

**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

**FRESH AS AMENDED FACTUM OF THE RECEIVER (SALES PROCESS AND
APPROVAL AND VESTING ORDERS)**

December 17, 2025

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PART I. OVERVIEW

1. This Fresh as Amended Factum has been prepared by 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**”) in connection with the return of the Receiver’s motion for approval of a sales process for residential units (the “**Units**”) in the Richmond Hill Grace project (the “**Project**”) owned by the Debtors, among other things, which motion was initially heard by Justice Kimmel on October 23, 2025 (the “**Sales Process Motion**”).

2. The Sales Process Motion was granted in part, with a portion of the relief being adjourned *sine die*. In particular, Justice Kimmel adjourned the Receiver’s motion for:

- (a) An Order amending subsection 3(k) of the Receivership Order to authorize the Receiver to sell the Units (as defined in the Sixth Report) without approval of this Court in respect of any such transaction, provided that the sale price of the Unit under an agreement of purchase and sale is not less than the Target Price (as defined in the Sixth Report) set out in Confidential Appendix 1 to the Sixth Report (each such transaction being a “**Permitted Transaction**”); and
- (b) An Order approving a form of template vesting order that is to be completed by the Receiver in the future for each Permitted Transaction and submitted to the Court Registrar for signature, in order to convey one or more Units (as defined below) to a purchaser free and clear of any mortgages, charges, liens or other encumbrances in the absence of separate court attendances

for each separate Permitted Transaction (collectively, the “**Adjourned Relief**”).

3. If granted, the Adjourned Relief would enable the Receiver to obtain approval and vesting orders in respect of agreements for the sale of Units without returning to Court for a formal motion, so long as these agreements were for a minimum threshold price.

4. Justice Kimmel determined that it was premature to grant the Adjourned Relief in the absence of concurrent approval of a template form of agreement of purchase and sale for use in connection with Permitted Transactions. Justice Kimmel suggested to the Receiver that the Receiver return to Court to seek the Adjourned Relief in connection with the Receiver seeking approval and vesting orders in connection with agreements for the sale of Units.

5. The Receiver is now prepared to seek the Adjourned Relief, alongside:

(a) An Order approving template agreements of purchase and sale for use in connection with Permitted Transactions;

(b) two approval and vesting orders (collectively, “**AVOs**” and, individually, an “**AVO**”):¹

(i) approving the Transactions and the Freehold AVO Agreements (as defined below);

¹ The Receiver had originally sought approval of 13 AVOs. However, because of delay in the registration of the condominium for a portion of these units, the Receiver is only prepared to proceed with its request for AVOs in respect of the freehold units, for which the condominium was registered in October 2025. See Second Supplement to the Sixth Report of the Receiver dated December 17, 2025 (“**Second Supplement**”) at para. 13 ([E13655](#)).

- (ii) following the Receiver's delivery of the Receiver's certificate substantially in the form attached as Schedule "A" to a given AVO, transferring and vesting all of the Debtors' right, title and interest in and to the relevant Freehold AVO Unit (as defined below) in the relevant purchaser(s), free and clear of all liens, charges, security interests and encumbrances other than permitted encumbrances;
 - (c) An Order approving the First Supplement to the Sixth Report of the Receiver dated December 9, 2025 (the "**First Supplement**") and the Second Supplement to the Sixth Report of the Receiver dated December 17, 2025 (the "**Second Supplement**");
 - (d) A Sealing Order in respect of the Confidential Appendices to the First Supplement and the Second Supplement; and
 - (e) An Order authorizing the Receiver to distribute the proceeds of the Transactions in accordance with the Interim Distribution (as defined and described in the First Supplement).
6. The Receiver recommends that the Court grant this relief which is, in the Receiver's view, in the best interests of the Debtors' stakeholders.

