

District of: British Columbia
Division No.: 03 - Vancouver
Estate No.: 11-3341393

**IN THE MATTER OF THE BANKRUPTCY OF
MANNA INDUSTRIAL FUND (VALUE-ADD) LIMITED PARTNERSHIP
OF THE CITY OF VANCOUVER
IN THE PROVINCE OF BRITISH COLUMBIA**

TRUSTEE'S REPORT TO CREDITORS ON PRELIMINARY ADMINISTRATION

March 19, 2026

BACKGROUND AND CAUSES OF INSOLVENCY

Background

1. Manna Industrial Fund (Value-Add) GP Corp. (the “**GP**”) is the general partner of Manna Industrial Fund (Value-Add) Limited Partnership (“**Manna LP**”). Manna LP was the beneficial owner of certain British Columbia holding companies, including:
 - a) 8826 Jim Bailey Ltd. (“**Jim Bailey**”);
 - b) 375 Potterton Ltd. (“**Potterton**”); and
 - c) 13799 Commerce Parkway Holdings Ltd. (“**13799**” and collectively with Jim Bailey and Potterton, the “**Nominees**” and each, a “**Nominee**”).
2. The Nominees held commercial and industrial investment properties for Manna LP, as beneficial owner.

3. On May 8, 2025 (the “**Receivership Date**”), FTI Consulting Canada Inc. (“**FTI**”) was appointed as receiver and manager (in such capacity, the “**Receiver**”), of certain real property (the “**Real Property**”), all present and after-acquired personal property of Manna LP, the GP, Genesis Manna Holdings Ltd. and Allion Holdings Ltd. used in relation to the Real Property, and all property assets, and undertakings of Jim Bailey and Potterton pursuant to an Order (the “**Receivership Order**”) of the Supreme Court of British Columbia, (the “**Court**”).
4. The Real Property was comprised of two income producing industrial warehouse buildings totaling approximately 266,000 square feet of net rental industrial space and situated on 14 acres of land in Kelowna, BC.
5. On December 10, 2025, the Court granted an order which approved, among other things, the sale of the Real Property (the “**Transaction**”) for a purchase price of \$44 million.
6. Manna LP is also subject to foreclosure proceedings (the “**Prospera Foreclosure Proceedings**”) commenced by Prospera Credit Union (“**Prospera**”) pursuant to its mortgage over real property located at 13799 Commerce Parkway (the “**13799 Lands**”) owned by 13799.
7. On August 11, 2025, Prospera obtained an Order Nisi with a one-day redemption period as well as an Order for Conduct of Sale. Pursuant to the Conduct of Sale, Prospera has engaged Colliers Macaulay Nicolls Inc. to list the 13799 Lands for sale for \$18,800,000.
8. On February 12, 2026, the Court granted an order amending the Receivership Order (the “**Amended Receivership Order**”) and expanding the powers of the Receiver to include the right, title and interest of Manna LP in and to Manna Industrial Brampton Limited Partnership (the “**Brampton LP**”) including the proceeds resulting from the sale or disposition of any of Brampton LP’s assets and authorizing the Receiver to cause Manna LP to make a voluntary assignment in bankruptcy for the benefit of creditors.
9. On February 18, 2026, the Transaction closed with the Receiver collecting approximately \$43.0 million net of adjustments.

10. On February 23, 2026, the Receiver collected approximately \$8.9 million in proceeds resulting from the sale of Brampton LP's assets.
11. On March 3, 2026, the Receiver caused Manna LP to make a voluntary assignment in bankruptcy pursuant to the Amended Receivership Order.
12. On March 10, 2026, the Court granted an order (the "**Distribution Order**") authorizing and directing the Receiver to distribute the remaining net proceeds of the sale of the Real Property to the secured creditors, in accordance with their relative priorities.
13. As at March 18, 2026, the 13799 Lands remain unsold.

