



FORM 109 (RULE 22-2 (2) AND (7))

This is the 3rd affidavit of
B. Randall in this case
and was made on March 7, 2023

No. S2013779
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

RE: WIND-UP OF 304768 B.C. LTD. AND GLENMERRY MARKET LTD. PURSUANT TO
SECTION 324 OF THE BUSINESS CORPORATIONS ACT, S.B.C. 2002, C.57

BETWEEN:

TULLIO VITO FRANCESO ESPOSITO

Petitioner

AND:

304768 B.C. LTD., GLENMERRY MARKET LTD., and
DEMITRIA LORAIN ESPOSITO

Respondents

AFFIDAVIT

I, Bill Randall, real estate agent, of 1900 – 200 Granville Street, in the City of Vancouver, in the Province of British Columbia, AFFIRM THAT:

1. I am an Executive Vice President with Colliers Macaulay Nicolls (“**Colliers**”), the brokerage that has conduct of the Lands’ listing, and have been involved with marketing the Lands and the negotiations of the current contract of purchase and sale with the Proposed Purchaser, and as such I have personal knowledge of the matters and facts hereinafter deposed to, except where the same are stated to be based upon information and belief, and where so stated I verily believe the same to be true.

2. All capitalized terms are as defined in the accompanying Notice of Application, unless otherwise defined.
3. Bella Vista has a municipal address of 1976 Seventh Avenue and is comprised of twelve (12), four-unit, two-level rental townhouses located in Trail, B.C. the buildings are 46 years old are two-stories and are located on 3.56 acres of land.
4. Francesco's Estates has a municipal address of 3550 Highway Drive and is a three-storey apartment building comprised of thirty (30) units located in Trail, B.C. It is a 42-year-old building and located on 2.03 acres of land.
5. Ermelinda Estates has a municipal address of 3188 Highway Drive and is a 42 unit residential building located in Trail, B.C. It is a 43-year-old and is located on 1.70 acres of land.
6. The Lands have each been listed for sale since May 31, 2022 at the following listing prices:
 - i) Bella Vista at a listing price of \$5,400,000;
 - ii) Francesco's Estates at a listing price of \$3,700,000; and
 - iii) Ermelinda Estates at a listing price of \$4,000,000.

Attached as Exhibit "A" is a copy of the marketing report that I prepared with Mario Berno of RE/MAX. I confirm that the facts set out therein are true.

7. The Lands were marketed widely online through various websites including a Multiple Listing Service, Realtor.ca, the Colliers website and my personal website, as outlined in my marketing report.
8. The Lands have also been marketed widely via email to Colliers' investor and developer database which contains over 2,500 recipients and emails to Colliers' apartment owner's database which has over 300 recipients, as outlined in my marketing report.


9. Colliers also created a brochure and a confidential information memorandum containing information about the Lands, as attached to my marketing report. These documents were distributed to all Colliers offices in Canada, including to potential purchasers. In total, over 150 packages were sent out and over 100 phone calls were made.
10. In addition, Colliers conducted two (2) open houses with respect to each of the Lands.
11. Since the Lands' listing and as a result of the marketing efforts there have been five (5) written offers on the Lands, including the Subject Offer (as defined below), as follows:
 - i) Offer for \$10,900,000 from Highliving Properties Ltd. on September 14, 2022, which was not accepted;
 - ii) Offer for \$11,155,000 from Novio Enterprises Ltd., on September 20, 2022, which was not accepted;
 - iii) Offer for \$12,500,000 from Benjamin Ames on September 21, 2022 which offer was accepted (the "**Subject Offer**");
 - iv) Offer for \$11,000,000 from VJ Medics Holding Inc. on September 29, 2022, which was not accepted; and
 - v) Offer for \$11,200,000 from Mario Morrison on October 11, 2022, which was not accepted.
12. All offers have been for all three (3) properties comprising the Lands *en bloc*.
13. There were two (2) other groups who wished to offer less than \$10,000,000 for the Lands, to whom I advised the price was too low for consideration.
14. As outlined in my marketing report, the Lands have been well exposed with over 50 potential buyers requesting access to our data room to conduct due diligence and five (5) written offers.

15. Interest in the Lands has been mostly expressed by individuals and families familiar with the Kootenay Region, as opposed to funds, real estate investment trusts, and other investment companies. From my experience as a realtor, I believe this is the case due to interest rates having doubled since the Lands have been listed for sale and more stringent lending practices by lenders.

16. Based on my experience as a realtor, my involvement in the marketing of the Lands and given the circumstances, I strongly recommend that the Court accept the current Subject Offer for the purchase of the Lands at a price of \$12,500,000. I am of the belief that this purchase price is fair and reasonable and represents market value.


17. I make this Affidavit in support of the Liquidator's application to sell the Lands to the Proposed Purchaser at a price of \$12,500,000.

SWORN BEFORE ME at the City of Vancouver, in the Province of British Columbia, this 7 day of March, 2023.



