipts and disbursements as compared to the Second Cash Flow Forecast for the period of November 13, 2025, to January 2, 2026, are summarized below:

<b>Cash Flow Variance Analysis</b>			
<b>8-Week Period Ended January 2, 2026</b>			
<i>(CAD)</i>	<b>Actual</b>	<b>Forecast</b>	<b>Variance (\$)</b>
<b>Receipts</b>			
Rental income	\$ 85,108	\$ 92,000	\$ (6,892)
Other receipts	423	-	423
<b>Total Receipts</b>	<b>85,531</b>	<b>92,000</b>	<b>(6,469)</b>
<b>Operating Disbursements</b>			
Wages & Benefits	(29,089)	(30,000)	911
Insurance	-	(4,600)	4,600
Utilities	-	(7,000)	7,000
Office Rent	(15,782)	(19,600)	3,818
Strata Fee	-	(50,000)	50,000
Management Fees	(52,500)	(50,000)	(2,500)
Other	-	(50,000)	50,000
<b>Total Operating Costs</b>	<b>(97,371)</b>	<b>(211,200)</b>	<b>113,829</b>
<b>Net Change in Cash from Operations</b>	<b>(11,840)</b>	<b>(119,200)</b>	<b>107,360</b>
<b>Non-Operating Disbursements</b>			
Restructuring Professional Fees	(125,714)	(325,000)	199,286
<b>Net Change in Cash from Non-Operating Items</b>	<b>(125,714)</b>	<b>(325,000)</b>	<b>199,286</b>
<b>Financing</b>			
Pillar Interim Financing	-	-	-
Pillar Interest and Other Financing Fees	(36,199)	(23,193)	(13,006)
Cameron Stephens Interim Financing	350,000	550,000	(200,000)
<b>Net Change in Cash from Financing</b>	<b>313,801</b>	<b>526,807</b>	<b>(213,006)</b>
<b>Net Change in Cash</b>	<b>176,246</b>	<b>82,607</b>	<b>93,639</b>
<b>Opening Cash</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Ending Cash</b>	<b>\$176,246</b>	<b>\$ 82,607</b>	<b>\$ 93,639</b>

21. Overall, Square Nine realized a favourable net cash flow variance of approximately \$94,000. The key components of the variance are as follows:
- a variance in operating costs relating primarily to timing of the receipt and reconciliation of post-filing strata fees owing on the Residential Units and unused contingency amounts included in the forecast;
  - a timing variance in restructuring professional fees that is expected to unwind in the coming weeks; and offset by

- c. a timing variance in the receipt of \$200,000 under the Replacement DIP Facility that was forecast to be received in the week ended January 2, 2026, and ultimately collected in the following week.

### **THIRD CASH FLOW STATEMENT**

- 22. The Monitor, in consultation with Square Nine, has prepared the Third Cash Flow Statement to set out the liquidity requirements and cash position of Square Nine during the Forecast Period. A copy of the Second Cash Flow Statement is attached as Appendix **"B"**.
- 23. A summary of the Third Cash Flow Statement is set out in the following table:

