

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

B E T W E E N:

**CAMERON STEPHENS MORTGAGE CAPITAL LTD.**

Applicant

-and-

**2011836 ONTARIO CORP., JEFFERSON PROPERTIES LIMITED PARTNERSHIP,  
1000162801 ONTARIO CORP., AMERICAN CORPORATION  
and 1000199992 ONTARIO CORP.**

Respondents

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

**AIDE MEMOIRE OF THE RECEIVER**

April 28, 2024

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**Lawyers for the Receiver, Albert Gelman Inc.**

**TO: Service List**

**A. Overview**

1. On December 21, 2024 (the “**Appointment Date**”), Albert Gelman Inc. was appointed receiver and manager (in such capacity, the “**Receiver**”) of 2011836 Ontario Corp. (“**201**”) and Jefferson Properties Limited Partnership (“**JPLP**” and, together with 201, the “**Debtors**”) by order of Justice Cavanagh (the “**Appointment Order**”).

2. At this case conference, the Receiver requests an adjournment of its motion scheduled for May 3, 2024 to disclaim certain agreements of purchase and sale in respect of the Project (as defined below) and increase its authorized borrowing limit under the Appointment Order. The Receiver seeks a date for two hours the week of May 20 or May 27, 2024.

**B. Increase to Borrowing Limit**

3. The Debtors’ primary asset is certain real property, which is municipally known as 39, 53 and 67 Jefferson Side Road, Richmond Hill, Ontario (the “**Real Property**”). The Real Property is the site of a 96-unit residential development project called Richmond Hill Grace that remains under construction (the “**Project**”).<sup>1</sup>

4. Following its appointment on the Appointment Date, the Receiver determined that stakeholder value would be maximized by the completion of the Project.<sup>2</sup>

5. Under the Appointment Order, the Receiver was empowered to borrow \$7,000,000 (the “**Borrowing Limit**”), for the purpose of funding the exercise of its powers and duties.<sup>3</sup>

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<sup>1</sup> Second Report of the Receiver, February 26, 2024 (“**Second Report**”) at para. 3 ([E1003](#)).

<sup>2</sup> Second Report at para. 52-53 ([E1012](#)).

<sup>3</sup> Appointment Order, s. 20 ([E1037](#)).

6. The Receiver obtained a report (the “**Glynn Report**”) from the Glynn Group Incorporated (“**Glynn**”), a chartered quantity surveyor, that estimated the cost to complete the Project at \$23,000,000.<sup>4</sup>

7. On February 2, 2024, Justice Steele granted an order increasing the Borrowing Limit to \$9,500,000 and sealing the Glynn Report.<sup>5</sup>

8. The Receiver sought a further increase to the Borrowing Limit to \$20,000,000, among other relief, which was scheduled to be heard by Justice Steele on March 4, 2024. On the night of March 3, 2024, the Debtors served an affidavit sworn by the principal of the Debtors that opposed the increase in the Receiver’s borrowing limit.<sup>6</sup>

9. At the March 4, 2024 hearing, Justice Steele increased the Borrowing Limit to \$11,500,000 and adjourned the balance of the Receiver’s motion to March 18, 2024 so that it could be considered on the merits in light of the Debtors’ opposition.<sup>7</sup>

10. Following the March 4, 2024 hearing, the Receiver received an updated Project budget from Glynn, based on information received from the Project’s new construction manager (the “**First Budget**”). As a result of the First Budget, the Receiver sought an adjournment of the March 18, 2024 hearing, which was ultimately scheduled for May 3, 2024 by Justice Black.<sup>8</sup>

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<sup>4</sup> Second Report at para. 85-88 ([E1021](#)).

<sup>5</sup> [Order of Steele J, February 2, 2024](#).

<sup>6</sup> [Endorsement of Steele J, March 4, 2024](#).

<sup>7</sup> [Endorsement of Steele J, March 4, 2024](#).

<sup>8</sup> Endorsement of Black J, April 2, 2024 ([E1313](#)).

**C. Continued Due Diligence and Request for Further Adjournment**

11. Since the May 3, 2024 return date was scheduled by Justice Black, the Receiver has received a further updated budget (the “**Second Budget**”), which has necessitated further due diligence by the Receiver and considerable consultations with key stakeholders to ensure that its report to Court contains the most accurate and up-to-date information.

12. The Receiver has now digested the information in the Second Budget and is prepared to serve a report in support of its motion immediately in order to give stakeholders a sufficient opportunity to respond to the Receiver’s motion.

**ALL OF WHICH IS RESPECTFULLY SUBMITTED** this 28<sup>th</sup> of April, 2024.



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Jeff Larry / Ryan Shah

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**Court File No. CV-23-00710795-00CL**

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