

**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

**FACTUM OF THE RECEIVER (MOTION RETURNABLE OCTOBER 23, 2025)**

October 20, 2025

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

**TO: Service List**

## PART I. OVERVIEW

1. In this motion, Albert Gelman Inc. (“**AGI**”), the 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**”) seeks, among other things, an Order:

- (a) approving the Sixth Report of the Receiver, dated September 9, 2025 (the “**Sixth Report**”) and the Receiver’s conduct fees, and activities described therein, including the fees of the Receiver’s counsel;
- (b) approving the Sales Process (as defined and described in the Sixth Report);  
and
- (c) amending the Order (the “**Appointment Order**”) appointing the Receiver to authorize the Receiver to sell the Units (as defined below) without the specific approval of this Court for any such transaction, provided that the sale price of the Unit under an agreement of purchase and sale is not less than the applicable minimum target price set out in Confidential Appendix to the Sixth Report.

2. The Receiver was appointed pursuant to the Appointment Order on December 21, 2023.

3. At the time of the appointment, the Debtors had partially constructed a residential development project called Richmond Hill Grace (the “**Project**”) on the Debtors’ real property (the “**Real Property**”).

4. Since its appointment, the Receiver has been taking steps to complete the Project. In the Receiver's view the completion and sale of the Project by the Receiver will maximize the value of the Debtors' estate and is in the best interest of the Debtors' stakeholders.
5. The Receiver has started marketing the Units for sale and now seeks the aforementioned relief to facilitate the Receiver's efficient and cost-effective completion of any transactions that the Receiver negotiates with purchasers for the sale of Units.
6. The proposed process, if approved by the Court, will save professional fees for the benefit of all of the Debtors' stakeholders and will also conserve judicial resources.

## **PART II. FACTS**

### **A. Background**

7. On December 21, 2023, Justice Cavanagh appointed AGI as Receiver of the Debtors.<sup>1</sup> JPLP is a limited partnership established for the purpose of constructing the Project located at the Real Property, which is municipally known as 39, 53 and 67 Jefferson Side Road, Richmond Hill, Ontario. 201 is the general partner of JPLP.<sup>2</sup>
8. The Project consists of 96 residential units, being 60 stacked condominium townhome units (the "**Condos**") and 36 freehold townhome units (the "**Freehold Towns**") and, together with the Condos, the "**Units**").<sup>3</sup>

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<sup>1</sup> Appointment Order, Appendix A of the Sixth Report of the Receiver ["**Sixth Report**"], Motion Record of the Receiver (Motion Re Sales Process) ["**MRR**"], Tab 2, p. 14 ([E8891](#)).

<sup>2</sup> Sixth Report at para. 1, MRR, Tab 2, p. 16 ([E8877](#)).

<sup>3</sup> Sixth Report at paras. 6-7, MRR, Tab 2, p. 18 ([E8879](#)).

9. The Project is now substantially complete and the Receiver has commenced the marketing of the 87 unsold Units (the “**Unsold Units**”) for sale.<sup>4</sup>

**B. The Sales Process**

10. On November 11, 2024, the Receiver engaged Homelife Landmark Realty Inc. (“**Homelife**”) to act as its sales representative in connection with the Unsold Units. Homelife is an established real estate brokerage with expertise in selling residential real estate in the Richmond Hill area.<sup>5</sup>

11. The Receiver canvassed 5 real estate brokers with experience in the Richmond Hill area. In the Receiver’s view, Homelife was the most experienced broker that submitted a proposal to the Receiver and it was appropriate to retain Homelife to act as sales representative in connection with the Unsold Units.<sup>6</sup>

12. In consultation with Cameron Stephens Mortgage Capital Ltd. (the senior secured lender of the Debtor, “**Cameron Stephens**”), and Homelife, the Receiver has developed a proposed sales process (the “**Sales Process**”) for the Unsold Units, which is described below:<sup>7</sup>

- (a) Homelife began marketing the Unsold Units through a “sales launch” event on September 29, 2025, where local real estate agents were invited to learn about the Unsold Units;

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<sup>4</sup> Sixth Report at para. 8, MRR, Tab 2, p. 18 ([E8879](#)).

<sup>5</sup> Sixth Report at para. 10, MRR, Tab 2, p. 18 ([E8879](#)).

<sup>6</sup> Sixth Report at para. 11, MRR, Tab 2, p. 18 ([E8879](#)).

