



ksv advisory inc.

No. S-247764
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

KINGSETT MORTGAGE CORPORATION

PETITIONER

AND:

6511 SUSSEX HEIGHTS DEVELOPMENT LTD.
and
MINORU SQUARE DEVELOPMENT LIMITED PARTNERSHIP
and
MINORU VIEW HOMES LTD.
and
THIND PARKING CORP.

RESPONDENTS

THIRD REPORT OF THE RECEIVER

September 22, 2025

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1.0 Introduction

1. On December 13, 2024, the Supreme Court of British Columbia (the “**Court**”) granted an order (the “**Receivership 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 39 of the *Law and Equity Act*, R.S.B.C. 1996, c. 253, as amended (the “**LEA**”), appointing KSV Restructuring Inc. (“**KSV**”) as the receiver (in such capacity, the “**Receiver**”), without security, of the property described in Appendix “A” of the Receivership Order (the “**Lands**”) and all right, title, and interest of 6511 Sussex Heights Development Ltd. (“**6511 Sussex**”), Minoru Square Development Limited Partnership (“**Minoru LP**”), and Minoru View Homes Ltd. (“**Minoru Homes**” and collectively with 6511 Sussex and Minoru LP, the “**Initial Debtors**”) in all presently owned or held personal property of whatsoever nature and kind pertaining to the Lands (together with the Lands, the “**Initial Property**”), including all proceeds thereof.
2. The petition to appoint KSV as Receiver was made by KingSett Mortgage Corporation (“**KingSett**”), the Initial Debtors’ largest and senior secured creditor. The principal purpose of these proceedings is to create a stabilized environment in which the Debtors’ (as defined below) respective development projects can be completed and/or monetized, and the proceeds therefrom can be distributed for the benefit of the Debtors’ stakeholders.
3. On January 20, 2025, on application by the Receiver, the Court granted the following orders:
 - a) an amended and restated Receivership Order (the “**Amended and Restated Receivership Order**”), among other things:
 - i. expanding the scope of the receivership by appointing KSV as the receiver, without security, of all of Thind Parking Corp.’s (“**TPC**” and together with the Initial Debtors, the “**Debtors**”) presently owned or held personal property of whatsoever nature and kind pertaining to the Lands, including the proceeds thereof (collectively with the Initial Property, the “**Property**”);
 - ii. removing the Hotel Component (as defined below) from the description of the Lands appearing in Appendix “A” to the Receivership Order in light of its sale prior to the commencement of these proceedings; and
 - iii. increasing the Receiver’s maximum permitted borrowings under the Receivership Order and granting a corresponding increase to the Receiver’s Borrowings Charge (as defined in the Receivership Order);

- b) a sale process order (the “**Highline Sales Process Order**”), among other things:
 - i. authorizing and empowering the Receiver to enter into the agreement dated January 13, 2025 (the “**Rennie Marketing Agreement**”), among the Receiver, Rennie Marketing Systems, by its partners Rennie Project Marketing Corporation and 541823 B.C. Ltd., and Rennie & Associates Realty Ltd. (collectively, “**Rennie**”); and
 - ii. approving the sale process (the “**Highline Sale Process**”), substantially as described in the First Report of the Receiver dated January 13, 2025 (the “**First Report**”), with respect to the 119 strata lots at the Highline Project (as defined below) owned by 6511 Sussex (collectively, the “**Remaining Highline Units**”), and authorizing the Receiver and Rennie to carry out the Highline Sale Process;
- c) an approval and vesting order (the “**Highline AVO**”), among other things:
 - i. prospectively authorizing the Receiver to sell, pursuant to any sale agreements arising from and in accordance with the Highline Sale Process, any and all of the Remaining Highline Units (each, a “**Purchased Highline Unit**”); and
 - ii. upon delivery by the Receiver to the applicable purchaser of a Purchased Highline Unit (each, a “**Highline Purchaser**”) of a certificate substantially in the form attached as Schedule “C” to the Highline AVO (the “**Highline Certificate**”), vesting the Purchased Highline Unit described in such Highline Certificate in the Highline Purchaser free and clear of any and all claims and encumbrances; and
- d) an order (the “**Ancillary Order**”), among other things:
 - i. subject to the Receiver’s determination of the amounts owed by 6511 Sussex to The Owners, Strata Plan EPS 9599 (the “**Strata Corporation**”) that are secured by the liens registered by the Strata Corporation against the Lands owned by 6511 Sussex (collectively, the “**Strata Liens**”), if any (any such amounts so determined being, the “**Priority Indebtedness**”), or the determination of the Priority Indebtedness by this Court, authorizing and directing the Receiver to make a distribution to the Strata Corporation equal to the Priority Indebtedness in full satisfaction of the Strata Liens; and

