

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

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-3, AS
AMENDED, AND SECTION 101 OF THE COURTS OF JUSTICE ACT,
R.S.O. 1990, c. C.43, AS AMENDED**

MOTION RECORD

**(PH02, PH03 and Remaining Units Sale Approval and Ancillary Relief)
(Returnable May 25, 2023)**

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AMENDED**

**NOTICE OF MOTION
(PH02, PH03 and Remaining Units Sale Approval and Ancillary Relief)
(Returnable May 25, 2023)**

KSV Restructuring Inc., in its capacity as the Court-appointed receiver and manager (in such capacity, the “**Receiver**”), without security, of certain property of 30 Roe Investments Corp. (the “**Company**”) pursuant to Section 243(1) of the *Bankruptcy and Insolvency Act* (the “**BIA**”) and Section 101 of the *Courts of Justice Act* (Ontario) (the “**CJA**”) will make a motion to the Ontario Superior Court of Justice (Commercial List) on May 25, 2023, at 10:00 am or as soon after that time as the motion can be heard,

PROPOSED METHOD OF HEARING: The motion is to be heard:

- In writing under subrule 37.12.1 (1);
- In writing as an opposed motion under subrule 37.12.1(4);
- In person;
- By telephone conference;
- By video conference;

at a Zoom link to be provided by the Court.

THE MOTION IS FOR:

1. An order (the “**PH02 Approval and Vesting Order**”), *inter alia*:¹
 - (a) approving the proposed sale of the PH02 condominium unit and relating parking and storage units at the Minto 30 Roe (as defined below) (“**PH02**”) to Jiancheng Chen (the “**PH02 Purchaser**”) as contemplated by the Agreement of Purchase and Sale dated March 9, 2023, as amended, between the Receiver and the PH02 Purchaser (the “**PH02 Transaction**”);
 - (b) vesting, on the closing of the PH02 Transaction and the delivery of the Receiver’s Certificate (as defined in the draft PH02 Approval and Vesting Order), all of the Company’s right, title and interest in and to PH02 in the PH02 Purchaser free and clear of all encumbrances other than certain permitted encumbrances as set out in the draft PH02 Approval and Vesting Order; and
 - (c) granting provisional execution in respect of the foregoing relief;
2. An order (the “**PH03 Approval and Vesting Order**”), *inter alia*:
 - (a) approving the proposed sale of the PH03 condominium unit and relating parking and storage units at the Minto 30 Roe (“**PH03**”) to 2755252 Ontario Inc. (the “**PH03 Purchaser**”) as contemplated by the Agreement of Purchase and Sale dated April 14, 2023, as amended, between the Receiver and the PH03 Purchaser (the “**PH03 Transaction**”);

- (b) vesting, on the closing of the PH03 Transaction and the delivery of the Receiver's Certificate (as defined in the draft PH03 Approval and Vesting Order), all of the Company's right, title and interest in and to PH03 in the PH03 Purchaser free and clear of all encumbrances other than certain permitted encumbrances as set out in the draft PH03 Approval and Vesting Order; and
 - (c) granting provisional execution in respect of the foregoing relief;
- 3. An order (the "**Remaining Units Approval and Vesting Order**"), *inter alia*:
 - (a) subject to the Sale Conditions (as defined below) being satisfied, authorizing the Receiver to enter into and effect sale transactions (each, a "**Remaining Unit Transaction**" and together, the "**Remaining Unit Transactions**") for the units listed in Schedule "B" of the draft Remaining Units Approval and Vesting Order (each, a "**Remaining Unit**" and together, the "**Remaining Units**") pursuant to a condominium agreement of purchase and sale (each a "**Remaining Unit APS**") in a form substantially similar to that appended to the Fourth Report; and
 - (b) vesting, on the closing of any Remaining Unit Transaction and the delivery of the Receiver's Certificate (as defined in the draft Remaining Units Approval and Vesting Order), all of the Company's right, title and interest in and to one or more of the Remaining Units, as designated and described in the relevant Sale Agreement and confirmed in the Receiver's Certificate, in a purchaser free and clear of all encumbrances other than certain permitted encumbrances as set out in the draft Remaining Units Approval and Vesting Order; and
- 4. An order (the "**Ancillary Matters Order**");

¹ Capitalized terms used herein and not otherwise defined have the meaning given to them in the Fourth Report of the Receiver dated May 16, 2023 (the "**Fourth Report**").

- (a) approving the Distributions (as defined in the Ancillary Matters Order) from the proceeds of the Transactions;
 - (b) approving the activities of the Receiver as described in the Fourth Report; and
 - (c) sealing the confidential appendices to the Fourth Report (the “**Confidential Appendices**”) on the terms specified in the Ancillary Matters Order;
5. Costs of the motion against any party opposing on a substantial indemnity basis or such other scale as this Court shall determine; and
6. Such further and other relief as counsel may advise and as this Court deems just.

THE GROUNDS FOR THE MOTION are as follows:

Background

7. The Company owned nine residential condominium units and related parking spaces and storage units/lockers (collectively, the “**Units**”) located in a thirty-five storey, 397-unit condominium building at 30 Roehampton Avenue in Toronto, Ontario known as the “**Minto 30 Roe**”.
8. The Company is indebted to the Canadian Imperial Bank of Commerce (“**CIBC**”) in the total amount of approximately \$4.35 million as at May 25, 2023 (plus ongoing interest, fees and expenses). CIBC holds a first mortgage on each of the Units and other security.
9. The Company is indebted to KingSett Mortgage Corporation (“**KingSett**”) in the total amount of approximately \$2.95 million as at May 1, 2023, (plus ongoing interest, fees and expenses). KingSett holds a second mortgage on each of the Units, a general security agreement and other security.

10. The KingSett loan matured on December 1, 2021, and was not repaid by the Company.
11. On application of KingSett, on May 9, 2022, the Court granted the Receivership Order, appointing the Receiver as receiver and manager of the Property, including the Units.
12. The Company sought to appeal the Receivership Order. On June 13, 2022, the Court of Appeal granted a motion by KingSett to quash the Company's appeal and dismissed the Company's motion for leave to appeal the Receivership Order.

Sale Process and Amended Sales Process

13. The Receiver developed a sale process (the "**Sale Process**"), the details of which are described in further detail in the First Report of the Receiver dated July 7, 2022, in order to provide a means to realize and maximize value from the Units in a timely fashion for the benefit of stakeholders. The Sale Process was subsequently amended (the "**Amended Sale Process**"), including to authorize the Receiver to engage RE/MAX Hallmark Realty Ltd. Brokerage ("**Remax**") and to confirm the Receiver's authority to list any number of Units for sale at any time. The Amended Sale Process was approved by the Court on December 14, 2022.
14. Pursuant to the Amended Sale Process, two Units have been sold to date (as approved by the Court in February 2023) and the remaining Units are being (or will be) marketed for sale by the Receiver, with the assistance of Remax.

Approval of Transactions

15. The Receiver, with the assistance of Remax, listed PH02 for sale for \$929,000 on or about February 3, 2023, and initially listed PH03 for sale for \$1,128,000 on or about

February 3, 2023. Offers were subsequently received from the applicable purchasers and following negotiation, including increases to the proposed offers, accepted by the Receiver.

16. PH02 and PH03 have been subject to an extensive public marketing process in accordance with the Amended Sale Process.
17. The Receiver consulted with Remax prior to entering into the Transactions for PH02 and PH03 and reviewed comparable transactions. Remax has recommended the Transactions for PH02 and PH03 to the Receiver and believes they are the best ones available in the present market.
18. The PH02 and PH03 Transactions are on an “as is, where is” basis, are not subject to any remaining conditions (aside from the approval of this Court) and are the result of arm’s length negotiations between the Receiver and the respective purchasers.
19. The proposed PH02 and PH03 Transactions represent the highest and best offers for those Units and provide fair market value.
20. The PH02 and PH03 Transactions are supported by the fulcrum creditor, KingSett, and are recommended by the Receiver.

Sale of Remaining Units

21. Upon the closing of the proposed PH02 and PH03 Transactions, there will be five (5) Remaining Units to be sold.
22. In order for the Receiver to sell the Remaining Units without incurring the costs of preparing motion materials and attending Court for, potentially, each of the five (5)

Remaining Unit Transactions, the Receiver is seeking approval of the Remaining Units Approval and Vesting Order.

23. The Receiver is requesting authority from the Court to complete the Remaining Unit Transactions provided that the Receiver is satisfied with the purchase price and other terms of the Remaining Unit Transactions, and, in each case: (i) CIBC and KingSett consent to the Remaining Unit Transaction; (ii) the minimum price per square foot for a Remaining Unit Transaction is not less than the applicable amount specified in the Confidential Appendices; and (iii) any Remaining Unit Transaction is entered into by the Receiver on or prior to August 31, 2023 ((i) through (iii), collectively, the “**Sale Conditions**”).
24. In connection with the foregoing, the Receiver is also seeking approval of the Remaining Unit APS and authority to execute same.
25. The proposed Remaining Units Approval and Vesting Order does not prejudice any parties with potential claims, as those claims will attach to the net proceeds from the sale of the applicable Remaining Unit. Further, the only parties with encumbrances that will be vested off title to the Remaining Units are CIBC and KingSett, who are supportive of the relief sought.

Distributions

26. The Receiver is requesting authority from the Court to make the Distributions from the proceeds of the Transactions, which include distributions and payments (a) in respect of property tax arrears; (b) to the Canada Revenue Agency in respect of any harmonized sales tax on the Transactions; (c) to Remax in respect of the commissions payable

pursuant to the Remax Listing Agreement previously approved by the Court; (d) to CIBC in respect of the indebtedness of the Company owing to CIBC and secured by the first mortgage in favour of CIBC on the applicable Unit; and (e) to KingSett in respect of the indebtedness of the Company owing to KingSett and secured by the second mortgage in favour of KingSett on the Units, subject to such holdback as the Receiver considers appropriate to fund the receivership.

27. The Receiver believes that the proposed Distributions are reasonable and appropriate in the circumstances, including because they represent payments necessary to close the Transactions, are consistent with relevant legal priorities and, in the case of the commissions payable to Remax, are being made pursuant to the Court-approved Remax Listing Agreement.
28. Goodmans has provided an opinion to the Receiver that, subject to standard qualifications and assumptions, the relevant CIBC and KingSett mortgages constitute a good and valid mortgage of and fixed charge on the Units to the extent of the principal, interest and costs secured thereby.

Approval of Receiver's Activities

29. The Receiver is seeking approval of its activities described in the Fourth Report on the within motion.
30. The activities of the Receiver described in the Fourth Report have primarily consisted of:
 - (i) advancing the Amended Sale Process with the assistance of Remax and attending to related activities necessary to advance the Amended Sale Process and the administration of the receivership;
 - (ii) negotiating and entering into the proposed PH02 and PH03

Transactions; (iii) successfully bringing a motion to quash the Purported Appeal by the Company of the PH04 & PH09 AVOs granted by this Court and closing the PH04 and PH09 Transactions; (iv) preparing and bringing a motion for a writ of possession in respect of PH07; and (v) preparing the Fourth Report and bringing the within motion.

31. The foregoing activities have been necessary, are consistent with the Receiver's duties and powers granted pursuant to the Receiver Order and other prior orders of this Court, have been undertaken with efficiency and reasonableness, and are in the interest of the Company's creditors. Accordingly, the Fourth Report and the activities of the Receiver described therein ought to be approved.

Sealing

32. The Receiver seeks an Order sealing the Confidential Appendices, being (i) the Receiver's detailed projected waterfall, which includes the Receiver's estimate of the individual selling price of each Remaining Unit; and (ii) the minimum price per square foot Sale Condition and related analysis.
33. The Confidential Appendices contain sensitive financial information (the Receiver's estimated value of the Remaining Units and the minimum price per square foot the Receiver could accept for the Remaining Units), which, if not sealed, could negatively impact realizations on the Remaining Units and otherwise impact the integrity of the Amended Sale Process.
34. Disclosure of the Confidential Appendices at this time poses a serious risk to the objective of maximizing value in these proceedings, there are no reasonable alternative measures aside from a sealing order to prevent this risk and, as a matter of proportionality, the benefits of the sealing order outweigh its negative effects.

General

35. The grounds as more particularly set out in the Fourth Report;
36. The provisions of the BIA, including Sections 183 and 243;
37. Sections 100 and 137 of the CJA; and
38. Such further and other grounds as counsel may advise and this Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

1. The Fourth Report, including the appendices thereto; and
2. Such further and other material as counsel may advise and this Court may permit.

May 16, 2023

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TO: THE SERVICE LIST

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**Fourth Report of
KSV Restructuring Inc. as
Receiver of certain property of
30 Roe Investments Corp.**

May 16, 2023

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COURT FILE NO.: CV-22-00674810-00CL

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**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**

**FOURTH REPORT OF KSV RESTRUCTURING INC.
AS RECEIVER**

MAY 15, 2023

1.0 Introduction

1. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “Court”) made on May 9, 2022 (the “Receivership Order”), KSV Restructuring Inc. (“KSV”) was appointed receiver and manager (the “Receiver”) of (i) the real property legally described in Schedule “A” (the “Real Property”) of the Receivership Order, (ii) all of the assets, undertakings and properties of 30 Roe Investments Corp. (the “Company”) acquired for, used in connection with, situated at, or arising from the ownership, development, use or disposition of, the Real Property, including the proceeds therefrom, and (iii) all of the Company’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 (collectively, the “Property”). A copy of the Receivership Order is attached as Appendix “A”.
2. As at the date of the Receivership Order, the Real Property consisted of nine penthouse condominium units, nine parking spaces and nine storage lockers in a condominium development known as “Minto 30 Roe”, located at 30 Roehampton Avenue in Toronto, Ontario (collectively, the “Units”).

3. Pursuant to a Sale Process Approval Order dated July 18, 2022 (the “Sale Process Approval Order”), the Court approved a sale process for the Units. Pursuant to an Amended Sale Process Approval Order dated December 14, 2022 (the “Amended Sale Process Approval Order” and, with the Sale Process Approval Order, the “Sale Process Approval Orders”), the Court approved certain amendments to the sale process, including authorizing the Receiver to engage RE/MAX Hallmark Realty Ltd., Brokerage (“Remax”) as the broker to list the Units for sale (the “Amended Sale Process”). Copies of the Sale Process Approval Order and the Amended Sale Process Approval Order are attached as Appendices “B” and “C”, respectively.
4. The principal purpose of these receivership proceedings has been to pursue and complete transactions in respect of the Units that maximize value for the Company’s stakeholders. As discussed further below, two Units, along with their respective parking spaces and storage lockers, have previously been sold in these receivership proceedings pursuant to Court approved transactions.
5. This report (the “Report”) is filed by KSV in its capacity as Receiver.

1.1 Purposes of this Report

1. The purposes of this Report are to:
 - a) provide the Court with an update regarding these receivership proceedings;
 - b) summarize two proposed Transactions between the Receiver and third-party purchasers, which contemplate:
 - i. the sale of PH02, including one parking spot and one storage locker, pursuant to a Condominium Agreement of Purchase and Sale (as amended, the “PH02 APS”) dated March 9, 2023 (the “PH02 Transaction”); and
 - ii. the sale of PH03, including one parking spot and one storage locker, pursuant to a Condominium Agreement of Purchase and Sale (the “PH03 APS”) dated April 14, 2023 (the “PH03 Transaction”);
 - c) provide the Court with an update regarding Unit PH07 (“PH07”), which the Receiver understands is occupied by Maryam Rezaee (“Rezaee”), the mother of the Company’s principal, Raymond Zar (“Zar”), and provide the Court with the Receiver’s rationale for seeking a writ of possession and related relief in respect of PH07;
 - d) summarize the proposed manner of selling the remaining five Units and related parking spaces and storage lockers (collectively, the “Remaining Units”);
 - e) address Zar’s motion (purportedly brought on behalf of the Company) for the Receiver to pay the Company’s legal expenses from receivership funds;

- f) request that the Court issue orders:
- i. approving the PH02 Transaction and vesting title in and to PH02 in the PH02 purchaser, free and clear of all liens, claims and encumbrances, other than permitted encumbrances, and granting provisional execution in respect of such order;
 - ii. approving the PH03 Transaction and vesting title in and to PH03 in the PH03 purchaser, free and clear of all liens, claims and encumbrances, other than permitted encumbrances, and granting provisional execution in respect of such order;
 - iii. approving the sale of the Remaining Units subject to the Sale Conditions (as defined below) being satisfied, and vesting title in and to the Remaining Units in the purchaser(s) to be identified by the Receiver in the applicable Receiver's certificate, free and clear of all liens, claims and encumbrances, other than permitted encumbrances;
 - iv. granting various ancillary relief, including:
 - i) authorizing and directing the Receiver to make distributions from the proceeds of sale of each of the Units (collectively, the "Purchased Units" and each transaction in respect of a Purchased Unit being a "Transaction" and collectively, the "Transactions") to:
 - such parties as are required in respect of outstanding property tax arrears (including, without limitation, any vacant home tax) and condominium common expense arrears owing in respect of the applicable Purchased Units and such other disbursements as are required to be paid by the Receiver in connection with the closing of such Transaction;
 - the Canada Revenue Agency in respect of harmonized sales tax ("HST") on a Transaction;
 - Remax to pay its commission and the commission of the cooperating brokerages on a Transaction;
 - the Canadian Imperial Bank of Commerce ("CIBC") to repay its first mortgage on each Purchased Unit; and
 - KingSett Mortgage Corporation ("KingSett") to repay a portion of the amounts owing to it under its second mortgage on each of the Purchased Units, subject to such holdback as the Receiver considers appropriate to fund the receivership, including the fees and expenses of the Receiver and its counsel;
 - ii) sealing the Confidential Appendices to this Report; and
 - iii) approving this Report and the Receiver's activities described herein; and

- v. confirming that the Receiver is entitled to vacant possession of PH07, ordering that Rezaee (and any other occupant of PH07) vacate PH07 by no later than June 9, 2023, and granting leave to issue a writ of possession in respect of PH07.

1.2 Currency

1. Unless otherwise noted, all currency references in this Report are to Canadian dollars.

1.3 Restrictions

1. In preparing this Report, the Receiver has relied upon the limited books and records obtained from the Company and KingSett, and correspondence with Zar, on behalf of the Company.
2. The Receiver has not audited, or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this Report in a manner that complies with Canadian Auditing Standards (“CAS”) pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the financial information should perform its own diligence.

2.0 Background

2.1 Overview

1. The Company is a privately held company incorporated under the *Canada Business Corporations Act*. The Company's registered head office is located at 2 Bloor Street East, Suite 3500, Toronto, Ontario. The Company's sole director is Zar.
2. The Units are in a thirty-five storey, 397-unit condominium building in Toronto. The Receiver understands from the Company that the Units have been furnished by the Company. The Receiver understands from discussions and correspondence with the Company and its review of bank records that prior to the receivership, most of the Units were rented via websites advertising short-term rentals, including Airbnb.
3. Additional information regarding these receivership proceedings is contained within the Receiver's previous Reports to Court, being the First Report dated July 7, 2022 (the “First Report”), the Supplement to the First Report dated July 15, 2022 (the “Supplement to the First Report”) the Second Report dated December 5, 2022 (the “Second Report”), the Supplement to the Second Report dated December 13, 2022 (the “Supplement to the Second Report”) and the Third Report dated January 26, 2023 (the “Third Report” and collectively the “Reports”). Copies of the First Report, the Supplement to the First Report, the Second Report, the Supplement to the Second Report and the Third Report (each without appendices) are attached as Appendices “D”, “E”, “F”, “G” and “H”, respectively.
4. Additional Court materials relates to these proceedings can be accessed from the Receiver's website at: <https://www.ksvadvisory.com/experience/case/30-roe-investments-corp->.

2.2 Creditors

2.2.1 Secured Creditors

1. CIBC holds a first mortgage on each of the Units and other security. The Receiver understands each CIBC mortgage only secures the indebtedness owing by the Company in respect of a particular Unit. CIBC has advised that, as of May 25, 2023 (being the date of the hearing), it will be owed a total of approximately \$4.35 million by the Company and that interest and costs continue to accrue.
2. On April 8, 2019, KingSett advanced a non-revolving demand loan to the Company, which originally was for the principal amount of \$1.5 million, but was later increased to \$1.875 million (the "KingSett Loan"). The KingSett Loan is secured by a second mortgage on each of the Units, a general security agreement and other security. KingSett has advised that, as at May 1, 2023, it was owed a total of approximately \$2.95 million and that interest and costs continue to accrue.

2.2.2 Canada Revenue Agency

1. On July 5, 2022, the Receiver received a letter from Canada Revenue Agency ("CRA") dated June 14, 2022, indicating that the Company owes CRA \$39,225.38, comprised of a trust claim relating to HST of \$32,765.01 and penalties and interest of \$6,460.37.
2. CRA has advised the Receiver that the Company has not filed any HST returns for the period commencing January 1, 2020, to the date of the receivership. Despite several requests for the Company's books and records, the Receiver does not have the information necessary to file these overdue returns.

2.2.3 Other Creditors

1. The Royal Bank of Canada ("RBC") has advised the Receiver that the Company has a Canada Emergency Benefit Account loan with a fully drawn outstanding balance of \$60,000. In addition, RBC has advised the Company has outstanding credit card debt.
2. Loop Funding Inc. ("Loop") had a financing statement registered against the Company under the Ontario personal property security registry, although that registration expired in 2022. The Receiver is not aware what, if any, obligations may be owing by the Company to Loop.
3. As discussed in the Reports and below, the Receiver has asked the Company on numerous occasions for information concerning the Company's creditors. To date, limited information in this regard has been provided to the Receiver. Accordingly, the Receiver has been unable to compile complete creditor lists and all information about the indebtedness of the Company in this Report should be considered preliminary.

3.0 Update on Receivership Proceedings

3.1 Zar's Conduct

1. Zar is the sole director of the Company, although the Receiver understands that there has been litigation between Zar and Rezaee over the right to control the Company. Zar has complicated the Receiver's mandate by failing to cooperate with the Receiver contrary to the terms of the Receivership Order and a further Court order issued on July 18, 2022, requiring, among other things, Zar to provide records of the Company to the Receiver (the "Property and Records Order"), and by making various allegations against the Receiver, its counsel and other stakeholders in this proceeding. As a result of the issues caused by Zar, the Receiver, its counsel and KingSett's counsel have incurred significant costs, which continue to erode the amounts that may ultimately be available to KingSett, the fulcrum creditor in these proceedings. A summary of the issues caused by Zar was included in the Third Report and has also been detailed in prior Reports and is therefore not repeated herein.

3.2 Appeal of PH04 and PH09 Approval and Vesting Orders by the Company

1. On February 7, 2023, the Court granted two Approval and Vesting Orders in connection with the sales of PH04 and PH09 (the "PH04 & PH09 AVOs") as well as an order granting related ancillary relief (collectively, the "February 7 Orders"). The Receiver's motion was contested by the Company on the basis that, among other things, the Units should have been marketed *en bloc* as a going concern hospitality business, rather than as individual Units. On February 13, 2023, Justice Steele issued an Endorsement providing the reasons for the granting of the February 7 Orders, a copy of which is attached as Appendix "I".
2. The Receiver requested provisional execution of the PH04 & PH09 AVOs as it was concerned that the Company would appeal the PH04 & PH09 AVOs and – as it had with respect to the Receivership Order – erroneously take the position it was entitled to an automatic stay, with the result that the closing of the sales of PH04 and PH09 (originally scheduled for the end of February 2023) could be imperiled. On February 16, 2023, Justice Steele issued an Endorsement that dismissed the Receiver's request for provisional execution of the PH04 & PH09 AVOs.
3. On February 23, 2023, the Company filed a Notice of Appeal in the Court of Appeal purporting to appeal the PH04 & PH09 AVOs as of right and taking the position that it was entitled to an automatic stay of the PH04 & PH09 AVOs (the "Purported Appeal"). The Purported Appeal advanced substantially the same argument that was made previously by the Company, being that the Units should be marketed *en bloc* as a going concern hospitality business and that the Units are part of a larger commercial enterprise.
4. On March 1, 2023, the Receiver filed a motion with the Court of Appeal seeking, *inter alia*, to quash the Purported Appeal on the basis, among other things, that the Company required leave to appeal the PH04 & PH09 AVOs (the "Motion to Quash").

5. On March 3, 2023, the Company's then counsel, Blaney McMurtry LLP ("Blaney"), filed a motion seeking to remove itself as lawyers of record for the Company. Blaney sought removal as the Company's counsel both in various matters pending in this Court (including these receivership proceedings) and in the Purported Appeal.
6. On March 10, 2023, this Court issued an order removing Blaney as the lawyers of record for the Company as it relates to matters before this Court, including this receivership proceeding. A copy of the Court's Endorsement is attached as Appendix "J".
7. The Receiver opposed Blaney's motion at the Court of Appeal to the extent it would lead to a delay in resolving the Purported Appeal or the hearing of the Receiver's Motion to Quash. On March 20, 2023, the Court of appeal denied Blaney's motion to be removed as lawyers of record on the Purported Appeal and required Blaney to remain counsel of record for the Company pending hearing of the Receiver's Motion to Quash on March 27, 2023. A copy of the Court of Appeal's Endorsement is attached as Appendix "K".
8. The Receiver's Motion to Quash was heard on March 27, 2023. On March 29, 2023, the Court of Appeal issued a decision (the "March 29th Decision") granting the Receiver's Motion to Quash and denying the Company leave to appeal the PH04 & PH09 AVOs. A copy of the March 29th Decision is attached as Appendix "L". Among other things, the Court of Appeal held that:
 - a) the Company had no right to appeal the PH04 & PH09 AVOs absent leave being granted, and denied the Company leave to appeal (paragraphs 39 and 43);
 - b) the *en bloc* sale position taken by the Company amounted to a collateral attack on the Sale Process Approval Orders (paragraph 35);
 - c) by failing to appeal and set aside the Sale Process Approval Orders, the Company had lost the legal basis to advance an argument that the PH04 & PH09 AVOs – or subsequent approval orders for other individual Units – would create a loss of value by reason of the individual-unit marketing and sales methodology used by the Receiver (paragraph 38); and
 - d) "One therefore is left with the distinct impression that [the Company's] attempt to appeal the [PH04 & PH09 AVOs] is nothing more than a delay tactic." (paragraph 42).

3.3 PH04 and PH09 Closings

1. The sales of PH04 and PH09 were originally scheduled to close on February 28, 2023. As a result of the Purported Appeal, the Receiver agreed with the applicable purchasers to amend the respective agreements of purchase and sale to provide for a closing following the hearing of the Motion to Quash. The sales of PH09 and PH04 closed on March 31, 2023, and April 5, 2023, respectively.

2. The net proceeds realized by the Receiver from the sales of PH04 and PH09, after payment of broker commissions to Remax (1% to Remax, and 2.5% to the respective cooperating brokers) and certain other closing payments (including property tax arrears and vacant home taxes (as discussed further below in Section 3.6) were approximately \$1.6 million. The Receiver has not yet made any distributions to CIBC, KingSett or the CRA from the proceeds of these transactions. The Court previously advised the Receiver to return following closing of the PH04 and PH09 Transactions to seek approval of distributions. As discussed further below, the Receiver is now seeking authorization to make such distributions in respect of the PH04 and PH09 Transactions, as well as in respect of each of the other Transactions for the Purchased Units (i.e. PH02, PH03 and each of the Remaining Units).

3.4 Removal of Monitoring Equipment

1. In the Third Report, the Receiver provided its rationale for disconnecting and removing certain security equipment contained on the penthouse floor of the Minto 30 Roe, including camera and audio surveillance equipment (the “Monitoring Equipment”).
2. Pursuant to an order of the court dated February 7, 2023, the Court declared that the Monitoring Equipment is “Property” within the meaning of the Receivership Order and authorized the Receiver and its agents to disconnect the Monitoring Equipment.
3. On March 30, 2023, the Monitoring Equipment was removed by a contractor engaged by the Receiver. The Receiver was of the view that the Monitoring Equipment had limited, if any, net realizable value and therefore offered the Monitoring Equipment to Zar, who agreed to take possession of it.

3.5 Emptying of Storage Lockers

1. A number of the storage lockers forming part of the Real Property that, according to the records available to the Receiver, should have been empty, contained miscellaneous contents. As these storage lockers have and will be conveyed to purchasers of the Units, the Receiver took steps to attempt to ascertain who was using these storage lockers, including liaising with property management at the Minto 30 Roe and current known occupants of the Units, and requesting property management to send an electronic notice to residents of Minto 30 Roe on or about February 1, 2023, a copy of which is attached as Appendix “M”. A copy of this notice was also provided to the Company’s then counsel by email dated February 1, 2023. The notice indicated that any person with contents in the specified lockers was required to remove the contents and locks immediately and by no later than February 15, 2023, failing which the locks would be cut and contents disposed of. The Receiver did not receive any response to its notice. On or about February 27, 2023, the Receiver arranged to have the locks removed from the storage locker and the contents thereof either disposed of or stored together in one of the empty lockers.

3.6 Vacant Home Tax

1. Commencing in 2023, the City of Toronto introduced a vacant home tax (the “VHT”) that applies to residential properties in the City of Toronto based on several occupancy related criteria. The VHT is 1% of the “current value assessment” of a property. The applicability of a VHT to a particular property is based on a Declaration of Occupancy Status form (the “VHT Declaration”) that is required to be filed with the City of Toronto that identifies the occupancy status for the property. The VHT Declaration for 2022 was initially required to be filed by February 2, 2023, which deadline was subsequently extended to February 28, 2023.
2. As described in previous Reports, the Receiver has received limited cooperation and information from the Company and Zar, and has limited information regarding occupancy of the Units for 2022 for the period prior to its appointment. On January 30, 2023, the Receiver wrote to Zar to request that he provide the occupancy status for each Unit for 2022. Zar did not provide the requested information, nor did the Company’s counsel respond to a follow up inquiry on January 31, 2023.
3. Based on the occupancy information available to it, on February 1, 2023, the Receiver completed and submitted a VHT Declaration for each of Units PH02, PH03, PH05, PH06 and PH08, identifying them as property to which the VHT does not apply. The Receiver noted that the VHT Declarations were completed to the best of the knowledge of the Receiver, based on the information available to it at the time of submission.
4. Due to the limited occupancy information available to the Receiver regarding the occupancy status of certain of the Units prior to the date of the Receivership Order, the Receiver was unable to complete a VHT Declaration for Units PH01, PH04, PH07 and PH09, and, accordingly, these Units were deemed to be properties to which the VHT applies. The Receiver paid the outstanding VHT for PH04 and PH09 in connection with the closing of the Transactions for those Units, and anticipates paying the VHT on the closing of Transactions for each of PH01 and PH07.
5. The Receiver has made subsequent follow up requests to Zar to provide the occupancy information it needs in order to consider the applicability of the VHT to the Units for which it does not have sufficient information, which information would potentially enable it to dispute and/or recover VHT amounts paid for the benefit of stakeholders. As at the date of this Report, the Receiver’s requests for this information remain outstanding. In the event that the Receiver is able to obtain occupancy information for the outstanding Units, it will consider whether there is any opportunity to dispute or recover VHT amounts paid.

3.7 Current Status of the Units

1. An updated summary of the current status of the Units, as per the Receiver's understanding, is set out below:

Unit Number	Occupancy Status	Notes
PH01	Vacant	Occupancy ended August 27, 2022
PH02	Sold, subject to Court approval	Occupancy ending on May 31, 2023
PH03	Sold, subject to Court approval	Occupancy ended August 11, 2022
PH04	Sold	Sale closed on April 5, 2023
PH05	Occupied	Occupancy ending July 31, 2023
PH06	Occupied	Occupancy ending May 31, 2023
PH07	Occupied by Rezaee	See Section 5
PH08	Vacant	Occupancy ended January 13, 2023
PH09	Sold	Sale closed on March 31, 2023

2. As noted above, the Receiver has closed the sale of two of the nine Units, and is seeking the Court's approval of the sale of PH02 and PH03, as well as the sale of the Remaining Units. At present, Units PH01 and PH08 are listed for sale.

4.0 Amended Sale Process

4.1 Marketing Process

1. Pursuant to the Amended Sale Process, shortly after entering into the sale agreements for PH04 and PH09, the Receiver began marketing PH02 and PH03 for sale with the assistance of Remax. PH02 is a two bedroom and two bath Unit, and PH03 is a two bedroom plus den and two bath Unit.
2. As part of the Amended Sale Process, Remax, among other things, did the following with respect to the marketing of PH02 and PH03:
 - a) staged the Units, as required;
 - b) arranged for the painting of, and minor repairs to, the Units;
 - c) arranged for professional photographing of the Units and the creation of a 3D virtual tour, including floor plan, available via a dedicated webpage;
 - d) listed the Units for sale on the Toronto Real Estate Board Multiple Listing Service ("MLS"); and
 - e) provided the Receiver with regular updates on viewings and feedback from prospective purchasers.
3. Copies of the MLS listings for PH02 and the initial MLS listing for PH03 are attached as Appendices "N" and "O", respectively.

4.2 PH02 Transaction

1. The Receiver, in consultation with Remax, listed PH02 for sale on MLS from on or about February 3, 2023, at a listing price of \$929,000. The listing price was determined in consultation with Remax based on prior comparable transactions. 18 showings were held before the Receiver entered into the PH02 APS on March 9, 2023.
2. The key terms and conditions of the PH02 APS are provided below:
 - a) Purchaser: Individual purchaser.
 - b) Purchase Price: \$899,000. The purchase price is subject to standard adjustments for a transaction of this nature.
 - c) Deposit: A deposit representing 5% of the purchase price was paid to the Receiver upon execution of the PH02 APS. The balance of the purchase price, after crediting the deposit, will be paid at closing.
 - d) Real Estate Agent Commission: 3.5% (1% to Remax and 2.5% to the co-operating agent).
 - e) PH02 Purchased Units: Penthouse PH02, the parking spot located at Level C Unit 60 and the storage locker located at Level C Unit 99.
 - f) “As is, Where is”: The PH02 APS is consistent with standard insolvency transactions, i.e. to be completed on an “as is, where is” basis with minimal representations, warranties and conditions and no surviving representations or warranties of the Receiver.
 - g) Closing Date: June 1, 2023.
 - h) Taxes: The purchase price is inclusive of any applicable HST and the Receiver shall remit any applicable HST.
 - i) Material Conditions: The only material condition to closing is the granting of the proposed Approval and Vesting Order for PH02.
3. A copy of the PH02 APS is attached as Appendix “P”.

4.3 PH03 Transaction

1. PH03 was listed for sale on MLS from on or about February 3, 2023, at a listing price of \$1,128,000. The listing price was reduced several times during the listing period and PH03 was last listed at \$1,090,400. The listing price was determined in consultation with Remax based on prior comparable transactions. 40 viewings were held before the Receiver entered into the PH03 APS on April 14, 2023.
2. The key terms and conditions of the PH03 APS are provided below:
 - a) Purchaser: 2755252 Ontario Inc.
 - b) Purchase Price: \$1,090,400. The purchase price is subject to standard adjustments for a transaction of this nature.

- c) Deposit: A deposit representing 5% of the purchase price was paid to the Receiver upon execution of the PH03 APS. The balance of the purchase price, after crediting the deposit, will be paid at closing.
 - d) Real Estate Agent Commission: 3.5% (1% to Remax and 2.5% to the co-operating agent).
 - e) PH03 Purchased Units: Penthouse PH03, the parking spot located at Level C Unit 61 and the storage locker located at Level C Unit 100.
 - f) “As is, Where is”: The PH03 APS is consistent with standard insolvency transactions, i.e. to be completed on an “as is, where is” basis with minimal representations, warranties and conditions and no surviving representations or warranties of the Receiver.
 - g) Closing Date: May 31, 2023.
 - h) Taxes: The purchase price is inclusive of any applicable HST and the Receiver shall remit any applicable HST.
 - i) Material Conditions: The only material condition to closing is the granting of the proposed Approval and Vesting Order for PH03.
3. A copy of the PH03 APS is attached as Appendix “Q”.

4.4 Realtor Recommendation

- 1. The Receiver consulted with Gloria Yeung (“Yeung”), the lead realtor engaged by the Receiver from Remax, prior to accepting the offer for PH02 and PH03. Yeung has prepared a recommendation regarding the proposed sale of PH02 and PH03 for the Receiver, which is contained in Appendix “R”. The recommendation considers comparable transactions to the proposed sales of PH02 and PH03.

4.5 Recommendation re: Transactions

- 1. The Receiver recommends the Court approve the Transactions for PH02 and PH03 for the following reasons:
 - a) the market for PH02 and PH03 has been extensively canvassed in accordance with the Amended Sale Process by Remax, who is a qualified real estate broker with considerable experience in the midtown Toronto condo market;
 - b) the purchase prices under the PH02 and PH03 Transactions are not materially different from the most recent listing prices;
 - c) Remax believes the PH02 and PH03 Transactions are the best ones available in the present market and they are consistent with recent comparable transactions in the market;
 - d) the PH02 and PH03 Transactions represent the best offers received for PH02 and PH03 to date;

- e) the Receiver does not believe that further time spent marketing PH02 and PH03 will result in greater value being realized, including because the Units are vacant (in the case of PH03) or have occupancy ending in less than a month (in the case of PH02) and property taxes, condominium fees and other expenses continue to accrue (approximately \$1,000 per month in the case of PH02, and \$1,200 per month in the case of PH03);
- f) this Court previously approved the transactions for PH04 and PH09, which were marketed using a substantially similar approach and for which the transaction documents were in substantially the same form as the PH02 APS and PH03 APS; and
- g) KingSett, the fulcrum creditor, supports the PH02 and PH03 Transactions.

4.6 Provisional Execution

1. As discussed in prior Reports, the Company purported to appeal the Receivership Order as of right, which appeal was quashed by the Court of Appeal. As discussed in greater detail above, the Company also commenced the Purported Appeal of the PH04 & PH09 AVOs, which the Court of Appeal characterized as a delay tactic and quashed. As discussed in greater detail below, responding to these purported appeals and related motion practice has both delayed and increased the cost of these receivership proceedings to the significant detriment of the Company's secured creditors, including its fulcrum creditor, KingSett.
2. The Receiver is concerned that if the Court grants the requested orders approving the PH02 and PH03 Transactions, the Company may purport to appeal those orders in a further attempt to frustrate the progress of these receivership proceedings and the closing of the PH02 and PH03 Transactions. Of note in this regard, the PH02 purchaser specifically negotiated a right to terminate the PH02 APS if closing does not occur by June 1, 2023.
3. Given:
 - a) this Court has already approved the sales of two Units on substantially identical grounds as the current proposed sales;
 - b) those sale approvals were upheld by the Court of Appeal, who quashed the Company's Purported Appeal, denied it leave to appeal and specifically held that the Company had lost the legal basis to argue that individual sales resulted in a loss of value;
 - c) the conduct of the Company and Zar in these receivership proceedings to date, including repeated disregard for prior Orders of the Court and twice commencing purported appeals as a matter of right when no such right existed, including the most Purported Appeal which the Court of Appeal characterized as a delay tactic;
 - d) the delays and additional expense occasioned by Zar's conduct, all of which is being borne by the fulcrum secured creditor, KingSett,

the Receiver believes that granting provisional execution of the proposed orders approving the PH02 and PH03 Transactions is appropriate in the circumstances and necessary to prevent the possibility of further harm to the Company's secured creditors and preserve judicial resources.

5.0 PH07

5.1 Background Information

1. As set out in the Second Report and the Supplement to the Second Report, the Receiver's records reflected that Unit PH01 was vacated by the previous occupant on or about August 27, 2022, and had not been re-let by the Receiver pending it being listed for sale. When the prior occupant vacated PH01, the Receiver obtained the keys from her.
2. On December 7, 2022, representatives of the Receiver, KingSett and Yeung conducted a tour of the vacant Units to prepare for the Amended Sale Process.
3. The Receiver attended at PH01 and observed that it was occupied. Such occupation was without the knowledge or the consent of the Receiver. As the Receiver has previously changed the locks to PH01 (as well all other Units), the Receiver does not know how the occupant was able to gain access to PH01.
4. On December 8, 2022, the Receiver's legal counsel, Goodmans LLP ("Goodmans"), sent a letter by process server to the occupant in PH01 (the "December 8 Letter"). The December 8 Letter, among other things, requested information on how the person came to occupy PH01. The Receiver requested that the occupant provide a response to the Receiver by 11:00 am (Toronto time) on December 9, 2022.
5. The Receiver did not receive a response by the deadline provided in the letter. Accordingly, a representative of the Receiver attended the premises on the afternoon of December 9, 2022. A female answered the door at PH01. The occupant advised she could not speak English and the Receiver left the premises.
6. The female who answered the door of PH01 was the same person who the Receiver had previously seen occupying PH07. The Receiver had previously been advised by Zar that the occupant of PH07 had prepaid rent until July 25, 2022. PH07 was subsequently vacated by this person, but for a suitcase and some other small personal belongings.
7. As discussed in the Second Report, Zar had previously leased a Unit without the Receiver's knowledge during these receivership proceedings. Accordingly, prior to taking any further steps, the Receiver sent the following email to Zar on December 9, 2022 at 1:36 pm:

"Dear Raymond,

There is a female occupant living in PH01 who previously lived in PH07. Some of her belongings appear to still be on [sic] PH07. Our records indicate that this person should not be living there and we are concerned that we have a squatter. The person does not appear to speak English. We are considering filing a police report today. Please let us know if you know anything about this person before 5pm today.

Thank you,

Noah”

On December 9, 2022 at 2:25 pm, Zar responded as follows:¹

“Without Prejudice

Dear Noah,

The last time I was at the property was around three months ago when you changed all the locks. I thought you were managing access. It has been so long that I don't remember the units' occupancy status off the top of my head.

If there was forced entry, then as a Director of the condominium corporation, I can direct property management to intervene as it involves common elements and building security.

If there isn't forced entry, I wonder if the police would be helpful as each time we called them in the past, they refused to intervene and directed us to the landlord-tenant board.

But there were instances where short-term rental guests refused to check out, and we threatened to call the police, and the threat worked.

Regardless of everything else, it may be time to compare notes on the status of the units. Unless you have been collecting payments, there is ~\$100,000 outstanding by now (and much more if you agreed to rent out empty units, but let's not dwell on the past).

Let me know how I can assist.

Thank you,

Raymond”

8. Following the e-mail from Zar, the Receiver immediately filed a police report as it was concerned that a squatter was occupying PH01. At approximately 3:00 pm on December 9, 2022, the police contacted a representative of the Receiver and asked the Receiver to attend at PH01 to meet with the occupant.

¹ Although marked “Without Prejudice”, the Receiver does not believe Zar's email is privileged or confidential, including because it is not a settlement communication. The Receiver's counsel advised Zar, the Receiver intended to file his email with the Court as it was relevant to the matters addressed in the Supplement to the Second Report. Zar objected. The Receiver's counsel invited Zar to articulate the basis on which he claimed the e-mail was privileged. Following review of Zar's position, the Receiver continued to believe the email was not privileged or confidential. Zar ultimately waived any claim of privilege to the email by email to the Receiver's counsel on December 13, 2022.

9. The Receiver attended at the premises with two officers. When the Receiver and officers arrived, the occupant of PH01 was moving her belongings into PH07. The occupant advised the police she could not speak English. The police called a translator, who was also an officer, to communicate with the occupant.
10. According to information disclosed by the police to the Receiver, the occupant advised she was not allowed to be in PH01, but was entitled to live in PH07. The officers advised the occupant they required her identification because she had been trespassing. At first, the occupant refused to provide her identification to the police, but eventually provided her identification to the police after she was detained by the police. The police advised the Receiver that the occupant advised that she did not have a lease for PH07.
11. While the police were interviewing the occupant, Zar began speaking to the officers through the Monitoring Equipment located on the ceiling of the penthouse floor hallways. Zar advised the officers, among other things, that they did not have a warrant to enter the premises and that he was a director of the condominium corporation and did not authorize the police to continue their investigation. The police officers refused to communicate with Zar.
12. The police advised the Receiver that the occupant was Zar's mother, Rezaee. The police asked the Receiver whether it wanted to press charges against Rezaee for trespassing, but the Receiver declined to do so. Zar advised the Receiver through the Monitoring Equipment that his mother's lawyer would be calling her cellphone to speak to the police. Michael Simaan, a lawyer who has previously appeared for the Company in these receivership proceedings, called Rezaee who provided the phone to the Receiver. Mr. Simaan advised the Receiver that he was counsel to Rezaee in litigation against Zar.
13. The Receiver, through counsel, requested a copy of the police occurrence report pertaining to the above incident, but was advised that a police occurrence report cannot be obtained for this type of matter and any police records regarding the matter can only be obtained through a *Municipal Freedom of Information and Protection of Privacy Act* (Ontario) request. The Receiver, through counsel, initiated such a request for any responsive police records and received a response on or about February 15, 2023, a copy of which is attached as Appendix "S".

5.2 Writ of Possession and Related Relief

1. On December 19, 2022, Goodmans wrote a letter to Rezaee, among other things, demanding that she provide a basis for any right to presently occupy PH07 and evidence of same (e.g. a lease or rental agreement) and, to the extent she did not have such a right, demanding that she forthwith vacate PH07. The letter further indicated that the Receiver was prepared to provide Rezaee until January 15, 2023, to find alternative accommodations and vacate PH07 (without prejudice to the right of the Receiver to obtain vacant possession of PH07). A copy of this letter is attached as Appendix "T" (a courtesy Farsi translation of the letter was also delivered to Rezaee, a copy of which is attached as Appendix "U"). A copy of an affidavit of service of a process server sworn December 21, 2023, attesting that this letter was served on Rezaee is attached as Appendix "V". Rezaee has not responded to this letter.

2. On January 17, 2023, Goodmans wrote a letter to the Company to inquire whether the Company was aware if Rezaee had vacated PH07 and also requesting any documents regarding Rezaee's entitlement to occupy PH07 pursuant to the terms of the Property and Records Order by no later than January 20, 2023. A copy of this letter is attached as Appendix "W". Goodmans followed up on this letter (among other items) by letter to the Company's then counsel dated January 25, 2023, a copy of which is attached as Appendix "X". Goodmans has not received a response to these letters.
3. The Receiver understands from a Court decision dated May 15, 2020, that, in addition to being Zar's mother, Rezaee is a 40% shareholder of Roehampton Capital Corporation, which it understands is the parent company of the Company. A copy of this decision is attached as Appendix "Y".
4. To best of the Receiver's current information and belief, Rezaee is still occupying PH07. As noted above, Zar had previously advised the Receiver that rent had only been paid on PH07 through July 25, 2022, and PH07 was vacated on or about that date by Rezaee. The Receiver has not agreed to rent PH07 to Rezaee (or anyone else), or received any rent from her since the commencement of these receivership proceedings. Accordingly, the Receiver is not aware of any basis upon which Rezaee is entitled to occupy PH07.
5. Paragraph 3(a) of the Receivership Order entitles the Receiver to take possession of and exercise control over the Property (which includes PH07), and to preserve and protect the Property. In addition, vacant possession of PH07 is required in order for the Receiver to carry out its mandate, including the Amended Sale Process. Accordingly, the Receiver is seeking an order, among other things, directing Rezaee (and any other occupant of PH07) to vacate PH07 by no later than June 9, 2023, and leave to issue a writ of possession with respect to PH07. A copy of this motion will be personally served on Rezaee and any other occupant of PH07, including a letter in Farsi providing a synopsis of the relief being sought.

6.0 Proposed Approval of Sale of Remaining Units

1. The Receiver was appointed by the Court following default by the Company on its secured debt owing to KingSett, and the Court subsequently authorized the Receiver to sell the Units via the Amended Sale Process.
2. To date, the costs of these proceedings have exceeded \$1 million, including the professional fees of KingSett's legal counsel, the Receiver and its legal counsel. In that respect, the KingSett Loan has increased from \$1.875 million to approximately \$2.95 million to account for costs and unpaid interest, which amount excludes the Receiver and its counsel's costs. These costs are significantly in excess of the expected costs based on the Receiver's experience with similar mandates. In the Receiver's view, these excess costs are entirely due to Zar's conduct during these receivership proceedings, including by repeatedly failing to provide the Receiver with Property and information (even when required to do so by Court order), making numerous baseless allegations against virtually every party involved in the proceeding, and purporting to appeal two orders, necessitating the bringing of successful motions to quash by KingSett and the Receiver.

3. A summary of the current projected waterfall of realization from this receivership is provided in the chart below. A more detailed projected waterfall is attached as Confidential Appendix “1”. As demonstrated by the waterfall, the costs of these proceedings will be borne by KingSett as the fulcrum creditor. The Receiver would need to sell the Remaining Units for \$356/per square foot higher than the prices incorporated into the table below for KingSett to be repaid in full (based on the amount currently owing to it), an increase of approximately 32%. The Receiver is concerned that there will be limited funds available for distribution to KingSett if Zar continues to seek to cause delays and otherwise continues to take steps that will increase the costs of these receivership proceedings.

(\$000s)	Note	Amount
Cash on hand		1,376
Proceeds from Transactions and sale of Remaining Units	1	6,486
Broker commissions	2	(259)
CIBC Mortgage, as at May 25, 2023		(4,341)
Implied HST on sale (13%)		(946)
Professional fees	3	(600)
Amount available to KingSett		1,716
Amount owing to KingSett		(2,950)
Shortfall to KingSett		(1,234)

Notes

1. Projected net realizations from the proposed Transactions of PH02 and PH03 and the sale of the Remaining Units.
2. Estimated broker commissions (3.5% of total sale price, plus 13% HST) on sale of all Units except for PH04/PH09, as these commissions have already been paid.
3. Represents accrued and unpaid fees of the Receiver and its counsel, including an estimate to completion of these receivership proceedings.

4. In an attempt to reduce the costs of these receivership proceedings (including by limiting the number of opportunities for Zar to attempt to disrupt this receivership), the Receiver has sought to limit the number of Court attendances and “bundle” together the relief being sought by the Receiver (e.g. by seeking approval of multiple Transactions at one hearing).

5. Further to this objective, and following consultation with KingSett, the Receiver is prospectively requesting authority from the Court to complete future transactions for the Remaining Units without returning to Court, provided that the Receiver is satisfied with the purchase price and other terms of a Transaction for a Remaining Unit and: (i) CIBC and KingSett consent to the Transaction; (ii) the minimum price per square foot for a Remaining Unit is not less than the applicable amount specified in Confidential Appendix “2”; and (iii) any Transaction for a Remaining Unit is entered into by the Receiver on or prior to August 31, 2023 ((i) through (iii), collectively, the “Sale Conditions”). As detailed in Confidential Appendix “2”, the minimum price per square foot is based on the Transactions entered into by the Receiver to date, along with Remax’s expectations for sale prices for the Remaining Units, and the proposed timeframe to enter into of approximately three (3) months is intended to control for the possibility of changing real estate market conditions. The minimum price per square foot also considers the current marketing of PH1 and PH8. These Units have been marketed for over a month and have garnered limited interest at current pricing levels. In that respect, on May 2, 2023 the Receiver reduced the listing price for each Unit by \$20,000. In respect of PH01, the Receiver has received one offer that was approximately \$150,000 less than the current asking price. This offer was rejected by the Receiver.

6. In order to facilitate potential Transactions for the Remaining Units as described in the preceding paragraph, the Receiver is seeking an Approval and Vesting Order for each of the Remaining Units now (the “Remaining Unit AVO”). The proposed Remaining Unit AVO would:
 - a) authorize the Receiver to execute one or more Condominium Agreements of Purchase and Sale for each of the Remaining Units substantially in the form appended as Appendix “Z” hereto (the “Remaining Unit APS”), subject to the Sale Conditions being satisfied. The Receiver notes that the Remaining Unit APS is substantially similar to the form of condominium agreement of purchase and sale used by the Receiver in connection with the Transactions entered into to date; and
 - b) upon the delivery of a Receiver’s certificate identifying the applicable purchaser and Remaining Unit and certifying, among other things, receipt of the applicable purchase price, vest title to the applicable Remaining Unit in the specified purchaser free and clear of all claims and encumbrances, except for permitted encumbrances. The Receiver notes that the form of Remaining Unit AVO is substantially similar to the form of Approval and Vesting Order used in prior Transactions subject to conforming changes required to accommodate the Sale Conditions and the fact that the particulars of a Transaction (e.g. the identity of purchaser) will not be identified until a later date.

7. The only persons who will have encumbrances vested off title to the Remaining Units pursuant to the Remaining Units AVO are CIBC and KingSett, each of whom has been consulted and will be served with the Receiver’s motion record. The proposed Remaining Units AVO does not prejudice any parties with potential claims, as those claims will attach to the net proceeds from the sale of the applicable Remaining Unit with the same priority. Following the completion of the Transactions for each of the Remaining Units, the Receiver will file a report with the Court detailing the sale price for each of the Remaining Units.

8. The terms of the Amended Sale Process (including the manner of marketing the Remaining Units) will remain the same, provided that the Amended Sale Process will be deemed amended by the Remaining Unit AVO to accommodate the Sale Conditions and the fact that approval of the Transactions for the Remaining Units is being sought now, rather than following entry into a Transaction for a Remaining Unit.
9. The Receiver notes that this manner of selling similar residential real property in a receivership has been approved in two prior cases of which it is aware and believes that it is reasonable and appropriate in this case having regard to the objective of minimizing further professional fee expenses and that: (i) the current market price for the Remaining Units has been established by the four Transactions entered into by the Receiver to date; (ii) each of the potential Transactions for the Remaining Units will result from marketing efforts in accordance with the Amended Sale Process previously approved by the Court; and (iii) each of the potential Transactions for the Remaining Units will be subject to the satisfaction of the Sale Conditions.

7.0 Distributions

7.1 Schedule of Receipts and Disbursements

1. Attached as Appendix “AA” is a schedule of receipts and disbursements for the period from the commencement of these receivership proceedings to April 30, 2023. As reflected in the schedule, the Receiver’s bank account has a balance of \$1,376,165, before accrued costs, mainly representing proceeds from the sale of PH09 and PH04.

7.2 CIBC and KingSett Mortgages

1. It has been (and will be) a condition to closing of each of the Transactions that an Approval and Vesting Order be granted vesting out (among other things) the applicable CIBC mortgage and KingSett mortgage upon closing. Subject to having sufficient liquidity and security opinions, the Receiver is of the view it is market practice in a receivership proceeding to repay the mortgages on closing of a transaction.
2. There is (or is expected to be) sufficient proceeds from the Transactions to repay the CIBC mortgages on each of the Units in full, as well as a portion of the amount owing to KingSett. As noted above, the entirety of the KingSett Loan is secured by a second mortgage on each of the Units (among other security). Accordingly, the Receiver believes KingSett is entitled to any residual proceeds from the Transactions after repaying the CIBC loan secured by the applicable first mortgage and certain other priority amounts discussed below.
3. Goodmans has reviewed the mortgages granted by the Company to CIBC and KingSett in respect of each of the Units and issued opinions to the Receiver that, subject to standard assumptions and qualifications, each of the CIBC and KingSett mortgages constitutes a good and valid mortgage of and fixed charge on the Units to the extent of the principal, interest and costs secured thereby.²

² In the case of PH04 and PH09, the CIBC and KingSett mortgages were discharged on closing pursuant to the PH04 and PH09 AVOs. Pursuant to the terms of the PH04 and PH09 AVOs, the CIBC and KingSett mortgages attached to the net proceeds from the sale of PH04 and PH09 with the same priority.