<b>Third Cash Flow Forecast</b>			
<b>25-Week Period Ending May 1, 2025</b>	<b>Weeks 1-8</b>	<b>Weeks 9-25</b>	
<b>CAD</b>	<b>Actual</b>	<b>Forecast</b>	<b>Total</b>
<b>Receipts</b>			
Rental income	\$ 85,108	\$ 190,910	\$ 276,018
Net sale proceeds - Commercial Units	-	7,932,000	7,932,000
Other receipts	423	-	423
<b>Total Receipts</b>	<b>85,531</b>	<b>8,122,910</b>	<b>8,208,441</b>
<b>Operating Disbursements</b>			
Wages & Benefits	(29,089)	(80,000)	(109,089)
Utilities	-	(21,000)	(21,000)
Office Rent	(15,782)	(49,000)	(64,782)
Strata Fee	-	(164,073)	(164,073)
Management Fees	(52,500)	(105,000)	(157,500)
Other	-	(100,000)	(100,000)
<b>Total Operating Costs</b>	<b>(97,371)</b>	<b>(519,073)</b>	<b>(616,444)</b>
<b>Net Change in Cash from Operations</b>	<b>(11,840)</b>	<b>7,603,837</b>	<b>7,591,996</b>
<b>Non-Operating Disbursements</b>			
Restructuring Professional Fees	(125,714)	(683,406)	(809,120)
Garnished Funds	-	-	-
<b>Net Change in Cash from Non-Operating Items</b>	<b>(125,714)</b>	<b>(683,406)</b>	<b>(809,120)</b>
<b>Financing</b>			
Pillar Interim Financing	-	-	-
Pillar Interest and Other Financing Fees	(36,199)	-	(36,199)
Cameron Stephens Interim Financing	350,000	(350,000)	-
<b>Net Change in Cash from Financing</b>	<b>313,801</b>	<b>(350,000)</b>	<b>(36,199)</b>
<b>Net Change in Cash</b>	<b>176,246</b>	<b>6,570,431</b>	<b>6,746,677</b>
<b>Opening Cash</b>	<b>-</b>	<b>176,246</b>	<b>-</b>
<b>Ending Cash</b>	<b>\$ 176,246</b>	<b>\$ 6,746,677</b>	<b>\$ 6,746,677</b>

24. The Third Cash Flow Statement is based on the following key assumptions:
- rental income relates to the monthly rent collected from the four commercial units that are currently leased in the Belvedere development;
  - wages and benefits relates to bookkeeping and administrative services provided by three staff;
  - office rent relates to the office lease for Square Nine Builders;

- d. utilities relate to both the Square Nine King George and Square Nine Builders and include BC Hydro, Fortis and other utility costs;
- e. strata costs relate to the remaining unsold units in Belvedere;
- f. management fees relate to the head office and corporate costs;
- g. other costs is a contingency for miscellaneous items not included in the above line items;
- h. restructuring professional fees include amounts for the Company's legal counsel, the Monitor and the Monitor's legal counsel;
- i. on November 27, 2025, the Monitor was advised that the initial advance of approximately \$130,000 under the Pillar DIP Facility had been removed from the Petitioners' accounts. The Garnished Funds were subsequently returned and deposited to the Monitor's trust account on December 19, 2025; and
- j. the Pillar DIP Facility was repaid on December 12, 2025, and replaced with the Replacement DIP Facility. A total of \$550,000 is forecasted to be drawn under the Replacement DIP Facility and then repaid upon the closing of the sale of the Commercial Units.

#### **STAY EXTENSION**

- 25. The Petitioners are seeking an extension of the Stay of Proceedings to April 30, 2026.
- 26. The Monitor's comments with respect to its application for the Stay Extension are as follows:
  - a. the Third Cash Flow Statement forecasts that the Replacement DIP Facility will provide the Petitioners with sufficient liquidity to operate during the term of the proposed Stay Extension;
  - b. the Petitioners require the Stay Extension to, among other things:

- i. evaluate the relative priorities of competing claims by CSMC and CRA in respect of unremitted pre-filing GST; and
  - ii. complete the sale of the Commercial Units which is scheduled for January 21, 2026;
  - iii. select a brokerage firm and commence a marketing process for the remaining Residential Units;
- c. the Petitioners are acting in good faith and with due diligence; and
- d. Square Nine's overall prospects of effecting a viable restructuring will be enhanced by the Stay Extension.

**CONCLUSIONS AND RECOMMENDATIONS**

27. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court grant the SAVO and the Stay Extension Order.

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All of which is respectfully submitted this 9<sup>th</sup> day of January, 2026.

