



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-25-00747127-00CL

DATE: September 21, 2026

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TITLE OF PROCEEDING: MORRISON FINANCIAL MORTGAGE CORPORATION

V

(1000 & 1024 DUNDAS ST. E.) GP INC. et al

BEFORE: JUSTICE J. Dietrich

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Wendy Hope Greenspoon-Soer	Counsel to Morrison Financial Mortgage Corporation	wgreenspoon@garfinkle.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Shahzad Siddiqui	Counsel for the Respondents, AG (1000 & 1024 Dundas St. E.) GP Inc., AG (1000 & 1024 Dundas St. E.) LP and AG (1000 & 1024 Dundas St. E.) Inc.	shahzad@covenantllp.ca

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Judy Hamilton	Counsel to Ibran Developments Ltd	jh@friedmans.ca
Damon Stoddard	Counsel to the Lien Claimant, Ahmed Developments Inc.	dstoddard@rarlitigation.com
Adam Zeldin	Court Appointed Receiver, Albert Gelman Inc.	azeldin@albertgelman.com
Patrick Di Monte	Counsel to Ahmed Asset Management Inc	patdimonte@on.aibn.com
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Mohammed Ahmed	Self-Represented Third Party	m@ahmed.group

ENDORSEMENT OF JUSTICE J. DIETRICH

- [1] Albert Gelman Inc. as court-appointed Receiver of the property of (1000 & 1024 Dundas St. E.) GP Inc. (“**AG GP Inc.**”), AG (1000 & 1024 Dundas St. E.) LP (“**AG LP**”) and AG (1000 & 1024 Dundas St. E.) Inc. (“**AG Inc.**”) (collectively, the “**Debtors**”), including, without limitation, the real property municipally known as 1000 Dundas Street East, Mississauga, Ontario (“**1000 Dundas**”) and 1024 Dundas Street East, Mississauga, Ontario (“**1024 Dundas**”, and together with 1000 Dundas, the “**Dundas Properties**”) seeks two orders.
- [2] First an Approval and Vesting Order (the “**AVO**”) authorizing the transaction (the “**1024 Transaction**”) contemplated by the agreement of purchase and sale dated August 5, 2026 (the “**1024 APS**”) between the Receiver, as vendor, and 1024 Dundas Street Limited as assignee of Ibrans Developments Ltd., as purchaser (the “**Purchaser**”), for the sale of 1024 Dundas, and vesting in the Purchaser the Debtors’ right, title and interest in 1024 Dundas, free and clear of all claims and encumbrances other than permitted encumbrances, upon delivery of a certificate by the Receiver to the Purchaser
- [3] Second, an Ancillary Order is sought:
- (a) approving the Third Report of the Receiver dated August 14, 2026 (the “**Third Report**”), the Fourth Report of the Receiver dated September 10, 2026 (the “**Fourth Report**”), the Supplementary Fourth Report of the Receiver dated September 18, 2026 (the “**Supplementary Fourth Report**”) and the activities and conduct of the Receiver as described therein;
- (b) approving the Receiver’s fees and disbursements, and the fees and disbursements of the Receiver’s counsel, Robins Appleby LLP (“**RA**”) as set out in the Fourth Report;

(c) approving the Receiver's Interim Statement of Receipts and Disbursements as set out in the Fourth Report (the "**Interim SRD**"); and

(d) sealing the Confidential Appendices to the Fourth Report until the completion of the sale of both 1000 Dundas and 1024 Dundas or further Order of this Court.

