

**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

BOOK OF AUTHORITIES OF THE RECEIVER

February 24, 2025

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TO: Service List

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INDEX

TAB	DOCUMENTS	PAGE NO.
1	<i>Cameron Stephens Mortgage Capital Ltd. v. 2011836 Ontario Corp. et al.</i> (Court File No. CV-23-00710795-00CL) <u>Endorsement of Justice Conway dated January 28, 2026</u>	01
2	<i>Cameron Stephens Mortgage Capital Ltd. v 2011836 Ontario Corp. et al.</i> , <u>2024 ONSC 3507</u>	05
3	<i>King Capital Mortgage Investment Corporation v. 2353110 Ontario Limited</i> , (Court File No. CV-24-00730779-00CL) <u>Endorsement of Justice J. Dietrich dated October 29, 2025</u>	17
4	<i>People's Trust Company et al. v Vandyk-Backyard Queensview Limited et al</i> (Court File No. CV-24-00713783) <u>Endorsement of Justice Black dated January 13, 2025</u>	24

TAB 1



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-23-00710795-00CL

DATE: January 28, 2026

NO. ON LIST: 1

TITLE OF PROCEEDING: CAMERON STEPHENS MORTGAGE CAPITAL LTD.
V. 2011836 ONTARIO CORP. ET AL

BEFORE: JUSTICE CONWAY

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:

Name of Person Appearing	Name of Party	Contact Info
Ryan Shah	Counsel for the Receiver, Albert Gelman Inc.	ryan.shah@paliareroland.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Fengxi Fansey Wang	Self-Represented	Fwang2025@icloud.com

ENDORSEMENT OF JUSTICE CONWAY:

[1] All defined terms used in this Endorsement shall, unless otherwise defined, have the meanings ascribed to them in the Factum of the Receiver dated January 23, 2026.

- [2] The Receiver brings this motion for approval and vesting orders for the sale of nine Pre- Receivership Units. The Receiver further seeks approval of its Eighth Report and a sealing order for certain confidential appendices to the Receiver's reports.
- [3] Mr. Wang, the principal of the Debtors,¹ sought an adjournment of today's motion. I denied the adjournment request for several reasons. First, the motion materials were served on Mr. Wang on January 14, 2026. He did not make his adjournment request until a few days before the hearing. There is no explanation for the delay. It appears to be tactical and consistent with his history of requesting adjournments. Second, he says that it will undermine his appeal of Justice Dietrich's order at the Court of Appeal. That appeal has no bearing on the issues on this particular motion. Third, Mr. Wang was able to attend today and delivered a responding factum, affidavit and *aide memoire*, all of which I have reviewed. There is simply no basis to adjourn the Receiver's motion and I decline to do so.
- [4] The Receiver seeks approval of the nine Transactions. These were transactions negotiated by the Debtor JPLP and the Purchasers prior to the receivership. The Receiver says that to the best of its knowledge, these relationships were at arm's length and the Pre- Receivership Agreements were the product of industry-standard marketing efforts for a single family residential until on behalf of JPLP.
- [5] The Receiver says that the values of these units exceed the Receiver's estimates of the current market values of these Units, as set out in the confidential Revised Target Price List (Confidential Appendix 1 to the Second Supplement to the Sixth Report of the Receiver dated December 17, 2025).
- [6] The Receiver is of the view that, in all the circumstances, further marketing efforts in respect of the Pre-Receivership Units would be unlikely to generate a greater return for the Debtors' stakeholders than the Pre- Receivership Agreements, taking into account: (i) the Receiver's estimate of the market value of the Pre-Receivership Units; (ii) the professional fees associated with further marketing efforts; and (iii) the continued accrual of interest on amounts owing to Cameron Stephens, which can be reduced through the distribution of the proceeds of the Transactions to it.
- [7] The Receiver has concluded that in all the circumstances, the Pre-Receivership Agreements are commercially reasonable transactions and their completion would be accretive to the estate of the Debtors and beneficial to stakeholders.
- [8] Mr. Wang submits that in principle he does not object to these transactions; however, he wants to see the underlying agreements of purchase and sale. I am not prepared to make that order. The Receiver has disclosed all non-confidential information about these Transactions to satisfy the court that they meet the legal test and should be approved. The

¹ Mr. Wang has not obtained leave to represent the Debtors. Nonetheless I permitted him to make submissions in court today.

Receiver is not required to provide these agreements to Mr. Wang for his review, particularly in light of his public disclosure of previously sealed information.