- ii. subject to such holdbacks as the Receiver considers necessary or appropriate, authorizing and directing the Receiver, its counsel and other agents to make or cause to be made one or more distributions, payments, or adjustments from the purchase price paid for each Purchased Highline Unit approved pursuant to the Highline AVO in the manner and to the parties specified therein.
- 4. Additional information concerning the Debtors, the initial steps taken in these proceedings and the Highline Sale Process is provided in the First Report and is not repeated herein. Copies of the First Report (without appendices) and the Amended and Restated Receivership Order are attached as **Appendices “A”** and **“B”**, respectively.
- 5. On April 2, 2025, on application by the Receiver, the Court granted an order (the **“Minoru Sale Process Order”**), among other things:
 - a) authorizing and empowering the Receiver to enter into the Listing Agreement dated March 24, 2025, with Jones Lang LaSalle Real Estate Services, Inc. (**“Minoru Sales Agent”**); and
 - b) approving the sale process (the **“Minoru Sale Process”**), substantially as described in the Second Report of the Receiver dated March 24, 2025 (the **“Second Report”**) and authorizing the Receiver and the Minoru Sales Agent to carry out the Minoru Sale Process in accordance with its terms and the terms of the Minoru Sale Process Order.
- 6. Additional information regarding the Minoru Sale Process is provided in the Second Report and is not repeated herein. A copy of the Second Report (without appendices) is attached as **Appendix “C”**.
- 7. While the Minoru Sale Process remains ongoing, Rennie’s engagement pursuant to the Rennie Marketing Agreement in connection with the Highline Sale Process has been terminated. As a result of the termination of the Rennie Marketing Agreement, the Receiver intends to return to Court on a separate application to obtain approval of an amended Highline Sale Process, and to seek consequential amendments to the Highline AVO and Ancillary Order.¹

¹ Given the magnitude of the Highline Indebtedness and the Minoru Indebtedness (each as defined below) and the lack of certainty regarding the recoveries to be realized from the Minoru Sale Process and any amended Highline Sale Process, the Receiver has not sought to implement a claims procedure to date.

8. This report (this “**Third Report**”) is being filed by KSV, in its capacity as the Receiver. This Third Report focuses on the hotel component (the “**Hotel Component**”) situated within the 48-story mixed-use tower located at 6511 Sussex Avenue, Burnaby, BC (the “**Highline Project**”), that was sold by 6511 Sussex to 1506956 B.C. Ltd. (“**150 BC**”) and certain related relief intended to facilitate the efficient resolution of the Singh Action (as defined below).