7.3 HST on Sale of Units

1. A significant reason for the projected shortfall to KingSett is that HST is likely payable on the sale of the Units. One of the factors required to determine whether HST is owing is whether the Company claimed input tax credits on the last acquisition of each of the Units.
2. As discussed in the Third Report, Goodmans sent multiple letters to the Company requesting the information required in order to properly assess whether input tax credits were claimed. Goodmans' most recent letter to the Company in this regard is attached as Appendix "BB". As at the date of this Report, the Receiver has not received a substantive response to the question of whether input tax credits were claimed.
3. Based on the information available, the Receiver has concluded that HST is assessable on the four Transactions to date (both the closed Transactions and the PH02 and PH03 Transactions for which approval is being sought) and intends to remit HST to CRA on such Transactions.

7.4 Other Payments in Connection with the Transactions

1. The Court approved the Receiver's entry into the Remax Listing Agreement in the Amended Sale Process Approval Order. Pursuant to the Remax Listing Agreement, the Receiver has agreed to pay a commission of 3.5% of the purchase price of the Transactions when they close (1% to Remax, and 2.5% to the respective cooperating brokers). As the Receiver previously advised the Court, the commission rate of 3.5% was the lowest of all the broker proposals received by the Receiver. The Receiver paid the foregoing commissions as was required in connection with the closing of the PH04 and PH09 Transactions. It seeks authorization to pay such commissions, *nunc pro tunc*, as well as authority to pay the applicable commission following closing of each future Transaction.
2. In connection with each of the Transactions to date (and as is expected to be the case going forward), the Receiver has covenanted to remit sufficient funds from the applicable purchase price to satisfy property taxes (including, as applicable, VHT) and condominium common expenses that are in arrears prior to the applicable closing date. Accordingly, the Receiver seeks authority to pay such obligations and similar obligations (e.g. in respect of utilities) from the proceeds of the applicable Transaction. The Receiver believes such payments are appropriate as the underlying obligations may enjoy priority at law and/or are required to be paid in connection with the closing of the Transactions.

7.5 Proposed Distributions to Secured Creditors

1. Other than the obligations secured by the Receiver's Charge (as defined in the Receivership Order), a potential HST trust claim, and outstanding property taxes (including, as applicable, VHT) that will be satisfied in connection with the Transactions, the Receiver is not aware of any other claim against the proceeds of the Transactions that would rank in priority to the CIBC and KingSett mortgages.³

³ The Receiver's Charge is junior to CIBC's mortgages pursuant to the terms of the Receivership Order.

2. Accordingly, the Receiver recommends that the Court issue an order authorizing and directing the Receiver to make: (i) a distribution to CIBC from the proceeds of each Transaction in respect of the indebtedness of the Company owing to CIBC and secured by the first mortgage in favour of CIBC on the applicable Purchased Unit; and (ii) a distribution to KingSett from the proceeds of each Transaction in respect of the indebtedness of the Company owing to KingSett and secured by the second mortgage in favour of KingSett on the applicable Purchased Unit, subject to such holdback as the Receiver considers appropriate to fund the receivership, including the fees and expenses of the Receiver and its counsel, and in respect of the potential HST trust claim.

8.0 Company's Motion for Funding of Legal Expenses

1. Zar, purportedly on behalf of the Company, has scheduled a motion with the Court returnable May 18, 2023, seeking funding from the Receiver from receivership funds for the Company's legal expenses (the "Funding Motion").
2. Zar initially advised he would deliver motion materials for the Funding Motion on May 11, 2023, but failed to do so. On the afternoon of May 15, 2023, Zar served an affidavit sworn May 15, 2023, in respect of the Funding Motion; however, as at the writing of this Report, he has failed to serve a Notice of Motion in respect of the Funding Motion, or to bring a motion seeking leave to represent the Company (as he indicated he would). Although Mr. Zar has not indicated what specific expenses he seeks to have funded, he indicates in his affidavit that "The Board [i.e. Zar] will be taking positions adverse to the positions advanced by the Receiver and its counsel."
3. Should the Court hear the Funding Motion, the Receiver intends to oppose it. Among other things, the Receiver is of the view that the use of limited receivership resources to fund the Company's legal expenses is not appropriate, including because:
 - a) the Receiver is not aware of any instance in a commercial insolvency receivership where a Court has ordered that receivership funds be used to fund debtor company counsel;
 - b) it would lead to further losses to KingSett as fulcrum secured creditor and result in the use of creditor collateral to fund unsecured obligations of the Company;
 - c) it would reverse the usual rule for costs by forcing the successful parties on every application and motion before this Court and the Court of Appeal to date (i.e., the Receiver and KingSett) to bear the costs of the unsuccessful party (the Company);
 - d) the positions advanced by the Company in these proceedings (including before the Court of Appeal) have been consistently rejected by this Court and the Court of Appeal, and the Court of Appeal characterized the Company's recent Purported Appeal as a delay tactic; and
 - e) as outlined herein and in prior Reports, the positions and conduct of the Company and Zar have detracted from the orderly administration of the receivership and have significantly delayed and increased the costs of these proceedings.

9.0 Sealing

1. The Receiver is requesting that the Confidential Appendices be filed with the Court on a confidential basis and be sealed pending further order of the Court. The Confidential Appendices are comprised of: (i) the Receiver's detailed projected waterfall, which includes the Receiver's estimate of the individual selling price of each Remaining Unit; and (ii) the minimum price per square foot Sale Condition and related analysis. The information contained in the Confidential Appendices could negatively impact realizations from the sale of the Remaining Units insofar as they contain the Receiver's estimate of the value of the Remaining Units and, in the case of the minimum price per square foot Sale Condition and related analysis, would allow a prospective purchaser to calculate the potential minimum price that could potentially be payable for a Remaining Unit. As such, public disclosure of the information contained in the Confidential Appendices could impair the maximization of value in these proceedings and impact the integrity of the Amended Sale Process. The Receiver does not believe there are reasonable alternative measures aside from the requested sealing that will prevent these risks and, in the Receiver's view, the salutary effects of sealing such information from the public record outweigh the deleterious effects of doing so in the circumstances.
2. The Confidential Appendices are proposed to remain sealed pending further Order of the Court (which the Receiver would expect to seek once all Units have been sold). The Receiver is not aware of any party that will be prejudiced if the Confidential Appendices are sealed on the terms proposed. Accordingly, the Receiver believes the proposed Sealing Order is appropriate in the circumstances.

10.0 Conclusion and Recommendation

1. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court make orders granting the relief detailed in Section 1.1(1)(f) of this Report.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
SOLELY IN ITS CAPACITY AS COURT APPOINTED RECEIVER AND MANAGER OF
CERTAIN PROPERTY OF 30 ROE INVESTMENTS CORP.
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITIES**

Appendix “A”



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

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Electronically issued : 09-May-2022
Délivré par voie électronique : 09-May-2022
Toronto

THE HONOURABLE)

MONDAY, THE 9TH

JUSTICE CAVANAGH)

DAY OF MAY, 2022)

BETWEEN:

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-3, AS AMENDED, AND
SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

**ORDER
(Appointing Receiver)**

THIS APPLICATION made by KingSett Mortgage Corporation (the "**Applicant**") for an Order pursuant to subsection 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing KSV Restructuring Inc. ("**KSV**") as receiver and manager (in such capacities, the "**Receiver**") without security, of (i) the real property legally described in Schedule "A" hereto (the "**Real Property**"), (ii) all of the 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

(collectively with (i), (ii) and (iii), the "**Property**"), was heard on May 6, 2022 via Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Daniel Pollack sworn January 7, 2022 and the Exhibits thereto, the affidavit of Elizabeth Fimio affirmed on February 17, 2022 and the Exhibits thereto, and the affidavit of Lorraine Klemens sworn April 26, 2022 and the Exhibits thereto, and on hearing the submissions of counsel for the Applicant, the Debtor, the Canadian Imperial Bank of Commerce ("**CIBC**") and such other parties listed on the Participant Information Form, no one appearing for any other party although duly served as appears from the affidavits of service sworn and filed, and on reading the consent of KSV to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to subsection 243(1) of the BIA and section 101 of the CJA, KSV is hereby appointed Receiver, without security, of the Property.

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security

personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage the Property, including the powers to enter into any agreements or incur any obligations in connection with the Property, or cease to perform or disclaim any contracts of the Debtor in respect of the Property;
- (d) to engage consultants, appraisers, agents, real estate brokers, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets as necessary or desirable to preserve or maintain the Property or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor in connection with the Property (including, without limitation, any rent payments in respect of the Real Property) and to exercise all remedies of the Debtor in collecting such monies and accounts, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor in connection with the Property;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor (as such proceedings relate to the Property or any portion thereof), the Property or the Receiver, and to settle

or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
 - (i) without the approval of this Court in respect of any transaction not exceeding \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act* or section 31 of the Ontario *Mortgages Act* as the case may be, shall not be required;

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions in respect of the Property as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to undertake any investigations deemed appropriate by the Receiver with respect to the location and/or disposition of assets reasonably believed to be, or to have been, Property;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations, including opening any mail or other correspondence addressed to the Debtor,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence

of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records, information and cloud-based data of any kind related to the Property, and any computer programs, computer tapes, computer disks, cloud or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software, cloud and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer, in a cloud or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer, cloud or other system and providing the Receiver with any and all access codes, account names, account numbers and account creating credentials that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

9. THIS COURT ORDERS that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

10. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor and relating to the Property, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

11. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor relating to the Property or statutory or regulatory mandates for the supply of goods and/or services,

including without limitation, all computer software, communication and other data services, accounting services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor relating to the Property are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

13. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in subsection 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under subsections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

14. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act, 1999*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act* or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

16. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under subsections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

17. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts (including, without limitation, deemed trusts), liens, charges and encumbrances, statutory or otherwise, in favour of any Person except those in favour of CIBC, but subject to subsections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

18. THIS COURT ORDERS that the Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

19. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

20. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$200,000 (or such greater amount that is acceptable to the Applicant and as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts (including, without limitation, deemed trusts), liens, charges and encumbrances, statutory or otherwise, in favour of any Person except those in favour of CIBC, but subordinate in priority to the Receiver's Charge and the charges as set out in subsections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

21. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

22. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

23. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

24. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List

website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: ksvadvisory.com/experience/case/30-roe-investments-corp-.

25. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

26. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

27. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

28. 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.

29. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

30. THIS COURT ORDERS that the Applicant shall have its costs of this Application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the net realizations from the Property with such priority and at such time as this Court may determine.

31. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

32. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Toronto Time on the date of this Order and are enforceable without the need for entry and filing.



Digitally signed by
Mr. Justice
Cavanagh

SCHEDULE "A"
DESCRIPTION OF REAL PROPERTY

PIN 76559 - 0508 *LT* *Interest/Estate Fee Simple*

Description UNIT 1, 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

Address 1 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0509 *LT* *Interest/Estate Fee Simple*

Description UNIT 2, 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

Address 2 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0510 *LT* *Interest/Estate Fee Simple*

Description 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

Address 3 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0511 *LT* *Interest/Estate Fee Simple*

Description UNIT 4, 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

Address 4 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0512 *LT* *Interest/Estate Fee Simple*

Description UNIT 5, 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

Address 5 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0513 *LT* *Interest/Estate Fee Simple*

Description UNIT 6, 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

Address 6 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0514 *LT* *Interest/Estate Fee Simple*

Description UNIT 7, 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

Address 7 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0515 *LT* *Interest/Estate Fee Simple*

Description UNIT 8, 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

Address 8 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0516 *LT* *Interest/Estate Fee Simple*

Description UNIT 9, 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

Address PH09 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0582 *LT* *Interest/Estate Fee Simple*

Description UNIT 59, 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

Address TORONTO

PIN 76559 - 0583 *LT* *Interest/Estate Fee Simple*

Description UNIT 60, 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

Address TORONTO

PIN 76559 - 0584 *LT* *Interest/Estate Fee Simple*

Description 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

Address TORONTO

PIN 76559 - 0585 LT *Interest/Estate Fee Simple*

Description UNIT 62, 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

Address TORONTO

PIN 76559 - 0586 LT *Interest/Estate Fee Simple*

Description UNIT 63, 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

Address TORONTO

PIN 76559 - 0587 LT *Interest/Estate Fee Simple*

Description UNIT 64, 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

Address TORONTO

PIN 76559 - 0588 LT *Interest/Estate Fee Simple*

Description UNIT 65, 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

Address TORONTO

PIN 76559 - 0589 LT *Interest/Estate Fee Simple*

Description UNIT 66, 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

Address TORONTO

PIN 76559 - 0590 LT *Interest/Estate Fee Simple*

Description UNIT 67, 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

Address 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0621 LT *Interest/Estate Fee Simple*

Description UNIT 98, 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

Address TORONTO

PIN 76559 - 0622 LT *Interest/Estate* Fee Simple

Description UNIT 99, 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

Address TORONTO

PIN 76559 - 0623 LT *Interest/Estate* Fee Simple

Description 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

Address TORONTO

PIN 76559 - 0624 LT *Interest/Estate* Fee Simple

Description UNIT 101, 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

Address TORONTO

PIN 76559 - 0625 LT *Interest/Estate* Fee Simple

Description UNIT 102, 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

Address TORONTO

PIN 76559 - 0626 LT *Interest/Estate* Fee Simple

Description UNIT 103, 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

Address TORONTO

PIN 76559 - 0627 LT *Interest/Estate* Fee Simple

Description UNIT 104, 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

Address TORONTO

PIN 76559 - 0628 LT *Interest/Estate Fee* Simple

Description UNIT 105, 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

Address TORONTO

PIN 76559 - 0629 LT *Interest/Estate Fee* Simple

Description UNIT 106, 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

Address 30 ROEHAMPTON AVENUE TORONTO

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the receiver and manager (the "**Receiver**") of (i) the real property legally described in Schedule "A" to the Order (as defined below) (the "**Real Property**"), (ii) all of the 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 (collectively with (i), (ii) and (iii), the "**Property**"), appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 6th day of May, 2022 (the "**Order**") made in an application having Court file number CV-22-00674810-00CL, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 2022.

KSV Restructuring Inc., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

**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**

**KINGSETT MORTGAGE
CORPORATION**

and

30 ROE INVESTMENTS CORP.

Applicant

Respondent

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced in Toronto

**ORDER
(APPOINTING RECEIVER)**

BENNETT JONES LLP

One First Canadian Place, Suite 3400
P.O. Box 130
Toronto, ON M5X 1A4

Richard Swan (LSO# 32076A)

Tel: (416) 777-7479

Email: swanr@bennettjones.com

Sean Zweig (LSO# 57307I)

Tel: (416) 777-6254

Email: zweigs@bennettjones.com

Joshua Foster (LSO# 79447K)

Tel: (416) 777-7906

Email: fosterj@bennettjones.com

Lawyers for the Applicant

Appendix “B”



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

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE)
JUSTICE MCEWEN)
MONDAY, THE 18TH
DAY OF JULY, 2022

BETWEEN :

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-3, AS AMENDED, AND
SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

SALE PROCESS APPROVAL ORDER

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” hereto (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

(collectively with (i), (ii) and (iii), the “**Property**”), for an order, among other things: (i) abridging and validating service of the Notice of Motion and Motion Record herein; (ii) approving the proposed Sale Process (as defined and described in the First Report of the Receiver dated July 7, 2022 (the “**First Report**”)) in respect of the Real Property; and (iii) approving the activities of the Receiver described in the First Report, was heard this day by Zoom videoconference due to the COVID-19 pandemic.

ON READING the Motion Record of the Receiver dated July 7, 2022, including the First Report (including the appendices thereto), the Supplement to the First Report of the Receiver dated July 15, 2022 (including the appendix thereto) (the “**Supplement to the First Report**”), and on hearing the submissions of counsel for the Receiver, counsel for the Debtor, counsel for KingSett Mortgage Corporation and such other counsel as were present, no one else appearing although properly served as appears from the Affidavits of Service of Brennan Caldwell sworn July 7 and July 11, 2022.

SERVICE AND DEFINITIONS

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** that all capitalized terms used in this Order and not otherwise defined shall have the meanings ascribed to them in the First Report.

SALE PROCESS APPROVAL

3. **THIS COURT ORDERS** that the Sale Process be and is hereby approved. The Receiver is hereby authorized to carry out the Sale Process and to take such steps as it considers necessary

or desirable in carrying out its obligations thereunder, subject to prior approval of this Court being obtained before completion of any transaction under the Sale Process.

4. **THIS COURT ORDERS** that, without limiting the generality of paragraph 3 hereof, the execution of the Listing Agreement by the Receiver is hereby authorized and approved, with such minor amendments (if any) as the Receiver and HomeLife may agree.

5. **THIS COURT ORDERS** that the Receiver and its affiliates, partners, directors, officers, employees, advisors, lawyers, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities of any nature or kind to any person in connection with or as a result of the Receiver performing its duties under the Sale Process, except to the extent such losses, claims, damages or liabilities arise or result from the gross negligence or wilful misconduct of the Receiver, as determined by a final order of this Court.

6. **THIS COURT ORDERS** that the Receiver, on at least five (5) days' notice to the service list established in these proceedings, may apply to the Court for directions with respect to the Sale Process at any time.

PIPEDA

7. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver is hereby authorized and permitted to disclose and provide to its agents and any potential purchasers in the Sale Process personal information of identifiable individuals, but only to the extent desirable or required to negotiate or attempt to complete a transaction pursuant to the Sale Process (a "**Transaction**"). Each person to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to the purpose of effecting a Transaction, and if a potential purchaser does not complete a Transaction, they shall return all such information to the Receiver or, in the alternative, destroy all such information and provide confirmation of its destruction to the Receiver. Any purchaser under a Transaction shall maintain the privacy of such information and, upon closing of a Transaction, shall be entitled to use the personal information provided to it in a manner that is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure

that all other personal information is destroyed and provide confirmation of its destruction to the Receiver.

APPROVAL OF THE FIRST REPORT, SUPPLEMENT TO THE FIRST REPORT AND RECEIVER'S ACTIVITIES

8. **THIS COURT ORDERS** that the First Report and the Supplement to the First Report, and the activities of the Receiver referred to therein, be and are hereby approved; provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

GENERAL

9. **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.

10. **THIS COURT ORDERS** that this Order and all of its provision are effective as of 12:01 a.m. on the date of this Order.



SCHEDULE A

DESCRIPTION OF REAL PROPERTY

PIN 76559 - 0508 LT *Interest/Estate Fee Simple*

Description UNIT 1, 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

Address 1 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0509 LT *Interest/Estate Fee Simple*

Description UNIT 2, 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

Address 2 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0510 LT *Interest/Estate Fee Simple*

Description 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

Address 3 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0511 LT *Interest/Estate Fee Simple*

Description UNIT 4, 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

Address 4 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0512 LT *Interest/Estate Fee Simple*

Description UNIT 5, 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

Address 5 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0513 LT *Interest/Estate Fee Simple*

Description UNIT 6, 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

Address 6 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0514 LT *Interest/Estate Fee Simple*

Description UNIT 7, 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

Address 7 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0515 LT *Interest/Estate Fee Simple*

Description UNIT 8, 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

Address 8 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0516 LT *Interest/Estate Fee Simple*

Description UNIT 9, 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

Address PH09 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0582 LT *Interest/Estate Fee Simple*

Description UNIT 59, 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

Address TORONTO

PIN 76559 - 0583 LT *Interest/Estate Fee Simple*

Description UNIT 60, 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

Address TORONTO

PIN 76559 - 0584 LT *Interest/Estate Fee Simple*

Description 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

Address TORONTO

PIN 76559 - 0585 LT *Interest/Estate Fee Simple*

Description UNIT 62, 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

Address TORONTO

PIN 76559 - 0586 LT *Interest/Estate Fee Simple*

Description UNIT 63, 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

Address TORONTO

PIN 76559 - 0587 LT *Interest/Estate Fee Simple*

Description UNIT 64, 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

Address TORONTO

PIN 76559 - 0588 LT *Interest/Estate Fee Simple*

Description UNIT 65, 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

Address TORONTO

PIN 76559 - 0589 LT *Interest/Estate Fee Simple*

Description UNIT 66, 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

Address TORONTO

PIN 76559 - 0590 LT *Interest/Estate Fee Simple*

Description UNIT 67, 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

Address 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0621 LT *Interest/Estate Fee Simple*

Description UNIT 98, 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

Address TORONTO

PIN 76559 - 0622 LT *Interest/Estate Fee Simple*

Description UNIT 99, 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

Address TORONTO

PIN 76559 - 0623 LT *Interest/Estate Fee Simple*

Description 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

Address TORONTO

PIN 76559 - 0624 LT *Interest/Estate Fee Simple*

Description UNIT 101, 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

Address TORONTO

PIN 76559 - 0625 LT *Interest/Estate Fee Simple*

Description UNIT 102, 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

Address TORONTO

PIN 76559 - 0626 LT *Interest/Estate Fee Simple*

Description UNIT 103, 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

Address TORONTO

PIN 76559 - 0627 LT *Interest/Estate Fee Simple*

Description UNIT 104, 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

Address TORONTO

PIN 76559 - 0628 LT *Interest/Estate Fee Simple*

Description UNIT 105, 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

Address TORONTO

PIN 76559 - 0629 LT *Interest/Estate Fee Simple*

Description UNIT 106, 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

Address 30 ROEHAMPTON AVENUE TORONTO

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

30 ROE INVESTMENTS CORP.

Respondent

- and -

KINGSETT MORTGAGE CORPORATION

Applicant

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

SALE PROCESS APPROVAL ORDER

GOODMANS LLP

Barristers & Solicitors
333 Bay Street, Suite 3400
Toronto, Canada M5H 2S7

Chris Armstrong (LSO# 55148B)
carmstrong@goodmans.ca

Tel: (416) 979-2211

Fax: (416) 979-1234

Counsel to KSV Restructuring Inc., solely in its capacity as
Court-appointed Receiver and not in its personal capacity

Appendix “C”



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

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE
JUSTICE MCEWEN

)
)
)

WEDNESDAY, THE 14TH
DAY OF DECEMBER, 2022

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-3, AS AMENDED, AND
SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

AMENDED SALE PROCESS APPROVAL ORDER

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” hereto (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

(collectively with (i), (ii) and (iii), the “**Property**”), for an order, among other things: (i) abridging and validating service of the Notice of Motion and Motion Record herein; (ii) approving the proposed Amended Sale Process (as defined and described in the Second Report of the Receiver dated December 5, 2022 (the “**Second Report**”)) in respect of the Real Property; and (iii) approving the activities of the Receiver described in the Second Report and the Supplement to the Second Report of the Receiver dated December 13, 2022 (the “**Supplemental Report**”), was heard this day by Zoom videoconference.

ON READING the Motion Record of the Receiver dated December 5, 2022, including the Second Report (including the appendices thereto) and the Supplemental Report, and on hearing the submissions of counsel for the Receiver, counsel for KingSett Mortgage Corporation, Raymond Zar and such other counsel as were present, no one else appearing although properly served as appears from the Affidavits of Service of Brennan Caldwell sworn December 6th, 9th and 13th, 2022.

SERVICE AND DEFINITIONS

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** that all capitalized terms used in this Order and not otherwise defined shall have the meanings ascribed to them in the Second Report, it being understood that: (i) references to “Remax” shall be construed so as include reference to any successor or assignee brokerage consented to by the Receiver; and (ii) references to the “Remax Listing Agreement” shall be construed so as to include any listing agreement substantially in the form of the Remax Listing Agreement entered into between the Receiver and any such successor or assignee brokerage.

AMENDED SALE PROCESS APPROVAL

3. **THIS COURT ORDERS** that the Amended Sale Process be and is hereby approved. The Receiver is hereby authorized to carry out the Amended Sale Process and to take such steps as it considers necessary or desirable in carrying out its obligations thereunder, subject to prior approval of this Court being obtained before completion of any transaction under the Amended Sale Process.
4. **THIS COURT ORDERS** that, without limiting the generality of paragraph 3 hereof, the execution of the Remax Listing Agreement by the Receiver is hereby authorized and approved, with such minor amendments (if any) as the Receiver and Remax may agree.
5. **THIS COURT ORDERS** that the Receiver and its affiliates, partners, directors, officers, employees, advisors, lawyers, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities of any nature or kind to any person in connection with or as a result of the Receiver performing its duties under the Amended Sale Process, except to the extent such losses, claims, damages or liabilities arise or result from the gross negligence or wilful misconduct of the Receiver, as determined by a final order of this Court.
6. **THIS COURT ORDERS** that the Receiver, on at least five (5) days' notice to the service list established in these proceedings, may apply to the Court for directions with respect to the Amended Sale Process at any time.

PIPEDA

7. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver is hereby authorized and permitted to disclose and provide to its agents (including Remax) and any potential purchasers in the Amended Sale Process personal information of identifiable individuals, but only to the extent desirable or required to negotiate or attempt to complete a transaction pursuant to the Amended Sale Process (a "**Transaction**"). Each person to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to the purpose of effecting a Transaction, and if a potential purchaser does not complete a Transaction, they shall return all such information to the Receiver or, in the alternative, destroy all such information and provide confirmation of its destruction to the Receiver. Any purchaser under a

Transaction shall maintain the privacy of such information and, upon closing of a Transaction, shall be entitled to use the personal information provided to it in a manner that is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed and provide confirmation of its destruction to the Receiver.

APPROVAL OF THE SECOND REPORT, SUPPLEMENT TO THE SECOND REPORT AND RECEIVER'S ACTIVITIES


8. **THIS COURT ORDERS** that the Second Report, TM ~~the Supplemental Report~~, TM and the activities of the Receiver referred to therein be and are hereby approved; provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

GENERAL

9. **THIS COURT ORDERS** that nothing herein shall be construed so as to limit or modify the approvals, protections or other provisions of the Sale Process Approval Order of this Court granted in the within proceedings dated July 18, 2022.

10. **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.

11. **THIS COURT ORDERS** that this Order and all of its provision are effective as of 12:01 a.m. (Toronto time) on the date of this Order without the need for issuance or entry.



SCHEDULE A

DESCRIPTION OF REAL PROPERTY

PIN 76559 - 0508 LT *Interest/Estate Fee Simple*

Description UNIT 1, 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

Address 1 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0509 LT *Interest/Estate Fee Simple*

Description UNIT 2, 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

Address 2 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0510 LT *Interest/Estate Fee Simple*

Description 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

Address 3 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0511 LT *Interest/Estate Fee Simple*

Description UNIT 4, 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

Address 4 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0512 LT *Interest/Estate Fee Simple*

Description UNIT 5, 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

Address 5 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0513 LT *Interest/Estate Fee Simple*

Description UNIT 6, 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

Address 6 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0514 LT *Interest/Estate Fee Simple*

Description UNIT 7, 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

Address 7 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0515 LT *Interest/Estate Fee Simple*

Description UNIT 8, 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

Address 8 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0516 LT *Interest/Estate Fee Simple*

Description UNIT 9, 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

Address PH09 PENTHOUSE 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0582 LT *Interest/Estate Fee Simple*

Description UNIT 59, 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

Address TORONTO

PIN 76559 - 0583 LT *Interest/Estate Fee Simple*

Description UNIT 60, 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

Address TORONTO

PIN 76559 - 0584 LT *Interest/Estate Fee Simple*

Description 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

Address TORONTO

PIN 76559 - 0585 LT *Interest/Estate Fee Simple*

Description UNIT 62, 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

Address TORONTO

PIN 76559 - 0586 LT *Interest/Estate Fee Simple*

Description UNIT 63, 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

Address TORONTO

PIN 76559 - 0587 LT *Interest/Estate Fee Simple*

Description UNIT 64, 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

Address TORONTO

PIN 76559 - 0588 LT *Interest/Estate Fee Simple*

Description UNIT 65, 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

Address TORONTO

PIN 76559 - 0589 LT *Interest/Estate Fee Simple*

Description UNIT 66, 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

Address TORONTO

PIN 76559 - 0590 LT *Interest/Estate Fee Simple*

Description UNIT 67, 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

Address 30 ROEHAMPTON AVENUE TORONTO

PIN 76559 - 0621 LT *Interest/Estate* Fee Simple

Description UNIT 98, 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

Address TORONTO

PIN 76559 - 0622 LT *Interest/Estate* Fee Simple

Description UNIT 99, 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

Address TORONTO

PIN 76559 - 0623 LT *Interest/Estate* Fee Simple

Description 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

Address TORONTO

PIN 76559 - 0624 LT *Interest/Estate* Fee Simple

Description UNIT 101, 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

Address TORONTO

PIN 76559 - 0625 LT *Interest/Estate* Fee Simple

Description UNIT 102, 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

Address TORONTO

PIN 76559 - 0626 LT *Interest/Estate* Fee Simple

Description UNIT 103, 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

Address TORONTO

PIN 76559 - 0627 LT *Interest/Estate Fee Simple*

Description UNIT 104, 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

Address TORONTO

PIN 76559 - 0628 LT *Interest/Estate Fee Simple*

Description UNIT 105, 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

Address TORONTO

PIN 76559 - 0629 LT *Interest/Estate Fee Simple*

Description UNIT 106, 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

Address 30 ROEHAMPTON AVENUE TORONTO

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

30 ROE INVESTMENTS CORP.

Respondent

KINGSETT MORTGAGE CORPORATION

Applicant

- and -

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

AMENDED SALE PROCESS APPROVAL ORDER

GOODMANS LLP

Barristers & Solicitors
333 Bay Street, Suite 3400
Toronto, Canada M5H 2S7

Chris Armstrong (LSO# 55148B)
carmstrong@goodmans.ca

Tel: (416) 979-2211
Fax: (416) 979-1234

Counsel to KSV Restructuring Inc., solely in its capacity as
Court-appointed Receiver and not in its personal capacity

Appendix “D”



**First Report of
KSV Restructuring Inc. as
Receiver of certain property of
30 Roe Investments Corp.**

July 7, 2022

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COURT FILE NO.: CV-22-00674810-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

KINGSETT MORTGAGE CORPORATION

Applicant

- and -

30 ROE INVESTMENTS CORP.

Respondent

**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**

**FIRST REPORT OF KSV RESTRUCTURING INC.
AS RECEIVER**

July 7, 2022

1.0 Introduction

1. This report ("Report") is filed by KSV Restructuring Inc. ("KSV") in its capacity as receiver and manager (the "Receiver") of (i) the real property legally described in Schedule "A" (the "Real Property"), (ii) all of the assets, undertakings and properties of 30 Roe Investments Corp. (the "Company") acquired for, used in connection with, situated at, or arising from the ownership, development, use or disposition of, the Real Property, including the proceeds therefrom, and (iii) all of the Company'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 (collectively, the "Property").
2. The Real Property consists of nine penthouse condominium units, nine parking spaces and nine storage units and/or lockers in a condominium development known as "Minto 30 Roe", located at 30 Roehampton Avenue in Toronto, Ontario (collectively, the "Units").
3. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "Court") made on May 9, 2022 (the "Receivership Order"), KSV was appointed Receiver. A copy of the Receivership Order is attached as Appendix "A".
4. Additional information about the receivership is provided on the Receiver's website at: <https://www.ksvadvisory.com/experience/case/30-roe-investments-corp->.

1.1 Purposes of this Report

1. The purposes of this report ("Report") are to:
 - a) provide background information about these proceedings;
 - b) summarize the Receiver's activities since the commencement of the receivership proceedings, including the Receiver's attempts to obtain certain Records (as defined in the Receivership Order) and Property from the Company and its principal, Raymond Zar ("Zar");
 - c) summarize a proposed sale process (as described in Section 4 of this Report) (the "Sale Process") pursuant to which the Units are to be marketed for sale, including the proposed retention of HomeLife Landmark Realty Inc. ("HomeLife") to act as listing agent for the Units; and
 - d) recommend that the Court make orders:
 - i. approving the Sale Process, including the retention of HomeLife to list the Units for sale pursuant to a listing agreement to be entered into between HomeLife and the Receiver (the "Listing Agreement");
 - ii. directing the Company and Zar to provide certain Records and Property to the Receiver on the terms contemplated by the draft order included in the Receiver's motion record (the "Records and Property Relief"); and
 - iii. approving the Receiver's activities as described in the First Report.

1.2 Currency

1. Unless otherwise noted, all currency references in this Report are to Canadian dollars.

1.3 Restrictions

1. In preparing this Report, the Receiver has relied upon the limited Records obtained from the Company and KingSett Mortgage Corporation ("KingSett"), and correspondence with Zar on behalf of the Company (the "Information").
2. The Receiver has not audited, or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this Report in a manner that complies with Canadian Auditing Standards ("CAS") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the financial information should perform its own diligence.

2.0 Background

2.1 Overview

1. The Company is a privately held company incorporated under the *Canada Business Corporations Act*. The Company's registered head office is located at 2 Bloor Street East, Suite 3500, Toronto, Ontario. The Company's sole director is Zar.
2. The Units are in a thirty-five storey, 397-unit condominium building in Toronto. The Receiver understands from the Company that the Units are fully occupied and have been furnished by the Company, and that an affiliate of the Company provides housekeeping services for the Units. The Receiver understands from discussions and correspondence with the Company and its review of bank records that most of the Units are rented via Airbnb. A summary of the current status of the Units as provided by the Company is set out below:

Unit Number	Occupancy	Notes
PH01	Short term rental	Prepaid until August 27, 2022
PH02	Short term rental	Prepaid until August 1, 2022
PH03	Long term lease	Prepaid until August 1, 2022, then rented at a higher rate
PH04	Short term rental	Prepaid until August 5, 2022
PH05	Long term lease	Prepaid until June 29, 2022
PH06	Short term rental	Prepaid until October 1, 2022
PH07	Short term rental	Prepaid until July 25, 2022
PH08	Short term rental	Prepaid until August 12, 2022
PH09	Short term rental	Prepaid until August 1, 2022

2.2 Creditors

2.2.1 Secured Creditors

1. The Canadian Imperial Bank of Commerce ("CIBC") holds a first mortgage on each of the Units and other security. The Receiver understands each CIBC mortgage only secures the indebtedness owing by the Company in respect of a particular Unit (ranging from approximately \$360,000 to \$620,000). CIBC has advised that, as at June 20, 2022, it was owed a total of approximately \$4.2 million by the Company and that interest and costs continue to accrue.
2. On April 8, 2019, KingSett advanced a non-revolving demand loan to the Company, which originally was for the principal amount of \$1.5 million, but was later increased to \$1.875 million (the "KingSett Loan"). The KingSett Loan is secured by a second mortgage on each of the Units, a general security agreement and other security. KingSett has advised that, as at June 21, 2022, it was owed a total of approximately \$2.2 million and that interest and costs continue to accrue.

2.2.2 Canada Revenue Agency

1. On July 5, 2022, the Receiver received a letter (the “CRA Letter”) from Canada Revenue Agency (“CRA”) dated June 14, 2022 indicating that the Company owes CRA \$39,225.38, comprised of a trust claim relating to harmonized sales tax (“HST”) of \$32,765.01 and penalties and interest of \$6,460.37. A copy of the CRA Letter is attached as Appendix “B”.
2. On July 5, 2022, a representative of the Receiver spoke to a representative of CRA, who advised that the Company has not filed any HST returns for the period commencing January 1, 2020, to the date of the receivership.

2.2.3 Other Creditors

1. The Royal Bank of Canada (“RBC”) has advised the Receiver that the Company has a Canada Emergency Benefit Account loan with a fully drawn outstanding balance of \$60,000. In addition, RBC has advised the Company has outstanding credit card debt.
2. Loop Funding Inc. had a financing statement registered against the Company under the Ontario personal property security registry, although that registration recently expired. The Receiver is not aware what, if any, obligations may be owing by the Company to Loop Funding Inc.
3. As discussed in greater detail below, the Receiver has asked the Company on numerous occasions for information concerning the Company’s creditors. To date, no information in this regard has been provided to the Receiver. Accordingly, the Receiver has been unable to compile complete creditor lists, which are required for the Receiver’s statutory report to the Office of Superintendent of Bankruptcy (“OSB”).¹ Accordingly, all information about the indebtedness of the Company in this Report should be considered preliminary.

2.3 Procedural History

1. The original KingSett Loan maturity date was in April 2021 (subject to earlier demand by KingSett). The KingSett Loan was extended several times, with a final maturity date set for December 1, 2021. The Company did not repay the KingSett Loan on December 1, 2021.
2. On December 13, 2021, KingSett issued a demand letter and gave notice of intention to enforce security in accordance with Section 244 of the *Bankruptcy and Insolvency Act* (the “BIA”).
3. On January 7, 2022, KingSett served the receivership application. The application was first heard on January 17, 2022. At that hearing, the Company was not represented by legal counsel and Zar requested an adjournment to retain legal counsel on behalf of the Company to respond to the receivership application. The Court granted an adjournment to February 22, 2022.

¹ The Receiver is required to send the report to all creditors and the OSB. Since the Receiver did not have any information concerning creditors (other than CIBC and KingSett) at the time, it sent the report to the OSB, CIBC and KingSett.

4. On February 22, 2022, Paliare Roland Rosenberg Rothstein LLP (“Paliare”) appeared on behalf of the Company. The Company requested a further adjournment and the Court granted an adjournment to March 28, 2022.
5. On March 4, 2022, Paliare served a motion to be removed as counsel of record for the Company. The Company opposed Paliare’s motion. At a case conference convened on March 8, 2022, the Court set a hearing date for Paliare’s motion of April 11, 2022, with the result that the hearing of the receivership application was further adjourned to May 6, 2022.
6. On April 11, 2022, the Court granted Paliare’s motion to be removed as counsel of record for the Company. A copy of the related Endorsement of Justice Penny dated April 11, 2022, is attached as Appendix “C”.
7. A further case conference was convened on April 20, 2022, to set a timetable for steps leading to the scheduled May 6, 2022, hearing of the receivership application.
8. On May 6, 2022, the receivership application was heard by the Court. The Company was represented at the hearing by Danson & Zucker. The Company sought a further adjournment, but the adjournment request was denied. On May 7, 2022, the Court granted the Receivership Order. A copy of the Endorsement of the Honourable Justice Cavanagh issued on May 9, 2022, in connection with the Receivership Order is attached as Appendix “D”.
9. On May 10, 2022, the Company served a Notice of Appeal of the Receivership Order (the “Appeal Notice”), and on May 19, 2022, the Company served a Notice of Motion for Leave to Appeal the Receivership Order. The Company was represented by Solmon Rothbart Tourgis Slodovnick LLP (“Solmon Rothbart”) in connection with appeal matters.
10. In response to the Appeal Notice, KingSett served a motion to quash the Company’s appeal of the Receivership Order.
11. On June 13, 2022, the Court of Appeal for Ontario granted KingSett’s motion to quash and dismissed the Company’s motion for leave to appeal the Receivership Order from the bench (the “Appeal Decision”). A copy of the reasons of the Court of Appeal dated June 17, 2022, are attached as Appendix “E”.
12. On June 16, 2022, the Receiver learned that the Company had terminated Danson & Zucker’s retainer and that Solmon Rothbart had only been retained to argue the appeal. Since June 16, 2022, the Receiver and its counsel have dealt directly with Zar. To the best of the knowledge of the Receiver, the Company has not appointed new counsel or brought a motion pursuant to Rule 15.02(2) for leave to proceed without being represented by a lawyer.

3.0 Receiver's Activities

1. Following the granting of the Receivership Order, the Receiver's counsel sent a letter to the Company's counsel dated May 9, 2022, requesting certain Records from the Company, a copy of which is attached as Appendix "F". The Records requested by the Receiver related to insurance, leases of the Units, bank accounts, details of the Property and a listing of creditors. On May 10, 2022, the Receiver registered the Receivership Order on title to the Units. In addition, on May 11, 2022, the Receiver caused a letter to be delivered to tenants of the Units advising of the appointment of the Receiver, providing a link to the copy of the Receivership Order posted on the Receiver's website and advising that the Receiver was empowered and authorized to collect all rent payments, and directing that all rent and other payments be paid directly to the Receiver (the "May 11 Tenant Letter"). A copy of the May 11 Tenant Letter is attached as Appendix "G". The May 11 Tenant Letter was delivered to the tenants by an independent contractor engaged by the Receiver.
2. On May 11, 2022, the Company's counsel delivered a letter to the Receiver's counsel advising the Receivership Order was stayed as a result of the filing of the Appeal Notice. In addition, on May 12, 2022, counsel to the Company delivered further correspondence to the Receiver alleging that the Receiver was acting "in the face of the stay" and that the Receiver had "...misrepresented itself to occupants of the [Units] by stating that there has been a change in ownership." Copies of these letters are attached as Appendix "H" and "I".
3. On May 12, 2022, the Receiver's counsel responded to counsel to the Company to follow up on the Receiver's Records request and advise of the Receiver's view that leave to appeal was required to appeal the Receivership Order and, accordingly, that there was no stay of the Receivership Order unless and until leave was granted by the Court of Appeal. A copy of this letter is attached as Appendix "J". The Receiver also responded to the allegation that it had made misrepresentations. It denied making the alleged statements, because it had not made any misrepresentations and was not aware at the time of any incorrect statements made by the independent contractor it had engaged to deliver the May 11 Tenant Letter.
4. Given the differing views of the parties as to the status of the Receivership Order pending appeal, in the mid-to-late May 2022 timeframe, the Receiver pursued discussions with the Company through counsel regarding a potential consensual arrangement being reached regarding delivery of Records to the Receiver and preservation of the Property and rent payments pending appeal. No consensual arrangement was reached, and none of the requested Records were otherwise delivered by the Company to the Receiver at this time. Given the then pending hearing before the Court of Appeal scheduled for June 13, 2022, and following consultation with CIBC and KingSett, the Receiver determined not to seek any relief in relation to the delivery of Records or compliance with the Receivership Order by the Company at that juncture.
5. Following the Appeal Decision, on June 13, 2022, counsel to the Receiver wrote to counsel to the Company to again demand delivery of the Records that had been requested on May 9, 2022. A copy of this letter is attached as Appendix "K". No Records were delivered by the Company in response to this letter.

6. On June 14, 2022, counsel to the Company wrote to the Receiver's counsel outlining certain allegations of the Company in respect of the Receiver's conduct, specifically that the Receiver had informed tenants/guests that there was a "new owner" of the Units, that the Company had "grave concerns with respect to this conduct and the independence of the Receiver as court appointed officer" and that the Receiver should not be the Receiver and the Company was in the process of contacting other possible receivers that may be prepared to act. The letter also enclosed a surveillance video which the Company's counsel advised was taken on the penthouse floor of Minto 30 Roe. A copy of this letter is attached as Appendix "L", and the Receiver will make arrangements for the surveillance video to be filed with the Court.
7. Following receipt and review of the June 14 letter (including the surveillance video), the Receiver made inquiries of the independent contractor it had engaged to deliver the May 11 Tenant Letter. To the best of the information and belief of the Receiver, including based on discussions with the independent contractor, the surveillance video shows representatives of the independent contractor delivering the May 11 Tenant Letter to tenants of the Units, including engaging in brief discussions with certain tenants. In certain of those discussions with tenants, it appears representatives of the contractor used the words "owner changing" (or similar words) while delivering a copy of the May 11 Tenant Letter. As noted previously, the May 11 Tenant Letter advised of the appointment of the Receiver, provided a link to a copy of the Receivership Order and described that the Receiver was empowered and authorized to receive and collect all rent payments pursuant to the Receivership Order. In addition, on June 14, 2022, the Receiver delivered a further letter to tenants, a copy of which is attached as Appendix "M", to again advise of the Receivership Order and to update on the status of the case, including the Appeal Decision. In the circumstances, the Receiver is of the view that there is no risk of any actual misunderstanding on the part of the tenants regarding the impact of the Receivership Order. Further, the Receiver does not believe the discussions shown on the video undermine either the Receiver's independence of the conduct of the receivership. By letter dated June 15, 2022, counsel to the Receiver responded to the Company's allegations, including advising of the foregoing. A copy of this letter is attached as Appendix "N".
8. The Receiver's counsel's June 15, 2022 letter also noted that the Company had again failed to deliver the Records demanded by the Receiver, advised that the Company was in breach of the Receivership Order, and that the Receiver intended to bring a motion to address these matters and seek approval of a sale process. Counsel requested that Company counsel confirm its availability for a hearing on July 7, 2022.
9. Zar responded on behalf of the Company by letter dated June 16, 2022, a copy of which is attached as Appendix "O". In this letter, Zar advised, among other things, that the Company would provide the information requested by the Receiver but that the Company required clarification on the list of Records requested. Zar also advised that he had reported the actions on the surveillance video to the Office of the Superintendent of Bankruptcy.

10. Since June 16, 2022, the Receiver's counsel and Zar², on behalf of the Company, have exchanged numerous further letters and emails regarding, among other things: (i) the Receiver's continuing demands for Records and the delivery of certain Property, including keys for the Units; (ii) the timing of the Court hearing and whether the Company intended to engage new counsel; (iii) the payment of critical expenses relating to the Units and other operational matters pertaining to the Units; (iv) the Company's apparent continued dealing with the Property, and (v) a proposed refinancing Zar has advised the Company is pursuing. The most recent letters exchanged between the Receiver's counsel and the Company with respect to certain of these matters are attached as Appendix "P", "Q" and "R" and the current status of these matters is described in the following paragraphs.

3.1 Requests for Records and Property

1. By letter dated June 21, 2022, a copy of which is attached as Appendix "S", the Company delivered certain of the Records initially requested by the Receiver on May 9, 2022. However (and despite further follow-ups), the Company has still not provided the Receiver with a listing of creditors or details of any Property aside from the Units and the RBC Account (as defined below), indicating it requires more time to provide this information. In addition, the Company has not delivered copies of any leases in respect of the Units to the Receiver or any post-dated rent cheques that may be in the Company's possession, as has been requested by the Receiver.
2. By letter dated July 4, 2022, the Receiver's counsel advised the Company that the Receiver required keys to the Units by the end of the day in order to provide access to a real estate broker for purposes of viewing the Units in connection with the proposed Sale Process. On July 6, 2022, the Company advised it had placed an order for a set of keys for the Units and that they would be provided to the Receiver in the near term. As at the writing of this Report, keys have not been provided to the Receiver.

3.2 Court Date and Company Counsel

1. Regarding the proposed July 7, 2022, Court date, Zar indicated he was unavailable because of a medical procedure. Accordingly, the Receiver obtained an alternate Court date, being July 18, 2022. The Company was advised of the scheduling of this Court date on June 22, 2022. The Receiver has inquired into and recommended that the Company engage new counsel to address receivership matters but, to the knowledge of the Receiver, it has not done so to date.

3.3 Critical Expenses and Operational Matters

1. The Company requested that the Receiver agree to all preauthorized debits under \$1,000 being debited from the Company's bank account without interruption, including preauthorized debits for condo fees, insurance, hydro and telecommunications. The Receiver advised the Company it was not prepared to agree to this request, but that it would consider authorizing specific payments of critical expenses and requested a listing of the critical expenses (including specific payees, amounts and due dates) the Company believed should be paid. To date, the Company has provided information

² At the request of the Receiver's counsel, Danson & Zucker and Solmon Rothbart confirmed they had no objection to the Receiver's counsel dealing with Zar on behalf of the Company in respect of the receivership matters.

in respect of the condo fees and insurance, and the Receiver is in the process of making arrangements for payment of same. The Receiver has requested that the Company advise of any other critical expenses it believes should be paid as soon as possible so that the Receiver can arrange for timely payment of same to the extent it considers appropriate. On July 6, 2022, the Receiver and the Company held a telephone conference to discuss operational matters pertaining to the Units, such as housekeeping and rental of the Units. The Receiver has asked the Company to provide a written summary in this regard for its consideration.

3.4 The Company's Apparent Continued Dealing with the Property

1. Based on correspondence from the Company, it appears as though the Company continues to deal with the Property. The Receiver has advised the Company that it is empowered and authorized to deal with the Property to the exclusion of all other persons, including the Company, and that the Company should be taking no steps to deal with any of the Property, including seeking to rent any of the Units.

3.5 The Company's Proposed Refinancing

1. The Company has advised the Receiver that it intends to seek to refinance the KingSett Loan and pursue a consensual discharge of the Receiver.
2. On June 20, 2022 (and on numerous subsequent occasions over the course of the following weeks), the Receiver requested further information from the Company in respect of the proposed refinancing, including a copy of a signed commitment letter, so that it could consider same and consult with CIBC and KingSett. In addition, the Receiver facilitated the exchange of information between the Company and KingSett regarding a potential refinancing, including in relation to a payout statement provided by KingSett. The Receiver's counsel also engaged in discussions with CIBC's counsel regarding a potential refinancing.
3. On July 6, 2022, the Company delivered a commitment letter dated June 10, 2022, for a \$2,000,000 second mortgage loan (the "Commitment Letter"). The Receiver notes that: (i) the Commitment Letter provides that funds must be advanced by June 30, 2022, failing which the commitment will be cancelled or extended at the lender's option; and (ii) the Commitment Letter is subject to numerous conditions. The Receiver has requested that the Company provide a letter from the potential replacement lender indicating the Commitment Letter has been extended past the specified June 30, 2022, cancellation date and that the conditions to the Commitment Letter have been satisfied or waived (or, if not all have been satisfied or waived, specifying which conditions remain to be satisfied or waived).
4. The Receiver also notes that the Commitment Letter does not provide sufficient financing to discharge the KingSett Loan or address the costs of the receivership.³ In the cover email enclosing the Commitment Letter, Zar advised that "The delta between the amount required to payout KingSett, costs and discharge the Receiver and the amount listed on the commitment will be funded by me personally." The Receiver has requested evidence from Zar showing sufficient liquid resources to bridge this funding gap.

³ In addition, the Commitment Letter contemplates the indebtedness owing to CIBC remaining in place.

5. The Receiver intends to further engage with the Company, CIBC, KingSett and any other interested stakeholders regarding a potential refinancing. In the event a consensual refinancing is agreed amongst the parties, the Receiver will advise the Court.

3.6 Additional Activities

1. Notwithstanding the limited cooperation of the Company to date, the Receiver has advanced the receivership proceedings as expeditiously and efficiently as possible. In addition to addressing and dealing with the matters described previously, the Receiver has:
 - a) corresponded with the Royal Bank of Canada regarding the Company's bank account (the "RBC Account"), including requesting a freeze of any withdrawals or debits from the RBC account and transferring approximately \$30,000 from the RBC Bank Account to the Receiver's bank account;
 - b) retrieved and reviewed available public information in respect of the Units;
 - c) pursuant to the terms of the Receivership Order, requested, received and reviewed information from KingSett in respect of the Property;
 - d) prepared and filed the Receiver's notice pursuant to subsections 245(1) and 246(1) of the BIA;
 - e) added the Receiver as loss payee and named insured under the Company's insurance policy for the Units;
 - f) corresponded with the property manager for Minto 30 Roe regarding, among other things, obtaining access to the Units;
 - g) held numerous discussions and corresponded with CIBC, KingSett and the Company concerning the receivership proceedings, including as relates to the refinancing the Company has indicated it is pursuing;
 - h) advanced preparations for the Sale Process; and
 - i) prepared this Report.

4.0 Sale Process

1. Following the Appeal Decision, the Receiver solicited proposals from four realtors to act as listing agent to market and sell the Units. In determining which realtors to approach, the Receiver selected four brokers who had extensive experience selling resale residential units in the Minto 30 Roe. Realtors were provided one week to submit their proposal. Realtors were advised that their retention was subject to Court approval.
2. Three proposals were submitted to the Receiver by the realtors approached. The Receiver held multiple phone calls with the realtors that submitted proposals, including to clarify aspects of their proposals.

3. Ultimately, the Receiver selected HomeLife Landmark Realty Inc. (“HomeLife”) to act as listing agent as:
 - a) HomeLife’s proposed commission rate of 3.5% was the lowest of the proposals;
 - b) Erkan Sen (“Sen”), who will be the lead agent, has been involved in ten transactions in Minto 30 Roe;
 - c) Sen has over 14 years of experience selling residential condominiums in Toronto, Ontario; and
 - d) HomeLife is a well recognized regional brokerage with over 1,600 agents primarily operating in the Greater Toronto and Hamilton regions.
4. A copy of the proposed Listing Agreement is attached as Appendix “T”.
5. The proposed Sale Process for the Units is as follows:
 - a) the Receiver, with the assistance of HomeLife and the Receiver’s counsel, will administer, supervise, facilitate and oversee the Sale Process with a view to maximizing value for the Units in a timely manner. Without limiting the generality of the foregoing, the Receiver shall have the authority to determine, from time to time and its sole discretion: (i) which and how many of the Units are to be listed for sale; and (ii) the listing prices for the Units, including any changes to listing prices;
 - b) HomeLife will: (i) prepare marketing materials for the Units, including a brochure, website, photographs and floor plans; (ii) send an email and newsletter regarding the opportunity to its database of parties, including industry contacts, potential buyers and the brokerage community; (iii) post the Units on the Toronto Real Estate Board Multiple Listing Service (“MLS”); and (iv) hold open houses for the Units;
 - c) The Units will be marketed on an “as is, where is” basis;
 - d) Any offer(s) to purchase a Unit will be reviewed and considered by the Receiver as and when received. The Receiver shall have the sole discretion to determine whether or not to accept or reject an offer and how to otherwise deal with an offer, including, without limitation, as relates to any negotiations with a prospective purchaser and entering into any agreement of purchase of sale in respect of a Unit, provided that any transaction in respect of a Unit will be subject to Court approval; and
 - e) Without limiting the factors that may be considered by the Receiver in reviewing and considering an offer for a Unit, the Receiver will have regard to: (i) the consideration offered; (ii) any conditions to closing or other factors that may impact the ability of a transaction to be consummated; and (iii) the proposed closing date.

6. Although the proposed Sale Process applies to all of the Units, at present the Receiver only intends to list two Units (including the related parking spot and storage unit/locker) for sale. The Receiver is proposing to sell the Units in stages because, among other things:
 - a) it does not know how many Units are required to be sold to repay KingSett, or whether CIBC wishes to be repaid the entirety of the indebtedness owing to it; and
 - b) the Receiver is concerned (including based on the advice of HomeLife and other realtors) that if a majority of the Units were listed for sale at once, it could have a negative impact on the sale price for the Units given they are all located in the same building (and on the same floor).
7. If possible, the Receiver intends to list two Units that have been vacated. If this is not possible, the Receiver intends to rely on HomeLife's advice on which Units to list. To the extent transactions are entered into in respect of one or both of these Units, the Receiver will report to the Court regarding its plans for the listing of additional Unit(s).
8. HomeLife has advised that it requires access to the Units to determine a proposed listing price. To date, the Receiver has been unable to access the Units for the reasons described previously in this Report. The Receiver is hopeful that it will obtain the keys from the Company consensually, failing which it will make arrangements to access the Units and change the locks so that HomeLife can view the Units and provide a proposed listing price. The Receiver expects to file a supplemental report to advise of the proposed listing prices in advance of the July 18 hearing.
9. On July 5, 2022, the Receiver sent the proposed Sale Process to counsel to CIBC, counsel to KingSett and the Company to solicit feedback. KingSett has advised it supports the proposed Sale Process. The Company provided feedback via email, a copy of which is attached as Appendix "U". As at the writing of this Report, the Receiver had not received feedback from CIBC.