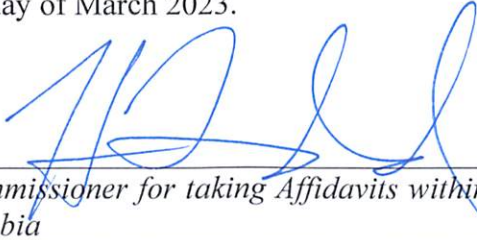
A Commissioner for taking Affidavits for British Columbia

HEATHER A. FRYDENLUND
Barrister & Solicitor
P.O. Box 1
2900-733 SEYMOUR STREET
VANCOUVER, B.C. V6B 0S6
(604) 691-7532

)
)
)
)
)


BILL RANDALL
)
)
)

This is Exhibit "A" referred to in the affidavit of
Bill Randall sworn before me at Vancouver this
7 day of March 2023.



*A Commissioner for taking Affidavits within British
Columbia*

HEATHER A. FRYDENLUND
Barrister & Solicitor
P.O. Box 1
2900-733 SEYMOUR STREET
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(604) 691-7532



MARKETING ACTIVITY

To: The Bowra Group, in its Capacity as Court Appointed Liquidator of 304768 BC Ltd. And Glenmerry Market Ltd.

Date: December 19th, 2022

From: Bill Randall, Executive Vice President
Colliers (the "Agent")

Mario Berno
RE/MAX All-Pro Realty, Trail.

RE: 3550 Highway Drive, 3188 Highway Drive and 1976 Seventh Avenue
("The Properties")

We have engaged in the following marketing activities

- Listed May 31st, 2022
- Multiple emails to our select Colliers investor & developer database which contains over 2,500 recipients
- Multiple emails to our apartment owner's database which has over 300 recipients
- 3550 Highway Drive, 3188 Highway Drive and 1976 Seventh Avenue has been continuously marketed on the Colliers website.
- 3550 Highway Drive, 3188 Highway Drive and 1976 Seventh Avenue has been continuously marketed on Bill Randall's personal website.
- Brochure created ([link to brochure](#))
- CIM, essentially a more detailed brochure, created ([link to CIM](#))
- Distribution to all Colliers offices in Canada
- Over 150 packages sent out
- Over 100 personal phone calls made

The attached Data Room ([link to data room](#)) emailed to the following parties who have expressed interest in 3550 Highway Drive, 3188 Highway Drive and 1976 Seventh Avenue.

- ✓ Liquidation Order
 - ✓ Property taxes for all 3 properties
 - ✓ Rent roll for all 3 properties
 - ✓ Title search for all 3 properties
 - ✓ Detailed income statements for all 3 properties
 - ✓ Detailed expense statement for all 3 properties
 - ✓ Detailed repairs and maintenance reports for all 3 properties
 - ✓ Service agreements for all 3 properties
 - ✓ Photos
-
- Conducted open houses on two days at all the apartment buildings for buyers to view
 - Undertook with EXP Consulting to complete detailed Phase 2 Environmental Reports
 - Listed on MLS and Realtor.CA on September 6th, 2022, with over 500 views
 - Sent out twice to Commercial Broadcast, an email service which goes to over 4,000 realtors in BC
 - Met with the Property Managers and toured all units of each apartment building

Interested Parties – Due Dillgence package received

- o Jared Gibbons, Royal Le Page
- o Casey Pollard, CBRE (client made an offer)
- o Ben Ames (Purchaser)
- o James Blair, Marcus & Millichap (client made an offer)
- o Brian Lerose
- o Nick Bodle, Royal Le Page
- o Tristan Chart, Fair Realty
- o Blake Telane
- o Joe Ungaro
- o Damon Stamboulch
- o Capital West Mortgage
- o Investment Management Synvest
- o Austeville Properties
- o Brookes Properties
- o Aidan Wonnacott
- o Tejinder Bains
- o Shah Karan
- o Jennifer Hiebner, Realtor
- o Terry Alton, Century 21
- o Devin Sorenson, MacDonald Realty
- o Travis Heal
- o Black Elm
- o Chris Winckers, MacDonald Commercial
- o Novio Enterprises (Made an offer)
- o Arshan Quershi
- o Sunil Suvarna, Colliers
- o Brian Thate
- o Katey Uris
- o Man Antea
- o Saurabh Sethi
- o Nathan Duneau
- o Jay Ujhar
- o Joy Demelo, realtor
- o Matt Ferrario
- o Adam Rabeda, NAI
- o Gaugcheng Wu (made a verbal offer)
- o Dwellscape Investments
- o Brodin Fyke
- o Skyreach Capital
- o Marwan Investments
- o GMX Excavation
- o Amy Ens, realtor
- o Mandeep Grewal
- o Adrian Beruschi, CBRE
- o Raymond Leung
- o Jas Pannu (client made an offer)
- o WK Mechanical
- o Tyler Glenger, Castlegar Realty
- o Jack McConnachie, Remax All-Pro Realty
- o Keith Dewitt, Remax All-Pro Realty

Comments

The Properties have received relatively strong interest with over 50 potential buyers receiving access to the Data Room for due diligence on the properties

The majority of the interest has been from individuals and families familiar with the Kootenay Region. The activity from Funds, REITS, and other investment companies has been somewhat limited. We feel the reason for this is that interest rates have effectively doubled since the Property was listed in May and banks have become very stringent on lending with more capital requirements, lower loan to value ratios and lengthy approval times. The majority of the interest has been in the portfolios as a whole.