1.1 Purposes of this Third Report

1. The purposes of this Third Report are to provide:
 - a) information in support of the Receiver’s application for an order (the “**Second Amended and Restated Receivership Order**”) amending and restating the Amended and Restated Receivership Order, for the purposes of, among other things:
 - i. expanding the scope of the receivership by appointing KSV as the receiver, without security, of all right, title and interest of the Debtors in the funds held by Fasken Martineau DuMoulin LLP (“**Fasken**”) as security pursuant to the letter agreement dated November 25, 2024 (the “**Letter Agreement**”), among KingSett, 6511 Sussex, and Gurmail Singh (“**Mr. Singh**”), by their respective counsel, including all interest thereon (collectively, the “**Security Funds**”); and
 - ii. clarifying the Receiver’s authority to manage, direct, defend, settle or compromise the proceedings styled as *Singh v 6511 Sussex Heights Development Ltd.*, bearing BCSC Action No. S-255846 (the “**Singh Action**”), and any appeals or proceedings arising therefrom or ancillary or related thereto;
 - b) solely in the event that the Second Amended and Restated Receivership Order is granted, the basis for the Receiver’s support for an order (the “**Lift Stay Order**”), among other things, lifting the stay of proceedings provided for in the Second Amended and Restated Receivership Order as against or in respect of 6511 Sussex and the Security Funds, for the sole purpose of allowing the Singh Action to proceed against 6511 Sussex, provided that:
 - i. 6511 Sussex and Mr. Singh are not prohibited from consenting to the adjudication or resolution of Mr. Singh’s claim against 6511 Sussex in the Singh Action in these receivership proceedings;
 - ii. the claims of Mr. Singh in the Singh Action, if established, may only be enforced against the Security Funds; and

- iii. any dispute regarding the entitlement and/or priority to, or the distribution of, the Security Funds as between or among any or all of KingSett, 6511 Sussex, the Receiver's Charge, the Receiver's Borrowings Charge and Mr. Singh, shall be determined by this Court in these receivership proceedings; and
- c) the Receiver's views with respect to Mr. Singh's application for the Lift Stay Order (the "**Lift Stay Application**").

1.2 Scope and Terms of Reference

1. In preparing this Third Report, the Receiver has relied upon the Debtors' unaudited financial information, books and records, information available in the public domain, and discussions with KingSett, the Debtors' management, and representatives of Thind Properties Ltd., an entity related to the Debtors.
2. The Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this Third 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 due diligence.

1.3 Currency

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

2.0 Background

1. The Debtors consist of 6511 Sussex, Minoru LP, Minoru Homes, and TPC, each of which is a single-purpose entity. 6511 Sussex, Minoru Homes, and TPC are corporations incorporated pursuant to the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended. Minoru LP is a limited partnership formed under the *Partnership Act*, R.S.B.C. 1996, c. 348, as amended.

2. Minoru LP and Minoru Homes are the beneficial and registered owners, respectively, of a 3.86-acre development site located at 5740, 5760, and 5800 Minoru Boulevard, Richmond, BC (the “**Minoru Property**”). Prior to these proceedings, Minoru LP and Minoru Homes were engaged in the development of a mixed-use community on the Minoru Property consisting of one office tower and three residential towers with a total of 429 units (the “**Minoru Project**”). Construction of the Minoru Project has not yet commenced.
3. 6511 Sussex is the registered owner of the Remaining Highline Units at the Highline Project located at 6511 Sussex Avenue, Burnaby, BC (collectively, the “**Highline Property**”). Prior to the granting of the Receivership Order, 6511 Sussex was engaged in the development of the Highline Project, consisting of, among other things, 332 strata lots, and the Hotel Component, which was sold to 150 BC prior to these proceedings.