4.1 Sale Process Recommendation

1. The Receiver recommends that this Court issue an Order approving the Sale Process for the following reasons:
 - a) in the Receiver's view, the proposed Sale Process is commercially reasonable and consistent with other real property sale processes approved by this Court in other cases;
 - b) the Receiver sought and received listing proposals from various experienced realtors and chose Mr. Sen of HomeLife, who has completed 10 transactions at Minto 30 Roe; and
 - c) based on the Receiver's experience, the Receiver believes that the commission payable to HomeLife under the Listing Agreement is reasonable.

5.0 Records and Property Relief

1. The Receiver was appointed as receiver and manager of the Property. Paragraph 3(a) of the Receivership Order authorizes and empowers the Receiver “to take possession of and exercise control over the Property” and paragraph 5 requires all persons to, among other things, deliver all Property in such person’s possession or control to the Receiver upon the Receiver’s request.
2. Further, paragraph 5 of the Receivership Order requires all persons to “forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records, information and cloud based data of any kind related to the Property, and any computer programs, computer tapes, computer disks, cloud or other data storage media containing any such information (the foregoing, collectively, the “Records”) in that Person’s possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software, cloud and physical facilities relating thereto...”.
3. As described previously in this Report, the Receiver has been unable to obtain various Records and Property from the Company notwithstanding repeated requests and demands. In particular, at present, the following Records and Property have not been delivered to the Receiver:
 - a) list of creditors, including their addresses and amounts owing to each creditor;
 - b) details of the Property (aside from the Units and the RBC Bank Account);
 - c) copies of any leases in respect of the Units;
 - d) any post-dated rent cheques for the Units; and
 - e) the keys to the Units (although, as previously noted, the Company has recently indicated these will be provided shortly).
4. Although the Receiver believes that the Company (and Zar in his capacity as a director of the Company and in his personal capacity) are required to deliver all of the foregoing to the Receiver pursuant to the Receivership Order, the Receiver seeks a further specific order of the Court requiring the Company and Zar to provide these items by a specified date. In addition, the relief sought would require the Company and Zar to deliver any further Records or Property requested by the Receiver from time to time by no later than the day and time specified by the Receiver in any such request; provided, however, that the day and time specified by the Receiver in any such request shall be no less than three (3) days following the sending of such request by the Receiver.
5. Given the difficulties experienced by the Receiver in obtaining access to the Records and the Property from the Company and Zar to date, the Receiver believes the Records and Property Relief is necessary and appropriate in the circumstances. To the extent the Company provides the requested Records and Property prior to the July 18 hearing, the Receiver will update the Court via a supplemental report or at the hearing.

6.0 Conclusion and Recommendation

1. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court make orders granting the relief detailed in Section 1.1(1)(d) of this Report.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
SOLELY IN ITS CAPACITY AS COURT APPOINTED RECEIVER AND MANAGER OF
CERTAIN PROPERTY OF 30 ROE INVESTMENTS CORP.
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITIES**

Appendix “E”



**Supplement to the First Report of
KSV Restructuring Inc. as
Receiver of certain property of
30 Roe Investments Corp.**

July 15, 2022

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Appendices

Appendix

Tab

Email dated July 13, 2022 from the Receiver's counsel to the Company	A
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COURT FILE NO.: CV-22-00674810-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

KINGSETT MORTGAGE CORPORATION

Applicant

- and -

30 ROE INVESTMENTS CORP.

Respondent

**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**

**SUPPLEMENT TO THE FIRST REPORT OF
KSV RESTRUCTURING INC.
AS RECEIVER**

July 15, 2022

1.0 Introduction

1. This report (“Supplemental Report”) supplements the Receiver’s First Report to Court dated July 7, 2022 (“First Report”).
2. Unless otherwise stated, capitalized terms used in this Supplemental Report have the meanings provided to them in the First Report.

1.1 Purposes of this Supplemental Report

1. The purposes of this Supplemental Report are to:
 - a) provide the Court with an update on the status of the receivership proceedings since the date of the First Report; and
 - b) provide the proposed listing prices of the Units as recommended by HomeLife.

1.2 Restrictions

1. This Supplemental Report is subject to the restrictions in the First Report.

2.0 Update on the Receivership Proceedings

1. On July 13, 2022, the Receiver's counsel sent an email to the Company (the "July 13th Email"), a copy of which is attached as Appendix "A"¹, which, among other things:
 - a) inquired as to whether the Company intends to oppose or otherwise respond to the Receiver's motion seeking, among other things, Court approval of the Sale Process, including whether the Company had engaged legal counsel;
 - b) followed up on the Receiver's prior requests/questions regarding the Company's proposed refinancing (including the requests described in Section 3.5 3. and 4. of the First Report and how the Company proposed to address the claims of CRA and RBC); and
 - c) reiterated the Receiver's prior demands for the delivery of the outstanding Records and Property, including the keys for the Units;
2. As of the writing of this Supplemental Report:
 - a) the Company has not responded to the July 13th E-mail (although it has indicated separately that the refinancing information requested by the Receiver will be provided on July 15); and
 - b) the Company has not provided any of the outstanding Records and Property described in Section 5 3. of the First Report.

2.1 Creditors

1. As of the writing of this Supplemental Report, the Receiver has still not received a list of creditors from the Company. Since the date of the First Report, the Receiver obtained property tax certificates for each of the Units, which reflect that as of July 12, 2022, the Company owes a total of \$18,027.96 (plus interest and fees) of property tax arrears. The Receiver understands that the substantial majority of these arrears relate to the period prior to the date of the Receivership Order.

3.0 Listing Prices

1. On July 13, 2022, a representative of the Receiver and two representatives of the HomeLife listing team were accompanied by Zar on a tour of seven (7) of the nine (9) Units. The Receiver and HomeLife were unable to view Unit PH06 due to the tenant advising the Company that they were feeling sick, and Unit PH01 as the Unit was padlocked from the inside. HomeLife assumed that the two Units it did not view were in similar condition to the seven Units it did view.

¹ The copy of the email attached as Appendix "A" excludes the numerous prior emails between counsel to the Receiver and the Company in the email chain.

- HomeLife recommends the following listing prices for the Units based on comparable sales in Minto 30 Roe, industry trends and the condition of the Units.

Unit Number	Listing Price ²
PH01	\$1,208,000
PH02	\$898,000
PH03	\$1,065,000
PH04	\$760,000
PH05	\$740,000
PH06	\$963,000
PH07	\$809,000
PH08	\$1,063,000
PH09	\$970,500

- The Receiver has requested that the Company provide a schedule detailing when each of the Units will be vacated, as it is the Receiver's preference to list Units for sale when they are vacant (although it reserves the right to list Units that are occupied). As of the writing of this Supplemental Report, the Receiver has not been provided with this information.

4.0 Conclusion and Recommendation

- Based on the foregoing, the Receiver respectfully recommends that this Honourable Court make orders granting the relief detailed in the First Report.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
SOLELY IN ITS CAPACITY AS COURT APPOINTED RECEIVER AND MANAGER OF
CERTAIN PROPERTY OF 30 ROE INVESTMENTS CORP.
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITIES**

² The listing prices include one parking spot and one storage unit/ locker for each Unit.

Appendix “F”



**Second Report of
KSV Restructuring Inc. as
Receiver of certain property of
30 Roe Investments Corp.**

December 5, 2022

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COURT FILE NO.: CV-22-00674810-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

KINGSETT MORTGAGE CORPORATION

Applicant

- and -

30 ROE INVESTMENTS CORP.

Respondent

**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**

**SECOND REPORT OF KSV RESTRUCTURING INC.
AS RECEIVER**

DECEMBER 5, 2022

1.0 Introduction

1. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "Court") made on May 9, 2022 (the "Receivership Order"), KSV Restructuring Inc. was appointed receiver and manager (the "Receiver") of (i) the real property legally described in Schedule "A" (the "Real Property") of the Receivership Order, (ii) all of the assets, undertakings and properties of 30 Roe Investments Corp. (the "Company") acquired for, used in connection with, situated at, or arising from the ownership, development, use or disposition of, the Real Property, including the proceeds therefrom, and (iii) all of the Company'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 (collectively, the "Property"). A copy of the Receivership Order is attached as Appendix "A".
2. The Real Property consists of nine penthouse condominium units, nine parking spaces and nine storage units and/or lockers in a condominium development known as "Minto 30 Roe", located at 30 Roehampton Avenue in Toronto, Ontario (each, a "Unit" and collectively, the "Units").
3. This report (the "Report") is filed by KSV in its capacity as Receiver.

1.1 Purposes of this Report

1. The purposes of this report ("Report") are to:
 - a) provide background information about these proceedings;
 - b) summarize the Receiver's activities since the date of the First Report to Court dated July 7, 2022 (the "First Report");
 - c) provide an update on the Court-approved sale process (the "Sale Process") pursuant to which the Units are being marketed for sale by the Receiver with the assistance of HomeLife Landmark Realty Inc. ("HomeLife") as the listing agent;
 - d) summarize proposed amendments to the Sale Process (the "Amended Sale Process") (as described in Section 4.2 of the Report), including:
 - i. the proposed retention of RE/MAX Hallmark Realty Ltd., Brokerage ("Remax") to act as the new listing agent for the Units; and
 - ii. confirming the Receiver's authority to: (a) list any number of the Units for sale at any time as it, following consultation with Remax, determines is appropriate in its sole discretion; (b) list all the Units for sale; and (c) list Units for sale that are occupied; and
 - e) recommend that the Court make an order:
 - i. approving the Amended Sale Process, including the Receiver's execution of a listing agreement to be entered into between Remax and the Receiver (the "Remax Listing Agreement"); and
 - ii. approving the Receiver's activities as described in the Report.

1.2 Currency

1. Unless otherwise noted, all currency references in this Report are to Canadian dollars.

1.3 Restrictions

1. In preparing this Report, the Receiver has relied upon the limited Records obtained from the Company and KingSett Mortgage Corporation ("KingSett"), and correspondence with Raymond Zar ("Zar"), the principal of the Company, on behalf of the Company (the "Information").
2. The Receiver has not audited, or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this Report in a manner that complies with Canadian Auditing Standards ("CAS") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the financial information should perform its own diligence.

2.0 Background

2.1 Overview

1. The Company is a privately held company incorporated under the *Canada Business Corporations Act*. The Company's registered head office is located at 2 Bloor Street East, Suite 3500, Toronto, Ontario. The Company's sole director is Zar.
2. The Units are in a thirty-five storey, 397-unit condominium building in Toronto. The Receiver understands from the Company that the Units have been furnished by the Company. The Receiver understands from discussions and correspondence with the Company and its review of bank records that prior to the receivership, most of the Units were rented via websites advertising short-term rentals, including Airbnb.

2.2 Creditors

2.2.1 Secured Creditors

1. The Canadian Imperial Bank of Commerce ("CIBC") holds a first mortgage on each of the Units and other security. The Receiver understands each CIBC mortgage only secures the indebtedness owing by the Company in respect of a particular Unit (ranging from approximately \$360,000 to \$620,000). CIBC has advised that, as at June 20, 2022, it was owed a total of approximately \$4.2 million by the Company and that interest and costs continue to accrue.
2. On April 8, 2019, KingSett advanced a non-revolving demand loan to the Company, which originally was for the principal amount of \$1.5 million, but was later increased to \$1.875 million (the "KingSett Loan"). The KingSett Loan is secured by a second mortgage on each of the Units, a general security agreement and other security. KingSett has advised that, as at December 2, 2022, it was owed a total of approximately \$2.4 million and that interest and costs continue to accrue.

2.2.2 Canada Revenue Agency

1. On July 5, 2022, the Receiver received a letter (the "CRA Letter") from Canada Revenue Agency ("CRA") dated June 14, 2022 indicating that the Company owes CRA \$39,225.38, comprised of a trust claim relating to harmonized sales tax ("HST") of \$32,765.01 and penalties and interest of \$6,460.37.
2. CRA has advised the Receiver that the Company has not filed any HST returns for the period commencing January 1, 2020 to the date of the receivership. Despite several requests for the Company's books and records, the Receiver does not have the information necessary to file these overdue returns.

2.2.3 Other Creditors

1. The Royal Bank of Canada ("RBC") has advised the Receiver that the Company has a Canada Emergency Benefit Account loan with a fully drawn outstanding balance of \$60,000. In addition, RBC has advised the Company has outstanding credit card debt.

2. Loop Funding Inc. had a financing statement registered against the Company under the Ontario personal property security registry, although that registration expired earlier in the year. The Receiver is not aware what, if any, obligations may be owing by the Company to Loop Funding Inc.
3. As discussed in greater detail below and in the First Report, the Receiver has asked the Company on numerous occasions for information concerning the Company's creditors. To date, limited information in this regard has been provided to the Receiver. Accordingly, the Receiver has been unable to compile complete creditor lists and all information about the indebtedness of the Company in this Report should be considered preliminary.

2.3 Additional Information

1. Additional information regarding the Company and these proceedings is included in the First Report, a copy of which is provided, without appendices, in Appendix "B". Materials filed with the Court in this proceeding can be accessed from the Receiver's website at: <https://www.ksvadvisory.com/experience/case/30-roe-investments-corp->.

3.0 Receiver's Activities

3.1 Records and Property

1. As described in the First Report, the Receiver was unable to obtain various Records (as defined in the Receivership Order) from the Company notwithstanding repeated requests and demands. Given the difficulties experienced by the Receiver in obtaining access to the Records and the Property from the Company and Zar, the Receiver sought an order directing the Company and Zar to provide certain Records and Property to the Receiver, including: (i) a list of the creditors of the Company; (ii) details of all Property; (iii) copies of any leases in respect of the Units; (iv) any post-dated rent cheques in respect of the Units; and (v) the keys for the Units and any security cards, fobs or similar items required to access Minto 30 Roe. On July 18, 2022, the Court granted the order sought, a copy of which is attached as Appendix "C" (the "Records and Property Order"). The Records and Property Order also directs the Company and Zar to deliver such further Records or Property as may be requested in writing by the Receiver from time to time.
2. On July 19, 2022, the Receiver's counsel delivered a letter to counsel to the Company enclosing the Records and Property Order and directing the Company and Zar to deliver the specified Records and Property detailed in the order to the Receiver forthwith and by no later than 3:00 pm (Toronto time) on July 21, 2022, and requesting that the Company deliver certain further specified Records to the Receiver by no later than end of day on July 22, 2022. A copy of this letter is attached as Appendix "D" (the "July 19 Letter"). The July 19 Letter emphasized that the Receiver had still not received the keys to the Units despite numerous prior requests and Zar's advice that they were being couriered to the Receiver on July 14, 2022, and advised that if the keys were not received by the Receiver by July 21, 2022, the Receiver would proceed to change the locks on the Units.

3. None of the Records or Property requested (including the keys to the Units) were delivered to the Receiver by the deadlines specified in the July 19 Letter.
4. On July 25, 2022, the Receiver's counsel delivered a further letter to counsel to the Company, a copy of which is attached as Appendix "E" (the "July 25 Letter"). Among other things, the July 25 Letter confirmed that none of the Records and Property requested in the July 19 Letter had been received by the specified deadlines and that the Company and Zar were in breach of the Records and Property Order. As relates to the keys, the July 25 Letter advised that the Receiver had made arrangements to change the locks for the Units. The July 25 Letter also advised that the Receiver had learned that a tenant had delivered post-dated rent cheques to the Company for their Unit for the period through July 2023, which cheques had never been turned over to the Receiver despite repeated requests to do so.
5. On July 25, 2022, a package arrived at the Receiver's officer with the keys for the Units. Given the significant difficulties experienced by the Receiver in dealing with the Company and Zar, the Receiver proceeded to have the locks to the Units changed on or about July 26, 2022.
6. Due to the issues experienced by the Receiver in obtaining Records and Property from the Company and Zar, the Receiver has sought alternate sources of information and pursued other options to address outstanding issues, including:
 - a) on July 22, 2022, the Receiver's counsel delivered a letter to Airbnb requesting that all Records pertaining to the Units that are in Airbnb's possession be provided to the Receiver, and advising that no further rentals of the Units should be permitted via Airbnb without the express prior written consent of the Receiver, and, pending further direction from the Receiver, any listings for the Units should be removed from the Airbnb platform. A copy of this letter is attached as Appendix "F". In response to this letter, Torys LLP, Airbnb's external Canadian counsel, has provided the Receiver with certain information regarding past listings of the Units on the Airbnb platform and advised that it would deactivate the listings of the Units from its online platform. Airbnb has also made payment of certain amounts owing relating to the rental of the Units directly to the Receiver; and
 - b) engaged directly with occupants of the Units to obtain copies of rental agreements and other relevant details, such as rental terms.
7. At this time, the Receiver has not sought to enforce the Records and Property Order against the Company and/or Zar, but reserves its right to do so in the future in its discretion.

3.2 Current Status of the Units

1. In the First Report, the Receiver provided a summary of the status of the Units as provided by the Company. Since the date of the First Report, the Receiver has taken steps to verify the information provided by the Company, including by engaging directly with the occupants of the Units. An updated summary of the current status of the Units, as per the Receiver's understanding, is set out below:

Unit Number	Occupancy Status	Notes
PH01	Vacant	Occupancy ended
PH02	Occupied	Twelve-month lease expiring December 31, 2022.
PH03	Vacant	Occupancy ended
PH04	Vacant	Occupancy ended
PH05	Occupied	Initial lease expired on July 31, 2022 Signed a twelve-month lease extension to July 31, 2023
PH06	Occupied	Occupancy ending January 31, 2023
PH07	Vacant	Occupancy ended
PH08	Occupied	Occupancy ending January 13, 2023
PH09	Vacant	Occupancy ended

2. The lease for Unit PH05 was extended pursuant to an Amendment to Agreement to Lease dated June 3, 2022, which was executed by Zar and completed without the knowledge or consent of the Receiver in violation of the terms of the Receivership Order.

3.3 The Company's Proposed Refinancings

1. On July 6, 2022, the Company delivered a commitment letter dated June 10, 2022, for a \$2,000,000 second mortgage loan (the "Commitment Letter") in connection with seeking to refinance the KingSett Loan and pursue a consensual discharge of the Receiver. As discussed in the First Report, the Receiver noted certain deficiencies in the Commitment Letter, including, among other things, that the Commitment Letter was subject to numerous conditions and did not provide sufficient financing to discharge the KingSett Loan or address the costs of the receivership. In the cover email enclosing the Commitment Letter, Zar advised that "The delta between the amount required to payout KingSett, costs and discharge the Receiver and the amount listed on the commitment will be funded by me personally". The Receiver requested evidence from Zar showing sufficient liquid resources to bridge this funding gap and also requested that the Company provide a letter from the potential replacement lender indicating, among other things, that the conditions to the Commitment Letter had been satisfied or waived, neither of which was ever provided.
2. A subsequent commitment letter from the same proposed lender and in the same amount dated July 18, 2022, was filed by the Company with the Court just prior to the start of the Sale Process approval hearing. As noted by this Court in its Endorsement in respect of the Sale Process approval hearing, a copy of which is attached as Appendix "G", the updated commitment letter faced the same issues as outlined in the prior paragraph.

3. On August 7, 2022, the Company advised the Receiver that it was pursuing a different refinancing and subsequently delivered a commitment letter from a new lender in the amount of \$3 million. Over the course of the balance of August 2022, the Receiver and its counsel engaged in various correspondence and negotiations with the Company, the proposed new lender, CIBC, KingSett and their respective counsel regarding the potential refinancing, including negotiating and preparing draft documentation regarding a potential consensual discharge of the Receiver upon the completion of the refinancing. On the understanding that the refinancing was targeted to close on August 25, 2022, the Receiver agreed to pause the Sale Process for a brief period and delist the Unit that had been listed for sale to facilitate the potential refinancing. The proposed refinancing failed to close on August 25, 2022. Further discussions and negotiations ensued over the course of the following several days without the refinancing closing. On August 30, 2022, counsel to the Receiver advised counsel to the Company, the proposed lender, CIBC and KingSett that as the refinancing had not closed, the Receiver was continuing the Sale Process.

3.4 Zar's Allegations

1. During the course of the receivership proceedings, Zar has made numerous baseless allegations in respect of the Receiver, its counsel, HomeLife and KingSett. The Receiver and its counsel have responded to these allegations as they consider appropriate. The Receiver has also advised Zar that it does not intend to respond to his allegations on an ongoing basis, and that if he believes he has some basis for a complaint, the matter should be raised with the Court and will be addressed by the Receiver in that context. The Receiver does not intend to address these matters in detail as it does not believe they are relevant to the relief sought on the present motion, but reserves the right to do so at a later date and/or in reply should any allegations be made by the Company or Zar before the Court.

3.5 Potential Marketing of the Units as a "Hospitality Business"

1. The Company and Zar have previously taken the position that the Units should be marketed *en bloc* as a going concern hospitality business. Prior to the Sale Process approval hearing, by email dated July 10, 2022, the Receiver's counsel invited the Company to provide any information it wished to provide to the Receiver for consideration in respect of a potential going concern or *en bloc* transaction for the Units. No information was received from the Company in response to this request. Following the Sale Process hearing, the July 19 Letter followed up on the Receiver's request for information in this regard. Again, no information was received in response to this request. The July 25 Letter confirmed that as no information, including financial information, had been received in response to these requests, the Receiver was unable to assess the viability of selling the Units as a going concern hospitality business and intended to proceed with the sale of two Units in accordance with the Sale Process.

2. Based on its own review of the information available to it, the Receiver continues to believe there is no merit to the suggestion that the Units could be sold as a going concern hospitality business for a premium relative to the individual resale value of the Units, including because:
 - a. although the Receiver does not have access to financial statements for the Company, the business of the Company appears to have been loss making (as evidenced by the receivership);
 - b. prior appraisals filed by the Company valued the Units on an individual basis and indicated the highest and best use for the Units is a “a continuation of the existing residential use”;
 - c. the Units are in a condominium and the declaration of the condominium prohibits rentals of furnished units for a period of less than thirty (30) days;
 - d. rather than being rented out on a short-term basis, many of the Units were in fact being rented out by the Company on a long-term rental basis, including for lease terms of up to a year; and
 - e. although Minto 30 Roe includes usual condominium amenities (e.g. concierge, fitness room and party room), it is not a hybrid condominium/hotel project with hotel-style amenities.

3.6 Additional Activities

1. In addition to addressing and dealing with the matters described previously, since the date of the First Report, the Receiver has:
 - a) corresponded with the Royal Bank of Canada regarding the Company's bank account;
 - b) corresponded with the property manager for Minto 30 Roe regarding matters concerning the Units, including as relates to changing the locks and the payment of monthly condominium fees;
 - c) corresponded regularly with the occupants of the Units, including regarding monthly rent, the occupancy terms (including extending certain rental terms), and other general issues raised by the occupants from time to time;
 - d) engaged in correspondence with an agent of an occupant regarding a failure of the occupant to vacate a Unit at the end of the rental term, as well as a dispute regarding the return of keys to the Unit and a refund of the key deposit. The Receiver was of the view that the obligation to refund the key deposit was a pre-receivership obligation stayed by the Receivership Order. Ultimately, the occupant vacated the Unit and returned the keys;
 - e) held numerous discussions and corresponded with CIBC, KingSett and the Company concerning the receivership proceedings, including in relation to the Sale Process;

- f) corresponded regularly with HomeLife regarding the status of the Sale Process, as described in greater detail in Section 4.1 below; and
- g) prepared this Report.

4.0 Sale Process

4.1 Sale Process Update

1. Pursuant to a Listing Agreement dated July 7, 2022 (“Listing Agreement”), which was approved by the Court pursuant to an Order dated July 18, 2022 (the “Sale Process Approval Order”), the Units were being marketed for sale by HomeLife as the listing agent. A detailed summary of the proposed Sale Process was provided in Section 4 of the First Report and, accordingly, is not repeated herein. A copy of the Listing Agreement is attached as Appendix “H”.
2. For reasons described in the First Report, the Receiver initially only listed two Units for sale, being PH04 and PH09 (including the related parking spot and storage unit/locker). The selection of Units listed for sale was determined based on market advice from HomeLife, as well as the occupancy status of the Units. As provided above, PH04 was vacated on August 7, 2022 and PH09 was vacated on July 31, 2022.
3. As part of the Sale Process, HomeLife has, among other things, done the following with respect to the marketing of PH04 and PH09:
 - a) staged the Units, as required;
 - b) prepared a 3D tour of the Units;
 - c) arranged for the painting and minor repairs to the Units;
 - d) listed the Units for sale on MLS; and
 - e) provided the Receiver with weekly updates on viewings and feedback from prospective purchasers.
4. The Units were listed for sale in August 2022. Despite conducting over 40 showings and the Receiver agreeing to reduce the pricing on the Units on several occasions, there have been no offers to purchase the Units listed for sale to date (whether at the asking price or any lower price).
5. The Listing Agreement with HomeLife expired in accordance with its terms on October 18, 2022, being the three-month anniversary of its execution by the Receiver, and the two Units listed for sale were delisted from MLS on or about the same date. The Receiver has determined not to renew the Listing Agreement with HomeLife and is proposed to enter into the Remax Listing Agreement for the reasons discussed in greater detail below.

4.2 Amended Sale Process

1. In the First Report, the Receiver advised that it only intended to list two Units for sale at that time and was proposing to sell the Units in stages as: (i) it did not know how many Units were required to be sold to repay KingSett, or whether CIBC wishes to be repaid the entirety of the indebtedness owing to it; and (ii) the Receiver was concerned that if a majority of the Units were listed for sale at once, it could have a negative impact on the sale price for the Units given they are all located in the same building and on the same floor. The Receiver further advised that it intended to list two Units that had been vacated, and that it would report back to the Court on its plans for the listing of additional Units.
2. Based on, among other things, current market dynamics, the increased indebtedness owing to CIBC and KingSett from the continuing accrual of interest and expenses and the expected tax implications of sales of the Units, the Receiver now believes all of the Units will need to be sold to repay the secured indebtedness owing by the Company, and that there is likelihood of KingSett suffering a shortfall. A primary reason for the shortfall is that the Receiver believes that HST will likely need to be charged and remitted on the sale of the Units. One of the factors required to determine whether HST is owing is whether the Company or Zar claimed input tax credits when purchasing the Units. On August 5, 2022, the Receiver sent a letter to counsel to Zar requesting this information. A copy of the letter is attached as Appendix "I". The Company has not responded to this letter.
3. Since the expiry of the Listing Agreement, the Receiver has engaged in further discussions with KingSett regarding the path forward on the Sale Process, and has also discussed the status of the Sale Process with CIBC. Following these discussions, the Receiver is proposing that the Sale Process be amended as described in the following paragraphs, including engaging Remax as the new listing agent.
4. The proposed Amended Sale Process for the Units is as follows:
 - a) the Receiver, with the assistance of Remax and the Receiver's counsel, will administer, supervise, facilitate and oversee the Amended Sale Process with a view to maximizing value for the Units in a timely manner. Without limiting the generality of the foregoing, the Receiver shall have the authority to determine, from time to time and in its sole discretion: (i) which and how many of the Units are to be listed for sale, and when Units are to be listed for sale; and (ii) the listing prices for the Units, including any changes to listing prices. For the avoidance of doubt: (i) the Receiver shall have the authority to list any number of the Units for sale at any time as it, following consultation with Remax, determines is appropriate in its sole discretion; (ii) the Receiver shall be entitled to list all of the Units for sale; and (iii) the Receiver shall have the right to list Units for sale that are occupied.

- b) Remax will: (i) prepare marketing materials for the Units, including a brochure, website, photographs and floor plans; (ii) arrange for the Units to be staged as and when they are to be listed for sale, provided that Remax will not be required to stage a Unit that is occupied unless agreed by the Receiver and the occupant; (iii) send an email and newsletter regarding the opportunity to its database of parties, including industry contacts, potential buyers and the brokerage community; (iv) post the Units on the Toronto Real Estate Board Multiple Listing Service (“MLS”) as and when they are to be listed for sale; and (v) hold open houses for the Units listed for sale to the extent considered appropriate;
 - c) the Units will be marketed on an “as is, where is” basis and together with their related parking and storage unit/locker;
 - d) any offer(s) to purchase a Unit will be reviewed and considered by the Receiver as and when received. The Receiver shall have the sole discretion to determine whether or not to accept or reject an offer and how to otherwise deal with an offer, including, without limitation, as relates to any negotiations with a prospective purchaser and entering into any agreement of purchase and sale in respect of a Unit, provided that any transaction in respect of a Unit will be subject to Court approval; and
 - e) without limiting the factors that may be considered by the Receiver in reviewing and considering an offer for a Unit, the Receiver will have regard to: (i) the consideration offered; (ii) any conditions to closing or other factors that may impact the ability of a transaction to be consummated; and (iii) the proposed closing date.
5. A copy of the blackline comparison of the Amended Sale Process versus the Sale Process is attached as Appendix “J”. The key proposed changes are as follows:
- a) the Receiver proposes to enter into the Remax Listing Agreement and use Remax as the new listing agent for the Units;
 - b) although the Sale Process provides broad authority to the Receiver to oversee and administer the Sale Process, the Amended Sale Process specifically confirms the Receiver’s authority to: (i) list any number of the Units for sale at any time as it, following consultation with Remax, determines is appropriate in its sole discretion; (ii) list all of the Units for sale, and (iii) list Units for sale that are occupied.
6. The Receiver is touring the vacant Units with Remax on December 7, 2022. After the tour, the Receiver, in consultation with Remax, intends to determine the pricing, the timing and the number of Units to be listed for sale in January 2023.

4.3 Listing Agent Change

- 1. As noted previously, the term of the Listing Agreement with HomeLife was for three months following the execution of the Listing Agreement, and accordingly, the Listing Agreement expired on October 18, 2022.

2. Notwithstanding the Listing Agreement is expired, the Listing Agreement provides for a holdover period of three months following the termination of the Listing Agreement during which HomeLife is entitled to receive commissions in respect of sales of Units to purchasers who were introduced and disclosed to the Receiver or to the Unit during the term of the Listing Agreement, net of fees, commissions or other compensation paid or payable to the new listing agent.
3. Following consultation with KingSett, the Receiver determined not to renew the Listing Agreement and instead entered into discussions with Remax. The Receiver has selected Remax to act as new listing agent for the following reasons:
 - a) Remax's proposed commission rate of 3.5% is the same as HomeLife's, which was the lowest of all the broker proposals that the Receiver received. However, Remax's commission structure is more attractive to co-operating agents as it is offering a co-operating brokerage rate of 2.5% (and only keeping a commission of 1%) whereas HomeLife was offering 2% to cooperating brokerages (and keeping a commission of 1.5%). The change in commission structure should incentivize co-operating agents to bring prospective purchasers to the Units;
 - b) Gloria Yeung ("Yeung"), who will be the lead agent, has over 7 years of experience selling residential condominiums in Toronto, Ontario. Since 2016, Yeung has completed over 500 condo transactions in Downtown and Midtown Toronto and has experience selling condominiums in the Yonge and Eglinton market;
 - c) the Receiver has worked with Yeung on another receivership mandate with a successful result. The Receiver understands that an employee at KingSett has also worked with Yeung on other mandates, and KingSett is supportive of her proposed engagement by the Receiver; and
 - d) Remax is a well recognized full-service regional brokerage with over 1,800 agents operating through over 40 offices in Ontario.
4. A copy of the proposed Remax Listing Agreement is attached as Appendix "K".

4.4 Sale Process Recommendation

1. The Receiver recommends that this Court issue an Order approving the Amended Sale Process and authorizing the Receiver to enter into the Remax Listing Agreement for the following reasons:
 - a) In the Receiver's view, the proposed Amended Sale Process is commercially reasonable and consistent with other real property sale processes approved by this Court in other cases. It is consistent with the existing Sale Process and will continue to provide broad market exposure for the Units in an effort to realize maximum value for stakeholders;

- b) the Remax Listing Agreement is on substantially the same commercial terms as the existing Listing Agreement, except for the improved commission structure for cooperating agents; and
- c) based on the Receiver's experience, the Receiver believes that the commission payable to Remax under the Remax Listing Agreement is reasonable.

5.0 Conclusion and Recommendation

1. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court make orders granting the relief detailed in Section 1.1(1)(e) of this Report.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
SOLELY IN ITS CAPACITY AS COURT APPOINTED RECEIVER AND MANAGER OF
CERTAIN PROPERTY OF 30 ROE INVESTMENTS CORP.
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITIES**

Appendix “G”



**Supplement to the Second Report of
KSV Restructuring Inc. as
Receiver of certain property of
30 Roe Investments Corp.**

December 13, 2022

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COURT FILE NO.: CV-22-00674810-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

KINGSETT MORTGAGE CORPORATION

Applicant

- and -

30 ROE INVESTMENTS CORP.

Respondent

**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**

**SUPPLEMENT TO THE SECOND REPORT OF
KSV RESTRUCTURING INC.
AS RECEIVER**

December 12, 2022

1.0 Introduction

1. This report (“Supplemental Report”) supplements the Receiver’s Second Report to Court dated December 5, 2022 (“Second Report”).
2. Unless otherwise stated, capitalized terms used in this Supplemental Report have the meanings provided to them in the Second Report.

1.1 Purpose of this Supplemental Report

1. The purpose of this Supplemental Report is to provide the Court with an update on events that have transpired since the date of the Second Report.

1.2 Restrictions

1. This Supplemental Report is subject to the restrictions in the Second Report.

2.0 Update on the Receivership Proceedings

1. As set out in the Second Report, the Receiver's records reflect that five Units should be vacant and that Unit PH01 ("PH01") was vacated by the previous occupant on or about August 27, 2022, and has not been re-let by the Receiver pending it being listed for sale. When the prior occupant vacated PH01, the Receiver obtained the keys from her.
2. On December 7, 2022, representatives of the Receiver, KingSett and Yeung, the proposed lead agent from Remax, conducted a tour of the vacant Units to prepare for the Amended Sale Process.
3. The Receiver attended at PH01 and observed that it was occupied. Such occupation was without the knowledge of or the consent of the Receiver. As the Receiver had previously changed the locks to PH01 (as well all other Units), the Receiver does not know how the occupant was able to gain access to PH01.
4. On December 8, 2022, the Receiver's legal counsel, Goodmans LLP, sent a letter by process server to the occupant in PH01 (the "December 8 Letter"). The December 8 Letter, among other things, requested information on how the person came to occupy PH01. The Receiver requested that the occupant provide a response to the Receiver by 11:00 am (Toronto time) on December 9, 2022. A copy of the December 8 Letter is attached as Appendix "A".
5. The Receiver did not receive a response by the deadline provided in the letter. Accordingly, a representative of the Receiver attended the premises on the afternoon of December 9, 2022. A female answered the door at PH01. The occupant advised she could not speak English and the Receiver left the premises.
6. The female who answered the door of PH01 was the same person who the Receiver had previously seen occupying Unit PH07 ("PH07"). The Receiver had previously been advised by Zar that the occupant of PH07 had prepaid rent until July 25, 2022. PH07 was subsequently vacated by this person, but for a suitcase and some other small personal belongings.
7. As discussed in the Second Report, Zar has previously leased a Unit without the Receiver's knowledge during these proceedings. Accordingly, prior to taking any further steps, the Receiver sent the following email to Zar on December 9, 2022 at 1:36 pm:

"Dear Raymond,

There is a female occupant living in PH01 who previously lived in PH07. Some of her belongings appear to still be on PH07. Our records indicate that this person should not be living there and we are concerned that we have a squatter. The person does not appear to speak English. We are considering filing a police report today. Please let us know if you know anything about this person before 5pm today.

Thank you,

Noah"

On December 9, 2022 at 2:25 pm, Zar responded as follows:¹

“Without Prejudice

Dear Noah,

The last time I was at the property was around three months ago when you changed all the locks. I thought you were managing access. It has been so long that I don't remember the units' occupancy status off the top of my head.

If there was forced entry, then as a Director of the condominium corporation, I can direct property management to intervene as it involves common elements and building security.

If there isn't forced entry, I wonder if the police would be helpful as each time we called them in the past, they refused to intervene and directed us to the landlord-tenant board.

But there were instances where short-term rental guests refused to check out, and we threatened to call the police, and the threat worked.

Regardless of everything else, it may be time to compare notes on the status of the units. Unless you have been collecting payments, there is ~\$100,000 outstanding by now (and much more if you agreed to rent out empty units, but let's not dwell on the past).

Let me know how I can assist.

Thank you,

Raymond”

8. A copy of this e-mail chain between the Receiver and Zar is attached as Appendix “B”.
9. Following the e-mail from Zar, the Receiver immediately filed a police report as it was concerned that a squatter was occupying PH01. At approximately 3:00 pm on December 9, 2022, the police contacted a representative of the Receiver and asked the Receiver to attend at PH01 to meet with the occupant.
10. The Receiver attended at the premises with two officers. When the Receiver and officers arrived, the occupant of PH01 was moving her belongings into PH07. The occupant advised the police she could not speak English. The police called a translator, who was also an officer, to communicate with the occupant.

¹ Although marked “Without Prejudice”, the Receiver does not believe Zar's email is privileged or confidential, including because it is not a settlement communication. The Receiver's counsel advised Zar the Receiver intended to file his email with the Court as it was relevant to the matters addressed in this Supplemental Report. Zar objected. The Receiver's counsel invited Zar to articulate the basis on which he claimed the e-mail was privileged. Following review of Zar's position, the Receiver continues to believe the email is not privileged or confidential.

11. According to information disclosed by the police to the Receiver, the occupant advised she was not allowed to be in PH01, but was entitled to live in PH07. The officers advised the occupant they required her identification because she had been trespassing. At first, the occupant refused to provide her identification to the police, but eventually provided her identification to the police after she was detained by the police. The police advised the Receiver that the occupant advised that she did not have a lease for PH07.
12. While the police were interviewing the occupant, Zar began speaking to the officers through the security system located on the ceiling of the penthouse floor hallways. Zar advised the officers, among other things, that they did not have a warrant to enter the premises and that he was a director of the condominium corporation and did not authorize the police to continue their investigation. The police officers refused to communicate with Zar.
13. The police advised the Receiver that the occupant was Zar's mother, Maryam Rezaee ("Rezaee").² The police asked the Receiver whether it wanted to press charges against Rezaee for trespassing, but the Receiver declined to do so. Zar advised the Receiver through the security system that his mother's lawyer would be calling her cellphone to speak to the police. Michael Simaan, a lawyer who has previously appeared for the Company in these proceedings, called Rezaee who provided the phone to the Receiver. Mr. Simaan advised the Receiver that he was counsel to Rezaee in litigation against Zar.
14. The Receiver understands that Rezaee has vacated PH01 and is currently in PH07. The Receiver has no evidence that Rezaee is entitled to occupy PH07. As noted above, Zar had previously advised the Receiver that rent had only been paid on PH07 through July 25, 2022, and PH07 was vacated on or about that date. Zar did not previously disclose to the Receiver that the occupant in PH07 was his mother. The Receiver has not agreed to rent PH07 to Rezaee (or anyone else), or received any rent from her since the commencement of these proceedings.
15. Following the aforementioned incident, on December 9, 2022, the Receiver received two emails from Zar, which are attached as Appendix "C". On December 12, 2022, Zar wrote to the Court to request an "urgent case conference" and made various allegations against the Receiver, including relating to the matters described in this Supplemental Report.
16. The Receiver intends to write to Zar and Rezaee to, among other things, request they provide information on how Rezaee came to occupy PH01 and to provide evidence of any lawful basis upon which Rezaee is currently permitted to occupy PH07. Following receipt and review of the responses received (if any), the Receiver will determine how it intends to address these matters. The Receiver reserves all rights regarding the matters addressed in this Supplemental Report, including to seek relief from the Court as it considers appropriate.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
SOLELY IN ITS CAPACITY AS COURT APPOINTED RECEIVER AND MANAGER OF
CERTAIN PROPERTY OF 30 ROE INVESTMENTS CORP.
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITIES**

² The officers did not tell the Receiver Zar's mother's name. The Receiver understands from Court decisions in litigation between Zar and his mother that her name is Maryam Rezaee.

Appendix “H”



**Third Report of
KSV Restructuring Inc. as
Receiver of certain property of
30 Roe Investments Corp.**

January 26, 2023

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COURT FILE NO.: CV-22-00674810-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

KINGSETT MORTGAGE CORPORATION

Applicant

- and -

30 ROE INVESTMENTS CORP.

Respondent

**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**

**THIRD REPORT OF KSV RESTRUCTURING INC.
AS RECEIVER**

JANUARY 26, 2023

1.0 Introduction

1. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "Court") made on May 9, 2022 (the "Receivership Order"), KSV Restructuring Inc. ("KSV") was appointed receiver and manager (the "Receiver") of (i) the real property legally described in Schedule "A" (the "Real Property") of the Receivership Order, (ii) all of the assets, undertakings and properties of 30 Roe Investments Corp. (the "Company") acquired for, used in connection with, situated at, or arising from the ownership, development, use or disposition of, the Real Property, including the proceeds therefrom, and (iii) all of the Company'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 (collectively, the "Property"). A copy of the Receivership Order is attached as Appendix "A".
2. The Real Property consists of nine penthouse condominium units, nine parking spaces and nine storage units and/or lockers in a condominium development known as "Minto 30 Roe", located at 30 Roehampton Avenue in Toronto, Ontario (collectively, the "Units").
3. Pursuant to an order (the "Sale Process Approval Order") issued by the Court on July 7, 2022, the Receiver engaged HomeLife Landmark Realty Inc. ("HomeLife") to list the Units for sale (the "Sale Process"). The HomeLife listing agreement (the "HomeLife Listing Agreement") expired in accordance with its terms on October 18, 2022.

4. Pursuant to an order (the “Amended Sale Process Approval Order”) issued December 14, 2022, the Court authorized certain amendments to the Sale Process, including:
 - a) authorized the Receiver to engage RE/MAX Hallmark Realty Ltd., Brokerage (“Remax”) as the new broker to list the Units for sale; and
 - b) confirmed the Receiver’s authority to: (i) list any number of the Units for sale at any time as it, following consultation with Remax, determines is appropriate in its sole discretion (ii) list all of the Units for sale; and (iii) list Units for sale that are occupied (the “Amended Sale Process”).
5. The principal purpose of these proceedings is to complete transactions in respect of the Units that maximize value for the Company’s stakeholders.
6. This report (the “Report”) is filed by KSV in its capacity as Receiver.

1.1 Purposes of this Report

1. The purposes of this Report are to:
 - a) provide background information about these proceedings;
 - b) provide the Court with an update regarding Unit PH07, which the Receiver understands is occupied by Maryam Rezaee, the mother of the Company’s principal, Raymond Zar (“Zar”);
 - c) discuss certain security equipment contained on the penthouse floor, including camera and audio surveillance equipment (the “Monitoring Equipment”), which the Receiver proposes to disconnect and remove;
 - d) provide an update on the Amended Sale Process;
 - e) summarize two proposed transactions between the Receiver and third-party purchasers (the “Purchasers”), which contemplate:
 - i. the sale of PH04, including one parking spot and one storage locker unit (the “PH04 Purchased Units”) pursuant to a Condominium Agreement of Purchase and Sale dated January 6, 2023, as amended on January 10, 2023 (the “PH04 APS”) (the “PH04 Transaction”);
 - ii. the sale of PH09, including one parking spot and one storage locker unit (the “PH09 Purchased Units” and together with the PH04 Purchased Units, the “Purchased Units”) pursuant to a Condominium Agreement of Purchase and Sale dated January 20, 2023 (the “PH09 APS”) (the “PH09 Transaction” and together with the PH04 Transaction, the “Transactions”);
 - f) request that the Court issue orders:
 - i. authorizing the Receiver to disconnect and remove the Monitoring Equipment;
 - ii. approving the Transactions;

- iii. vesting title in and to the Purchased Units in the Purchasers, free and clear of all liens, claims and encumbrances, other than permitted encumbrances;
- iv. following the completion of each of the Transactions, authorizing and directing the Receiver to make distributions from the proceeds of the Transactions to:
 - such parties as required in respect of outstanding property tax arrears and condominium common expense arrears owing in respect of the Purchased Units and such other disbursements as are required to be paid by the Receiver in connection with the closing of the Transactions;
 - the Canada Revenue Agency in respect of harmonized sales tax (“HST”) on the Transactions, if any;
 - Remax to pay its commission and the commission of the cooperating brokerages on the Transactions;
 - the Canadian Imperial Bank of Commerce (“CIBC”) to repay its first mortgage on each of the Purchased Units; and
 - KingSett Mortgage Corporation (“KingSett”) to repay a portion of the amounts owing to it under its second mortgage, subject to such holdback as the Receiver considers appropriate to fund the receivership, including the fees and expenses of the Receiver and its counsel;
- v. sealing the Confidential Appendices to this Report on the terms described herein; and
- vi. approving this Report and the Receiver’s activities described herein, as well as the Supplement to the Second Report of the Receiver dated December 13, 2022 (the “Supplement to the Second Report”) and the Receiver’s activities described therein.

1.2 Currency

1. Unless otherwise noted, all currency references in this Report are to Canadian dollars.

1.3 Restrictions

1. In preparing this Report, the Receiver has relied upon the limited books and records obtained from the Company and KingSett, and correspondence with Zar, on behalf of the Company (the “Information”).

2. The Receiver has not audited, or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this Report in a manner that complies with Canadian Auditing Standards (“CAS”) pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the financial information should perform its own diligence.

2.0 Background

2.1 Overview

1. The Company is a privately held company incorporated under the *Canada Business Corporations Act*. The Company's registered head office is located at 2 Bloor Street East, Suite 3500, Toronto, Ontario. The Company's sole director is Zar.
2. The Units are in a thirty-five storey, 397-unit condominium building in Toronto. The Receiver understands from the Company that the Units have been furnished by the Company. The Receiver understands from discussions and correspondence with the Company and its review of bank records that prior to the receivership, most of the Units were rented via websites advertising short-term rentals, including Airbnb.

2.2 Creditors

2.2.1 Secured Creditors

1. CIBC holds a first mortgage on each of the Units and other security. The Receiver understands each CIBC mortgage only secures the indebtedness owing by the Company in respect of a particular Unit. CIBC has advised that, as at January 25, 2023, it was owed a total of approximately \$4.29 million by the Company and that interest and costs continue to accrue.
2. On April 8, 2019, KingSett advanced a non-revolving demand loan to the Company, which originally was for the principal amount of \$1.5 million, but was later increased to \$1.875 million (the “KingSett Loan”). The KingSett Loan is secured by a second mortgage on each of the Units, a general security agreement and other security. KingSett has advised that, as at January 26, 2023, it was owed a total of approximately \$2.6 million and that interest and costs continue to accrue.

2.2.2 Canada Revenue Agency

1. On July 5, 2022, the Receiver received a letter (the “CRA Letter”) from Canada Revenue Agency (“CRA”) dated June 14, 2022 indicating that the Company owes CRA \$39,225.38, comprised of a trust claim relating to HST of \$32,765.01 and penalties and interest of \$6,460.37.
2. CRA has advised the Receiver that the Company has not filed any HST returns for the period commencing January 1, 2020 to the date of the receivership. Despite several requests for the Company's books and records, the Receiver does not have the information necessary to file these overdue returns.

2.2.3 Other Creditors

1. The Royal Bank of Canada (“RBC”) has advised the Receiver that the Company has a Canada Emergency Benefit Account loan with a fully drawn outstanding balance of \$60,000. In addition, RBC has advised the Company has outstanding credit card debt.
2. Loop Funding Inc. (“Loop”) had a financing statement registered against the Company under the Ontario personal property security registry, although that registration expired in 2022. The Receiver is not aware what, if any, obligations may be owing by the Company to Loop.
3. As discussed in its previous reports and below, the Receiver has asked the Company on numerous occasions for information concerning the Company’s creditors. To date, limited information in this regard has been provided to the Receiver. Accordingly, the Receiver has been unable to compile complete creditor lists and all information about the indebtedness of the Company in this Report should be considered preliminary.

2.3 Current Status of the Units

1. An updated summary of the current status of the Units, as per the Receiver’s understanding, is set out below:

Unit Number	Occupancy Status	Notes
PH01	Vacant	Occupancy ended August 27, 2022
PH02	Occupied	Month to month occupancy
PH03	Vacant	Occupancy ended August 11, 2022
PH04	Sold, subject to Court approval	Occupancy ended August 7, 2022
PH05	Occupied	Occupancy ending July 31, 2023
PH06	Occupied	Occupancy ending March 31, 2023
PH07 ¹	Vacant	Occupancy ended July 25, 2022
PH08	Vacant	Occupancy ended January 13, 2023
PH09	Sold, subject to Court approval	Occupancy ended July 31, 2022

2.4 The Principal of the Debtor has complicated these proceedings and increased costs

1. Zar is the sole director of the Debtor although the Receiver understands that there has been litigation between Zar and his mother over the right to control the company. Zar has significantly complicated the Receiver’s mandate by failing to cooperate with the Receiver and by making various allegations against the Receiver, its counsel and other stakeholders in this proceeding.
2. A brief summary of the issues caused by Zar is set out below. In the interest of brevity, not all of the issues caused by Zar are listed:
 - a) Despite repeated requests, Zar did not provide the Receiver with keys to the Units (until after the Receiver had advised it was proceeding to change the locks) and various Records (as defined in the Receivership Order) of the Company, despite being required to do so under the terms of the Receivership Order. In this regard, the Receiver sought and obtained an additional Court order on July 18, 2022 (the “Property and Records Order”) requiring the Company and Zar to deliver certain Records and Property within a specific

¹ As discussed below in Section 3.1, Zar’s mother, Rezaee, may be currently occupying PH07 without authorization from the Receiver or any apparent right to do so.

timeframe, and requiring them to provide further Records and Property that may be requested by the Receiver from time to time within a specified timeframe. A copy of the Property and Records Order is attached as Appendix “B”. Notwithstanding these orders, the Receiver has still not received various Records required to administer these proceedings, including a list of creditors and financial and tax records.

- b) Zar continued to deal with the Units after the Receiver was appointed and granted sole authority to deal with the Units (and the other Property), including signing a lease agreement during the pendency of the receivership proceedings;
- c) misleading the Receiver regarding the occupancy status of certain of the Units, as discussed below in Section 3.1; and
- d) making various allegations in respect of the Receiver, Goodmans, HomeLife and KingSett. Among other things, Zar has:
 - i. alleged that the Receivership Order is “tainted by alleged fraud”. Zar has not produced evidence of the alleged fraud, or taken any steps to address it;
 - ii. accused an unspecified person of deploying surveillance software called Pegasus, which is alleged to cost \$1 million, against him in order to “intimidate and extort” him so that he would not “speak out” in this proceeding;
 - iii. accused an (unspecified) Justice of the Court of Appeal panel that dismissed the Company’s appeal of the Receivership Order of having an undisclosed conflict of interest; and,
 - iv. threatened to broadcast the Court hearing held on December 21, 2022 and then asking Justice McEwan to recuse himself when his request for permission to broadcast the court hearing was denied.

The Receiver determined that responding to Zar’s allegations on an ongoing basis would unduly increase the costs of these proceedings and, ultimately, harm stakeholders. As a result, it has advised Zar that it does not intend to respond to his allegations, and that if he believes he has some basis for a complaint, the matter should be raised with the Court and will be addressed by the Receiver in that context.

- 3. The Receiver has not repeated all the background information regarding the conduct of Zar in this Report. Additional information is contained within the Receiver’s previous Reports to Court, being the First Report dated July 7, 2022 (the “First Report”), the Second Report dated December 5, 2022 (the “Second Report”) and the Supplement to the Second Report. Copies of the First Report, the Second Report (each without appendices) and the Supplement to the Second Report are attached as Appendices “C”, “D” and “E”, respectively.
- 4. Additional information regarding the Company can be accessed from the Receiver’s website at: <https://www.ksvadvisory.com/experience/case/30-roe-investments-corp->.

3.0 Receiver's Activities

3.1 PH07 Occupancy

1. As set out in the Second Report and the Supplement to the Second Report, the Receiver's records reflected that Unit PH01 was vacated by the previous occupant on or about August 27, 2022, and had not been re-let by the Receiver pending it being listed for sale. When the prior occupant vacated PH01, the Receiver obtained the keys from her.
2. On December 7, 2022, representatives of the Receiver, KingSett and Gloria Yeung ("Yeung"), the lead agent from Remax, conducted a tour of the vacant Units to prepare for the Amended Sale Process.
3. The Receiver attended at PH01 and observed that it was occupied. Such occupation was without the knowledge of or the consent of the Receiver. As the Receiver has previously changed the locks to PH01 (as well all other Units), the Receiver does not know how the occupant was able to gain access to PH01.
4. On December 8, 2022, the Receiver's legal counsel, Goodmans LLP ("Goodmans"), sent a letter by process server to the occupant in PH01 (the "December 8 Letter"). The December 8 Letter, among other things, requested information on how the person came to occupy PH01. The Receiver requested that the occupant provide a response to the Receiver by 11:00 am (Toronto time) on December 9, 2022.
5. The Receiver did not receive a response by the deadline provided in the letter. Accordingly, a representative of the Receiver attended the premises on the afternoon of December 9, 2022. A female answered the door at PH01. The occupant advised she could not speak English and the Receiver left the premises.
6. The female who answered the door of PH01 was the same person who the Receiver had previously seen occupying Unit PH07 ("PH07"). The Receiver had previously been advised by Zar that the occupant of PH07 had prepaid rent until July 25, 2022. PH07 was subsequently vacated by this person, but for a suitcase and some other small personal belongings.
7. As discussed in the Second Report, Zar had previously leased a Unit without the Receiver's knowledge during these proceedings. Accordingly, prior to taking any further steps, the Receiver sent the following email to Zar on December 9, 2022 at 1:36 pm:

"Dear Raymond,

There is a female occupant living in PH01 who previously lived in PH07. Some of her belongings appear to still be on PH07. Our records indicate that this person should not be living there and we are concerned that we have a squatter. The person does not appear to speak English. We are considering filing a police report today. Please let us know if you know anything about this person before 5pm today.

Thank you,

Noah"

On December 9, 2022 at 2:25 pm, Zar responded as follows:²

“Without Prejudice

Dear Noah,

The last time I was at the property was around three months ago when you changed all the locks. I thought you were managing access. It has been so long that I don't remember the units' occupancy status off the top of my head.

If there was forced entry, then as a Director of the condominium corporation, I can direct property management to intervene as it involves common elements and building security.

If there isn't forced entry, I wonder if the police would be helpful as each time we called them in the past, they refused to intervene and directed us to the landlord-tenant board.

But there were instances where short-term rental guests refused to check out, and we threatened to call the police, and the threat worked.

Regardless of everything else, it may be time to compare notes on the status of the units. Unless you have been collecting payments, there is ~\$100,000 outstanding by now (and much more if you agreed to rent out empty units, but let's not dwell on the past).

Let me know how I can assist.

Thank you,

Raymond”

8. Following the e-mail from Zar, the Receiver immediately filed a police report as it was concerned that a squatter was occupying PH01. At approximately 3:00 pm on December 9, 2022, the police contacted a representative of the Receiver and asked the Receiver to attend at PH01 to meet with the occupant.
9. The Receiver attended at the premises with two officers. When the Receiver and officers arrived, the occupant of PH01 was moving her belongings into PH07. The occupant advised the police she could not speak English. The police called a translator, who was also an officer, to communicate with the occupant.

² Although marked “Without Prejudice”, the Receiver does not believe Zar's email is privileged or confidential, including because it is not a settlement communication. The Receiver's counsel advised Zar, the Receiver intended to file his email with the Court as it was relevant to the matters addressed in the Supplement to the Second Report. Zar objected. The Receiver's counsel invited Zar to articulate the basis on which he claimed the e-mail was privileged. Following review of Zar's position, the Receiver continues to believe the email is not privileged or confidential. Zar ultimately waived any claim of privilege to the email by email to the Receiver's counsel on December 13, 2022.

