SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

ENDORSEMENT

COURT FILE NO.: **CV-23-00710795-00CL** **HEARING DATE:** **October 23, 2025**

NO. ON LIST: **2**

TITLE OF PROCEEDING: CAMERON STEPHENS MORTGAGE CAPITAL v. 2011836 ONTARIO CORP et al

BEFORE: **Justice Kimmel**

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
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For Defendant, Respondent, Responding Party:

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For Other:

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ENDORSEMENT OF JUSTICE KIMMEL:

The Motion, Cross-Motion and Procedural Context

The Receiver's Motion

[1] 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 (the "Sales Process Approval Order"):

1. 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;

2. approving the Sales Process (as defined and described in the Sixth Report); and

3. amending the Order appointing the Receiver (the "Appointment Order") 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.

The Cross-Motion

[2] Mr. Fanseay (Fengxi) Wang ("Wang") describes himself in his Notice of Cross Motion dated October 16, 2025 (the "Cross-Motion") to be acting in his capacity as director and authorized representative of the Respondent corporations (Debtors). He has brought a separate motion for leave to represent the corporations that was filed on September 19, 2025, but I see no record of it having been heard or any order made. Wang was nonetheless permitted to make submissions on behalf of the Debtors for the purposes of the Receiver's motion and the Cross-Motion, despite having not yet brought his motion for leave to represent them.

[3] Wang asks the court in his Cross-Motion to order:

1. a stay of retail/individual sales pending completion of a court-supervised bulk-sale market test;

2. the immediate appointment of an independent Sales Monitor/Inspector, reporting directly to the court, to investigate the Receiver's conduct and oversee the Sales Process;

3. disclosure of the Target Price List and all details of nine new sales to all stakeholders, with any necessary confidentiality protections, and provision for in-camera or sealed review by the court;

4. the establishment of a minimum price floor where no unit is sold for less than its specific, firm APS price as set out in Exhibit "A" to Wang's Affidavit [a table of Direct Unit-by-Unit Price Comparisons that is subject to non-disclosure and confidentiality restrictions]; and

5. the reservation or denial of Receiver's fees for the relevant period, consistent with the principles in *Sub-Prime Mortgage Corp. v. 1219070 Ontario Inc.,* 2010 ONSC 6535.

[4] Although the Cross-Motion was served late, the Receiver and other participating parties did not object to it proceeding insofar as it mirrors the response advanced by Wang, purporting to speak on behalf of the Debtors, to the Receiver's motion.

Procedural Context

[5] The Receiver was appointed by order dated December 21, 2023 (the "Appointment Order"). At that time, the Debtors had partially constructed a residential development project called Richmond Hill Grace (the "Project") on the Debtors' real property (the "Real Property").

[6] There have been numerous court appearances and orders and endorsements made in connection with this receivership and a contested bankruptcy proceeding initiated by the applicant, Cameron Stephens Mortgage Capital ("Cameron Stephens"), against Wang personally under court file BK-24-00208725-OT31 (the "Wang Bankruptcy Proceeding"). The trial in the contested Wang Bankruptcy Proceeding commenced on October 21, 2025 and the hearing was continued and completed on November 10, 2025.

[7] In the week prior to November 10, 2025, Wang commenced an action on the civil list against Cameron Stephens (the "Wang Civil Action") and made a request for the Commercial List to appoint a judge to case manage seven proceedings identified by him to be interrelated, including this Receivership proceeding, the Wang Bankruptcy Proceeding and the newly commenced Wang Civil Action. A case conference was convened on November 24, 2025 before me as one of the co-team leads of the Commercial List to consider Wang's request for case management. Those seven proceedings are:

1. This Receivership proceeding (CV-23-00710795-00CL)

2. The Wang Bankruptcy Proceeding (BK-24-00208725-OT31)

3. The Wang Civil Action: Wang v. Cameron Stephens Mortgage Capital Ltd., new Statement of Claim filed November 7, 2025 (CV-25-00755625-0000)