2.1 KingSett Indebtedness

1. In connection with the Highline Project and the Minoru Project, the Initial Debtors entered into the following commitment letters (together, the “**Commitment Letters**”):
 - a) a commitment letter dated October 18, 2021 (as amended by a first amending agreement dated February 14, 2022, a second amending agreement dated March 20, 2023, and a third amending agreement dated February 23, 2024), among, *inter alios*, Minoru Square Development GP Ltd. (“**Minoru GP**”), in its capacity as the general partner for and on behalf of Minoru LP, as borrower, Minoru Homes, as nominee, 6511 Sussex, as guarantor, and KingSett, as lender, pursuant to which KingSett provided a first mortgage loan in the principal amount of \$72,650,000 (the “**Minoru Loan**”); and
 - b) a commitment letter dated March 5, 2024, among, *inter alios*, 6511 Sussex, as borrower, Minoru Homes and Minoru GP, in its capacity as the general partner for and on behalf of Minoru LP, as guarantors, and KingSett, as lender, pursuant to which KingSett provided a first mortgage loan in the principal amount of \$176,500,000 (the “**Highline Loan**”).
2. As of January 6, 2025, the total indebtedness to KingSett under each of the Minoru Loan and Highline Loan was as follows:
 - a) **Minoru Loan** – approximately \$77 million (the “**Minoru Indebtedness**”), then accruing interest at a rate of approximately \$25,644 per day; and

- b) **Highline Loan** – approximately \$103 million (the “**Highline Indebtedness**”), then accruing interest at a rate of approximately \$30,078 per day.
- 3. The payment and performance of the Highline Indebtedness and Minoru Indebtedness is secured by, among other things:
 - a) **Highline Indebtedness:** (i) a first mortgage/charge in the principal amount of \$283,750,000 and an assignment of rents registered against the Highline Property in favour of KingSett; (ii) a general security agreement dated March 20, 2024, between 6511 Sussex, as grantor, and KingSett, as grantee; and (iii) a collateral mortgage/charge in the principal amount of \$80,000,000 and an assignment of rents registered against the Minoru Property in favour of KingSett; and
 - b) **Minoru Indebtedness:** (i) a first mortgage/charge in the principal amount of \$61,000,000 and an assignment of rents registered against the Minoru Property in favour of KingSett; (ii) a second mortgage/charge in the principal amount of \$80,000,000 registered against the Minoru Property in favour of KingSett; and (iii) a general security agreement dated October 29, 2021, between Minoru Homes, as grantor, and KingSett, as grantee.
- 4. Following the Initial Debtors’ respective defaults under the Commitment Letters, KingSett provided notices of default and notices of intention to enforce security in accordance with section 244 of the BIA. KingSett subsequently sought and obtained the Receivership Order pursuant to subsection 243(1) of the BIA and section 39 of the LEA, appointing KSV as the Receiver of the Initial Property.

3.0 The Singh Action

- 1. The Receiver understands that, prior to the commencement of these proceedings, 6511 Sussex entered into two separate purchase and sale agreements dated October 2 and October 4, 2024 (together, the “**Sale Agreements**”), between 6511 Sussex and Mundi Hotel Enterprises Inc. (“**Mundi**”),² which contemplated the sale of the Hotel Component to Mundi for an aggregate purchase price of \$47.2 million. Each Sale Agreement included a closing date of November 29, 2024, subject to deferral in the case of a material loss event or extension at Mundi’s option.

² Mundi appears to have assigned its interest in the Sale Agreements to 150 BC, a newly incorporated company. Mundi and 150 BC share the same director and registered and records office address.