10. According to information disclosed by the police to the Receiver, the occupant advised she was not allowed to be in PH01, but was entitled to live in PH07. The officers advised the occupant they required her identification because she had been trespassing. At first, the occupant refused to provide her identification to the police, but eventually provided her identification to the police after she was detained by the police. The police advised the Receiver that the occupant advised that she did not have a lease for PH07.
11. While the police were interviewing the occupant, Zar began speaking to the officers through the Monitoring Equipment located on the ceiling of the penthouse floor hallways. Zar advised the officers, among other things, that they did not have a warrant to enter the premises and that he was a director of the condominium corporation and did not authorize the police to continue their investigation. The police officers refused to communicate with Zar.
12. The police advised the Receiver that the occupant was Zar's mother, Rezaee. The police asked the Receiver whether it wanted to press charges against Rezaee for trespassing, but the Receiver declined to do so. Zar advised the Receiver through the Monitoring System that his mother's lawyer would be calling her cellphone to speak to the police. Michael Simaan, a lawyer who has previously appeared for the Company in these proceedings, called Rezaee who provided the phone to the Receiver. Mr. Simaan advised the Receiver that he was counsel to Rezaee in litigation against Zar.
13. The Receiver, through counsel, requested a copy of the police occurrence report pertaining to the above incident, but has been advised that a police occurrence report cannot be obtained for this type of matter and any police records regarding the matter can only be obtained through a *Municipal Freedom of Information and Protection of Privacy Act* (Ontario) request. The Receiver, through counsel, has initiated such a request for any responsive police records.
14. The Receiver understands that Rezaee has vacated PH01 and is currently in PH07. The Receiver has no evidence that Rezaee is entitled to occupy PH07. As noted above, Zar had previously advised the Receiver that rent had only been paid on PH07 through July 25, 2022, and PH07 was vacated on or about that date. Zar did not previously disclose to the Receiver that the occupant in PH07 was his mother. The Receiver has not agreed to rent PH07 to Rezaee (or anyone else), or received any rent from her since the commencement of these proceedings.
15. On December 19, 2022, Goodmans wrote a letter to Rezaee, among other things, demanding that she provide a basis for any right to presently occupy PH07 and evidence of same (e.g. a lease or rental agreement). The letter further indicated that the Receiver was prepared to provide Rezaee until January 15, 2023, to find alternative accommodations and vacate PH07 (without prejudice to the right of the Receiver to obtain vacant possession of PH07). Rezaee has not responded to the letter. A copy of this letter is attached as Appendix "F" (a courtesy Farsi translation of the letter was also delivered to Rezaee).

16. On January 16, 2023, Goodmans wrote a letter to the Company to inquire whether the Company was aware whether Rezaee had vacated PH07 and also requesting any documents regarding Rezaee's entitlement to occupy PH07 pursuant to the terms of the Property and Records Order by no later than January 20, 2023. Goodmans has not received a response to this letter.
17. The Receiver intends to schedule a motion as soon as possible to seek a writ for vacant possession of PH07.

3.2 Removal of the Monitoring Equipment

1. As discussed above, Zar continues to access the Monitoring Equipment in the hallways of the penthouse floor. The Receiver understands from its discussions with property management of Minto 30 Roe that the Monitoring Equipment is owned by the Company and that similar monitoring equipment is not located on other floors of the building.
2. Based on the events that have transpired during these proceedings, it is evident that Zar continues to monitor the activities on the penthouse floor. The Receiver is seeking a Court order authorizing it to remove the Monitoring Equipment. The Receiver is of the view that it can remove the Monitoring Equipment without a further Court order (as it believes it is "Property" within the meaning of the Receivership Order) but is seeking an order out of an abundance of caution given Zar's various allegations against the Receiver and others in these proceedings. The Receiver also seeks authority to dispose of the Monitoring Equipment as it considers fit (the Receiver will explore whether the Monitoring Equipment can be disposed of for value, but does not expect it to have any material value and that the costs of disposition may exceed any value).
3. The Receiver is seeking this relief now as third-party purchasers are expected to move into the Purchased Units on or about February 28, 2023, should the Court approve the Transactions. The property manager has also advised that it does not object to the Receiver removing the Monitoring Equipment. In the Receiver's view, the building already has sufficient security features, including its own video cameras and a full-time security team. Based on the foregoing, the Receiver recommends the Court issue an order authorizing the Receiver to remove the Monitoring Equipment and dispose of it.

3.3 Amended Sale Process Motion

1. On December 14, 2022, the Court heard and granted the Receiver's motion seeking approval of the Amended Sale Process.
2. During the hearing of the motion, Zar made a number of allegations against the Receiver, Goodmans, KingSett and others, including many allegations that he had previously advanced in correspondence. Zar requested that the motion be adjourned until an investigation could be carried out regarding his allegations. Justice McEwen declined to adjourn the motion.
3. Zar advised that he intended to conduct a press conference and broadcast a recording of the hearing. Zar also asked Justice McEwen to recuse himself from the motion after Justice McEwen refused to allow him to record the proceeding. Justice McEwen did not recuse himself.

4. At the conclusion of the December 14, 2022 hearing, Justice McEwen issued an Endorsement dated December 14, 2022, addressing certain of Zar's conduct, a copy of which is attached as Appendix "G".
5. Justice McEwen issued a further Endorsement on December 20, 2022 (the "December 20th Endorsement"). The December 20th Endorsement provides Justice McEwen's reasons for approving the Amended Sale Process and the Receiver's Second Report. The December 20th Endorsement deferred the approval of the Supplement to the Second Report to a further hearing as it was delivered the evening before the hearing and the Company did not have an opportunity to respond. A copy of the December 20th Endorsement is attached as Appendix "H". The Receiver is seeking approval of the Supplement to the Second Report as part of the present motion.

4.0 Sale Process

4.1 Sale Process

1. Pursuant to the Sale Process Approval Order, in August 2022, the Receiver began marketing PH04 and PH09 for sale with the assistance of HomeLife. The selection of these Units was determined based on market advice from HomeLife, as well as the occupancy status of the Units. PH04 is a one bedroom plus den and one bath Unit, and PH09 is a two bedroom and two bath Unit.
2. As part of the Sale Process, HomeLife, among other things, did the following with respect to the marketing of PH04 and PH09:
 - a) staged the Units, as required;
 - b) arranged for the painting and minor repairs to the Units;
 - c) arranged for professional photographing of the Units and the creation of a 3D virtual tour, including floor plan, available via a dedicated webpage;
 - d) listed the Units for sale on the Toronto Real Estate Board Multiple Listing Service ("MLS"); and
 - e) provided the Receiver with weekly updates on viewings and feedback from prospective purchasers.
3. Copies of the MLS listing for PH04 and the initial MLS listing for PH09 are attached as Appendix "I" and "J". PH04 was listed for sale on MLS from on or about August 11, 2022 to on or about October 18, 2022, although showings were conducted until November 2, 2022³. PH04 was initially listed at \$859,900. The listing price was reduced several times during the listing period and PH04 was last listed at \$745,000. During this period, approximately 24 viewings were held, but no offers were received to purchase PH04. HomeLife provided feedback to the Receiver that buyer agents consistently advised that the listing price for PH04 was too high.

³ Although the listing expired on MLS on October 18, 2022, HomeLife, with the consent of the Receiver, continued to conduct tours of the Units until November 2, 2022. Thirteen tours were conducted between October 18, 2022 and November 4, 2022.

4. PH09 was initially listed for sale on MLS from on or about August 5, 2022, to on or about August 13, 2022, at which time it was delisted to allow the Company to pursue a potential refinancing of the KingSett Loan. As described in the Second Report, the refinancing failed to close and the Receiver re-listed PH09 for sale on MLS from on or about September 1, 2022, to on or about October 18, 2022, although showings were conducted until November 2, 2022, with a listing price starting at \$1.189 million and ending at \$1.035 million. During this period, approximately 18 viewings were held, but no offers were received to purchase PH09. As with PH04, HomeLife provided feedback to the Receiver that buyer agents consistently advised that the listing price for PH09 was too high.
5. The HomeLife Listing Agreement expired in accordance with its terms on October 18, 2022, being the three-month anniversary of its execution by the Receiver. The Receiver determined not to renew the HomeLife Listing Agreement and instead sought a Court order seeking certain amendments to the Sale Process, including the retention of Remax as the new listing agent.

4.2 Amended Sale Process

1. Pursuant to the Amended Sale Process Approval Order, the Units are being marketed for sale by the Receiver, with the assistance of Remax as its listing agent pursuant to a Listing Agreement dated December 14, 2022 (the “Remax Listing Agreement”).

4.3 PH04 Transaction

1. The Receiver, in consultation with Remax, initially planned to re-list PH04, together with a parking spot and locker, for \$729,000 on January 9, 2023. The new listing price was determined in consultation with Remax based on prior comparable transactions. As noted above, the Receiver had most recently listed PH04 at \$745,000 and had not received any offers at that listing price.
2. On January 3, 2023, the Receiver received an unsolicited expression of interest in PH04. The interested party’s real estate agent advised it had reviewed the expired MLS listing for PH04 and asked the Receiver if PH04 was still available for sale. The Receiver invited the interested party to make an offer for PH04. Following receipt of the offer, the Receiver and Remax immediately entered into negotiations with the PH04 Purchaser (including making two counter-offers), ultimately resulting in the PH04 APS.
3. The key terms and conditions of the PH04 APS are provided below.
 - a) Purchaser: Kevin Windsor, Carloyn Dunn-Windsor and Randall Windsor⁴.
 - b) Purchase Price: The all-cash purchase price is indicated in Confidential Appendix “1”. The purchase price is subject to standard adjustments for a transaction of this nature.
 - c) Deposit: A deposit representing 5% of the purchase price was paid to the Receiver upon execution of the PH04 APS. The balance of the purchase price, after crediting the deposit, will be paid at closing.

⁴ There is no relation between Ms. Dunn-Windsor and Mark Dunn, one of the lawyers for the Receiver.

- d) Real Estate Agent Commission: 3.5% (1% to Remax and 2.5% to the co-operating agent).
 - e) PH04 Purchased Units: The PH04 Purchased Units are penthouse PH04, the parking spot located at Level C Unit 62 and the storage locker located at Level C Unit 101.
 - f) “As is, Where is”: The PH04 APS is consistent with standard insolvency transactions, i.e. to be completed on an “as is, where is” basis with minimal representations, warranties and conditions and no surviving representations or warranties of the Receiver.
 - g) Closing Date: February 28, 2023.
 - h) Taxes: The purchase price is inclusive of any applicable HST and the Receiver shall remit any applicable HST.
 - i) Material Conditions: The only material condition to closing is the granting of the proposed Approval and Vesting Order for PH04.
4. A copy of the PH04 APS with the purchase price redacted is attached as Appendix “K”. An unredacted version is filed as Confidential Appendix “1”.
 5. The Receiver consulted with Yeung prior to accepting the offer for PH04. Yeung has prepared a recommendation regarding the proposed sale of PH04 for the Receiver which is contained in Confidential Appendix “2”. The recommendation considers comparable transactions to the proposed sale of PH04.

4.4 PH09 Transaction

1. The Receiver, in consultation with Remax, re-listed PH09 for sale at a listing price of \$979,000 on January 11, 2023. The listing price was determined based on comparable transactions. As noted above, the Receiver had most recently listed PH09 at \$1,035,000 and had not received any offers at that listing price.
2. On January 19, 2023, the Receiver received an offer for PH09. The Receiver and Remax entered into negotiations with the PH09 Purchaser (including making a counter offer), resulting in the PH09 APS.
3. The key terms and conditions of the PH09 APS are provided below.
 - a) Purchaser: Mingjun Hu
 - b) Purchase Price: The all-cash purchase price is indicated in Confidential Appendix “3”. The purchase price is subject to standard adjustments for a transaction of this nature.
 - c) Deposit: A deposit representing 5% of the purchase price was paid to the Receiver upon execution of the PH09 APS. The balance of the purchase price, after crediting the deposit, will be paid at closing.
 - d) Real Estate Agent Commission: 3.5% (1% to Remax and 2.5% to the co-operating agent).

- e) PH04 Purchased Units: The PH09 Purchased Units are penthouse PH09, the parking spot located at Level C Unit 67 and the storage locker located at Level C Unit 106.
 - f) “As is, Where is”: The PH09 APS is consistent with standard insolvency transactions, i.e. to be completed on an “as is, where is” basis with minimal representations, warranties and conditions and no surviving representations or warranties of the Receiver.
 - g) Closing Date: February 28, 2023.
 - h) Taxes: The purchase price is inclusive of any applicable HST and the Receiver shall remit any applicable HST.
 - i) Material Conditions: The only material condition to closing is the granting of the proposed Approval and Vesting Order for PH09.
4. A copy of the PH09 APS with the purchase price redacted is attached as Appendix “L”. An unredacted version is filed as Confidential Appendix “3”.
 5. The Receiver consulted with Yeung prior to accepting the offer for PH09. Yeung has prepared a recommendation regarding the proposed sale of PH09 for the Receiver which is attached as Confidential Appendix “2”. The recommendation considers comparable transactions to the proposed sale of PH09.

4.5 Potential Marketing of the Units as a “Hospitality Business”

1. The Company and Zar have previously taken the position that the Units should be marketed *en bloc* as a going concern hospitality business. They argued, in essence, that the Units were more valuable to potential purchasers if marketed together because the potential purchasers would continue the Company’s practice of operating them as a hospitality business.
2. The Company and Zar have been unable or unwilling to substantiate their assertions about the value of the Units as a hospitality business. By email dated July 10, 2022, (prior to the Sale Process approval hearing), the Receiver’s counsel invited the Company to provide any information about a potential going concern or *en bloc* transaction of the Units so the Receiver could consider it. A copy of this email is attached as Appendix “M”. The Company did not provide any information in response to this request.
3. The Sales Process was approved by Order dated July 18, 2022, but the Company reserved its right to object to future sales of the Units on the basis that an *en bloc* sale would generate more value.

4. The Receiver expects that any purchaser considering the operation of all of the Units as a going concern hospitality business would require detailed financial information about the Company's operations, including to be able to assess whether the business could be operated profitably. Accordingly, on July 19, 2022, the Receiver's counsel wrote to the Company's counsel who had appeared at the Sale Process motion to follow up the prior request for information regarding a potential going concern or *en bloc* sale, including requesting financial information the Receiver believed would be germane to a prospective purchaser of the Company's business. A copy of this letter is attached as Appendix "N". Again, the Company did not provide the requested information.
5. On July 25, 2022, the Receiver's counsel wrote to the Company's counsel who had appeared at the Sale Process motion to confirm that, as no reply had been received in response to the requests for information that would support the Company's contention that Units should be sold *en bloc* or as a going concern hospitality business to maximize value, the Receiver was unable to assess the viability of selling the Units in this fashion and intended to proceed with the sale of two Units in accordance with the Sale Process. A copy of this letter is attached as Appendix "O".
6. Based on its own review of the information available to it, the Receiver continues to believe there is no merit to the suggestion that the Units could be sold as a going concern hospitality business for a premium relative to the individual resale value of the Units, including because:
 - a) although the Receiver does not have access to financial statements for the Company, the business of the Company appears to have been loss making (as evidenced by the receivership), and there is no evidence that the Company ever generated profits;
 - b) prior appraisals filed by the Company in these proceedings valued the Units on an individual basis and indicated the highest and best use for the Units is a "a continuation of the existing residential use";
 - c) the Units are in a condominium and the declaration of the condominium prohibits rentals of furnished units for a period of less than thirty (30) days;
 - d) rather than being rented out on a short-term basis, many of the Units were in fact being rented out by the Company on a long-term rental basis, including for lease terms of up to a year; and
 - e) although Minto 30 Roe includes usual condominium amenities (e.g. concierge, fitness room and party room), it is not a hybrid condominium/hotel project with hotel-style amenities.

4.6 Recommendation re: Transactions

1. The Receiver recommends the Court approve the Transactions for the following reasons:
 - a) the market for PH04 and PH09 has been extensively canvassed by qualified real estate agents with considerable experience in the midtown Toronto condo market at multiple listing prices;

- b) the purchase prices under the Transactions are not materially different from the most recent intended listing price (in the case of PH04) and most recent listing price (in the case of PH09);
 - c) Remax believes the Transactions are the best ones available in the present market and they are consistent with recent comparable transactions in the market;
 - d) the Transactions represent the best (and only) offers received for the Units to date;
 - e) the Receiver has not been provided with any information supporting the Company's contention that the value of the Units could be maximized by marketing them *en bloc* as a hospitality business (and the Receiver does not believe this to be the case for the reasons previously outlined);
 - f) the Receiver does not believe that further time spent marketing the Purchased Units will result in a superior transaction, including because the Purchased Units are vacant and property taxes, condominium fees and other expenses continue to accrue (approximately \$900 per month in the case of PH04, and \$1,100 per month in the case of PH09); and
 - g) KingSett, the fulcrum creditor, supports the Transactions.
2. The Receiver notes that the sale prices for PH04 and PH09 are less than prior appraisals obtained by the Company for those Units in November 2021 (which appraised PH04 at \$775,000, and PH09 at \$1,050,000). The Receiver does not believe the appraised values for PH04 and PH09 contained in those reports are relevant at present having regard to the downturn in the Toronto real estate market that began in summer 2022 as a result of, among other things, increased interest rates.⁵

4.7 Waterfall Analysis

1. Attached as Confidential Appendix "4" is a waterfall analysis reflecting potential recoveries to CIBC, KingSett and other stakeholders (the "Waterfall Analysis"). The Waterfall Analysis reflects that KingSett will incur a shortfall and there would be no recoveries available to the Company's unsecured creditors or equity holders. As previously indicated above, the Receiver does not have a creditor listing so only known creditors have been included in the analysis.

⁵ By way of comparison, the Bank of Canada policy interest rate was 0.25% in November 2021 and is currently 4.5%, an increase of 4.25%.

4.8 Sealing

1. The Receiver respectfully requests that Confidential Appendices 1 through 4 be filed with the Court on a confidential basis and be sealed on the terms proposed (“Sealing Order”). These documents contain sensitive financial information, including regarding the purchase price payable under the Transactions. If these documents are not sealed, the information contained therein may negatively impact realizations on the Purchased Units if the Transactions do not close. Further, information in Confidential Appendix 4 (the Waterfall Analysis) could also negatively impact realizations from the sale of other Units insofar as the Waterfall Analysis contains the Receiver’s estimate of the value of the other Units as well. As such, public disclosure of the information contained in the Confidential Appendices could impair the maximization of value in these proceedings and impact the integrity of the Amended Sale Process. The Receiver does not believe there are reasonably alternative measures aside from the requested sealing that will prevent these risks and, in the Receiver’s view, the salutary effects of sealing such information from the public record outweigh the deleterious effects of doing so in the circumstances.
2. Confidential Appendices 1, 2 and 3 are proposed to be unsealed upon closing of the applicable Transactions, at which point the information contained therein will become publicly available. Confidential Appendix 4 is proposed to remain sealed pending further Order of the Court (which the Receiver would expect to seek once all Units have been sold). The Receiver is not aware of any party that will be prejudiced if the Confidential Appendices are sealed on the terms proposed. Accordingly, the Receiver believes the proposed Sealing Order is appropriate in the circumstances.

5.0 Distributions

5.1 Mortgage Opinions

1. Goodmans has reviewed the mortgages granted by the Company to CIBC and KingSett in respect of the Purchased Units and issued opinions to the Receiver that, subject to standard assumptions and qualifications, each of the CIBC and KingSett mortgages constitutes a good and valid mortgage of and fixed charge on the Purchased Units to the extent of the principal, interest and costs secured thereby.
2. As noted above, CIBC’s first mortgage on each Unit only secures the indebtedness owing by the Company in respect of a particular Unit. CIBC has advised the Receiver it is owed \$371,324.07 in respect of the PH04 mortgage, and \$534,301.41 in respect of the PH09 mortgage, in each case as at January 25, 2023.
3. As noted above, the entirety of the KingSett Loan is secured by a second mortgage on each of the Units (among other security). Accordingly, the Receiver believes KingSett is entitled to any residual proceeds from the Transactions after paying CIBC’s first mortgages and certain other priority amounts discussed below.
4. It is a condition to closing of each of the Transactions that an Approval and Vesting Order be granted vesting out (among other things) the applicable CIBC mortgage and KingSett mortgage upon closing.

5.2 HST on Sale of Units

1. A primary reason for the projected shortfall to KingSett, as presented in the Waterfall Analysis, is that HST may be payable on the sale of the Units. One of the factors required to determine whether HST is owing is whether the Company claimed input tax credits on the last acquisition of each of the Units. On August 5, 2022, Goodmans sent a letter to counsel to Company who appeared at the Sale Process motion requesting this information pursuant to the Property and Records Order. A copy of this letter is attached as Appendix "P". No response was received from the Company.
2. On January 17, 2023, Goodmans sent a further letter to the Company advising, among other things, of the proposed sale of PH04 and following up on the request regarding input tax credits. In a letter from the Company's new counsel received January 23, 2023, the Company advised that "Finally regarding HST, the Company did not remit HST upon purchase of these units from the developer in 2017. Instead the HST was self assessed by both the purchaser the developer." The Company's answer is not responsive to the question of whether input tax credits were claimed.
3. The Receiver intends to continue to make inquiries in respect of whether input tax credits were claimed on the last acquisition of the Units and otherwise continue to consider whether HST is payable on the Transactions.

5.3 Other Payments in Connection with the Transactions

1. Property taxes totalling approximately \$3,800 in respect of PH04, and \$4,500 in respect of PH09, are currently in arrears. The Receiver is not aware of any condominium common expenses that are currently in arrears. Pursuant to each APS, the Receiver is covenanted to remit sufficient funds from the applicable purchase price, if necessary, to satisfy property taxes and condominium common expenses that are in arrears prior to the closing date. Accordingly, the Receiver seeks authority to pay such obligations and similar obligations (e.g. in respect of utilities) from the proceeds of the applicable Transaction. The Receiver believes such payments are appropriate as the underlying obligations may enjoy priority at law and/or are required to be paid in connection with the Transactions.
2. The Court approved the Receiver's entry into the Remax Listing Agreement in the Amended Sale Process Order. Pursuant to the Remax Listing Agreement, the Receiver has agreed to pay a commission of 3.5% of the purchase price of the Transactions when they close (1% to Remax, and 2.5% to the respective cooperating brokers). As the Receiver previously advised the Court, the commission rate of 3.5% was the lowest of all the broker proposals received by the Receiver prior to the commencement of the Sale Process. The Receiver is seeking authority to pay the applicable commission following closing of each Transaction.

5.4 Proposed Distributions to Creditors

1. Other than the obligations secured by the Receiver's Charge (as defined in the Receivership Order), a potential HST trust claim, and outstanding property tax arrears that will be satisfied in connection with the Transactions, the Receiver is not aware of any other claim against the proceeds of the Transactions that would rank in priority to the CIBC and KingSett mortgages.⁶ At this point in time, the Receiver does not have sufficient information to properly assess the HST trust claim asserted by the CRA; however, it notes that sufficient Property remains subject to the receivership to satisfy this potential claim to the extent required.
2. Accordingly, the Receiver recommends that the Court issue an order authorizing and directing the Receiver to make: (i) a distribution to CIBC from the proceeds of each Transaction in respect of the indebtedness of the Company owing to CIBC and secured by the first mortgage in favour of CIBC on the applicable Purchased Unit; and (ii) a distribution to KingSett from the proceeds of each Transaction in respect of the indebtedness of the Company owing to KingSett and secured by the second mortgage in favour of KingSett on the applicable Purchased Unit, subject to such holdback as the Receiver considers appropriate to fund the receivership, including the fees and expenses of the Receiver and its counsel.

6.0 Conclusion and Recommendation

1. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court make orders granting the relief detailed in Section 1.1(1)(f) of this Report.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
SOLELY IN ITS CAPACITY AS COURT APPOINTED RECEIVER AND MANAGER OF
CERTAIN PROPERTY OF 30 ROE INVESTMENTS CORP.
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITIES**

⁶ The Receiver's Charge is junior to CIBC's mortgages pursuant to the terms of the Receivership Order.

Appendix “I”



SUPERIOR COURT OF JUSTICE

COUNSEL SLIP/ ENDORSEMENT

COURT FILE NO.: CV-22-00674810-00CL DATE: **07-FEB-2023**

NO. ON LIST: 8

TITLE OF PROCEEDING: **KINGSETT MORTGAGE CORP V 30 ROE INVESTMENT**

BEFORE JUSTICE: **Madam Justice STEELE**

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing	Name of Party	Contact Info
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For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
Sean Zweig	Kingsett Mortgage	zweigs@bennettjones.com
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Darren Marr	CIBC	dmarr@chaitons.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info

ENDORSEMENT OF JUSTICE STEELE:

1. Motion by the Receiver for, among other things, approval of the sale of two of the properties: PH04 and PH09. The proposed sale was opposed by 30 Roe Investments Corp. (the “Company” or the “Debtor”).
2. The facts of this case are well known to the parties and do not need to be repeated here.

The Proposed Sale

3. The sales process was approved by Justice McEwen in July 2022. The amended sales process was approved in December 2022. Among other things, the Receiver was empowered to determine, in its sole discretion, which and how many of the units are to be listed for sale and the listing prices for the units.
4. The Receiver determined, with advice from the realtor, that the preferred course was not to flood the market with all of the condo units being listed at the same time. Accordingly, the Receiver implemented the sales process in respect of 2 of the condo units and now has firm sale agreements for PH04 and PH09. The Receiver seeks an approval and vesting order in respect of these sales.
5. The Debtor has made the same argument on this motion with regard to the proposed sale as was made before Justice McEwen when the sales process was determined. Specifically, the Debtor is of the view that the 9 condo units at 30 Roehampton Avenue ought to be sold as a going concern hospitality business, not sold as individual units. That argument was rejected by Justice McEwen. I note that the Debtor reserved its right to object to future sales of the units on the basis that an *en bloc* sale would generate more value.
6. The Receiver asked the Debtor for evidence supporting the Debtor’s view that a going concern sale would be preferable. This was not provided to the Receiver. There is correspondence from the Receiver following up on the request, including a list of what was required, but the Debtor did not provide the information. Accordingly, the Receiver made its own assessment based on the information it had available.
7. On the evening before this motion, the Debtor filed some evidence, which the Receiver asks the Court to disregard because the purported valuation that the Debtor provided was not prepared by a valuation expert, it was not supported by any of the underlying financial records of the Company and it is more than two years stale. The Receiver states that there is no evidence that the Debtor obtained the gross rents the report is premised on. The Receiver submits that what is most noteworthy about the late-breaking information is what is not there – the Debtor has still not provided up to date financial statements for the Company or information about the market for this type of business, among other things.

8. The Debtor also raised the issue of HST on the condo sales. The Debtor argues that if the units are sold individually HST will be levied, whereas if they are sold as a going concern business, there should not be HST. The Receiver acknowledged that HST may be an issue and has tried to analyze the issue. However, the Receiver states that the Debtor has not provided the Receiver with the information necessary to determine this issue. Further, the Receiver notes that there is no evidence that a going concern type of transaction would be available.
9. The Receiver states that the sales that have been secured will start to return money to the creditors whose interests are at stake. The proposed transactions will see CIBC, as first mortgagee, repaid its related mortgage loans in full. They are also supported by KingSett, the fulcrum secured creditor of the Company.
10. I also note that the Debtor previously asked for some time to permit refinancing, which was granted, and the sales process was paused. However, this did not come to fruition, and the sales process was restarted. It has been more than a year since the receivership application was first served.
11. The Debtor also argues that it tried to repay the debt to KingSett, but the Receiver asked for the insertion of a clause in the discharge order that prohibited the Company from taking any action against KingSett except with leave of the Court. The Debtor argues that the insertion of this clause effectively stopped the transaction, however it is not clear how. Further, the Receiver states that no money was tendered to either the Receiver or KingSett.
12. Under section 100 of the *Courts of Justice Act* (Ontario) the Court has the power to vest in any person an interest in real or personal property that the Court has the authority to order be disposed of, encumbered or conveyed.
13. Paragraph 3(1) of the receivership order expressly empowers and authorizes the Receiver “to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property.”
14. The Court of Appeal in *Royal Bank of Canada v. Soundair Corporation*, 1991 CanLII 2727 (Ont. C.A.) set out the criteria to be applied when considering the approval of a sale by a receiver:
 - a. Whether the receiver has made a sufficient effort to get the best price and has not acted improvidently;
 - b. Whether the interests of all parties have been considered;
 - c. The efficacy and integrity of the process by which offers are obtained; and
 - d. Whether there has been unfairness in the workout of the process.
15. Initially HomeLife was engaged as the listing agent. HomeLife took steps to market the two units, including staging them, as needed, arranging for painting and minor repairs, and arranging for professional photographing of the units and a 3D virtual tour available on a dedicated website.
16. The two units were listed on MLS from about August 11, 2022 to about October 18, 2022. There were approximately 24 viewings of PH04 during this period, but no offers were received. There were approximately 18 views of PH09 during this period, but no offers were received. Feedback was provided that buyer agents advised that the asking prices were too high. Following the expiry of the listing agreement with HomeLife, RE/MAX was engaged as the new listing brokerage.

17. The Receiver planned to re-list PH04 at a reduced price on January 9, 2023. However, prior to such listing, the Receiver received an unsolicited offer. The Receiver and its agent negotiated with the potential buyer (including making two counter-offers), which resulted in the PH04 APS.
18. PH09 was re-listed at a reduced price on January 11, 2023. An offer was received on January 19, 2023. The Receiver and its agent negotiated with the potential buyer (including making a counter-offer), which resulted in the PH09 APS.
19. The Receiver recommends the Court approve the Transactions for several reasons. The Receiver states that:
 - a. The market for PH04 and PH09 has been extensively canvassed by qualified real estate agents with considerable experience in the midtown Toronto condo market at multiple listing prices;
 - b. The purchase prices under the Transactions are not materially different from the most recent intended listing price (in the case of PH04) and most recent listing price (in the case of PH09);
 - c. Remax believes the Transactions are the best ones available in the present market and they are consistent with recent comparable transactions in the market;
 - d. The Transactions represent the best (and only) offers received for the units to date;
 - e. The Receiver does not believe that further time spent marketing the units will result in a superior transaction, including because the units are vacant and property taxes, condominium fees and other expenses continue to accrue; and
 - f. KingSett, the fulcrum creditor, supports the Transactions.
20. The Ontario Court of Appeal has emphasized that in assessing a sale by a court-appointed receiver, the Court must rely on the expertise and business judgment of the receiver and should only interfere in exceptional circumstances: *Soundair*, at paras. 16 and 58.
21. The Receiver sets out in detail at paragraph 44 of its factum how the *Soundair* criteria have been satisfied.
22. I am satisfied that the *Soundair* criteria have been met. The sale transactions are approved.

Interim Distributions

23. The Receiver proposes to make interim distributions, relying upon *AbitibiBowater Inc. (Arrangement relatif á)*, 2009 QCCS 6461 (CanLII), at para 87. The Debtor opposes the proposed interim distributions and states that the *AbitibiBowater* case is inapplicable to the facts. That case concerns a motion for the approval of DIP financing and the interim distribution of certain proceeds.
24. This is court monitored process. In my view, the Receiver ought to return to Court to seek approval for any distributions sought once the transactions have closed and the Receiver has additional information, in the usual way.

Removal of the Monitoring Equipment

25. The penthouse floor, where the 9 condominium units are located, contains security equipment, including camera and audio surveillance equipment (the “Monitoring Equipment”). The Company’s principal, Mr. Zar, has continued to access the Monitoring Equipment following the commencement of the

receivership. The Receiver proposes to disconnect and remove the Monitoring Equipment, which is opposed by the Debtor and Mr. Zar.

26. Mr. Zar takes the position that as a director of the condominium corporation he has the right to view the Monitoring Equipment and all cameras in the building as they are in the common elements.
27. The Receiver states that based on discussions with the property manager, the Receiver understands that the Monitoring Equipment is owned by the Company, not the condominium corporation. Accordingly, the Receiver is of the view that the Monitoring Equipment is “Property” within the meaning of the receivership order such that the Receiver may take possession and dispose of it.
28. The Receiver provided the Court with an email sent from the condominium corporation’s counsel, dated Feb. 6, 2023, which stated:

I can confirm that the Corporation will not be taking a position in the context of your upcoming motion.

The Corporation does not have, nor does it claim, any interest in the monitoring equipment referred to in your materials. This equipment does not belong to, and was not installed by or for the Corporation, despite said equipment having been installed on common elements. The Corporation has requested from Mr. Zar that the recording equipment be removed.

29. The receivership order empowers and authorizes the Receiver to, among other things, “...take possession of and exercise control over the Property [...] where the Receiver considers it necessary or desirable...”. “Property” is defined to include “...all of the assets, undertakings and properties of [the Company] acquired for, used in connection with, situate at, or arising from the ownership, development, use or disposition of, the Real Property...”
30. I am satisfied that the Monitoring Equipment is “Property” within the meaning of the receivership order such that the Receiver may take possession of it and dispose of it.

Request for a Sealing Order

31. The Receiver seeks an order sealing the confidential appendices to the Third Report, which are copies of the unredacted agreements for the sale of PH04 and PH09, Remax’s recommendations to the Receiver in respect of the transactions and the Receiver’s Waterfall Analysis. The Receiver’s request is that the sealing order be time limited pending closing of the transactions or further order of the court. There is no opposition to the Receiver’s request for a sealing order.
32. Subsection 137(2) of the *Courts of Justice Act* 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.
33. The Supreme Court of Canada, in *Sherman Estate v. Donovan*, 2021 SCC 25, at para. 38, articulated the test applicable when determining whether a sealing order ought to be granted:
 1. Court openness poses a serious risk to an important public interest;
 2. The order sought is necessary to prevent this serious risk to the identified interest because reasonably alternative measures will not prevent this risk; and,
 3. As a matter of proportionality, the benefits of the order outweigh its negative effects.

34. Courts have acknowledged that there is public interest in maximizing recoveries in an insolvency that goes beyond the individual case: *Danier Leather Inc., Re*, 2016 ONSC 1044, at para. 84. In *Yukon (Government of) v. Yukon Zinc Corporation*, 2022 YKSC 2, the Yukon Supreme Court determined that generally where there is a sale process, all aspects of the bidding or sales process ought to be kept confidential:

Courts have found this appropriately meets the *Sierra Club* test as modified by *Sherman Estate*, as sealing this information ensures the integrity of the sales and marketing process and avoids misuse of information by bidders in a subsequent process to obtain an unfair advantage. The important public interest at stake is described as the commercial interests of the Receiver, bidders, creditors and stakeholders in ensuring a fair sales and marketing process is carried out, with all bidders on a level playing field.

35. With regard to the second principle from *Sherman Estate*, this Court has recognized that public disclosure of a purchase price may jeopardize dealings with future prospective purchasers, which would pose a serious risk to stakeholders and the sale process. The Receiver states that if the purchase price of the two units were made publicly available, this could negatively impact the selling price if one or both of the transactions failed to close. Further, as noted above, there are other condominium units to be marketed and sold.

36. I agree that the benefits of the sealing order outweigh the negative effects. Importantly, the sealing order will preserve the integrity of the sale process. This greatly outweighs any negative effect that may result from temporarily restricting public access to a limited amount of information.

37. The requested sealing order is granted.

Provisional Execution Provision

38. On February 3, 2023, the Receiver served an updated version of the form of Order requested, which contained a new provision:

“THIS COURT ORDERS that this Order is subject to provisional execution notwithstanding any appeal brought in respect of this Order, pursuant to section 195 of the BIA.”

39. The respondents objected to the inclusion of this provision in the Order.

40. At the hearing of the motion on February 7, 2023, this issue was adjourned to February 13, 2023 to give the Company the opportunity to respond. The respondents gave an undertaking that they would not file a Notice of Appeal until this issue had been addressed by the Court.

41. On February 13, 2023, the hearing of this issue was further adjourned *sine die* on consent.

42. Orders to go in accordance with the attached.

Dated: February 13, 2023



Appendix “J”



SUPERIOR COURT OF JUSTICE
COUNSEL SLIP

COURT FILE

NO.: CV-22-00674810-00CL

DATE: 10-MAR-2023

TITLE OF
PROCEEDING

KINGSETT MORTGAGE CORPORATION
v.
30 ROE INVESTMENTS CORP.

BEFORE JUSTICE STEELE

NAMES OF COUNSEL AND PARTY:

APPLICANT(S)
Richard Swan PHONE _____
(Counsel to KINGSETT MORTGAGE CORPORATION)
 PLAINTIFF(S) EMAIL swanr@bennettjones.com

NAMES OF COUNSEL AND PARTY:

RESPONDENT(S)
 Lucas Strezos and Mervyn D. Abramowitz– Moving to
get off the Record PHONE _____
(Counsel to 30 ROE INVESTMENTS CORP.)
 RESPONDENT(S)
 DEFENDANT(S) EMAIL lstrezos@blaney.com;
 DEFENDANT(S) mabramowitz@blaney.com
PHONE _____
EMAIL _____

NAMES OF COUNSEL AND OTHER PARTIES:

Mark Dunn PHONE _____
(Counsel to The Receiver, KSV RESTRUCTURING) mdunn@goodmans.ca;
Brian N. Radnoff and James M. McKeon EMAIL bradnoff@dickinson-wright.com;
 (Counsel to 729171 ALBERTA INC.) jmckweon@dickinson-wright.com;
Wendy Ngai wngai@loonix.com
PHONE _____
(Counsel to ANGELA FONG AND JACK FONG in CV-22-
00676835-0000) EMAIL _____

ENDORSEMENT OF JUSTICE STEELE:

[1] This is a motion by Blaney McMurtry LLP (“Blaneys”) to be removed as lawyer of record for 30 Roe Investments Corp. (“30 Roe”) pursuant to Rule 15.04 of the *Rules of Civil Procedure* in respect of this matter (Kingsett Mortgage Corporation v. 30 Roe Investments Corp.) (the “Kingsett Matter”).

[2] Blaneys also seeks to be removed as lawyer of record for Raymond Zar and companies in respect of which Mr. Zar is the principal in four other matters currently before this Court: Epic Paving & Contracting Ltd. v. 170 Willowdale Investment Corp. c.o.b. as The Willowdale Hotel, Raymond Zar and 729171 Alberta Inc. (CV-21-00671802-0000) (the “Epic Paving Matter”), Jack Fong and Angela Fong v. 170 Willowdale Investments Corp. and Raymond Zar (CV-22-00676835-0000) (the “Jack and Angela Fong Matter”), Alexis Girgis v. Raymond Zar, Zar Advisory Corporation and Roehampton Capital (CV-22-00677148-0000) (the “Alexis Girgis Matter”), Esmaeil Mehrabi and Mehrabi Law Office v. Raymond Zar, Roehampton Capital Corporation, 30 Roe Investments Corporation, Mary-Am Hospitality Corporation, Maryam Travel Inc., Mary-Am Corporation, Maryam Maids Inc., 170 Willowdale Investments Corporation and Zar Advisory Corp. (CV-22-00685217-0000) (the “Mehrabi Law Matter”).

[3] In his endorsement, dated March 3, 2023, Justice Osborne considered whether Blaneys had to appear on five separate occasions seeking removal as counsel of record, with the same evidence, or whether this could be addressed at one motion (including the notice of motion for each of the five matters). In determining that one appearance in respect of the 5 matters made practical sense, Justice Osborne stated:

It makes practical sense to avoid requiring counsel to bring five identical motion records, with the identical evidence, in each of the five proceedings. Such duplicates the work for both the parties and for the Court. The motion materials will reflect the fact that the same relief (removal from the record) is being sought in each of the five proceedings, to be identified by title of proceeding and Court file number....

If the judge hearing the motions on March 10 is so inclined to grant relief, and subject to whatever that judge may determine to do or not do, one endorsement or order can be made with effect in all five proceedings.

[4] I agree with Justice Osborne. Blaneys advised that all the parties the five matters were notified of the motion.

[5] Counsel appeared on the Kingsett Matter, the Epic Paving Matter, and the Jack and Angela Fong Matter.

[6] The motion was heard via Zoom. Raymond Zar, the principal of 30 Roe Investments and the defendants in the other actions (other than 729171 Alberta Inc.), did not attend, despite having been provided with the motion materials (including the unredacted motion record).

Kingsett Matter

[7] Counsel for the Receiver on the Kingsett Matter advised that Blaneys is the fifth firm the debtor has retained in the receivership proceedings.

[8] The Receiver states that Blaneys’ withdrawal should not interfere with the progress of the receivership. The Receiver advised the Court that its efforts will continue in accordance with the existing orders of this Court.

In the event that 30 Roe intends to take a position or act in these proceedings, it should act expeditiously to retain counsel.

[9] The Receiver further advised the Court that Blaneys filed a Notice of Appeal on behalf of the Company at the Ontario Court of Appeal to prevent two sales approved by Court Orders dated February 7, 2023 from closing. The Receiver has brought a motion to quash this appeal so that the sales may proceed.

[10] Accordingly, the Receiver states that while it is not opposing Blaneys' removal in these proceedings, this is without prejudice to the Receiver's right to oppose Blaneys' removal as counsel of record at the Court of Appeal, as the matter before the Court of Appeal is urgent.

[11] Kingsett reiterated that my Order removing Blaneys as counsel of record for 30 Roe is restricted to the Superior Court of Justice proceedings and emphasized the urgency of the matter pending before the Court of Appeal. Although Kingsett does not oppose Blaneys removal as counsel of record for 30 Roe in this Court, Kingsett is concerned about further delays by Mr. Zar given the history of this matter.

The Jack and Angela Fong Matter

[12] Jack and Angela Fong do not oppose Blaneys' motion. However, counsel indicated that they wish to continue to move the matter forward and do not want to suffer a delay as a result of this.

Epic Paving Matter

[13] With regard to the Epic Paving Matter, Blaney informed the Court that the firm was retained by Mr. Zar in respect of all three defendants (including 729171 Alberta Inc., "729"). However, Blaney was very recently notified that 729 is not related to Mr. Zar. Accordingly, Blaney has agreed to remain as counsel of record until 729 can retain counsel.

[14] 729's regular counsel (not retained at this point in respect of the Epic Paving Matter) advised the Court that 729 did not know about the Epic Paving Matter litigation until last Friday. He asked that 729 be given 30 days to assess the claim to determine who will be retained as their counsel and reach out to the plaintiff.

[15] Further to Rule 1.05, no steps may be taken against 729 in the Epic Paving Matter for 30 days in order to provide 729 with the opportunity to assess the claim and retain counsel.

Blaneys' Motion

[16] Blaneys provided the Court with unredacted Motion materials. The reasons for Blaneys' decision to withdraw as counsel are confidential. That portion of the motion was conducted *in camera* without the participation of any of the parties. I am satisfied that there has been an irreparable breakdown in the relationship between Blaneys and Mr. Zar.

[17] Having read the motion materials, including the affidavit of Chad Kopach, and heard the submissions of Blaneys, the requested orders are granted (attached).



Appendix “K”

COURT OF APPEAL FOR ONTARIO

CITATION: KingSett Mortgage Corporation v. 30 Roe Investments Corp.,
2023 ONCA 196
DATE: 20230320
DOCKET: M54109 (COA-23-CV-0215)

Lauwers J.A. (Motion Judge)

BETWEEN

KingSett Mortgage Corporation

Plaintiff
(Responding Party/Respondent)

and

30 Roe Investments Corp.

Defendant (Appellant)

Mervyn D. Abramowitz and Lucas Strezos, for the moving party

Carlie Fox, for the Receiver of 30 Roe Investment Corp., KSV Restructuring Inc.

Richard Swan, for the responding party

Heard: March 17, 2023

ENDORSEMENT

[1] Blaney McMurtry LLP (“Blaneys”) moved for an order under r. 15.04 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, seeking to remove the firm as lawyer of record for the Appellant, 30 Roe Investment Corp. (“30 Roe”). I dismissed the motion with reasons to follow. These are the reasons.

A. CONTEXT FOR THE MOTION

[2] Blaneys served a notice of appeal dated February 23, 2023 from the decision of Steele J. dated February 13, 2023 granting and approving a vesting order relating to the sale of two condominium units by KSV Restructuring Inc., the Receiver of 30 Roe, to close by the end of March 2023. The appeal jeopardizes the transaction.

[3] On March 1, 2023, the Receiver served a motion for an Order to quash 30 Roe's appeal, to expedite the hearing of the Appeal, and to lift any automatic stay of proceedings arising as a result of the appeal. The Receiver's motion is scheduled before a panel of three Judges of the Court of Appeal on March 27, 2023.

[4] The background to the motion is taken from the affidavit of Chad Kopach, a Blaneys partner.

[5] The lender, KingSett Mortgage Corporation, brought a receivership application against 30 Roe. On May 9, 2022, KSV Restructuring Inc. was appointed as receiver and manager over certain assets and undertakings of 30 Roe, including but not limited to certain real property. The principal of 30 Roe is Raymond Zar.

[6] On February 7, 2023, the Receiver brought a motion for two approval and vesting orders from the Superior Court in respect of the sale of two condominium units.

[7] Arguments started before Steele J. of the Commercial List on February 7, 2023 and were adjourned to February 13, 2023, when the decision was expected. Due to the illness of one of 30 Roe's lawyers at Blaneys, the matter was again adjourned to February 16, 2023.

[8] In her endorsement dated February 13, 2023, Steele J. approved the transactions and granted the approval and vesting orders.

[9] Mr. Kopach states that: "On or about February 17, 2023, Zar advised Blaneys that he wished to appeal the AYO Orders, and instructed Blaneys to proceed with the appeal." On February 23, 2023, Blaneys served the notice of appeal but advised Zar that it would be bringing a motion to get off the record if he did not retain new counsel. Mr. Kopach also attests that Blaneys "advised Zar on multiple occasions... that it will no longer act for 30 Roe, the Remaining Zar Companies or Zar personally."

[10] By endorsement dated March 10, 2023, Steele J. removed Blaneys as lawyers of record for 30 Roe in the underlying matter before the Superior Court of Justice (Commercial List). Her endorsement provides additional context:

Counsel for the Receiver on the Kingsett Matter advised that Blaneys is the fifth firm the debtor has retained in the receivership proceedings.

The Receiver states that Blaneys' withdrawal should not interfere with the progress of the receivership. The Receiver advised the Court that its efforts will continue in accordance with the existing orders of this Court. In the event that 30 Roe intends to take a position or act in these proceedings, it should act expeditiously to retain Counsel.

The Receiver further advised the Court that Blaneys filed a Notice of Appeal on behalf of the Company at the Ontario Court of Appeal to prevent two sales approved by Court Orders dated February 7, 2023 from closing. The Receiver has brought a motion to quash this appeal so that the sales may proceed.

Accordingly, the Receiver states that while it is not opposing Blaneys' removal in these proceedings, this is without prejudice to the Receiver's right to oppose Blaneys' removal as counsel of record at the Court of Appeal, as the matter before the Court of Appeal is urgent.

Kingsett reiterated that my Order removing Blaneys as counsel of record for 30 Roe is restricted to the Superior Court of Justice proceedings and emphasized the urgency of the matter pending before the Court of Appeal. Although Kingsett does not oppose Blaneys removal as counsel of record for 30 Roe in this Court, Kingsett is concerned about further delays by Mr. Zar given the history of this matter.

...

Blaneys provided the court with unredacted motion materials. The reasons for Blaneys' decision to withdraw as counsel are confidential. That portion of the motion was conducted *in camera* without the participation of any of the parties. I am satisfied that there has been an

irreparable breakdown in the relationship between Blaneys and Mr. Zar.

[11] As noted, Steele J. granted an order taking Blaneys off the record.

B. ANALYSIS

[12] I too was provided with an unredacted record and in ordinary circumstances would not hesitate to give a similar order respecting Blaneys' involvement in the appeal. But these are not ordinary circumstances.

[13] There is relatively sparse law on when the court should exercise its discretion to refuse to take a law firm off the record. The cases focus on the interests of the client: see *R. v. Cunningham*, 2010 SCC 10, [2010] 1 S.C.R. 331, at paras. 49-50, and *Todd Family Holdings Inc. v. Gardiner*, 2015 ONSC 6590, 127 O.R. (3d) 714. The administration of justice must also be considered: *Cunningham*, at para. 45.

[14] I am satisfied that Blaneys gave 30 Roe and Mr. Zar adequate notice of the need to appoint new counsel expeditiously. That has not yet occurred and might not. However, the other parties fear that a lawyer will show up on the eve of the argument of the motion to quash and request an adjournment, which, if granted, would give Mr. Zar the result he wants, that the transactions do not close.

[15] In this case the court-appointed receiver has given its best advice to the court, which the court accepted. Priority should in this case be given to the

administration of justice, not to the interests of Blaneys in avoiding the possibly unremunerated expense of further involvement.

[16] It is clear from the affidavit of Mr. Kopach that Blaneys had no intention of proceeding with the appeal. There is, in my view, an ethical obligation on an officer of the court to do no harm to court proceedings. Here, by launching a zombie appeal in which it intended to have no involvement, Blaneys knew that it was throwing a grenade into receivership proceedings in which it had participated. This action is disrespectful of the court. What Blaneys ought to have done was not to have filed a notice of appeal, leaving it to 30 Roe and Mr. Zar to take whatever steps they thought appropriate once Blaney exited, as the firm could have done under the order of Steele J. on March 10. Instead, Blaneys permitted its status as an officer of the court and the solicitor of record to be abused.

[17] Mr. Kopach's affidavit of March 1 states, at para. 18: "There are no other approaching deadlines in the Receivership, nor in the other four SCJ Matters for that matter." But, as Steele J. noted in her March 10 endorsement, this does not tell the whole story:

The Receiver further advised the Court that Blaneys filed a Notice of Appeal on behalf of the Company at the Ontario Court of [Appeal] to prevent two sales approved by Court Orders dated February 7, 2023 from closing. The Receiver has brought a motion to quash this appeal so that the sales may proceed.

[18] While it is rare for a court to exercise its discretion and refuse to permit a law firm to get off the record, this is one such instance. There is some ceremony around a lawyer getting on and off the record before the court, as is revealed in r. 15, for good reason. Lawyers are in many ways the privileged gatekeepers to the courts and should take their obligations seriously, both to clients, the other parties in lawsuits, and to the court.

C. DISPOSITION

[19] For these reasons, I dismissed Blaneys' motion for an order under r. 15.04 of the *Rules of Civil Procedure* removing the firm as lawyer of record for the appellant, 30 Roe Investment Corp. Unless the appellant appoints new counsel, Blaneys is to remain counsel of record until the final disposition of the motion to quash on March 27, 2023.

Plauwers J.A.

Appendix “L”

COURT OF APPEAL FOR ONTARIO

CITATION: KingSett Mortgage Corporation v. 30 Roe Investments Corp.,
2023 ONCA 219
DATE: 20230329
DOCKET: M54133 (COA-23-CV-0215)

Brown, Trotter and Paciocco JJ.A.

BETWEEN

KingSett Mortgage Corporation

Applicant
(Respondent/Responding Party)

and

30 Roe Investments Corp.

Respondent
(Appellant/Responding Party)

Mark Dunn, for the moving party Receiver, KSV Restructuring Inc.

Mervyn Abramovitz and Lou Brzezinski, for the responding party 30 Roe Investments Corp.

Richard Swan, for the respondent KingSett Mortgage Corporation

Darren Marr, for the Canadian Imperial Bank of Commerce

Raymond Zar, acting in person in his capacity as a guarantor of the responding party's debt

Heard: March 27, 2023

On appeal from the orders of Justice Jana Steele of the Superior Court of Justice, dated February 7, 2023.

REASONS FOR DECISION

I. OVERVIEW

[1] The court-appointed receiver, KSV Restructuring Inc., moves for: (i) an order quashing the February 23, 2023 appeal initiated by the respondent debtor, 30 Roe Investments Corp. (“30 Roe”), from the two February 7, 2023 approval and vesting orders made by Steele J. (the “Approval Orders”); (ii) alternatively, an order expediting the appeal; (iii) in the further alternative, an order denying 30 Roe leave to appeal the Approval Orders under s. 193(e) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (“*BIA*”); and (iv) in the further alternative, an order pursuant to *BIA* s. 195 lifting any automatic stay of the proceedings.

[2] The Approval Orders authorized the Receiver to complete sale transactions for two of the nine units owned by 30 Roe at the Minto 30 Roe condominium building, specifically units PH04 and PH09.

[3] Although the agreements for purchase and sale of those two units between the receiver and the purchasers contemplated an end of February closing, amending agreements filed in the motion record extended the closing dates for both transactions to the end of this week, Friday, March 31, 2023.

[4] A personal guarantor of the company’s indebtedness, Raymond Zar, who is also the principal of 30 Roe, opposes the Receiver’s motion.

II. KEY EVENTS CONCERNING THE RECEIVERSHIP

[5] The events leading up to the appointment of a receiver over 30 Roe were described by this court in its decision quashing the company's appeal from the May 9, 2022 Receivership Order: 2022 ONCA 479.

[6] Since that time, the Receiver obtained from McEwen J. a July 18, 2022 Sale Process Approval Order, which authorized the Receiver to proceed with an individual-unit sales process described in s. 4.0 of its First Report (the "July Sales Order"). In approving that marketing and sales approach, McEwen J. rejected 30 Roe's submission that the nine units should "be sold en masse, essentially as an income producing hospitality-type of model akin to a hotel." No appeal was taken from the July Sales Order.

[7] McEwen J. subsequently authorized the Receiver to change listing agents for the sale of the units in his December 14, 2022 order (the "December Sales Order"). No appeal was taken from the December Sales Order.

[8] Earlier this year, the Receiver negotiated sale agreements for PH04 and PH09. The Receiver provided details of the events leading up to those agreements, including the listing history for the two units, in s. 4.0 of its Third Report dated January 26, 2023. In s. 4.5 of that report, the Receiver addressed the debtor's continued insistence that the nine units be sold as a block. In s. 4.5(6) the Receiver stated: "Based on its own review of the information

available to it, the Receiver continues to believe there is no merit to the suggestion that the Units could be sold as a going concern hospitality business for a premium relative to the individual resale value of the Units”.

[9] The Receiver moved before Steele J. for approval of the two sale transactions.

[10] The day before the return of that motion, 30 Roe filed an affidavit from Mr. Zar that repeated the company’s criticism of the Receiver’s plan to market the units individually. Mr. Zar contended that individual sales would not realize the units’ optimum value. He deposed, at paras. 12 and 13 of his affidavit, that an income approach was more suitable for determining the aggregate value of the units (which he described as a business). Mr. Zar deposed that he valued the units on a “going concern” basis at approximately \$12.476 million as of February 6, 2023.

[11] Steele J. was not persuaded by Mr. Zar’s personal valuation and advocacy of an *en bloc* sale. She noted in her February 7, 2023 endorsement that:

- McEwen J. had rejected the “same argument” when he made the July Sales Approval Order;
- The Receiver had asked 30 Roe several times for evidence supporting the debtor’s view that a going concern sale would be preferable but 30 Roe did not provide such information; and

- The Receiver challenged the reliability of the valuation proffered by Mr. Zar, observing that 30 Roe had not provided up-to-date financial statements or information about the market for the type of business it contended was operated using the nine condominium units.