<sup>7</sup> Sixth Report at para. 12, MRR, Tab 2, p. 19 ([E8880](#)).

- (b) Homelife will operate a sales centre located on the Real Property where Homelife will market the Unsold Units to prospective purchasers and real estate agents;
- (c) Homelife will list the Unsold Units on the multiple listing service; and
- (d) Homelife will purchase approximately 500,000 impressions for online advertisements for the Unsold Units on Instagram and Facebook.

13. The Receiver is of the view that the Sales Process is reasonable and will sufficiently and appropriately expose the Unsold Units to the market, having regard to the nature and quantity of the Unsold Units.<sup>8</sup>

**C. Proposed Amendments to the Appointment Order**

14. The Receiver seeks the approval of a structure that will allow sales of the Units to be completed without the need to bring a motion and seek further approval of the Court (as would presently be required under the terms of the current Appointment Order, given that each transaction will exceed the \$250,000 threshold above which the Receiver must seek specific court approval).<sup>9</sup>

15. In an effort to make more practical and efficient use of judicial resources and to reduce overall costs for the benefit of the Debtors' stakeholders, the Receiver respectfully requests that this Court:<sup>10</sup>

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<sup>8</sup> Sixth Report at para. 13, MRR, Tab 2, p. 19 ([E8880](#)).

<sup>9</sup> Sixth Report at para. 14, MRR, Tab 2, p. 19 ([E8880](#)).

<sup>10</sup> Sixth Report at para. 16, MRR, Tab 2, p. 20 ([E8881](#)).

- (a) amend subsection 3(k) of the Appointment Order to authorize Permitted Transactions (as defined in the Appointment Order) that meet a minimum price threshold without seeking prior Court approval, as described in more detail below; and
- (b) approve a form of approval and vesting order to be completed by the Receiver in respect of each Permitted Transaction, which order is to be submitted to the Court Registrar for signature and will convey the Unit(s) to a purchaser free and clear of any mortgages, charges, liens or other encumbrances.

16. Each of these proposed amendments is discussed immediately below.

**1. Permitted Transactions**

17. With respect to the Units, the Receiver has proposed a minimum target price for each Unit under a Permitted Transaction (a “**Target Price**”). The Target Price reflects the Receiver’s estimate of the current fair market value of each Unit, subject to a discount to provide the Receiver with flexibility in negotiating a favourable price with potential purchasers, in all the circumstances.<sup>11</sup>

18. A transaction for the sale of a Unit will be a Permitted Transaction if the sale price of the Unit under the agreement of purchase and sale is equal to or higher than the Target Price for that Unit.<sup>12</sup>

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<sup>11</sup> Sixth Report at para. 17, MRR, Tab 2, p. 20 ([E8881](#)).

<sup>12</sup> Sixth Report at para. 18, MRR, Tab 2, p. 21 ([E8882](#)).

19. The Receiver proposes to keep this Target Price List (as defined in the Sixth Report) confidential to prevent potential purchasers from strategically bidding at the Target Price for a Unit. However, recognizing that stakeholders have an interest in the Target Prices for the Units, the Receiver is willing to share the Target Price List with stakeholders that sign a non-disclosure agreement.<sup>13</sup>

20. The Receiver developed the Target Price List in consultation with Homelife, Cameron Stephens and its other advisors. The Receiver and its advisors have reviewed and analyzed pertinent market data and have developed an estimate of the current fair market value of the Units, and accordingly, the Target Price for each Unit. The market data reviewed by the Receiver and its agents includes, but is not limited to, the recent sales of comparable units on a per square foot basis and current listings of comparable units. This analysis has informed the Receiver's estimate of the fair market value and the listing price for each of the Units.<sup>14</sup>

21. The Receiver has reviewed the Target Price List and confirms that other, similar units in the Richmond Hill region have been sold within a similar range, taking into account specific unit attributes such as size, view, or finishes, as well as the construction history of the Project. Further, as set out in greater detail in the First Supplement to the Second Report of the Receiver, dated May 1, 2024, the Project has a history of mismanagement prior to the appointment of the Receiver,<sup>15</sup> which mismanagement led to significant construction and other delays. The Receiver is of the view that this history likely reduces

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<sup>13</sup> Sixth Report at para. 19, MRR, Tab 2, p. 21 ([E8882](#)).

<sup>14</sup> Sixth Report at para. 20, MRR, Tab 2, p. 21 ([E8882](#)).