4. Windsor Private Capital Limited Partnership v. Fanseay Wang (CV-24-00717073-0000)

5. Duca Financial Services Credit Union Ltd. v. AmerCan Corporation et al. (CV-24-00718071-00CL)

6. MNP Ltd., as Court-Appointed Receiver of AmerCan Corporation v. Xiaojing Jessica Sun and Fengxi Wang (CV-23-00718071-00CL)

7. Duca Financial Services Credit Union Ltd. v. Fanseay Wang (CV-25-00742064-0000)

[8] My decisions in this Receivership proceeding and in the Wang Bankruptcy Proceeding were held under reserve pending the case conference held on November 24, 2025 to ensure that the court was aware of the full procedural context and potential implications of those decisions. My endorsement regarding the Case Management Request was released on November 24, 2025. My decision in the Wang Bankruptcy Proceeding is still under reserve.

Prior Determinations

[9] There have been several earlier decisions and determinations made that have some bearing on the issues raised, particularly in the Cross-Motion. Some of these prior determinations were summarized in the endorsement of Steele J. from a May 2, 2025, hearing released on May 6, 2025, as follows:

3. Mr. Wang objects to the Receiver's management of the Project (defined below). Certain of the decisions objected to by Mr. Wang are *res judicata*. Specifically, the court has already approved the following in prior orders:

    a. The Receiver's decision to halt construction in January, 2024;

    b. The Receiver's decision to retain a new construction manager; and

    c. The Receiver obtaining the prior borrowing increase to $31,500,000.

    …

9. On June 18, 2024, the court granted an order approving the Receiver's request to disclaim agreements of purchase and sale for the freehold townhomes.

10. On November 5, 2024, Cavanagh J. granted a lien claims process order (the "LCP Order"). This order provides a mechanism for adjudicating certain lien claims. The Receiver has determined that the cost of resolving the lien claims could be $2,100,000.

[10] When the Receiver brought its motion for approval to disclaim 28 agreements of purchase and sale that pre-dated the Receivership, it had obtained appraisals for an *en bloc* "as is where is" sale of the Property that were less than the then projected value for sales of completed Units. This informed the Receiver's recommendation that it should oversee the completion of the construction of the Units to be sold to homebuyers. The court concluded on that motion in its June 18, 2024 decision that: "The Receiver's decision to disclaim the 28 Freehold APSs is 'within the broad bounds of reasonableness'": *Cameron Stephens Mortgage Capital Ltd. v. 2011836 Ontario Corp. et al*., 2024 ONSC 3507, at para. 42. The court also found, at para. 32, that if the Receiver was not able to complete the Project, "the Project would be sold on an 'as-is, where-is' basis, resulting in a significant loss to the debtors' estate."

[11] In the May 6, 2025 endorsement, Steele J. increased the Receiver's borrowing limit to an amount that the Receiver indicated, based on the cost estimates in the report of its consultant Glynn Group Incorporated dated February 4, 2025 (the "Glynn Report"), would be needed to complete the Project. The Glynn Report was sealed by the same order and endorsement, which also approved an earlier report of the Receiver's and the Receiver's fees and the fees of its counsel presented for approval at that time. At para. 22 of that endorsement, the court concluded that:

> It is accretive to the estate for the Project to be completed because the potential realization on a completed project exceeds the value on an as is where is basis. It is to the benefit of all stakeholders that the Project be completed. Funding is necessary in order to do so.

[12] After receiving approval to disclaim the 28 agreements of purchase and sale and approval for increased borrowing charges to fund the development and construction costs to complete the Project, the Receiver has followed that course of action.

[13] Since May of 2025, there was at least one adjournment of the Wang Bankruptcy Proceeding to accommodate Wang, who was caring for his ailing mother out of the country. In the intervening time, the court also considered the Receiver's Request for Stay or Dismissal under r. 2.1 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194 (the "Request") in respect of Wang's motion brought by way of notice of motion dated May 9, 2025. The Request was not granted (per the court's endorsement of August 20, 2025) on the basis that the record

did not show that the relief sought by Mr. Wang in his notice of motion dated May 9, 2025 had already been adjudicated.

