

**ONTARIO
SUPERIOR COURT OF JUSTICE
[COMMERCIAL LIST]**

B E T W E E N:

CAISSE DESJARDINS ONTARIO CREDIT UNION INC.

Applicant

-and-

ENGLISH LANE HOMES INC.

Respondents

**FACTUM OF THE RECEIVER
(motion returnable via judicial videoconference on May 20, 2026 @12pm)**

May 15, 2026

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INDEX

PART I – NATURE OF MOTION	1
PART II – THE FACTS	1
<i>Background</i>	1
<i>The Sale Process</i>	2
<i>Activities of the Receiver</i>	4
PART III – THE ISSUES	4
PART IV – LAW AND ARGUMENT	5
(a) <i>The Sale Process Should Be Approved</i>	5
(b) <i>The First Report Should be Approved</i>	7
PART V – ORDER SOUGHT	8
SCHEDULE “A” – LIST OF AUTHORITIES	9
SCHEDULE “B” – RELEVANT LEGISLATION	10

I – NATURE OF MOTION

1. This is a motion by KSV Restructuring Inc., in its capacity as Court-appointed receiver (in such capacity, the “**Receiver**”) over the assets, undertakings and properties of English Lane Homes Inc. (the “**Debtor**”) seeking an order:

- (a) approving a sale process for the assets, undertakings and properties of the Debtor (the “**Sale Process**”), including authority to enter into a proposed listing agreement with Jones Lang Lasalle Real Estate Services, Inc (“**JLL**”); and,
- (a) approving the first report of the Receiver dated May 13, 2026 (the “**First Report**”), and the activities of the Receiver outlined therein.

II - FACTS

Background

2. On March 13, 2026, on application of Caisse Desjardins Ontario Credit Union Inc. (“**Desjardins**”), the Receiver was appointed as receiver and manager of all of the assets, property and undertakings of the Debtor, including the real property municipally known as 200 David Dunlap Circle, Toronto, Ontario (the “**Real Property**”). The Real Property is the Debtor’s principal asset¹.

3. The Real Property was intended to be developed into a 63-unit freehold townhouse complex (the “**Project**”). However, construction activity has not commenced².

¹ First Report of KSV Restructuring Inc. dated May 13, 2026 (the “**First Report**”) at para. 1.1.

² First Report at para. 2.2-2.3.

4. The Debtor obtained financing from Desjardins pursuant to an offer of financing dated November 23, 2022. Desjardins was owed approximately \$16.94 million as at January 30, 2026, and is the only known registered secured creditor of the Debtor.³

Proposed Sale Process

Selection of Realtor

5. Following its appointment, the Receiver solicited proposals from four (4) realtors to act as listing agent for the Real Property, each of which had experience in listing and sale of development properties in Ontario⁴.

6. Each realtor was requested to provide background information that showcased each firm's experience, knowledge of the land development market, a marketing plan, an estimate of the value of the Real Property, and their commission structure⁵. The realtors were also provided with access to a virtual data room upon execution of a confidentiality agreement.

7. One of the Receiver's primary considerations in selecting a realtor was their understanding of the development potential and value of the Real Property. Ultimately, in consultation with Desjardins, the Receiver selected JLL to act as realtor for the Real Property⁶. The Receiver attempted to consult with the Debtor and its counsel but did not receive a response.

8. The listing agreement with JLL (the "**Listing Agreement**") is in standard form, with an addendum to address the receivership⁷.

³ First Report at para 3.0.1-3.0.3.

⁴ First Report at para 4.1.1

⁵ First Report at para. 4.1.2.

⁶ First Report at para. 4.2.2.