- [9] I am satisfied that the *Soundair* factors have been satisfied and that the Receiver's recommendation should be accepted. I further note that Mr. Wang has previously relied on the Pre-Receivership Transactions as appropriate price benchmarks for the Units. This past reliance on his part only reinforces the Receiver's view that these are reasonable commercial transactions and should be approved.
- [10] I have therefore signed the nine AVOs. Orders to go as signed by me and attached to this Endorsement. These orders are effective from today's date and are enforceable without the need for entry and filing.
- [11] With respect to the Ancillary Relief Order, I am granting the sealing order in respect of the Confidential Appendices to the Eighth Report and the Third Supplement to the Sixth Report dated January 8, 2026. I am satisfied that the requested sealing order for the Confidential Appendices meets the test in *Sierra Club/Sherman Estates* and that disclosure of this information would pose a risk to the public interest in enabling stakeholders of a company in receivership to maximize the realization of assets. It is time limited to the completion of the Project and sale of the Units. It only covers information (estimation of fair market value and pricing strategy of the Units) that could prejudice stakeholders while this sale process is ongoing. **I direct counsel for the Receiver to file a hard copy of the Confidential Appendices with the Commercial List office in a sealed envelope with a copy of the Ancillary Relief Order and this Endorsement.**
- [12] I approve the Eighth Report and the Receiver's conduct set out therein. The report describes the Receiver's opinion and analysis of the Pre-Receivership Agreements, all for the benefit of the Debtors' estate and stakeholders.
- [13] Ancillary Relief Order to go as signed by me and attached to this Endorsement. This order is effective from today's date and is enforceable without the need for entry and filing.
- [14] The Receiver's counsel said that it may be seeking costs of this motion. If it intends to do so, it shall arrange a 30-minute case conference before me within the next 30 days, on a date suitable to Mr. Wang, through the Commercial List office to address the process for cost submissions.

TAB 2

CITATION: Cameron Stephens Mortgage Capital Ltd. v. 2011836 Ontario Corp. et al.,
2024 ONSC 3507

COURT FILE NO.: CV-23-00710795-00CL

DATE: 2024-06-18

ONTARIO

SUPERIOR COURT OF JUSTICE [Commercial List]

BETWEEN:

CAMERON STEPHENS MORTGAGE CAPITAL LTD.

Applicant

– and –

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

Respondents

DATE HEARD: May 27, 2024

BEFORE: Justice Jana Steele

COUNSEL:

Jeff Larry and Ryan Shah for the Receiver, Albert Gelman Inc.

Wendy Greenspoon-Soer for the Applicant

Khaled Gheddai for the Respondents

ENDORSEMENT

Overview

[1] The Receiver, Albert Gelman Inc., seeks, among other things, Court approval to disclaim the 28 asset purchase agreements (“APSs”) under which buyers contracted pre-construction with the debtors to buy certain freehold properties. The Receiver also seeks an increase in the borrowing limit to fund the remaining work to complete the project.

[2] The Receiver’s motion is supported by the first secured lender, Cameron Stephens Mortgage Capital Ltd. (“CSMC”).

[3] The respondents oppose the Receiver's motion. The respondents are of the view that the Receiver has not taken appropriate steps to canvass all stakeholders and options before seeking to disclaim the APSs.

[4] One of the 28 purchasers, Hsin Yang Lee ("Lee"), filed evidence opposing the Receiver's motion but did not make oral submissions.

[5] None of the purchasers made oral submissions at the hearing.

[6] Affidavit evidence to oppose the Receiver's motion was also filed by a creditor of the debtors, Spectrum Realty Services Inc., Brokerage ("Spectrum"). Spectrum also did not make oral submissions.

[7] The debtors are real estate developers and the registered owners of the Jefferson Properties. The Jefferson Properties is the site of a 96-unit residential real estate development project known as Richmond Hill Grace (the "Project"), consisting of 60 stacked condominium townhome units and 36 freehold townhomes.

[8] The Project is only about 60-70% constructed.

[9] For the reasons set out below, the Receiver's motion is granted.

Background

[10] The Receiver was appointed by Order of Cavanagh J., dated December 21, 2023.

[11] At the time of the Receiver's appointment, the debtors were in the middle of constructing the Project. Under the appointment order, the Receiver was empowered to borrow \$7,000,000. That borrowing limit was subsequently increased to \$9,500,000, and then to \$11,500,000.

[12] Following its appointment, the Receiver determined that stakeholder value would be maximized by completion of the Project. However, shortly after its appointment, the Receiver determined that there were construction, health and safety, and recordkeeping deficiencies with the Project.

[13] The Receiver shut down the Project on January 24, 2024, to assess the management of the Project. As part of this assessment, the Receiver obtained a report from a chartered quantity surveyor (the "Glynn Report") that assessed the cost to complete the Project at \$23,000,000.

[14] After its appointment, the Receiver retained an independent construction representative, Camcos Management Inc., because the Receiver was uncomfortable with certain construction practices and processes implemented by the Project's existing construction manager. The Receiver decided not to renew the contract with the existing construction manager and, in consultation with Camcos and CSMC, retained a new construction manager.

[15] Before the appointment of the Receiver, the debtors had entered into 51 agreements of purchase and sale with respect to condominium townhome units (the "Condos") and 28 APSs with respect to the Freehold townhome units (the "Freehold Towns").

[16] In late March 2024, CSMC advised the Receiver that it would only continue to fund the completion of the Project if the Receiver disclaimed the 28 APSs in respect of the Freehold Towns.