[14] In disposing of the Request, the court made no comment on the substance of the relief sought in Wang's May 9, 2025 notice of motion seeking, among other things, the appointment of an independent inspector, auditor, or monitor, to investigate and report on the current state of construction progress on the Jefferson Project, the Receiver's use and accounting of the $23.2 million in DIP loan proceeds spent to date, site safety compliance, and site conditions (the "Investigation"). That motion for an Investigation into the Receiver's conduct has still not been scheduled for a hearing.

[15] Wang suggested that his Cross-Motion be heard at the same time as the earlier Investigation motion. The court determined that the Cross-Motion, which was largely a response to the Receiver's motion for approval of the Sales Process, should be heard on October 23, 2025.

The Debtors' Concerns and Receiver's Responses

[16] The opposition to the Receiver's Sales Process Motion and support for the Debtors' Cross-Motion are predicated on the same foundational assertions, that: there has been prolonged delay, value destruction, and actions taken by the Receiver in connection with the Project without prior court authorization. This is the basis for the Debtors' request for a court-supervised bulk-sale market test and independent oversight/investigation with direct reporting to the court. By way of overview, Wang complains that:

1. Shortly after its appointment, the Receiver cancelled the 28 firm APSs as "far below market", yet its current Target Price List (proposed Confidential Exhibit 1 to the Sixth Report for which a sealing order is sought) is, on average, about 35% lower than those cancelled APS prices, resulting in a loss of approximately $48.38 million relative to that benchmark.

2. The Receiver's broker publicly launched a "VIP Broker" campaign on or about September 29, 2025 and began soliciting deposits before any court authorization to sell. The Appointment Order requires court approval for sales over $250,000. The Receiver also appears to have allowed marketing or offers on "stack units" despite no court order terminating firm APSs on those units. Such conduct demonstrates a recurring pattern of disregard for the court's supervisory authority. Approval must rest on a process that is fair, open, transparent, and court-supervised. Starting sales activity before approval defeats that standard.

3. Continuing its pattern, the Receiver seals all site construction and project financing information while describing the process as "transparent", undermining confidence. Where confidence is eroded, courts should impose structured supervision.

4. The Receiver has refused to consider a bulk sale of the entire Project to a qualified operator-developer with the capability to finance, assume control, and complete the remaining construction as a way to test the market for the Project's going-concern value and achieve a better outcome for all stakeholders than a piecemeal, distressed sale of unfinished units.

5. The Receiver's appeal to "efficiency" is ironic where the Project, ready for delivery (3 weeks away according to the construction manager's report before the Receivership,) has been held idle for over twenty months. It is equally misplaced where the present market is dull and there is no urgency to sell, especially knowing the sale will cause 48 million dollars loss. Wang wants an Investigation conducted into the Receiver's conduct and a Sales Officer appointed to monitor any sales.

[17] By way of summary, the Receiver's response to these concerns is that:

1. The Receiver had court approval to cancel the 28 firm APSs and its recommendation for approval to do so at the time was based on evidence about the market as it was then.

2. The relief sought by the Receiver on this motion seeks authorization for past and future Unit sales. Everything the Receiver has done is subject to court approval.

3. Requests for sealing of confidential information that could, if disclosed publicly, undermine the Receiver's efforts to obtain the highest price available in the market for the sale of units in the Project have been and will be granted by the court if supported by evidence to satisfy the court that the sealing is qualified in scope and duration, to achieve the appropriate balance between the open court principle and the need to preserve confidentiality to ensure the market is not influenced by the transaction specific information that the Receiver seeks to seal. Wang has been provided with the confidential information and documents when he has agreed to sign non-disclosure agreements to maintain their confidentiality.

4. Wang has proffered no evidence to support the contention that a bulk sale of the entire Project will achieve a better economic outcome for stakeholders than the sale of units as they are completed and can be delivered to purchasers, now that the Project is almost complete. Whereas the Receiver's proposed Sales Process was developed in consultation with professionals and with regard to current market prices for comparable units in Richmond Hill.