- [4] Defined terms used but not otherwise defined herein have the meaning provided to them in the factum of the Receiver filed for use on this motion.
- [5] Mohammed Irfan Ahmed appears self-represented today, as guarantor. Although he is a representative of the Debtors, counsel for the Debtors appears. Counsel for Ahmed Asset Management Inc. (a related party which had previously leased a portion of 1024) also appears as does counsel for Ahmed Developments Inc. (another related party which claims a construction lien over the Dundas Properties). A request to adjourn today's motion was heard and denied by Cavanagh J. on September 18, 2026.
- [6] An affidavit sworn by Mr. Ahmed was uploaded to Case Center this morning. Mr. Ahmed as guarantor of the obligations owed by the Debtors to Morrison Financial Mortgage Corporation ("**Morrison**"), the Debtors' senior secured lender who is owed over \$16 million which is secured over the Dundas Properties.
- [7] Mr. Ahmed also uploaded a notice of motion to case center this morning. In that notice of motion (which is not supported by affidavit evidence) he claims a conflict of interest by Robins Appelby LLP as counsel given the purported retention by corporations related to Mr. Ahmed in 2023 of Robins Appelby. Counsel for the Debtors advised during the hearing that this motion was by Mr. Ahmed as guarantor and not by the Debtors.
- [8] At the end of the hearing Mr. Ahmed agreed the motion regarding counsel's alleged conflict was not properly briefed, in that there was no evidence before me and was only posted to case center minutes before the hearing began. Although it was clear he wished the matter be addressed prior to the hearing of the substantive motion for an AVO, requests for adjournment of the AVO motion were already addressed by Cavanagh J. and denied. Rather, the parties are directed to schedule a case conference to address the scheduling of that motion. At the case conference, approval of fees of the Receiver and its counsel can also be scheduled. I appreciate the two issues are related.
- [9] On the main relief before me, being the AVO, Mr. Ahmed's position is that the relief sought by the Receiver should not be granted, or if granted should be conditional so as to provide an appropriate to him and the Debtors to redeem the mortgage over 1024 Dundas. That position is supported by the Debtors and Ahmed Asset Management Inc. Specifically, those parties request that an order be made that, subject to an amount be paid into Court equal to \$8 million plus the Receiver's charges allocable to 1024 Dundas, plus the Purchaser's reasonable costs thrown away no later than November 13, 2026 or 11 days following the fixing of such amounts, Morrison's charge over 1024 Dundas be discharged and the Receivership terminated over that property.
- [10] Prior to considering the request for approval of the transaction, I will first address the Debtor's request to redeem the mortgage on 1024 Dundas. The Ontario Court of Appeal at paras 9 and 10 of *Rose-Isli Corp. v. Smith*, 2023 ONCA 548 [*Rose-Isli*] set out the governing principles in consider a motion to redeem a mortgage in the context of a receivership proceeding:

[9] ...

- In considering a request by an encumbrancer to redeem a mortgage on property in receivership, a court should consider the impact that allowing the encumbrancer to exercise its right of redemption would have on the integrity of a court-approved sales process;
- Usually, if a court-approved sales process has been carried out in a manner consistent with the principles set out in *Royal Bank of Canada v. Soundair Corp.*, (1991), 1991 CanLII 2727 (ON CA), 4 O.R. (3d) 1 (C.A.), a court should not permit a latter attempt to redeem to interfere with the completion of the sales process. In our view, the reason the Soundair principles apply to circumstances where an encumbrancer seeks to redeem a mortgage is that once the court's process has been invoked to supervise the sale of assets under receivership, the process must take into consideration all affected economic interests in the properties in question, not just those of one creditor; and
- In dealing with the matter, a court should engage in a balancing analysis of the right to redeem against the impact on the integrity of the court-approved receivership process.

[10] We adopt the rationale for those guiding principles articulated in *B&M Handelman Investments Limited v. Mass Properties Inc.* (2009), 2009 CanLII 37930 (ON SC), 55 C.B.R. (5th) 271 (Ont. S.C.), where the court stated, at para. 22:

A mockery would be made of the practice and procedures relating to receivership sales if redemption were permitted at this stage of the proceedings. A receiver would spend time and money securing an agreement of purchase and sale that was, as is common place, subject to Court approval, and for the benefit of all stakeholders, only for there to be a redemption by a mortgagee at the last minute. This could act as a potential chill on securing the best offer and be to the overall detriment of stakeholders.

- [11] During the hearing, I recommended the above case to counsel and Mr. Ahmed as no one had put it before me. I then stood the matter down for a short time for those present to review the case and provide submissions on it and/or other relevant case law.
- [12] In *Peakhill Capital Inc. v. 1000093910 Ontario Inc.* 2024 ONCA 584 [**Peakhill**] the Ontario Court of Appeal upheld a decision where the motions judge found that in the extraordinary circumstances of that case, including that all creditors were being paid in full and allowing the respondent to redeem would not have a significant impact on the integrity of the system in that particular case. However, unlike in *Peakhill*, in the circumstances before me, providing additional time for the Debtors to redeem would not be appropriate, as there are no unusual and exceptional circumstances that exist to support granting the right to redeem at this time.
- [13] In this case, the receivership proceeding has been ongoing since December 17, 2025, a sales process has previously been court-approved and carried out, and the Receiver has entered into a sale agreement as a result of such process. Further, the Debtors are not coming with a cheque in hand to pay out all creditors.
- [14] Rather, even accepting Mr. Ahmed's evidence, the Debtors' at best have a conditional commitment to pay \$9 million. Mr. Ahmed says Morrison has agreed to accept \$8 million for its charge against 1024 Dundas and the remainder would cover costs to be agreed or determined of the Receiver as allocable to 1024 Dundas and the costs of the Purchaser thrown away (again to be agreed or determined). The commitment is admitted to be conditional on a property valuation ordered by lender showing the loan is

not to exceed 65% of the value of the property, a satisfactory feasibility study and/or satisfactory lease from tenants, a satisfactory environmental report and guarantees. Those conditions are substantial.

