



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-25-00747127-00CL

DATE: Apr 01, 2026

NO. ON LIST:

TITLE OF PROCEEDING:

MORRISON FINANCIAL MORTGAGE CORPORATION v. (1000 & 1024 DUNDAS ST. E.) GP INC. et al

BEFORE: JUSTICE SEAN DUNPHY

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Wendy Greenspoon-Oser	Applicant	wgreenspoon@garfinkle.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Mohammed Irfan Ahmed	President & CEO Self-Represented for AG	M@Ahmed.Group
Shahzad Siddiqui, Agent	President & CEO of AG	Shahzad@covenantllp.ca

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Dominique Michaud	Receiver – Albert Gelman Inc.	dmichaud@robapp.com

ENDORSEMENT OF JUSTICE SEAN DUNPHY:

- [1] This is a straight-forward motion of the Receiver to approve its actions to date, its fees and disbursements and to commence a rather standard form sales process. The Receiver was appointed on December 17, 2025 on application of a secured creditor.

- [2] The subject property of the debtors consist of two adjacent buildings on Dundas St. East in Toronto occupying just over two acres of land. The debtor had intended to redevelop the properties into two mixed residential and retail towers. Pending redevelopment, there are tenants in both buildings, including an affiliate of the principal of the debtors, Mr. Ahmed.
- [3] Unfortunately, that redevelopment process was not completed before the mortgage loan matured. The proceedings before the Ontario Land Tribunal to seek approvals were still underway at the time of the receivership application itself approximately 7 months after the loan matured and was not repaid. Refinancing and forbearance arrangements having failed to bear fruit, the receivership application commenced in July was proceeded with in December 2025 resulting in the appointment of the Receiver. The debtors made every effort to buy time to attempt to secure fresh financing before the Receivership and it is clear are still working hard to seek such refinancing still.
- [4] The Receiver has taken possession of the properties and performed the usual steps early on in the process of a receivership. There have been issues regarding identification of tenants and the records of rents received and/or owing. There are numerous outstanding issues between the Receiver and Mr. Ahmed or his companies. These issues are on-going and the receiver is continuing its efforts to gather information and resolve issues.
- [5] The Receiver's First Report outlines the steps taken by the Receiver in relation to these and other similar issues. Among other things, the motion seeks approval of the Receiver's actions. Of course approval of the various steps taken by a Receiver should not and cannot be mistaken for comments on the merits of substantive disputes investigated by the Receiver, such as disputes about the validity of a tenancy or amounts owing for example. Approval of a Receiver's actions is just that – approval of the steps taken by the Receiver to discharge the duties it assumed under the receivership order, approval which in turn ties into the limitation of liability of the Receiver contained in this and other receivership orders. Any substantive disputes between the Receiver and Mr. Ahmed or his companies will of course require specific adjudication if, as and when a particular issue is ripe for determination.
- [6] The principal of the debtors, Mr. Ahmed, has filed a responding motion record containing a draft Notice of Motion which shall be discussed below. At this juncture, I shall merely note that none of the matters raised were of a character that might impact upon my ability to give the requested approval of the Receiver's actions. The Receiver has responded to many of the concerns raised in a Supplemental Report. In carrying out its duties, the Receiver is required to bring to bear and apply business judgment and experience to the myriad issues, both anticipated and unanticipated that inevitably arise in the course of carrying out those duties. Neither perfection of foresight nor of execution are expected or required. Good faith, professionalism and diligence in exercising judgment are. Nothing that has been brought to my attention gives me any basis to doubt that the Receiver has acted in good faith, professionally and with diligence. It is on that basis that I approve the actions of the Receiver as requested in the motion.

- [7] The sales process which I have been asked to approve is as close to “plain vanilla” as the circumstances of this case permit.
- [8] Firstly, of course, is the business decision of the Receiver to proceed with an “as is” sale process now instead of later. This is quintessentially a matter of the business judgment of the Receiver. The secured debt continues to accrue interest. The market has been unstable and volatile for some time. The task of forecasting the future is a murky one at best. The process of seeking redevelopment approvals was not completed and the time frame for doing so or the value added were to be done (bearing in mind that a purchaser may have an entirely different development proposal in mind) uncertain. I accept the Receiver’s advice that now is the time to start a sales process. Nothing in approving the commencement of a sales process prejudices the ability of the debtor to continue efforts to seek refinancing and, should those efforts be successful, to halt the receivership and pay out the secured debt. The debtor’s redemption rights are unimpaired. The debtors’ preference to defer and delay is understandable but does not provide a foundation for rejecting the advice of the Receiver this Court appointed.
- [9] Unsurprisingly, the Receiver determined that the retainer of an experienced broker would be the obvious first step in attempting to market and sell the properties. The Receiver sought proposals from brokers experienced in marketing real estate of this type. The Receiver has selected one of these to act as sales broker for this process. CBRE has been selected by the Receiver for this purpose. I am satisfied that CBRE has the necessary experience to assist the Receiver in this process. I am also satisfied that it is appropriate to seal the Confidential Appendices proposed by the Receiver containing the terms of CBRE’s engagement as well as a summary of the proposals made by other potential brokers. The First Report discloses the fees to be paid the broker, including in the event of a refinancing or credit bid. Those fees are described as market fees payable in the event the property is “sold” (in effect) through a different process in order to remunerate the broker for its efforts in the event the process is short-circuited for one of those reasons. The respondent criticizes the fee but provides no evidence whatsoever as to why it is unreasonable or off-market. I accept the advice of the Receiver on that score.
- [10] The Receiver wishes to seal records relating to the selection of a broker and the commercial terms proposed or accepted. There would be obvious prejudice to the sales process and the receivership generally should it transpire for any reason that the Receiver is required to select another broker down the road. The sealing order will be time limited, expiring either February 1, 2027 or upon completion of the sales of the buildings. Should there be a valid reason to extend, a motion to extend may always be brought. The selection of CBRE as broker is approved and the sealing of the proposals are also approved for that limited purpose and time frame.
- [11] The property administered by the Receiver consists of two parcels of land that are adjacent to each other. This raises obvious potential *Planning Act* considerations if, as may occur, the highest and best purchase proposals require separate sales of the two parcels. Or they