5. The Receiver cannot control the condominium market. It has conferred with its professional advisors and Cameron Stephens and has formed the view that it would not be prudent to hold off in selling the now completed or almost completed Units. The inventory that is ready to be sold should be exposed to the market and sold, rather than held while carrying and maintenance costs continue to accrue with the passage of time and while the buildings are exposed to the elements with the onset of another winter upon us. The Debtors have been critical of the Receiver throughout but most of their criticisms, raised in opposition to relief sought by the Receiver, have not been accepted and many are *res judicata*. Adding the cost of an Investigation and a Sales Officer to this process which is already projected to leave a deficiency for the first secured creditor is not warranted. Furthermore, the Debtors' motion for an Investigation into the Receiver's conduct has never been rescheduled or decided. Nor have the Debtors put forward any qualified Sales Officer to take over or to provide the oversight.

The Proposed Sales Process

[18] The Project consists of 96 residential units, comprised of 60 stacked condominium townhome units (the "Condos") and 36 freehold townhome units (the "Freehold Towns" and, together with the Condos, the "Units"). The Units represent the primary asset of the Debtors.

[19] There are 87 Unsold Units, consisting of 51 unsold Condos and 36 unsold Freehold Towns. The Project is now substantially complete and the Receiver has started to test the market through soft marketing of the 87 unsold Units.

[20] There are 9 residential Units subject to pre-receivership agreements of purchase and sale ("APS"), that have not yet closed. Some of the purchasers are disputing their agreements and the Receiver is proposing to arbitrate those disputes in accordance with the APS terms.

[21] The Receiver describes at a high level its choice of real estate broker, Homelife Landmark Realty Inc. ("Homelife"), and its proposed Sales Process, developed in consultation with the Homelife and Cameron Stephens, at paras. 10-29 of the Receiver's Sixth Report. The Receiver is of the view that its proposed 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.

[22] The Sales Process contemplates amendments to the Appointment Order to allow an individual agreement of purchase and sale to be entered into and closed by the Receiver (including for the 9 Units already sold) without court approval of each sale, as long as the sale qualifies as a "Permitted Transaction" and is above the minimum "Target Price" set for the particular type of Unit (as detailed in the Receiver's Confidential Appendix 1). However, if the Receiver seeks to sell a Unit for less than its Target Price, then the Receiver would need to seek court approval of such a transaction in the normal course.

[23] 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 (and Target Price) for each of the Units. 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 price range, taking into account specific unit attributes such as size, view, or finishes, as well as the construction history of the Project.

[24] 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 under the proposed Sales process would be accretive to the Debtors' estate and their stakeholders. As set out in the Sixth Report, although the Receiver is seeking to seal the Confidential Appendix 1 setting out the Target Prices, it has offered to provide the Target Price List to parties on a confidential basis.

[25] The court's jurisdiction to approve the Sales Process falls within s. 243(1)(c) of the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3, ("BIA"). 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: see *Royal Bank v. Soundair Corp*. (1991), 4 O.R. (3d) 1 (C.A.), at p. 6; *CCM Master Qualified Fund v. blutip Power Technologies*, 2012 ONSC 1750, 90 C.B.R. (5th) 74, at para. 6; *Choice Properties Limited Partnership v. Penady (Barrie) Ltd*., 2020 ONSC 3517, 81 C.B.R. (6th) 302, at para. 16.

[26] The reasons for the Receiver's recommendation of the Sales Process are detailed in its Sixth Report and analyzed with reference to the *Soundair* principles, as expanded by *CCM Master* and *Choice Properties,* in paras. 30, 34-37 of the Receiver's Factum. The Sales Process is fair, transparent, commercially efficacious, and designed to get the best price in the interests of all stakeholders in the circumstances. The Sales Process is flexible, authorizing the Receiver to broadly market the Units with an experienced real estate brokerage in the Richmond Hill area, 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 personal residences.

[27] While Wang asserts on behalf of the Debtors that the Sales Process is not designed to get the best price for all stakeholders and that a bulk sale should be pursued, Wang 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. The suggestion by Wang that a sale to a developer of the entire Project now might produce a higher overall price is entirely speculative, and would appear to be counter-intuitive given that the Project has now been completed and the Units are for the most part ready, or almost ready, to be sold. It is not obvious to the court what value could be

added, and what the potential upside would be, for another developer to step in at this stage of the Project. Wang has not tendered any evidence to explain why a developer would pay more for this almost completed Project than the sum of the purchase price for the Units as they are sold to individual purchasers.