Offers

Please note, all the offers that were presented had buyers conditions, as did the current offer. The current offer has now removed their buyer's conditions which is now only conditional to Court Approval.

Current offer: Ben Ames - \$12,500,000 , subject to Court Approval , received September 21, 2022.

Offers

- Mario Morrison, \$11,200,000, 60 day, 60 Purchaser condition, received October 11th, 2022
- *Vr Medics Holding Inc.* - ~~304768 BC Ltd.~~, \$11,000,000, 65 day Purchaser condition, received September 29th, 2022
- Novio Enterprises Ltd., \$11,155,000, 40 day Purchaser condition, received September 20th, 2022
- Highliving Properties Ltd., \$10,900,000 , 60 day Purchaser condition, received September 14th, 2022
- In addition, there were two other groups that wanted to offer less than \$10,000,000 and I advised that the price was too low to get consideration.

Recommendations

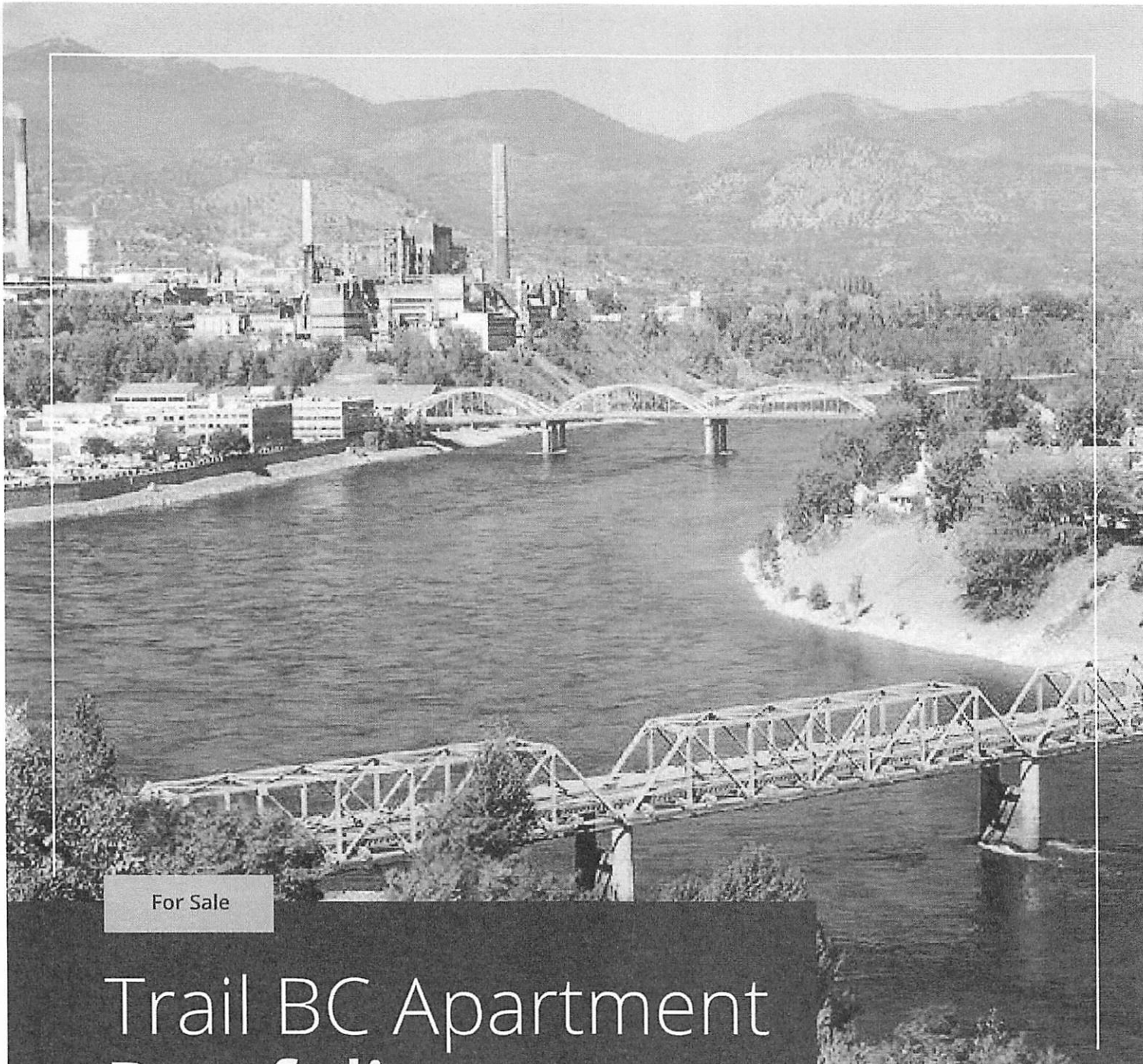
The Opportunity has been well exposed since May 31st, 2022 as demonstrated by the 50 interested parties and five written offers. We believe the current offer is a very strong offer and recommend Court approval, it is possible that offerors show up in Court and all the other offerors including additional parties have asked to be advised of the Court date.