may not. The Receiver has considered this issue as well as the numerous precedents that have held that a court-ordered sales process and vesting order provides a viable avenue to proceed without contravening the *Planning Act*. I am not required to rule on that at this juncture but I am of course aware of precedents that have held that the *Planning Act* strictures do not apply to a court-supervised sale and observe that the substantive concerns that the *Planning Act* requires to be considered are capable of being taken into account and considered in a court-supervised sale approval process.


- [12] The Receiver has determined to offer both parcels for sale separately. This does not presume that they WILL be sold separately or that any particular proposal will be approved. In my view it is both responsible and reasonable for the Receiver to proceed in this manner. If there are concerns to be raised about a particular offer, those concerns are best addressed at the approval stage. It would be self-defeating to tie the Receiver's hands in advance without knowing what the market will propose.
- [13] The pre-marketing and marketing process proposed is straightforward and standard for commercial real estate sales in the receivership context. The proposed sales process is reasonable, responsible and should be approved.
- [14] This motion was originally scheduled to be heard on March 17, 2026 and that date was communicated to the debtor in late February, with the motion material including the Receiver's First Report having been filed on March 9. A few days before the return date of the motion, the Receiver learned that the solicitor-client relationship with debtors' counsel had broken down. The reasons for the breakdown are not before me nor are they relevant. The Receiver consented to a short adjournment to allow the debtor to retain new counsel. The parties appeared before me and this date – April 1 – was confirmed as the new return date. Mr. Ahmed was advised by me of the requirement to make an application should he wish to represent his corporation personally. Mr. Siddiqui was present and represented as the lawyer Mr. Ahmed was in the process of retaining. The matter was adjourned to today.
- [15] Mr. Siddiqui did not give any indication of any reason why he might not be able to appear on April 1. He did not, in particular, advise that he was on a ready list liable to be called for trial this week in Milton and thus potentially unavailable today. He did not signal that the debtors would file a responding record seeking a further adjournment of two or more weeks to gather more material.
- [16] Mr. Siddiqui was in fact called for trial and appeared this morning for the sole purpose of requesting an adjournment. He advised me that he appeared as *agent* only and not as counsel for the debtor and only for the purpose of an adjournment. Whether he would be retained for any future motion date were an adjournment granted cannot be guessed.
- [17] I refused the requested adjournment. This is a routine motion and was adjourned a first time to accommodate the debtors and their quest to retain new counsel. The debtors were

unable to retain counsel able to proceed today. Their principal, Mr. Ahmed, had time to do so. I asked if he wished to apply to represent his corporation in person by way of exception today. He advised me that he did not wish to do so.

- [18] Mr. Siddiqui as Agent for the debtors (but not counsel) filed a Responding Motion Record that raises a number of issues none of which have any bearing on the substance of the routine motion before me apart from the debtors' strong preference to delay everything to permit still more time to attempt to refinance.
- [19] The decision to sell property now on an "as is" basis is a business judgment decision of a receiver. That is a decision which this court will seldom if ever be in a position to second-guess. The substance of the process to market the property is another matter but the procedure proposed is as straight-forward as it is common for this type of real estate.
- [20] The responding motion record filed by Mr. Ahmed contains nothing which substantively impacts the assessment of the marketing process nor which could justify an adjournment request. Much of what is raised is a continuation of the issues raised in an effort to defer or delay the receivership order itself in order to give the debtor more time to attempt to refinance. The respondents' statutory redemption rights are unimpaired to say nothing of the Receiver's obvious interest in pursuing *any* avenue that improves the prospect of paying the creditors of the estate it is supervising in full.
- [21] Delay for delay's sake – and that is clearly the agenda being pursued – amounts to writing a cheque on someone else's bank account. The risk is on the creditors' collective shoulders. The market may improve, it may deteriorate. Every day of the receivership adds expenses that must be recovered first from proceeds. Every court appearance adds further costs.
- [22] The respondents are free to share any and all information with the Receiver they think the Receiver ought to bear in mind, including such things as leasing prospects, advice regarding updating environmental assessments (something the Receiver is already doing), any appraisals in hand the receiver may wish to review with a broker, etc. However, the sale process approval motion is not a venue for a kitchen-sink review of the mechanics of running a data room still less to wander through unrelated issues regarding the administration of the receivership itself.
- [23] The respondents filed a "Draft Notice of Cross-Motion" seeking to adjourn the approval motion for fourteen days to retain an appraiser, file unidentified further materials and take other steps. None of this was raised on March 17 when the return date of this motion was fixed.
- [24] I have dismissed the apparently unperfected Notice of Cross-Motion in light of the uncertainty as to its status given the manner in which it was filed in draft not be counsel of

record but by a law firm acting merely as “Agent to the Respondents”. In dismissing the motion, I have not considered the merits of any particular claim raised – the dismissal is expressly without prejudice to the respondents reformulating a proper motion at a proper time and in a proper way.

[25] The adjournment having been denied, an order will go in the form of the draft order presented by the Receiver subject to the minor amendments thereto made during the hearing.


Digitally signed
by Sean Dunphy
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Date: Apr 01, 2026

Mister Justice Sean Dunphy