Analysis

Should the Court authorize the Receiver to terminate and disclaim the 28 APSs with respect to the Freehold Towns?

[17] It is not disputed that the Court has the jurisdiction to authorize a receiver to disclaim agreements of purchase and sale in the context of real property developments: The Court has done so on numerous occasions, as set out in the Receiver's factum. For example: *Forjay Management Ltd. v. 0981478 BC Ltd.*, 2018 BCSC 527, 11 B.C.L.R. (6th) 395, at paras. 131-132; *Firm Capital Mortgage Fund Inc. v. 2012241 Ontario Ltd.*, 2012 ONSC 4816, 99 C.B.R. (5th) 120, at paras. 31-38; and *Peoples Trust Company v. Censorio Group (Hastings & Carleton Holdings Ltd.*, 2020 BCSC 1013, 80 C.B.R. (6th) 118, at para. 57.

[18] In *Forjay Management*, at paras. 41-44, Fitzpatrick J. of the British Columbia Supreme Court set out the considerations for the Court in determining whether to authorize a receiver to disclaim pre-sale purchase agreements:

- a. The respective legal priority positions as between the competing interests;
- b. Whether a disclaimer would enhance the value of the assets, and, if so, whether a failure to disclaim would amount to a preference in favour of one party; and
- c. If a preference would arise, whether the party seeking to avoid a disclaimer has established that the equities support that result.

[19] The Receiver submits that in this case, the above factors strongly support the Receiver's position. I consider each of the above factors in turn.

(i) *Respective Legal Priority Positions*

[20] CMSC is the debtors' senior secured creditor. As at January 8, 2024, the debtors' total indebtedness to CMSC was approximately \$50.8 million. The debtors granted as security for CMSC's loan a charge/mortgage against the Jefferson Properties.

[21] The agreements of purchase and sale that were entered into by the Freehold buyers and the debtors contained the following language, pursuant to which the buyers subordinate their interest to any mortgages or construction financing of the debtors:

The Purchaser hereby acknowledges the full priority of any construction financing or other mortgages arranged by the Vendor and secured by the Property over his interest as Purchaser for the full amount of the said mortgage or construction financing, notwithstanding any law or statute to the contrary and agrees to

execute all acknowledgments or postponements required to give full effect thereto.

[22] In addition, the Freehold buyers agreed to not register their agreements of purchase and sale on title to the property, and none of such agreements have been registered against title to the property.

[23] The purchaser that filed evidence, Hsin Yang Lee, argued that the deposits made pursuant to the Freehold APSs were trust funds under s. 81(1) of the *Condominium Act, 1998*, S.O. 1998, c. 19, and, therefore, such deposits should have priority over the secured creditors. Lee notes that the property was described in the agreement as a parcel of tied land consisting of a freehold unit and an interest in a common elements condominium corporation.

[24] The deposits made were in respect of the Freehold properties. The Freehold APSs are clear that the deposits made were not attributable to the common elements:

That portion of the Purchase Price applicable to the common interest in the Condominium shall be Two (\$2.00) Dollars which shall be payable as part of the monies due on the Unit Transfer Date from the Purchaser to the Vendor. **There is no deposit payable by the Purchaser for the purchase of the common interest in the Condominium.** [Emphasis added.]

[25] Because none of the Freehold deposits were attributable to the common elements, section 81 of the *Condominium Act*, which requires certain payments made to be held in trust, does not apply.

[26] As noted by the Receiver, the interpretation of the *Condominium Act* asserted by Mr. Lee would upset the legislative scheme of homebuyer protection. Under the regulations to the *Ontario New Home Warranties Plan Act*, R.S.O. 1990, c. O.31 (“ONHWPA”), the limits on compensation for lost deposits differ between freehold and condominium homes:

- a. For freehold homes, the greater of (1) \$60,000, and (2) the lesser of 10% of the sale price of the home and \$100,000; and
- b. For condominiums, \$20,000 plus interest.

[27] Lee seeks the higher protection under the ONHWPA for freehold buyers and seeks the protection owing to condominium buyers under the *Condominium Act* (i.e., the requirement to hold certain funds in trust). As noted by the Receiver, the regulations under the ONHWPA provide for greater protection for freehold purchasers because entities selling new condominiums are required under the *Condominium Act* to hold purchaser deposits in trust. Likewise, the regulations under the ONHWPA provide lesser protection to condominium purchasers because of the requirement to hold the deposits in trust under the *Condominium Act*.

[28] I am satisfied that CSMC’s position, as the party that provided mortgage and construction financing and the first secured creditor, takes legal priority over the Freehold purchasers’ interests.

- (ii) *Whether a disclaimer would enhance the value of the assets, and, if so, whether a failure to disclaim would amount to a preference in favour of one party.*

[29] The Receiver submits that the disclaimers would enhance the value of the assets.

[30] The Receiver obtained two appraisals, conducted by professional appraisers CBRE Valuation & Advisory Services and Cushman & Wakefield. The appraisal reports were provided on a confidential basis to the Court. Both appraisal reports support the Receiver's conclusion that the existing Freehold APSs are below the current market value for the properties. The appraisals indicate that the current market value of the Freehold Towns is higher than the prices at which the properties were sold.