**FTI Consulting Canada Inc.**  
in its capacity as Monitor of Square Nine



Tom Powell  
Senior Managing Director



for: Mike Clark  
Managing Director

# **Appendix A**

## **Commercial CPS**

**COMMERCIAL CONTRACT OF PURCHASE AND SALE**

THIS CONTRACT dated for reference the 19<sup>th</sup> Day of September, 2025

BETWEEN

SQUARE NINE KING GEORGE DEVELOPMENT LTD.  
2132 – 4710 Kingsway  
Burnaby BC V5H 4T9

(the “Seller”)

AND:

1559924 B.C. LTD.  
300 – 5446 152 Street  
Surrey BC V3S 5J9

(the “Purchaser”)

WHEREAS:

A. The Seller is the registered and beneficial owner of the property legally described as follows:

PID: 032-428-219; STRATA LOT 1 SECTION 34 BLOCK 5 NORTH RANGE 2  
WEST NEW WESTMINSTER DISTRICT STRATA PLAN EPS11017  
TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN  
PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS  
SHOWN ON FORM V;

PID: 032-420-234; STRATA LOT 2 SECTION 34 BLOCK 5 NORTH RANGE 2  
WEST NEW WESTMINSTER DISTRICT STRATA PLAN EPS11017  
TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN  
PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS  
SHOWN ON FORM V;

PID: 032-420-242; STRATA LOT 3 SECTION 34 BLOCK 5 NORTH RANGE 2  
WEST NEW WESTMINSTER DISTRICT STRATA PLAN EPS11017  
TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN  
PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS  
SHOWN ON FORM V;

PID: 032-420-251; STRATA LOT 4 SECTION 34 BLOCK 5 NORTH RANGE 2  
 WEST NEW WESTMINSTER DISTRICT STRATA PLAN EPS11017  
 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN  
 PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS  
 SHOWN ON FORM V; and

PID: 032-420-269; STRATA LOT 5 SECTION 34 BLOCK 5 NORTH RANGE 2  
 WEST NEW WESTMINSTER DISTRICT STRATA PLAN EPS11017  
 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN  
 PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS  
 SHOWN ON FORM V

(Collectively, the "Property");

B. The Purchaser has agreed to purchase, and the Seller has agreed to sell, the Property, together with all buildings, improvements, fixtures, leases, and appurtenances thereto, on the terms and conditions set forth in this Contract;

C. The parties wish to enter into this Contract to record the terms and conditions of the sale and purchase of the Property.

#### **PURCHASE PRICE**

1. The total purchase price (the "Purchase Price") for the Property shall be \$8,400,000.00 plus GST payable as follows:
  - a. Deposit of \$400,000.00 shall be paid to "Takhar Law Corporation, In Trust." The deposit shall form part of the Purchase Price and shall be held in trust in accordance with the Real Estate Services Act.
  - b. Total Deposit amount shall be \$400,000.00 which shall be paid in two installments as follows:
    - i. The initial deposit of \$200,000.00 shall be paid on October 20, 2025.
    - ii. The second deposit of \$200,000.00 shall be paid on December 20, 2025
    - iii. Balance: The balance of the Purchase Price shall be paid to the Seller's solicitor on the Completion Date in trust, by certified cheque or bank draft, against delivery of registrable transfer of title to the Purchaser free of all encumbrances except Permitted Encumbrances.

#### **COMPLETION, POSSESSION, AND ADJUSTMENT DATES**

2. The Completion Date shall be January 21, 2026.
3. Possession Date shall be January 22, 2026.

4. Adjustment Date shall be January 21, 2026. Adjustments shall include property taxes, strata fees, rent, utilities, and any other periodic outgoings customarily adjusted in commercial conveyancing transactions.
5. The Purchaser shall have the right, at its sole discretion, to extend the Completion Date on up to two (2) occasions, each extension being for a period of thirty (30) days, for a cumulative total extension of up to sixty (60) days (the "Extension Period"). The Purchaser may exercise this right by providing written notice to the Seller's solicitor prior to the then-applicable Completion Date.
  - a. Any such extension shall be without payment of any additional fees, charges, interest, or penalties of any kind by the Purchaser.
  - b. Upon the giving of such notice, the Completion Date shall be deemed to be extended automatically by the Extension Period, and all references in this Contract to the Completion Date shall be read accordingly.

