

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

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**

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



**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:**

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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**

**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:<sup>1</sup>

“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.

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<sup>1</sup> 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").<sup>2</sup> 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**

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<sup>2</sup> 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 “A”**

December 8, 2022

**URGENT – BY HAND DELIVERY**

Occupant of Unit PH01  
30 Roehampton Avenue  
Toronto, ON

Dear Sir/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**”) 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.

Pursuant to the Receivership Order, which has been in force since May 9, 2022, the Receiver is authorized to take possession of and exercise control over the Property, including Unit PH01 at the 30 Minto Roe (30 Roehampton Avenue, Toronto, Ontario) (“**Unit PH01**”), to the exclusion of all other Persons, including the Debtor.

According to the Receiver’s records, Unit 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. The Receiver and its real estate agent attended at Unit PH01 on December 7, 2022, and observed that it was occupied. Such occupation is without the knowledge of (prior to yesterday) or the consent of the Receiver.

**Please immediately contact the Receiver at the contact information below to discuss this situation**, including providing:

1. Your name and contact particulars (phone number and email) and the name(s) and contact particulars of any other person occupying Unit PH01 with you;
2. Details of how you came to occupy Unit PH01, including:
  - a. the date you commenced occupation of Unit PH01 and when you are scheduled to vacate Unit PH01;

- b. who purported to rent (or provide access to) Unit PH01 to you and when;
- c. who provided you with keys and access to Unit PH01;
- d. how much rent you are paying (and to whom you are paying it); and
- e. copies of any leases, rental agreements, reservations, receipts or similar such documents pertaining to your occupation of Unit PH01.

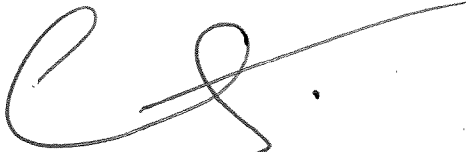
**Please contact Noah Goldstein of the Receiver's office by phone at 416.844.4842 or at [ngoldstein@ksvadvisory.com](mailto:ngoldstein@ksvadvisory.com) to discuss these matters immediately.**

It is imperative that you contact the Receiver immediately. Should you fail to contact the Receiver by **11:00 am (Toronto time) on December 9, 2022**, the Receiver reserves the right to seek relief from the Court or other authority to address this situation, including seeking to have you evicted from Unit PH01.

Thank you in advance for your cooperation.

Yours truly,

**Goodmans LLP**



Christopher Armstrong  
CA/cag

cc.

Noah Goldstein, *KSV Restructuring Inc.*

Encl.

7329339

## **Appendix “B”**

**From:** Raymond Zar <[rz@roehamptoncapital.com](mailto:rz@roehamptoncapital.com)>  
**Sent:** December 9, 2022 2:25 PM  
**To:** Noah Goldstein <[ngoldstein@ksvadvisory.com](mailto:ngoldstein@ksvadvisory.com)>  
**Cc:** Armstrong, Christopher <[carmstrong@goodmans.ca](mailto:carmstrong@goodmans.ca)>; Murtaza Tallat <[mtallat@ksvadvisory.com](mailto:mtallat@ksvadvisory.com)>  
**Subject:** Re: PH01

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

**Raymond Zar**

**ROEHAMPTON CAPITAL**

**d:** 416.322.8509 **e:** [rz@roehamptoncapital.com](mailto:rz@roehamptoncapital.com)

On Fri, Dec 9, 2022 at 1:36 PM Noah Goldstein <[ngoldstein@ksvadvisory.com](mailto:ngoldstein@ksvadvisory.com)> wrote:

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



**Noah Goldstein**  
Managing Director

T 416.932.6207  
M 416.844.4842  
W [www.ksvadvisory.com](http://www.ksvadvisory.com)

## **Appendix “C”**

**From:** Raymond Zar <rz@roehamptoncapital.com>

**Sent:** December 9, 2022 4:32 PM

**To:** Noah Goldstein <ngoldstein@ksvadvisory.com>

**Cc:** Jon Love <jlove@kingsettcapital.com>; Rob Kumer <RKumer@kingsettcapital.com>; Scott Coates <SCoates@kingsettcapital.com>; Jeffrey M. Warren <jwarren@blaney.com>; Armstrong, Christopher <carmstrong@goodmans.ca>; zweigs@bennettjones.com

**Subject:** Animal

Noah,

I had extended my hand to KingSett and was discussing a resolution. You singlehandedly destroyed any prospect of any resolution by having my mother physically assaulted an hour ago.

Only an animal would do what you just did.

**ROEHAMPTON**  
CAPITAL

**Raymond Zar, MBA**

CEO

[rz@roehamptoncapital.com](mailto:rz@roehamptoncapital.com) | D: 416-322-8509

**ROEHAMPTON CAPITAL**

416-322-8500 | [RoehamptonCapital.com](http://RoehamptonCapital.com)

Two Bloor Street East, Suite 3500, Toronto ON, M4W 1A8



**From:** Raymond Zar <rz@roehamptoncapital.com>  
**Sent:** December 9, 2022 10:55 PM  
**To:** Jon Love <jlove@kingsettcapital.com>  
**Cc:** Rob Kumer <RKumer@kingsettcapital.com>; Scott Coates <SCoates@kingsettcapital.com>; Jeffrey M. Warren <jwarren@blaney.com>; Armstrong, Christopher <carmstrong@goodmans.ca>; zweigs@bennettjones.com; Noah Goldstein <ngoldstein@ksvadvisory.com>; Ben Frydenberg <ben@chaitons.com>; Richard Swan <SwanR@bennettjones.com>  
**Subject:** Open Letter #1 to Jon Love - KingSett v. Roehampton

Jon - here is a courtesy advanced copy of the first of my multi-part open letters to you that will be sent out on the PR wire.