[28] Wang asserts that the case of *Horseshoe Valley Lands (Re)*, 2017 ONSC 426 [indexed as *Romspen Investment Corp. v. Horseshoe Valley Lands Ltd.*, 2017 ONSC 426, 45 C.B.R. (6th) 309] "endorses court-supervised bulk-sale marketing as the proper safeguard where piecemeal sales risk diminishing total value", however that decision was concerned with procedural matters associated with a disclaimer by a receiver of an agreement of purchase and sale that a mortgagee opposed. It does not "endorse" any particular means of marketing real property for sale.

[29] A proposed sale process by a court-appointed officer need not be perfect, only reasonable. A court should give significant weight to the recommendation of a receiver, who is a court-appointed officer with significant expertise in insolvency proceedings: see *Marchant Realty Partners Inc. v. 2407553 Ontario Inc*., 2021 ONCA 375, 90 C.B.R. (6th) 39, at paras. 10, 15 and 19.

[30] I accept the Receiver's recommendations, which are supported by the first secured creditor. Cameron Stephens supports this approach even though it is expecting to suffer a significant deficiency on its loan based on the current projections and expectations of the Receiver and its advisors. I find the Sales Process to be fair and reasonable in the circumstances and it is approved.

Proposed Amendments to the Appointment Order

[31] The proposed template form of approval and vesting order sought in connection with each Permitted Transaction is substantially in the form of the Commercial List Users' Committee Model Approval and Vesting Order (the "Template AVO"). The approach recommended by the Receiver takes into account that there are a significant number of Units to be sold and the Receiver's anticipation that most purchasers will be individual homebuyers with limited access to financial and legal services (as opposed to sophisticated investors).

[32] Conversely, the approach that Wang asks the court to adopt, requiring a motion to approve the sale of each of the almost 96 Units would be inefficient and require a significant expenditure on professional fees. Similarly, the suggestion that the court appoint a "sales monitor" would be duplicative of the Receiver's role and would drive up costs, with no apparent benefit to stakeholders.

[33] The Receiver is concerned that it would be unduly burdensome to require that all agreements of purchase and sale be approved through a normal course hearing before the court, as would typically be expected in an asset sale in an insolvency matter. The Receiver recommends this as a more practical and efficient use of judicial resources and to reduce overall costs for the benefit of the Debtors' stakeholders. The Receiver is also 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.

[34] The proposed mechanic of a Template AVO being issued over the counter for each Permitted Transaction is not unprecedented in insolvency proceedings involving the sale of a large number of units in a real estate development: see e.g. *Marshallzehr Group Inc v. King Square Ltd. et al.* (15 April 2024), Toronto, CV-23-00710215-00CL (Ont. S.C.); *People's Trust Company et al. v. Vandyk-Backyard Queensview Limited et al.*, (13 January 2025) Toronto CV-24-00713783 (Ont. S.C.).

[35] That said, the court noted during the hearing of this motion that there is work that still needs to be done to ensure that not only the form of AVO but the form of agreements of purchase and sale are themselves aligned with the objectives of achieving a fair and reasonable price for the Units and that the overall economic outcome under any "pre-approved" AVO is at least equal to the Target Price for that Unit, net of any incentives that might

be viewed as reducing the value to the estate even if stated purchase price is more. This led to the partial adjournment of the Receiver's motion and the removal of the proposed mechanism at paras. 6-9 of the draft order.

[36] It was suggested by the court that the mechanics would be best considered in the context of the first Templated AVO (or first batch of Template AVOs) that the Receiver seeks approval of, with the expectation that, if approved, the broader mechanic could be incorporated at that time by way of amendment to the Appointment Order.

Sealing of Receiver's Confidential Appendix 1

[37] The Receiver requests a sealing order in respect of the Target Price List, pending the sale of all of the Units or further Order of the court.

