

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

CMLS FINANCIAL LTD.

Applicant

and

BRONTE LAKESIDE LTD. and BRONTE LIMITED PARTNERSHIP

Respondents

**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**

AFFIDAVIT OF SARMAD GANNI

I, SARMAD GANNI of the City of Burlington, in the Province of Ontario, AFFIRM:

1. I am a principal in Bronte Lakeside Ltd. a Respondent in this proceeding. As such, I have knowledge of the matters to which I hereinafter depose, except where such knowledge is based on information and belief in which case I have stated the source of said information and believe it to be true.

2. I swear this affidavit in support of the Respondents request for an adjournment of the Applicants' receivership application on the terms set out here in this Affidavit.

3. Bronte Lakeside Ltd. holds title to the properties at 2432-2452 Lakeshore Road West, Oakville, Ontario L5J 1K4 and 77, 87, and 93 Bronte Road, Oakville, Ontario, L6L 3B7 (the “**Property**”). The Property is beneficial owned by the other Respondent, Bronte Limited Partnership.

4. The Applicant, CMLS Financial Ltd, (“**CMLS**”), holds security against the Property and other assets of Bronte Lakeside Ltd. pursuant to a mortgage agreement registered as Instrument No. HR2075741 on the Property.

5. Due to the decline in the real estate development market, Bronte Lakeside Ltd. experienced difficulty securing sufficient investment in the development project at the Property to pay some construction contractors and property taxes.

6. Beginning in June 2025, certain contractors registered construction liens against the Property. These registration of these construction liens constituted defaults under the mortgage between it and CMLS.

7. On or about August 8, 2025, CMLS gave notice to Bronte Lakeside Ltd. that the construction liens constituted a default and demanded that the liens be discharged by August 18, 2025, failing which CMLS would demand repayment of the indebtedness.

8. Since the construction liens were registered, Bronte Lakeside Ltd. has worked diligently to raise capital through an investment to secure sufficient funds to pay out the construction liens and have them discharged. The principals of Bronte Lakeside Ltd, myself and the other partners in the project, have kept CMLS apprised of these efforts.

9. For the past several months, the partners of Bronte Lakeside Ltd. have been negotiating a transaction with a potential investor, Elite M.D. Developments Inc. (“**Elite**”) wherein Elite would acquire one group of partners interest and inject capital into the project to payout the construction liens and outstanding municipal taxes. I have participated in the negotiations including calls and meetings with CMLS and Elite concerning transaction.

10. Bronte Lakeside Ltd. kept CMLS apprised of the status of the negotiations of the Letter of Intent with Elite. It was anticipated that a Letter of Intent with Elite would have been executed several weeks ago. However, the execution of the Letter of Intent has been delayed by continuous last-minute changes to its terms. Each time that changes were being made to the Letter of Intent, it was believed that the agreement would be executed imminently.

11. As a result of the delay in the completion of the Letter of Intent with Elite, I have had to source an alternative investment to secure capital to discharge the construction liens and pay the municipal taxes owing. I have sourced the capital injection, but require additional time to complete the transaction.

12. Bronte Lakeside Ltd. requires a brief adjournment of the receivership application of two weeks. During those two weeks, Bronte Lakeside Ltd. will secure the investment to have the construction liens discharged within 10 days and the municipal taxes paid within 14 days.

13. Once the construction liens are discharged and the municipal taxes are paid, the initial defaults under the mortgage agreement with CMLS will be remedied.

14. Bronte Lakeside Ltd has already prepaid the interest due under the mortgage and there will be no other amounts payable under the mortgage before its maturity date in January 2026.

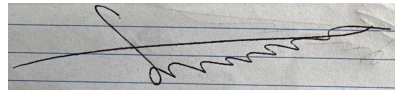
15. The brief adjournment of the receivership application to permit Bronte Lakeside Ltd. complete the transaction with the alternative investor will also save the costs of a receiver.

16. CMLS will maintain its right to proceed with the receivership if the construction liens are not discharged and the municipal taxes paid within the 14 days set out in paragraph 12 above.

AFFIRMED by Sara J. Erskine at the City of Toronto in the Province of Ontario on November 19, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits
(or as may be)



Sarmad Ganni

CMLS FINANCIAL LTD.
Applicant

-and- **BRONTE LAKESIDE LTD. et al.**
Respondents

Court File No. CL-25-00753553-0000

ONTARIO
COURT OF JUSTICE

PROCEEDING COMMENCED AT
TORONTO

AFFIDAVIT OF SARMA D GANNI
(affirmed November 19, 2025)

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