<sup>15</sup> See First Supplement to the Second Report of the Receiver, dated May 1, 2024 at paras. 24-35, pp. 8-10 ([E9143](#)).

the fair market value of the Units as compared to other comparable units in the Richmond Hill region that do not have this history (and the Receiver has, accordingly, adjusted the Target Prices downward to reflect this analysis).<sup>16</sup>

22. Based on the foregoing, the Receiver is satisfied that the minimum selling price for a Permitted Transaction, being the Target Price for each Unit, is reasonable and fair given current market conditions and that the sale of Units pursuant to the foregoing would be accretive to the estates of the Debtors.<sup>17</sup>

## **2. The Approval and Vesting Order**

23. The form of approval and vesting order sought in connection with Permitted Transactions is substantially in the form of the Commercial List Users' Committee Model Approval and Vesting Order (the "**Template AVO**").<sup>18</sup>

24. The Receiver proposes that in respect of each prospective Permitted Transaction that the Receiver seeks to close, the Receiver will complete the Template AVO by filling in the name of the purchaser or the purchaser's nominee, the legal property descriptions of the Unit(s), the claims to be deleted and expunged from title, and the permitted encumbrances that are unaffected by the vesting order.

25. Thereafter, upon the filing of a Receiver's Certificate with the Court Registrar confirming, among other things, the name of the purchaser(s) and the legal description of

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<sup>16</sup> Sixth Report at para. 21, MRR, Tab 2, p. 21 ([E8882](#)).

<sup>17</sup> Sixth Report at para. 22, MRR, Tab 2, p. 22 ([E8883](#)).

<sup>18</sup> Sixth Report at para. 23, MRR, Tab 2, p. 22 ([E8883](#)).

the property set out in each vesting order, the Court Registrar would then sign, issue and enter each vesting order completed by the Receiver.

26. Finally, in order to notify stakeholders of the completion of a Permitted Transaction, all vesting orders will be served on the Service List, once issued and entered.<sup>19</sup>

**D. Fanseay Wang's Cross-Motion**

27. On October 16, 2025, Fanseay Wang ("**Fanseay**"), the principal of the Debtors, served a cross-motion on the Receiver which seeks, among other things:<sup>20</sup>

- (a) An Order requiring the Receiver to market the Units for sale in bulk, instead of on an individual basis;
- (b) Appointment of a "sales monitor" to supervise the Receiver's sale of the Units;
- (c) An Order that Unit sales cannot close without further Order of the Court; and
- (d) Restrictions on the payment of the Receiver's fees.

**PART III. STATEMENT OF ISSUES**

28. This motion raises the following issues:

- (a) Whether this Court should approve the Sales Process;

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<sup>19</sup> Sixth Report at para. 25, MRR, Tab 2, p. 23 ([E8884](#)).

<sup>20</sup> Notice of Cross-Motion ("**NOCM**") at paras. 1-8, Cross-Motion Record of Fanseay Wang ("**CMR**"), Tab 1, pp. 5-6.

- (b) Whether this Court should approve the proposed amendments to the Appointment Order;
  - (c) Whether the Court should dismiss Fanshay's cross-motion;
  - (d) Whether this Court should grant a sealing order in respect of the Confidential Appendix; and
  - (e) Whether this Court should approve the Receiver's conduct and fees and the fees of its counsel.
29. The Receiver submits that these issues should all be answered in the affirmative.

#### **PART IV. LAW**

##### **A. *The Court should approve the Sales Process***

30. Pursuant to subsection 243(1)(c) of the *Bankruptcy and Insolvency Act* ("**BIA**"), this Court has jurisdiction to approve the proposed Sale Process.<sup>21</sup> Although the decision to approve a particular form of sale process is distinct from the approval of a specific proposed sale, courts have held that the reasonableness and adequacy of any sale process proposed by a court-appointed receiver must be assessed with reference to the factors that a court will consider when approving a proposed sale, including the following:<sup>22</sup>

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<sup>21</sup> *Bankruptcy and Insolvency Act*, [R.S.C., 1985, c. B-3, s. 243\(1\)\(c\)](#).