Given the interest rate environment, financing challenges, inflation, downside pricing risks, and rent increase controls – there are challenges.

Best Regards,



Bill Randall
Personal Real Estate Corporation
Executive Vice President
+1 604 604 671 3077
bill.randall@colliers.com



For Sale

Trail BC Apartment Portfolio

3550 Highway Drive | 3188 Highway Drive | 1976 Seventh Avenue
Trail, BC

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Executive Vice President
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Mario Berno
Broker, Re/Max
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Mario.Berno@gmail.com

Colliers

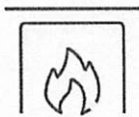
Accelerating success.



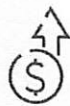
The subject properties are located in the City of Trail in BC. The City of Trail is situated on the Columbia River in the West Kootenay region of British Columbia with 8,250 people calling it home. It is a special place with affordable real estate, outstanding recreational facilities, and an abundance of outdoor activities. In addition, it has an active arts and culture community and a variety of service clubs and organizations.

The properties enjoy a 10-minute drive to the Trail Regional Airport, and 20-minute drive to the Red Mountain Resort which is wonderful for the winter vacations.

Investment Highlights



Home to one of the largest lead and zinc smelters in the world



Low municipal tax rates, development tax exemption bylaws and land tax incentives



Commercial and residential real estate prices are significantly below BC average



Close to the trading areas and US borders, easy access to highways, rail and airports



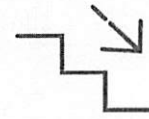
Diverse and affluent population



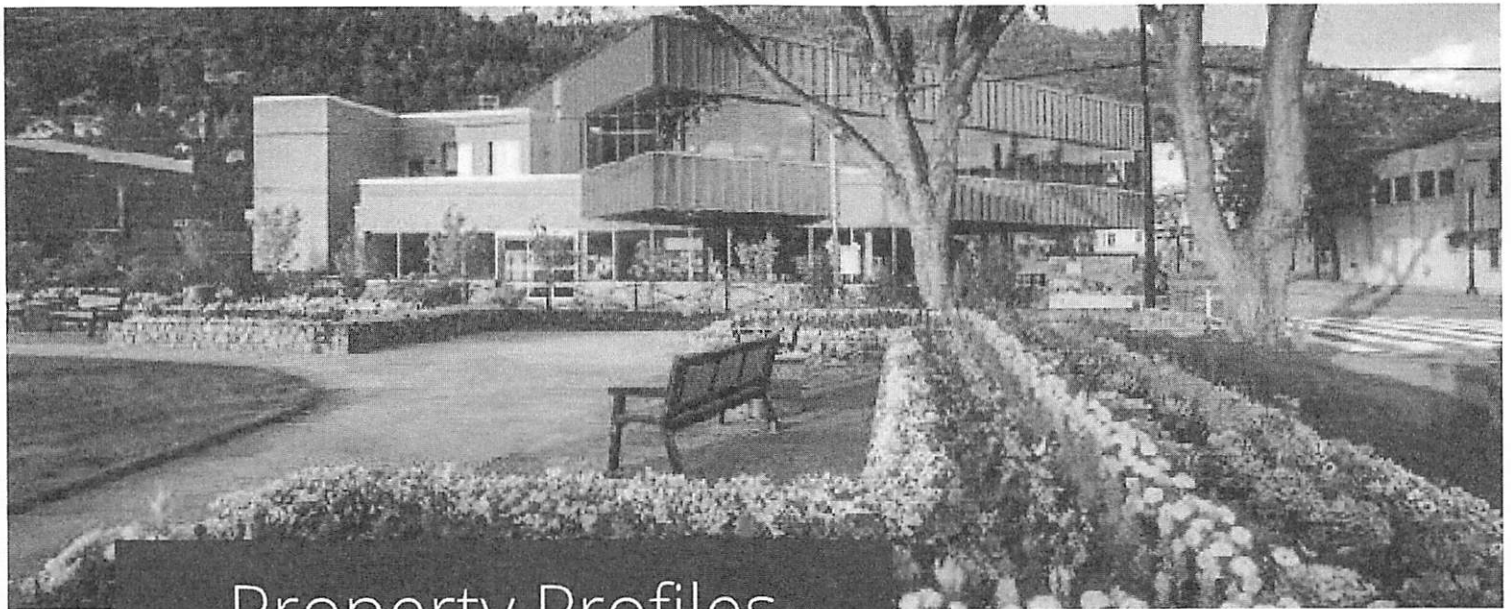
Teck Cominco employ 1,800 people



Very low residential vacancy

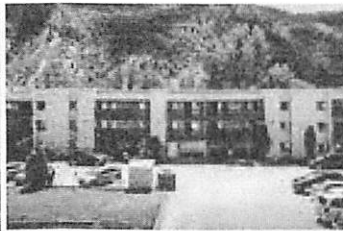


Below market rents



Property Profiles

- The Properties can be purchased individually, but preference may be given to an en bloc purchaser.
- Environmental reports are available for all the properties