[31] The valuation reports also support the Receiver's conclusion that if the properties were sold on an "as-is, where-is" basis, the senior secured lender, CSMC, would suffer a material loss on its indebtedness.

[32] CSMC has indicated that it will only continue to fund the Project if the Freehold APSs are disclaimed. As no other party has been identified who would be willing to fund the completion of the Project, if CSMC refused to continue to fund, this would likely result in a situation where the Receiver would be unable to complete the Project. In such a scenario, the Project would be sold on an "as-is, where-is" basis, resulting in a significant loss to the debtors' estate.

[33] As noted by the Receiver, the Receiver's business judgment that the disclaimers will enhance the value of the estate is entitled to considerable deference: *Peoples Trust*, at para. 47.

- (iii) *If a preference would arise, whether the party seeking to avoid a disclaimer has established that the equities support that result.*

[34] It is my view that the equities do not support refusal of the Receiver's request to disclaim the Freehold APSs.

[35] The Receiver is required to take into account and balance the interests of all the debtor's stakeholders. In *Ravelston Corp. (Re)* (2005), 24 C.B.R. (5th) 256 (Ont. C.A.), at para. 40, Doherty J.A. stated:

Receivers will often have to make difficult business choices that require a careful cost/benefit analysis and the weighing of competing, if not irreconcilable, interests. Those decisions will often involve choosing from among several possible courses of action, none of which may be clearly preferable to the others. Usually, there will be many factors to be identified and weighed by the receiver. Viable arguments will be available in support of different options. The receiver must consider all of the available information, the interests of all legitimate stakeholders, and proceed in an evenhanded manner. That, of course, does not mean that all stakeholders must be equally satisfied with the course of conduct chosen by the receiver. If the receiver's decision is within

the broad bounds of reasonableness, and if it proceeds fairly, having considered the interests of all stakeholders, the court will support the receiver's decision.

[36] As noted above, the Receiver has determined that if it does not disclaim the Freehold APSs, the overall recovery in the receivership would be impaired, which would be to the detriment of the entire estate.

[37] However, certain stakeholders will suffer negative impacts if the 28 Freehold APSs are disclaimed. First, the parties that had contracted to buy properties will lose their ability to purchase the Freehold Towns pursuant to the terms of their agreements. In addition, these purchasers paid deposits to the debtors, which have been invested in the Project or otherwise spent. Although Tarion insures deposit monies on freehold purchases up to \$100,000, deposit amounts paid by the purchasers in excess of \$100,000 will likely be lost. The Receiver has calculated that the Freehold buyers will lose, on average, deposits of approximately \$45,000 under the Freehold APSs.

[38] Second, Spectrum will suffer a loss of approximately \$1.4 million, which are the commissions that were to be payable upon closing that are attributable to the Freehold Towns. Further, as noted in the affidavit evidence filed by Spectrum, co-operating brokers, who have assisted with the sale of the Freehold units, will also be deprived of their commission.

[39] The Receiver submits that the negative impact that will be suffered by the Freehold buyers if the agreements are disclaimed does not justify overriding the secured lender's legal priority and giving the Freehold purchasers a preference they would not otherwise have. In this regard, the Receiver notes, among other things, that the Freehold buyers agreed that their interests in the real property would be subordinate to the secured lenders', and Tarion's warranty program will cover a significant portion of the Freehold buyers' deposits.

[40] While the proposed disclaimer will certainly have some negative impact on the homebuyers and real estate agents, I agree with the Receiver that this does not justify overriding CSMC's priority and giving the homebuyers a preference that they would not otherwise enjoy.

[41] I am also persuaded by the Receiver's submission that where, as here, the properties are not complete, the Court cannot effectively direct the Receiver to borrow millions of dollars from CSMC to fund the completion of the construction of the Freehold Towns. The Receiver referred the Court to *Firm Capital Mortgage Fund*, where Morawetz J. (as he then was) stated, at paras. 28 and 29:

[28] Counsel to the Receiver submits that the position taken by the Unitholders is essentially that they wish specific performance of their purchase agreements. Counsel to the Receiver submits that this court has previously held that specific performance (specifically in the context of an unregistered condominium project) should not be ordered where it would amount to "a mandatory order that requires the incurring of borrowing obligations against the subject property and completion of

construction ordered to bring the property into existence”. (See: *Re 1565397 Ontario Inc.* (2009), 54 C.B.R. (5th) 262.) I accept this submission.

[29] In my view, the law is clear that the Receiver is not required to borrow the required funds to close the project nor is the first secured creditor required to advance funds for such borrowing.

[42] The Receiver’s decision to disclaim the 28 Freehold APSs is “within the broad bounds of reasonableness.” I am satisfied that the Receiver has acted fairly and considered the interests of all stakeholders. As noted above, this “does not mean that all stakeholders must be equally satisfied with the course of conduct chosen by the receiver.”