<sup>22</sup> *Royal Bank of Canada v. Soundair Corp.*, [1991 CanLII 2727 \(ON CA\)](#) at [pp. 8-9](#); *CCM Master Qualified Fund v blutip Power Technologies*, [2012 ONSC 1750](#) at [para 6](#) [**CCM Master**]; *Choice Properties Limited Partnership v Penady (Barrie) Ltd.*, [2020 ONSC 3517](#) at [para 16](#) [**Choice Properties**].

- (a) whether the receiver has made a sufficient effort to get the best price, and has not acted improvidently;
- (b) whether the interests of all parties have been considered;
- (c) the efficacy and integrity of the process by which offers are obtained; and
- (d) whether there has been unfairness in the working out of the process.

31. Courts have determined that consideration should also be given to the following factors:<sup>23</sup>

- (a) the fairness, transparency and integrity of the proposed process;
- (b) the commercial efficacy of the proposed process in light of the specific circumstances facing the receiver; and
- (c) whether the sale process will optimize the chances, in the particular circumstance, of securing the best possible price for the assets up for sale.

32. Fanshey apparently objects to the Receiver's proposed Sale Process and has, instead, sought an Order requiring that the Units be sold in bulk rather than on an individual basis.

33. Against this backdrop, the Receiver emphasizes that a proposed sale process by a court-appointed officer need not be perfect, only reasonable. A court should give

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<sup>23</sup> See *CCM Master* at [para 6](#); *Choice Properties* at [para 16](#).

significant weight to the recommendation of a receiver, who is a court-appointed officer with significant expertise in insolvency proceedings.<sup>24</sup>

34. This Sales Process is different from those typically approved in insolvency proceedings because it does not contemplate a specific bidding timeline or auction process. Instead, in authorizing the Receiver to broadly market the Units without imposing any specific deadlines or auction processes. This Sales Process is tailored to the specific nature of the Real Property and the 87 Unsold Units that, the Receiver anticipates, will be bought by individuals to serve as their residence.

35. This Court should approve the Sales Process for the following reasons:

- (a) The Sales Process provides for a robust, commercially efficient and flexible means of marketing the Unsold Units, given the large number of Unsold Units and the nature of the Unsold Units as individual residences;
- (b) The Sales Process ensures that the Unsold Units are sufficiently and reasonably exposed to the market for individual residences, by targeting local real estate agents, the multiple listing service and social media;<sup>25</sup>
- (c) The Sales Process will be primarily executed by Homelife, an experienced real estate brokerage in the Richmond Hill area that was selected after the Receiver canvassed a number of potential listing brokers;<sup>26</sup>

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<sup>24</sup> *Marchant Realty Partners Inc. v. 2407553 Ontario Inc.*, [2021 ONCA 375](#) at [paras 10](#), [15](#) and [19](#) [*“Marchant”*].

<sup>25</sup> Sixth Report at para. 12, MRR, Tab 2, p. 19 ([E8880](#)).

<sup>26</sup> Sixth Report at para. 12, MRR, Tab 2, p. 19 ([E8880](#)).

- (d) The Sales Process is supported by Cameron Stephens; and
- (e) Fanshay has not provided any evidence to suggest that his proposed bulk sales process is superior to the Receiver's proposed Sales Process in any way. Fanshay does assert that the case of *Romspen Investment Corporation v Horseshoe Valley Lands Ltd.* "endorses court-supervised bulk-sale marketing as the proper safeguard where piecemeal sales risk diminishing total value,"<sup>27</sup> however, this characterization entirely mistakes the substance of this decision, which instead concerns a motion to examine a mortgagee in the context of a dispute concerning the proposed disclaimer by a receiver of an agreement of purchase and sale for real property.<sup>28</sup> This decision does not "endorse" any particular means of marketing real property for sale.

36. In the Receiver's view, given the significant number of Units and given that the Receiver anticipates that most purchasers will be individual homebuyers with limited access to financial and legal services (as opposed to sophisticated investors), it would be unduly burdensome to require that all agreements of purchase and sale be approved through a normal course, live hearing before this Court, as would typically be expected in an asset sale in an insolvency matter.<sup>29</sup>

37. The Receiver also notes that the proposed amendments to the Appointment Order would immediately permit the Receiver to obtain efficient approval of nine existing

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<sup>27</sup> NOCM at para. 10D, CMR, Tab 1, p. 7.

<sup>28</sup> See *Romspen Investment Corporation v Horseshoe Valley Lands Ltd.*, [2017 ONSC 426](#).