Property Name	1. Francesco's Estates	2. Ermelinda Estates	3. Bella Vista
Civic Address	3550 Highway Drive, Trail, BC	3188 Highway Drive, Trail, BC	1976 Seventh Avenue, Trail, BC
Site Area	2.03 acres	1.70 acres	3.56 acres
Current Zoning	R7 - Medium Density Multiple Family Residential Zone	R7 - Medium Density Multiple Family Residential Zone	R6 - Low Density Multiple Family
Current Improvements	30-unit rental building, three-storey apartment style with an elevator, very good condition	28 one bedroom 13 two bedroom 1 office unit	12 four-unit, two-level rental townhouses, total of 48 units, very good condition
Suite Mix	7 - one bedroom 10 - two bedroom 13 - three bedroom	28 - one bedroom 13 - two bedroom 1 - office	20 - two bedroom 28 - three bedroom
Age of Building	42 years old	43 years old	46 years old
Property Taxes (2022)	\$15,920.87	\$20,256.03	\$32,492.56
Comments	Boiler room pipe refit 2021 Elevator upgrade 2019 One of the premier apartment buildings in the area	Boiler room pipe refit 2021 Roof work 2020 Elevator upgrade 2019 River views	Roof work 2021 Beautiful, large yard area
Estimated Net Income (2022)	+/- \$219,000	+/- \$287,000	+/- \$337,000
Asking Price	\$3,700,000	\$4,000,000	\$5,400,000

Trail BC Apartment Portfolio

3550 Highway Drive | 3188 Highway Drive | 1976 Seventh Avenue
Trail, BC

For more information,
please contact:

Bill Randall

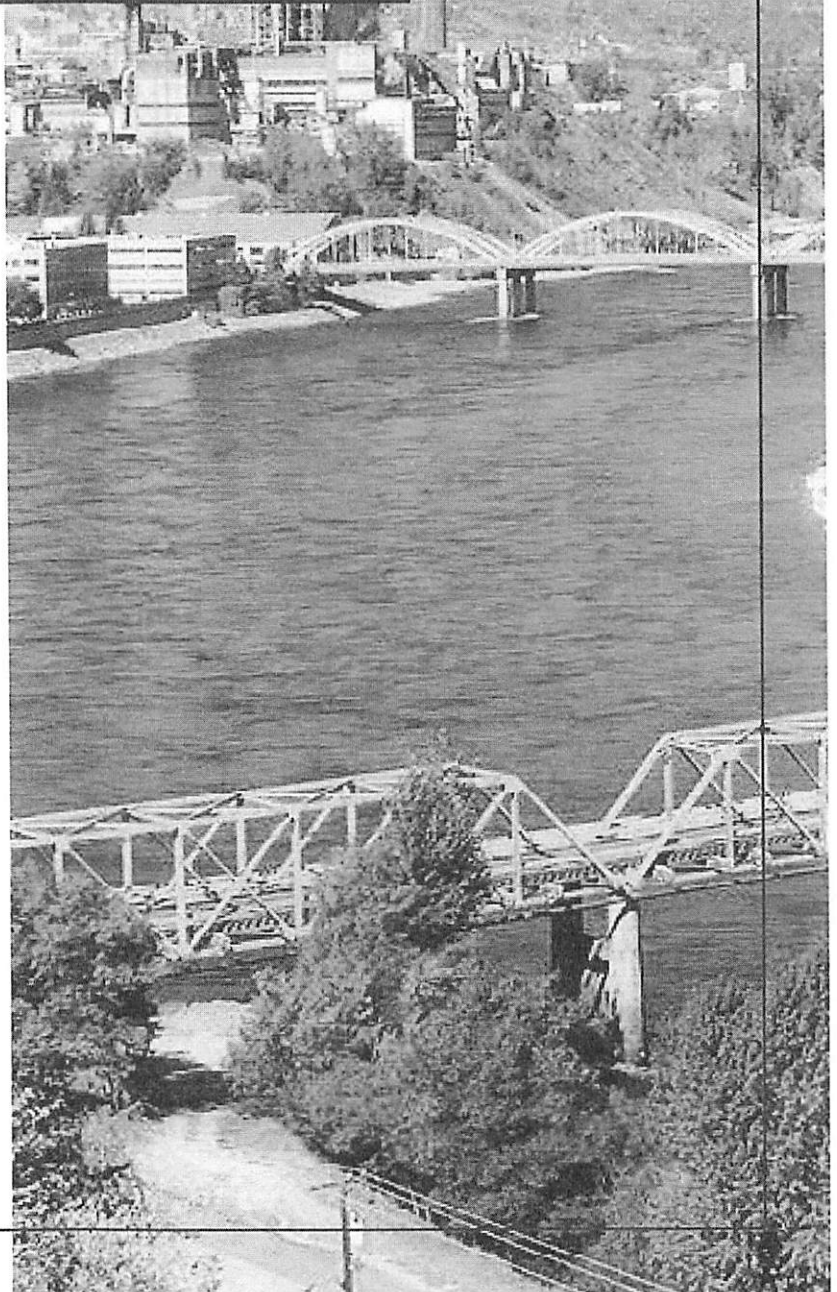
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Colliers