#### **EXISTING LEASES AND ASSIGNMENT**

6. The Property is sold subject to and together with the benefit of all existing leases, tenancies, and occupancy agreements (the "Leases").
7. On the Completion Date, the Seller shall assign and the Purchaser shall assume all of the Seller's right, title, and interest in and to the Leases and any related rental deposits, prepaid rent, and other tenant security (collectively, the "Lease Deposits").
8. The Seller shall provide to the Purchaser on or before the Completion Date:
  - a. Lease Assignment Agreement;
  - b. copies of all existing Leases and amendments;
  - c. Tenant Estoppel Certificates executed by each tenant; and
  - d. a Statement of Rent Roll certified by the Seller.
9. The Seller shall transfer to the Purchaser, on the Closing Date, the Lease Deposits, prepaid rents, and other tenant funds held in connection with the Leases free and clear of any liens, claims, or encumbrances.
10. The Purchaser shall credit the Seller for all Lease Deposits on the Statement of Adjustments and shall assume the Seller's obligations to refund same to tenants upon lawful termination of the Leases. The Parties agree that the Deposits shall be credited to the Purchaser at Closing, resulting in a net zero effect on the Purchase Price with respect to such amounts.

## **PARKING STALLS**

11. The purchase of the Strata Units shall include thirty-one (31) parking stalls (the "Parking Stalls"), the cost of which is included in the Purchase Price.
12. The assignment of all Parking Stalls shall be reflected on the Strata Form B Certificate and delivered to the Purchaser on or before the Closing Date along with any assignment agreement deemed necessary as per the strata corporation.
13. The Seller represents and warrants that the strata corporation permits the assignment of the Parking Stalls as set out herein, free of encumbrances or restrictions beyond those required under the Strata Property Act.

## **CONDITIONS PRECEDENT**

14. This Contract is subject to the following conditions precedent, which are for the sole benefit of the Purchaser and may be waived in writing by the Purchaser:
  - a. **Financing:** The Purchaser obtaining a commitment for satisfactory financing on or before October 20, 2025.
  - b. **Lease Review:** The Purchaser reviewing and approving all Leases, estoppel certificates, and rent rolls on or before October 20, 2025.
  - c. **Title Review:** The Purchaser reviewing and approving a title search of the Property, including all registered charges, easements, and covenants, on or before October 20, 2025.
  - d. **Strata Document Review:** The Purchaser reviewing and approving all relevant strata documents, including the Form B Information Certificate, bylaws, rules, financial statements, minutes, and notices of special levies, on or before October 20, 2025.
  - e. **Miscellaneous Document Review:** The Purchaser reviewing and approving all relevant reports including but not limited to the following on or before October 20, 2025:
    - i. all geotechnical, structural and construction-related inspection reports and any other reports or proposals relating to the physical condition of the Property;

- ii. all site plans for the Property and all "as built" plans and drawings for the Property including architectural, structural, mechanical and electrical plans and drawings which are in the possession or control of the Seller;
- iii. copies of all outstanding work orders, deficiency notices or non-compliance notices from any governmental authority relating to the Property;
- iv. particulars of any disputes, claims or litigation, either outstanding or threatened, involving the Property or the Seller;
- v. all licences, development permits, building permits, development agreements, servicing agreements, occupancy permits and other agreements or permits relating to the Property issued to the Seller by, or entered into between the Seller and, any governmental authority or public utility;
- vi. any other documents and material within the possession or control of the Seller relating to the physical or economic condition of the Property.

If any of the above conditions are not satisfied or waived, this Contract shall be null and void and the deposit shall be returned to the Purchaser without deduction.

**SELLER'S REPRESENTATIONS AND WARRANTIES**

15. The Seller is the registered and beneficial owner of the Property with good and marketable title, free and clear of all encumbrances except those approved by the Purchaser.
16. The Seller has full power and authority to enter into this Contract and to complete the sale.
17. The Seller has not received notice of any pending bylaw infractions, work orders, special levies, or litigation affecting the Property or the strata corporation.
18. All Leases are in good standing.
19. All tenant security deposits and prepaid rents are accurately stated in the rent roll.
20. These representations and warranties shall survive completion and shall not merge on transfer of title.