<sup>29</sup> Sixth Report at para. 28, MRR, Tab 2, p. 23 ([E8884](#)).

agreements of purchase and sale for Units, all of which are above their Unit's Target Prices.<sup>30</sup>

38. As a result of the foregoing, the Receiver is of the view that its proposed amendments to the Appointment Order will be accretive to the estate of the Debtors and appropriately balance efficiency with procedural fairness for all parties. The Receiver respectfully recommends that the Court make an Order approving the Sales Process.<sup>31</sup>

***B. This Court should approve the proposed amendments to the Appointment Order***

39. There are 87 Unsold Units.

40. Under the current terms of the Appointment Order, the Receiver will be required to bring a motion for every transaction for the sale of the Unsold Units.

41. Bringing a motion and attending in court for an approval and vesting order in connection with each sale transaction would cause the Receiver to incur legal expenses, reduce the net proceeds available to creditors from each sale of an Unsold Unit and represent an inefficient use of judicial resources.<sup>32</sup>

42. The Receiver's proposed amendment to subsection 3(k) of the Appointment Order provides a structure that will allow sales of the Unsold Units to be completed without the need for a motion and Court attendance in each instance, where an agreement to purchase a Unit is sufficiently valuable to constitute a Permitted Transaction.

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<sup>30</sup> Sixth Report at para. 28(c), MRR, Tab 2, p. 24 ([E8885](#)).

<sup>31</sup> Sixth Report at para. 29, MRR, Tab 2, p. 24 ([E8885](#)).

<sup>32</sup> Sixth Report at para. 15, MRR, Tab 2, p. 20 ([E8881](#)).

43. If the Receiver proposes to sell one of the Units for a price less than that Unit's Target Price, the Receiver shall be required to obtain Court approval in the normal course.

44. The proposed Permitted Transaction structure balances the need to expedite the sale process with the requirement to maximize recoveries for the benefit of stakeholders. The approach reflects typical market practices and takes into account the range of sale prices achieved for comparable units in this development and similar properties.

45. The Receiver is satisfied that the Target Price for each Unit is reasonable and fair given current market conditions. As set out in the Sixth Report, the Receiver has offered to provide the Target Price List to parties on a confidential basis.<sup>33</sup>

46. This Court has approved similar mechanisms<sup>34</sup> in insolvency proceedings involving the sale of a large number of units in a real estate development including, most recently, in *People's Trust Company et al. v. Vandyk-Backyard Queensview Limited et al.*<sup>35</sup>

47. The Receiver is of the view that the proposed amendment to subsection 3(k) of the Appointment Order is reasonable given the circumstances, and will cover the majority of the sale transactions. The Permitted Transactions will enhance the timeliness of Unsold

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<sup>33</sup> Sixth Report at paras. 19, 21-22, MRR, Tab 2, pp. 21-22 ([E8882](#)).

<sup>34</sup> *Marshallzehr Group Inc v King Square Ltd. and Markland Residential Corporation* (Court File No. CV-23-00710215-00CL) [Order of Justice Kimmel](#) dated April 15, 2024; see Eleventh Report of KSV Kofman Inc. in its capacity as CCAA Monitor of *Urbancorp Toronto Management Inc. et al.* dated January 23, 2017 at s. 3.0, p. 8 ([E9682](#)) and *Urbancorp Toronto Management Inc. et al.* (Court File No. CV-16-11389-00CL) [Approval and Vesting Order of Justice Newbould](#) dated January 27, 2017.

<sup>35</sup> *People's Trust Company et al. v Vandyk-Backyard Queensview Limited et al* (Court File No. CV-24-00713783) [Order](#) and [Endorsement](#) of Justice Black dated January 13, 2025 [**"Vandyk"**].

Unit sales and maximize the Net Proceeds of such sales, for the benefit of all stakeholders.

**C. *The Court should dismiss Fanseday's cross-motion***

48. Fanseday's cross-motion seeks:

- (a) An Order that Unit sales cannot close without further Order of the Court;
- (b) An Order requiring the Receiver to market the Units for sale in bulk, instead of on an individual basis;
- (c) Appointment of a "sales monitor" to supervise the Receiver's sale of the Units;
- (d) An Order requiring disclosure of the Target Price List to the proposed sales monitor and stakeholders (subject to appropriate confidentiality); and
- (e) Restrictions on the payment of the Receiver's fees, including an Order permitting the Court to reduce fees already paid to the Receiver and its counsel.