[12] Steele J. was satisfied that the criteria enumerated by this court in *Royal Bank of Canada v. Soundair Corporation* (1991), 83 D.L.R. (4th) 76 (Ont. C.A.) had been met. She approved the two sale transactions and granted the Approval Orders.

[13] On February 23, 2023, 30 Roe served a notice of appeal from the Approval Orders (the “Notice of Appeal”).

III. PROCEDURAL ISSUES

[14] Before dealing with the relief sought by the Receiver in its notice of motion, we wish to recount several procedural issues raised by Mr. Zar during this appeal.

[15] On the initial return of the motion on Monday, March 27, 2023 before a slightly differently constituted panel, Mr. Zar asked Lauwers J.A. to recuse himself from the panel. The previous week, Lauwers J.A. had heard and denied a motion by 30 Roe’s counsel of record, Blaney McMurtry LLP, to remove itself from the record: 2023 ONCA 196. Lauwers J.A. acceded to Mr. Zar’s request and recused himself. As a result, one of the scheduled duty judges, Brown J.A., joined the panel.

[16] Upon the resumption of the hearing before the reconstituted panel, Mr. Zar requested a 24-hour adjournment of the hearing to permit the filing of a responding factum. By way of background, on Friday, March 24, 2023, Blaneys had sent a letter to the court advising that “our client has instructed us to not to file any responding material” on the Receiver’s motion to quash. As a result, no responding materials were before the panel.

[17] When this correspondence was brought to Mr. Zar’s attention, he orally changed his instructions to Blaneys in open court. Mr. Zar wanted Blaneys to make submissions on behalf of 30 Roe as they were still on the record. Counsel from Blaneys was not prepared to do so.

[18] From the interaction between counsel from Blaneys and Mr. Zar, it was clear to the panel that a complete breakdown had occurred between the law firm and its client. In those circumstances, the panel had no confidence that if we were to compel Blaneys to make submissions, Mr. Zar as the principal of 30 Roe or on his own behalf would accept the adequacy or appropriateness of those submissions or their faithfulness to instructions he had given Blaneys. Consequently, we informed Mr. Zar that we would not call on Blaneys but would hear submissions from him on behalf of 30 Roe.

[19] We advised Mr. Zar that if he wished to file with our court registrar a draft respondent’s factum that he was holding in his hands, we would have the registrar

make copies for the panel so that we could review it before the continuation of the hearing. We granted Mr. Zar a 30-minute adjournment to decide whether he would file the factum and send electronic copies to the other parties. We thereupon recessed for 30 minutes.

[20] Upon resuming, the panel learned that Mr. Zar had not filed a factum for the panel's consideration or provided copies to the other parties.

[21] Instead, Mr. Zar requested that Brown J.A. recuse himself because, according to Mr. Zar, some familial relationship created a conflict of interest. When questioned, Mr. Zar was not prepared to name the person who allegedly had some familial relationship with Brown J.A. that might create a conflict. Consequently, the panel called on the moving party Receiver's counsel to make his submissions on the motion.

[22] When the panel called upon Mr. Zar to make responding submissions, he advised that a medical condition of his was making it difficult for him to formulate submissions. The panel offered, and Mr. Zar accepted, a 10-minute recess to allow him to collect his thoughts. Upon reconvening, argument of the motion proceeded to its conclusion, with the panel taking the matter under reserve.

[23] Throughout the hearing Mr. Zar took the position that the submissions he made were solely in his capacity as a guarantor of the corporate debt of 30 Roe

and not on behalf of the company, although the substance of his submissions certainly conveyed a response by the debtor corporation to the Receiver's motion.

IV. ANALYSIS

The Receiver's motion to quash

[24] Although in a factum filed on a provisional execution motion below 30 Roe agreed that an appeal in the matter could only proceed with leave, apparently it "walked back" that admission during the course of argument. Consequently, we will examine whether in the specific circumstances of this case an appeal as of right lies under s. 193 from the Approval Orders.

[25] Consideration of the Receiver's motion to quash must begin with an examination of the order sought to be appealed and the grounds of appeal pleaded by 30 Roe in its Notice of Appeal.

[26] The Approval Orders follow the form of standard Commercial List approval and vesting orders: they approve the sale transactions; authorize the Receiver to execute the sale agreements "with such minor amendments as the Receiver may deem necessary" and to "execute such additional documents as may be necessary or desirable for the completion" of the transactions; and provide that upon the delivery of a Receiver's Certificate all of the debtor's right, title, and interest in the purchased units shall vest absolutely in the purchaser free and clear from all security interests. The Approval Orders make no provision for the distribution of

the sale proceeds. Pursuant to para. 12 of the initial Receivership Order, the Receiver must deposit those funds into an account and hold the monies “to be paid in accordance with the terms of this Order or any further Order of this Court.”

[27] The grounds of appeal advanced by 30 Roe in its Notice of Appeal reflect the debtor’s repeatedly expressed view that the nine units should be sold *en bloc*, not individually. The Notice of Appeal alleges that:

- the Receiver ought not to have marketed the units as separate properties;
- the evidence on the motion was clear that the units were part of a larger commercial “Enterprise”, a term 30 Roe and Mr. Zar use to describe a hospitality business they contend the nine units collectively supported;
- the failure to market the units for sale together led to a marked diminution in the value of the Enterprise;
- the motion judge “failed to appreciate the entire concept of the Enterprise and the loss in value of the Enterprise, if the Units were sold off separately”;
- the motion judge failed to apply the *Soundair* test “as the Units ought not to have been marketed or offered for sale in the first place”; and
- the motion judge “failed to find that the marketing and offering of the Units for sale here, on their own, would not be in the best interests of the creditors or other stakeholders here.”

[28] The Notice of Appeal states that 30 Roe has an appeal as of right pursuant to *BIA* ss. 193(a)-(c). We shall consider each provision.

[29] As to *BIA* s. 193(a), 30 Roe’s Notice of Appeal from the Approval Orders does not raise any “point in issue [that] involves future rights”. The narrow scope of the concept of future rights was described in *Business Development Bank of*

Canada v. Pine Tree Resorts Inc., 2013 ONCA 282, 115 O.R. (3d) 617, at para. 15: “Future rights’ are future legal rights, not procedural rights or commercial advantages or disadvantages that may accrue from the order challenged on appeal. They do not include rights that presently exist but that may be exercised in the future”.

[30] In the present case, the Notice of Appeal challenges the Approval Orders on the basis of the methodology, or procedure, followed by the Receiver for the unit sale process and alleged commercial disadvantages caused by that process. 30 Roe’s appeal concerns rights that presently exist, not ones that may be exercised in the future. Consequently, the appeal of the Approval Orders does not engage *BIA* s. 193(a).

[31] Under *BIA* s. 193(c), an appeal as of right lies “if the property involved in the appeal exceeds in value ten thousand dollars.” There is no dispute that the sale price for both units exceeds \$10,000. However, the jurisprudence on *BIA* s. 193(c), as summarized by this court in *Hillmount Capital Inc. v. Pizale*, 2021 ONCA 364, 462 D.L.R. (4th) 228, at paras. 36-39, identifies three types of orders that do not fall within the ambit of that section:

- an order that does not result in a loss or does not “directly involve” property exceeding \$10,000 in value;
- an order that does not bring into play the value of the debtor’s property; or
- an order that is procedural in nature.

[32] To determine whether an order sought to be appealed falls within *BIA* s. 193(c), a court must analyze the economic effect of the order: *Hillmount*, at para. 41. As stated in *Hillmount*, at para. 42:

What is required in any consideration of whether the appeal of an order falls within *BIA* s. 193(c) is a critical examination of the effect of the order sought to be appealed. Such an examination requires scrutinizing the grounds of appeal that are advanced in respect of the order made below, the reasons the lower court gave for the order, and the record that was before it. The inquiry into the effect of the order under appeal therefore is a fact-specific one; it is also an evidence-based inquiry, which involves more than merely accepting any bald allegations asserted in a notice of appeal: *Bending Lake [infra]*, at para. 64. [*MNP Ltd. v. Wilkes*, 2020 SKCA 66, 449 D.L.R. (4th) 439] concurs on this point, holding, at para. 64, that the loss claimed must be “sufficiently grounded in the evidence to the satisfaction of the Court determining whether there is a right of appeal,” a point repeated in the subsequent chambers decision in *Re Harmon International Industries [Inc.]*, 2020 SKCA 95, 81 C.B.R. (6th) 1], at para. 32.

[33] In the present case, the Approval Orders authorized the Receiver to proceed with sale transactions for two units. Section 4.0 of the Receiver’s Third Report detailed the listing history (including listing prices) for both units. Unredacted copies of the negotiated agreements of purchase and sale were provided to the debtor and were before the motion judge. No evidence was put before the motion judge that the sale prices for both transactions were unreasonable or not reflective of prevailing market conditions. Accordingly, there was no basis to suggest that

approval of the two transactions would result in a “loss” of value for the properties when compared to available market prices.

[34] Instead, 30 Roe sought to oppose the sale transactions by repeating the “*en bloc* sale” argument it had made at the time of the July Sales Order but which McEwen J. had rejected. On its face, the evidence 30 Roe filed before Steele J. carried virtually no weight, consisting as it did of a bald assertion by Mr. Zar about the possible value of an *en bloc* transaction that was not supported by an independent valuation and was advanced against a history of 30 Roe refusing requests by the Receiver for financial information about the “Enterprise”.

[35] Moreover, the position taken by 30 Roe before Steele J. amounted to a collateral attack on the July and December Sales Orders, which it had not appealed. 30 Roe repeated its *en bloc* arguments before McEwen J. in December and then before Steele J., taking the position that it had “reserved” its right to object to future sales on the basis that an *en bloc* sale would generate more value. That unilateral reservation of rights did not alter the legal effect of the July and December Sales Orders under which the court authorized the Receiver to market and sell the units individually, which the Receiver did.

[36] By failing to appeal and set aside the July and December Sales Orders, 30 Roe lost the legal basis to advance an argument that the Approval Orders would create a loss of value by reason of the individual-unit marketing and sales

methodology used by the Receiver as compared to an “*en bloc*” sales process. It was the July Sales Order, not the Approval Orders, that put in jeopardy any difference in value of the property that might arise from an “individual-unit” sales approach as compared to an “*en bloc*” sales approach. Given that 30 Roe’s Notice of Appeal asserts no other basis on which to reverse the Approval Orders, in the circumstances of this case its appeal from the Approval Orders does not fall within the ambit of *BIA* s. 193(c).

[37] Finally, 30 Roe’s appeal does not fall within the ambit of *BIA* s. 193(b), which provides an appeal as of right “if the order or decision is likely to affect other cases of a similar nature in the bankruptcy proceedings.” The jurisprudence has consistently interpreted *BIA* s. 193(b) as meaning that a right of appeal will lie where “the decision in question will likely affect another case raising the same or similar issues in the same bankruptcy proceedings” as the provision concerns “real disputes” likely to affect other cases raising the same or similar issues in the same bankruptcy or receivership proceedings: see *2403177 Ontario Inc. v. Bending Lake Iron Group Limited*, 2016 ONCA 225, 396 D.L.R. (4th) 635, at para. 32.

[38] As mentioned, by failing to appeal and set aside the July and December Sales Orders, 30 Roe lost the legal basis to advance an argument that the Approval Orders – or subsequent approval orders for other individual units – would create a loss of value by reason of the individual-unit marketing and sales methodology used by the Receiver. Further, subsequent motions by the Receiver

for the approval of sale transactions for other units will be decided upon the evidence related to those sale transactions, not the transactions for PH04 and PH09 authorized by the Approval Orders.

[39] For these reasons, we conclude that 30 Roe's appeal does not fall within the ambit of *BIA* ss. 193(a)-(c). Accordingly, we quash its appeal.

Leave to appeal

[40] Although 30 Roe did not file a notice of motion seeking leave to appeal the Approval Orders pursuant to *BIA* s. 193(e), it did seek such alternative relief in its Notice of Appeal. As well, several of the submissions made by Mr. Zar during the hearing dealt with elements of the leave to appeal test. Accordingly, we will consider whether leave should be granted to 30 Roe to appeal the Approval Orders.

[41] In considering whether to grant leave to appeal an order under *BIA* s. 193(e) a court will look to whether the proposed appeal: (i) raises an issue that is of general importance to the practice in bankruptcy/insolvency matters or to the administration of justice as a whole, and is one that this court should therefore consider and address; (ii) is *prima facie* meritorious; and (iii) would unduly hinder the progress of the bankruptcy/insolvency proceedings: *Pine Tree Resorts*, at para. 29; *Impact Tool & Mould Inc. v. Impact Tool & Mould Inc. Estate*, 2013 ONCA 697, at para. 3.

[42] 30 Roe's proposed appeal does not raise an issue of general importance, based as it is on the fact-specific sales process approved in its receivership. Its proposed appeal is not *prima facie* meritorious: as discussed, it amounts to nothing more than a collateral attack on the July and December Sales Orders. Finally, its appeal would unduly hinder the progress of the receivership. Granting leave to appeal probably would put in jeopardy the pending closings of the sales of PH04 and PH09. 30 Roe has not filed any evidence of equivalent or superior offers for those two units or of its present ability to satisfy the claims of its creditors. One therefore is left with the distinct impression that its attempt to appeal the Approval Orders is nothing more than a delay tactic.

[43] For these reasons, we deny 30 Roe leave to appeal the Approval Orders.

Lifting the automatic stay

[44] Since we have quashed 30 Roe's appeal and denied it leave to appeal, there is no need to consider the Receiver's alternative request for an order lifting the automatic stay under *BIA* s. 195.

V. DISPOSITION

[45] For the reasons set out above, we grant the Receiver's motion. The appeal of 30 Roe from the Approval Orders is quashed. We deny 30 Roe leave to appeal the Approval Orders.

[46] The Receiver is entitled to seek its costs of this motion when it applies in the ordinary course for the approval of the supervising judge below of its activities and accounts.

A handwritten signature in blue ink, appearing to be "J.A." with a stylized flourish.A handwritten signature in black ink, appearing to be "J.A." with a stylized flourish.A handwritten signature in black ink, appearing to be "J.A." with a stylized flourish.

Appendix “M”



Murtaza Tallat
kvs advisory inc.

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Toronto, Ontario, M5J 2W4
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mtallat@kvsadvisory.com

kvsadvisory.com

February 1, 2023

NOTICE TO OCCUPANTS OF LOCKERS # C99 – C105

Re: Court File No.: CV-22-00674810-00CL
Receivership of 30 Roe Investments Corp. (the “Company”)
Toronto Standard Condo Corporation #2599 (the “Condo Corp”)

Pursuant to an order (the “Receivership Order”) of the Ontario Superior Court of Justice (the “Court”) dated May 9, 2022, KSV Restructuring Inc. was appointed receiver and manager (“Receiver”) of, among other things, certain real property of the Company located at the Minto 30 Roe (the “Real Property”). A copy of the Receivership Order and other publicly available information in these proceedings is available on the Receiver’s website at <https://www.kvsadvisory.com/experience/case/30-roe-investments-corp->.

The Real Property includes nine storage locker units, specifically, storage lockers # C98 – C106 at the Minto 30 Roe (collectively, the “Locker Units”). The Receiver’s records reflect that Locker Units # C99 – C105 should be empty.

This serves as a formal notice that any person with contents in Locker Units # C99 – C105 to remove the contents and locks from these Locker Units immediately and by **no later than February 15, 2023**. Please be advised that if Locker Units # C99 – C105 are not emptied by this deadline, the Receiver intends to arrange to have the locks cut and contents disposed of without further notice.


Should you have any questions regarding this matter, you may contact the undersigned at mtallat@kvsadvisory.com or 416-932-6031.

Yours very truly,

KSV RESTRUCTURING INC.
SOLELY IN ITS CAPACITY AS COURT APPOINTED RECEIVER AND MANAGER OF
CERTAIN PROPERTY OF 30 ROE INVESTMENTS CORP.
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITIES

Per: Murtaza Tallat

Appendix “N”

	<p>30 Roehampton Ave Ph02 Toronto Ontario M4P 1R2 Toronto C10 Mount Pleasant West Toronto 115-20-L Sold: \$899,000 List: \$929,000</p> <p>Taxes: \$4,202.36 / 2022 For: Sale % Dif: 97 SPIS: Y Last Status: Sld DOM: 38</p> <p>Condo Apt #Shares%: Rms: 5 Apartment Locker#: 99 Bedrooms: 2 Unit#: 02 Locker Lev Unit: C Washrooms: 2 Corp#: TSCC / 2559 Locker Unit#: 1x3xFlat, 1x4xFlat Assignment: Level: 34 Fractl Ownshp: Zoning: Dir/Cross St: Yonge & Eglinton Prop Mgmt: Crossbridge Condominium Services Ltd</p>
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MLS#: C5891037 Sellers: Ksv Restructuring Inc.,* Contact After Exp: N
 Holdover: 90 Possession: 60 Occup: Tenant Status Cert: Y
 Bldg Name: Minto 30 Roe PIN#: ARN#:


<p>Kitchens: 1 Fam Rm: N Basement: None Fireplace/Stv: N Heat: Forced Air / Gas Apx Age: Apx Sqft: 700-799 Sqft Source: As Per Floor Plan Exposure: W Assessment: 2022 Spec Desig: Unknown</p>	<p>Pets Perm: Restrict Locker: Owned Maint: \$664.16 A/C: Central Air Central Vac: UFFI: Elev/Lift: Retirement: Taxes Incl: N Water Incl: N Heat Incl: Y Hydro Incl: N Cable TV Incl: N CAC Incl: Y Bldg Ins Incl: Y Prkg Incl: Y Com Elem Incl: Y Energy Cert: Y GreenPIS: Y</p>	<p>Balcony: Open Ens Lndry: Y Lndy Lev: Exterior: Concrete Gar/Gar Spcs: None / 0.0 Park/Drive: Undergrnd Park Type: Owned Prk/Drv Spcs: 1 Tot Prk Spcs: 1.0 #: 62 Park \$/Mo: Prk Lvl/Unit: C Bldg Amen: Concierge, Exercise Room, Party/Meeting Room Prop Feat: Public Transit, School, Terraced</p>
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#	Room	Level	Length (m)	Width (m)	Description
1	Living	Flat	3.66	x 3.20	Laminate W/O To Balcony Open Concept
2	Dining	Flat	3.58	x 3.20	Laminate Combined W/Kitchen O/Looks Living
3	Kitchen	Flat	3.58	x 3.20	Laminate Backsplash B/I Appliances
4	Prim Bdrm	Flat	3.45	x 2.94	Laminate 3 Pc Ensuite Large Closet
5	2nd Br	Flat	2.83	x 3.05	Laminate Large Window Large Closet

Client Remks: Looking For A Penthouse Unit In The Heart Of Yonge And Eglinton? Calling For End Users And Investors! Check Out This Unobstructed West View Unit With An Incredible Sunset! 2 Bedroom & 2 Bathroom Comes With A Parking And A Locker. Great Floor Plan With Split Bedrooms. Steps To Subway, Library, Shops, Grocery, Restaurants, Cinema & Entertainment. Incredible Building Amenities Include Gym, Sauna, Pilates/Yoga Room, Outdoor Bbq, Media Room, Party Room, Recreation Room, Guest Suites And 24/7 Concierge & Security. Live, Play, Work In Yonge / Eglinton.
Extras: Existing B/I Fridge, Stove, Microwave Hood & B/I Dishwasher. Stacked Front Load Washer&Dryer.
Inclusions:
Exclusions:
Rental Items:
Brkage Remks: Great Unit For Investors Tenant Paying @ \$4,350 On Month To Month. Property Is Sold In "As Is, Where Is" Basis, Sale Is Conditional Upon Court Approval. 72 Hrs Irrevocable On All Offers. 5% Deposit To Ksv Restructuring Inc. Please Call Gloria For More Info And Seller's Aps.

List: RE/MAX HALLMARK REALTY LTD., BROKERAGE Ph: 416-465-7850 Fax: 416-463-7850
 GLORIA YEUNG, Broker 416-550-5797 JACK LY, Salesperson 416-452-0022
 Co-Op: BAY STREET GROUP INC., BROKERAGE
 Edmond Chong, Broker
Contract Date: 2/03/2023 **Sold Date:** 3/14/2023 **Leased Terms:**
Expiry Date: 5/03/2023 **Closing Date:** 6/01/2023 **Original:** \$929,000
Last Update: 3/14/2023 **CB Comm:** 2.5% + Hst

Appendix “O”

	30 Roehampton Ave Ph03		List: \$1,128,000 For: Sale
	Toronto Ontario M4P 1R2		
Toronto C10 Mount Pleasant West Toronto 115-20-L			
Taxes: \$4,897.48 / 2022		Last Status: Ter	
SPIS: Y		DOM: 60	
Condo Apt	Apartment	Rms: 5 + 1	
Level: 34	#Shares%:	Bedrooms: 2	
Unit#: 03	Locker#: 61	Washrooms: 2	
Corp#: TSCC / 2559	Locker Level: C	1x3xFlat, 1x4xFlat	
Zoning:	Locker Unit#:		
Dir/Cross St: Yonge & Eglinton			
Prop Mgmt: Crossbridge			

MLS#: C5891045 Sellers: Ksv Restructuring Inc.,* Contact After Exp: N
 Open House: 2/25/2023 From: 14:00 To: 16:00
 Holdover: 60 Possession Remarks: Tbd Possession Date: 3/30/2023 Occup: Vacant
 Status Cert: Y
 Bldg Name: Minto 30 Roe PIN#: ARN#:

Kitchens: 1	Pets Perm: Restrict	Balcony: Open
Fam Rm: N	Locker: Owned	Ens Lndry: Y
Basement: None	Maint: \$788.38	Lndy Lev:
Fireplace/Stv: N	A/C: Central Air	Exterior: Concrete
Heat: Forced Air / Gas	Central Vac:	Gar/Gar Spcs: None / 0.0
Apx Age: 6-10	UFFI:	Park/Drive: Undergrnd
Apx Sqft: 900-999	Elev/Lift:	Park Type: Owned
Sqft Source: As Per Floor Plan 940 Sq Ft	Taxes Incl: N Water Incl: N	Park/Drv Spcs: 1
Exposure: Nw	Heat Incl: N Hydro Incl: N	Tot Pk Spcs: 1.0
Assessment: 2022	Cable TV Incl: N CAC Incl: N	Pk Spot#: 61
Spec Desig: Unknown	Bldg Ins Incl: Y Prkg Incl: Y	Park \$/Mo:
Phys Hdp-Eqp:	Com Elem Incl: Y	Prk Lev/Unit: C
Prop Features: Public Transit, School, Terraced	Cert Level: Energy Cert: Y	Bldg Amen: Concierge, Exercise Room, Party/Meeting Room
	GreenPIS: Y	

#	Room	Level	Length (m)	Width (m)	Description
1	Living	Flat	3.81	x 3.96	Laminate W/O To Balcony Open Concept
2	Dining	Flat	3.20	x 4.75	Laminate Combined W/Kitchen O/Looks Living
3	Kitchen	Flat	3.20	x 4.75	Laminate Backsplash B/I Appliances
4	Prim Bdrm	Flat	3.35	x 3.05	Laminate 3 Pc Ensuite Large Closet
5	2nd Br	Flat	2.97	x 2.90	Laminate Large Window Large Closet
6	Foyer	Flat	1.42	x 2.13	Laminate Closet
7	Den	Flat	1.98	x 2.54	Laminate

Client Remks: Looking For A Penthouse Unit In The Heart Of Yonge And Eglinton? Check Out This North West Unobstructed Unit! A Large (940 Sq Ft) 2 Bedrooms & Den Comes With A Parking And A Locker. Den Can Be Dining Room Or Office. Steps To Subway, Library, Shops, Grocery, Restaurants, Cinema & Entertainment. Incredible Building Amenities Include Gym, Sauna, Pilates/Yoga Room, Outdoor Bbq, Media Room, Party Room, Recreation Room, Guest Suites And 24/7 Concierge & Security. Live, Play, Work In Yonge / Eglinton. Open House On March 25 / 26 , 2-4 Pm . Call Jack On 416-452-0022

Extras: Existing B/I Fridge, Stove, Microwave Hood & B/I Dishwasher, Washer & Dryer.

Inclusions:

Exclusions:

Rental Items:

Brkage Remks: Property Is Sold In "As Is, Where Is" Basis, Sale Is Conditional Upon Court Approval. 72 Hrs Irrevocable On All Offers. 5% Deposit To Ksv Restructuring Inc. Please Call Gloria On 416-550-5797 For More Information.

RE/MAX HALLMARK REALTY LTD., BROKERAGE Ph: 416-465-7850 Fax: 416-463-7850

785 Queen St East Toronto M4M1H5

GLORIA YEUNG, Broker 416-550-5797

JACK LY, Salesperson 416-452-0022

Contract Date: 2/03/2023

Condition:

Ad: Y

Expiry Date: 5/03/2023

Cond Expiry:

Escape:

Last Update: 4/05/2023

CB Comm: 2.5% + Hst

Original: \$1,128,000

Appendix “P”

CONDOMINIUM AGREEMENT OF PURCHASE AND SALE

The undersigned Jiancheng Chen (“**Purchaser**”) hereby agrees with KSV Restructuring Inc. solely in its capacity as the court appointed receiver and manager of certain property of 30 Roe Investments Corp. (“**30 Roe**”) pursuant to an order of the Ontario Superior Court of Justice – Commercial List (the “**Court**”) made in receivership proceedings pursuant to Section 243 of the *Bankruptcy and Insolvency Act* and Section 101 of the *Courts of Justice Act* bearing court file number CV-22-00674810-00CL (the “**Vendor**”), to purchase the dwelling unit in Toronto Standard Condominium Plan No. 2559 (the “**Plan**”) at 30 Roehampton Avenue, Toronto (the “**Property**”) described in Schedule B attached hereto together with the appurtenant common interest, parking space and storage locker (collectively, the “**Unit**”).

1. Purchase price for the Unit shall be EIGHT HUNDRED AND NINETY NINE THOUSAND DOLLARS (\$899,000) (the “**Purchase Price**”) payable as follows:
 - (a) \$45,000.00 by certified cheque or wire transfer payable to KSV Restructuring Inc., in trust as a deposit with this offer; and
 - (b) The balance of the Purchase Price, plus any applicable HST (as defined below), shall become due and be payable by wire transfer, bank draft, or certified cheque on the Closing Date as defined in Schedule A attached hereto.

If Purchaser does not pay the full deposit when due, then, at the option of the Vendor, this Agreement of Purchase and Sale shall become null and void and any deposit that has been paid, together with accrued interest, shall be forfeited to Vendor in full without setoff or deduction, without prejudice to any other right or remedy that Vendor may have.

2. It is expressly acknowledged and agreed that transfer of title to the Unit shall be effected by way of Vesting Order as defined in Paragraph 2 of Schedule A.
3. This Condominium Agreement of Purchase and Sale (which includes Schedules A, B, and C”) (“**Agreement of Purchase and Sale**”), when accepted, shall constitute the entire agreement between Vendor and Purchaser and becomes a binding agreement.

Schedules to Agreement of Purchase and Sale

Schedule A – Additional Terms

Schedule B – Legal Description Of Unit

Schedule C – Form Of Vesting Order

DATED this 9 day of March, 2023.

 JIANCHENG CHEN

03/09/23

Witness

Jiancheng Chen

Purchaser:

JIANCHENG CHEN

Purchaser's solicitor:

Yu Tong

Address

Name

Yu Tong Law Professional Corporation

Address

Firm

200 Consumers Road, Suite 409, Toronto, ON, M2J 4R4

Home Telephone No. Fax No.

Address
sandy@yutonglaw.com 647-351-7003

Business Telephone No. Email Address
Number

Email Telephone Number

Vendor accepts this Agreement of Purchase and Sale and agrees to complete this transaction in accordance with the terms thereof.

DATED at Toronto this 9th day of March, 2023.

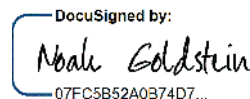
VENDOR'S SOLICITORS

GOODMANS LLP
Bay Adelaide Centre
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Attn: Chris Armstrong/Tyler
D'Angelo

Telephone: 416.979.2211
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tdangelo@goodmans.ca

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

Per:

 07FC5B52A0374D7...

Authorized Signing Officer
I have the authority to bind the Corporation

c/o
KSV RESTRUCTURING INC.
150 King Street West
Suite 2308
Toronto, ON M5H 1J9

Attention: Noah Goldstein
Email: ngoldstein@ksvadvisory.com
Fax: 416.932.6266

**SCHEDULE A
TO CONDOMINIUM AGREEMENT OF PURCHASE AND SALE**

ADDITIONAL TERMS

Condominium

1. The Unit has been created in accordance with the Plan and a declaration registered on December 2, 2016 as Instrument No. AT4423506, with respect to a building on lands described in Schedule A to the declaration (the "**Lands**") in accordance with the provisions of the *Condominium Act, 1998* (Ontario) (the "**Condominium Act**"), as amended.

Unit Transfer

2. This Agreement of Purchase and Sale shall be completed on the day that the Vendor delivers to the Purchaser the Receiver's Certificate as defined in the Approval and Vesting Order to be sought from the Court substantially in the form attached as Schedule C hereto (the "**Vesting Order**"), provided that such day is a business day in the Province of Ontario and shall not be earlier than thirty (30) days after the date this Agreement of Purchase and Sale is accepted by the Vendor (such date, the "**Acceptance Date**"), or such extended or accelerated date pursuant to the terms of this Agreement of Purchase and Sale (the day on which this Agreement of Purchase and Sale shall be completed, the "**Closing Date**"). The Purchaser and Vendor agree that the Closing Date shall be June 1, 2023, unless otherwise mutually agreed.

Deposit

3. The deposit paid by Purchaser shall be held by the Vendor, in trust, and shall be released in accordance with the terms of this Agreement of Purchase and Sale.

Title

4. Purchaser agrees to accept title "as-is, where-is", with no representation or warranty, express or implied, by the Vendor. Without limiting the generality of the foregoing, and without derogating from Sections 25 and 26, in entering into this Agreement of Purchase and Sale, the Purchaser acknowledges having had an opportunity to review, and being satisfied with, the following:
 - (a) The declaration, description, by-laws, and rules and regulations of the condominium corporation;
 - (b) Any subdivision agreement, site plan agreement, development agreement, Section 37 of the *Planning Act, R.S.O. 1990* (the "**Planning Act**") agreement or any other agreement pertaining to the development of the Lands;
 - (c) Easements or licenses for installation or maintenance of any utility or other service, including, without limitation, telephone, hydro, gas, sewer, water,

television, cable, master antenna television distribution system, support, and ventilation;

- (d) Any easement agreements, mutual use agreements, shared facilities agreements, and reciprocal agreements entered into with neighbouring landowners relating to the shared use, maintenance, repair, improvement and replacement of facilities and services;
- (e) All restrictive covenants and conditions touching or affecting the Lands, including any warning provisions or notice provisions required by any governmental authority pertaining to noise or noise attenuation or environmental matters;
- (f) Leases, service, maintenance or license agreements of portions of common elements;
- (g) Easement, restrictions and conditions that run with the Lands;
- (h) Any restrictions or reservations contained in the original crown grant; and
- (i) All registrations against title to the Unit as of the Acceptance Date (subject, for greater certainty, to Section 5(d)).

5. Purchaser acknowledges and agrees that:

- (a) it shall be allowed until ten (10) days after the Acceptance Date (such date, the “**Title Requisition Date**”) to examine title, at Purchaser’s expense, and if, within that time, any valid objection is made in writing which Vendor shall be unwilling or unable to remove or satisfy and which Purchaser will not waive, this Agreement of Purchase and Sale shall, notwithstanding any intermediate negotiations in respect of such objection, be null and void and the deposit shall be returned with any interest earned thereon, less any deduction imposed by law, and Vendor shall have no further liability or obligation and shall not be liable for any costs or damages whatsoever. For greater certainty, any objections to matters contemplated or identified in Section 4 shall not constitute a “valid objection” unless such objection goes to the root of title. Save as to any valid objections so made within such time, Purchaser shall be conclusively deemed to have accepted title;
- (b) it shall not call for production of any occupancy certificate, or title deed or abstract or other evidence of title;
- (c) any requisition letter in respect of this transaction may be answered by title memorandum issued by the Vendor’s solicitors;
- (d) as of the date of this Agreement of Purchase and Sale, the Unit may be encumbered by blanket charge(s) which is (are) not to be assumed. Purchaser shall accept the Vesting Order in full satisfaction of Vendor’s obligation to provide

- a discharge of encumbrances not intended to be assumed by Purchaser as specified on Schedule C to the Vesting Order;
- (e) Vendor will not be supplying a status certificate in respect of the Unit (the Purchaser is advised to contact TSCC No. 2559 to obtain a status certificate);
 - (f) the Unit may include a rental or leased hot water tank and associated components which would remain the property of the appropriate company or other supplier of such item, and in such event, the Purchaser shall pay the monthly rental/lease charges assessed with respect thereto from and after the Closing Date, and shall execute all requisite rental documents in connection therewith. Accordingly the cost of a hot water tank and associated components is not included in the Purchase Price;
 - (g) the HVAC equipment, which may include heating, air conditioning and furnace units, within the Unit may be leased and, if so, is not included in the Purchase Price, and in such event, the Purchaser shall pay the monthly rental/lease charges assessed with respect thereto from and after the Closing Date, and shall execute all requisite rental documents in connection therewith;
 - (h) it may be required to enter into an agreement with the supplier of hydro services to the condominium (the "**Hydro Supplier**"), and such agreement may require the Purchaser to deliver a security deposit to the Hydro Supplier prior to the Closing Date. The Purchaser agrees to deliver such security deposit to or at the direction of the Vendor on the Closing Date;
 - (i) it has had an opportunity to inspect the Unit and, further to Section 25, is purchasing the Unit on an "as is, where is" basis;
 - (j) it is purchasing the Unit for its own account as its primary residential residence; and
 - (k) it shall satisfy itself as to the due compliance with the provisions of any instrument or matter referred to herein, and shall not require releases with respect to same.
6. The Unit is currently occupied by a tenant on a month to month lease (the "**Existing Tenant**"). The Vendor shall deliver a Form N12 to the Existing Tenant to terminate the tenancy in accordance with the terms and timelines of the *Residential Tenancies Act* (Ontario) (the "**RTA**"), and shall be responsible for any fees due and owing to the Existing Tenant on account of the termination. The Vendor shall also deliver the Form L2 to the Landlord and Tenant Board, as required under the RTA. The Purchaser covenants to assist the Vendor as may be reasonably required, including by delivering any necessary affidavits to accompany the Form L2 submission.
7. Both parties agree that the following chattels are included in the Purchase Price and shall remain in normal working condition on completion of this transaction: Existing B/I Fridge, Stove, Microwave Hood & B/I Dishwasher, Stacked Front Load Washer and Dryer, Existing

Window Blinds, and Existing Electric Light Fixtures. Vendor agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels pursuant to the Approval and Vesting Order.

8. The Vendor agrees the condominium dwelling Unit will be in a broom-swept condition and with no garbage left behind on the Closing Date.

Conditions for Purchaser

9. The obligation of the Purchaser to complete the Transaction shall be subject to the following conditions to be waived or satisfied on or before the date specified therefor:
 - (a) the Purchaser shall receive vacant possession of the Unit on the Closing Date;
 - (b) the Purchaser shall be given reasonable access to the Unit to carry out, at the Purchaser's own expense and risk, an inspection of the Unit by a qualified home inspector, at a mutually convenient time for the Purchaser, home inspector, and Existing Tenant. The Purchaser shall obtain a report from such qualified home inspector satisfactory to the Purchaser in the Purchaser's sole and absolute discretion. Unless the Purchaser gives notice in writing delivered to the Vendor on or before 11:59 p.m. on the 5th banking day (excluding Saturdays, Sundays and Statutory Holidays) after the Acceptance Date that this condition is fulfilled, this Agreement of Purchase and Sale shall be null and void and the deposit shall be returned to the Purchaser in full without deduction except as imposed by law. The Vendor agrees to cooperate in providing access to the Unit for the purpose of this inspection;
 - (c) the Purchaser's solicitor shall review this Agreement of Purchase and Sale and find it satisfactory in the Purchaser's sole and absolute discretion. Unless the Purchaser gives notice in writing delivered to the Vendor not later than two (2) banking days (excluding Saturdays, Sundays and Statutory Holidays) following execution of this Agreement of Purchase and Sale that this condition is fulfilled, this Agreement of Purchase and Sale shall be null and void and the deposit shall be returned to the Vendor in full without deduction except as imposed by law.

These conditions set forth in this Section 9 are for the sole benefit of the Purchaser and may be waived in whole or in part by the Purchaser by notice to the Vendor or the Vendor's solicitors on or before the applicable date referred to above.

Vendor Representations

10. The Vendor hereby represents and warrants to and in favour of the Purchaser that :
 - (a) There are no work orders or deficiency notices outstanding against the Unit;
 - (b) During the time the Vendor has been the receiver of the Unit, the use of the Unit has, to the best of the knowledge of the Vendor, not been for the growth or

manufacture of any illegal substances, and that to the best of the Vendor's knowledge and belief, the use of the Unit has never been for the growth or manufacture of illegal substances;

- (c) All electrical, plumbing, mechanical components, and all existing appliances and chattels included in the Purchase Price shall be in normal working condition on the Closing Date; and
- (d) There are no arrears of utilities accounts or common expenses within the meaning of the Condominium Act pertaining to the period prior to the Closing Date that will not be satisfied by the Vendor as contemplated hereby and, to the best of the knowledge of the Vendor, there is no circumstance that would result in such additional expenses against the Unit.

For the avoidance of doubt, these representations and warranties shall merge on closing and shall not survive the Closing Date as provided for in Section 35.

Adjustments, Etc.

- 11. On the Closing Date, in addition to the deposit, the Purchase Price shall be adjusted as follows, with the Closing Date itself apportioned to the Purchaser:
 - (a) Common expenses from and after the Closing Date shall be the responsibility of the Purchaser. To the extent any common expenses are in arrears prior to the Closing Date, the Vendor covenants, promptly following closing, to remit sufficient funds from the Purchase Price to satisfy any such common expenses that are in arrears. Common expenses owing on the Closing Date but not in arrears shall be adjusted for on closing;
 - (b) Realty taxes from and after the Closing Date shall be the responsibility of the Purchaser. To the extent any realty taxes are in arrears prior to the Closing Date, the Vendor covenants, promptly following closing, to remit sufficient funds from the Purchase Price to the City of Toronto to satisfy any such realty taxes that are in arrears. Realty taxes owing on the Closing Date but not in arrears shall be adjusted for on closing;
 - (c) The cost of water, gas, and/or electricity meter, check meter or consumption meter installation, connection charges, energization charges, and any other charges in connection with the provision of any water, gas, or electricity service; and
 - (d) Legal fees and disbursements charged to Purchaser for implementing any changes to the Unit transfer documents requested by Purchaser, for reproducing or resending any Unit transfer documents, and for reimbursement of Vendor's reasonable fees and disbursements incurred on account of any default of the Purchaser.

12. All adjustments shall be subject to applicable taxes.

Taxes

13. (a) Purchaser shall be responsible for and pay, and indemnify and save Vendor harmless from and against any claims against Vendor resulting from a failure to pay:
- (i) registration costs and taxes (including land transfer taxes and, if indicated below, harmonized sales tax (“HST”) under the *Excise Tax Act* (Canada) (the “HST Legislation”)) in connection with registration of the Vesting Order and the transfer of title of the Unit to the Purchaser; and
 - (ii) any further returns, certificates, or other filings required to be filed by the Purchaser with any governmental authority in connection with the transfer of the Unit.
- (b) Purchaser and Vendor acknowledge that the Purchase Price payable hereunder is inclusive of any applicable HST. The Vendor shall remit any applicable HST to the appropriate taxing authority as required by the HST Legislation.
- (c) The Vendor shall, on or prior to the Closing Date, provide to the Purchaser’s lawyer a statutory declaration confirming it is not a non-resident of Canada within the meaning of Section 116 of the *Income Tax Act* (Canada).

Changes

14. Purchaser agrees to submit to Vendor on or before the Title Requisition Date, written advice as to the manner in which Purchaser intends to take title (if different from the named Purchaser in this Agreement and Purchase of Sale). If Purchaser does not submit such advice, Vendor shall be entitled to tender the Vesting Order and Receiver’s Certificate (as defined in the Vesting Order) engrossed in the name of Purchaser as shown on the face of this Agreement of Purchase and Sale.
15. If, following delivery by Vendor’s solicitors of the Unit transfer documents, Purchaser:
- (a) changes the names or the manner in which Purchaser has previously advised to take title to the Unit;
 - (b) changes solicitors, and/or
 - (c) changes any other factual information or documentation forming part of the Unit transfer documents that are prepared by Vendor’s solicitors, the Purchaser shall reimburse Vendor for Vendor’s processing costs, including any legal fees and disbursements, and the cost to redo, reproduce and send the documents, for each package that is revised, reproduced or re-sent.

Closing

16. Purchaser shall provide to Vendor, on or before the Closing Date:
 - (a) satisfactory evidence that Purchaser has opened accounts for all utilities or other services that are not bulk metered that supply service to the Unit or that are to be billed directly to the occupant of the Unit, and Purchaser shall not be entitled to possession of the Unit until such evidence is provided;
 - (b) undertaking to readjust;
 - (c) Purchaser's acknowledgment as to the "as-is, where-is" nature of the Unit;
 - (d) direction for title;
 - (e) the outstanding Purchase Price;
 - (f) any assumption documentation reasonably required by the Vendor; and
 - (g) all other documents which the Vendor reasonably requests to give effect to the transaction herein contemplated.

17. Vendor shall provide to the Purchaser, on or before the Closing Date:
 - (a) Vesting Order;
 - (b) Receiver's Certificate;
 - (c) statement of adjustments;
 - (d) bill of sale;
 - (e) general conveyance and assignment;
 - (f) an omnibus agreement as to residency, undertaking to readjust, and directing payment of closing proceeds; and
 - (g) all other documents which the Purchaser reasonably requests to give effect to the transaction herein contemplated.

18. (a) Purchaser shall retain a lawyer who is an authorized user of Teraview Electronic Registration System ("**TERS**") to represent Purchaser in this transaction, and shall authorize such lawyer to enter into an escrow closing agreement ("**Escrow Closing Agreement**") with Vendor's solicitors on the most recent form of document

registration agreement published by the Law Society of Ontario, establishing the procedures and timing to be followed to complete the transaction.

- (b) The parties acknowledge that the delivery and exchange of documents, monies and keys to the Unit, and the release of them to Vendor and Purchaser, as the case may be, shall not occur at the same time as the registration of the Vesting Order and other documents requiring registration, and that the documents, monies and keys shall not be released except in strict accordance with the Escrow Closing Agreement.
 - (c) Purchaser acknowledges that Purchaser will not receive the Receiver's Certificate or a Vesting Order to the Unit for registration until the balance of funds due on the Closing Date, in accordance with the statement of adjustments, is either remitted by wire transfer to Vendor's solicitors using the Large Value Transfer System, or by such other means as Vendor's solicitors may direct, by no later than 3:00 p.m. on the Closing Date, or by no later than 4:00 p.m. on the Closing Date if received by wire transfer to Vendor's solicitors' trust account using the Large Value Transfer System administered by the Canadian Payments Association.
 - (d) If, on the Closing Date, Purchaser has delivered all documents and funds required to complete the transaction, and Vendor has delivered all documents and has obtained and released the Vesting Order, Vendor shall be at liberty to release the funds after 5:00 p.m. on the Closing Date notwithstanding the failure of the Purchaser to register the Vesting Order.
19. Purchaser agrees that keys may be released to the Purchaser via lockbox on closing. Vendor's advice that keys are available shall be a valid tender of possession of the Unit to the Purchaser.
20. If the within transaction is not completed for any reason whatsoever, notwithstanding refund or forfeiture of deposit, Purchaser shall execute and deliver such documents affecting title as are necessary for Vendor to effect a resale of Unit.
21. Purchaser acknowledges that:
- (a) the Vendor has entered into agreements to sell two other condominium units of 30 Roe located at 30 Roehampton Avenue, Toronto, which the Court has approved pursuant to two Orders dated February 7, 2023 (the "**Orders**");
 - (b) 30 Roe has purported to appeal the Orders by way of a Notice of Appeal dated February 23, 2023 (the "**Appeal**"). The Vendor filed a Notice of Motion on March 1, 2023 to, among other things, quash the Appeal. The hearing for this motion has not yet been scheduled; and
 - (c) should the Appeal be granted, the Vendor, at its option and in its sole discretion, may elect to terminate this Agreement of Purchase and Sale by notice in writing to the Purchaser and upon such termination shall have no further liability or

obligation hereunder and shall not be liable for any costs or damages whatsoever; provided that the deposit, with interest (if any) earned thereon, shall be returned to the Purchaser, less any deduction imposed by law.

Tender

22. Any tender of documents or money may be made or given upon or to solicitor acting for party upon or to whom tender or notice is desired to be made or given, by way of facsimile or email, and it shall be sufficient that a certified cheque may be tendered in lieu of cash. There shall be no need to personally tender on Purchaser or Purchaser's solicitor with the documents and/or keys described above, and no requirement to have an independent witness attesting to the matters described above.
23. In the event Purchaser or Purchaser's solicitor indicates or expresses to Vendor or Vendor's solicitors, on or before Closing Date, that Purchaser is unable or unwilling to close, Vendor is relieved from any obligation to make any formal tender and may exercise forthwith any and all of its rights and remedies.

Vesting Order

24. The Purchaser agrees and acknowledges that the obligation of the Vendor to complete this Agreement of Purchase and Sale is subject in all respects to the granting of the Vesting Order by the Court and such Vesting Order being in full force and effect on the Closing Date. Prior to the Closing Date, the Vendor, at its expense, shall bring a motion to the Court seeking the granting of the Vesting Order, including the discharge of the encumbrances specified on Schedule C to the Vesting Order. In the event the Court declines to grant the Vesting Order, the Vendor, at its option, may elect to terminate this Agreement of Purchase and Sale by notice in writing to the Purchaser and upon such termination shall have no further liability or obligation hereunder and shall not be liable for any costs or damages whatsoever; provided that the deposit, with interest (if any) earned thereon, shall be returned to the Purchaser, less any deduction imposed by law. In the event the Vesting Order is subject to a stay, appeal, leave to appeal or other motion or application for similar review on the Closing Date, the Purchaser and the Vendor agree to extend the Closing Date to the first business day following the Vesting Order no longer being subject to such stay, appeal, leave to appeal or other motion or application for similar review, or such other date as they may mutually agree to in writing. The foregoing sentence is intended for the exclusive benefit of the Vendor and the Purchaser and shall not create or confer rights on any third party.

Purchasing "As Is – Where is"

25. Purchaser acknowledges that Purchaser is purchasing the Unit on an "as is, where is basis", at the Purchaser's sole cost and peril, and (except as expressly provided in this Agreement of Purchase and Sale) without any express or implied agreement, representation or warranty of any kind whatsoever (legal or conventional) as to the title, area, physical characteristics, quality, profitability, use or zoning, the existence of latent

defects, any environmental matter, leases, the state of accounts relating to any tenancies, accuracy of any information provided to Purchaser, Unit size, condition of the Unit, fitness for purpose, finishes, or any obligation to complete work. Without limiting the foregoing, any and all conditions or warranties expressed or implied pursuant to the *Sale of Goods Act* (Ontario) will not apply and are waived by the Purchaser, and except for the Vendor's representations and warranties expressly set out herein, all legal and conventional warranties are hereby excluded.

26. Purchaser acknowledges it is relying on its own due diligence investigations in respect of the Unit, and that the Unit will be transferred to the Purchaser complete with all existing encumbrances (registered or otherwise), save for those encumbrances to be discharged by way of the Vesting Order.

No Registration of Notice

27. Purchaser covenants and agrees not to register or cause to be registered this Agreement of Purchase and Sale or notice thereof or a caution or any other document evidencing this Agreement of Purchase and Sale against title. Purchaser hereby irrevocably nominates, constitutes and appoints Vendor as Purchaser's agent and attorney, in fact and in law, to cause removal of notice of this Agreement of Purchase and Sale, caution or any other document whatsoever from title and to represent Purchaser before any level of government or administrative tribunal in accordance with this provision, and agrees to execute a separate power of attorney if required by Vendor. Purchaser shall deliver to Vendor the same covenants in written form from any subsequent purchaser.

Assignment

28. Purchaser covenants and agrees not to list for sale, advertise for sale, offer for sale, sell, lease, offer to lease, transfer or assign, Purchaser's rights hereunder or in Unit, at any time prior to the Closing Date, without prior written consent of Vendor, which consent may be unreasonably withheld in the Vendor's sole, absolute, and unfettered discretion, and may be subject to such conditions as the Vendor may see fit.

Default

29. If there is any default by Purchaser:
- (a) relating to Purchaser's obligations to execute and deliver documentation required to be given to Vendor on or before the Closing Date, or relating to any obligation of Purchaser to pay the deposit or other monies pursuant to this Agreement of Purchase and Sale, or
 - (b) relating to any covenant or agreement to be performed under this Agreement of Purchase and Sale not involving the payment of money or the delivery of documents, and such default continues for five (5) days after written notice to Purchaser or Purchaser's solicitors, or recurs after delivery of such notice,

then, in addition to any other rights or remedies which Vendor may have, Vendor, at its option, shall have the right to declare this Agreement of Purchase and Sale null and void. In such event, all deposit monies paid hereunder and interest thereon shall be forfeited to Vendor as liquidated damages and not as penalty. If Purchaser has taken possession of Unit, Purchaser shall immediately vacate Unit and Vendor shall be at liberty to sell Unit with or without re-entry.

30. In the event of a default by the Purchaser, then Purchaser shall reimburse Vendor for Vendor's legal fees plus disbursements and HST incurred in rectification of Purchaser's default, including the issuance of notices of default and other communications, documents and services as a consequence of such default prior to termination of this Agreement of Purchase and Sale.
31. An administration fee of FIVE HUNDRED DOLLARS (\$500.00) plus HST shall be charged to Purchaser for any cheque delivered to Vendor and returned by Vendor's bank.

Risk

32. Unit and equipment within the Unit shall be and remain at risk of Vendor until the Closing Date. If Unit is damaged in any material respect before Closing Date, Vendor may either repair damage and complete this transaction, or may cancel this Agreement of Purchase and Sale and cause the deposit (including any interest thereon) to be returned to Purchaser, less any deduction imposed by law, and Purchaser shall execute and complete such documents as may be necessary to clear title to Unit. Purchaser acknowledges that Purchaser alone is responsible for repair and replacement of all improvements and betterments made or acquired by Purchaser within or upon Unit. Pending completion of sale, Vendor will hold all insurance policies and proceeds thereof in trust for the parties as their interest may appear.
33. Purchaser hereby indemnifies and saves Vendor harmless from all actions, causes of action, claims or demands for, arising out of, or in connection with any loss or injury to person or property of Purchaser, and/or Purchaser's employees, agents, workmen, or invitees who have entered on Property whether with or without authorization, express or implied, of Vendor, whether before or after the Acceptance Date.

Warranties

34. Purchaser acknowledges and agrees that, except as specified in Section 10 (but subject to Section 35), the Vendor is making no representation or warranty as to any construction matters or any of the systems contained or installed in the Unit or common elements and/or the quality and sufficiency thereof, including, without limitation, all mechanical, electrical, structural and architectural matters appurtenant to the Unit, all of which are being assumed by the Purchaser on an "as is, where is" basis at the Purchaser's sole cost and peril. Purchaser acknowledges having had an opportunity to inspect the Unit.

Survival

35. The covenants, representations, warranties, indemnities, consents, acknowledgments and obligations contained herein on the part of or to be performed by Purchaser, and the rights conferred upon Vendor hereunder, shall survive the Closing Date and remain in full force and effect notwithstanding transfer of title. The covenants, representations, warranties, consents, acknowledgments and obligations contained herein on the part of or to be performed by Vendor, and the rights conferred upon Purchaser hereunder, shall merge on closing and shall not survive the Closing Date.

Entire Agreement

36. This Agreement of Purchase and Sale shall constitute a binding agreement and is the entire agreement of the parties with respect to the subject matter hereof, superseding all prior negotiations and discussions, oral or written. It is agreed and understood that there is no representation, warranty, collateral agreement or condition affecting this agreement or the Unit other than as expressed herein.

Planning Act

37. This Agreement of Purchase and Sale is subject to compliance with Section 50 of the *Planning Act*.

Joint and Several

38. Where there are two or more Purchasers, their obligations shall be joint and several.

Time of the Essence

39. Time shall be of the essence provided that waiver respecting any provision shall apply only to the specific provision waived.

Binding on Heirs

40. This Agreement of Purchase and Sale shall enure to benefit of and shall be binding upon the parties, their heirs, executors, administrators, successors and assigns.

Causes of Action

41. Notwithstanding any rights which Purchaser may have at law or equity, Purchaser acknowledges and agrees that Purchaser shall not assert any such rights, nor have any claim or cause of action arising out of or in connection with this Agreement of Purchase and Sale against any person, firm, corporation or other legal entity other than the Vendor named herein (solely in its capacity as receiver and manager of certain property of 30 Roe and with recourse only to the property that is subject to the receivership), even though the Vendor may be or adjudged to be a nominee, trustee or agent of another person, firm, corporation or other legal entity, and this acknowledgement may be pleaded as an

estoppel and complete defence against the Purchaser in any lawsuit, action, application or proceeding brought by or on behalf of the Purchaser against such third parties.

Notices

42. Any notice required to be given shall be deemed to have been given if delivered, sent by facsimile transmission or electronic mail, or mailed by ordinary mail in Ontario to Purchaser or Purchaser's solicitor at the address indicated on Page 2 of this Agreement of Purchase and Sale (or at the Unit after Closing Date) and to Vendor or Vendor's solicitors at the address indicated on Page 2 of this Agreement of Purchase and Sale. Such notice shall be deemed to have been received on the third business day following posting, or, if sent by facsimile transmission or electronic mail or delivered personally shall be deemed to have been received on date of such facsimile transmission, electronic mail or personal delivery.

Gender and Number

43. This Agreement of Purchase and Sale is to be read with all changes of gender and number required.

Headings/Severability

44. The headings of this Agreement of Purchase and Sale form no part thereof and are inserted for convenience of reference only. Each provision shall be deemed to be independent and severable and the invalidity or unenforceability of any provision shall not impair or affect remainder of this Agreement of Purchase and Sale.

Mortgage Approval/Credit Report

45. Purchaser covenants and agrees to provide Vendor with all requested financial information and materials, including proof respecting Purchaser's income and source of funds and any other documents, evidence, instruments or verifications as may be required or requested by Vendor for the purpose of determining and establishing the financial ability of Purchaser to fulfil Purchaser's financial obligations under this Agreement of Purchase and Sale, at any time or times within ten (10) days of request by Vendor. If Purchaser fails to provide the information, evidence or documentation as requested within the time period specified or if the information, evidence or documentation is, in whole or in part, incomplete, false or misleading, then Purchaser shall be deemed to be in default hereunder.
46. Purchaser hereby consents to Vendor obtaining consumer's report containing credit and personal information.