**CLOSING AND CONVEYANCE**

21. Title shall be transferred by Form A.
22. Title to the Property shall be transferred free and clear of all encumbrances except those in favour of the strata corporation, any governmental authority, Crown corporation, public utility, or other encumbrances that are of a similar nature or otherwise deemed necessary in the ordinary course.
23. Completion shall occur under the standard conveyancing protocol customarily adopted by solicitors in British Columbia.
24. The Seller's and Purchaser's solicitors are authorized to give, receive, and rely upon undertakings necessary to complete this transaction.

**RISK**

25. The Property shall remain at the risk of the Seller until 12:01 a.m. on the Possession Date.

**ADJUSTMENTS**

26. All rents, strata fees, taxes, utilities, and other outgoings shall be adjusted as of the Adjustment Date. Tenant security deposits and prepaid rents shall be adjusted in accordance with Section 4.

### OPTION TO PURCHASE

27. Upon payment of the initial deposit of \$200,000.00 in accordance with Section 1 of this Contract, the Seller hereby grants to the Purchaser an exclusive, irrevocable option to purchase the Property (the "Option") on the terms set out in this Contract. The parties agree that the Purchaser shall have the right to register a caveat or charge against title to the Property evidencing the Option. The Seller shall execute all documents necessary to allow registration of the Option on title to the Property.

### ASSIGNMENT

28. The Purchaser may assign this Contract or any of its rights or obligations hereunder without the prior written consent of the Seller. Any such assignment shall be effective upon written notice to the Seller, and the assignee shall assume all obligations of the Purchaser under this Contract.

### REALTOR COMMISSION

29. The Seller acknowledges that Sutton<sup>Group</sup> Westcoast Realty (the "Broker") has acted as the real estate agent in connection with the sale of the Property and shall be paid commission which shall be based on 2% of the purchase price. Further, the Seller hereby acknowledges responsibility for the commission which shall be debited on the Seller Statement of Adjustments.
30. The Seller shall be solely responsible for payment of any commission or fees owing to the Broker in accordance with the listing agreement between the Seller and the Broker.
31. The Purchaser shall have no obligation to pay any commission, fee, or other remuneration to the Broker or any other real estate agent.

### MISCELLANEOUS

32. Time is of the essence.
33. This Contract constitutes the entire agreement between the parties.
34. This Contract may be executed in counterparts and delivered electronically.
35. This Contract shall ensure to the benefit of and be binding upon the parties and their successors and assigns.
36. This Contract shall be governed by and construed in accordance with the laws of British Columbia.

37. If the Seller is unable to complete this Contract for any reason, the Purchaser shall be entitled to a full refund of the deposit without requiring the Seller's consent. In addition, the Purchaser reserves the right to pursue any legal remedies for damages to which they may be entitled.

#### NOTICES

38. Any notice required or permitted under this Contract must be in writing and delivered personally or by email to the Purchasers' Solicitor and the Seller's Solicitor, or to such other address as either party may designate in writing.

#### EXECUTION

IN WITNESS WHEREOF the parties have executed this Contract as of the date first written above.

#### SQUARE NINE KING GEORGE DEVELOPMENT LTD.

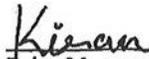
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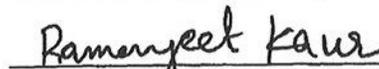


Print Name: \_\_\_\_\_

#### 1559924 B.C. LTD.

Per:

  
Print Name: Kuran Saroya

  
Print Name: RAMANJEET KAUR

**ADDENDUM TO CONTRACT OF PURCHASE AND SALE**

**THIS ADDENDUM** is made as of September 19, 2025, by and between:

SQUARE NINE KING GEORGE DEVELOPMENT LTD.  
2132 – 4710 Kingsway  
Burnaby BC V5H 4T9

(the "Seller")

AND:

1559924 B.C. LTD.  
300 – 5446 152 Street  
Surrey BC V3S 5J9

(the "Purchaser")