- [15] Further, as noted in the Fourth Report, along with Morrison, Property Taxes of approximately \$73,000 in respect of 1000 Dundas and approximately \$114,000 in respect of 1024 Dundas are outstanding. Further, the Canada Revenue Agency (the “**CRA**”) informed the Receiver that as of March 18, 2026, AG Inc. has outstanding GST/HST liabilities of approximately \$108,000, including approximately \$91,000 constituting a deemed trust claim, together with an unsecured claim for corporate income tax liabilities of approximately \$44,000. The CRA also advised that GST/HST returns have not been filed for the Debtors for fiscal years 2024 and onwards. The Receiver continues to address these filing deficiencies and obtain further information concerning any potential claims of the CRA.
- [16] Accordingly, I am not satisfied that Mr. Ahmed or the Debtors have come to Court in the circumstances similar to those before the Court in *Peakhill*. All creditors are not being paid in full in cash in immediately available funds. Mr. Ahmed attributes this in part to a dispute about a partial discharge of the Morrison charge of the Dundas Properties, however, there has been no determination that Morrison acted improperly and has voluntarily agreed to a partial discharge amount (however as noted above the required funds are not in hand and do not appear sufficient to pay out all creditors). The Respondents and Ahmed Asset Management also claim *Rose-Isli* is distinguishable as in that case the request for redemption came at the last minute while in this case the Debtors have been attempting to redeem for months. It may be that Debtors have expressed their desire to redeem for quite some time, but that is not in itself sufficient. The request must be backed up with available funds to pay all creditors.
- [17] Further, as noted by the Ontario Court of Appeal in *Rose-Isli*, the integrity of the Court-approved receivership process needs to be considered. I am concerned that permitting the Debtors to redeem or giving them another opportunity to do so at this stage of the Receivership proceeding, where the Receiver has entered into the 1024 APS and is seeking court approval of that Transaction, would make a mockery of the practice and procedures relating to receivership sales and could act as a potential chill on securing the best offer in Receivership sale processes as cautioned against by the Ontario Court of Appeal.
- [18] Accordingly, I decline to grant relief as requested by the Debtors and Mr. Ahmed permitting additional time to redeem to the Debtors.
- [19] Turning to approval of the requested Transaction, the principles to be applied when determining whether to approve a sale transaction were articulated by the Ontario Court of Appeal in *Royal Bank of Canada v. Soundair Corp.*, 1991 CanLII 2727 (“**Soundair**”): (a) whether the receiver has made sufficient effort to obtain the best price and has not acted improvidently; (b) the efficacy and integrity of the process by which offers have been obtained; (c) whether the interests of all parties have been considered; and (d) whether there has been unfairness in the working out of the process.
- [20] Further, as set out in *Soundair*, the Court should accept the recommendation of Receiver in respect of sale in all but exceptional circumstances as to do otherwise would weaken the role and function of the Receiver: see also *9-Ball Interests Inc. v. Traditional Life Sciences Inc.*, 2012 ONSC 2788 at para 28.
- [21] The Receiver conducted the Sale Process in accordance with the Sale Process Approval Order previously made by Dunphy J. Although the Debtors attempted to appeal the Sale Process Approval Order, by a decision dated September 1, 2026, Pomerance JA determined that the Sale Process Approval Order was not appealable as of right under subsection 193(c), and leave to appeal under subsection 193(e) of the BIA was denied. I was advised during today’s hearing that Ahmed Asset Management is seeking to have

Pomerance JA's decision reviewed by the Ontario Court of Appeal, and a motion to extend time to file materials for that request is scheduled for October 1, 2026. However, currently, the Sale Process Approval Order remains in force and is not stayed.