Privacy and Personal Information

47. Purchaser acknowledges being advised by Vendor that personal information of Purchaser is being collected, used by Vendor and/or disclosed to third parties in connection with

this real estate transaction, to process and complete the real estate transaction in accordance with this Agreement of Purchase and Sale and with applicable law, including to seek the Vesting Order from the Court, report the change of ownership to the condominium corporation upon completion of the real estate transaction, and to report the particulars of the real estate transaction as may be required by or to any governmental authority and/or any lender of 30 Roe.

48. To comply with the provisions of any applicable federal and/or provincial privacy legislation (including, but not limited to, the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, chapter 5, as amended), Purchaser hereby consents to the Vendor's collection, use and distribution to third parties described above, of the Purchaser's personal information, which includes (but is not limited to):
- (a) Purchaser's name, address, e-mail address, fax/telephone numbers, date of birth, marital status and name of spouse,
 - (b) residency status, and social insurance number,
 - (c) financial information, including family income, credit history, and employment history, and
 - (d) particulars concerning the purchase and sale transaction, including but not limited to purchase price, deposits, legal description, address of property, taxes, and the Closing Date.
49. The Vendor shall not sell such personal information, or provide or distribute such personal information to anyone except as described above or to those whom reasonably require disclosure of such information in connection with completion of the transaction herein contemplated.

Governing Law

50. This Agreement of Purchase and Sale shall be governed by the laws of the Province of Ontario and the parties hereby irrevocably attorn to the exclusive jurisdiction of the Court with respect to any dispute arising under or in connection with this Agreement of Purchase and Sale.

Independent Legal Advice

51. The Purchaser acknowledges having been given the opportunity to obtain independent legal advice in connection with entering into this Agreement of Purchase and Sale and confirms that it has either (i) obtained such independent legal advice prior to entering into this Agreement of Purchase and Sale, or (ii) elected not to obtain independent legal advice, wishes to enter into this Agreement of Purchase and Sale without obtaining independent legal advice, fully understands the terms of this Agreement of Purchase and Sale, and agrees it will not challenge this Agreement of Purchase and Sale on the basis

that it did not receive independent legal advice or did not understand the terms of this Agreement of Purchase and Sale.

Inspections/Appraiser

52. The Vendor agrees to allow the Purchaser to visit the Unit two (2) more time prior to the Closing Date at a mutually convenient time for both parties and the Existing Tenant,
53. The Vendor will allow a licensed appraiser to access the Unit if required by the Purchaser at a mutually convenient time for both parties, the appraiser, and the Existing Tenant, recognizing that this appraisal must be done at the earliest possible time prior to the Closing Date. The Vendor acknowledges that this in no way constitutes a Purchaser's visit.

**SCHEDULE B
TO CONDOMINIUM AGREEMENT OF PURCHASE AND SALE**

LEGAL DESCRIPTION OF UNIT – PENTHOUSE 2

Dwelling Unit:

PIN 76559-0509 (LT)

UNIT 2, 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 76559-0583 (LT)

UNIT 60, 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 76559-0622 (LT)

UNIT 99, 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
TO CONDOMINIUM AGREEMENT OF PURCHASE AND SALE
FORM OF VESTING ORDER

[ATTACHED]

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 ([as amended,] the “**Sale Agreement**”) between the Receiver and Jiancheng Chen (the “**Purchaser**”) dated March ●, 2023, and appended to the [**Fourth Report of the Receiver dated ●, 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 Debtor, counsel for the Canadian Imperial Bank of Commerce, counsel for KingSett Mortgage Corporation and such other counsel as were present, no one appearing for any other person on the service list, although properly served as appears from the affidavit of ● sworn ●, 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) (the “**BIA**”) 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 ORDERS** that this Order is subject to provisional execution notwithstanding any appeal brought in respect of this Order.

9. **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.

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

Applicant

- and –

30 ROE INVESTMENTS CORP.

Respondent

RECEIVER’S CERTIFICATE

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 ●, 2023 ([as amended,] the “Sale Agreement”) between the Receiver and Jiancheng Chen (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 76559-0509 (LT)

UNIT 2, 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 76559-0583 (LT)

UNIT 60, 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 76559-0622 (LT)

UNIT 99, 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. AT4477003, registered February 1, 2017, being a Charge in favour of Canadian Imperial Bank of Commerce (“**CIBC**”) securing the principal amount of \$457,593.
2. Instrument No. AT4477068, 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.

7353542

**APPLICATION UNDER SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990,
C. C.43, AS AMENDED, AND SECTION 243 OF THE BANKRUPTCY AND INSOLVENCY
ACT, R.S.C. 1985, C. B-3 AS AMENDED**

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

**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
(PH02)**

GOODMANS LLP
Barristers & Solicitors
333 Bay Street, Suite 3400
Toronto, Canada M5H 2S7

Christopher Armstrong LSO#: 55148B
carmstrong@goodmans.ca

Tel: (416) 979-2211
Fax: (416) 979-1234

Lawyers for KSV Restructuring Inc. in its capacity
as Court-appointed Receiver



Confirmation of Co-operation and Representation Buyer/Seller



Form 320

for use in the Province of Ontario

BUYER: Jiancheng Chen

SELLER: Ksv Restructuring Inc. as court appointed receiver for 30 Roe Investments Corp, and not in its personal or corporate capacity

For the transaction on the property known as: 30 Roehampton Ave Ph02 Toronto ON M4P 1R2

DEFINITIONS AND INTERPRETATIONS: For the purposes of this Confirmation of Co-operation and Representation: "Seller" includes a vendor, a landlord, lessor or a prospective seller, vendor, landlord or lessor and "Buyer" includes a purchaser, tenant, lessee or a prospective buyer, purchaser, tenant or lessee and "sale" includes a lease, and "Agreement of Purchase and Sale" includes an Agreement to Lease. Commission shall be deemed to include other remuneration.

The following information is confirmed by the undersigned salesperson/broker representatives of the Brokerage(s). If a Co-operating Brokerage is involved in the transaction, the brokerages agree to co-operate, in consideration of, and on the terms and conditions as set out below.

DECLARATION OF INSURANCE: The undersigned salesperson/broker representative(s) of the Brokerage(s) hereby declare that he/she is insured as required by the Real Estate and Business Brokers Act, 2002, (REBBA).

1. LISTING BROKERAGE

- a) The Listing Brokerage represents the interests of the Seller in this transaction. It is further understood and agreed that:
 - 1) The Listing Brokerage is not representing or providing Customer Service to the Buyer.
(If the Buyer is working with a Co-operating Brokerage, Section 3 is to be completed by Co-operating Brokerage)
 - 2) The Listing Brokerage is providing Customer Service to the Buyer.
- b) **MULTIPLE REPRESENTATION:** The Listing Brokerage has entered into a Buyer Representation Agreement with the Buyer and represents the interests of the Seller and the Buyer, with their consent, for this transaction. The Listing Brokerage must be impartial and equally protect the interests of the Seller and the Buyer in this transaction. The Listing Brokerage has a duty of full disclosure to both the Seller and the Buyer, including a requirement to disclose all factual information about the property known to the Listing Brokerage. However, the Listing Brokerage shall not disclose:
 - That the Seller may or will accept less than the listed price, unless otherwise instructed in writing by the Seller;
 - That the Buyer may or will pay more than the offered price, unless otherwise instructed in writing by the Buyer;
 - The motivation of or personal information about the Seller or Buyer, unless otherwise instructed in writing by the party to which the information applies, or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
 - The price the Buyer should offer or the price the Seller should accept;
 - And; the Listing Brokerage shall not disclose to the Buyer the terms of any other offer.
 However, it is understood that factual market information about comparable properties and information known to the Listing Brokerage concerning potential uses for the property will be disclosed to both Seller and Buyer to assist them to come to their own conclusions.

Additional comments and/or disclosures by Listing Brokerage: (e.g., The Listing Brokerage represents more than one Buyer offering on this property.)

2. PROPERTY SOLD BY BUYER BROKERAGE – PROPERTY NOT LISTED

- The Brokeragerepresent the Buyer and the property is not listed with any real estate brokerage. The Brokerage will be paid (does/does not)
 - by the Seller in accordance with a Seller Customer Service Agreement
- or: by the Buyer directly

Additional comments and/or disclosures by Buyer Brokerage: (e.g., The Buyer Brokerage represents more than one Buyer offering on this property.)

INITIALS OF BUYER(S)/SELLER(S)/BROKERAGE REPRESENTATIVE(S) (Where applicable)

BUYER

CO-OPERATING/BUYER BROKERAGE

SELLER

LISTING BROKERAGE

3. Co-operating Brokerage completes Section 3 and Listing Brokerage completes Section 1.

CO-OPERATING BROKERAGE - REPRESENTATION:

- a) The Co-operating Brokerage represents the interests of the Buyer in this transaction.
- b) The Co-operating Brokerage is providing Customer Service to the Buyer in this transaction.
- c) The Co-operating Brokerage is not representing the Buyer and has not entered into an agreement to provide customer service(s) to the Buyer.

CO-OPERATING BROKERAGE - COMMISSION:

- a) The Listing Brokerage will pay the Co-operating Brokerage the commission as indicated in the MLS® information for the property
 2.5% to be paid from the amount paid by the Seller to the Listing Brokerage.
 (Commission As Indicated In MLS® Information)
- b) The Co-operating Brokerage will be paid as follows:

Additional comments and/or disclosures by Co-operating Brokerage: (e.g., The Co-operating Brokerage represents more than one Buyer offering on this property.)

Commission will be payable as described above, plus applicable taxes.

COMMISSION TRUST AGREEMENT: If the above Co-operating Brokerage is receiving payment of commission from the Listing Brokerage, then the agreement between Listing Brokerage and Co-operating Brokerage further includes a Commission Trust Agreement, the consideration for which is the Co-operating Brokerage procuring an offer for a trade of the property, acceptable to the Seller. This Commission Trust Agreement shall be subject to and governed by the MLS® rules and regulations pertaining to commission trusts of the Listing Brokerage's local real estate board, if the local board's MLS® rules and regulations so provide. Otherwise, the provisions of the OREA recommended MLS® rules and regulations shall apply to this Commission Trust Agreement. For the purpose of this Commission Trust Agreement, the Commission Trust Amount shall be the amount noted in Section 3 above. The Listing Brokerage hereby declares that all monies received in connection with the trade shall constitute a Commission Trust and shall be held, in trust, for the Co-operating Brokerage under the terms of the applicable MLS® rules and regulations.

SIGNED BY THE BROKER/SALESPERSON REPRESENTATIVE(S) OF THE BROKERAGE(S) (Where applicable)

BAY STREET GROUP INC.
 (Name of Co-operating/Buyer Brokerage)

 8300 WOODBINE AVE STE 500 MARKHAM ON L3R9Y7
 Tel: (905) 909-0101 Fax: (905) 909-0202
 [Signature] 03/09/2023
 (Authorized to bind the Co-operating/Buyer Brokerage) (Date)
EDMOND CHONG
 (Print Name of Salesperson/Broker/Broker of Record)

RE/MAX HALLMARK REALTY LTD., BROKERAGE
 (Name of Listing Brokerage)

 785 Queen St East Toronto ON M4M1H5
 Tel: 416-465-7850 Fax: 416-463-7850
 DocuSigned by: 3/9/2023
 (Authorized [Signature]) (Date)
GLORIA
 (Print Name of Salesperson/Broker/Broker of Record)

CONSENT FOR MULTIPLE REPRESENTATION (To be completed only if the Brokerage represents more than one client for the transaction)

The Buyer and Seller consent with their initials to their Brokerage representing more than one client for this transaction.

[Signature]
[Signature]
INITIALS OF BUYER(S)
INITIALS OF SELLER(S)

ACKNOWLEDGEMENT

I have received, read, and understand the above information.
 [Signature] 03/09/2023
 (Signature of Buyer) **Jiancheng Chen** (Date)

 (Signature of Buyer) (Date)

DocuSigned by:
 [Signature] /9/2023
 07FC5B52A0B74D7...
 (Signature of Seller) **Nbali Goldstein** (Date)

 (Signature of Seller) (Date)



Amendment to Agreement of Purchase and Sale

Form 120

for use in the Province of Ontario

BETWEEN:

BUYER: Jiancheng Chen

AND solely in its capacity as court appointed receiver and manager of

SELLER: Ksv Restructuring Inc. certain property of 30 Roe Investments Corp, and not in its personal or corporate capacity

RE: Agreement of Purchase and Sale between the Seller and Buyer, dated the 9 day of March , 20 23

concerning the property known as 30 Roehampton Ave Ph02

..... Toronto ON M4P 1R2 as more particularly described in the aforementioned Agreement.

The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

Delete:

The Purchaser agrees and acknowledges that the obligation of the Vendor to complete this Agreement of Purchase and Sale is subject in all respects to the granting of the Vesting Order by the Court and such Vesting Order being in full force and effect on the Closing Date. Prior to the Closing Date, the Vendor, at its expense, shall bring a motion to the Court seeking the granting of the Vesting Order, including the discharge of the encumbrances specified on Schedule C to the Vesting Order. In the event the Court declines to grant the Vesting Order, the Vendor, at its option, may elect to terminate this Agreement of Purchase and Sale by notice in writing to the Purchaser and upon such termination shall have no further liability or obligation hereunder and shall not be liable for any costs or damages whatsoever; provided that the deposit, with interest (if any) earned thereon, shall be returned to the Purchaser, less any deduction imposed by law. In the event the Vesting Order is subject to a stay, appeal, leave to appeal or other motion or application for similar review on the Closing Date, the Purchaser and the Vendor agree to extend the Closing Date to the first business day following the Vesting Order no longer being subject to such stay, appeal, leave to appeal or other motion or application for similar review, or such other date as they may mutually agree to in writing. The foregoing sentence is intended for the exclusive benefit of the Vendor and the Purchaser and shall not create or confer rights on any third party.

Insert:

The Purchaser agrees and acknowledges that the obligation of the Vendor to complete this Agreement of Purchase and Sale is subject in all respects to the granting of the Vesting Order by the Court and such Vesting Order being in full force and effect on the Closing Date. Prior to the Closing Date, the Vendor, at its expense, shall bring a motion to the Court seeking the granting of the Vesting Order, including the discharge of the encumbrances specified on Schedule C to the Vesting Order. In the event the Court declines to grant the Vesting Order, the Vendor, at its option, may elect to terminate this Agreement of Purchase and Sale by notice in writing to the Purchaser and upon such termination shall have no further liability or obligation hereunder and shall not be liable for any costs or damages whatsoever; provided that the deposit, with interest (if any) earned thereon, shall be returned to the Purchaser, less any deduction imposed by law. If for any reason that the parties cannot complete the transaction by June 1, 2023, the parties shall negotiate an extended Closing Date by mutual agreement; otherwise, the Purchaser shall have the option to terminate the Agreement at its discretion and upon such termination the parties shall have no further liability or obligation hereunder and shall not be liable for any costs or damages whatsoever; provided that the deposit, with interest (if any) earned thereon, shall be returned to the Purchaser, less any deduction imposed by law.

Insert:

The Purchaser represents and warrants in favour of the Vendor that it is not a "non-Canadian" for purposes of the Prohibition on the Purchase of Residential Property by Non-Canadians Act (Canada).

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by Buyer (Seller/Buyer) until 23:59 (a.m./p.m.) on the 15 day of March, 2023, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor. Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:
(Witness) (Buyer/Seller) JIANCHENG CHEN (Seal) (Date) 03/14/23
(Witness) (Buyer/Seller) Jiancheng Chen (Seal) (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:
(Witness) (Buyer/Seller) [Signature] (Seal) (Date) 3/14/2023
(Witness) (Buyer/Seller) (Seal) (Date)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

(Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 10 am this 14 day of March, 2023 (a.m./p.m.)

(Signature of Seller or Buyer) [Signature]

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

(Seller) [Signature] 3/14/2023 (Date)
Re: [Signature] Inc. (Date)
..... solely in its capacity as court appointed receiver and manager of certain property of 30 Roe (Date)
Investments Corp., and not in its personal or corporate capacity
Address for Service
..... (Tel. No.)
Seller's Lawyer
Address
Email
(Tel. No.) (Fax. No.)

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

(Buyer) JIANCHENG CHEN 03/13/2023 (Date)
(Buyer) Jiancheng Chen (Date)
Address for Service
..... (Tel. No.)
Buyer's Lawyer
Address
Email
(Tel. No.) (Fax. No.)



Waiver Agreement of Purchase and Sale

Form 123

for use in the Province of Ontario

BUYER: Jiancheng Chen

SELLER: Ksv Restructuring Inc.

REAL PROPERTY: 30 Roehampton Ave Ph02

..... Toronto

..... ON

..... M4P 1R2

In accordance with the terms and conditions of the Agreement of Purchase and Sale dated the 9 day of March

20²³....., regarding the above property, I/We hereby waive the condition(s) which read(s) as follows:

the Purchaser shall be given reasonable access to the Unit to carry out, at the Purchaser's own expense and risk, an inspection of the Unit by a qualified home inspector, at a mutually convenient time for the Purchaser, home inspector, and Existing Tenant. The Purchaser shall obtain a report from such qualified home inspector satisfactory to the Purchaser in the Purchaser's sole and absolute discretion. Unless the Purchaser gives notice in writing delivered to the Vendor on or before 11:59 p.m. on the 5th banking day (excluding Saturdays, Sundays and Statutory Holidays) after the Acceptance Date that this condition is fulfilled, this Agreement of Purchase and Sale shall be null and void and the deposit shall be returned to the Purchaser in full without deduction except as imposed by law. The Vendor agrees to cooperate in providing access to the Unit for the purpose of this inspection;

the Purchaser's solicitor shall review this Agreement of Purchase and Sale and find it satisfactory in the Purchaser's sole and absolute discretion. Unless the Purchaser gives notice in writing delivered to the Vendor not later than two (2) banking days (excluding Saturdays, Sundays and Statutory Holidays) following execution of this Agreement of Purchase and Sale that this condition is fulfilled, this Agreement of Purchase and Sale shall be null and void and the deposit shall be returned to the Vendor in full without deduction except as imposed by law.

All other terms and conditions in the aforementioned Agreement of Purchase and Sale to remain unchanged.

For the purposes of this Waiver, "Buyer" includes purchaser and "Seller" includes vendor.

WAIVED at Toronto Ontario, at 12:30 this 13 day of March 20²³
(a.m./p.m.)

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

JIANCHENG CHEN

03/13/23

.....
(Witness)

.....
(Buyer/Seller) Jiancheng Chen

.....
(Seal) (Date)

.....
(Witness)

.....
(Buyer/Seller)

.....
(Seal) (Date)

Receipt acknowledged at 9 pm this 13 day of March 20²³ by:
(a.m./p.m.)

Noah Goldstein

Print Name:

Signature:

DocuSigned by:
[Signature]
0/1 C5U52A0U/4Df...

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Appendix “Q”



Confirmation of Co-operation and Representation Buyer/Seller

Form 320

for use in the Province of Ontario

BUYER: 2755252 Ontario Inc.

SELLER: Ksv Restructuring Inc.

For the transaction on the property known as: 30 Roehampton Ave Ph03 Toronto ON M4P 0B9

DEFINITIONS AND INTERPRETATIONS: For the purposes of this Confirmation of Co-operation and Representation: "Seller" includes a vendor, a landlord, lessor or a prospective seller, vendor, landlord or lessor and "Buyer" includes a purchaser, tenant, lessee or a prospective buyer, purchaser, tenant or lessee and "sale" includes a lease, and "Agreement of Purchase and Sale" includes an Agreement to Lease. Commission shall be deemed to include other remuneration.

The following information is confirmed by the undersigned salesperson/broker representatives of the Brokerage(s). If a Co-operating Brokerage is involved in the transaction, the brokerages agree to co-operate, in consideration of, and on the terms and conditions as set out below.

DECLARATION OF INSURANCE: The undersigned salesperson/broker representative(s) of the Brokerage(s) hereby declare that he/she is insured as required by the Real Estate and Business Brokers Act, 2002, (REBBA).

1. LISTING BROKERAGE

- a) The Listing Brokerage represents the interests of the Seller in this transaction. It is further understood and agreed that:
 - 1) The Listing Brokerage is not representing or providing Customer Service to the Buyer.
(If the Buyer is working with a Co-operating Brokerage, Section 3 is to be completed by Co-operating Brokerage)
 - 2) The Listing Brokerage is providing Customer Service to the Buyer.
- b) **MULTIPLE REPRESENTATION:** The Listing Brokerage has entered into a Buyer Representation Agreement with the Buyer and represents the interests of the Seller and the Buyer, with their consent, for this transaction. The Listing Brokerage must be impartial and equally protect the interests of the Seller and the Buyer in this transaction. The Listing Brokerage has a duty of full disclosure to both the Seller and the Buyer, including a requirement to disclose all factual information about the property known to the Listing Brokerage. However, the Listing Brokerage shall not disclose:
 - That the Seller may or will accept less than the listed price, unless otherwise instructed in writing by the Seller;
 - That the Buyer may or will pay more than the offered price, unless otherwise instructed in writing by the Buyer;
 - The motivation of or personal information about the Seller or Buyer, unless otherwise instructed in writing by the party to which the information applies, or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
 - The price the Buyer should offer or the price the Seller should accept;
 - And; the Listing Brokerage shall not disclose to the Buyer the terms of any other offer.

However, it is understood that factual market information about comparable properties and information known to the Listing Brokerage concerning potential uses for the property will be disclosed to both Seller and Buyer to assist them to come to their own conclusions.

Additional comments and/or disclosures by Listing Brokerage: (e.g., The Listing Brokerage represents more than one Buyer offering on this property.)

.....
.....
.....

2. PROPERTY SOLD BY BUYER BROKERAGE – PROPERTY NOT LISTED

- The Brokerage (does/does not) represent the Buyer and the property is not listed with any real estate brokerage. The Brokerage will be paid
 - by the Seller in accordance with a Seller Customer Service Agreement
- or: by the Buyer directly

Additional comments and/or disclosures by Buyer Brokerage: (e.g., The Buyer Brokerage represents more than one Buyer offering on this property.)

.....
.....
.....

INITIALS OF BUYER(S)/SELLER(S)/BROKERAGE REPRESENTATIVE(S) (Where applicable)

^{DS}

BUYER

^{DS}

CO-OPERATING/BUYER BROKERAGE

^{DS}

SELLER

^{DS}

LISTING BROKERAGE

3. Co-operating Brokerage completes Section 3 and Listing Brokerage completes Section 1.

CO-OPERATING BROKERAGE - REPRESENTATION:

- a) The Co-operating Brokerage represents the interests of the Buyer in this transaction.
- b) The Co-operating Brokerage is providing Customer Service to the Buyer in this transaction.
- c) The Co-operating Brokerage is not representing the Buyer and has not entered into an agreement to provide customer service(s) to the Buyer.

CO-OPERATING BROKERAGE - COMMISSION:

- a) The Listing Brokerage will pay the Co-operating Brokerage the commission as indicated in the MLS® information for the property
 **2.5% + HST** to be paid from the amount paid by the Seller to the Listing Brokerage.
 (Commission As Indicated In MLS® Information)
- b) The Co-operating Brokerage will be paid as follows:

Additional comments and/or disclosures by Co-operating Brokerage: (e.g., The Co-operating Brokerage represents more than one Buyer offering on this property.)

Commission will be payable as described above, plus applicable taxes.

COMMISSION TRUST AGREEMENT: If the above Co-operating Brokerage is receiving payment of commission from the Listing Brokerage, then the agreement between Listing Brokerage and Co-operating Brokerage further includes a Commission Trust Agreement, the consideration for which is the Co-operating Brokerage procuring an offer for a trade of the property, acceptable to the Seller. This Commission Trust Agreement shall be subject to and governed by the MLS® rules and regulations pertaining to commission trusts of the Listing Brokerage's local real estate board, if the local board's MLS® rules and regulations so provide. Otherwise, the provisions of the OREA recommended MLS® rules and regulations shall apply to this Commission Trust Agreement. For the purpose of this Commission Trust Agreement, the Commission Trust Amount shall be the amount noted in Section 3 above. The Listing Brokerage hereby declares that all monies received in connection with the trade shall constitute a Commission Trust and shall be held, in trust, for the Co-operating Brokerage under the terms of the applicable MLS® rules and regulations.

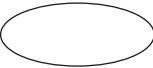
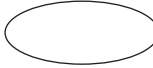
SIGNED BY THE BROKER/SALESPERSON REPRESENTATIVE(S) OF THE BROKERAGE(S) (Where applicable)

SUTTON GROUP-HERITAGE REALTY INC.
 (Name of Co-operating/Buyer Brokerage)
 300 CLEMENTS ROAD WEST AJAX ON L1S3C6
 Tel: (905) 619-9500 Fax: (905) 619-3334
 DocuSigned by:
Alex Skordakis 4/14/2023
 (Authorized to bind the Co-operating/Buyer Brokerage) (Date)
 CEDD0560A5AB471...
ALEX SKORDAKIS
 (Print Name of Salesperson/Broker/Broker of Record)

RE/MAX HALLMARK REALTY LTD., BROKERAGE
 (Name of Listing Brokerage)
 785 Queen St East Toronto ON M4M1H5
 Tel: 416-465-7850 Fax:
 DocuSigned by:
Gloria Yeung 4/14/2023
 (Authorized to bind the Listing Brokerage) (Date)
GLORIA YEUNG
 (Print Name of Salesperson/Broker/Broker of Record)

CONSENT FOR MULTIPLE REPRESENTATION (To be completed only if the Brokerage represents more than one client for the transaction)

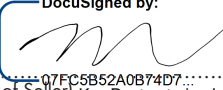
The Buyer and Seller consent with their initials to their Brokerage representing more than one client for this transaction.

INITIALS OF BUYER(S)
INITIALS OF SELLER(S)

ACKNOWLEDGEMENT

I have received, read, and understand the above information.
 DocuSigned by:
Nikolaos Moutzouris 4/14/2023
 (Signature of Buyer) (Date)
 FA2B08EB38B0405...
 (Signature of Buyer) (Date)

DocuSigned by:
 4/14/2023
 (Signature of Seller) (Date)
 07FC5B52A0B74D7... Ksv Restructuring Inc.
 (Signature of Seller) (Date)

CONDOMINIUM AGREEMENT OF PURCHASE AND SALE

The undersigned 2755252 Ontario Inc. (“**Purchaser**”) hereby agrees with KSV Restructuring Inc. solely in its capacity as the court appointed receiver and manager of certain property of 30 Roe Investments Corp. (“**30 Roe**”) pursuant to an order of the Ontario Superior Court of Justice – Commercial List (the “**Court**”) made in receivership proceedings pursuant to Section 243 of the *Bankruptcy and Insolvency Act* and Section 101 of the *Courts of Justice Act* bearing court file number CV-22-00674810-00CL (the “**Vendor**”), to purchase the dwelling unit in Toronto Standard Condominium Plan No. 2559 (the “**Plan**”) at 30 Roehampton Avenue, Toronto (the “**Property**”) described in Schedule B attached hereto together with the appurtenant common interest, parking space and storage locker (collectively, the “**Unit**”).

1. Purchase price for the Unit shall be ONE MILLION NINETY THOUSAND AND FOUR HUNDRED DOLLARS (\$1,090,400.00) (the “**Purchase Price**”) payable as follows:
 - (a) \$54,520.00 by certified cheque or wire transfer payable to KSV Restructuring Inc., in trust as a deposit with this offer; and
 - (b) The balance of the Purchase Price, plus any applicable HST (as defined below), shall become due and be payable by wire transfer on the Closing Date as defined in Schedule A attached hereto.

If Purchaser does not pay the full deposit when due, then, at the option of the Vendor, this Agreement of Purchase and Sale shall become null and void and any deposit that has been paid, together with accrued interest, shall be forfeited to Vendor in full without setoff or deduction, without prejudice to any other right or remedy that Vendor may have.

2. It is expressly acknowledged and agreed that transfer of title to the Unit shall be effected by way of Vesting Order as defined in Paragraph 2 of Schedule A.
3. This Condominium Agreement of Purchase and Sale (which includes Schedules A, B, and C) (“**Agreement of Purchase and Sale**”), when accepted, shall constitute the entire agreement between Vendor and Purchaser and becomes a binding agreement.

Schedules to Agreement of Purchase and Sale

Schedule A – Additional Terms

Schedule B – Legal Description Of Unit

Schedule C – Form Of Vesting Order

Error! Reference source not found.**FORM OF VESTING ORDER**

DATED this 14 day of April, 2023.

2755252 ONTARIO INC.

Per: DocuSigned by:
Nikolaos Moutzouris
 Name: Nikolaos Moutzouris
 Title: President

Per: _____
 Name: _____
 Title: _____

I/We have authority to bind the Corporation

Purchaser:

 Address
 1 Rossford Road

 Address
 Toronto, Ontario M1R 4B2

 Home Telephone No.
 647-677-9095

 Business Telephone No. Email Address
 Number

 nickm@lithosgroup.ca

Purchaser's solicitor:

Purchaser to advise.

 Name
 Raj Katyal

 Firm

 Address
 100 Cowday Court #340 Toronto, ON M1S 5C8

 Email Telephone Number

 raj@rklaw.ca 416-297-5989

Vendor accepts this Agreement of Purchase and Sale and agrees to complete this transaction in accordance with the terms thereof.

DATED this 14 day of April 2023.

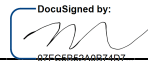
VENDOR'S SOLICITORS

GOODMANS LLP
Bay Adelaide Centre
333 Bay Street #3400
Toronto, Ontario M5H 2S7
Attn: Chris Armstrong/Tyler
D'Angelo

Telephone: 416.979.2211
Email: carmstrong@goodmans.ca/
tdangelo@goodmans.ca

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

Per:

DocuSigned by:

03FC6E82A0B24D3

Authorized Signing Officer

I have the authority to bind the Corporation

c/o
KSV RESTRUCTURING INC.
150 King Street West
Suite 2308
Toronto, ON M5H 1J9

Attention: Noah Goldstein
Email: ngoldstein@ksvadvisory.com
Fax: 416.932.6266

**SCHEDULE A
TO CONDOMINIUM AGREEMENT OF PURCHASE AND SALE**

ADDITIONAL TERMS

Condominium

1. The Unit has been created in accordance with the Plan and a declaration registered on December 2, 2016 as Instrument No. AT4423506, with respect to a building on lands described in Schedule A to the declaration (the "**Lands**") in accordance with the provisions of the *Condominium Act, 1998* (Ontario), as amended.

Unit Transfer

2. This Agreement of Purchase and Sale shall be completed on the day that the Vendor delivers to the Purchaser the Receiver's Certificate as defined in the Approval and Vesting Order to be sought from the Court substantially in the form attached as Schedule C hereto (the "**Vesting Order**"), provided that such day is a business day in the Province of Ontario and shall not be earlier than thirty (30) days after the date this Agreement of Purchase and Sale is accepted by the Vendor (such date, the "**Acceptance Date**"), or such extended or accelerated date pursuant to the terms of this Agreement of Purchase and Sale (the day on which this Agreement of Purchase and Sale shall be completed, the "**Closing Date**"). The Purchaser and Vendor agree that the Closing Date shall be May 31, 2023, unless otherwise mutually agreed.

Deposit

3. The deposit paid by Purchaser shall be held by the Vendor, in trust, and shall be released in accordance with the terms of this Agreement of Purchase and Sale.

Title

4. Purchaser agrees to accept title "as-is, where-is", with no representation or warranty, express or implied, by the Vendor. Without limiting the generality of the foregoing, and without derogating from Sections 20 and 21, in entering into this Agreement of Purchase and Sale, the Purchaser acknowledges having had an opportunity to review, and being satisfied with, the following:
 - (a) The declaration, description, by-laws, and rules and regulations of the condominium corporation;
 - (b) Any subdivision agreement, site plan agreement, development agreement, Section 37 of the *Planning Act*, R.S.O. 1990 (the "**Planning Act**") agreement or any other agreement pertaining to the development of the Lands;
 - (c) Easements or licenses for installation or maintenance of any utility or other service, including, without limitation, telephone, hydro, gas, sewer, water,

television, cable, master antenna television distribution system, support, and ventilation;

- (d) Any easement agreements, mutual use agreements, shared facilities agreements, and reciprocal agreements entered into with neighbouring landowners relating to the shared use, maintenance, repair, improvement and replacement of facilities and services;
- (e) All restrictive covenants and conditions touching or affecting the Lands, including any warning provisions or notice provisions required by any governmental authority pertaining to noise or noise attenuation or environmental matters;
- (f) Leases, service, maintenance or license agreements of portions of common elements;
- (g) Easement, restrictions and conditions that run with the Lands;
- (h) Any restrictions or reservations contained in the original crown grant; and
- (i) All registrations against title to the Unit as of the Acceptance Date (subject, for greater certainty, to Section 5(d)).

5. Purchaser acknowledges and agrees that:

- (a) it shall be allowed until five (5) days after the Acceptance Date (such date, the “**Title Requisition Date**”) to examine title, at Purchaser’s expense, and if, within that time, any valid objection is made in writing which Vendor shall be unwilling or unable to remove or satisfy and which Purchaser will not waive, this Agreement of Purchase and Sale shall, notwithstanding any intermediate negotiations in respect of such objection, be null and void and the deposit shall be returned with any interest earned thereon, less any deduction imposed by law, and Vendor shall have no further liability or obligation and shall not be liable for any costs or damages whatsoever. For greater certainty, any objections to matters contemplated or identified in Section 4 shall not constitute a “valid objection” unless such objection goes to the root of title. Save as to any valid objections so made within such time, Purchaser shall be conclusively deemed to have accepted title;
- (b) it shall not call for production of any occupancy certificate, or title deed or abstract or other evidence of title;
- (c) any requisition letter in respect of this transaction may be answered by title memorandum issued by the Vendor’s solicitors;
- (d) as of the date of this Agreement of Purchase and Sale, the Unit may be encumbered by blanket charge(s) which is (are) not to be assumed. Purchaser shall accept the Vesting Order in full satisfaction of Vendor’s obligation to provide

a discharge of encumbrances not intended to be assumed by Purchaser as specified on Schedule C to the Vesting Order;

- (e) Vendor will not be supplying a status certificate in respect of the Unit (the Purchaser is advised to contact TSCC No. 2559 to obtain a status certificate);
- (f) the Unit may include a rental or leased hot water tank and associated components which would remain the property of the appropriate company or other supplier of such item, and in such event, the Purchaser shall pay the monthly rental/lease charges assessed with respect thereto from and after the Closing Date, and shall execute all requisite rental documents in connection therewith. Accordingly the cost of a hot water tank and associated components is not included in the Purchase Price;
- (g) the HVAC equipment, which may include heating, air conditioning and furnace units, within the Unit may be leased and, if so, is not included in the Purchase Price, and in such event, the Purchaser shall pay the monthly rental/lease charges assessed with respect thereto from and after the Closing Date, and shall execute all requisite rental documents in connection therewith;
- (h) it may be required to enter into an agreement with the supplier of hydro services to the condominium (the "**Hydro Supplier**"), and such agreement may require the Purchaser to deliver a security deposit to the Hydro Supplier prior to the Closing Date. The Purchaser agrees to deliver such security deposit to or at the direction of the Vendor on the Closing Date;
- (i) it has had an opportunity to inspect the Unit and, further to Section 20, is purchasing the Unit on an "as is, where is" basis;
- (j) it shall satisfy itself as to the due compliance with the provisions of any instrument or matter referred to herein, and shall not require releases with respect to same; and
- (k) except for the fridge, stove, microwave, dishwasher, washer and dryer, window coverings and electric light fixtures currently in the dwelling Unit, no other chattels (including any furniture or decorative items) are being purchased and sold hereunder.

Adjustments, Etc.

- 6. On the Closing Date, in addition to the deposit, the Purchase Price shall be adjusted as follows, with the Closing Date itself apportioned to the Purchaser:
 - (a) Common expenses from and after the Closing Date shall be the responsibility of the Purchaser. To the extent any common expenses are in arrears prior to the Closing Date, the Vendor covenants, promptly following closing, to remit sufficient funds from the Purchase Price to satisfy any such common expenses that are in

arrears. Common expenses owing on the Closing Date but not in arrears shall be adjusted for on closing;

- (b) Realty taxes from and after the Closing Date shall be the responsibility of the Purchaser. To the extent any realty taxes are in arrears prior to the Closing Date, the Vendor covenants, promptly following closing, to remit sufficient funds from the Purchase Price to the City of Toronto to satisfy any such realty taxes that are in arrears. Realty taxes owing on the Closing Date but not in arrears shall be adjusted for on closing;
- (c) The cost of water, gas, and/or electricity meter, check meter or consumption meter installation, connection charges, energization charges, and any other charges in connection with the provision of any water, gas, or electricity service; and
- (d) Legal fees and disbursements charged to Purchaser for implementing any changes to the Unit transfer documents requested by Purchaser, for reproducing or resending any Unit transfer documents, and for reimbursement of Vendor's reasonable fees and disbursements incurred on account of any default of the Purchaser.

7. All adjustments shall be subject to applicable taxes.

Taxes

8. (a) Purchaser shall be responsible for and pay, and indemnify and save Vendor harmless from and against any claims against Vendor resulting from a failure to pay:
- (i) registration costs and taxes (including land transfer taxes and, if indicated below, harmonized sales tax ("HST") under the *Excise Tax Act* (Canada) (the "**HST Legislation**")) in connection with registration of the Vesting Order and the transfer of title of the Unit to the Purchaser; and
 - (ii) any further returns, certificates, or other filings required to be filed by the Purchaser with any governmental authority in connection with the transfer of the Unit.
- (b) Purchaser and Vendor acknowledge that the Purchase Price payable hereunder is inclusive of any applicable HST. The Vendor shall remit any applicable HST to the appropriate taxing authority as required by the HST Legislation.

Changes

9. Purchaser agrees to submit to Vendor on or before the Title Requisition Date, written advice as to the manner in which Purchaser intends to take title (if different from the named Purchaser in this Agreement and Purchase of Sale). If Purchaser does not submit such advice, Vendor shall be entitled to tender the Vesting Order and Receiver's

Certificate (as defined in the Vesting Order) engrossed in the name of Purchaser as shown on the face of this Agreement of Purchase and Sale.

10. If, following delivery by Vendor's solicitors of the Unit transfer documents, Purchaser:
- (a) changes the names or the manner in which Purchaser has previously advised to take title to the Unit;
 - (b) changes solicitors; and/or
 - (c) changes any other factual information or documentation forming part of the Unit transfer documents that are prepared by Vendor's solicitors, the Purchaser shall reimburse Vendor for Vendor's processing costs, including any legal fees and disbursements, and the cost to redo, reproduce and send the documents, for each package that is revised, reproduced or re-sent.

Review by Purchaser's Solicitor

11. This Agreement of Purchase and Sale is conditional upon the review of the terms hereof by the Purchaser's solicitor. Unless the Purchaser gives notice in writing to the Vendor not later than three (3) business days following the Acceptance Date that this condition is fulfilled, this Agreement of Purchase and Sale shall be null and void and the deposit shall be returned to the Purchaser in full without deduction. This condition is included for the benefit of the Purchaser and may be waived at the Purchaser's sole option by giving notice in writing to the Vendor within the time period stated in this Section 11.

Closing

12. Purchaser shall provide to Vendor, on or before the Closing Date:
- (a) satisfactory evidence that Purchaser has opened accounts for all utilities or other services that are not bulk metered that supply service to the Unit or that are to be billed directly to the occupant of the Unit, and Purchaser shall not be entitled to possession of the Unit until such evidence is provided;
 - (b) undertaking to readjust;
 - (c) Purchaser's acknowledgment as to the "as-is, where-is" nature of the Unit;
 - (d) direction for title;
 - (e) the outstanding Purchase Price;
 - (f) any assumption documentation reasonably required by the Vendor; and
 - (g) all other documents which the Vendor reasonably requests to give effect to the transaction herein contemplated.

13. Vendor shall provide to the Purchaser, on or before the Closing Date:
- (a) Vesting Order;
 - (b) Receiver's Certificate;
 - (c) statement of adjustments;
 - (d) bill of sale;
 - (e) general conveyance and assignment;
 - (f) an omnibus agreement as to residency, undertaking to readjust, and directing payment of closing proceeds; and
 - (g) all other documents which the Purchaser reasonably requests to give effect to the transaction herein contemplated.
14. (a) Purchaser shall retain a lawyer who is an authorized user of Teraview Electronic Registration System ("**TERS**") to represent Purchaser in this transaction, and shall authorize such lawyer to enter into an escrow closing agreement ("**Escrow Closing Agreement**") with Vendor's solicitors on the most recent form of document registration agreement published by the Law Society of Ontario, establishing the procedures and timing to be followed to complete the transaction.
- (b) The parties acknowledge that the delivery and exchange of documents, monies and keys to the Unit, and the release of them to Vendor and Purchaser, as the case may be, shall not occur at the same time as the registration of the Vesting Order and other documents requiring registration, and that the documents, monies and keys shall not be released except in strict accordance with the Escrow Closing Agreement.
- (c) Purchaser acknowledges that Purchaser will not receive the Receiver's Certificate or a Vesting Order to the Unit for registration until the balance of funds due on the Closing Date, in accordance with the statement of adjustments, is either remitted by wire transfer to Vendor's solicitors using the Large Value Transfer System, or by such other means as Vendor's solicitors may direct, by no later than 3:00 p.m. on the Closing Date, or by no later than 4:00 p.m. on the Closing Date if received by wire transfer to Vendor's solicitors' trust account using the Large Value Transfer System administered by the Canadian Payments Association.
- (d) If, on the Closing Date, Purchaser has delivered all documents and funds required to complete the transaction, and Vendor has delivered all documents and has obtained and released the Vesting Order, Vendor shall be at liberty to release the funds after 5:00 p.m. on the Closing Date notwithstanding the failure of the Purchaser to register the Vesting Order.

15. Purchaser agrees that keys may be released to the Purchaser via lockbox on closing. Vendor's advice that keys are available shall be a valid tender of possession of the Unit to the Purchaser.
16. If the within transaction is not completed for any reason whatsoever, notwithstanding refund or forfeiture of deposit, Purchaser shall execute and deliver such documents affecting title as are necessary for Vendor to effect a resale of Unit.

Tender

17. The tender of documents or money may be made or given upon or to the solicitor acting for party upon or to whom tender or notice is desired to be made or given, by way of facsimile or email, and it shall be sufficient that a certified cheque may be tendered in lieu of cash. There shall be no need to personally tender on Purchaser or Purchaser's solicitor with the documents and/or keys described above, and no requirement to have an independent witness attesting to the matters described above.
18. In the event Purchaser or Purchaser's solicitor indicates or expresses to Vendor or Vendor's solicitors, on or before Closing Date, that Purchaser is unable or unwilling to close, Vendor is relieved from any obligation to make any formal tender and may exercise forthwith any and all of its rights and remedies.

Vesting Order

19. The Purchaser agrees and acknowledges that the obligation of the Vendor to complete this Agreement of Purchase and Sale is subject in all respects to the granting of the Vesting Order by the Court and such Vesting Order being in full force and effect on the Closing Date. Prior to the Closing Date, the Vendor, at its expense, shall bring a motion to the Court seeking the granting of the Vesting Order, including the discharge of the encumbrances specified on Schedule C to the Vesting Order. In the event the Court declines to grant the Vesting Order, the Vendor, at its option, may elect to terminate this Agreement of Purchase and Sale by notice in writing to the Purchaser and upon such termination shall have no further liability or obligation hereunder and shall not be liable for any costs or damages whatsoever; provided that the deposit, with interest (if any) earned thereon, shall be returned to the Purchaser, less any deduction imposed by law. In the event the Vesting Order is subject to a stay, appeal, leave to appeal or other motion or application for similar review on the Closing Date, the Purchaser and the Vendor agree to extend the Closing Date to the first business day following the Vesting Order no longer being subject to such stay, appeal, leave to appeal or other motion or application for similar review, or such other date as they may mutually agree to in writing. The foregoing sentence is intended for the exclusive benefit of the Vendor and the Purchaser and shall not create or confer rights on any third party.

Purchasing “As Is – Where is”

20. Purchaser acknowledges that Purchaser is purchasing the Unit on an “as is, where is basis”, at the Purchaser’s sole cost and peril, and (except as expressly provided in this Agreement of Purchase and Sale) without any express or implied agreement, representation or warranty of any kind whatsoever (legal or conventional) as to the title, area, physical characteristics, quality, profitability, use or zoning, the existence of latent defects, any environmental matter, leases, the state of accounts relating to any tenancies, accuracy of any information provided to Purchaser, Unit size, condition of the Unit, fitness for purpose, finishes, or any obligation to complete work. Without limiting the foregoing, any and all conditions or warranties expressed or implied pursuant to the *Sale of Goods Act* (Ontario) will not apply and are waived by the Purchaser, and except for the Vendor’s representations and warranties expressly set out herein, all legal and conventional warranties are hereby excluded.
21. Purchaser acknowledges it is relying on its own due diligence investigations in respect of the Unit, and that the Unit will be transferred to the Purchaser complete with all existing encumbrances (registered or otherwise), save for those encumbrances to be discharged by way of the Vesting Order.

No Registration of Notice

22. Purchaser covenants and agrees not to register or cause to be registered this Agreement of Purchase and Sale or notice thereof or a caution or any other document evidencing this Agreement of Purchase and Sale against title. Purchaser hereby irrevocably nominates, constitutes and appoints Vendor as Purchaser’s agent and attorney, in fact and in law, to cause removal of notice of this Agreement of Purchase and Sale, caution or any other document whatsoever from title and to represent Purchaser before any level of government or administrative tribunal in accordance with this provision, and agrees to execute a separate power of attorney if required by Vendor. Purchaser shall deliver to Vendor the same covenants in written form from any subsequent purchaser.

Assignment

23. Purchaser covenants and agrees not to list for sale, advertise for sale, offer for sale, sell, lease, offer to lease, transfer or assign, Purchaser’s rights hereunder or in Unit, at any time prior to the Closing Date, without prior written consent of Vendor, which consent may be unreasonably withheld in the Vendor’s sole, absolute, and unfettered discretion, and may be subject to such conditions as the Vendor may see fit.

Default

24. If there is any default by Purchaser:
- (a) relating to Purchaser’s obligations to execute and deliver documentation required to be given to Vendor on or before the Closing Date, or relating to any obligation

of Purchaser to pay the deposit or other monies pursuant to this Agreement of Purchase and Sale, or

- (b) relating to any covenant or agreement to be performed under this Agreement of Purchase and Sale not involving the payment of money or the delivery of documents, and such default continues for five (5) days after written notice to Purchaser or Purchaser's solicitors, or recurs after delivery of such notice,

then, in addition to any other rights or remedies which Vendor may have, Vendor, at its option, shall have the right to declare this Agreement of Purchase and Sale null and void. In such event, all deposit monies paid hereunder and interest thereon shall be forfeited to Vendor as liquidated damages and not as penalty. If Purchaser has taken possession of Unit, Purchaser shall immediately vacate Unit and Vendor shall be at liberty to sell Unit with or without re-entry.

25. In the event of a default by the Purchaser, then Purchaser shall reimburse Vendor for Vendor's legal fees plus disbursements and HST incurred in rectification of Purchaser's default, including the issuance of notices of default and other communications, documents and services as a consequence of such default prior to termination of this Agreement of Purchase and Sale.
26. An administration fee of FIVE HUNDRED DOLLARS (\$500.00) plus HST shall be charged to Purchaser for any cheque delivered to Vendor and returned by Vendor's bank.

Risk

27. Unit and equipment within the Unit shall be and remain at risk of Vendor until the Closing Date. If Unit is damaged in any material respect before Closing Date, Vendor may either repair damage and complete this transaction, or may cancel this Agreement of Purchase and Sale and cause the deposit (including any interest thereon) to be returned to Purchaser, less any deduction imposed by law, and Purchaser shall execute and complete such documents as may be necessary to clear title to Unit. Purchaser acknowledges that Purchaser alone is responsible for repair and replacement of all improvements and betterments made or acquired by Purchaser within or upon Unit. Pending completion of sale, Vendor will hold all insurance policies and proceeds thereof in trust for the parties as their interest may appear.
28. Purchaser hereby indemnifies and saves Vendor harmless from all actions, causes of action, claims or demands for, arising out of, or in connection with any loss or injury to person or property of Purchaser, and/or Purchaser's employees, agents, workmen, or invitees who have entered on Property whether with or without authorization, express or implied, of Vendor, whether before or after the Acceptance Date.

Warranties

29. Purchaser acknowledges and agrees that the Vendor is making no representation or warranty as to any construction matters or any of the systems contained or installed in

the Unit or common elements and/or the quality and sufficiency thereof, including, without limitation, all mechanical, electrical, structural and architectural matters appurtenant to the Unit, all of which are being assumed by the Purchaser on an "as is, where is" basis at the Purchaser's sole cost and peril. Purchaser acknowledges having had an opportunity to inspect the Unit.

Survival

30. The covenants, warranties, indemnities, consents, acknowledgments and obligations contained herein on the part of or to be performed by Purchaser, and the rights conferred upon Vendor hereunder, shall survive the Closing Date and remain in full force and effect notwithstanding transfer of title. The covenants, warranties, consents, acknowledgments and obligations contained herein on the part of or to be performed by Vendor, and the rights conferred upon Purchaser hereunder, shall merge on closing and shall not survive the Closing Date.

Entire Agreement

31. This Agreement of Purchase and Sale shall constitute a binding agreement and is the entire agreement of the parties with respect to the subject matter hereof, superseding all prior negotiations and discussions, oral or written. It is agreed and understood that there is no representation, warranty, collateral agreement or condition affecting this agreement or the Unit other than as expressed herein.

Planning Act

32. This Agreement of Purchase and Sale is subject to compliance with Section 50 of the *Planning Act*.

Joint and Several

33. Where there are two or more Purchasers, their obligations shall be joint and several.

Time of the Essence

34. Time shall be of the essence provided that waiver respecting any provision shall apply only to the specific provision waived.

Binding on Heirs

35. This Agreement of Purchase and Sale shall enure to benefit of and shall be binding upon the parties, their heirs, executors, administrators, successors and assigns.

Causes of Action

36. Notwithstanding any rights which Purchaser may have at law or equity, Purchaser acknowledges and agrees that Purchaser shall not assert any such rights, nor have any

claim or cause of action arising out of or in connection with this Agreement of Purchase and Sale against any person, firm, corporation or other legal entity other than the Vendor named herein (solely in its capacity as receiver and manager of certain property of 30 Roe and with recourse only to the property that is subject to the receivership), even though the Vendor may be or adjudged to be a nominee, trustee or agent of another person, firm, corporation or other legal entity, and this acknowledgement may be pleaded as an estoppel and complete defence against the Purchaser in any lawsuit, action, application or proceeding brought by or on behalf of the Purchaser against such third parties.

Notices

37. Any notice required to be given shall be deemed to have been given if delivered, sent by facsimile transmission or electronic mail, or mailed by ordinary mail in Ontario to Purchaser or Purchaser's solicitor at the address indicated on Page 2 of this Agreement of Purchase and Sale (or at the Unit after Closing Date) and to Vendor or Vendor's solicitors at the address indicated on Page 3 of this Agreement of Purchase and Sale. Such notice shall be deemed to have been received on the third business day following posting, or, if sent by facsimile transmission or electronic mail or delivered personally shall be deemed to have been received on date of such facsimile transmission, electronic mail or personal delivery.

Gender and Number

38. This Agreement of Purchase and Sale is to be read with all changes of gender and number required.

Headings/Severability

39. The headings of this Agreement of Purchase and Sale form no part thereof and are inserted for convenience of reference only. Each provision shall be deemed to be independent and severable and the invalidity or unenforceability of any provision shall not impair or affect remainder of this Agreement of Purchase and Sale.

Mortgage Approval/Credit Report

40. Purchaser covenants and agrees to provide Vendor with all requested financial information and materials, including proof respecting Purchaser's income and source of funds and any other documents, evidence, instruments or verifications as may be required or requested by Vendor for the purpose of determining and establishing the financial ability of Purchaser to fulfil Purchaser's financial obligations under this Agreement of Purchase and Sale, at any time or times within ten (10) days of request by Vendor. If Purchaser fails to provide the information, evidence or documentation as requested within the time period specified or if the information, evidence or documentation is, in whole or in part, incomplete, false or misleading, then Purchaser shall be deemed to be in default hereunder.

41. Purchaser hereby consents to Vendor obtaining consumer's report containing credit and personal information.

Privacy and Personal Information

42. Purchaser acknowledges being advised by Vendor that personal information of Purchaser (including in respect of its directors, officers and employees) is being collected, used by Vendor and/or disclosed to third parties in connection with this real estate transaction, to process and complete the real estate transaction in accordance with this Agreement of Purchase and Sale and with applicable law, including to seek the Vesting Order from the Court, report the change of ownership to the condominium corporation upon completion of the real estate transaction, and to report the particulars of the real estate transaction as may be required by or to any governmental authority and/or any lender of 30 Roe.
43. To comply with the provisions of any applicable federal and/or provincial privacy legislation (including, but not limited to, the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, chapter 5, as amended), Purchaser hereby consents to the Vendor's collection, use and distribution to third parties described above, of the Purchaser's personal information (including in respect of its directors, officers and employees), which includes (but is not limited to):
- (a) name, address, e-mail address, fax/telephone numbers, date of birth, marital status and name of spouse,
 - (b) residency status, and social insurance number,
 - (c) financial information, including family income, credit history, and employment history, and
 - (d) particulars concerning the purchase and sale transaction, including but not limited to purchase price, deposits, legal description, address of property, taxes, and the Closing Date.
44. The Vendor shall not sell such personal information, or provide or distribute such personal information to anyone except as described above or to those whom reasonably require disclosure of such information in connection with completion of the transaction herein contemplated.

Governing Law

45. This Agreement of Purchase and Sale shall be governed by the laws of the Province of Ontario and the parties hereby irrevocably attorn to the exclusive jurisdiction of the Court with respect to any dispute arising under or in connection with this Agreement of Purchase and Sale.

Independent Legal Advice

46. The Purchaser acknowledges having been given the opportunity to obtain independent legal advice in connection with entering into this Agreement of Purchase and Sale and confirms that it has either (i) obtained such independent legal advice prior to entering into this Agreement of Purchase and Sale, or (ii) elected not to obtain independent legal advice, wishes to enter into this Agreement of Purchase and Sale without obtaining independent legal advice, fully understands the terms of this Agreement of Purchase and Sale, and agrees it will not challenge this Agreement of Purchase and Sale on the basis that it did not receive independent legal advice or did not understand the terms of this Agreement of Purchase and Sale.

Non-Canadian

47. The Purchaser represents and warrants to the Vendor that it is not a “non-Canadian” for purposes of the *Prohibition on the Purchase of Residential Property by Non-Canadians Act*, S.C. 2002, c. 10, s.235.

City of Toronto Vacant Home Tax

48. If, on Closing, there are vacant home taxes levied by the City of Toronto (the “**Vacancy Tax**”) outstanding in respect of the Unit for calendar year 2022, the Vendor covenants to cause its solicitors to remit sufficient funds from closing proceeds to the City of Toronto in satisfaction of any such outstanding Vacancy Tax within a reasonable period of time following closing, and the Vendor’s solicitors will provide a solicitor’s undertaking in this regard on closing.

The Vendor retains the right, from and after closing, and at its sole cost and expense, to challenge the determination of the Vacancy Tax applicable to the Unit. Should the Vendor challenge the Vacancy Tax, the Purchaser covenants and agrees to offer such administrative assistance as may be reasonably required in any such challenge (including delivering any necessary directions or acknowledgments). The Purchaser’s undertaking to readjust shall include an undertaking to remit to the Vendor any rebate of the Vacancy Tax that may accrue to the Purchaser from and after closing.