2. On or around November 14, 2024, the Receiver understands that Mr. Singh filed a notice of civil claim against 6511 Sussex (as amended on December 11, 2024, the “**Notice of Claim**”) and filed a certificate of pending litigation against the Hotel Component (the “**CPL**”). A copy of the Notice of Claim is attached as Exhibit “A” to the Affidavit of Jordanna Littau affirmed August 8, 2025 (the “**Littau Affidavit**”) in support of the Lift Stay Application.
3. The Notice of Claim alleges, among other things, that:
 - a) 6511 Sussex and Mr. Singh agreed that Mr. Singh would act as a consultant to 6511 Sussex in relation to a potential sale of the Hotel Component pursuant to a consulting agreement dated September 10, 2024 (the “**Consulting Agreement**”), wherein: (i) 6511 Sussex would pay Mr. Singh a consulting fee equal to 2% of the purchase price of the Hotel Component (the “**Consulting Fee**”) if 6511 Sussex entered into an agreement to sell same to Mundi; and (ii) Mr. Singh would be entitled to register a CPL against the Hotel Component in the event of breach;
 - b) Mr. Singh and his team provided information about the Hotel Component to Mundi and arranged for Mundi to inspect same;
 - c) upon completion of the Sale Agreements, Mr. Singh became entitled to the Consulting Fee in the amount of \$944,000; and
 - d) in breach of the Consulting Agreement, 6511 Sussex: (i) failed to advise Mr. Singh that it had entered into the Sale Agreements; (ii) failed to instruct counsel to provide an undertaking to pay the Consulting Fee from the sale proceeds; and (iii) refused to pay the Consulting Fee.
4. A copy of the alleged Consulting Agreement is attached as Exhibit “A” to the Affidavit of Gurmail Singh affirmed August 1, 2025 in support of the Lift Stay Application.
5. In response to the Notice of Claim, on November 21, 2024, 6511 Sussex filed a notice of application (the “**Discharge Application**”), seeking orders:
 - a) cancelling and discharging the CPL and requiring Mr. Singh seek leave of the Court before filing another CPL in respect of the Hotel Component;
 - b) in the alternative, cancelling the CPL from title to the Hotel Component upon 6511 Sussex depositing with the Court cash as security for the CPL or other security in such form and in such amount as may be further ordered by the Court; and

- c) in the further alternative, requiring that Mr. Singh provide an undertaking for damages payable to 6511 Sussex as a result of the CPL's registration and deposit with the Court cash as security for the fulfilment of such undertaking.
- 6. A copy of the Discharge Application is attached Exhibit "B" to the Littau Affidavit.
- 7. The Discharge Application asserted that 6511 Sussex had no prior knowledge of the Consulting Agreement and only became aware of it when the CPL was registered. In the Discharge Application, 6511 Sussex denied that the Consulting Agreement exists and that Mr. Singh rendered services or introduced Mundi and/or 150 BC to 6511 Sussex, and argued that the Notice of Claim failed to set out the material facts required to ground a claim capable of supporting an interest in the Hotel Component. The Discharge Application also explained that the CPL jeopardized completion of the Sale Agreements and, if not cancelled, would cause significant hardship and inconvenience to 6511 Sussex.

3.1 The Letter Agreement

- 1. To allow the sale of the Hotel Component to proceed while protecting each party's rights in respect of the Singh Action, 6511 Sussex, KingSett, and Mr. Singh, through their respective counsel, entered into the Letter Agreement. A copy of the Letter Agreement is attached as **Appendix "D"**.
- 2. The Letter Agreement provides, among other things, that:
 - a) the Security Funds would be transferred to Fasken;
 - b) the Security Funds would stand in place of the Hotel Component for purposes of the CPL and related claims advanced in the Singh Action;
 - c) the CPL would be discharged upon Fasken's receipt of the Security Funds, which were to be held in trust and released only pursuant to a joint written direction from Mr. Singh and 6511 Sussex or in accordance with a further order of the Court; and
 - d) the discharge of the CPL would not affect or compromise the rights of either party to the Singh Action.
- 3. Consistent with the Letter Agreement, the Receiver understands that the CPL was discharged, and the transactions contemplated under the Sale Agreements closed on or around November 26, 2024. The Receiver understands that the Security Funds were transferred to Fasken pursuant to the terms of the Letter Agreement.