- [22] Further, the Dundas Properties were broadly marketed through MLS, direct solicitation to approximately 4,000 contacts, marketing materials, signage and an electronic data room. Prospective purchasers were afforded an opportunity to conduct diligence and attend site tours. Six offers were received in respect of one or both Dundas Properties.
- [23] The Receiver considered the other offers received, the value set out in the previously obtained appraisals and the alternative of further marketing but, in consultation with CBRE, concluded that doing so would incur additional costs without assurance of a superior realization. There is no evidence of unfairness in the conduct of the Sale Process. The 1024 APS was selected following market exposure and consideration of the offers received. The Receiver acted in accordance with the Sale Process Approval Order and exercised its business judgment in selecting the transaction it considers to be in the best interests of stakeholders. The Transaction permits the Receiver to realize upon 1024 Dundas while substantial interest, property taxes, professional fees and carrying costs continue to accrue. Morrison supports the Transaction.
- [24] It should be noted that prior to the commencement of these proceedings, the ownership structure of the Dundas Properties was reorganized. The properties were originally held by separate corporate entities, but in March 2024, the Debtors completed a corporate reorganization pursuant to which title to both 1000 Dundas and 1024 Dundas was transferred to AG LP and AG GP Inc. As a result of this amalgamation and transfer, the Dundas Properties became commonly owned and constitute abutting lands. As a consequence of this common ownership, section 50 of the Planning Act, R.S.O. 1990, c. P.13 (the "*Planning Act*") may sometimes restrict the conveyance of one property without the other. However as noted by the Morawetz CJ. in *Laurentian University of Sudbury*, 2023 ONSC 632 at para. 18 and the cases noted therein, Ontario courts have consistently held that the vesting of land by Court order is not a "conveyance by way of deed or transfer" for purposes of s. 50(3) of the *Planning Act*. Further, there is no opposition to this aspect of the vesting order and no person has raised concern that if the AVO is granted it would be inconsistent with planning principles.
- [25] Accordingly, I would approve the Transaction and grant the requested AVO.
- [26] Mr. Stoddard asks that the AVO be amended to include a term providing a holdback in respect of a construction lien alleged to be held by his client. The AVO does not permit any distribution of funds and therefore a holdback is not necessary at this time. Any request for a holdback or priority for the construction lien can be determined at a later date. Nothing in the AVO being sought today affects those issues.
- [27] Mr. Ahmed also raises concerns about the rooftop lease, however, the Receiver has confirmed that the rooftop lease is unaffected by the AVO and will remain a permitted encumbrance under its terms.
- [28] I am also satisfied that the limited sealing order being sought is necessary to preserve the Receiver's ability to maximize the value of the Dundas Properties. I am satisfied that the requested sealing order for the confidential appendices to the First Report (being a summary of offers received, an unredacted version of the 1024 APS and unredacted copy of an appraisal for the Dundas Properties) meets the test in *Sherman Estate v. Donovan* 2021 SCC 25 at para 38 and that disclosure of this information would pose a risk to the public interest in enabling stakeholders of a company in receivership to maximize the

realization of assets. The Receiver is directed to follow the applicable guidelines for the filing of sealed material with the court, and to eventually apply, at the appropriate time, for an unsealing order, if necessary. I note that Mr. Ahmed has requested, either personally as guarantor or as a representative of Debtors, to see a copy of the sealed material. The Receiver has advised that previously when such request had been made a form of non-disclosure agreement was sent to Mr. Ahmed or counsel to the Debtors along with a request to confirm Mr. Ahmed or companies he controlled would not be bidding on the property. The requested non-disclosure agreement and confirmation were not provided and therefore copies of previously sealed material was not provided by the Receiver. The Receiver reports that no recent request to see the material was made to the Receiver. If Mr. Ahmed wishes to see the material the Receiver has advised that it will do so following the signed non-disclosure agreement and confirmation regarding bidding.

[29] As for the request to approve the Third Report, the Fourth Report and the Supplementary Fourth Report, such request is not unusual and there are good policy and practical reasons for doing so: see *Target Canada Co. (Re)*, 2015 ONSC 7574 at paras. 2, 12, 22. The observations in those cases while made in the context of a *Companies' Creditors Arrangement Act* proceeding apply to the activities of a court appointed receiver: see *Triple-I Capital Partners Limited v 12411300 Canada Inc*, 2023 ONSC 3400 at para 66. Nothing that has been brought to my attention today causes me concern with approving the reports and the conduct of the Receiver as set out therein. In this regard I echo the comments of Dunphy J in para 6 of his endorsement from April 1, 2026 in this proceeding.

[30] Orders to go in the form signed by me this day with immediate effect.



Date: Sep 21, 2026

Justice J. Dietrich