⁷ First Report at para. 4.2.3

Proposed Sale Process Milestones and Timelines

9. In consultation with JLL, the Receiver has developed the following sales process milestones and timelines, as set out in more detail in the First Report:

- (a) Phase 1 – Underwriting (Weeks 1-2) – JLL and the Receiver to prepare marketing materials and virtual data room; update any necessary reports on the Real Property; and, identify specific potential purchasers;
- (b) Phase 2 – Marketing and Offer Solicitation (Weeks 3-8) – mass marketing of opportunity and targeted marketing to specific potential purchasers; grant access to data room and facilitate diligence on the part of interested parties; prepare and request offers on template agreement; call for bids on June 23, 2026 (projected offer deadline);
- (c) Phase 3 – Offer Review and Negotiations (Weeks 10-11) – determine short list of bidders; request for further offers; consultation with Desjardins; selection of successful bidder; finalize definition documents; and, manage any final diligence in connection with successful bid; and
- (d) Phase 4 – Closing (as soon as possible) – the Receiver shall seek Court approval and close the successful transaction as soon as possible⁸.

10. In addition, the sales process contemplates the marketing on of the Real Property on an “as is, where is” basis, provides for an “offer not before date” of June 23, 2026 (as the same may

⁸ First Report at para. 4.3.1

be modified at the discretion of the Receiver), and allows the Receiver to invite bidders to improve their offers or further negotiate. The Receiver may also invite parties to participate in as many rounds of bidding as it deems required in order to maximize the consideration⁹.

Activities of the Receiver

11. Section 5 of the First Report provides a detailed summary of the Receiver's activities since the appointment, including: correspondence with the Debtor and its counsel to obtain information in respect of the Real Property; reviewing such information; preparing a data room to facilitate due diligence by the realtors; negotiating the Listing Agreement; and, correspondence with Tarion in connection with pre-construction agreements.

III – ISSUE

12. The issues to be determined on this motion are:

- (1) *Should the Court approve the Listing Agreement and the Sale Process?*
- (2) *Should the Court approve the First Report and the activities of the Receiver outlined therein?*

13. The Receiver respectfully submits that the answer to each question is – *yes*.

⁹ First Report at para 4.3.2

IV – LAW AND ARGUMENT

The Sales Process Should be Approved

14. Section 243(1) of the *Bankruptcy and Insolvency Act* affords the Court with broad discretion to grant powers to a receiver, including taking any action the court considers advisable¹⁰.

15. While a decision to approve a sales process is distinct from the approval of a proposed sale, the reasonableness and adequacy of a sales process is assessed using the same factors¹¹. Such factors were outlined by the Court of Appeal in *Royal Bank of Canada v Soundair Corp*: whether the receiver has made sufficient effort to get the best price and has not acted improvidently; the efficacy and integrity of the process by which offers are obtained; and, whether there has been unfairness in the working out of the process; and, the interests of all parties¹².

16. A court should also consider: (a) the fairness, transparency and integrity of the proposed process; (b) the commercial efficiency of the proposed process in light of the specific circumstances of the case; and, (c) whether the sale process will optimize the chances of securing the best possible price for the assets up for sale¹³.

17. A proposed sale process need not be perfect, only reasonable. Courts grant substantial deference to the business judgement and recommendations of a receiver as court officer with expertise in insolvency proceedings¹⁴.

¹⁰ *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, s. 243.

¹¹ *CCM Master Qualified Fund v. blutip Power Technologies*, 2012 ONSC 1750 (CanLII) at para 6.

¹² *Royal Bank of Canada v Soundair Corp.*, 1991 CanLII 2727 (ONCA) at para 16

¹³ *CCM Master Qualified Fund v. blutip Power Technologies*, 2012 ONSC 1750 (CanLII) at para 6.

¹⁴ *Marchant Realty Partners Inc v. 2407553 Ontario Inc*, 2021 ONCA 375 at paras [10](#), [15](#) and [19](#).