Should the Court approve the Requested Increase to the Borrowing Limit?

[43] As noted above, the Receiver seeks to increase the borrowing limit by \$20,000,00, from \$11,500,000 to \$31,500,000.

[44] Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, permits the court to appoint a receiver to, among other things, “take any other action that the court considers advisable.” The Court has interpreted this provision broadly, including authorizing borrowing by receivers: *DGDP-BC Holdings Ltd. v. Third Eye Capital Corporation*, 2021 ABCA 226, 25 Alta. L.R. (7th) 211, at para. 20; and *KEB Hana Bank Trustee et al. v. Mizrahi Commercial (The One) LP et al.*, 2023 ONSC 5881, at paras. 54-55.

[45] The order appointing the Receiver also provides that the borrowing limit may be increased by further Court order.

[46] The Receiver submits that approving the requested increase to the borrowing limit is the only way to complete the Project and thereby maximize stakeholder benefit. There is approximately \$2.7 million currently held by the Receiver, which is not sufficient to complete the Project. The estimated cost to complete the Project, based on the Glynn Report, is at least \$23 million.

[47] I am satisfied that it is appropriate in the circumstances to authorize the increase to the borrowing limit.

Should the Court approve the activities, fees and interim SRD of the Receiver and the fees of the Receiver’s legal counsel?

[48] The Receiver seeks Court approval of its Second Report, the First Supplemental Report to the Second Report, the Second Supplemental Report to the Second Report and the activities set out in the reports. The principles set out by the Court regarding the approval of the activities of a receiver or monitor, and their reports, are well established: *Target Canada Co. Re*, 2015 ONSC 7574, 31 C.B.R. (6th) 311, at paras. 2 and 12; and *Triple-I Capital Partners Limited v. 12411300 Canada Inc.*, 2023 ONSC 3400, at para. 66.

[49] The activities of the Receiver are set out in the reports and include:

- a. Responding to correspondence and requests for information from the debtors and their principal, among others;
- b. Working with the construction consultant to carry out an assessment of the Project, including identifying health and safety issues on the site;
- c. Managing the review and remediations of health and safety issues;
- d. Commissioning appraisals of the Project, and the 2 Glynn reports; and
- e. Engaging in tendering processes for prospective trades and suppliers.

[50] As noted above, the senior lender, CSMC, supports the Receiver's activities.

[51] Jefferson Properties Limited Partnership and 2011836 Ontario Corp. oppose the conduct of the receivership. Among other things, the debtors suggest that the Receiver has not taken appropriate steps to canvass stakeholders and other options. The debtors also point to the lack of development on the Project since the Receiver's appointment.

[52] As noted by the Receiver, courts should defer to the reasonable exercise of business judgment by court appointed receivers: *Ravelston Corp. (Re)*, at para. 40.

[53] The Receiver states that it has been willing to try to accommodate the debtors, including providing certain requested information to the debtors and facilitating at least 4 site visits with potential financiers. This is supported by CSMC's evidence that "Wang and numerous financiers, developers and construction professionals have been given access to the site on multiple occasions."

[54] The Receiver is of the view that the course of action it is pursuing is the only alternative in the circumstances. Among other things, CSMC has indicated that it will only agree to increase funding to complete the Project if the proposal to terminate the 28 APSs is approved as requested by the Receiver.

[55] With regard to the lack of development on the Project, the Receiver identified serious concerns, as set out in its Report, including unpaid liens, lack of communications, health and safety issues, among other things, which caused the Receiver to halt work on the Project and assess.

[56] I am satisfied that the Receiver considered a range of options and was unable to find a viable alternative, which is why the Receiver has proceeded to ask the Court for the relief on this motion.

[57] I am satisfied that the Receiver's activities were necessary, appropriate and consistent with the Receiver's mandate. It is unfortunate that there was a stoppage of work on the Project further delaying its completion. However, I am satisfied that the Receiver, using its business judgment, determined that it was necessary and appropriate in the circumstances so that the issues with the Project could be remedied.

[58] I am also satisfied that the fees and disbursements of the Receiver and its counsel are fair, reasonable and justified in the circumstances. I note that fee affidavits have been filed. This has been a complicated matter given, among other things, the issues with the management of the construction up to the date of the Receiver's appointment.

Should the Court authorize the proposed sealing Order?

[59] The Receiver seeks an order sealing the confidential appendices pending the completion of the Project and the sale of all of the units. The confidential appendices contain the appraisals, the Second Glynn Report and a summary of budgetary information related to the Project.

[60] 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. In addition to the jurisdiction under the *Courts of Justice Act*, the Court has the inherent jurisdiction to issue sealing orders: *Fairview Donut Inc. v. The TDL Group Corp.*, 2010 ONSC 789, 100 O.R. (3d) 510, at para. 34.

[61] As noted by the Receiver, it is common to temporarily seal bids and other commercially sensitive material in an insolvency context when assets are to be sold under a court process.