PART II. FACTS

A. Background

7. On December 21, 2023, Justice Cavanagh appointed AGI as Receiver of the Debtors.² JPLP is a limited partnership established for the purpose of constructing the Project located at real property municipally known as 39, 53 and 67 Jefferson Side Road, Richmond Hill, Ontario (the “**Real Property**”).³

8. The Project is located at the Real Property and consists of 96 residential units, being 60 stacked condominium townhome units (the “**Stacked Units**”) and 36 freehold townhome units (the “**Freeholds**”) and, together with the Stacked Units, the “**Units**”).⁴

9. The Project is now substantially complete and the Receiver has commenced the marketing of the Units for sale pursuant to a sales process approved by the Court.⁵

B. The Sales Process

1. The Sales Process Motion

10. On September 11, 2025, the Receiver commenced the within motion (the “**Sales Process Motion**”) which sought, among other things:⁶

- (a) An Order amending the Appointment Order to authorize the Receiver to sell the Units without approval of the Court where the sale price of the Unit under the agreement of purchase and sale is not less than that Unit’s Target Price, as set out in the Target Price List developed by the Receiver and described

² Appointment Order, Appendix A to the First Supplement, Fresh as Amended Motion Record of the Receiver (“**AMR**”), Tab 3, p. 40 ([E11641](#)).

³ First Supplement at para. 1, AMR, Tab 3, p. 21 ([E11622](#)).

⁴ First Supplement at paras. 6-8, AMR, Tab 3, p. 24 ([E11629](#)).

⁵ Sixth Report at para. 8, AMR, Tab 4, p. 1289 ([E12890](#)).

⁶ First Supplement at para. 13, AMR, Tab 3, p. 25 ([E11629](#)).

in detail in the Sixth Report (each such Transaction being a “**Permitted Transaction**”);

- (b) An Order approving a form of template vesting order that is to be completed by the Receiver for each Permitted Transaction and submitted to the Court Registrar for signature in order to convey title to the Units to purchasers free and clear of encumbrances;
- (c) An Order approving the Sales Process described in the Sixth Report; and
- (d) An Order sealing the Target Price List.

2. Permitted Transactions

11. 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.⁷

12. A transaction for the sale of a Unit will be a Permitted Transaction if the total consideration payable for a Unit under the agreement of purchase and sale is equal to or higher than the Target Price for that Unit.⁸

13. 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

⁷ Sixth Report at para. 17, AMR, Tab 4, p. 1291 ([E12892](#)).

⁸ Sixth Report at para. 18, AMR, Tab 4, p. 1292 ([E12893](#)).

Target Price for a Unit. Accordingly, at the initial return of the Sales Process Motion, Justice Kimmel made an Order sealing the Target Price List.⁹

14. 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.¹⁰

15. 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.¹¹

16. 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,¹² which mismanagement led to significant

⁹ Endorsement of Justice Kimmel, November 28, 2025, at paras. 37-46, AMR, Tab 3, p. 94-5 ([A11695](#)).

¹⁰ Sixth Report at para. 19, AMR, Tab 4, p. 1292 ([E12893](#)).

¹¹ Sixth Report at para. 20, AMR, Tab 4, p. 1292 ([E12893](#)).

¹² See First Supplement to the Second Report of the Receiver, dated May 1, 2024 at paras. 24-35, pp. 8-10 ([E13031](#)).

construction and other delays. The Receiver is of the view that this history likely reduces the 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).¹³

17. 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.¹⁴

3. Fanseday's Cross-Motion

18. The Sales Process Motion was opposed by Fanseday Wang ("**Fanseday**"), the principal of the Debtors. In addition to opposing the relief sought by the Receiver in the Sales Process Motion, on October 16, 2025, Fanseday served a cross-motion (the "**Cross-Motion**") on the Receiver which sought, among other things:¹⁵

- (a) A stay of retail and individual Unit sales pending completion of a Court-ordered bulk-sale market test conducted by an independent sales monitor;
- (b) An Order requiring the Receiver to disclose the Target Price List to stakeholders; and
- (c) An Order reserving and holding back 50% of the future fees of the Receiver and its counsel.

¹³ Sixth Report at para. 21, AMR, Tab 4, p. 21 ([E12893](#)).