**WHEREAS**, the Parties entered into a Contract of Purchase and Sale dated September 19, 2025 (the "Agreement") with respect to the following properties:

PID: 032-428-219; STRATA LOT 1 SECTION 34 BLOCK 5 NORTH RANGE 2 WEST NEW WESTMINSTER DISTRICT STRATA PLAN EPS11017 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V;

PID: 032-420-234; STRATA LOT 2 SECTION 34 BLOCK 5 NORTH RANGE 2 WEST NEW WESTMINSTER DISTRICT STRATA PLAN EPS11017 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V;

PID: 032-420-242; STRATA LOT 3 SECTION 34 BLOCK 5 NORTH RANGE 2 WEST NEW WESTMINSTER DISTRICT STRATA PLAN EPS11017 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V;

PID: 032-420-251; STRATA LOT 4 SECTION 34 BLOCK 5 NORTH RANGE 2 WEST NEW WESTMINSTER DISTRICT STRATA PLAN EPS11017 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V; and

PID: 032-420-269; STRATA LOT 5 SECTION 34 BLOCK 5 NORTH RANGE 2 WEST NEW WESTMINSTER DISTRICT STRATA PLAN EPS11017 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V

(Collectively, the "Property");

**AND WHEREAS**, the Parties wish to provide for a credit in connection with improvements to the Property.

**NOW THEREFORE**, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

1. **Improvement Credit:** The Seller shall provide to the Purchaser a credit in the amount of **\$300,000.00** (the "Improvement Credit") on the Completion Date.
2. **Application of Credit:** The Improvement Credit shall be reflected on the Seller's Statement of Adjustments as a credit for improvements to the Property and shall be deducted from the Purchase Price payable by the Purchaser on Closing.
3. **Confirmation of Agreement:** Except as expressly modified by this Addendum, all other terms and conditions of the Agreement shall remain in full force and effect.
4. **Execution:** This Addendum may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures delivered by electronic means shall be deemed originals.

**IN WITNESS WHEREOF**, the Parties have executed this Addendum as of the date first written above.

**SQUARE NINE KING GEORGE  
DEVELOPMENT LTD.**

Per:

\_\_\_\_\_  
Print Name:

**1559924 B.C. LTD.**

Per:

Kiran  
Print Name: Kiran Saroya

Ramandeep Kaur  
Print Name: RAMANDEEP KAUR

(Collectively, the "Property");

AND WHEREAS, the Parties wish to provide for a credit in connection with improvements to the Property.

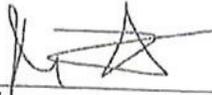
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IN WITNESS WHEREOF, the Parties have executed this Addendum as of the date first written above.

**SQUARE NINE KING GEORGE  
DEVELOPMENT LTD.**

Per:



\_\_\_\_\_  
Print Name:

**1559924 B.C. LTD.**

Per:

\_\_\_\_\_  
Print Name:

\_\_\_\_\_  
Print Name:

## **Appendix B**

### **Third Cash Flow Statement**

Square Nine Builders Inc. and Square Nine King George Ltd.  
 Combined Rolling Cash Flow Statement  
 For the 25-week period ending May 1, 2026