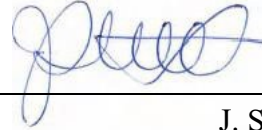
[62] The respondents oppose the requested sealing order taking the position that the Project's budget ought to be disclosed to the stakeholders so that they may assess the rationale for the increase to the borrowing limit. As was done with the Glynn Report, the Receiver is prepared to share the confidential appendices with stakeholders who sign a non-disclosure agreement. This is proportionate.

[63] The requested sealing order is limited in scope and in time. 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. If this information were released, it may impact the Receiver's ability to maximize value and maintain integrity of any future marketing and sale process. No stakeholder will be materially prejudiced by the time limited sealing order, which applies to only a limited amount of information.

[64] 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 modified in *Sherman Estate v. Donovan*, 2021 SCC 25, [2021] 2 S.C.R. 75, at para. 38.

[65] The Receiver is directed to provide the sealed confidential appendices to the Court clerk at the filing office in an envelope with a copy of this endorsement and the signed order (with the relevant provisions highlighted) so that the confidential appendices can be physically sealed.

[66] The Receiver's motion is granted. I have attached the signed order, which is effective immediately and without the necessity of issuing and entering.



J. Steele J.

Released: June 18, 2024.

CITATION: Cameron Stephens Mortgage Capital Ltd. v. 2011836 Ontario Corp. et al.,
2024 ONSC 3507
COURT FILE NO.: CV-23-00710795-00CL
DATE: 2024-06-18

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:

CAMERON STEPHENS MORTGAGE CAPITAL
LTD.

Applicant

– and –

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ONTARIO CORP., AMERICAN CORPORATION and
1000199992 ONTARIO CORP.

Respondents

REASONS FOR JUDGMENT

Steele, J.

Released: June 18, 2024

TAB 3



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-24-00730779-00CL

DATE: October 29, 2025

NO. ON LIST: 3

TITLE OF PROCEEDING: KING CAPITAL MORTGAGE INVESTMENT CORPORATION v.
2353110 ONTARIO LIMITED

BEFORE: JUSTICE J. DIETRICH

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, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
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ENDORSEMENT OF JUSTICE J. DIETRICH:

Introduction

1. TDB Restructuring Limited (“**TDB**”) in its capacity as the Court-appointed receiver (the “**Receiver**”) over the real property municipally known as 137 Berkeley Street, Toronto, Ontario (the “**Real Property**”), owned by 2353110 Ontario Limited (the “**Debtor**”), seeks two Orders.
2. First, an approval and vesting order (the “**AVO**”) is sought approving an asset purchase agreement (the “**APA**”) dated September 11, 2025 between the Receiver and 16523978 Canada Inc. (the “**Purchaser**”) for a sale of the Real Property free and clear of all claims and encumbrances.
3. Second, an order (the “**Administration and Discharge Order**”) is sought:
 - a. approving the First Report of the Receiver dated October 15, 2025 (the “**First Report**”), the activities and conduct of the Receiver as described therein and the Receiver’s statement of receipts and disbursements to October 8, 2025 (the “**R&D**”) attached thereto;
 - b. approving the Receiver ’s fees and disbursements, and those of its counsel, and the estimated costs to complete the receivership administration as described in the First Report;
 - c. approving the proposed distribution of proceeds from the transaction contemplated by the APA (the “**Transaction**”);
 - d. sealing the confidential appendices to the First Report until closing of the Transaction or until further order of the Court; and
 - e. discharging and releasing the Receiver upon the filing of a certificate (the “**Discharge Certificate**”).
4. The relief sought was originally returnable on October 23, 2025. At that time, motion was adjourned until today at the request of Mr. Bogle and Farrage Developments Inc. (“**Farrage**”). Justice Steele in her endorsement of October 23, 2025 noted that Mr. Bogle indicated at that time he was in the process of retaining new counsel. On that basis and because the Receiver’s material was short served she granted a brief adjournment until today.

5. Farrage did not appear today. Mr. Bogle appeared in person today as a representative of the Debtor. He again requested an adjournment, this time of two weeks so he could obtain counsel and prepare responding material. I declined to grant a further adjournment given that Justice Steele had already granted him an adjournment for that purpose. Further, applicant, King Capital Mortgage Investment Corporation (“**King Capital**”) is expected to suffer a shortfall in repayment of the amounts owed and that loss is growing each day.
6. Mr. Bogle expressed opposition to the relief sought by the Receiver. His submissions indicated that he was hoping to attempt to redeem the first mortgage or develop a redemption transaction of some kind given he now knows the purchase price of the APA for which approval is now sought.
7. Defined terms used but not defined herein have the meaning provided for in the factum of the Receiver filed for use on this motion.