¹⁴ Sixth Report at para. 22, AMR, Tab 4, p. 22 ([E12894](#)).

¹⁵ Notice of Cross-Motion, Appendix D to the First Supplement, AMR, Tab 3, p. 75 ([E11676](#)).

19. The Sales Process Motion was heard on October 23, 2025 by Justice Kimmel. On November 28, 2025, Justice Kimmel released her decision in connection with the Sales Process Motion and the Cross-Motion. Justice Kimmel:

- (a) Dismissed the Cross-Motion (with the caveat that this dismissal only dismisses Fanseday's request for relief in opposition to the relief granted in connection with the Receiver's Sales Process Motion);¹⁶
- (b) Ordered the relief sought in the Sales Process Motion, with the exception of (i) the Receiver's request for orders amending the Appointment Order to enable the Receiver to complete Permitted Transactions without Court approval; and (ii) approving a template form of vesting order for use in connection with the same; and
- (c) Adjourned the Receiver's motion for the Adjourned Relief *sine die*.¹⁷

20. Justice Kimmel determined that it was premature to grant the Adjourned Relief without the intended form of agreement of purchase and sale for use in connection with Permitted Transactions also being approved by the Court.

21. Accordingly, Justice Kimmel suggested to the Receiver that the Receiver's Motion for the Adjourned Relief be considered in the context of a motion for one or more AVOs

¹⁶ Endorsement of Justice Kimmel at para. 61, Appendix E to the First Supplement, AMR, Tab 3, p. 96 ([E11697](#)).

¹⁷ Order of Justice Kimmel at para. 9, Appendix E to the First Supplement, AMR, Tab 3, p. 83 ([E11684](#)).

based on the form of agreement and purchase and sale intended to be used in Permitted Transactions.¹⁸

4. Template APSs

22. As suggested by Justice Kimmel in connection with the Sales Process Motion, and in consultation with its counsel and advisors, the Receiver has developed two template agreements of purchase and sale for use in connection with Permitted Transactions, depending on whether the Unit is a Freehold Unit or a Stacked Unit.¹⁹ These Template APSs (as defined in the First Supplement) are appended to the First Supplement.

C. Results of the Receiver's sale efforts to date

23. Through and with its real estate broker, Homelife, the Receiver has been marketing the Unsold Units for sale since September 29, 2025, as contemplated by the Sales Process approved by Order of Justice Kimmel.²⁰

24. As a result of these efforts, the Receiver has entered into 5 agreements of purchase and sale (collectively, the "**New Agreements**" and, individually, a "**New Agreement**"), each of which is substantially in the form of either the Freehold Template or the Stacked Template, as applicable. The details of the New Agreements are set out in the First Supplement.²¹

¹⁸ Endorsement of Justice Kimmel at paras. 35-36, Appendix E to the First Supplement, AMR, Tab 3, p. 93 ([E11694](#)).

¹⁹ Freehold APS Template, Appendix F to the First Supplement, AMR, Tab 3, p. 99 ([E11700](#)); Stacked Condo APS Template, Appendix G to the First Supplement, AMR, Tab 3, p. 166 ([E11767](#)).

²⁰ First Supplement at para. 24, AMR, Tab 3, p. 28 ([E11629](#)).

²¹ First Supplement at para. 25, AMR, Tab 3, p. 28-29 ([E11629](#)).

25. In addition to the New Agreements, there are currently 8 Units that are subject to agreements of purchase and sale (collectively, the “**Pre-Receivership Agreements**” and, individually, a “**Pre-Receivership Agreement**”) that pre-date the appointment of the Receiver.