**SCHEDULE B
TO CONDOMINIUM AGREEMENT OF PURCHASE AND SALE**

LEGAL DESCRIPTION OF UNIT – PENTHOUSE 03

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
TO CONDOMINIUM AGREEMENT OF PURCHASE AND SALE**

FORM OF VESTING ORDER

[ATTACHED]



Waiver Agreement of Purchase and Sale

Form 123

for use in the Province of Ontario

BUYER: 2755252 Ontario Inc.

SELLER: Ksv Restructuring Inc.

REAL PROPERTY: 30 Roehampton Ave Ph03
..... Toronto ON M4P 0B9

In accordance with the terms and conditions of the Agreement of Purchase and Sale dated the 14 day of April
20²³....., regarding the above property, I/We hereby waive the condition(s) which read(s) as follows:

This Agreement of Purchase and Sale is conditional upon the review of the terms hereof by the Purchaser's solicitor. Unless the Purchaser gives notice in writing to the Vendor not later than three (3) business days following the Acceptance Date that this condition is fulfilled, this Agreement of Purchase and Sale shall be null and void and the deposit shall be returned to the Purchaser in full without deduction. This condition is included for the benefit of the Purchaser and may be waived at the Purchaser's sole option by giving notice in writing to the Vendor within the time period stated in this Section 11.

All other terms and conditions in the aforementioned Agreement of Purchase and Sale to remain unchanged.

For the purposes of this Waiver, "Buyer" includes purchaser and "Seller" includes vendor.

WAIVED at Toronto Ontario, at 9:00 this 14 day of April 20²³
(a.m./p.m.)
x

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:
DocuSigned by:

.....
(Witness)

Nikolaos Moutzouris
.....
(Buyer/Seller) FA2BD8EB3BBD4D3...

..... 4/14/2023
(Seal) (Date)

.....
(Witness)

.....
(Buyer/Seller)

.....
(Seal) (Date)

Receipt acknowledged at 9 am this day of 4/14/2023 20 by:

Print Name: Gloria Yeung

Signature: *Gloria Yeung*
DocuSigned by:
BF3CEF4BB0874D6...

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Appendix “R”

30 Roe Investments Corp. - Court File No. CV-22-00674810-00CL – Sale of PH02 / PH03

To Whom It May Concern:

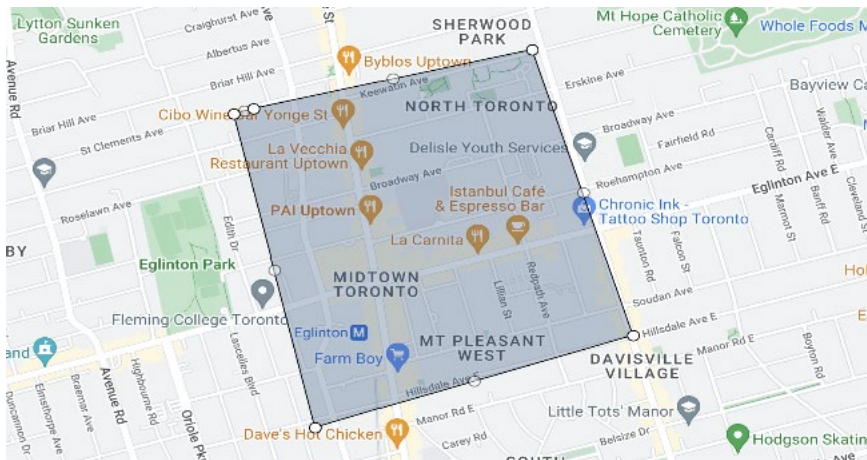
My name is Gloria and I am a Broker with Re/Max Hallmark Realty Ltd, Brokerage. I specialize in resale condos in Downtown / Midtown Toronto.

I have worked closely with the court appointed receiver (Noah Goldstein from KSV Restructuring Inc.) for the sale of 30 Roehampton Ave PH02 and PH03 since December 2022.

I have reviewed the above-mentioned properties and have examined available market data specifically in the Toronto MLS district C10 Mount Pleasant West where the property are located over the last 9-month period.

Market value is defined as the “highest price a willing Buyer will pay and a willing Seller will accept for a property that has been exposed to the market for a reasonable period of time, neither party, Buyer or Seller, acting under duress”.

The purpose of this document is to share my recommendation of the sale price regarding PH02 and PH03. This was discussed extensively with the Receiver prior to enter into the sale of these units.



Address	Bed	Bath	Parking	Locker	MLS	List	Sold	DOM	Sold	Sq ft	Average PSF
30 Roehampton Ave 2608	2	2	1	1	C5562884	\$955,000	\$930,000	32	5/06/2022	864	\$1,076
30 Roehampton Ave 709	2	2	1	1	C5691606	\$999,000	\$965,000	4	7/15/2022	836	\$1,154
30 Roehampton Ave PH09	2	2	1	1	C5866527	\$ 979,000	\$950,000	13	1/24/2023	843	\$1,127
30 Roehampton Ave 1410	2	2	1	1	C5935743	\$899,000	\$860,000	10	3/10/2023	828	\$1,039
30 Roehampton Ave 1908	2	2	1	1	C5877159	\$919,800	\$908,000	58	3/20/2023	836	\$1,086
										Total	\$5,482

Based on a review of the above recent transactions of condominium units of comparable location, similar age of the building and approximate size of 2 bedrooms and 2 bathrooms with parking and locker, I would estimate that 30 Roehampton PH02 based on the square footage of 770 sq ft would have a market value of **(\$1,150 x 770) = \$885,500**. For the 2 Bedrooms + Den and 2 Bathrooms, I would estimate that 30 Roehampton PH03 based on the square footage of 940 sq ft would have a market value of **(\$1,125 x 940) = \$1,057,500**

We have since agreed to the sale for PH02 @ \$929,000 and PH03@ \$1,128,000. PH02 was listed on Feb 3 2023 and sold for \$899,000 after 38 days @ \$1,168 psf with 18 showings. PH03 was listed on Feb 3 2023 and sold for \$1,090,400 after 69 days with 40 showings.

I believe these are the best prices we can achieve in the current market. I do not believe that by marketing this further and leaving them on the market for longer will result in higher prices given the current market condition of high interest rate. This is not to mention the continuous carrying costs of the units including: property tax, maintenance fees and cleaning fees.

Please be advised that I have no interest, nor do I contemplate having any interest, direct or indirect in the ownership of the subject properties.

Yours truly,

Gloria Yeung



Gloria Yeung

Broker | RE/MAX Hallmark Realty Ltd., Brokerage



416-550-5797



gloria@gloriayeung.com



785 Queen St E, Toronto, ON M4M 1H5

Appendix “S”



Toronto Police Service

40 College Street, Toronto, Ontario, Canada. M5G 2J3
(416) 808-2222 FAX (416) 808-8202
Website: www.TorontoPolice.on.ca



Office of the Chief of Police

File Number:

Date 2023.02.15

Jennifer Linde
Goodmans LLP
333 Bay St., Unit #3400
Toronto, Ontario
M5H 2S7

Dear Jennifer Linde:

Your Client: KSV Advisory
RE: Police Report #2022-2404425

I am responding to your request for access to information, our file number 23-0260.

Please be advised that the *Municipal Freedom of Information and Protection of Privacy Act* (the *Act*) defines personal information as recorded information about an identifiable individual. Access to such information is strictly controlled by section 14 of the *Act* and subject to specific exemptions. As such, the involvement of any individual (other than your client) concerning your request cannot be corroborated without written approval from that involved party.

Partial access is granted to the information concerning your request as held by this **Police Service**. Access is denied to certain information pursuant to subsections 14(1)(f), 14(3)(b), and 38(b) of the *Act*. These subsections apply because:

<u>Sub-Section</u>	<u>Reason</u>
14(1)(f)	Disclosure would constitute an unjustified invasion of another person's privacy.
14(3)(b)	Disclosure of personal information is presumed to constitute an unjustified invasion of personal privacy where the personal information was compiled and is identifiable as part of an investigation into a possible violation of law, except to the extent of disclosure necessary to prosecute the violation or continue the investigation.

38(b) Disclosure of personal information to the person to whom it relates may be refused if the disclosure would constitute an unjustified invasion of another individual's personal privacy.

The Coordinator is responsible for this decision.

If you have any questions regarding your file, please contact Analyst E. Chalk at **(416) 808-8277**.

You may request a review of this decision* by the Information and Privacy Commissioner, by filing an appeal online at www.ipc.on.ca or by mail at 2 Bloor Street East, Suite 1400, Toronto, Ontario, M4W 1A8. You have 30 days to make this appeal.

If you decide to request a review of this decision*, please provide the Commissioner's office with the following:

- (a) the file number listed at the beginning of this letter;
- (b) a copy of this decision letter;
- (c) a copy of the original request for information which you sent to this institution; and
- (d) the reasons why you believe the records exist (*if the decision was that no records exist*).

In addition, you must send an appeal fee to the Commissioner's office. If your request was for your personal information, the appeal fee is \$10.00. The appeal fee for all other requests for information is \$25.00. Please include the fee in your letter of appeal in the form of either a cheque or a money order made payable to the Minister of Finance.

Enclosed is a copy of the record.

Yours truly,



Mr. P. McGee
Coordinator
Access & Privacy Section
Toronto Police Service

PM:ec

Encl. 10 pages

NOTE: *'Decision' in this context does not refer to a review of the opinions/contents/conclusions of records examined or material contained in the documents provided, but to the determination to grant or withhold access to all or portions of records.



**TORONTO POLICE SERVICE
GENERAL OCCURRENCE HARDCOPY**

GO# TP 2022-2404425

TRESPASSING

General Occurrence Information

Main offence: **TRESPASSING - COMPLETED**

Operational status: **CLOSED**

Location: **PH01 - 30 ROEHAMPTON AV, TORONTO**

District: **53** Zone: **532** Atom: **104**

Approved on: **Friday, 2022-Dec-09** by: **89105 CRISTOFARO, DANIEL**

Reported on: **Friday, 2022-Dec-09 14:19**

Occurred on: **Friday, 2022-Dec-09 14:19**

Submitted by: **11685 THOMAS, CHRISTOPHER** Org unit: **D53-Primary Response A Platoon**

Lead investigator: **8878 BROADHAGEN, TIMOTHY**

Exemptions Applied:
14(1)(f), 14(3)(b), 38(b)

CCJS Information

CCJS Status: **DEPARTMENTAL DISCRETION**

Offences committed: **TRESPASSING - COMPLETED**

Location type: **APARTMENT (Rooming House, Condo)**

Study flag: **MRE**

Related Event(s)

CP TP 2022 - 2404425

Related Person(s)

1. ARR-NO CHG 1 -



*** CONFIDENTIAL ***

0001 APS



**TORONTO POLICE SERVICE
GENERAL OCCURRENCE HARDCOPY**

Exemptions Applied:
14(1)(f), 14(3)(b), 38(b)

GO# TP 2022-2404425

TRESPASSING



2. SUBJECT 1 -



3. SUBJECT 2 -



*** CONFIDENTIAL ***

0002 APS



**TORONTO POLICE SERVICE
GENERAL OCCURRENCE HARDCOPY**

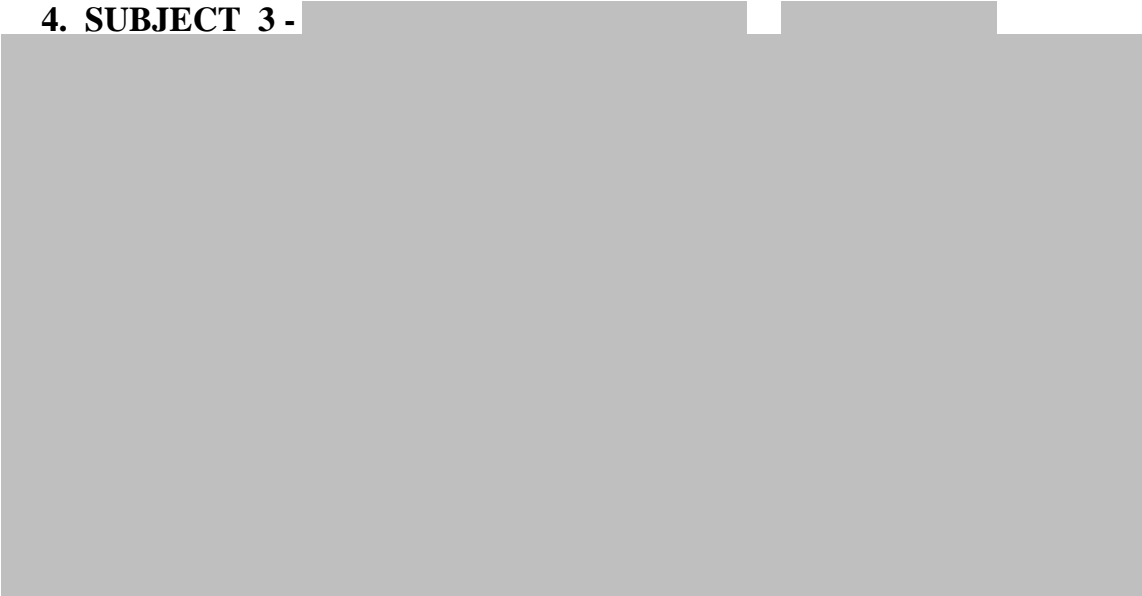
Exemptions Applied:
14(1)(f), 14(3)(b), 38(b)

GO# TP 2022-2404425

TRESPASSING



4. SUBJECT 3 -



5. REPORTED BY 1 -



*** CONFIDENTIAL ***

0003 APS



**TORONTO POLICE SERVICE
GENERAL OCCURRENCE HARDCOPY**

GO# TP 2022-2404425

TRESPASSING



Exemptions Applied:
14(1)(f), 14(3)(b), 38(b)

*** CONFIDENTIAL ***

0004 APS



**TORONTO POLICE SERVICE
GENERAL OCCURRENCE HARDCOPY**

GO# TP 2022-2404425

TRESPASSING

Narrative: INITIAL OFFICER REPORT - 1

Exemptions Applied:
14(1)(f), 14(3)(b), 38(b)

Subject: **INITIAL OFFICER REPORT**
Author: **11685 THOMAS, CHRISTOPHER**
Related date/time: **Friday, 2022-Dec-09 16:44**

*** BACKGROUND ***

30 Roehampton avenue in the City of Toronto is a residential building which has 35 floors.

The 35th floor consists of only penthouse units which were all formerly owned by a company named "30 Roe Investments Corp.". The owner of that company is

[REDACTED]

On May 9 2022 all the units on the 35th floor were ordered into receivership by the Ontario Superior court of Justice as [REDACTED] and his company were not making their payments.

The court appointed the company KSV Advisory as the receiver for the units and put them in charge of selling all the units. The owner of KSV Advisory is [REDACTED].

Since taking receivership, all of the units on the 35th floor at 30 Roehampton avenue have been vacated and there should be no one living there.

[REDACTED] has been obstructive and uncooperative with [REDACTED] and the process of selling off his units as the court has instructed. As a result [REDACTED] and his lawyers have not been provided any lease agreements.

*** SYNOPSIS ***

On Friday December 9 2022 at approximately 14:45 hours officers attended the 35th floor of 30 Roehampton avenue in the City of Toronto for an unwanted guest radio call initiated by [REDACTED].

Information received was that [REDACTED] had found a female living in a unit which should have been vacant.

On scene [REDACTED] advised while showing a realtor the units on the 35th floor on December 8 2022, they entered unit PH01 and realized it was full of belongings and appeared to have people living inside. They left a note advising

*** CONFIDENTIAL ***

0005 APS



**TORONTO POLICE SERVICE
GENERAL OCCURRENCE HARDCOPY**

GO# TP 2022-2404425

TRESPASSING

*** NOTIFICATIONS ***

SGT HUTCHINGS #10054

*** CONFIDENTIAL ***

0007 APS

For: 82646 Printed On: Friday, 2023-Jan-20



**TORONTO POLICE SERVICE
GENERAL OCCURRENCE HARDCOPY**

GO# TP 2022-2404425

TRESPASSING

Narrative: SUPPLEMENTARY - GO - 1

Subject: **INVESTIGATIVE SUMMARY**

Author: **8878 BROADHAGEN, TIMOTHY**

Related date/time: **Tuesday, 2022-Dec-13 11:39**

2022/12/13

The writer reviewed the occurrence and concurs with the on site investigation. There is no follow-up required by CIB.
Closed.

*** CONFIDENTIAL ***

0008 APS

For: **82646** Printed On: **Friday, 2023-Jan-20**



**TORONTO POLICE SERVICE
GENERAL OCCURRENCE HARDCOPY**

GO# TP 2022-2404425

TRESPASSING

Clearance Information

Agency: **TORONTO POLICE SERVICE**

Cleared on: **Friday, 2022-Dec-09** CCJS Status: **DEPARTMENTAL DISCRETION**

Cleared by Officer(s): **BROADHAGEN, TIMOTHY**

Complainant/Victim notified: **No**

*** CONFIDENTIAL ***

0009 APS

For: **82646** Printed On: **Friday, 2023-Jan-20**



**TORONTO POLICE SERVICE
GENERAL OCCURRENCE HARDCOPY**

GO# TP 2022-2404425

TRESPASSING

***** END OF HARDCOPY *****

***** CONFIDENTIAL *****

00010 APS

Appendix “T”

December 19, 2022

PERSONAL DELIVERY - URGENT

Maryam Rezaee
30 Roehampton Avenue, Unit PH07
Toronto, ON

Dear Madame:

Re: Receivership of 30 Roe Investments Corp. (CV-22-00674810-00CL)

We are counsel to KSV Restructuring Inc. in its capacity as the Court-appointed receiver and manager (the “**Receiver**”) of certain property of 30 Roe Investments Corp. (the “**Debtor**”), including Unit PH07 (“**PH07**”) and Unit PH01 (“**PH01**”) at the Minto 30 Roe, pursuant to the Order (Appointing Receiver) of the Ontario Superior Court of Justice (the “**Court**”) dated May 9, 2022 (the “**Receivership Order**”). A copy of the Receivership Order is enclosed with this letter. Further information regarding the receivership proceedings is available on the Receiver’s website at: <http://www.ksvadvisory.com/experience/case/30-roe-investments-corp->. Capitalized terms used herein and not otherwise defined have the meaning given to them in the Receivership Order.

The Receiver understands you are currently occupying PH07 after vacating PH01 on December 9, 2022. The Receiver further understands you are a former occupant of PH07. According to information previously provided to the Receiver by the Debtor, rent on PH07 was prepaid through July 25, 2022, and the Receiver understands you vacated Unit PH07 subsequent to July 25, 2022. Accordingly, to the knowledge of the Receiver, you have no right to presently occupy PH07. To the extent you believe you have a right to presently occupy PH07, please provide a basis for that position and evidence of same (e.g. a lease or rental agreement) for review and consideration by the Receiver as soon as possible and by no later than **December 22, 2022**.

To the extent you do not have a right to occupy PH07, this letter is to demand that you forthwith vacate PH07, including removing all of your personal belongings and leaving PH07 in an undamaged, clean and broom swept manner. Notwithstanding the foregoing (and without prejudice to the right of the Receiver to obtain vacant possession of PH07), the Receiver is prepared to provide you until **January 15, 2023**, to find alternative accommodations and vacate PH07, provided you agree you will vacate PH07 on or before that date and leave it in an undamaged, clean and broom swept manner. Please confirm by **December 22, 2022** if you intend to vacate PH07 by January 15, 2023. If you do not vacate PH07 or respond to this letter by the deadline indicated, the Receiver reserves the right to seek such relief from the Court as it considers fit, including, without limitation, a writ for vacant possession of PH07.

Regarding your prior occupancy of Unit PH01, as you are aware, the Receiver had no knowledge of your occupancy of PH01. Please advise the Receiver: (i) of the date you commenced occupation of Unit PH01; and (ii) who provided you with keys and access to Unit PH01 (or how you otherwise were able to access Unit PH01).

We would urge you to consult a lawyer with respect to this letter, which is urgent and requires a response by the deadline indicated. We understand that Michael Simaan has previously acted for you on other matters (and may still act for you) and have copied him on this letter.

Yours truly,

Goodmans LLP



Christopher Armstrong
CA/cag

cc.

Noah Goldstein, *KSV Restructuring Inc.*
Micheal Simaan, *Kramer Simaan Dhillon LLP*

Encl.

7331730

Appendix “U”



خط مستقیم: 416.849.6013
carmstrong@goodmans.ca

19 دسامبر، 2022

تحویل شخصی - فوری

Maryam Rezaee
30 Roehampton Avenue, Unit PH07
Toronto, ON

بانوی گرامی:

پاسخ: مصادره 30 (CV-22-00674810-00CL) Roe Investments Corp.

ما مشاور KSV Restructuring Inc. در سمت خود به عنوان مصادره کننده و مدیر منصوب دادگاه («مصادره کننده») دارایی خاصی از 30 Roe Investments Corp. («بدهکار»)، از جمله واحد PH07 («PH07») و واحد PH01 («PH01») در Minto 30 Roe هستیم، به موجب حکم (انتصاب مصادره کننده) دادگاه عالی انتاریو («دادگاه») مورخ 9 مه 2022 («حکم مصادره»). یک کپی از حکم مصادره همراه این نامه پیوست شده است. اطلاعات بیشتر درباره مراحل مصادره در وبسایت «مصادره کننده» به آدرس زیر موجود است:

<http://www.ksvadvisory.com/experience/case/30-roe-investments-corp-> کلمات دارای حروف بزرگ این متن، دارای معانی مشخص شده در حکم مصادره هستند، مگر اینکه طور دیگری مشخص شده باشد.

مصادره کننده می‌داند که شما پس از تخلیه PH01 در 9 دسامبر، 2022، اکنون در PH07 ساکن هستید. مصادره کننده همچنین می‌داند که مستأجر سابق PH07 نیز هستید. بر اساس اطلاعات بیشتر ارائه شده به مصادره کننده توسط بدهکار، اجاره PH07 تا 25 جولای، 2022 پیش‌پرداخت شده و مصادره کننده می‌داند که واحد PH07 را پس از 25 جولای، 2022 تخلیه کرده‌اید. بر این اساس، تا جایی که مصادره کننده می‌داند، اکنون حق برای سکونت در PH07 ندارید. با توجه به اینکه باور دارید اکنون حق دارید در PH07 سکونت داشته باشید، لطفاً دلایل این ادعا و شواهد مربوطه (مثل اجارنامه یا تفاهم‌نامه اجاره) را در اسرع وقت ممکن برای مرور و بازبینی مصادره کننده تا قبل از **22 دسامبر، 2022** ارائه کنید.

چون حق ندارید در PH07 سکونت داشته باشید، این نامه از شما تقاضا می‌کند فوراً واحد PH07 را به همراه همه وسایل شخصی خود تخلیه کنید و PH07 را بصورت آسیب ندیده، تمیز و جاروشده تحویل دهید. با این وجود، مطابق موارد بالا (و بدون آنکه موجب تضییع حق مصادره کننده برای کسب ملک خالی PH07 شود)، مصادره کننده آمادگی دارد تا **15 ژانویه، 2023** برای پیدا کردن مسکن جایگزین و تخلیه PH07 به شما فرصت دهد، مشروط به اینکه موافقت کنید واحد PH07 را تا این تاریخ یا قبل آن تخلیه کنید و آن را بصورت آسیب ندیده، تمیز و جاروشده تحویل دهید. لطفاً تا **22 دسامبر، 2022** تأیید کنید که قصد دارید واحد PH07 را تا 15 ژانویه، 2023 تخلیه کنید. اگر PH07 را تخلیه نکنید یا تا موعد مشخص شده به این نامه پاسخ ندهید، مصادره کننده حق دارد در صورت صلاحدید از دادگاه تقاضای کمک کند، از جمله، بدون محدودیت، نامه ای برای خالی بودن مالکیت PH07.

درباره سکونت قبلی شما در واحد PH01، همانطور که می‌دانید، مصادره کننده هیچ اطلاعی از سکونت شما در PH01 نداشته است. لطفاً این موارد را به مصادره کننده اطلاع دهید: (1) تاریخی که سکونت در واحد PH01 را شروع کردید؛ (2) چه کسی کلیدها و دسترسی به واحد PH01 را برای شما فراهم کرد (یا اینکه در هر صورت، چطور توانستید به واحد PH01 دسترسی پیدا کنید).



از شما درخواست می‌کنیم درباره این نامه با یک وکیل مشورت کنید، زیرا فوری است و تا موعد مشخص شده باید به آن پاسخ دهید. ما می‌دانیم که Michael Simaan در امور دیگر نماینده شما بوده (و احتمالاً همچنان وکیل شماست) و به همین دلیل یک کپی از این نامه را برای او نیز فرستادیم.

با احترام،

Goodmans LLP

Christopher Armstrong
CA/cag

کپی به

Noah Goldstein, *KSV Restructuring Inc.*
Micheal Simaan, *Kramer Simaan Dhillon LLP*

پیوست

7332818

Appendix “V”

Re: Receivership of 30 Roe Investments Corp. (CV-22-00674810-00CL)

AFFIDAVIT OF SERVICE

I, Alvin Garcia, Process Server, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. On the 20th day of December, 2022, at approximately 11:55 A.M., I served Maryam Rezaee, with the Letter dated December 19, 2022, by leaving a true copy with Maryam Rezaee personally, at 30 Roehampton Avenue, Unit PH07, Toronto, Ontario.
2. I was able to identify the person served by means of verbal admission.

**SWORN BEFORE ME at the
City of Toronto, in the
Province of Ontario,
this 21st day of December, 2022.**



A Commissioner etc.

}
}
}
}
}
}
}
}



Alvin Garcia

MARCO DE LUCA, a Commissioner, etc.,
City of Toronto, for Omega Process Servers,
and for Process Serving only.
Expires April 25, 2025.

Appendix “W”



Barristers & Solicitors
Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7
Telephone: 416.979.2211
Facsimile: 416.979.1234
goodmans.ca

Direct Line: 416.849.6013
carmstrong@goodmans.ca

January 17, 2023

30 Roe Investments Corp.
2 Bloor St. East, Suite 3500
Toronto ON M4W 1A8

Attn: Raymond Zar

Dear Mr. Zar:

**Re: Receivership of 30 Roe Investments Corp. (Court File No.: CV-22-00674810-00CL)
– Unit PH07**

As you know, we are counsel to KSV Restructuring Inc. in its capacity as receiver and manager of certain property of 30 Roe Investments Corp. (the “**Receiver**”) appointed pursuant to the Order (Appointing Receiver) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated May 9, 2022 (the “**Receivership Order**”).

The Receiver understands that Maryam Rezaee was (and may still be) occupying Unit PH07. The Receiver further understands that Ms. Rezaee is your mother. To the knowledge of the Receiver, Ms. Rezaee has no right to presently occupy PH07.


By letter dated December 19, 2022, we wrote to Ms. Rezaee to demand that she provide a basis for any right to presently occupy PH07 and evidence of same (e.g. a lease or rental agreement). A copy of this letter is enclosed for your reference (a courtesy Farsi translation of the letter was also delivered to Ms. Rezaee). Our letter further indicated that the Receiver was prepared to provide Ms. Rezaee until January 15, 2023, to find alternative accommodations and vacate PH07. Ms. Rezaee has not responded to our letter.

Please advise as soon as possible if you are aware whether Ms. Rezaee has vacated Unit PH07. Further, to the extent you believe there is any basis upon which Ms. Rezaee is entitled to occupy Unit PH07 at present, please provide any Records (as defined in the Receivership Order) pertaining to same for consideration by the Receiver as soon as possible and by no later than **January 20, 2023**. This request is made pursuant to paragraph 4 of the Order of Justice McEwen dated July 18, 2022.

To the extent the Receiver concludes that Ms. Rezaee has no right to occupy PH07 and she has not vacated PH07, be advised the Receiver intends to seek a writ for vacant possession of PH07 from the Court.

Yours truly,

Goodmans LLP

A handwritten signature in black ink, appearing to read 'C. Armstrong', with a stylized flourish at the end.

Christopher Armstrong
CA/cag

Encl.

cc.

Receiver

7339095

December 19, 2022

PERSONAL DELIVERY - URGENT

Maryam Rezaee
30 Roehampton Avenue, Unit PH07
Toronto, ON

Dear Madame:

Re: Receivership of 30 Roe Investments Corp. (CV-22-00674810-00CL)

We are counsel to KSV Restructuring Inc. in its capacity as the Court-appointed receiver and manager (the “**Receiver**”) of certain property of 30 Roe Investments Corp. (the “**Debtor**”), including Unit PH07 (“**PH07**”) and Unit PH01 (“**PH01**”) at the Minto 30 Roe, pursuant to the Order (Appointing Receiver) of the Ontario Superior Court of Justice (the “**Court**”) dated May 9, 2022 (the “**Receivership Order**”). A copy of the Receivership Order is enclosed with this letter. Further information regarding the receivership proceedings is available on the Receiver’s website at: <http://www.ksvadvisory.com/experience/case/30-roe-investments-corp->. Capitalized terms used herein and not otherwise defined have the meaning given to them in the Receivership Order.

The Receiver understands you are currently occupying PH07 after vacating PH01 on December 9, 2022. The Receiver further understands you are a former occupant of PH07. According to information previously provided to the Receiver by the Debtor, rent on PH07 was prepaid through July 25, 2022, and the Receiver understands you vacated Unit PH07 subsequent to July 25, 2022. Accordingly, to the knowledge of the Receiver, you have no right to presently occupy PH07. To the extent you believe you have a right to presently occupy PH07, please provide a basis for that position and evidence of same (e.g. a lease or rental agreement) for review and consideration by the Receiver as soon as possible and by no later than **December 22, 2022**.

To the extent you do not have a right to occupy PH07, this letter is to demand that you forthwith vacate PH07, including removing all of your personal belongings and leaving PH07 in an undamaged, clean and broom swept manner. Notwithstanding the foregoing (and without prejudice to the right of the Receiver to obtain vacant possession of PH07), the Receiver is prepared to provide you until **January 15, 2023**, to find alternative accommodations and vacate PH07, provided you agree you will vacate PH07 on or before that date and leave it in an undamaged, clean and broom swept manner. Please confirm by **December 22, 2022** if you intend to vacate PH07 by January 15, 2023. If you do not vacate PH07 or respond to this letter by the deadline indicated, the Receiver reserves the right to seek such relief from the Court as it considers fit, including, without limitation, a writ for vacant possession of PH07.

Regarding your prior occupancy of Unit PH01, as you are aware, the Receiver had no knowledge of your occupancy of PH01. Please advise the Receiver: (i) of the date you commenced occupation of Unit PH01; and (ii) who provided you with keys and access to Unit PH01 (or how you otherwise were able to access Unit PH01).

We would urge you to consult a lawyer with respect to this letter, which is urgent and requires a response by the deadline indicated. We understand that Michael Simaan has previously acted for you on other matters (and may still act for you) and have copied him on this letter.

Yours truly,

Goodmans LLP



Christopher Armstrong
CA/cag

cc.

Noah Goldstein, *KSV Restructuring Inc.*
Micheal Simaan, *Kramer Simaan Dhillon LLP*

Encl.

7331730

Appendix “X”



Barristers & Solicitors
Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7
Telephone: 416.979.2211
Facsimile: 416.979.1234
goodmans.ca

Direct Line: 416.849.6013
carmstrong@goodmans.ca

January 25, 2023

Blaney McMurtry LLP
2 Queen St. E. Suite 150
Toronto, ON M5C 3G5

Attn: Lou Brzezinski

Dear Mr. Brzezinski:

Re: Receivership of 30 Roe Investments Corp. (Court File No.: CV-22-00674810-00CL)

As you know, we are counsel to KSV Restructuring Inc. in its capacity as receiver and manager (the “**Receiver**”) of certain property of 30 Roe Investments Corp. (the “**Debtor**”) appointed pursuant to the Order (Appointing Receiver) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated May 9, 2022 (the “**Receivership Order**”).

We write in respect of the February 7, 2023, Court hearing and in reply to your letter of January 19, 2023, delivered to us on January 23, 2023.

Further to our email correspondence of January 19, 2023, we can confirm that the purchaser of PH09 has waived the purchaser conditions. As such, the Receiver also intends to seek Court approval of the PH09 sale at the February 7, 2023, hearing. Subject to: (i) you, your client and Mr. Zar undertaking to hold the purchase price for PH09 confidential until it is publicly disclosed by the Receiver or ordered to be disclosed by the Court; and (ii) your client and Mr. Zar undertaking not to contact the purchaser of PH09, the Receiver is prepared to provide you and your client with a copy of the agreement of purchase and sale (“**APS**”) for PH09. Please advise.

Regarding your January 19 letter, we confirm that we delivered the APS for PH04 to you on January 23. As relates to your inquiries in respect of the marketing (etc.) of PH04, the Receiver expects to serve its motion materials for the sale approvals later this week which will include relevant details in this regard (including as relates to PH09).

Regarding our repeated inquiry as to whether input tax credits (“**ITCs**”) were claimed on the last acquisition of the condo units subject to the receivership (the “**Units**”), although your January 19 letter addresses certain HST matters, it does not actually respond to the Receiver’s question. Please advise whether ITCs were claimed on the last acquisition of each Unit as soon as possible.

Finally, please provide a response to our letter of January 17, 2023, relating to PH07, in particular: (i) advising if your client is aware whether Ms. Rezaee has vacated PH07; and (ii) to the extent your client believes there is any basis upon which Ms. Rezaee is entitled to occupy PH07 at present, providing any Records (as defined in the Receivership Order) pertaining to same for consideration by the Receiver immediately.

Yours truly,

Goodmans LLP

A handwritten signature in black ink, appearing to read 'C. Armstrong', with a stylized flourish at the end.

Christopher Armstrong
CA/cag

Encl.

cc.

Receiver

7341365

Appendix “Y”

CITATION: *Rezaee v. Zar et al.*, 2020 ONSC 3014
COURT FILE NO.: CV-19-00623814
DATE: 2020-05-15

SUPERIOR COURT OF JUSTICE - ONTARIO

RE: MARYAM REZAEI, Plaintiff

AND:

RAYMOND ZAR, ROEHAMPTON CAPITAL CORPORATION, 30 ROE INVESTMENTS CORPORATION, MARY-AM HOSPITALITY CORPORATION, MARYAM TRAVEL INC., MARY-AM CORPORATION, MARYAM MAIDS INC., 170 WILLOWDALE INVESTMENTS CORPORATION, ZAR ADVISORY GROUP and ZAR GROUP, Defendants

BEFORE: Sossin J.

COUNSEL: Gwendolyn L. Adrian and Micheal G. Simaan, Counsel, for the Plaintiff
Lawrence E. Thacker and Vinayak Mishra, Counsel, for the Defendants

HEARD: April 24, 2020 (via videoconference)

REASONS FOR JUDGMENT

OVERVIEW

[1] Maryam Rezaee (“Maryam”) brings this motion for injunctive relief against her youngest son Raymond Zar (“Zar”) and several corporate defendants which are controlled by Zar. The subject of the dispute is a business involving several, related corporate entities providing hospitality and short-term rental accommodation in the Greater Toronto Area (the “Business”).

[2] As a result of a restructuring of the corporate ownership in 2017-2018, Maryam gave up control over the Business to Zar. She has brought this action to gain back control over the Business. On this motion, she argues she should be restored to control over the Business until the merits of her claim can be determined.

[3] Maryam founded the Business in 2001, and over the years as it grew, she employed her five children in different roles. Zar began working in the Business in 2009, and took on a greater role in 2013-2014 when Maryam was absent for a significant period of time.

[4] In 2014, Maryam and Zar had a falling-out, and Zar left the Business to take a position with another real estate management company.

[5] By 2016, Zar was again assisting with various Business ventures. Subsequently, Maryam asked Zar to obtain information on how to improve the Business' tax position through restructuring the corporate ownership.

[6] Through a series of transactions in December, 2017 and February, 2018, Zar and Maryam executed certain documents which restructured the corporate ownership of the Business and transferred effective control of the Business from Maryam to Zar.

[7] Following the restructuring, the main holding company for the Business is now the defendant, Roehampton Capital Corporation ("Roehampton Capital"). Roehampton Capital is a federal corporation and the sole shareholder of:

- a. The defendant, Mary-Am Hospitality Corporation, a federal corporation in the business of furnished apartment rentals under the trade name "Mary-Am Suites".
- b. The defendant, 30 Roe Investment Corporation, a federal corporation that owns condominium apartments at 30 Roehampton Avenue in Toronto, Ontario.
- c. The defendant, 170 Willowdale Investments Corporation, an Ontario corporation that owns and operates the hotel located at 170 Willowdale Avenue in Toronto, Ontario.

[8] Zar is the 60% majority shareholder, sole director, and president and CEO of Roehampton Capital. Maryam holds a 40% minority interest in Roehampton Capital.

[9] The relationship between Maryam and Zar deteriorated after the restructuring.

[10] On July 18, 2019, Maryam issued a notice of action and moved *ex parte* for Certificates of Pending Litigation ("CPL") against several properties owned by the Business.

[11] That *ex parte* motion was heard by Master McGraw on July 18, 2019. Master McGraw did not provide the CPL but granted an interim order preventing the sale or further encumbrance of the properties pending the motion returning to be resolved on notice (the "interim order"). That motion was adjourned *sine die* and remains outstanding.

[12] Maryam failed to file a statement of claim by August 15, 2019, the filing deadline set out in the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194 ("*Rules of Civil Procedure*")

[13] While accepting service of Maryam's statement of claim on September 12, 2019, Zar clarified in a letter to Maryam, dated September 20, 2019, that the statement of claim was not in compliance with the filing deadline.

[14] With the CPL motion adjourned and the dispute regarding late filing of the statement of claim unresolved, Maryam served notice that she intended to move for an injunction removing Zar from the management of the Business, and restoring her as manager.

[15] This development led to a case conference call before Master McGraw on September 20, 2019.

[16] On October 18, 2019, the parties appeared at Civil Practice Court to schedule the hearing of the motion for the injunction.

[17] Subsequently, on October 18, 2019, Master McGraw conducted a further case conference call with the parties. He reiterated that he remained available to deal with any matters within his jurisdiction, and set out that the parties had agreed that, given the overlap of issues, the injunction motion and the CPL motion should be heard together by the same Judge.

[18] On October 25, 2019, the defendants filed their notice of intent to defend.

[19] By endorsement dated April 7, 2020, Justice Myers determined that this motion met the threshold for urgent matters to be heard pursuant to the Notice to the Profession dated March 15, 2020, in relation to the COVID-19 emergency.

[20] On this motion, Maryam seeks mandatory injunctive relief which would remove Zar from his current role and restore Maryam as manager of the Business. In the alternative, Maryam seeks an order that certain properties be encumbered to preserve the assets of the Business until the trial of this action, and preventing Zar from funding this litigation from proceeds of the Business.

[21] Against this procedural backdrop, I now turn to the question of whether Maryam has met the threshold for injunctive relief.

[22] I also consider Zar's cross motion to have the interim order of Master McGraw removed.

ANALYSIS

[23] Maryam argues this injunction is necessary to preserve the Business she spent years building, and which she alleges her youngest son Zar took from her through the restructuring of the corporate ownership in 2018.

[24] She argues that she never read the documents which effected the restructuring, as they were in English and she reads only Farsi.

[25] Maryam acknowledges that she received independent legal advice ("ILA") from a lawyer, Email Mehrabi ("Mehrabi"), prior to signing the restructuring documents, and that this advice was provided to her in Farsi. Maryam's evidence is that she understood the transaction was intended only to affect the tax position of the Business, and that she was unaware that she would be giving up control of the Business to Zar. She states that she would not have agreed to the restructuring if she were aware of these consequences.

[26] Mehrabi's counsel attended the hearing of this motion, and advised that he is a defendant in a separate action which Maryam has brought in relation to the ILA.

[27] Zar argues that Maryam agreed to the restructuring of the Business. Zar characterized this restructuring as a “rescue” to deal with the Business’ serious financial problems, and to facilitate the purchase of properties by the Business, for which Zar provided personal guarantees.

[28] Zar rejects the allegation that Maryam was “duped,” and relies on the ILA Maryam received from Mehrabi, which included an account of the change in corporate ownership structure, prior to her signing the restructuring documents.

[29] Zar also takes issue with the remedy Maryam seeks of being restored as the manager of the Business. He alleges this remedy is vague. In light of the restructuring of the Business, Zar now occupies a management role which Maryam never had.

[30] With these differing accounts of the restructuring of the Business in mind, the key question that must be addressed in this motion is whether Maryam has met the test for injunctive relief.

[31] The test for injunctive relief is well-settled and not in dispute. An interlocutory injunction may be granted by the Court where it appears to be just and convenient to do so; *Courts of Justice Act*, R.S.O. 1990, Chap. C.43, s. 101.

[32] As the Supreme Court set out in *RJR-MacDonald Inc. v Canada (Attorney General)*, [1994] 1 SCR 311 (*RJR-MacDonald*), at para. 48, in deciding whether it is just and convenient to grant an injunction, the court must address three questions:

- a. Is there a serious issue to be tried?;
- b. Will the moving party suffer irreparable harm if the relief is not granted?; and
- c. Which party will suffer the greater harm from granting or refusing the remedy pending a decision on the merits?

[33] I address each question below.

Is there a serious issue to be tried?

[34] A serious issue to be tried will be established if the moving party satisfies the court that the claim is not frivolous or vexatious.

[35] Where a mandatory injunction is sought, as here, the moving party must establish that she has a “strong *prima facie* case.

[36] In *Quizno’s Canada Restaurant Corporation v. 1450987 Ontario Corp.*, 2009 CanLII 20708 (ON SC), Perell J. described this standard as follows:

[39] The strong *prima facie* case standard involves a more intensive examination of the merits of the plaintiff’s case. Since a “*prima facie* case” is established when on the

balance of probabilities it is likely that the plaintiff will succeed, I understand a “strong *prima facie* case” to involve a higher level of assurance at the interlocutory stage that it is likely that the plaintiff will succeed at the trial. In the context of claims for mandatory injunctions, a strong *prima facie* case has been interpreted to mean that the plaintiff must satisfy the court that he or she is clearly right and is almost certain to be successful at trial. Given the very intrusive nature of a mandatory injunction, there must be a high assurance that the injunction would be rightly granted. See *Barton-Reid Canada Ltd. v. Alfresh Beverages Canada*, [2002] O.J. No. 4116 (S.C.J.) at para. 9; *Benjamin v. The Toronto-Dominion Bank (2006)*, 2006 CanLII 9960 (ON SC), 80 O.R. (3d) 424 (S.C.J.) at para. 27. (Emphasis added.)

[37] As Morawetz J. (as he then was) stated in *Hennigar v The Target Corporation*, 2011 ONSC 2271 (ONSC), at para. 33, “In order to meet the first part of the test, the Plaintiffs must not only show that there is a serious issue to be tried, but because the injunction is a mandatory one, must show that they are clearly right and almost certain to be successful at trial.”

[38] Therefore, the question I must answer is whether, on the basis of the record before me, Maryam is almost certain to be successful on her claims at trial.

[39] Certain key facts underlying Maryam’s claim are not in dispute.

[40] There is no dispute that the restructuring was Zar’s idea, or that the effect of the restructuring was to remove control over the Business from Maryam in favour of Zar.

[41] There is also no dispute that a memorandum on the tax advantages of a restructuring of the corporate ownership of the Business was provided by the firm of Stern Cohen, whom Zar retained (the “Stern Cohen Memo”).

[42] There is no dispute that Maryam entered into the restructuring after receiving ILA from Mehrabi, and signed an ILA Certificate, on February 25, 2018. The ILA Certificate confirmed that Maryam understood the effects and consequences of entering into the transaction and that she had made a free and fully informed decision without any undue influence to enter into the transaction.

[43] That is where the agreement as to what transpired in relation to the restructuring ends.

[44] Maryam raises two main grounds in her claim; first, that the restructuring documents are unenforceable due to the doctrine of *non est factum*; and second, that Zar’s conduct has been oppressive within the meaning of the oppression remedy under s.248 of the Ontario *Business Corporations Act*, R.S.O. 1990, c. B.16 (“*OBCA*”).

[45] I examine each aspect of the claim below.

Non est factum

[46] While Maryam does not dispute signing the documents which resulted in the restructuring of the Business, Maryam argues the doctrine of *non est factum* applies in this case. *Non est factum* may be pleaded as a defence to the enforcement of an agreement where the

document signed is of a different nature from that which the signor intended to execute; *Marvco Colour Research Ltd. v. Harris*, [1982] 2 SCR 774.

[47] *Non est factum* requires that the party signing a document must have a fundamental misunderstanding as to the nature or effect of the document, and does not apply where a party is guilty of carelessness in signing the document without being aware of its contents; *Belchevski v. Milka Dziemianko*, 2014 ONSC 6353, at para. 18.

[48] In this case, Maryam submits that she executed numerous documents believing that she was restructuring the Business in order to redistribute certain tax losses within the corporate structure, as recommended by the Stern Cohen Memo.

[49] Maryam states that she believed that, in exchange for executing these documents, she would be receiving substantial consideration, and that she would remain in control and a director of the Business that she had built and operated for years.

[50] Maryam has not produced evidence to substantiate the claim that she was told she would remain in control after the restructuring.

[51] She has produced evidence to substantiate the claim that she would receive consideration. The consideration alleged by Maryam was a cheque for \$200,000, which Zar presented to her at the time of the restructuring. The memo line on the cheque stated “Full and Final Payment for Roehampton Capital Restructuring.”

[52] Zar states the purpose of this cheque related to a separate potential credit to Maryam for the purchase of one of the properties owned by the Business, and was unrelated to Maryam’s agreement to the restructuring itself. Zar’s characterization is supported by the affidavit evidence of Mehrabi.

[53] Based on the record before the Court, it is not possible to reach a conclusion with respect to the precise purpose of this \$200,000 cheque, which was never cashed.

[54] With no conclusive evidence as to whose account of the restructuring is accurate, Maryam’s argument will turn on the scope and nature of the ILA provided by Mehrabi, which is disputed by the parties.

[55] In her factum, Maryam characterizes the scope of Mehrabi’s advice as follows (at para. 41):

Mehrabi insists that he provided advise [sic] solely with respect to whether certain documents, provided by Zar, implemented a plan set out in the Stern Cohen Memo which had been created for the Zar Group. Mehrabi did not advise Maryam regarding whether the Consideration was adequate for the Restructuring or whether any steps had been taken to ensure that the Consideration would be paid. Mehrabi did not advise Maryam that failure to execute a shareholder agreement prior to executing the documents and becoming a minority shareholder would essentially negate all of her bargaining power regarding the shareholder agreement. Finally, Mehrabi did not advise that the practical effect of the restructuring meant that Zar as sole director of RCC could issue dividends to

himself while excluding Maryam from receiving dividends, thereby diverting all assets and income from RCC to himself.

[56] The defendants' factum characterizes Mehrabi's affidavit evidence in starkly different terms (at para. 50):

- Mr. Mehrabi's testified under oath that he fully informed Ms. Rezaee as to the content of the Restructuring Agreement on February 25, 2018 and she voluntarily executed said agreement in his presence. All of his recollections were confirmed by detailed contemporaneous notes he made. During this meeting, Mr. Mehrabi:
- Explained to Ms. Rezaee in Farsi how 30 Roe Corp and the Mary-Am Group would be reorganized under the Stern Cohen Memorandum.
- Expressly advised Ms. Rezaee that Mr. Zar would be the sole director of Roehampton Capital, the new holding company and would be running the corporation and making all of the day-to-day operating decisions.
- Was satisfied that Ms. Rezaee understood Mr. Zar would be the sole director of Roehampton Capital and in complete control of Roehampton Capital.
- Witnessed Ms. Rezaee execute the unsigned documents on February 25, 2018, which he received from Mr. Zar on February 23, 2018, that enacted the Restructuring Agreement effective December 22, 2017. (Footnotes omitted)

[57] Mehrabi's affidavit evidence appears to provide some support for both sides of this dispute. On the one hand, Mehrabi confirms that he saw his role as limited to giving advice on the Stern Cohen tax memo, not the entire restructuring and all of its implications, which supports Maryam's position. On the other hand, he states that Maryam was aware that the whole plan was for Zar to become the sole director of the holding company which would run the Business, so as to manage it in a proper and professional way, which supports Zar's position.

[58] In *Adelaide Capital Corp. v Kaludis* 1997 CarswellOnt 3313 ("*Adelaide*"), the Ontario Court of Appeal considered the interaction between ILA and the doctrine of *non est factum*. In that case, the Court of Appeal overturned the summary judgment ruling that held the guarantee was enforceable because the guarantor had independent legal advice. Rather the Court ruled that the role of the guarantor's son, who attended the solicitor's office with the guarantor and acted as translator, together with the evidence that the son "might have misled her" created a genuine issue for trial.

[59] What is missing in this case, however, is clear evidence that Zar misled Maryam. While Maryam does not speak or read English, Mehrabi's evidence is that he explained to her in Farsi the consequences of her signing the corporate documents for the restructuring and that she understood those consequences.

[60] This situation also differs from *Adelaide* where the lawyer providing the ILA did not speak the same language as the client receiving the advice, and so both the lawyer and the client relied instead on the client's son to translate. In this case, Mehrabi is fluent both in English and Farsi and therefore was able to explain the documents directly to Maryam in Farsi.

[61] Additionally, in this case, the question is not whether there is a genuine issue for trial as to whether *non est factum* may apply, but rather whether the record can support the conclusion that Maryam is almost certain to succeed on this issue at trial for purposes of the mandatory injunction she seeks on this motion.

[62] It is apparent that the resolution of the issue of *non est factum* will turn, to some extent, on the credibility of Mehrabi's account of the scope of the ILA.

[63] Maryam gave evidence, for example, that Mehrabi tried to convince her to go along with Zar acquiring majority ownership. Mehrabi denies he attempted to pressure Maryam to agree to the restructuring.

[64] Maryam may or may not prevail on the question of the application of *non est factum* to the restructuring in light of the ILA, but in these circumstances, but I cannot find that her likelihood of success on this point meets the threshold of near certainty required for a mandatory injunction.

The oppression remedy

[65] Maryam also argues that the injunction is warranted based on an oppression remedy in light of her minority interest in the holding company of the Business.

[66] The oppression remedy is governed by s.248 of the *OBCA*, which requires that the party claiming oppression must demonstrate (a) there been a breach of a reasonable expectation of a stakeholder and (b) the failure to meet the reasonable expectations of the stakeholder involved unfair conduct that led to prejudicial consequences.

[67] Under an oppression action, a court will enforce a fair outcome, taking into consideration the reasonable expectations of the parties. In *BCE Inc., Re*, 2008 SCC 69, at paras. 58-9, the Supreme Court of Canada stated:

[58] First, oppression is an equitable remedy. It seeks to ensure fairness — what is “just and equitable”. It gives a court broad, equitable jurisdiction to enforce not just what is legal but what is fair: *Wright v. Donald S. Montgomery Holdings Ltd.* (1998), 1998 CanLII 14805 (ON SC), 39 B.L.R. (2d) 266 (Ont. Ct. (Gen. Div.)), at p. 273; *Re Keho Holdings Ltd. and Noble* (1987), 1987 ABCA 84 (CanLII), 38 D.L.R. (4th) 368 (Alta. C.A.), at p. 374; see, more generally, Koehnen, at pp. 78-79. It follows that courts considering claims for oppression should look at business realities, not merely narrow legalities: *Scottish Co-operative Wholesale Society*, at p. 343.

[59] Second, like many equitable remedies, oppression is fact-specific. What is just and equitable is judged by the reasonable expectations of the stakeholders in the context and in regard to the relationships at play. Conduct that may be oppressive in one situation may not be in another.

[68] Maryam argues that she spent almost two decades building establishing a viable business which was branded upon her personal name and reputation. She states that she believed the restructuring that was to occur was to offset losses between the corporations for the purposes of taxes. She expected that she would experience a minor decrease in her shareholdings but would remain in charge and managing the Business.

[69] Maryam claims that the restructuring was done in a way that deprived Maryam of assured repayment of shareholder loans in excess of \$1.5 million that she made to the Business.

[70] Further, Maryam states that she has been excluded from the business and physically barred from the business locations. According to Maryam, she also has been financially cut off from the business, which was the sole support for her and her family for almost two decades, and is now dependent on the support and good will of family members.

[71] As set out in the *non est factum* argument, Maryam argues that she was duped into agreeing to the restructuring, which deprived Maryam of her majority shareholdings (and thus control of the Business).

[72] Zar's position is that Maryam had no reasonable expectation to stay in management of the Business after agreeing to transfer her controlling interest to Roehampton Capital. Further, Zar argues there is no evidence for the claim that he would not repay Maryam's shareholder loan of \$1.5 million.

[73] Further, notwithstanding Maryam's claim that Zar has the authority to withhold dividends from Maryam, there is no evidence in the record that Mr. Zar actually has paid himself any dividends or has unequally distributed or withheld any dividends.

[74] Zar submits that Maryam's claims with respect to the oppression remedy do not justify a mandatory injunction.

[75] It is clear that the oppression claim, like the *non est factum* claim, will turn on issues of credibility which cannot be resolved on record before me.

[76] Based on this record, I do not find a basis to conclude that Maryam is nearly certain to succeed on her oppression claims.

[77] Therefore, while Maryam's action raises a serious issue, I am unable to find that Maryam is almost certain to be successful at trial on either of the grounds for her claim.

Will Maryam suffer irreparable harm if the relief is not granted?

[78] Even if Maryam were able to demonstrate that she was almost certain to be successful at trial on her claim, it would still be necessary to show that she would suffer irreparable harm if the injunction is not granted.

[79] Irreparable harm is harm that cannot be quantified in monetary terms or which cannot be cured such as where one party will suffer permanent market loss or damage to business reputation; *RJR-MacDonald*, at para. 64.

[80] In this case, Maryam argues that the irreparable harm flows from the loss of prospective tenants for the Business as well as more general reputational harm to the Business.

[81] Maryam relies on *1107051 Ontario Limited v Bloke & 4th Inc. et al*, 2012 ONSC 4204 at para. 14 for the proposition that in the context of a commercial tenancy, loss of tenants has been found to constitute irreparable harm as it is impossible to identify or quantify.

[82] Maryam submits that “stakeholder relationships are breaking down and have broken down under Zar’s management.” She states that Zar is antagonizing residential landlords by non-payment or untimely payment of rent, non-responsiveness and, poor communications practices in which Zar accuses the stakeholder of colluding with Maryam against him.

[83] According to Zar, however, the landlords referred to by Maryam reflect an unrepresentative sample of the total landlords in leases with Mary-Am Hospitality, and that virtually all of these landlords who provided affidavits on behalf of Maryam have personal connections with her.

[84] Zar submits that in some cases, these landlords improperly raised the rent on their condominium units to create a false record of rental arrears. Zar further states that the other landlords have refused to make any allegations of non-payment of rent under oath.

[85] It is not necessary to resolve the competing accounts of the landlord evidence in each instance. At its highest, these landlord affidavits call into question the conduct of Zar with respect to a modest portion of the Business which is not, in and of itself, sufficient to generate a situation of harm which could not be addressed through damages.