Background

8. TDB was appointed as Receiver by my Order dated February 26, 2024, (the “**Appointment Order**”). At that hearing the Debtor was represented by counsel and opposed the appointment of the Receiver. The Debtor did not dispute that at least \$1.9 million was owing to King Capital at that point, but indicated that the full amount claimed by King Capital was disputed. They were provided an opportunity to bring a motion to address the disputed amounts by Justice Kimmel by January 15, 2025, but failed to do so.
9. The Real Property is the site of a commercial office building in Toronto, Ontario. King Capital is a secured lender of the Debtor, who currently claims to be owed in excess of \$2.4 million in connection with a mortgage loan advanced to the Debtor (the “**Loan**”). A subsequent mortgage is registered in favour of Farrage Developments Inc.
10. The Receiver has obtained an independent legal opinion that, subject to the usual qualifications and assumptions, King Capital holds valid and enforceable security over the Real Property.
11. With respect to the sale of the Real Property, the Receiver retained Lennard Realty Group (“**Lennard**”) to market the Real Property for sale. Lennard launched a marketing campaign for the Real Property on April 21, 2025 which included preparing a brochure and teaser letter that was mailed on a targeted basis, listing the Real Property on Lennard’s website and on MLS, social media posts, emails to Lennard’s distribution list of approximately 3,000 parties, targeted outreach of buyers and listing agents in Toronto, advertisement in the Globe and Mail, and establishment of an electronic data room accessible to parties that executed a confidentiality agreement.

12. The Receiver received three offers for the purchase of the Real Property and the Receiver selected the highest offer, which was subject to conditions. The conditions were not satisfied/waived and the Receiver then re-engaged with the next highest bidder – being the Purchaser. After a period of negotiations the Receiver entered into the APA with the Purchaser.
13. No submissions were made before me that the sale process was improvident in any way.
14. Following closing of the Transaction, Receiver proposing the following distribution of Proceeds, more particularly described at paragraph 68 of the First Report:
 - a. Payment to Canada Revenue Agency (“**CRA**”) on account of unpaid HST remittances by the Debtor in respect of which CRA claims a deemed trust under the Excise Tax Act;
 - b. Payment to the City of Toronto of property taxes owing by the Debtor;
 - c. Payment to Lennard of commissions owing upon closing of the Transaction;
 - d. Payment of the unpaid fees and disbursements of the Receiver and its counsel;
 - e. Payment of the Receiver’s borrowings secured by the Receiver’s Borrowing Charge; and
 - f. Payment to the Lender, up to the amount owing by the Debtor to King Capital.
15. As noted above, King Capital is expected to suffer a significant shortfall in repayment on its Loan.
16. As set out in the First Report, along with closing of the Transaction, the Receiver's remaining duties include, making the distributions discussed above, issuing further notices under section 245(2) of the BIA; preparing the Interim and Final Statements of the Receiver pursuant to sections 246(2) and 246(3) of the BIA; filing HST returns in respect of the Receiver's administration, as required; and attending to other administrative matters, as necessary.

Issues

17. The following issues are to be determined today should the Court:
 - a. approve the Transaction contemplated by the APA;
 - b. approve the requested Distributions;

- c. approve the First Report, the activities of the Receiver set out therein, the R&D and the fees and activities of the Receiver and its counsel
- d. grant the limited sealing order requested; and
- e. approve the discharge of the Receiver, upon the filing of the Discharge Certificate?

Analysis

18. The principles to be applied when determining whether to approve a sale transaction were articulated by the Ontario Court of Appeal in *Royal Bank of Canada v Soundair Corp.* 1991 ONCA 2727 (“*Soundair*”): (a) whether the receiver has made sufficient effort to obtain the best price and has not acted improvidently; (b) the efficacy and integrity of the process by which offers have been obtained; (c) whether the interests of all parties have been considered; and (d) whether there has been unfairness in the working out of the process.
19. I am satisfied that the *Soundair* principles have been met.
20. There was an extensive marketing process undertaken that included a public listing on MLS for approximately 21 weeks in total. After the first offeror withdrew its offer, the APA represents the highest offer received for the Real Property. The APA is only subject to court-approval. The Receiver does not believe that further exposure to the market would result in a superior offer.
21. As noted in *Soundair*, a Court should defer to a Receiver’s recommendation in respect of a sale, only in exceptional circumstances: see *Soundair* at para 21. I am not persuaded any such exceptional circumstances exist in this case. There is no evidence before me that the sale process was not sufficient, fair or that it was improvident. Accordingly, the requested AVO, with the amendments discussed during the hearing is substantively consistent with the form of Commercial List Model Order is approved.
22. I am satisfied that the requested amounts to be paid as part of the Distribution appropriate in the circumstances. They include amounts to be paid in priority to the Loan, including to CRA, tax amounts, Receiver’s costs and repayment of Receiver’s Borrowings. As noted, it is expected there will be a significant shortfall in repayment to King Capital of the Loan.
23. The request to approve the First Report is not unusual and there are good policy and practical reasons for doing so. The approval of the First Report is appropriate in the circumstances as the Receiver has acted reasonably and in good faith. The draft order provided contains the typical language that only the Receiver is entitled to rely on the approval. Similarly, the R&D is approved.

