



Superior Court of Justice – East Region
COMMERCIAL LIST
Ottawa Court House
 161 Elgin Street
 Ottawa, Ontario K2P 2K1

ENDORSEMENT

SHORT TITLE OF PROCEEDINGS: CMLS Financial Ltd. V Ashcroft Urban Developments Inc.

COURT FILE NO.: CV-25-00098804-0000 (Ottawa)

BEFORE: Mew J.

HEARD ON: [Click here to enter a date.](#)

☐ CASE CONFERERNC E ☐ PRACTICE COURT ☒ MOTION ☐ APPLICATION ☐ TRIAL

Appearances: *Eric Golden and Chad Kopach* (Blaney McMurtry LLP) for AlixPartners Restructuring, Inc., in its capacity as Court-appointed Receiver (moving party)
Calvin Horsten (Aird & Berlis LLP) for CMLS Financial Ltd.
Alexandre Bisonette (Mann Lawyers LLP) for Ashcroft Urban Developments Inc.

RELIEF REQUESTED:

An Approval and Vesting Order (the “AVO”) and a Distribution and Ancillary Relief Order substantially in the forms included in the Receiver’s motion record:

1. approving an asset purchase agreement dated April 6, 2026, as amended (the “CLV APS”), in respect of the respondent’s real property located at 101 Queen Street, Ottawa, and 110 Sparks Street, Ottawa (the “Real Property”), that the Receiver entered into with 1000747194 Ontario Inc. (the “Purchaser”), subject to Court approval;
2. vesting in the Purchaser under the CLV APS, or its permitted assignee as it may direct, all right, title and interest of the Debtor in the Real Property, and the remaining property of the Debtor covered by the CLV APS, free and clear of encumbrances, other than permitted encumbrances;
3. sealing the confidential appendices to the second report of the Receiver dated July 7, 2026 (the “Second Report”), being a summary of offers received in the Sale Process (as defined), and an unredacted copy of the CLV APS, until the earlier of (a) 60 days following closing of the transaction contemplated under the CLV APS (the “Transaction”), and (b) further Order of the Court;
4. upon completion of the Transaction, approving a distribution by the Receiver of the cash on hand in the receivership estate and from the net proceeds of sale of the Transaction, to the first secured creditor of the respondent, CMLS Financial Ltd. (“CMLS”), up to the balance owing to CMLS pursuant to a loan agreement with the respondent dated August 9, 2021 (the “CMLS Loan”), subject to a holdback for the Unencumbered Units Allocation (as defined), the Priority Payables Holdback (as defined), and the Subject



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Unit Holdback (as defined);

5. discharging the Interim Receivership Order (as defined) from title to one locker unit that was transferred to a purchaser prior to the Interim Receivership Order, but inadvertently included in the list of the Real Property as Schedule “A” to the Interim Receivership Order;
6. approving the activities and proposed activities described in the Second Report;
7. authorizing the Receiver to assign the respondent into bankruptcy and appoint AlixPartners as licensed insolvency trustee;
8. approving and accepting the Receiver’s Interim Statement of Receipts and Disbursements in respect of the respondent for the period from January 3, 2025, to July 2, 2026, as set out at Appendix “J” to the Second Report;
9. approving the Receiver’s fees and disbursements for the period to June 30, 2026, and the fees and disbursements of the Receiver’s counsel, Blaney McMurtry LLP, for the period to June 30, 2026,

☒ UNOPPOSED

☒ ON CONSENT

☐ NO ONE APPEARED

☐ DIRECTIONS GIVEN

☒ ORDER SIGNED

☐ DECISION RESERVED

☐ ADJOURNED TO [Click here to enter a date.](#)

ENDORSEMENT:

The relief sought is with the consent of CMLS. Ashcroft does not oppose.

For the reasons set out in the factum of the Court-appointed receiver, the proposed Transaction is fair, efficacious and provident having regard to the factors set out in *Royal Bank of Canada v Soundair Corp.* (1991), 4 O.R. (3d) 1 (C.A.) and should be approved.

The partial sealing order requested, which pertains to the confidential appendices attached to the Receiver’s Second Report dated 7 July 2026, is consistent with the test formulated in *Sherman Estate v Donovan*, [2021] 2 S.C.R. 75.

I am also satisfied that the distribution order sought, again for the reasons set out in the moving party’s factum, is appropriate, and that the Court-appointed Receiver’s Second Report should be approved.

The record establishes that the respondent is insolvent, and meets the test to be adjudged bankrupt. The Receiver is therefore authorised to assign the respondent into bankruptcy and appoint AlixPartners as licensed insolvency



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trustee.

Orders shall therefore go in the form of the draft Distribution and Ancillary Relief Order and the draft Approval and Vesting Order submitted by counsel.

Date: 14-Jul-26

Judge's Signature