49. This requested relief is frivolous and fits into a pattern of Fanseday (unsuccessfully) seeking to micro-manage the Receiver's operations. In particular, this relief should be dismissed for the following reasons:

- (a) It would be inefficient and contrary to the interests of stakeholders to require that any closings of Units be subject to further Order of the Court. The Project consists of almost 100 units – requiring an attendance at Court for

each Unit closing would require significant expenditure on professional fees, in particular given Fanshey's history of frivolous objections to the Receiver's motions and activities.<sup>36</sup> In the *Vandyk* matter, where the Court approved a similar sales process to the one sought in this Motion, there were only 15 unsold dwelling units, significantly fewer units than are for sale in this matter;<sup>37</sup>

- (b) The proposal that a "sales monitor" be appointed by the Court would, which would seem to be a role that is essentially duplicative of the Receiver, would drive up costs, with no apparent benefit to stakeholders;
- (c) The Receiver has committed to provide a copy of the Target Price List to any stakeholder that signs a confidentiality agreement. In light of this, an Order requiring the Receiver to do the same would be redundant;
- (d) In seeking the right to claw back fees paid to the Receiver and its counsel, Fanshey is seeking to re-litigate previous Court orders that approved the fees of the Receiver and its counsel. Fanshey has already had the opportunity to make submissions on these fees and should not now be enabled to undermine previous Court orders merely because he disagrees with them; and

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<sup>36</sup> See *Cameron Stephens Mortgage Capital Ltd. v 2011836 Ontario Corp et al.* (CV-23-00710795-00CL) [Endorsement of Justice Steele dated May 2, 2025](#) and *Cameron Stephens Mortgage Capital Ltd. v 2011836 Ontario Corp et al.* (CV-23-00710795-00CL) [Endorsement of Justice Steele dated June 2, 2025](#).

<sup>37</sup> Sixth Report of TDB Restructuring Limited in the matter of the receivership of condominium units owned by Vandyk-Backyard Queensview Limited et al., January 3, 2025 at para. 35 ([E9043](#)).

- (e) As stated above, Fanseay's proposal that the Units be sold in bulk rather than individually is unsupported by any evidence and contradicts the explicit guidance from the Court of Appeal for Ontario that a Receiver's business judgment is to be given substantial deference.<sup>38</sup>

**D. This Court should approve the Sealing Order in respect of the Target Price List**

50. As noted above, the Receiver seeks an Order sealing the Target Price List pending the sale of all of the Units or further Order of the Court.

51. Sealing the Target Price List is necessary to ensure that the Receiver can maximize the value of the Units for the benefit of all stakeholders.<sup>39</sup>

52. As set out above, the Target Price List contains the Receiver's estimation of the current fair market value for each of the Units, as of the date hereof. The Target Price List establishes a floor for the sale of a Unit to be considered a Permitted Transaction, which floor is a Unit's Target Price.

53. In *Sierra Club*, the Supreme Court of Canada held that courts should exercise their discretion to grant sealing orders where (i) the order is necessary to prevent a serious risk to an important interest, including a commercial interest; and (ii) the salutary effects of the order outweigh its deleterious effects.<sup>40</sup>

54. In *Sherman Estate v. Donovan*, the Supreme Court of Canada held that a party requesting that a court exercise its discretion in a way that limits the 'open court'

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<sup>38</sup> *Marchant* at [para. 18](#) citing *Ravelston Corp. Ltd. (Re)*, [2007 ONCA 135](#).

<sup>39</sup> *GE Canada Real Estate Financing Business Property Company v 1262354 Ontario Inc.*, [2014 ONSC 1173](#) at [paras 32-34](#).

<sup>40</sup> *Sierra Club of Canada v Canada (Minister of Finance)*, [2002 SCC 41](#) at [para 53](#).

presumption must establish that: (i) the openness poses a risk to an important interest to the public; (ii) the request sought is necessary to prevent the risk to the identified interest as reasonable alternative measures will not prevent said risk; and (iii) the benefits of the request outweigh the negatives as a matter of proportionality.<sup>41</sup>

55. In the insolvency context, when assets are contemplated to be sold pursuant to a court process, it is common to seal bids and other commercially sensitive material, such as sale price and details of competing offers, in the event that a further listing is required should the contemplated proposed transaction not close.<sup>42</sup>

56. In this case, the Target Price List contains information relevant to the Receiver's estimation of the fair market value and pricing strategy of the Units. If any of this pricing information was made public, it would compromise the Receiver's ability to obtain the best price for the Units because it would, in effect, permit a potential purchaser to know the "minimum price" for which the Receiver would be able to efficiently sell a given Unit.