[86] The record on this motion does not disclose significant transactions or events on the horizon which could justify the conclusion that the Business is being harmed by Zar in a way that cannot be reversed if Maryam succeeds in her action.

[87] Maryam also highlighted Zar’s efforts to rebrand the Business, forsaking Maryam in the title of the associated companies in the Business in favour of Roehampton Capital. While this shift may or may not cause harm to the Business, it does not amount to irreparable harm within the meaning of the *RJR-MacDonald*.

[88] Maryam also alleges that Zar has disparaged the landlords and accused them of colluding with Maryam. Maryam argues that, “such behavior cannot be beneficial to the reputation of the Maryam Companies.” (Maryam factum, at para. 67)

[89] While the internal dispute between Maryam and Zar no doubt may have negative effects on the reputation of the Business and relations with specific landlords, I do not see this factor as constituting irreparable harm if the mandatory injunction sought is not granted.

[90] The fact that Maryam remains a significant minority shareholder means that her interests remains aligned with the Business, just as Zar’s interests rise or fall with the Business. Maryam presented no scenario in which her interests in the Business would be harmed while Zar’s interests are helped.

[91] In light of these circumstances, I find that no irreparable harm will flow from Zar remaining in his current role while the litigation is conducted.

Does the balance of convenience favour granting or refusing to grant the injunction?

[92] The final element of the threshold for an injunction is the balance of convenience. This element involves a determination of which of the two parties will suffer the greater harm of granting or refusing the interlocutory injunction pending a decision on the merits; *RJR-MacDonald*, at para 80.

[93] Maryam submits that if she is prevented from managing the Business but ultimately successful at trial, “the enterprise she spent a significant part of her adult life building will be returned to her in, at best, a decidedly different form.” (Maryam factum, at para. 51).

[94] Zar argues that the balance of convenience favours the defendants and preserving the status quo. Zar submits that Maryam has never been responsible for management of the Business under the present structure, and the risk to the operations of the Business would be substantial.

[95] The risks associated with a change in management at the present time, in my view, outweigh the broader concern that if successful, Maryam would eventually be returned to control over a Business in a “decidedly different” form.

[96] I am unable to conclude that the balance of convenience favours the disruption to the leadership of the Business sought by Maryam through a mandatory injunction.

[97] For these reasons, that Maryam has not met the *RJR-McDonald* test for the mandatory injunction she seeks.

Zar’s cross motion

[98] In a cross-motion, Zar argues that the interim order of Master McGraw should be treated as invalid *ab initio*, on the basis that Maryam failed to disclose the existence of the ILA at her *ex parte* appearance before Master McGraw, which led to the interim order.

[99] Rule 39.01(6) of the *Rules of Civil Procedure* requires full and fair disclosure of all material facts on the part of parties who move for *ex parte* relief.

[100] Zar submits that failing to disclose the ILA during the *ex parte* motion before Master McGraw constituted a “material misrepresentation” and rendered the interim order invalid from the start.

[101] The ILA is clearly relevant to Maryam’s claim that she was misled into agreeing to the restructuring, for the reasons set out above. That said, Maryam’s “serious allegations” of having been misled, referred to as a basis for the interim order by Master McGraw in his July, 2019 endorsement remain unresolved, notwithstanding the ILA.

[102] Master McGraw’s interim order sets out that it is to remain in place until the final disposition of the CPL motion.

[103] Zar characterizes the CPL motion as having been abandoned by Maryam.

[104] Maryam, however, disputes this characterization.

[105] While the October 18, 2019 endorsement of Master McGraw refers to a potential agreement between the parties that the CPL motion could be argued at the same time as the injunction motion, the parties apparently did not follow through to finalize such an agreement.

[106] In any event, the substantive issues relating to the CPL threshold were not argued before me, and I decline to reach any finding in relation to the CPL.

CONCLUSION

[107] For the reasons given above, I have found that Maryam is not entitled to a mandatory injunction restoring her as manager of the Business, and therefore this motion must be dismissed.

[108] As alternative relief, Maryam seeks an interim interlocutory motion restraining Zar from transferring, encumbering assigning or otherwise dealing with any or all of the properties or portions thereof; and restraining Zar from using any of the proceeds from the Business to fund the within litigation.

[109] I do not find a basis for a prohibitory injunction restraining Zar from using any proceeds from the Business to fund this litigation or restraining the sale or encumbrance of properties owned by the Business.

[110] While the initial threshold for prohibitive injunctions is the lower standard of showing a *prima facie* case, rather than near certainty of success, the requirement of demonstrating irreparable harm remains a barrier to Maryam obtaining injunctive relief.

[111] That said, I also find no basis to remove or alter Master McGraw's interim order regarding the properties at issue in the CPL litigation, which prevents those properties from being sold or otherwise subject to encumbrances, pending the outcome of the CPL motion.

[112] Therefore, the cross motion by Zar is also dismissed.

[113] For this reason, the interim order remains in effect.

[114] If relief is required in relation to Master McGraw's order, the parties are free to seek a variation of that interim order before Master McGraw, or otherwise proceed with the CPL motion.

[115] Costs' outlines were provided by counsel after the hearing of this motion. At the close of the hearing, I stated that the parties would have an opportunity to address costs by way of written submissions after this decision was released, if necessary.

[116] While the result of this motion is mixed, I find Zar is entitled to a portion of his costs given that Maryam was not successful in obtaining injunctive relief.

[117] If the parties cannot reach agreement on costs, each may provide written submissions of no more than three pages in length, within 30 days of this judgment, via email to jessica.perri@ontario.ca.



Sossin J.

Appendix “Z”

CONDOMINIUM AGREEMENT OF PURCHASE AND SALE

The undersigned _____ (“Purchaser”) hereby agrees with KSV Restructuring Inc. solely in its capacity as the court appointed receiver and manager of certain property of 30 Roe Investments Corp. (“30 Roe”) pursuant to an order of the Ontario Superior Court of Justice – Commercial List (the “Court”) made in receivership proceedings pursuant to Section 243 of the *Bankruptcy and Insolvency Act* and Section 101 of the *Courts of Justice Act* bearing court file number CV-22-00674810-00CL (the “Vendor”), to purchase the dwelling unit in Toronto Standard Condominium Plan No. 2559 (the “Plan”) at 30 Roehampton Avenue, Toronto (the “Property”) described in Schedule B attached hereto together with the appurtenant common interest, parking space and storage locker (collectively, the “Unit”).

1. Purchase price for the Unit shall be _____
_____ DOLLARS (\$ _____) (the “Purchase Price”) payable as follows:
 - (a) \$ _____ by certified cheque or wire transfer payable to KSV Restructuring Inc., in trust as a deposit with this offer; and
 - (b) The balance of the Purchase Price, plus any applicable HST (as defined below), shall become due and be payable by wire transfer on the Closing Date as defined in Schedule A attached hereto.

If Purchaser does not pay the full deposit when due, then, at the option of the Vendor, this Agreement of Purchase and Sale shall become null and void and any deposit that has been paid, together with accrued interest, shall be forfeited to Vendor in full without setoff or deduction, without prejudice to any other right or remedy that Vendor may have.

2. It is expressly acknowledged and agreed that transfer of title to the Unit shall be effected by way of Vesting Order as defined in Paragraph 2 of Schedule A.
3. This Condominium Agreement of Purchase and Sale (which includes Schedules A, B, and C) (“Agreement of Purchase and Sale”), when accepted, shall constitute the entire agreement between Vendor and Purchaser and becomes a binding agreement.

Schedules to Agreement of Purchase and Sale

Schedule A – Additional Terms

Schedule B – Legal Description Of Unit

Schedule C – Vesting Order

DATED this _____ day of _____, 2023.

[IF PURCHASER IS A CORPORATION]

Per: _____
Name:
Title:

Per: _____
Name:
Title:

I/We have authority to bind the Corporation

[If Purchaser is an individual]

Witness

Name

Witness

Name

Purchaser:

Purchaser's solicitor:

Address

Name

Address

Firm

Home Telephone No.

Address

Business Telephone No. Email Address
Number

Email Telephone Number

Vendor accepts this Agreement of Purchase and Sale and agrees to complete this transaction in accordance with the terms thereof.

DATED at _____ this _____ day of _____, 2023.

VENDOR'S SOLICITORS

GOODMANS LLP
Bay Adelaide Centre
333 Bay Street #3400
Toronto, Ontario M5H 2S7
Attn: Chris Armstrong/Tyler
D'Angelo

Telephone: 416.979.2211
Email: carmstrong@goodmans.ca/
tdangelo@goodmans.ca

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

Per:

Authorized Signing Officer
I have the authority to bind the Corporation

c/o
KSV RESTRUCTURING INC.
150 King Street West
Suite 2308
Toronto, ON M5H 1J9

Attention: Noah Goldstein
Email: ngoldstein@ksv advisory.com
Fax: 416.932.6266

**SCHEDULE A
TO CONDOMINIUM AGREEMENT OF PURCHASE AND SALE**

ADDITIONAL TERMS

Condominium

1. The Unit has been created in accordance with the Plan and a declaration registered on December 2, 2016 as Instrument No. AT4423506, with respect to a building on lands described in Schedule A to the declaration (the "**Lands**") in accordance with the provisions of the *Condominium Act, 1998* (Ontario), as amended.

Unit Transfer

2. This Agreement of Purchase and Sale shall be completed on the day that the Vendor delivers to the Purchaser the Receiver's Certificate as defined in the Approval and Vesting Order (Remaining Units) of the Court dated May 25, 2023, a copy of which is attached as Schedule C hereto (the "**Vesting Order**"), provided that such day is a business day in the Province of Ontario and shall not be earlier than thirty (30) days after the date this Agreement of Purchase and Sale is accepted by the Vendor (such date, the "**Acceptance Date**"), or such extended or accelerated date pursuant to the terms of this Agreement of Purchase and Sale (the day on which this Agreement of Purchase and Sale shall be completed, the "**Closing Date**"). The Purchaser and Vendor agree that the Closing Date shall be _____, unless otherwise mutually agreed.

Deposit

3. The deposit paid by Purchaser shall be held by the Vendor, in trust, and shall be released in accordance with the terms of this Agreement of Purchase and Sale.

Title

4. Purchaser agrees to accept title "as-is, where-is", with no representation or warranty, express or implied, by the Vendor. Without limiting the generality of the foregoing, and without derogating from Sections 19 and 20, in entering into this Agreement of Purchase and Sale, the Purchaser acknowledges having had an opportunity to review, and being satisfied with, the following:
 - (a) The declaration, description, by-laws, and rules and regulations of the condominium corporation;
 - (b) Any subdivision agreement, site plan agreement, development agreement, Section 37 of the *Planning Act*, R.S.O. 1990 (the "**Planning Act**") agreement or any other agreement pertaining to the development of the Lands;
 - (c) Easements or licenses for installation or maintenance of any utility or other service, including, without limitation, telephone, hydro, gas, sewer, water,

television, cable, master antenna television distribution system, support, and ventilation;

- (d) Any easement agreements, mutual use agreements, shared facilities agreements, and reciprocal agreements entered into with neighbouring landowners relating to the shared use, maintenance, repair, improvement and replacement of facilities and services;
- (e) All restrictive covenants and conditions touching or affecting the Lands, including any warning provisions or notice provisions required by any governmental authority pertaining to noise or noise attenuation or environmental matters;
- (f) Leases, service, maintenance or license agreements of portions of common elements;
- (g) Easement, restrictions and conditions that run with the Lands;
- (h) Any restrictions or reservations contained in the original crown grant; and
- (i) All registrations against title to the Unit as of the Acceptance Date (subject, for greater certainty, to Section 5(d)).

5. Purchaser acknowledges and agrees that:

- (a) it shall be allowed until five (5) days after the Acceptance Date (such date, the “**Title Requisition Date**”) to examine title, at Purchaser’s expense, and if, within that time, any valid objection is made in writing which Vendor shall be unwilling or unable to remove or satisfy and which Purchaser will not waive, this Agreement of Purchase and Sale shall, notwithstanding any intermediate negotiations in respect of such objection, be null and void and the deposit shall be returned with any interest earned thereon, less any deduction imposed by law, and Vendor shall have no further liability or obligation and shall not be liable for any costs or damages whatsoever. For greater certainty, any objections to matters contemplated or identified in Section 4 shall not constitute a “valid objection” unless such objection goes to the root of title. Save as to any valid objections so made within such time, Purchaser shall be conclusively deemed to have accepted title;
- (b) it shall not call for production of any occupancy certificate, or title deed or abstract or other evidence of title;
- (c) any requisition letter in respect of this transaction may be answered by title memorandum issued by the Vendor’s solicitors;
- (d) as of the date of this Agreement of Purchase and Sale, the Unit may be encumbered by blanket charge(s) which is (are) not to be assumed. Purchaser shall accept the Vesting Order in full satisfaction of Vendor’s obligation to provide

a discharge of encumbrances not intended to be assumed by Purchaser as specified on Schedule B to the Vesting Order;

- (e) Vendor will not be supplying a status certificate in respect of the Unit (the Purchaser is advised to contact TSCC No. 2559 to obtain a status certificate);
- (f) the Unit may include a rental or leased hot water tank and associated components which would remain the property of the appropriate company or other supplier of such item, and in such event, the Purchaser shall pay the monthly rental/lease charges assessed with respect thereto from and after the Closing Date, and shall execute all requisite rental documents in connection therewith. Accordingly the cost of a hot water tank and associated components is not included in the Purchase Price;
- (g) the HVAC equipment, which may include heating, air conditioning and furnace units, within the Unit may be leased and, if so, is not included in the Purchase Price, and in such event, the Purchaser shall pay the monthly rental/lease charges assessed with respect thereto from and after the Closing Date, and shall execute all requisite rental documents in connection therewith;
- (h) it may be required to enter into an agreement with the supplier of hydro services to the condominium (the "**Hydro Supplier**"), and such agreement may require the Purchaser to deliver a security deposit to the Hydro Supplier prior to the Closing Date. The Purchaser agrees to deliver such security deposit to or at the direction of the Vendor on the Closing Date;
- (i) it has had an opportunity to inspect the Unit and, further to Section 19, is purchasing the Unit on an "as is, where is" basis;
- (j) it shall satisfy itself as to the due compliance with the provisions of any instrument or matter referred to herein, and shall not require releases with respect to same; and
- (k) except for the fridge, stove, microwave, dishwasher, washer and dryer, window coverings, and electric light fixtures currently in the dwelling Unit, no other chattels (including any furniture or decorative items) are being purchased and sold hereunder.

Adjustments, Etc.

- 6. On the Closing Date, in addition to the deposit, the Purchase Price shall be adjusted as follows, with the Closing Date itself apportioned to the Purchaser:
 - (a) Common expenses from and after the Closing Date shall be the responsibility of the Purchaser. To the extent any common expenses are in arrears prior to the Closing Date, the Vendor covenants, promptly following closing, to remit sufficient

funds from the Purchase Price to satisfy any such common expenses that are in arrears. Common expenses owing on the Closing Date but not in arrears shall be adjusted for on closing;

- (b) Realty taxes from and after the Closing Date shall be the responsibility of the Purchaser. To the extent any realty taxes are in arrears prior to the Closing Date, the Vendor covenants, promptly following closing, to remit sufficient funds from the Purchase Price to the City of Toronto to satisfy any such realty taxes that are in arrears. Realty taxes owing on the Closing Date but not in arrears shall be adjusted for on closing;
- (c) The cost of water, gas, and/or electricity meter, check meter or consumption meter installation, connection charges, energization charges, and any other charges in connection with the provision of any water, gas, or electricity service; and
- (d) Legal fees and disbursements charged to Purchaser for implementing any changes to the Unit transfer documents requested by Purchaser, for reproducing or resending any Unit transfer documents, and for reimbursement of Vendor's reasonable fees and disbursements incurred on account of any default of the Purchaser.

7. All adjustments shall be subject to applicable taxes.

Taxes

- 8. (a) Purchaser shall be responsible for and pay, and indemnify and save Vendor harmless from and against any claims against Vendor resulting from a failure to pay:
 - (i) registration costs and taxes (including land transfer taxes and, if indicated below, harmonized sales tax (“**HST**”) under the *Excise Tax Act* (Canada) (the “**HST Legislation**”)) in connection with registration of the Vesting Order and the transfer of title of the Unit to the Purchaser; and
 - (ii) any further returns, certificates, or other filings required to be filed by the Purchaser with any governmental authority in connection with the transfer of the Unit.
- (b) Purchaser and Vendor acknowledge that the Purchase Price payable hereunder is inclusive of any applicable HST. The Vendor shall remit any applicable HST to the appropriate taxing authority as required by the HST Legislation.

Changes

- 9. Purchaser agrees to submit to Vendor on or before the Title Requisition Date, written advice as to the manner in which Purchaser intends to take title (if different from the named Purchaser in this Agreement and Purchase of Sale). If Purchaser does not submit

such advice, Vendor shall be entitled to tender the Vesting Order and Receiver's Certificate engrossed in the name of Purchaser as shown on the face of this Agreement of Purchase and Sale.

10. If, following delivery by Vendor's solicitors of the Unit transfer documents, Purchaser:
 - (a) changes the names or the manner in which Purchaser has previously advised to take title to the Unit;
 - (b) changes solicitors; and/or
 - (c) changes any other factual information or documentation forming part of the Unit transfer documents that are prepared by Vendor's solicitors, the Purchaser shall reimburse Vendor for Vendor's processing costs, including any legal fees and disbursements, and the cost to redo, reproduce and send the documents, for each package that is revised, reproduced or re-sent.

Closing

11. Purchaser shall provide to Vendor, on or before the Closing Date:
 - (a) satisfactory evidence that Purchaser has opened accounts for all utilities or other services that are not bulk metered that supply service to the Unit or that are to be billed directly to the occupant of the Unit, and Purchaser shall not be entitled to possession of the Unit until such evidence is provided;
 - (b) undertaking to readjust;
 - (c) Purchaser's acknowledgment as to the "as-is, where-is" nature of the Unit;
 - (d) direction for title;
 - (e) the outstanding Purchase Price;
 - (f) any assumption documentation reasonably required by the Vendor; and
 - (g) all other documents which the Vendor reasonably requests to give effect to the transaction herein contemplated.
12. Vendor shall provide to the Purchaser, on or before the Closing Date:
 - (a) Receiver's Certificate;
 - (b) statement of adjustments;
 - (c) bill of sale;
 - (d) general conveyance and assignment;

- (e) an omnibus agreement as to residency, undertaking to readjust, and directing payment of closing proceeds; and
 - (f) all other documents which the Purchaser reasonably requests to give effect to the transaction herein contemplated.
13. (a) Purchaser shall retain a lawyer who is an authorized user of Teraview Electronic Registration System (“**TERS**”) to represent Purchaser in this transaction, and shall authorize such lawyer to enter into an escrow closing agreement (“**Escrow Closing Agreement**”) with Vendor’s solicitors on the most recent form of document registration agreement published by the Law Society of Ontario, establishing the procedures and timing to be followed to complete the transaction.
- (b) The parties acknowledge that the delivery and exchange of documents, monies and keys to the Unit, and the release of them to Vendor and Purchaser, as the case may be, shall not occur at the same time as the registration of the Vesting Order and other documents requiring registration, and that the documents, monies and keys shall not be released except in strict accordance with the Escrow Closing Agreement.
- (c) Purchaser acknowledges that Purchaser will not receive the Receiver’s Certificate or the Vesting Order to the Unit for registration until the balance of funds due on the Closing Date, in accordance with the statement of adjustments, is either remitted by wire transfer to Vendor’s solicitors using the Large Value Transfer System, or by such other means as Vendor’s solicitors may direct, by no later than 3:00 p.m. on the Closing Date, or by no later than 4:00 p.m. on the Closing Date if received by wire transfer to Vendor’s solicitors’ trust account using the Large Value Transfer System administered by the Canadian Payments Association.
- (d) If, on the Closing Date, Purchaser has delivered all documents and funds required to complete the transaction, and Vendor has delivered all documents and has released the Vesting Order and Receiver’s Certificate, Vendor shall be at liberty to release the funds after 5:00 p.m. on the Closing Date notwithstanding the failure of the Purchaser to register the Vesting Order.
14. Purchaser agrees that keys may be released to the Purchaser via lockbox on closing. Vendor’s advice that keys are available shall be a valid tender of possession of the Unit to the Purchaser.
15. If the within transaction is not completed for any reason whatsoever, notwithstanding refund or forfeiture of deposit, Purchaser shall execute and deliver such documents affecting title as are necessary for Vendor to effect a resale of Unit.

Tender

16. The tender of documents or money may be made or given upon or to the solicitor acting for party upon or to whom tender or notice is desired to be made or given, by way of facsimile or email, and it shall be sufficient that a certified cheque may be tendered in lieu of cash. There shall be no need to personally tender on Purchaser or Purchaser's solicitor with the documents and/or keys described above, and no requirement to have an independent witness attesting to the matters described above.
17. In the event Purchaser or Purchaser's solicitor indicates or expresses to Vendor or Vendor's solicitors, on or before Closing Date, that Purchaser is unable or unwilling to close, Vendor is relieved from any obligation to make any formal tender and may exercise forthwith any and all of its rights and remedies.

Vesting Order

18. The Purchaser agrees and acknowledges that the obligation of the Vendor to complete this Agreement of Purchase and Sale is subject in all respects to the Vesting Order being in full force and effect on the Closing Date. In the event the Vesting Order is subject to a stay, appeal, leave to appeal or other motion or application for similar review on the Closing Date, the Purchaser and the Vendor agree to extend the Closing Date to the first business day following the Vesting Order no longer being subject to such stay, appeal, leave to appeal or other motion or application for similar review, or such other date as they may mutually agree to in writing. The foregoing sentence is intended for the exclusive benefit of the Vendor and the Purchaser and shall not create or confer rights on any third party.

Purchasing "As Is – Where is"

19. Purchaser acknowledges that Purchaser is purchasing the Unit on an "as is, where is basis", at the Purchaser's sole cost and peril, and (except as expressly provided in this Agreement of Purchase and Sale) without any express or implied agreement, representation or warranty of any kind whatsoever (legal or conventional) as to the title, area, physical characteristics, quality, profitability, use or zoning, the existence of latent defects, any environmental matter, leases, the state of accounts relating to any tenancies, accuracy of any information provided to Purchaser, Unit size, condition of the Unit, fitness for purpose, finishes, or any obligation to complete work. Without limiting the foregoing, any and all conditions or warranties expressed or implied pursuant to the *Sale of Goods Act* (Ontario) will not apply and are waived by the Purchaser, and except for the Vendor's representations and warranties expressly set out herein, all legal and conventional warranties are hereby excluded.
20. Purchaser acknowledges it is relying on its own due diligence investigations in respect of the Unit, and that the Unit will be transferred to the Purchaser complete with all existing encumbrances (registered or otherwise), save for those encumbrances to be discharged by way of the Vesting Order.

No Registration of Notice

21. Purchaser covenants and agrees not to register or cause to be registered this Agreement of Purchase and Sale or notice thereof or a caution or any other document evidencing this Agreement of Purchase and Sale against title. Purchaser hereby irrevocably nominates, constitutes and appoints Vendor as Purchaser's agent and attorney, in fact and in law, to cause removal of notice of this Agreement of Purchase and Sale, caution or any other document whatsoever from title and to represent Purchaser before any level of government or administrative tribunal in accordance with this provision, and agrees to execute a separate power of attorney if required by Vendor. Purchaser shall deliver to Vendor the same covenants in written form from any subsequent purchaser.

Assignment

22. Purchaser covenants and agrees not to list for sale, advertise for sale, offer for sale, sell, lease, offer to lease, transfer or assign, Purchaser's rights hereunder or in Unit, at any time prior to the Closing Date, without prior written consent of Vendor, which consent may be unreasonably withheld in the Vendor's sole, absolute, and unfettered discretion, and may be subject to such conditions as the Vendor may see fit.

Default

23. If there is any default by Purchaser:
- (a) relating to Purchaser's obligations to execute and deliver documentation required to be given to Vendor on or before the Closing Date, or relating to any obligation of Purchaser to pay the deposit or other monies pursuant to this Agreement of Purchase and Sale, or
 - (b) relating to any covenant or agreement to be performed under this Agreement of Purchase and Sale not involving the payment of money or the delivery of documents, and such default continues for five (5) days after written notice to Purchaser or Purchaser's solicitors, or recurs after delivery of such notice,

then, in addition to any other rights or remedies which Vendor may have, Vendor, at its option, shall have the right to declare this Agreement of Purchase and Sale null and void. In such event, all deposit monies paid hereunder and interest thereon shall be forfeited to Vendor as liquidated damages and not as penalty. If Purchaser has taken possession of Unit, Purchaser shall immediately vacate Unit and Vendor shall be at liberty to sell Unit with or without re-entry.

24. In the event of a default by the Purchaser, then Purchaser shall reimburse Vendor for Vendor's legal fees plus disbursements and HST incurred in rectification of Purchaser's default, including the issuance of notices of default and other communications, documents and services as a consequence of such default prior to termination of this Agreement of Purchase and Sale.

25. An administration fee of FIVE HUNDRED DOLLARS (\$500.00) plus HST shall be charged to Purchaser for any cheque delivered to Vendor and returned by Vendor's bank.

Risk

26. Unit and equipment within the Unit shall be and remain at risk of Vendor until the Closing Date. If Unit is damaged in any material respect before Closing Date, Vendor may either repair damage and complete this transaction, or may cancel this Agreement of Purchase and Sale and cause the deposit (including any interest thereon) to be returned to Purchaser, less any deduction imposed by law, and Purchaser shall execute and complete such documents as may be necessary to clear title to Unit. Purchaser acknowledges that Purchaser alone is responsible for repair and replacement of all improvements and betterments made or acquired by Purchaser within or upon Unit. Pending completion of sale, Vendor will hold all insurance policies and proceeds thereof in trust for the parties as their interest may appear.
27. Purchaser hereby indemnifies and saves Vendor harmless from all actions, causes of action, claims or demands for, arising out of, or in connection with any loss or injury to person or property of Purchaser, and/or Purchaser's employees, agents, workmen, or invitees who have entered on Property whether with or without authorization, express or implied, of Vendor, whether before or after the Acceptance Date.

Warranties

28. Purchaser acknowledges and agrees that the Vendor is making no representation or warranty as to any construction matters or any of the systems contained or installed in the Unit or common elements and/or the quality and sufficiency thereof, including, without limitation, all mechanical, electrical, structural and architectural matters appurtenant to the Unit, all of which are being assumed by the Purchaser on an "as is, where is" basis at the Purchaser's sole cost and peril. Purchaser acknowledges having had an opportunity to inspect the Unit.

Survival

29. The covenants, warranties, indemnities, consents, acknowledgments and obligations contained herein on the part of or to be performed by Purchaser, and the rights conferred upon Vendor hereunder, shall survive the Closing Date and remain in full force and effect notwithstanding transfer of title. The covenants, warranties, consents, acknowledgments and obligations contained herein on the part of or to be performed by Vendor, and the rights conferred upon Purchaser hereunder, shall merge on closing and shall not survive the Closing Date.

Entire Agreement

30. This Agreement of Purchase and Sale shall constitute a binding agreement and is the entire agreement of the parties with respect to the subject matter hereof, superseding

all prior negotiations and discussions, oral or written. It is agreed and understood that there is no representation, warranty, collateral agreement or condition affecting this agreement or the Unit other than as expressed herein.

Planning Act

31. This Agreement of Purchase and Sale is subject to compliance with Section 50 of the *Planning Act*.

Joint and Several

32. Where there are two or more Purchasers, their obligations shall be joint and several.

Time of the Essence

33. Time shall be of the essence provided that waiver respecting any provision shall apply only to the specific provision waived.

Binding on Heirs

34. This Agreement of Purchase and Sale shall enure to benefit of and shall be binding upon the parties, their heirs, executors, administrators, successors and assigns.

Causes of Action

35. Notwithstanding any rights which Purchaser may have at law or equity, Purchaser acknowledges and agrees that Purchaser shall not assert any such rights, nor have any claim or cause of action arising out of or in connection with this Agreement of Purchase and Sale against any person, firm, corporation or other legal entity other than the Vendor named herein (solely in its capacity as receiver and manager of certain property of 30 Roe and with recourse only to the property that is subject to the receivership), even though the Vendor may be or adjudged to be a nominee, trustee or agent of another person, firm, corporation or other legal entity, and this acknowledgement may be pleaded as an estoppel and complete defence against the Purchaser in any lawsuit, action, application or proceeding brought by or on behalf of the Purchaser against such third parties.

Notices

36. Any notice required to be given shall be deemed to have been given if delivered, sent by facsimile transmission or electronic mail, or mailed by ordinary mail in Ontario to Purchaser or Purchaser's solicitor at the address indicated on Page 2 of this Agreement of Purchase and Sale (or at the Unit after Closing Date) and to Vendor or Vendor's solicitors at the address indicated on Page 3 of this Agreement of Purchase and Sale. Such notice shall be deemed to have been received on the third business day following posting, or, if sent by facsimile transmission or electronic mail or delivered personally shall be deemed to have been received on date of such facsimile transmission, electronic mail or personal delivery.

Gender and Number

37. This Agreement of Purchase and Sale is to be read with all changes of gender and number required.

Headings/Severability

38. The headings of this Agreement of Purchase and Sale form no part thereof and are inserted for convenience of reference only. Each provision shall be deemed to be independent and severable and the invalidity or unenforceability of any provision shall not impair or affect remainder of this Agreement of Purchase and Sale.

Mortgage Approval/Credit Report

39. Purchaser covenants and agrees to provide Vendor with all requested financial information and materials, including proof respecting Purchaser's income and source of funds and any other documents, evidence, instruments or verifications as may be required or requested by Vendor for the purpose of determining and establishing the financial ability of Purchaser to fulfil Purchaser's financial obligations under this Agreement of Purchase and Sale, at any time or times within ten (10) days of request by Vendor. If Purchaser fails to provide the information, evidence or documentation as requested within the time period specified or if the information, evidence or documentation is, in whole or in part, incomplete, false or misleading, then Purchaser shall be deemed to be in default hereunder.
40. Purchaser hereby consents to Vendor obtaining consumer's report containing credit and personal information.

Privacy and Personal Information

41. Purchaser acknowledges being advised by Vendor that personal information of Purchaser is being collected, used by Vendor and/or disclosed to third parties in connection with this real estate transaction, to process and complete the real estate transaction in accordance with this Agreement of Purchase and Sale and with applicable law, including in connection with the receivership proceedings pending before the Court, report the change of ownership to the condominium corporation upon completion of the real estate transaction, and to report the particulars of the real estate transaction as may be required by or to any governmental authority and/or any lender of 30 Roe.
42. To comply with the provisions of any applicable federal and/or provincial privacy legislation (including, but not limited to, the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, chapter 5, as amended), Purchaser hereby consents to the Vendor's collection, use and distribution to third parties described above, of the Purchaser's personal information, which includes (but is not limited to):

- (a) Purchaser's name, address, e-mail address, fax/telephone numbers, date of birth, marital status and name of spouse,
 - (b) residency status, and social insurance number,
 - (c) financial information, including family income, credit history, and employment history, and
 - (d) particulars concerning the purchase and sale transaction, including but not limited to purchase price, deposits, legal description, address of property, taxes, and the Closing Date.
43. The Vendor shall not sell such personal information, or provide or distribute such personal information to anyone except as described above or to those whom reasonably require disclosure of such information in connection with completion of the transaction herein contemplated.

Governing Law

44. This Agreement of Purchase and Sale shall be governed by the laws of the Province of Ontario and the parties hereby irrevocably attorn to the exclusive jurisdiction of the Court with respect to any dispute arising under or in connection with this Agreement of Purchase and Sale.

Independent Legal Advice

45. The Purchaser acknowledges having been given the opportunity to obtain independent legal advice in connection with entering into this Agreement of Purchase and Sale and confirms that it has either (i) obtained such independent legal advice prior to entering into this Agreement of Purchase and Sale, or (ii) elected not to obtain independent legal advice, wishes to enter into this Agreement of Purchase and Sale without obtaining independent legal advice, fully understands the terms of this Agreement of Purchase and Sale, and agrees it will not challenge this Agreement of Purchase and Sale on the basis that it did not receive independent legal advice or did not understand the terms of this Agreement of Purchase and Sale.

Non-Canadian

46. The Purchaser represents and warrants to the Vendor that it is not a "non-Canadian" for purposes of the *Prohibition on the Purchase of Residential Property by Non-Canadians Act*, S.C. 2002, c. 10, s.235.

City of Toronto Vacant Home Tax

47. If, on closing, there are vacant home taxes levied by the City of Toronto (the "**Vacancy Tax**") outstanding in respect of the Unit for calendar year 2022, the Vendor covenants to cause its solicitors to remit sufficient funds from closing proceeds to the City of Toronto

in satisfaction of any such outstanding Vacancy Tax within a reasonable period of time following closing, and the Vendor's solicitors will provide a solicitor's undertaking in this regard on closing.

The Vendor retains the right, from and after closing, and at its sole cost and expense, to challenge the determination of the Vacancy Tax applicable to the Unit. Should the Vendor challenge the Vacancy Tax, the Purchaser covenants and agrees to offer such administrative assistance as may be reasonably required in any such challenge (including delivering any necessary directions or acknowledgments). The Purchaser's undertaking to readjust shall include an undertaking to remit to the Vendor any rebate of the Vacancy Tax that may accrue to the Purchaser from and after closing.

Review by Purchaser's Solicitor

48. The obligation of the Purchaser to complete the transaction shall be subject to the Purchaser's solicitor reviewing this Agreement of Purchase and Sale and finding it satisfactory in the Purchaser's sole and absolute discretion. Unless the Purchaser gives notice in writing delivered to the Vendor not later than two (2) banking days (excluding Saturdays, Sundays and Statutory Holidays) following execution of this Agreement of Purchase and Sale that this condition is fulfilled, this Agreement of Purchase and Sale shall be null and void and the deposit shall be returned to the Purchaser in full without deduction except as imposed by law.

[remainder of page left intentionally blank]

**SCHEDULE B
TO CONDOMINIUM AGREEMENT OF PURCHASE AND SALE**

LEGAL DESCRIPTION OF UNIT – PENTHOUSE ●

[NTD: Include legal description of Dwelling Unit, Parking Unit and Storage Unit]

**SCHEDULE C
TO CONDOMINIUM AGREEMENT OF PURCHASE AND SALE**

VESTING ORDER

[ATTACHED]

Appendix “AA”

Receivership of 30 Roe Investments Corp.

Interim Statement of Receipts and Disbursements

For the Period May 9, 2022 to April 30, 2023

(\$; unaudited)

Description	Note	Amount
<i>Receipts</i>		
Proceeds from sale of PH04 and PH09		1,639,390
Transfers from Company operating account (RBC)		40,576
Rental income		137,311
Interest		3,006
		<u>1,820,284</u>
<i>Disbursements</i>		
Legal fees and disbursements		180,625
Receiver's fees		88,021
Repairs and maintenance		67,428
Broker commissions		58,100
HST		43,536
Insurance		3,270
Operating costs		1,879
Equipment - rentals and leases		375
Bank charges		287
PST		252
Software and license		275
Filing fees		73
		<u>444,119</u>
Balance in Receiver's account, before accrued liabilities		<u><u>1,376,165</u></u>

Appendix “BB”



Barristers & Solicitors
Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7
Telephone: 416.979.2211
Facsimile: 416.979.1234
goodmans.ca

Direct Line: 416.849.6013
carmstrong@goodmans.ca

January 25, 2023

Blaney McMurtry LLP
2 Queen St. E. Suite 150
Toronto, ON M5C 3G5

Attn: Lou Brzezinski

Dear Mr. Brzezinski:

Re: Receivership of 30 Roe Investments Corp. (Court File No.: CV-22-00674810-00CL)

As you know, we are counsel to KSV Restructuring Inc. in its capacity as receiver and manager (the “**Receiver**”) of certain property of 30 Roe Investments Corp. (the “**Debtor**”) appointed pursuant to the Order (Appointing Receiver) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated May 9, 2022 (the “**Receivership Order**”).

We write in respect of the February 7, 2023, Court hearing and in reply to your letter of January 19, 2023, delivered to us on January 23, 2023.

Further to our email correspondence of January 19, 2023, we can confirm that the purchaser of PH09 has waived the purchaser conditions. As such, the Receiver also intends to seek Court approval of the PH09 sale at the February 7, 2023, hearing. Subject to: (i) you, your client and Mr. Zar undertaking to hold the purchase price for PH09 confidential until it is publicly disclosed by the Receiver or ordered to be disclosed by the Court; and (ii) your client and Mr. Zar undertaking not to contact the purchaser of PH09, the Receiver is prepared to provide you and your client with a copy of the agreement of purchase and sale (“**APS**”) for PH09. Please advise.

Regarding your January 19 letter, we confirm that we delivered the APS for PH04 to you on January 23. As relates to your inquiries in respect of the marketing (etc.) of PH04, the Receiver expects to serve its motion materials for the sale approvals later this week which will include relevant details in this regard (including as relates to PH09).

Regarding our repeated inquiry as to whether input tax credits (“**ITCs**”) were claimed on the last acquisition of the condo units subject to the receivership (the “**Units**”), although your January 19 letter addresses certain HST matters, it does not actually respond to the Receiver’s question. Please advise whether ITCs were claimed on the last acquisition of each Unit as soon as possible.

Finally, please provide a response to our letter of January 17, 2023, relating to PH07, in particular: (i) advising if your client is aware whether Ms. Rezaee has vacated PH07; and (ii) to the extent your client believes there is any basis upon which Ms. Rezaee is entitled to occupy PH07 at present, providing any Records (as defined in the Receivership Order) pertaining to same for consideration by the Receiver immediately.

Yours truly,

Goodmans LLP

A handwritten signature in black ink, appearing to read 'C. Armstrong', with a stylized flourish at the end.

Christopher Armstrong
CA/cag

Encl.

cc.

Receiver

7341365

APPLICATION UNDER SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, C. C.43, AS AMENDED, AND SECTION 243 OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, C. B-3 AS AMENDED

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

KINGSETT MORTGAGE CORPORATION

-and- 30 ROE INVESTMENTS CORP.

Applicant

Respondent

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

**FOURTH REPORT OF
KSV RESTRUCTURING INC., AS RECEIVER OF
CERTAIN PROPERTY OF 30 ROE
INVESTMENTS CORP.
(MAY 16, 2023)**

GOODMANS LLP
Barristers & Solicitors
333 Bay Street, Suite 3400
Toronto, Canada M5H 2S7

Christopher Armstrong LSO#: 55148B
carmstrong@goodmans.ca

Tel: (416) 979-2211
Fax: (416) 979-1234

Lawyers for KSV Restructuring Inc. in its capacity
as Court-appointed Receiver

3

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)	THURSDAY, THE 25 th
)	
JUSTICE STEELE)	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
(PH02)**

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 (as amended, the “**Sale Agreement**”) between the Receiver and Jiancheng Chen (the “**Purchaser**”) dated March 9, 2023, and appended to the Fourth Report of the Receiver dated May 16th, 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 Debtor, counsel for the Canadian Imperial Bank of Commerce, counsel for KingSett Mortgage Corporation and such other counsel as were present**], no one appearing for any other person on the service list, although properly served as appears from the affidavit of ● sworn ●, 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) (the “**BIA**”) 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 ORDERS** that this Order is subject to provisional execution notwithstanding any appeal brought in respect of this Order.

9. **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.

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

Applicant

- and -

30 ROE INVESTMENTS CORP.

Respondent

RECEIVER’S CERTIFICATE

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 May 9, 2023 (as amended, the “**Sale Agreement**”) between the Receiver and Jiancheng Chen (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 76559-0509 (LT)

UNIT 2, 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 76559-0583 (LT)

UNIT 60, 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 76559-0622 (LT)

UNIT 99, 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. AT4477003, registered February 1, 2017, being a Charge in favour of Canadian Imperial Bank of Commerce (“**CIBC**”) securing the principal amount of \$457,593.
2. Instrument No. AT4477068, 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.

**APPLICATION UNDER SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990,
C. C.43, AS AMENDED, AND SECTION 243 OF THE BANKRUPTCY AND INSOLVENCY
ACT, R.S.C. 1985, C. B-3 AS AMENDED**

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

**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
(PH02)**

GOODMANS LLP
Barristers & Solicitors
333 Bay Street, Suite 3400
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Lawyers for KSV Restructuring Inc. in its capacity
as Court-appointed Receiver

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ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)	THURSDAY, THE 25 th
)	
JUSTICE STEELE)	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 16th, 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 Debtor, counsel for the Canadian Imperial Bank of Commerce, counsel for KingSett Mortgage Corporation and such other counsel as were present**], no one appearing for any other person on the service list, although properly served as appears from the affidavit of ● sworn ● 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 ORDERS** that the Fourth Report, and the activities of the Receiver referred to therein, be and are hereby approved; provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

9. **THIS COURT ORDERS** that this Order is subject to provisional execution notwithstanding any appeal brought in respect of this Order.

10. **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.

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

Applicant

- and -

30 ROE INVESTMENTS CORP.

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.

**APPLICATION UNDER SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990,
C. C.43, AS AMENDED, AND SECTION 243 OF THE BANKRUPTCY AND INSOLVENCY
ACT, R.S.C. 1985, C. B-3 AS AMENDED**

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

**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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Lawyers for KSV Restructuring Inc. in its capacity
as Court-appointed Receiver

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ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)	THURSDAY, THE 25 TH
)	
JUSTICE STEELE)	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
(Remaining Units)

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, *inter alia*, authorizing the Receiver to enter into and effect sale transactions for the Remaining Units described in Columns 1 and 2 of Schedule “B” hereto (each a “**Remaining Unit Transaction**”) contemplated by one or more condominium agreements of purchase and sale (each a “**Sale Agreement**”) each in a form substantially similar to that appended to the Fourth Report of the Receiver dated May 16th, 2023 (the “**Fourth Report**”), and vesting in one or more purchasers (each a “**Purchaser**”) the Debtor’s right, title and interest in and to one or more of the Remaining Units, including all fixtures and chattels, as designated and described in the relevant Sale Agreement and confirmed in the Receiver’s Certificate (as defined below) (the “**Purchased Units**” and each a “**Purchased Unit**”), 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 Debtor, counsel for the Canadian Imperial Bank of Commerce, counsel for KingSett Mortgage Corporation and such other counsel as were present**], no one appearing for any other person on the service list, although properly served as appears from the affidavit of ● sworn ● filed:

1. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein have the meaning ascribed to them in the Fourth Report.
2. **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.
3. **THIS COURT ORDERS AND DECLARES** that, subject to the satisfaction of the Sale Conditions, the execution of any Sale Agreement by the Receiver is hereby authorized and approved, 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 any Remaining Unit Transaction and for the conveyance of any Purchased Unit to a Purchaser.
4. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver’s certificate to a 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 Unit specified in such Receiver’s Certificate shall vest absolutely in the Purchaser specified in such Receiver’s Certificate, 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 in Column 3 of Schedule “B” hereto pertaining to the relevant Purchased Unit (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 “C” 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.

5. **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 specified in a Receiver’s Certificate as the owner of the Purchased Unit specified in such Receiver’s Certificate in fee simple, and is hereby directed to delete and expunge from title to such Purchased Unit all of the Claims listed in Column 3 of Schedule “B” hereto pertaining to such Purchased Unit.

6. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of a Purchased Unit shall stand in the place and stead of such Purchased Unit, 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 a Purchased Unit with the same priority as they had with respect to such Purchased Unit immediately prior to the sale, as if the such Purchased Unit had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

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

8. **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 each of the Purchased Units in the Purchasers 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.

9. **THIS COURT ORDERS** that: (i) the Amended Sale Process approved by this Court in the Amended Sale Process Approval Order dated December 14, 2022 (the "**Amended Sale Process Order**"), is, to the extent necessary, deemed amended by the terms hereof; and (ii) for the avoidance of doubt, this Order shall constitute the required approval of this Court contemplated by paragraph 3 of the Amended Sale Process Order for the completion of any Remaining Unit Transaction, and no further approval of this Court shall be required for the completion of any Remaining Unit Transaction.

10. **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.

11. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Toronto time) on the date of this Order without the need for entry or filing.

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

Applicant

- and -

30 ROE INVESTMENTS CORP.

Respondent

RECEIVER’S CERTIFICATE

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 prospectively approved the Receiver entering into a condominium agreement of purchase and sale dated [DATE] (the “**Sale Agreement**”) between the Receiver and [NAME OF PURCHASER] (the “**Purchaser**”) and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the property described in the Sale Agreement (the “**Purchased Unit**”), which vesting is to be effective with respect to the Purchased Unit upon the delivery by the Receiver to the Purchaser of a certificate confirming: (i) the name of the Purchaser to whom title to the Purchased Unit is to be vested in; (ii) the legal description of the Purchased Unit to be vested in the Purchaser; (iii) the payment by the Purchaser of the Purchase Price for the Purchased Unit; and (iv) that the transaction contemplated by the Sale Agreement 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 to whom title to the Purchased Unit is to be vested in is [NAME OF PURCHASER].
2. The legal description of the Purchased Unit which is to be vested in the Purchaser is [INSERT LEGAL DESCRIPTION OF PURCHASED UNIT].
3. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Unit payable pursuant to the Sale Agreement; and
4. The transaction contemplated by the Sale Agreement 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” – Purchased Units

<u>Column 1</u> <i>Municipal Address</i>	<u>Column 2</u> <i>Legal Description</i>	<u>Column 3</u> <i>Claims to be deleted and expunged from title</i>
<p>Unit PH01, 30 Roehampton Avenue, Toronto, ON M4P 0B9</p>	<p>Dwelling Unit: PIN 76559-0508 (LT) UNIT 1, 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</p> <p>Parking Unit: PIN 76559-0582 (LT) UNIT 59, 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</p> <p>Storage Unit: PIN 76559-0621 (LT) UNIT 98, 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</p>	<ol style="list-style-type: none"> 1. Instrument No. AT4468956, registered February 1, 2017, being a Charge in favour of Canadian Imperial Bank of Commerce (“CIBC”) securing the principal amount of \$665,127. 2. Instrument No. AT4468991, 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 (the “KS Notice of Assignment of Rents”). 5. Instrument no. AT5731082, registered May 7, 2021, being a Notice in favour of KS in respect of the KS Charge (the “Notice of 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 (the “Application to Register Receivership Order”).
<p>Unit PH05, 30 Roehampton Avenue, Toronto, ON M4P 0B9</p>	<p>Dwelling Unit: PIN 76559-0512 (LT) UNIT 5, LEVEL 34, TORONTO STANDARD CONDOMINIUM PLAN NO. 2559 AND ITS APPURTENANT</p>	<ol style="list-style-type: none"> 1. Instrument No. AT4477130, registered February 1, 2017, being a Charge in favour of CIBC securing the principal amount of \$358,967. 2. Instrument No. AT4477185, registered February 1, 2017, being a

	<p>INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT4423506; CITY OF TORONTO</p> <p>Parking Unit:</p> <p>PIN 76559-0586 (LT)</p> <p>UNIT 63, 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</p> <p>Storage Unit:</p> <p>PIN 76559-0625 (LT)</p> <p>UNIT 102, 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</p>	<p>Notice of Assignment of Rents: General in favour of CIBC.</p> <ol style="list-style-type: none"> 3. KS Charge. 4. KS Notice of Assignment of Rents. 5. Notice of KS Charge. 6. Application to Register Receivership Order.
<p>Unit PH06, 30 Roehampton Avenue, Toronto, ON M4P 0B9</p>	<p>Dwelling Unit:</p> <p>PIN 76559-0513 (LT)</p> <p>UNIT 6, 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</p> <p>Parking Unit:</p> <p>PIN 76559-0587 (LT)</p> <p>UNIT 64, 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</p> <p>Storage Unit:</p> <p>PIN 76559-0626 (LT)</p>	<ol style="list-style-type: none"> 1. Instrument No. AT4477080, registered February 1, 2017, being a Charge in favour of CIBC securing the principal amount of \$474,338. 2. Instrument No. AT4477169, registered February 1, 2017, being a Notice of Assignment of Rents: General in favour of CIBC. 3. KS Charge. 4. KS Notice of Assignment of Rents. 5. Notice of KS Charge. 6. Application to Register Receivership Order.

	<p>UNIT 103, 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</p>	
<p>Unit PH07, 30 Roehampton Avenue, Toronto, ON M4P 0B9</p>	<p>Dwelling Unit:</p> <p>PIN 76559-0514 (LT)</p> <p>UNIT 7, 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</p> <p>Parking Unit:</p> <p>PIN 76559-0588 (LT)</p> <p>UNIT 65, 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</p> <p>Storage Unit:</p> <p>PIN 76559-0627 (LT)</p> <p>UNIT 104, 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</p>	<ol style="list-style-type: none"> 1. Instrument No. AT4477059, registered February 1, 2017, being a Charge in favour of CIBC securing the principal amount of \$395,208. 2. Instrument No. AT4477186, registered February 1, 2017, being a Notice of Assignment of Rents: General in favour of CIBC. 3. KS Charge. 4. KS Notice of Assignment of Rents. 5. Notice of KS Charge. 6. Application to Register Receivership Order.
<p>Unit PH08, 30 Roehampton Avenue, Toronto, ON M4P 0B9</p>	<p>Dwelling Unit:</p> <p>PIN 76559-0515 (LT)</p> <p>UNIT 8, 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</p>	<ol style="list-style-type: none"> 1. Instrument No. AT4477033, registered February 1, 2017, being a Charge in favour of CIBC securing the principal amount of \$542,025. 2. Instrument No. AT4477126, registered February 1, 2017, being a Notice of Assignment of Rents: General in favour of CIBC. 3. KS Charge.

	<p>Parking Unit:</p> <p>PIN 76559-0589 (LT)</p> <p>UNIT 66, 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</p> <p>Storage Unit:</p> <p>PIN 76559-0628 (LT)</p> <p>UNIT 105, 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</p>	<ol style="list-style-type: none">4. KS Notice of Assignment of Rents.5. Notice of KS Charge.6. Application to Register Receivership Order.
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**Schedule “C” – 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 Column 3 of Schedule "B" to this Order, all other registrations against title to the Purchased Units, or any one of them.

**APPLICATION UNDER SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990,
C. C.43, AS AMENDED, AND SECTION 243 OF THE BANKRUPTCY AND INSOLVENCY
ACT, R.S.C. 1985, C. B-3 AS AMENDED**

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

**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
(Remaining Units)**

GOODMANS LLP
Barristers & Solicitors
333 Bay Street, Suite 3400
Toronto, Canada M5H 2S7

Christopher Armstrong LSO#: 55148B
carmstrong@goodmans.ca

Tel: (416) 979-2211
Fax: (416) 979-1234

Lawyers for KSV Restructuring Inc. in its capacity
as Court-appointed Receiver

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ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)	THURSDAY, THE 25 TH
)	
JUSTICE STEELE)	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**

ORDER
(Ancillary Matters)

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, *inter alia* (i) approving the Distributions (as defined below), (ii) sealing the confidential appendices to the Fourth Report of the Receiver dated May 16th, 2023 (the “**Fourth Report**”), and (iii) approving the activities of the Receiver as described in the Fourth Report, 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 Debtor, counsel for the Canadian Imperial Bank of Commerce (“CIBC”), counsel for KingSett Mortgage Corporation (“KingSett”) and such other counsel as were present**], no one appearing for any other person on the service list, although properly served as appears from the affidavit of ● sworn ●, 2023, filed:

SERVICE AND DEFINITIONS

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** that capitalized terms used herein and not otherwise defined shall have the meaning given to them in the Fourth Report.

DISTRIBUTIONS

3. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to make (or cause to be made) the following distributions and payments (collectively, the “**Distributions**” and each a “**Distribution**”) from the proceeds of each Transaction:
 - (a) to such parties as are required in respect of: (i) property tax arrears (including, without limitation, vacant home tax) and condominium common expense arrears in respect of the applicable Purchased Unit; and (ii) such other disbursements as are required to be paid by the Receiver in connection with the closing of such Transaction;

- (b) to Canada Revenue Agency in respect of any harmonized sales tax (“HST”) on the Transaction;
- (c) to Remax in respect of the commissions payable pursuant to the Remax Listing Agreement in respect of the Transaction (including, for the avoidance of doubt, commissions payable to the cooperating brokerage and applicable HST);
- (d) to CIBC in respect of the full amount of the indebtedness (including, without limitation, all principal, interest, expenses and costs) of the Debtor owing to CIBC and secured by the first mortgage in favour of CIBC on the applicable Purchased Unit; and
- (e) to KingSett in respect of the full amount of the indebtedness (including, without limitation, all principal, interest, expenses and costs) of the Debtor owing to KingSett and secured by the second mortgage in favour of KingSett on the applicable Purchased Unit, subject to such holdback as the Receiver considers appropriate to fund the receivership, including the fees and expenses of the Receiver and its counsel.

4. **THIS COURT ORDERS** that the Distributions authorized in subparagraphs 3(a) and (c) hereof are approved *nunc pro tunc* with respect to Transactions that closed prior to the date hereof.

5. **THIS COURT ORDERS** that the Receiver, its counsel and other agents are hereby authorized to take all necessary steps and actions to effect each of the Distributions in accordance with the provisions of this Order from time to time, and shall not incur any liability as a result of making any Distributions.

6. **THIS COURT ORDERS** that each of the Distributions shall be made free and clear of 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, including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order (Appointing

Receiver) of this Court made in the within proceedings dated May 9, 2022; and (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.

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) (the “**BIA**”) 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;

each of the Distributions shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable nor deemed to be a preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

8. **THIS COURT ORDERS** that the Receiver and its agents shall be entitled to deduct and withhold from any Distribution such amounts as may be required to be deducted or withheld with respect to the Distribution under the *Income Tax Act* (Canada) or other applicable laws and to remit such amounts to the appropriate governmental authority (“**Governmental Authority**”) or other person entitled thereto. To the extent that amounts are so withheld or deducted and remitted to the appropriate Governmental Authority or other person, such withheld or deducted amounts shall be treated for all purposes as having been paid pursuant to this Order to such person as the remainder of the Distribution in respect of which such withholding or deduction was made.

SEALING

9. **THIS COURT ORDERS** that, subject to further Order of this Court, the Confidential Appendices to the Fourth Report shall be sealed and kept confidential.

APPROVAL OF RECEIVER'S ACTIVITIES

10. **THIS COURT ORDERS** that the Fourth Report, and the activities of the Receiver referred to therein, be and are hereby approved; provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

GENERAL

11. **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.

12. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Toronto time) on the date of this Order without the need for entry or filing.

**APPLICATION UNDER SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, Court File No.: CV-22-00674810-00CL
C. C.43, AS AMENDED, AND SECTION 243 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

**ORDER
(Ancillary Matters)**

GOODMANS LLP

Barristers & Solicitors

333 Bay Street, Suite 3400

Toronto, Canada M5H 2S7

Christopher Armstrong LSO#: 55148B

carmstrong@goodmans.ca

Tel: (416) 979-2211

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Lawyers for KSV Restructuring Inc. in its capacity as
Court-appointed Receiver

APPLICATION UNDER SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, C. C.43, AS AMENDED, AND SECTION 243 OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, C. B-3 AS AMENDED

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

KINGSETT MORTGAGE CORPORATION

-and- 30 ROE INVESTMENTS CORP.

Applicant

Respondent

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

**MOTION RECORD
(Returnable May 25, 2023)**

GOODMANS LLP
Barristers & Solicitors
333 Bay Street, Suite 3400
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