



Court File No. CV-22-00674810-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)
JUSTICE OSBORNE)
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)
)

MONDAY, THE 29TH
DAY OF MAY, 2023

B E T W E E N:

KINGSETT MORTGAGE CORPORATION

Applicant

- and -

30 ROE INVESTMENTS CORP.

Respondent

**IN THE MATTER OF AN APPLICATION UNDER SUBSECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-13, AS AMENDED, AND
SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

**APPROVAL AND VESTING ORDER
(PH03)**

THIS MOTION, made by KSV Restructuring Inc. in its capacity as the Court-appointed receiver and manager (in such capacity, the “**Receiver**”) without security, of (i) the real property legally described in Schedule “A” to the Order (Appointing Receiver) of this Court dated May 9, 2022 (the “**Real Property**”), (ii) all assets, undertakings and properties of 30 Roe Investments Corp. (the “**Debtor**”) acquired for, used in connection with, situate at, or arising from the ownership, development, use or disposition of, the Real Property, including the proceeds therefrom, and (iii) all of the Debtor's rights, claims, advantages, benefits, title and interest in, to

and under all agreements, leases, documents, permits, approvals, licenses and instruments in respect of the Real Property and all monies or proceeds payable thereunder, for an order approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale (the “**Sale Agreement**”) between the Receiver and 2755252 Ontario Inc. (the “**Purchaser**”) dated April 14, 2023 and appended to the Fourth Report of the Receiver dated May 16, 2023 (the “**Fourth Report**”), and vesting in the Purchaser the Debtor’s right, title and interest in and to the Real Property described in Schedule B hereto, including all fixtures and chattels described in the Sale Agreement (the “**Purchased Units**”), was heard this day by Zoom videoconference.

ON READING the Fourth Report and on hearing the submissions of counsel for the Receiver, counsel for the Canadian Imperial Bank of Commerce, counsel for KingSett Mortgage Corporation and Raymond Zar as Agent for the Debtor, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Brennan Caldwell sworn May 16, 2023, filed:

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved *nunc pro tunc*, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Units to the Purchaser.
3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver’s certificate to the Purchaser substantially in the form attached as Schedule A hereto (the “**Receiver's Certificate**”), all of the Debtor's right, title and interest in and to the Purchased Units shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or

filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Cavanagh in the within proceedings dated May 9, 2022; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the “**Encumbrances**”, provided “**Claims**” shall not include the permitted encumbrances, easements, restrictive covenants, and other matters listed on Schedule D hereto) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Units are hereby expunged and discharged as against the Purchased Units.

4. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Toronto (No. 66) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the Purchased Units identified in Schedule B hereto in fee simple, and is hereby directed to delete and expunge from title to such Purchased Units all of the Claims listed in Schedule C hereto.

5. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Units shall stand in the place and stead of the Purchased Units, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Units with the same priority as they had with respect to the Purchased Units immediately prior to the sale, as if the Purchased Units had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

6. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

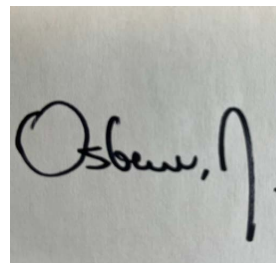
7. **THIS COURT ORDERS** that, notwithstanding:

(a) the pendency of these proceedings;

- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Units in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

8. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.



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Schedule A – Form of Receiver’s Certificate

Court File No. CV-22-00674810-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

B E T W E E N:

KINGSETT MORTGAGE CORPORATION

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Respondent

**RECEIVER’S CERTIFICATE
(PH03)**

RECITALS

A. Pursuant to an Order of the Honourable Justice Cavanagh of the Ontario Superior Court of Justice (the “**Court**”) dated May 9, 2022 (the “**Receivership Order**”), KSV Restructuring Inc. was appointed as the receiver and manager (in such capacity, the “**Receiver**”) without security, of (i) the real property legally described in Schedule “A” to the Receivership Order (the “**Real Property**”), (ii) all assets, undertakings and properties of 30 Roe Investments Corp. (the “**Debtor**”) acquired for, used in connection with, situate at, or arising from the ownership, development, use or disposition of, the Real Property, including the proceeds therefrom, and (iii) all of the Debtor's rights, claims, advantages, benefits, title and interest in, to and under all agreements, leases, documents, permits, approvals, licenses and instruments in respect of the Real Property and all monies or proceeds payable thereunder.

B. Pursuant to an Order of the Court dated [DATE] (the “**Sale Approval Order**”), the Court approved the agreement of purchase and sale made as of April 14, 2023 (the “**Sale Agreement**”) between the Receiver and 2755252 Ontario Inc. (the “**Purchaser**”) and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Purchased Units (as defined in the Sale Approval Order), which vesting is to be effective with respect to the Purchased Units upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Units; and (ii) the Transaction (as defined in the Sale Approval Order) has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Units payable pursuant to the Sale Agreement; and
2. The Transaction has been completed to the satisfaction of the Receiver.