26. Together, the New Agreements and the Pre-Receivership Agreements are referred to as the “**December AVO Agreements**” and, individually, a “**December AVO Agreement.**”

27. The transactions contemplated by the December AVO Agreements are referred to collectively as the “**Transactions**” and, individually, a “**Transaction.**”

28. The purchasers under the December AVO Agreements are referred to collectively as the “**December AVO Purchasers**” and, individually, as a “**December AVO Purchaser.**”

29. The details of the December AVO Agreements are set out in greater detail in the First Supplement.

30. As set out in the Second Supplement, because of the timing of the registration of the standard condominium in respect of the Stacked Units, at the December 19, 2025 return of this Sales Process Motion, the Receiver is not seeking approval of all of the December AVO Agreements, but is only seeking approval of the December AVO Agreements in respect of the Freeholds. There are two such agreements (such

agreements being the “**Freehold AVO Agreements**” and the related Units being the “**Freehold AVO Units**”).²²

D. Approval and Vesting Orders

31. The Receiver recommends that this Court approve the Freehold AVO Agreements and grant AVOs vesting title to the Freehold AVO Units in the relevant purchasers, upon the closing of these agreements and filing of the Receiver’s certificates.

E. Sealing Order

32. The Receiver requests that this Court grant a sealing order in respect of the Confidential Appendices to this First Supplement and the Second Supplement.

33. These Confidential Appendices consist of the unredacted copies of the December AVO Agreements, a Revised Target Price List (which merely corrects an inadvertent exclusion of information from the original Target Price List) and a summary of the financial terms of the December AVO Agreements.

34. If any of the pricing information in these documents was made public, it would compromise the Receiver’s ability to obtain the best price for the Units because it may reveal information about the Receiver’s pricing and negotiation strategy to potential purchasers, who could in turn use this information to make tactical, lower offers for the purchase of the Units. This would be detrimental to stakeholder recovery.

²² Second Supplement at para. 13 ([E13655](#)).

35. As a result, the Receiver is of the view that an order sealing the Confidential Appendices will permit the Receiver to maximize the proceeds of the Units and is in the best interests of the Debtors' stakeholders.

F. Distributions

36. As amended by the Order of Justice Steele dated May 2, 2025, the Receiver is authorized to borrow \$40,000,000, which amounts are secured by the Receiver's Borrowing Charge provided for in the Appointment Order.²³

37. As of December 8, 2025, the Receiver has borrowed \$35,901,755 from Cameron Stephens pursuant to the Receiver's Borrowing Charge.²⁴

38. The Receiver requests authorization to use the proceeds of the Transactions to:

- (a) Pay commission owing to Homelife and cooperating brokers in connection with the New Agreements;
- (b) Pay the fees and disbursements of the Receiver and its legal counsel, to the extent those fees have been approved by the Court; and
- (c) Repay amounts owing to Cameron Stephens under the Receiver's Borrowing Charge (such scheme of distribution being the "**Interim Distribution**").²⁵

²³ Order of Justice Steele, May 2, 2025, Appendix to the First Supplement, AMR, Tab 3, p. 1166 ([E12767](#)).

²⁴ First Supplement at para. 37, AMR, Tab 3, p. 36 ([E11637](#)).

²⁵ First Report at para. 38, AMR, Tab 3, p. 36 ([E11637](#)).

39. Repayment of amounts owing to Cameron Stephens will minimize the accrual of interest on these amounts and will be in the best interests of stakeholders generally.

PART III. STATEMENT OF ISSUES

40. The return of the Receiver's Sales Process Motion raises the following issues:

- (a) Whether this Court should approve the Transaction and grant the AVOs;
- (b) Whether this Court should authorize the Receiver to distribute the proceeds of the Transactions in accordance with the Interim Distribution;
- (c) Whether this Court should approve the proposed amendments to the Appointment Order and Template APSs;
- (d) Whether this Court should grant a sealing order in respect of the Confidential Appendices to the First Supplement and the Second Supplement; and
- (e) Whether this Court should approve the Receiver's conduct and fees and the fees of its counsel as set out in the First Supplement and the Second Supplement.