Week Ending	Notes	Weeks 1-8 2-Jan-26 Actual	Week 9 9-Jan-26 Forecast	Week 10 16-Jan-26 Forecast	Week 11 23-Jan-26 Forecast	Week 12 30-Jan-26 Forecast	Week 13 6-Feb-26 Forecast	Week 14 13-Feb-26 Forecast	Week 15 20-Feb-26 Forecast	Week 16 27-Feb-26 Forecast	Week 17 6-Mar-26 Forecast	Week 18 13-Mar-26 Forecast	Week 19 20-Mar-26 Forecast	Week 20 27-Mar-26 Forecast	Week 21 3-Apr-26 Forecast	Week 22 10-Apr-26 Forecast	Week 23 17-Apr-26 Forecast	Week 24 24-Apr-26 Forecast	Week 25 1-May-26 Forecast	Week 1-25 Total
<b>Receipts</b>																				
Rental income	[11]	\$ 85,108	\$ -	\$ -	\$ 7,932,000	\$ 6,910	\$ 46,000	\$ -	\$ -	\$ -	\$ 46,000	\$ -	\$ -	\$ -	\$ 46,000	\$ -	\$ -	\$ -	\$ 46,000	\$ 276,018
Net sale proceeds - Commercial Units	[21]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,932,000
Other receipts	[31]	423	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	423
<b>Total Receipts</b>		<b>85,531</b>	<b>-</b>	<b>-</b>	<b>7,932,000</b>	<b>6,910</b>	<b>46,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46,000</b>	<b>8,208,441</b>
<b>Operating Disbursements</b>																				
Wages & Benefits	[41]	(29,089)	-	(10,000)	-	(10,000)	-	(10,000)	-	(10,000)	-	(10,000)	-	(10,000)	-	(10,000)	-	(10,000)	-	(109,089)
Utilities	[51]	-	(7,000)	-	-	(3,500)	-	-	-	(3,500)	-	-	-	(3,500)	-	-	-	-	-	(3,500)
Office Rent	[61]	(15,782)	(9,800)	-	-	-	(9,800)	-	-	-	(9,800)	-	-	-	(9,800)	-	-	-	-	(64,782)
Strata Fee	[71]	-	(64,073)	-	-	-	(25,000)	-	-	-	(25,000)	-	-	-	-	-	-	-	-	(164,073)
Management Fees	[81]	(52,500)	-	-	-	(26,250)	-	-	-	(26,250)	-	-	-	(26,250)	-	-	-	-	-	(157,500)
Other	[91]	-	-	-	-	(25,000)	-	-	-	(25,000)	-	-	-	(25,000)	-	-	-	-	-	(100,000)
<b>Total Operating Costs</b>		<b>(97,371)</b>	<b>(80,873)</b>	<b>(10,000)</b>	<b>-</b>	<b>(64,750)</b>	<b>(34,800)</b>	<b>(10,000)</b>	<b>-</b>	<b>(64,750)</b>	<b>(34,800)</b>	<b>(10,000)</b>	<b>-</b>	<b>(64,750)</b>	<b>(34,800)</b>	<b>(10,000)</b>	<b>-</b>	<b>(10,000)</b>	<b>(89,550)</b>	<b>(616,444)</b>
<b>Net Change in Cash from Operations</b>		<b>(11,840)</b>	<b>(80,873)</b>	<b>(10,000)</b>	<b>7,932,000</b>	<b>(57,840)</b>	<b>11,200</b>	<b>(10,000)</b>	<b>-</b>	<b>(64,750)</b>	<b>11,200</b>	<b>(10,000)</b>	<b>-</b>	<b>(64,750)</b>	<b>11,200</b>	<b>(10,000)</b>	<b>-</b>	<b>(10,000)</b>	<b>(43,550)</b>	<b>7,591,596</b>
<b>Non-Operating Disbursements</b>																				
Restructuring Professional Fees	[10]	(125,714)	(183,406)	-	-	(125,000)	-	-	-	(125,000)	-	-	-	(125,000)	-	-	-	-	-	(125,000)
Garnished Funds	[111]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net Change in Cash from Non-Operating Items</b>		<b>(125,714)</b>	<b>(183,406)</b>	<b>-</b>	<b>-</b>	<b>(125,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(125,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(125,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(125,000)</b>	<b>(809,120)</b>
<b>Financing</b>																				
Pillar Interim Financing	[12]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pillar Interest and Other Financing Fees	[13]	(36,199)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(36,199)
Cameron Stephens Interim Financing	[14]	350,000	200,000	-	(550,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net Change in Cash from Financing</b>		<b>313,801</b>	<b>200,000</b>	<b>-</b>	<b>(550,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(36,199)</b>
<b>Net Change in Cash</b>		<b>176,246</b>	<b>(64,279)</b>	<b>(10,000)</b>	<b>7,382,000</b>	<b>(182,840)</b>	<b>11,200</b>	<b>(10,000)</b>	<b>-</b>	<b>(189,750)</b>	<b>11,200</b>	<b>(10,000)</b>	<b>-</b>	<b>(189,750)</b>	<b>11,200</b>	<b>(10,000)</b>	<b>-</b>	<b>(10,000)</b>	<b>(168,550)</b>	<b>6,746,677</b>
<b>Opening Cash</b>		<b>-</b>	<b>176,246</b>	<b>111,967</b>	<b>101,967</b>	<b>7,483,967</b>	<b>7,301,127</b>	<b>7,312,327</b>	<b>7,302,327</b>	<b>7,302,327</b>	<b>7,112,577</b>	<b>7,123,777</b>	<b>7,113,777</b>	<b>7,113,777</b>	<b>6,924,027</b>	<b>6,935,227</b>	<b>6,925,227</b>	<b>6,925,227</b>	<b>6,915,227</b>	<b>-</b>
<b>Ending Cash</b>		<b>\$ 176,246</b>	<b>\$ 111,967</b>	<b>\$ 101,967</b>	<b>\$ 7,483,967</b>	<b>\$ 7,301,127</b>	<b>\$ 7,312,327</b>	<b>\$ 7,302,327</b>	<b>\$ 7,302,327</b>	<b>\$ 7,112,577</b>	<b>\$ 7,123,777</b>	<b>\$ 7,113,777</b>	<b>\$ 7,113,777</b>	<b>\$ 6,924,027</b>	<b>\$ 6,935,227</b>	<b>\$ 6,925,227</b>	<b>\$ 6,925,227</b>	<b>\$ 6,915,227</b>	<b>\$ 6,746,677</b>	<b>\$ 6,746,677</b>