This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**KSV Restructuring Inc., in its capacity as
receiver and manager of certain property of
30 Roe Investments Corp. and not in its
personal or corporate capacity**

Per: _____
Name:
Title:

Schedule B – Legal Description of Purchased Units

Dwelling Unit:

PIN 76559-0510 (LT)

UNIT 3, LEVEL 34, TORONTO STANDARD CONDOMINIUM PLAN NO. 2559 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT4423506; CITY OF TORONTO

Parking Unit:

PIN 76559-0584 (LT)

UNIT 61, LEVEL C, TORONTO STANDARD CONDOMINIUM PLAN NO. 2559 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT4423506; CITY OF TORONTO

Storage Unit:

PIN 76559-0623 (LT)

UNIT 100, LEVEL C, TORONTO STANDARD CONDOMINIUM PLAN NO. 2559 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT4423506; CITY OF TORONTO

Schedule C – Claims to be deleted and expunged from title to the Purchased Units

1. Instrument No. AT4477031, registered February 1, 2017, being a Charge in favour of Canadian Imperial Bank of Commerce (“**CIBC**”) securing the principal amount of \$540,385.
2. Instrument No. AT4477172, registered February 1, 2017, being a Notice of Assignment of Rents: General in favour of CIBC.
3. Instrument no. AT5110272, registered April 8, 2019, being a Charge in favour of Kingsett Mortgage Corporation (“**KS**”) securing the principal amount of \$1,875,000 (the “**KS Charge**”).
4. Instrument no. AT5110273, registered April 8, 2019, being a Notice of Assignment of Rents: General in favour of KS.
5. Instrument no. AT5731082, registered May 7, 2021, being a Notice in favour of KS in respect of the KS Charge.
6. Instrument no. AT6073332, registered May 10, 2022, being an Application to Register Court Order in respect of the Order (Appointing Receiver) of the Ontario Superior Court of Justice (Commercial List) dated May 9, 2022.

For the avoidance of doubt, each of the aforementioned instruments is to be deleted and expunged from each of the PINs identified on Schedule B hereto.

**Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants
related to the Purchased Units**

(unaffected by the Vesting Order)

1. Encumbrances for real property taxes (which term includes charges, rates and assessments) for amounts the payment of which is not yet due or delinquent;
2. permits, reservations, covenants, water course, right of water, right of access or user licenses, easements, rights of way, restrictions, building schemes, licenses, restrictive covenants and servitudes, rights of access or user, airport zoning regulations and other similar rights in land (including, without limitation, licenses, easements, rights of way, servitudes and rights in the nature of easements for walkways, sidewalks, public ways, sewers, drains, gas, soil, steam and water mains or pipelines, electrical lights and power, telephone, television and cable conduits, poles, wires or cables) granted to, reserved or taken by any person;
3. title defects or irregularities which do not materially impair the use or marketability of the Purchased Units;
4. any rights of expropriation, access or use, or any other right conferred or reserved by or in any statute of Canada or the Province of Ontario;
5. improvements on adjoining lands encroaching onto any portion of the Purchased Units, and/or improvements situated on the Purchased Units encroaching onto any portion of an adjoining property, in both instances in a non-material manner;
6. any subdivision agreements, site plan control agreements, development agreements or other similar agreements with governmental authorities affecting the development or the use of the Purchased Units;
7. any facility, cost sharing, servicing, reciprocal or other similar agreements, which are necessary or of advantage to the use, operation, and/or enjoyment of the Purchased Units;
8. all rights reserved to or vested in any governmental authority or public or private utility by the terms of any lease, licence, franchise, grant, agreement or permit held by such authority or utility affecting the Purchased Units, or by any statutory provision to terminate any such lease, licence, franchise, grant, agreement or permit or to require annual or periodic payments as a condition of the continuance thereof or to distrain against or to obtain a lien on any property in the event of failure to make such annual or other periodic payments;
9. any subsisting restrictions, exceptions, reservations, limitation, provisos and conditions (including, without limitation, royalties, reservation of mines, mineral rights and timber rights, access to navigable waters and similar rights) expressed in any original grants from the Crown and any statutory limitations, exceptions, reservations and qualifications;

10. the provisions of applicable law including, without limitation, zoning, land use and building restrictions, by-laws, regulations and ordinances of governmental authorities, including municipal by-laws and regulations, airport zoning regulations, restrictive covenants and other land use limitations, public or private, by-laws and regulations and other restrictions as to the use of the Purchased Units;
11. the declaration, description, by-laws, and rules and regulations of the condominium corporation, and all leases, service, maintenance or license agreements of portions of common elements of the condominium; and
12. save and except for the Encumbrances listed in Schedule “C” to this Order, all other registrations against title to the Purchased Units, or any one of them.

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C. 473, AS AMENDED, AND SECTION 473 OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, C. B-3 AS AMENDED

KINGSETT MORTGAGE CORPORATION

-and- **30 ROE INVESTMENTS CORP.**

Applicant

Respondent

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**
Proceeding commenced at Toronto

**APPROVAL AND VESTING ORDER
(PH03)**

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as Court-appointed Receiver