Jon,

While Noah Goldstein of KSV, the Receiver you selected, was having my mother assaulted today, she used her broken English to ask him a simple question: "\$3 million, why no good?"

Noah did not have an answer. My mother referred to our \$3 million bank draft she secured to payout your \$1.9 million loan. Yes, 160% of your loan:

Royal Bank of Canada  
Banque Royale du Canada  
1545 STEELES AVE E  
TORONTO, ON

70126390 7-516  
DATE 20220810  
YR MM DJ

PAY TO THE ORDER OF / PAYEZ À L'ORDRE DE STEVE CHAN IN TRUST \$3,000,000.00

EXACTLY \$3,000,000.00  
CANADIAN DOLLARS CANADIENS

RE/OBJET  
PURCHASER NAME / NOM DE L'ACHETEUR MOHAMED FAYED-ESFAHANI  
PURCHASER ADDRESS / ADRESSE DE L'ACHETEUR  
AUTHORIZED SIGNATURE / SIGNATURE AUTORISEE  
COUNTERSIGNED / CONTRESIGNEE

0097490  
FORM 16516 (10-2020)

Here is the clause Chris Armstrong, the Receiver's lawyer, inserted in the discharge order as a condition of agreeing to accept our \$3 million bank draft to pay you out:

13. **THIS COURT ORDERS** that no action or other proceeding shall be commenced against KingSett or any of its partners, directors, employees, affiliates, shareholders, or lawyers in any way arising from or related to the KingSett Loan (as defined in the Second Report) or the within receivership proceedings, except with prior leave of this Court on a motion served on not less than twenty (20) days' prior notice to KingSett and any other applicable above referenced person.

If the name Chris Armstrong sounds familiar, it is because of two things. One, I asked you in writing to be transparent and disclose if Chris Armstrong works for KingSett - you refused to be honest.



Raymond Zar Jul 26

Chris, Do you act for KingSett Mortgage Corporati...

---



Raymond Zar Jul 26

Jon, Is Chris Armstrong of Goodmans your lawyer?...

Two, Chris Armstrong is a KingSett lawyer, and you recognize his name because he has a sworn duty of loyalty to you which is why he is inserting clauses in court orders that benefit only you. Here is proof:

# **GOODMANS LLP**

Bay Adelaide Centre – West Tower

333 Bay Street, Suite 3400

Toronto, ON M5H 2S7

**Christopher Armstrong**

Tel: 416.849.6013

Email: [carmstrong@goodmans.ca](mailto:carmstrong@goodmans.ca)

## Lawyers for KingSett Mortgage Corporation

Yes, Chris Armstrong, the lawyer for the "independent court-appointed" Receiver, demanded that a clause be inserted into the Discharge Order barring any claims against KingSett - yes, KingSett.

This is not standard. This is not in accordance with the law. This was an act by a lawyer acting for the benefit of his client: KingSett.

The next of my open letters will take us back in time and detail exactly how we got here. For now, to quickly recap, one year ago, you found out I know about your relationship with the Ruparell family and given our history with phone recordings to make you honour your word; you correctly assumed I have the phone recordings to prove both that you misled me about not knowing the Ruparell's and that I had Ruparell on tape contradicting you.

Rather than take your chances with what that would mean for you and your company, given the mutual dealings you had with the City and other matters, you decided to authorize the secret preparation of a 400-page motion record seeking to appoint a receiver to take over \$12 million of my assets that had only \$6 million in debt - all while your loan had not matured and had no interest outstanding. You didn't ask for your money back; you ambushed me.

That was one year ago, and with every month that goes by, you are authorizing ever more reckless operations against me, culminating with literally assaulting my mother today and for the first time in my life in Canada, making me afraid for my life and that of my family.

I have few regrets - but I regret ever watching your commencement speech at Ivey and believing your words instead of looking at your history and actions:

Then without informing Bazis, Société Générale sold the loan to a numbered company, owned by the three of Canada's smartest real estate players: Alan Greenberg of Minto Group, Jon Love of KingSett Capital Inc. and mezzanine lending financier Gary Berman of Tricon Capital Group Inc.

The trio then set about acquiring the property by foreclosing on the mortgage when it started to fall into arrears in April. The strategy they used, however, was one used more in corporate bankruptcies than in real estate transactions, says Mr. Goodman. In real estate a lender who seeks to foreclose on a loan must have a receiver or the court sell the property to an unrelated third party and the proceeds of that sale is applied to the loan and accrued interest.

The trio, however, asked for Ernst & Young to be named receiver and also submitted a bid from a numbered company for \$55-million saying that if the receiver could not find a better offerbuyer for more than that, the property should be sold to the numbered company, which they controlled.

"It was unheard of in a real-estate foreclosure case," says Mr. Goodman.

Source: <https://www.theglobeandmail.com/real-estate/how-the-plan-to-build-canadas-tallest-condo-fell-apart/article4286570/>

Jon, you are the recipient of the Order of Canada. My family immigrated to Canada from Iran to escape a country where the rich can use their money and connections to do whatever they wanted. That is why I record my calls.

Sitting here tonight, thinking about all you have done the last 12 months to intimidate me into silence, so I sign your release and NDA, makes me feel like I am in Tehran, not Canada.

If you succeed in that endeavour, Canada fails.

Raymond Zar

**ROEHAMPTON**  
CAPITAL

**Raymond Zar**, MBA

CEO

[rz@roehamptoncapital.com](mailto:rz@roehamptoncapital.com) | D: 416-322-8509

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**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

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

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Proceeding commenced at Toronto

Supplement to the Second Report of KSV Restructuring  
Inc. as Receiver of certain property of 30 Roe  
Investments Corp.  
**(December 13, 2022)**

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

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

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