Notes:  
 Management has prepared this Cash Flow Statement solely for the purposes of determining the liquidity requirements of Square Nine Builders Inc. ("Square Nine Builders") and Square Nine King George Ltd. ("Square Nine King George" and collectively with Square Nine Builders, the "Company") during the CCAA Proceedings.

The Cash Flow Statement is based on the probable and hypothetical assumptions detailed below. Actual results will likely vary from performance projected and such variations may be material.

- [1] Rental income relates to the monthly rent collected from the four commercial units that are currently leased.
- [2] Net sale proceeds - Commercial Units relates to the sale of Belvedere's five commercial units which is expected to be completed on January 21, 2026.
- [3] Other receipts relates to GST refunds. We estimate approximately \$34,000 in GST refunds over the 21-week period; however, due to uncertainty, we have not included this amount in the forecast.
- [4] Wages and benefits relates to bookkeeping and administrative services provided by three staff.
- [5] Utilities relate to head office costs, including BC Hydro, Fortis and other utility costs.
- [6] Office rent relates to the office lease for Square Nine Builders.
- [7] Strata Fee relates to the remaining unsold units in the Belvedere development.
- [8] Management fees relate to head office and corporate costs.
- [9] Other costs is a contingency for miscellaneous items not included in the above line items and will be managed by the Monitor.
- [10] Restructuring professional fees include amounts for the Company's legal counsel, the Monitor and the Monitor's legal counsel.
- [11] On November 27, 2025, the Monitor was advised that the funds in the Company's bank account were garnished and paid into Court. On December 9, 2025, the Court granted an order to have the funds released to the Monitor and were ultimately repaid to the Monitor on December 19, 2025.
- [12] The initial interim lender, Pillar Capital, advanced \$150,000 which was repaid on December 12, 2025.
- [13] Interest and other financing fees include interest amounts charged by Pillar Capital as the initial interim lender as well as other fees such as the facility fee, diligence fee and associated legal fees.
- [14] The Court has approved the replacement of the Pillar Interim Financing with interim financing from Cameron Stephens Mortgage Capital Ltd. Interim financing of approximately \$550,000 is required from Cameron Stephens Mortgage Capital Ltd. to fund the CCAA Proceedings through to Week 10, which is expected to be paid out in Week 11 provided that the sale of the five commercial units is completed on January 21, 2026.