Causes of Insolvency

14. Manna LP was unable to achieve profitability and was unable to meet its obligations as they became due.

PRELIMINARY EVALUATION OF ASSETS AND SECURITY INTERESTS

Assets

15. Manna LP's primary assets are as follows:
 - a) the sales proceeds from the Transaction which have subsequently been distributed to secured creditors pursuant to the Distribution Order;
 - b) the sales proceeds resulting from the sale of Brampton LP's assets in the amount of approximately \$8.9 million that are subject to the Amended Receivership Order; and
 - c) the 13799 Lands that are subject to the Prospera Foreclosure Proceedings.
16. As at the date of this report, it is uncertain whether there will be any distributions to unsecured creditors resulting from the Prospera Foreclosure Proceedings or the ongoing receivership proceedings.

Security Interest

17. The assets of Manna LP are encumbered by various security arrangements with the following parties:

- a) in respect to the sale proceeds resulting from the Transaction:
 - i. National Bank of Canada (“NBC”) and Institutional Mortgage Capital Canada Inc. (“IMC”) are owed in excess of approximately \$26.8 million and \$17.5 million, respectively;
 - ii. the Receiver’s legal counsel completed an independent review of the security granted by Manna LP in favour of NBC and IMC and confirmed the validity and enforceability of the security, subject to standard qualifications;
 - iii. NBC was paid out on March 12, 2026 with the remaining net proceeds being distributed to IMC pursuant to the Distribution Order;
- b) in respect the sale proceeds of the Brampton LP’s assets:
 - i. a number of parties, including 13531953 Canada Inc. (“135”) and Nanite King George Limited Partnership (“Nanite”), have asserted competing security interests in the Brampton LP proceeds;
 - ii. the Receivership Order was amended, in part, to complete an investigation into the priority of these competing claims; and
- c) in respect to the 13799 Lands:
 - i. Prospera holds a registered security interest and is owed approximately \$13.6 million.

POSSESSION OF BOOKS AND RECORDS

18. The Receiver is in possession of certain books and records of Manna LP. The Trustee will have access to Manna LP's records as required to complete the administration of the estate.

CONSERVATORY AND PROTECTIVE MEASURES

19. The Trustee has not taken possession of the 13799 Lands given the ongoing foreclosure proceedings commenced by Prospera. The Trustee has informed Prospera's counsel of its position in the event there is excess proceeds on any sale of the 13799 Lands.
20. All other assets are subject to the Amended Receivership Order.

PROVABLE CLAIMS AND DESCRIPTION OF CREDITORS

21. The claims disclosed in the statement of affairs of Manna LP are summarized as follows:
 - a) Secured claims: \$67.23 million; and
 - b) Unsecured claims: \$9.58 million.
22. As at March 19, 2026, the Trustee had received 3 proofs of claim from unsecured creditors totalling \$2.35 million and had yet to receive any proofs of claim from secured creditors.

LEGAL PROCEEDINGS, TRANSFERS AT UNDERVALUE, PREFERENCE PAYMENTS

23. The Trustee is aware of certain legal proceedings commenced against Manna LP in relation to the Brampton LP proceeds. The Receiver is in the process of reviewing these claims in conjunction with its legal counsel.
24. The Trustee is not aware of any potential transfers at undervalue or preference payments.

THIRD-PARTY DEPOSITS AND GUARANTEES

25. The Receiver has guaranteed the reasonable fees, expenses and claims of the Trustee in respect of its activities as the Trustee of the estate.

ASSET REALIZATION AND PROJECTED DISTRIBUTION

26. Any realizations from the assets of Manna LP will be subject to the secured claims of Prospera, Nanite and 135, among other potential secured claims. Accordingly, it is uncertain whether there will be any distribution to unsecured creditors of Manna LP.

OTHER MATTERS

27. There are no other matters.

FTI Consulting Canada Inc.

In its capacity as Trustee in Bankruptcy of
Manna Industrial Fund (Value-Add) Limited Partnership.
and not in its personal capacity



Mike Clark
Managing Director