18. Each of the above factors, applied herein, support approval of the Sale Process:

- (a) **The Sales Process is fair and transparent.** The proposed Sale Process will allow for a broad canvassing of the market, through specific targeting of prospective purchasers, publishing the opportunity in publications and online, and engaging in direct canvassing of most likely prospects. The Receiver and JLL will facilitate diligence by interested parties and provide access to the virtual dataroom upon signing of a confidentiality agreement¹⁵.
- (b) **The Sales Process is commercially reasonable.** The Sale Process and Listing Agreement are consistent with real estate and development sales in receivership contexts. JLL has experience not only in selling development projects, but also real property in insolvency proceedings, and has already commenced preparing marketing materials for the Real Property. Its commission structure is consistent with market, and the experience of the Receiver in similar proceedings. Any purchase agreement resulting from the Sale Process will remain subject to Court approval at a later hearing.
- (c) **The Sales Process accounts for the interests of all parties.** The Sale Process was developed by the Receiver in consultation with JLL. As set out in the Endorsement of the Honourable Justice Dietrich dated March 13, 2026, the Receiver attempted to consult with the Debtor and its counsel regarding the Sales Process numerous times but did not receive a response¹⁶. Nonetheless, all stakeholders (including the

¹⁵ First Report at para 4.3.1

¹⁶ First Report at para. 4.4.2

Debtor) have been served with copies of the motion materials. The Receiver is aware of a number of pre-construction agreements that have been executed by purchasers, which will not be terminated until the Sale Process is completed and the intentions of the successful bidder are known¹⁷.

- (d) **The Sales Process optimizes the chances of securing the best price for the Real Property.** The duration of the Sale Process is designed to allow interested parties to perform their diligence and submit an offer by June 23, 2026. It is intended to be flexible based on market feedback, and JLL's expertise. Further, the Sale Process allows the Receiver the ability to negotiate and clarify any terms of a potential offer and allow for further rounds of bidding if deemed appropriate¹⁸.

19. For the reasons set out herein and in the First Report, the Receiver submits the proposed Sale Process is reasonable and will result in the best possible transaction and recovery in the circumstances.

The First Report and the Receiver's Activities Therein Should Be Approved

20. The Receiver requests the First Report, and the activities of the Receiver described therein be approved.

21. Requests to approve a court-appointed officer's reports are not unusual in insolvency proceedings¹⁹. The First Report fairly and accurately represents the activities of the Receiver,

¹⁷ First Report at para 4.4.1(g)

¹⁸ First Report at para 4.3.1

¹⁹ [*Target Canada Co. \(Re\)*](#), 2015 ONSC 7574 at para 2.

which were necessary, undertaken in good faith, and in accordance with the Receiver's mandate set out in the Appointment Order.

V – ORDER SOUGHT

22. For the reasons set forth herein and in the First Report, the Receiver respectfully requests the granting of the orders substantially in the forms attached to the Notice of Motion as appendix "A" as may be amended and presented at the hearing of this Motion.

ALL OF WHICH IS RESPECTFULLY SUBMITTED.

Date: May 15, 2026



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SCHEDULE “A”

LIST OF AUTHORITIES

1. [*CCM Master Qualified Fund v. blutip Power Technologies*](#), 2012 ONSC 1750 (CanLII)
2. [*Marchant Realty Partners Inc v. 2407553 Ontario Inc.*](#), 2021 ONCA 375
3. [*Royal Bank of Canada v Soundair Corp.*](#), 1991 CanLII 2727 (ONCA)
4. [*Target Canada Co. \(Re\)*](#), 2015 ONSC 7574

SCHEDULE "B"

RELEVANT LEGISLATION

Bankruptcy & Insolvency Act, R.S.C. 1985, c. B.43

Court may appoint receiver

243 (1) Subject to subsection (1.1), on application by a secured creditor, a court may appoint a receiver to do any or all of the following if it considers it to be just or convenient to do so:

- (a) take possession of all or substantially all of the inventory, accounts receivable or other property of an insolvent person or bankrupt that was acquired for or used in relation to a business carried on by the insolvent person or bankrupt;
- (b) exercise any control that the court considers advisable over that property and over the insolvent person's or bankrupt's business; or
- (c) take any other action that the court considers advisable.

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Court File No. CL-26-0000038-0000

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Proceedings commenced in **TORONTO**

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