[38] As set out above, the Target Price List contains the Receiver's estimation of the current fair market value for each of the Units. 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.

[39] 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. 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.

[40] 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.

[41] Subsection 137(2) of the *Courts of Justice Act,* R.S.O. 1990, c. C.43, provides that the court may order that any document filed in a civil proceeding be treated as confidential, sealed, and not form part of the public record. It is common to temporarily seal commercially sensitive material when assets are to be sold under a court process. Courts have acknowledged that there is a public interest in the "general commercial interest of preserving confidential information" and in maximizing recoveries in an insolvency: *Sherman Estate v. Donovan*, 2021 SCC 25, [2021] 2 S.C.R. 75, at para. 41.

[42] 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: see *Romspen Investment Corporation v. Hargate Properties Inc*., 2012 ABQB 412, 99 C.B.R. (5th) 319, at paras 2, 11, and 13.

[43] The requested sealing order is limited in scope and in time. 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. No stakeholder will be materially prejudiced by the proposed sealing order.

[44] While Wang 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. 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 the Units are sold. After that time, the Target Price List will become part of the public record.

[45] The proposed sealing order balances the open court principle and legitimate commercial requirements for confidentiality in the circumstances. In my view, the benefits of the requested sealing order outweigh the negative impact on the "open court" principle. I am satisfied that the limited nature and scope of the proposed sealing order is appropriate and satisfies the *Sierra Club of Canada v. Canada (Minister of Finance)*, 2002 SCC 41, [2002] 2 S.C.R. 522, at para. 53; requirements, as recast, in *Sherman Estate*, at para. 38.

[46] 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.

Approval of the Sixth Report and the Receiver's Activities and Fees and Fees of Receiver's Counsel

[47] The activities that the Receiver has engaged in since its Fifth Report dated June 16, 2025 are detailed in paragraph 34 of its Sixth Report. These activities were undertaken for the benefit of the stakeholders of the Debtors and, accordingly, this court should approve them.

[48] The Receiver's professional fees incurred for services rendered from June 1, 2025 to August 31, 2025 amount to $196,901.50, plus disbursements in the amount of $1,555.43 (all excluding HST). These amounts represent professional fees and disbursements not yet approved by the court. The time spent by the Receiver's professionals is described in the affidavit of Bryan Gelman sworn September 8, 2025 and attached as Appendix B to the Sixth Report.

[49] The fees of Paliare Roland Rosenberg Rothstein LLP ("Paliare"), counsel to the Receiver, for services rendered from June 1, 2025 to August 31, 2025 total $110,959.09 (inclusive of HST and disbursements). These amounts represent professional fees and disbursements not yet approved by the court. The time spent by Paliare's professionals is described in the affidavit of Beatrice Loschiavo sworn September 9, 2025, and attached as Appendix C to the Sixth Report.

[50] 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: see *Cameron Stephens*, at paras. 48, 52, and 57 citing *Target Canada Co. (Re)*, 2015 ONSC 7574, 31 C.B.R. (6th) 311 at paras. 2, 12; *Triple-I Capital Partners Limited v. 12411300 Canada Inc.*, 2023 ONSC 3400, at para. 66; *Ravelston Corp. (Re)* (2005), 24 C.B.R. (5th) 256 (Ont. C.A.), at para. 40.

[51] When considering whether to approve professional accounts, the court will consider the overall value contributed, taking into consideration (a) the nature, extent and value of the assets, (b) the complications encountered, (c) the degree of assistance provided by the debtor, (d) the time spent, (e) the receiver's knowledge, experience and skill, (f) the diligence and thoroughness displayed, (g) the responsibilities assumed, (h) the results of the receiver's efforts, and (i) the cost of comparable services when performed in a prudent and economical manner: *Bank of Nova Scotia v. Diemer*, 2014 ONCA 851, 20 C.B.R. (6th) 292, at paras. 33-35, 44-45.

[52] The Receiver has been involved in overseeing the ongoing construction and completion of the Project and has been engaging with stakeholders, including Wang. Its conduct has been reasonable, appropriate and accretive to the body of stakeholders. The quantum of the professional fees reflects the extent of the activities that the Receiver has been required to undertake in this proceeding, including steps that have been necessitated by Wang's persistent opposition to everything that the Receiver does.