57. As a result, the Receiver is of the view that an order sealing the Target Price List will permit the Receiver to maximize the proceeds of the Units and is in the best interests of the Debtors' stakeholders.

58. The Receiver submits that there is no other reasonable way to preserve and ensure the viability and integrity of the Sales Process. The benefits of the protective order outweigh any deleterious impact on the "open court" principle.

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<sup>41</sup> *Sherman Estate v Donovan*, [2021 SCC 25](#) at [para 38](#).

<sup>42</sup> *Romspen Investment Corporation v Hargate Properties Inc.*, [2012 ABQB 412](#) at [paras 2](#), [11](#) and [13](#).

59. No stakeholder will be materially prejudiced by the proposed sealing order. While Fanshawe has argued that sealing of the Target Price List will prevent stakeholders from assessing whether the Receiver is obtaining fair market value, this is contradicted by the Receiver's explicit offer to provide the Target Price List to stakeholders on a confidential basis.

60. Finally, the proposed sealing order embodies the principle of proportionality. The Receiver is only seeking a sealing order for a limited time: until the Project is complete and all of the Units are sold. After that time, the Target Price List will become part of the public Court record.

***E. The Court should approve the Sixth Report, the Receiver's conduct and fees and the fees of the Receiver's counsel***

61. The Court should approve:

- (a) The Sixth Report;
- (b) The activities of the Receiver set out in the Sixth Report; and
- (c) The fees and disbursements of the Receiver and its counsel.<sup>43</sup>

62. The Court has the jurisdiction to review and approve the activities of a court-appointed officer in an insolvency proceeding as set out in the officer's reports and will approve them where they are reasonable and appropriate in the circumstances.<sup>44</sup>

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<sup>43</sup> See *Bank of Nova Scotia v Diemer*, [2014 ONCA 851](#) at [paras 33-35](#) for a description of the factors that Courts will consider in determining whether a court-appointed officer's accounts are fair and reasonable.

<sup>44</sup> *Cameron Stephens Mortgage Capital Ltd. v 2011836 Ontario Corp. et al.*, [2024 ONSC 3507](#) at paras 48, 52, 57 citing *Target Canada Co. Re.*, [2015 ONSC 7574](#) at [paras 2, 12](#); *Triple-I Capital Partners Limited v 12411300 Canada Inc.*, [2023 ONSC 3400](#) at [para 66](#); *Ravelston Corp. (Re)*, [2005 CanLII 63802 \(ON CA\)](#) at [para 40](#).

63. In this case, the Sixth Report details activities undertaken and fees incurred by the Receiver and its counsel. These include:<sup>45</sup>

- (a) continuing to direct and oversee the construction of the Project, in consultation with its advisors;
- (b) finalizing and submitting for registration the declaration for the Project's common elements condominium;
- (c) developing the Sales Process in consultation with its advisors;
- (d) considering and addressing disputes between the Receiver and certain purchasers of standard condominium Units (the "**Stacked Units**") concerning agreements of purchase and sale in respect of same, including by preparing for the arbitration of the Receiver's disputes with these purchasers;
- (e) addressing and responding to two motions commenced by Fansway, which motions have sought to, among other things, appoint a "neutral, court-approved construction professional" to conduct an inspection of the Project and vacate Court orders obtained by the Receiver on June 26 and July 4, 2025;

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<sup>45</sup> Affidavit of Bryan Gelman, Appendix B of Sixth Report, MRR, Tab 2, p. 47 ([E8908](#)). Affidavit of Beatrice Loschiavo, Appendix C of Sixth Report, MRR, Tab 2, p. 102 ([E8963](#)). Sixth Report at para. 34, MRR, Tab 2, pp. 25-26 ([E8886](#)).

- (f) addressing disputes between the Receiver and certain construction trades concerning deficient work performed by these trades in relation to the Project;
- (g) responding to freedom of information requests made by certain parties to the City of Richmond Hill, which requests relate to the Project;
- (h) considering and addressing a dispute between the Receiver and Berkley Insurance Company (“**Berkley**”) in connection with the bond issued by Berkley in favour of Tarion in respect of the Stacked Units;
- (i) continuing to administer the lien claims process pursuant to the Order of Justice Cavanagh dated November 5, 2024, including attempting to resolve claims for which the Receiver’s notice of evaluation was disputed; and
- (j) communicating with various stakeholders to discuss, among other things, the status of the construction of the project and, generally, the status of the administration of these receivership proceedings.