41. The Receiver submits that these issues should all be answered in the affirmative.

PART IV. LAW

A. The Court should approve the Transactions and grant the AVOs

42. The factors to be considered by this Court in its assessment of the approval of a sale by a receiver are well established. A Court should consider:

- (a) whether the receiver has made a sufficient effort to get the best price and has not acted improvidently;
- (b) the interests of all parties;
- (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.²⁶

43. Having regard to the foregoing, the Receiver submits and recommends that this Court should approve the Freehold AVO Agreements in order to give effect to the Transactions contemplated thereby. In particular, the Receiver notes the following:²⁷

- (a) The Freehold AVO Agreements are the product of Homelife's marketing efforts, in accordance with the Sales Process approved by this Court;²⁸ and
- (b) The value of the consideration for each of the Freehold AVO Agreements exceeds the relevant Unit's Target Price, as set out in the Revised Target Price List. As set out in greater detail in the Sixth Report, each Unit's Target Price reflects the Receiver's estimate of the current fair market value of each Unit (as at the date of the Sixth Report), subject to a discount to provide the Receiver with flexibility in negotiating a favourable price with potential purchasers, in all the circumstances.

²⁶ *Royal Bank v. Soundair Corp.*, [1991 CanLII 2727 \(ONCA\)](#) at [para. 16](#) [*"Soundair"*].

²⁷ First Supplement at para. 31, AMR, Tab 3, p. 33 ([E11634](#)).

²⁸ See Endorsement of Justice Kimmel at paras. 26-30, Appendix E to the First Supplement, AMR, Tab 3, pp. 92-3 ([E11693](#)); Order of Justice Kimmel at para. 6, AMR, Tab 3, p. 83 ([E11684](#)); Sixth Report at para. 12., AMR, Tab 4, p. 1290 ([E12891](#)).

44. The above factors support the approval of the Transactions and are consistent with factors present where this Court has approved the sale of similar real property by a receiver.²⁹

45. A sales process in the context of a receivership is not to be held to a standard of perfection. Rather, a receiver will be found to be making appropriate efforts to get the price if the receiver carefully considers the available information and uses its expertise to determine how best to maximize value in the particular circumstances. This is particularly so where a receiver is dealing with an unusual asset (96 separate residential units) as it is here.³⁰

46. Additionally, a Court ought only interfere with a receiver's recommendation concerning the sale of a debtor's assets in exceptional circumstances. As the Ontario Court of Appeal agreed with and adopted in *Soundair*:

If the court were to reject the recommendation of the Receiver in any but the most exceptional circumstances, it would materially diminish and weaken the role and function of the Receiver both in the perception of receivers and in the perception of any others who might have occasion to deal with them. It would lead to the conclusion that the decision of the Receiver was of little weight and that the real decision was always made upon the motion for approval. That would be a consequence susceptible of immensely damaging results to the disposition of assets by court-appointed receivers.³¹

47. In the present case, there are no exceptional circumstances which would warrant a rejection of the Receiver's recommendation. The Receiver marketed the December AVO Units in accordance with the Sales Process approved by the Court and entered

²⁹ See *People's Trust Company et al. v Vandyk-Backyard Queensview Limited et al* (Court File No. CV-24-00713783) [Endorsement of Justice Black dated January 13, 2025](#) at paras. 5-8 [**"Vandyk"**]; Sixth Report of TDB Restructuring Limited as Receiver in the matter of Vandyk-Backyard Queensview Limited, January 3, 2025, at paras. 24-30 ([E13777](#)).

³⁰ *National Trust Co v 1117387 Ontario Inc*, [2010 ONCA 340](#) at [paras. 44](#) and [50](#).

³¹ *Soundair* at [para. 21](#).

agreements with the December AVO Purchasers that are in line with the Receiver's estimate of the Units' fair market value.

48. There is no basis for the Court to find that this course of conduct was anything other than commercially reasonable.

49. In all, the marketing process was fair and transparent and any further marketing efforts would be unlikely to generate a greater return for the Debtors' stakeholders than the December AVO Agreements, taking into account:

- (a) the Receiver's estimate of the market value of the December AVO Units;
- (b) the professional fees associated with further marketing efforts; and
- (c) the continued accrual of interest on amounts owing to Cameron Stephens under the amounts lent by Cameron Stephens to the Receiver under the Receiver's borrowing charge. Such indebtedness can be reduced through the distribution of the proceeds of the Transactions to Cameron Stephens.³²

50. There is, accordingly, no basis to interfere with the Receiver's recommendation to approve the Freehold AVO Agreements.