Trail BC Apartment Portfolio

3 well maintained and managed buildings located in the Kootenays of BC



For Sale

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Explore 

Trail BC

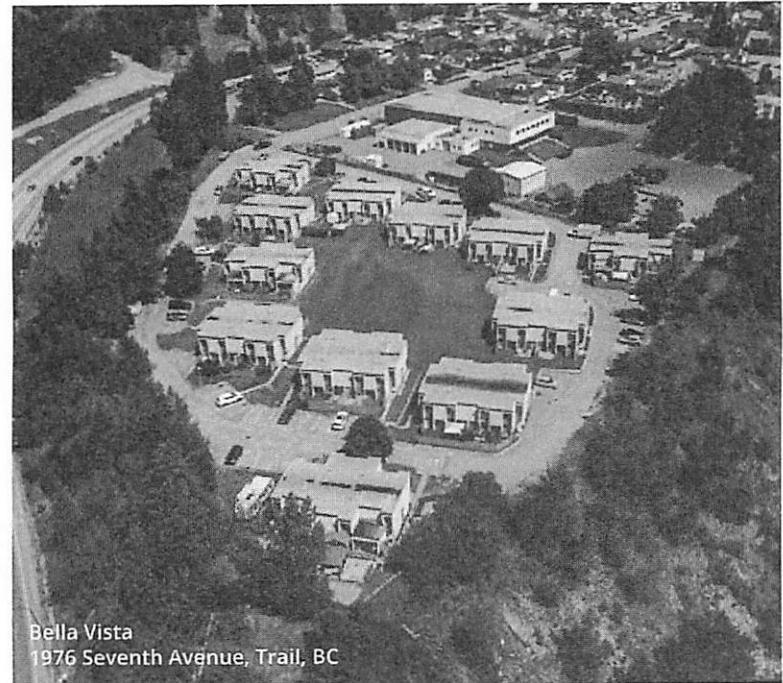
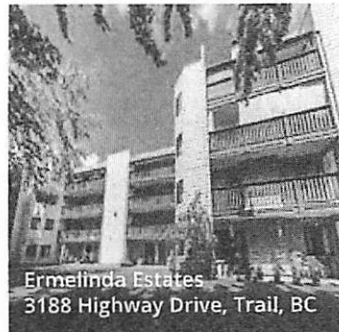
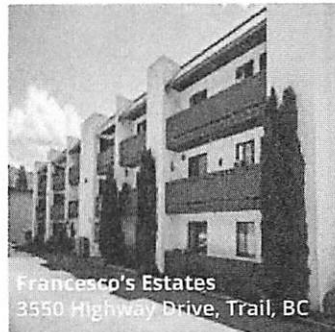
Multifamily Portfolio

The Offering

Colliers is pleased to introduce the Trail BC Apartment Portfolio which offers investors a rare opportunity to acquire 3 very well maintained and managed buildings located in high-demand tertiary markets. Each of the three properties are situated in amenity rich locations.

The properties are being offered for sale individually or as a portfolio, with submissions to be evaluated primarily on the consideration of the assets, the method of payment for consideration, the prospective purchaser's ability to complete the transactions, the form of offers and the proposed date and conditions of closing.

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Trail BC

Multifamily Portfolio

3550 Highway Drive is comprised of a 30 unit 3-storey, multi-residential building in very good condition. The unit has had a boilers room upgrade in 2021 and an elevator upgrade in 2019.

This professionally managed, 30-suite apartment style complex is a turnkey investment opportunity strategically positioned in the quaint neighbourhood of Trail. Close to many local amenities, this property is also a short drive to the Trail Regional Airport and the Red Mountain Resort which is wonderful for outdoor activities and winter vacations.