64. These activities were undertaken for the benefit of the stakeholders of the Debtors and, accordingly, this Court should approve them.

#### **PART IV – ORDER REQUESTED**

65. The Receiver requests that this Court make an order in the form of the draft order included in the Receiver’s Motion Record and an Order of costs in favour of the Receiver against Fanseay.

**ALL OF WHICH IS RESPECTFULLY SUBMITTED** this 20th day of October, 2025.



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Jeff Larry / Ryan Shah

## SCHEDULE "A" – AUTHORITIES CITED

1. *Bank of Nova Scotia v Diemer*, [2014 ONCA 851](#).
2. *Cameron Stephens Mortgage Capital Ltd. v 2011836 Ontario Corp. et al.*, [2024 ONSC 3507](#).
3. *Cameron Stephens Mortgage Capital Ltd. v 2011836 Ontario Corp et al.* (CV-23-00710795-00CL) [Endorsement of Justice Steele dated May 2, 2025](#)
4. *Cameron Stephens Mortgage Capital Ltd. v 2011836 Ontario Corp et al.* (CV-23-00710795-00CL) [Endorsement of Justice Steele dated June 2, 2025](#)
5. *CCM Master Qualified Fund v blutip Power Technologies*, [2012 ONSC 1750](#).
6. *Choice Properties Limited Partnership v Penady (Barrie) Ltd.*, [2020 ONSC 3517](#).
7. *GE Canada Real Estate Financing Business Property Company v 1262354 Ontario Inc.*, [2014 ONSC 1173](#).
8. *Marchant Realty Partners Inc. v 2407553 Ontario Inc.*, [2021 ONCA 375](#).
9. *Marshallzehr Group Inc v King Square Ltd. and Markland Residential Corporation* (Court File No. CV-23-00710215-00CL) [Order of Justice Kimmel](#) dated April 15, 2024.
10. *People's Trust Company et al. v Vandyk-Backyard Queensview Limited et al* (Court File No. CV-24-00713783) [Order](#) and [Endorsement](#) of Justice Black dated January 13, 2025.

11. *Ravelston Corp. (Re)*, [2005 CanLII 63802 \(ON CA\)](#).
12. *Ravelston Corp. Ltd. (Re)*, [2007 ONCA 135](#).
13. *Romspen Investment Corporation v Hargate Properties Inc.*, [2012 ABQB 412](#).
14. *Royal Bank of Canada v Soundair Corp.*, [1991 CanLII 2727 \(ON CA\)](#).
15. *Sherman Estate v Donovan*, [2021 SCC 25](#).
16. *Sierra Club of Canada v Canada (Minister of Finance)*, [2002 SCC 41](#).
17. *Target Canada Co. Re*, [2015 ONSC 7574](#).
18. *Triple-I Capital Partners Limited v 12411300 Canada Inc.*, [2023 ONSC 3400](#).
19. *Urbancorp Toronto Management Inc. et al.* (Court File No. CV-I6-11389-00CL)  
[Approval and Vesting Order of Justice Newbould](#) dated January 27, 2017.

## **SCHEDULE “B” – STATUTES AND REGULATIONS CITED**

*Bankruptcy and Insolvency Act*, RSC 1985, c B-3

### **Court may appoint receiver**

243 (1) Subject to subsection (1.1), on application by a secured creditor, a court may appoint a receiver to do any or all of the following if it considers it to be just or convenient to do so:

- (a) take possession of all or substantially all of the inventory, accounts receivable or other property of an insolvent person or bankrupt that was acquired for or used in relation to a business carried on by the insolvent person or bankrupt;
- (b) exercise any control that the court considers advisable over that property and over the insolvent person’s or bankrupt’s business; or
- (c) take any other action that the court considers advisable.

**CAMERON STEPHENS MORTGAGE  
CAPITAL LTD.**

Applicant

and **2011836 ONTARIO CORP., et al.**

Respondents

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

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**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)  
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**  
Proceeding commenced at Toronto

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**FACTUM OF THE RECEIVER  
(MOTION RETURNABLE OCTOBER 23, 2025)**

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