B. This Court should authorize the Receiver to distribute the proceeds in accordance with the Interim Distribution

51. This Court regularly approves the distribution of proceeds from a transaction in an insolvency proceeding in respect of real estate agency commissions, professional fees of

³² First Supplement at para. 31(e), AMR, Tab 3, p. 34 ([E11635](#)).

the Court-appointed officer and its counsel and priority secured debt. The Receiver is now requesting this relief in connection with the proceeds of the Transaction.³³

52. At this time, the Receiver is only seeking authorization to distribute the proceeds from the Transaction on account of the indebtedness owing to Cameron Stephens, the first secured lender of the Debtors, through the Receiver's Borrowing Charge, which has priority over all other claims against the Debtors' assets, except those of the Receiver and its counsel for their fees.³⁴

53. Repayment of such indebtedness will reduce the accrual of interest against the Debtors' estate.

C. This Court should approve the proposed amendments to the Appointment Order and the Template APSs

54. 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.

55. 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 significant legal expenses, reduce the net proceeds available to creditors from each sale of an Unsold Unit and represent an inefficient use of judicial resources.³⁵

56. 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

³³ *King Capital Mortgage Investment Corporation v. 2353110 Ontario Limited*, (Court File No. CV-24-00730779-00CL) [Endorsement of Justice J. Dietrich dated October 29, 2025](#) at para. 22.

³⁴ Appointment Order at para. 20, Appendix A to the First Supplement, AMR, Tab 3, p. 49 ([E11650](#)).

³⁵ Sixth Report at para. 15, AMR, Tab 4, p. 1291 ([E12892](#)).

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.

57. 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.

58. 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.

59. 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.³⁶

60. This Court has approved similar mechanisms³⁷ 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.*³⁸

61. 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

³⁶ Sixth Report at paras. 19-22, AMR, Tab 4, pp. 1292-3 ([E12893](#)).

³⁷ *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 ([E13570](#)) 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](#).

³⁸ See *Vandyk*, [Order](#) and [Endorsement](#) of Justice Black dated January 13, 2025.

the sale transactions. The Permitted Transactions will enhance the timeliness of Unsold Unit sales and maximize the net proceeds of such sales, for the benefit of all stakeholders.

62. Justice Kimmel adjourned the Receiver's motion for this relief because she was not prepared to authorize such a mechanism in the absence of Court approval and review of the form of agreements that the Receiver proposed to use in connection with the same.

63. The Receiver has now provided the Court and stakeholders with the Template APSs, one for the Freeholds and one for the Stacked Units. The Template APSs do not contain any "early termination conditions" and quite straightforwardly contemplate the conveyance of a Unit (and relevant parking space, if applicable) for cash consideration.

64. Accordingly, the Receiver recommends that the Court approve the Template APSs for use in connection with the Permitted Transactions.

D. This Court should approve the Sealing Order in respect of the Confidential Appendices

65. As noted above, The Receiver requests that this Court grant a sealing order in respect of the Confidential Appendices to this First Supplement and the Second Supplement.

66. These Confidential Appendices consist of the unredacted copies of the December AVO Agreements, a Revised Target Price List (which merely correct an inadvertent exclusion of information from the original Target Price List) and a summary of the financial terms of the December AVO Agreements.

67. Sealing these documents is necessary to ensure that the Receiver can maximize the value of the Units for the benefit of all stakeholders.³⁹

68. These documents contain the Receiver's estimation of the current fair market value for each of the Units as well as the financial terms of agreements between the Receiver and purchasers for the purchase and sale of certain Units.