[53] As this court has previously held (for example in the May 6, 2025 endorsement, at para. 34): "The fees and disbursements of the Receiver and its counsel were incurred at standard rates. The rates are consistent with those charged by sophisticated insolvency professionals and counsel. I am satisfied that the fees and disbursements are fair, reasonable and justified in the circumstances".

[54] Wang is asking to reduce and claw back fees paid to the Receiver and its counsel that have already been approved by prior court orders and to reduce the fees for which approval is now being sought.

[55] In terms of past fees, they have already been approved and no authority was presented that would cause the court to re-open those prior fee approvals and claw back fees previously paid.

[56] Wang refers to *Sub-Prime Mortgage Corp. v.1219070 Ontario Inc.[sic should be indexed as: Sub-Prime Mortgage Corp. v. Ontario Phoenix Apartments Ltd.],* 2010 ONSC 6535, 73 C.B.R. (5th) 10 in support of his request for the court to reduce the Receiver's fees. That case involved an exceptional situation where the recoveries achieved by the receiver were far less than anticipated by the receiver or the secured creditor who appointed the receiver. Wang's criticisms said to give rise to the need for an Investigation into the Receiver's conduct are based on Wang's view that the receivership has delayed the completion of the Project beyond his expectations, while the market has eroded and the costs have escalated. These concerns were the subject of Wang's May 9, 2025, motion which has never been rescheduled. There was also some mention during the hearing of Wang seeking leave to commence a separate action against the Receiver, which may overlap with this previously adjourned Investigation Motion. The question about whether there should be an Investigation into the Receiver's conduct is not presently pending and the court makes no determination about that issue at this time.

[57] The mere fact that these issues have been raised (repeatedly, not only in the Investigation Motion but also repeatedly in response to other motions that the court has granted over Wang's objections), is not a reason to reduce the fees of the Receiver and its counsel. They are approved for the reasons and based on the evidence generally outlined above and as set out in the Receiver's Sixth Report and the supporting fee affidavits.

Costs

[58] According to the Receiver's Costs Outline for this motion, its all-inclusive partial indemnity costs are: $14,927.87, substantial indemnity costs are $22,222.30, and full indemnity costs are $24,653.78. While the court appreciates that the Receiver is frustrated by the constant challenges that Wang raises and the impact that has on the fees charged by the Receiver's counsel, the Receiver did have to bring this motion. This motion might have been more straightforward if Wang had not raised the objections he did, but in the end those objections had little, if any, impact on the outcome of this motion. Further, the motion was not granted in its entirety as some aspects were adjourned to address concerns noted by the court.

[59] I am not inclined to make any order as to costs in favour of the Receiver and against Wang. If the Receiver wishes to pursue its request for an order requiring Wang to pay costs of this motion, a 9:30 scheduling appointment may be booked through the Commercial List office during which the court will further consider the Receiver's request for costs and whether the parties should be permitted to provide further cost submissions.

Order

[60] The Amended Sales Process Approval Order may issue in the form signed by me today and dated November 28, 2025.

[61] The order includes a provision dismissing the Debtor's Cross-Motion, but this dismissal is intended to be only insofar as it seeks relief in opposition to the relief granted on the Receiver's motion. To the extent that the Cross-Motion seeks the appointment of an inspector to investigate the Receiver's conduct, which overlaps with the relief sought in the Debtors' May 9, 2025 Investigation Motion, that issue is not being decided at this time.

[62] The order also includes a provision adjourning certain aspects of the relief sought by the Receiver on this motion regarding amendments to the Appointment Order for certain mechanics in the AVO process to streamline the approval of agreements of purchase and sale consistent with the proposed form of Template AVO to be utilized to transfer title to purchasers of Units who agree to pay at least the Target Price for their unit. As noted earlier, the court suggests that this may be best revisited in the context of the approval of the first AVO (or first batch of AVO's) for a sale under the Sales Process.

Justice J. Kimmel

Date: November 28, 2025