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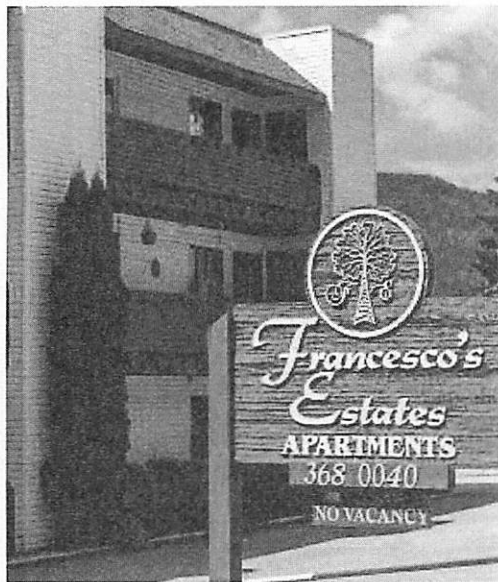
[3550 Highway Drive](#) | [3188 Highway Drive](#) | [1976 Seventh Avenue](#)

Francesco's Estates 3550 Highway Drive, Trail, BC



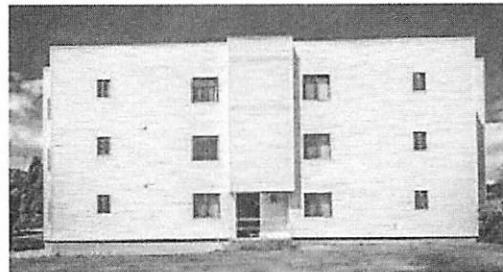
Trail BC

Multifamily Portfolio



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Francesco's Estates 3550 Highway Drive, Trail, BC



Municipal Address	3550 Highway Drive, Trail, BC
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Estimated Net Income	+/- \$219,000
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Expense Ratio	33%
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Lot Size	2.03 acres
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Age of Building	42 years
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Building Size	3-Storey
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Suites	30
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Suite Mix	22 one bedroom 10 two bedroom
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Laundry Facility	On-site
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Elevator	Yes
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Financing	Free & Clear
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Trail BC
Multifamily Portfolio

3188 Highway Drive is comprised of a 42 unit multi-residential building, inclusive of one office unit. The Property has undergone numerous capital upgrades, inclusive of a new boiler room fit out, elevator upgrade and roof work done in 2020.

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[3550 Highway Drive](#) | [3188 Highway Drive](#) | [1976 Seventh Avenue](#)

Ermelinda Estates 3188 Highway Drive, Trail, BC



Trail BC
Multifamily Portfolio



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Ermelinda Estates 3188 Highway Drive, Trail, BC



Municipal Address	3188 Highway Drive, Trail, BC
Estimated Net Income	+/- \$287,000
Expense Ratio	30%
Lot Size	1.70 acres
Age of Building	43 years
Building Size	4-Storey
Suites	42
Suite Mix	28 one bedroom 13 two bedroom 1 office unit
Laundry Facility	On site
Elevator	Yes
Financing	Free and clear

Trail BC

Multifamily Portfolio

1976 Seventh Avenue is comprised of 12, four-unit, two-level rental townhouses in very good condition. The 48 unit building is strategically located in the city of Trail.

Bella Vista is well positioned for future growth as the nearby area continues to be redeveloped. A short drive away is Trail City Centre which offers a wide variety of amenities including many restaurants, hotels, museums, parks and outdoor recreational activities year round.

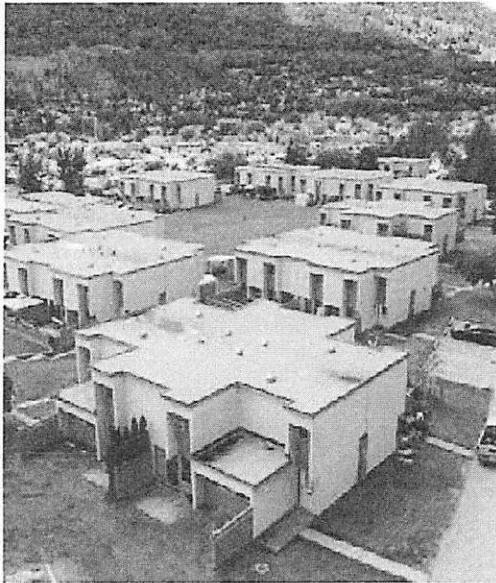
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[3550 Highway Drive](#) | [3188 Highway Drive](#) | [1976 Seventh Avenue](#)

Bella Vista 1976 Seventh Avenue, Trail, BC

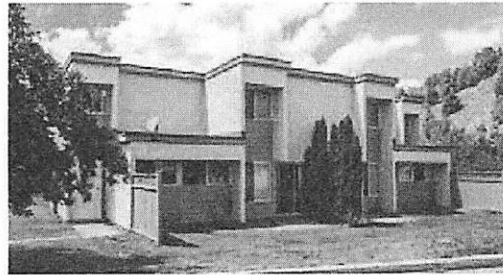
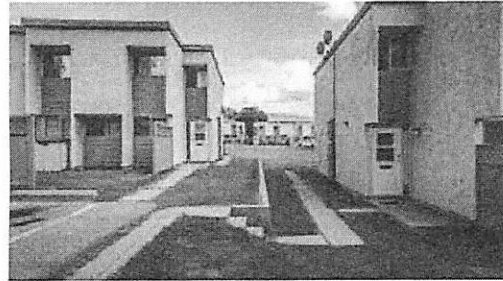


Trail BC
Multifamily Portfolio



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Bella Vista 1976 Seventh Avenue, Trail, BC



Municipal Address	1976 Seventh Avenue, Trail, BC
Estimated Net Income	+/- \$337,000
Expense Ratio	32%
Lot Size	3.56 acres
Age of Building	46 years
Building Size	2-Storey
Suites	48 Units
Suite Mix	12, four unit, two-level townhouses
Financing	Free & Clear

Trail BC

Multifamily Portfolio

Trail

The City of Trail is situated on the Columbia River in the West Kootenay region of British Columbia with 8,250 people calling it home. It is a special place with affordable real estate, outstanding recreational facilities, and an abundance of outdoor activities. In addition, it has an active arts and culture community and a variety of service clubs and organizations.