69. 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.⁴⁰

70. 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' 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.⁴¹

71. 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

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

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

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

as sale price and details of competing offers, in the event that a further listing is required should the contemplated proposed transaction not close.⁴²

72. In this case, the Confidential Appendices 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.

73. As a result, the Receiver is of the view that an order sealing these documents will permit the Receiver to maximize the sale proceeds of the Units and is in the best interests of the Debtors' stakeholders.

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

75. 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, these documents will become part of the public Court record.

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

E. The Court should approve the First Supplement, the Second Supplement, the Receiver's conduct and fees and the fees of the Receiver's counsel

76. The Court should approve:

- (a) The First Supplement and the Second Supplement;
- (b) The activities of the Receiver set out in the First Supplement and the Second Supplement; and
- (c) The fees and disbursements of the Receiver and its counsel set out in the First Supplement.⁴³

77. 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.⁴⁴

78. In this case, the First Supplement and the Second Supplement detail activities undertaken and fees incurred by the Receiver and its counsel. These include:⁴⁵

- (a) finalizing and securing the registration of the Project's condominiums;
- (b) overseeing the marketing of the Units for sale;

⁴³ 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.

⁴⁴ *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](#).

⁴⁵ Affidavit of Bryan Gelman, Appendix X of First Supplement, AMR, Tab 3, p. 1199 ([E12800](#)). Affidavit of Candace Baumtrog, Appendix Y of First Supplement, AMR, Tab 3, p. 1249 ([E12850](#)). First Supplement at paras.47-8, AMR, Tab 3, p. 38 ([E11639](#)).

- (c) attending the original hearing of the Sales Process Motion and addressing the Cross-Motion brought by Fanseay;
- (d) negotiating the five New Agreements for the sale of Units;
- (e) Preparing reports to Court;
- (f) Continued monitoring and oversight of various construction and development issues in relation to the Project; and
- (g) Corresponding with numerous stakeholders concerning the Project and the receivership proceedings more broadly.

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

PART IV – ORDER REQUESTED

80. The Receiver requests that this Court grant the relief sought by the Receiver in its Fresh as Amended Notice of Motion.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 17th day of December, 2025.



Ryan Shah

SCHEDULE "A" – AUTHORITIES CITED

Bank of Nova Scotia v Diemer, [2014 ONCA 851](#)

Cameron Stephens Mortgage Capital Ltd. v 2011836 Ontario Corp. et al., [2024 ONSC 3507](#)

GE Canada Real Estate Financing Business Property Company v. 1262354 Ontario Inc., [2014 ONSC 1173](#)

King Capital Mortgage Investment Corporation v. 2353110 Ontario Limited, (Court File No. CV-24-00730779-00CL) [Endorsement of Justice J. Dietrich dated October 29, 2025](#)

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](#)

National Trust Co v 1117387 Ontario Inc, [2010 ONCA 340](#)

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

Ravelston Corp. (Re), [2005 CanLII 63802 \(ON CA\)](#)

Romspen Investment Corporation v Hargate Properties Inc., [2012 ABQB 412](#)

Royal Bank v. Soundair Corp., [1991 CanLII 2727 \(ONCA\)](#)

Sherman Estate v Donovan, [2021 SCC 25](#)

Sierra Club of Canada v Canada (Minister of Finance), [2002 SCC 41](#)

Target Canada Co. Re, [2015 ONSC 7574](#)

Triple-I Capital Partners Limited v 12411300 Canada Inc., [2023 ONSC 3400](#)

Urbancorp Toronto Management Inc. et al. (Court File No. CV-I6-11389-00CL) [Approval and Vesting Order of Justice Newbould dated January 27, 2017](#)

I, Ryan Shah, lawyer for the Receiver, certify that I am satisfied as to the authenticity of the above noted authorities on this 17th day of December, 2025:



**CAMERON STEPHENS MORTGAGE
CAPITAL LTD.**

Applicant

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

Respondents

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

**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

**FRESH AS AMENDED FACTUM OF THE
RECEIVER (SALES PROCESS AND
APPROVAL AND VESTING ORDERS)**

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