24. The Receiver also seeks approval of the fees and disbursements of the itself and its legal counsel, including a fee accrual to complete matters. In this respect, as the Court of Appeal for Ontario held in *Bank of Nova Scotia v Diemer* 2014 ONCA 851 at paras 33 and 45, this Court does not undertake a line-by-line analysis of the invoices. Rather, the guiding principles on fee approvals of this nature are whether the fees are fair, reasonable, and proportionate given the value of the Property and liabilities as well as the complexity of the Proceeding. In considering these guiding principles, subject to the comments below regarding the fee accrual, the fees of the Receiver and its counsel as set out in the First Report are appropriate and are approved.
25. The limited sealing order being sought is necessary to preserve the Receiver's ability to maximize the value of the Real Property in the event of the Transaction does not close. I am satisfied that the requested sealing order for the confidential appendix to the First Report (being an unredacted version of the APS and list of the financial terms of the offers received by the Receiver for the purchaser of the Real Property) meets the test in *Sherman Estate v. Donovan* 2021 SCC 25 at para 38 and that disclosure of this information would pose a risk to the public interest in enabling stakeholders of a company in receivership to maximize the realization of assets. I direct counsel for the Receiver to file a hard copy of the confidential appendices with the Commercial List Office in a sealed envelope with a copy of the relevant order and this endorsement.
26. As for the requested discharge, as discussed at today's hearing, in the circumstances I am not prepared at this to time to grant that relief and discharge the Receiver. That relief is adjourned to a further hearing to be scheduled following the closing of the Transaction and completions of the Distribution. Counsel to the Receiver should file a notice of return of motion in respect of such relief when it is brought back on as well as supplemental evidence.

Disposition

27. Orders to go in the form signed by me this day.



Date: Oct 29, 2025

Jane O. Dietrich

TAB 4



SUPERIOR COURT OF JUSTICE

COUNSEL SLIP/ ENDORSEMENT FORM

COURT FILE NO.: CV-24-00713783 DATE: JANUARY 13, 2025

NO. ON LIST: 2

TITLE OF PROCEEDING: **PEOPLE'S TRUST COMPANY ET AL v. VANDYK-BACKYARD QUEENSVIEW LIMITED ET AL**

BEFORE: **JUSTICE W.D. BLACK**

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:

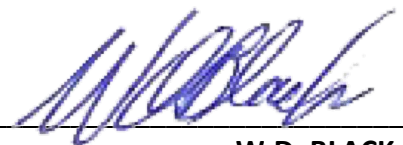
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ENDORSEMENT OF JUSTICE W.D. BLACK:

- [1] This was a motion by the receiver TDB Restructuring Limited (the “Receiver”) for three orders.
- [2] The Receiver seeks approval and vesting orders for the pending sales of Units 202 and 211, being dwelling units with related parking spaces and storage lockers (referred to in the materials, together with other unsold units as the “Unsold Units”), constituting property of Vandyk-Backyard Queensview Limited and Vandyk-Backyard HumberSide Limited (together, the “Debtors”), (the Receiver was appointed as Receiver over the Debtors and in particular the Unsold Units by appointment order dated February 6, 2024 (the “Appointment Order”)).
- [3] The Receiver also seeks an Omnibus Order approving its Third, Fourth, Fifth and Sixth Reports (dated June 2, June 25 and July 11, 2024, and January 3, 2025, respectively), and the Receiver’s activities described in those reports, and amending subsection 3(i) of the Appointment Order to authorize the Receiver to sell any of the other remaining Unsold Units provided certain conditions are met (and thus constituting a “Permitted Transaction” as defined in the materials), approving a form of template approval and vesting order for use in each Permitted Transaction going forward, and amending subsection 3(n) of the Appointment Order to authorize the Receiver to file an assignment in bankruptcy on behalf of the Debtors.
- [4] Following its appointment, the Receiver has been actively marketing the Unsold Units. In March, April, June and July of 2024, this court has granted Approval and Vesting Orders in respect of a number of Units (302, 311, 312 and 811).
- [5] On November 12, 2024, and December 12, 2024, the Receiver entered into agreements of purchase and sale with respect to Units 211 and 202, respectively, subject to court approval.
- [6] I am satisfied, based on the materials, that all due diligence and conditions under the APSs for the two Units have been met, subject only to the required AVOs. The expected closing dates are January 15, 2025, and January 30, 2025, respectively.
- [7] The Receiver recommends that this court provide the requested approval for the two APSs and authorize the Receiver to carry out the terms thereof, and grant the Orders vesting title to Unit 202 and 211 in the purchasers thereof upon closing.
- [8] I am prepared to make these approval and vesting orders in the circumstances.
- [9] I am also satisfied that the proposed Omnibus Order will achieve cost efficiency for creditors and the court, and I grant that order as well. I also find, for purposes of that order, that the Receiver’s activities and its reports have been appropriate and reasonable, and I approve them.
- [10] The three orders sought by the Receiver are signed and attached.



W.D. BLACK J.**DATE: JANUARY 13, 2025**

**CAMERON STEPHENS MORTGAGE
CAPITAL LTD.**

Applicant

2011836 ONTARIO CORP., et al.

and

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**

BOOK OF AUTHORITIES OF THE RECEIVER

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