Population
8,250



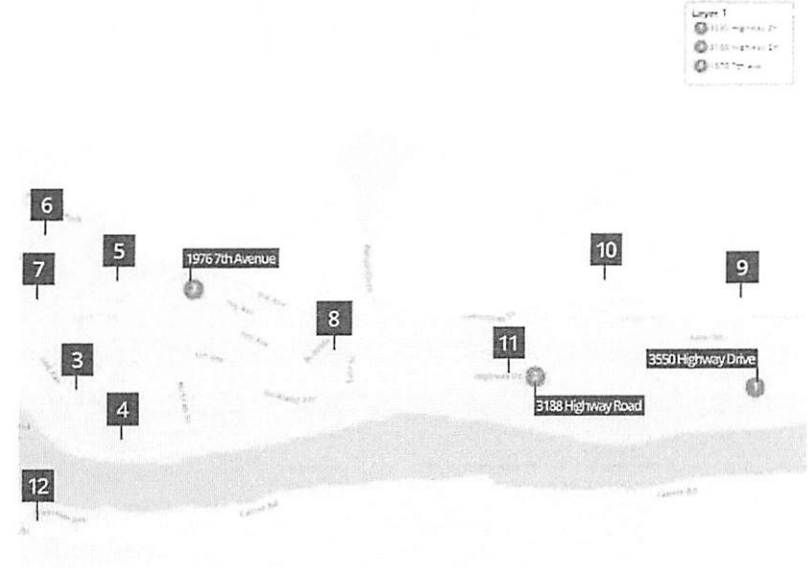
Median Age
45.90



AVG HH Income
\$53,527

Local Amenities

1	3550 Highway Drive
2	3188 Highway Road
3	1976 7th Avenue
4	Trail Aquatic & Leisure Centre
5	JL Crowe Secondary School
6	Kootenay Boundary Regional Hospital
7	RBC
8	Pople Park
9	Church of Latter Day Saints
10	Andy Bilesky Park
11	Glenmerry Bowl
12	Trail Museum and Archives



Trail BC
Multifamily Portfolio



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[Highlights](#) | [Gallery](#)

Investment Highlights



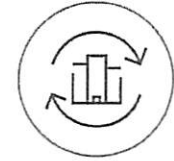
Professionally Managed,
Turnkey Income
Properties



High Performing Assets.



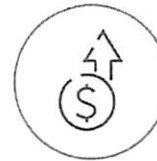
Very high Historical
Occupancy Rate



Capital Upgrades
Recently
Completed



45/75 Suites Repositioned
Since 2017



Rental Upside Available



Located in High-Demand
Tertiary Markets

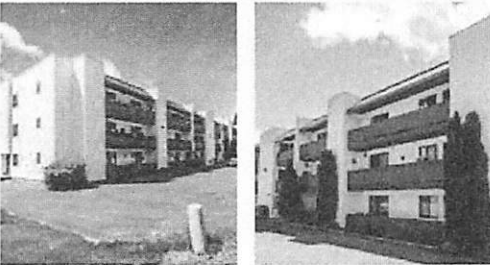
Trail BC

Multifamily Portfolio

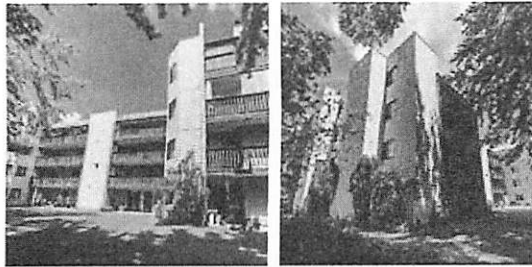
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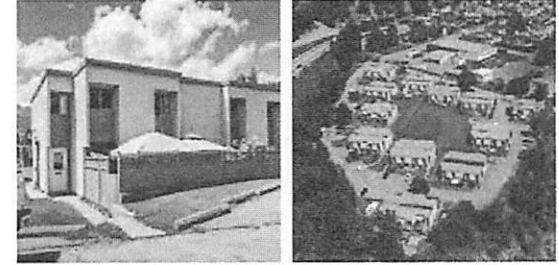
3550 Highway Drive, Trail, BC



3188 Highway Drive, Trail, BC



1976 Seventh Avenue, Trail, BC



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collierscanada.com

Accelerating success.



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IN THE SUPREME COURT OF BRITISH COLUMBIA

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Respondents

AFFIDAVIT

OWEN BIRD LAW CORPORATION

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