4.0 Lift Stay Application and Security Funds

1. After becoming aware of the Singh Action, on December 18, 2024, the Receiver, through its counsel Bennett Jones LLP ("**Bennett Jones**"), issued a letter to Farris LLP ("**Farris**"), counsel to Mr. Singh (the "**Stay Letter**") that, among other things, advised of the Receiver's appointment, confirmed that the stay of proceedings granted under the Receivership Order applied to the Singh Action, and requested that no steps be taken without further direction from the Court or the Receiver. A copy of the Stay Letter is attached as Exhibit "G" to the Littau Affidavit.
2. On June 20, 2025, Farris sent a letter to Bennett Jones (the "**June Letter**") seeking the Receiver's consent to lift the stay of proceedings as against 6511 Sussex to enable Mr. Singh to advance the Singh Action. On July 3, 2025, Bennett Jones responded by email (the "**July 3 Email**") noting that the request remained under review and reminded Farris that no action should be taken in breach of the stay while the matter was under consideration. Copies of the June Letter and the July 3 Email are attached as Exhibits "H" and "I" to Littau Affidavit, respectively.³
3. Prior to the completion of the Receiver's review of the Singh Action and the June Letter, on August 12, 2025, Mr. Singh brought the Lift Stay Application in these proceedings, seeking an order lifting the stay of proceedings imposed by the Amended and Restated Receivership Order in respect of 6511 Sussex.
4. Since receipt of the June Letter, the Receiver has made additional inquiries, reviewed the pleadings and background materials, and consulted with Daljit Thind ("**Mr. Thind**"), the principal of the Debtors, KingSett, and Farris regarding the Singh Action and the Security Funds. Based on these efforts, the Receiver has concluded that, subject to the Court granting the Second Amended and Restated Receivership Order, it would be appropriate and in the best interests of 6511 Sussex and its creditors for the Singh Action to proceed and for its defence and potential settlement to be managed and directed by the Receiver.

³ Exhibit "I" to the Littau Affidavit also includes Farris' response to the July 3 Email.

4.1 Receiver's Recommendation with Respect to the Second Amended and Restated Receivership Order

1. To allow the Singh Action to be adjudicated while ensuring any priority or allocation disputes related to the Security Funds are addressed in these proceedings, the Receiver seeks the proposed Second Amended and Restated Receivership Order. The Receiver recommends that the Court issue the proposed Second Amended and Restated Receivership Order appointing KSV as Receiver over the Security Funds given, among other things, that:
 - a) in granting the Receivership Order, this Court already determined that it was just and convenient to: (i) appoint a receiver over the Lands, including the Hotel Component, and all of the proceeds thereof, on the basis of circumstances that generally persist today; and (ii) empower the Receiver to initiate, manage and direct all legal proceedings pending in respect of 6511 Sussex, including continuing, defending, settling or compromising such proceedings;
 - b) to secure the Highline Loan, 6511 Sussex granted KingSett, among other security, a mortgage, charge, assignment and transfer in and to all right, title and interest of 6511 Sussex in all presently owned or held and after acquired or held personal property of whatsoever nature and kind pertaining to the Highline Project, and in all proceeds thereof;
 - c) based on its investigation to date, and following consultation with Mr. Thind and KingSett, the Receiver is of the view that 6511 Sussex has meritorious defenses to the Singh Action, which 6511 Sussex does not have the financial or operational ability to advance independently;
 - d) the Receiver is not aware of any material prejudice that is expected to result from its appointment as receiver of the Security Funds;
 - e) KingSett, Mr. Singh, and 6511 Sussex either support or do not oppose the Receiver's appointment as receiver of the Security Funds or its intention to defend the Singh Action; and
 - f) as referenced above and discussed below, the granting of the Second Amended and Restated Receivership Order will ensure the Singh Action can be adjudicated in a timely manner – potentially reducing 6511 Sussex's substantial indebtedness to KingSett – while mitigating the potential prejudice that would be imposed on 6511 Sussex's other creditors if the Lift Stay Order is granted.

2. If the proposed Second Amended and Restated Receivership Order is granted, the Receiver is prepared to consent to the proposed Lift Stay Order for the sole purpose of allowing Mr. Singh to proceed with his claim against 6511 Sussex in the Singh Action. In the event the Singh Action is dismissed, the Security Funds will remain available for distribution to KingSett, thereby reducing 6511 Sussex's indebtedness under the Highline Loan and the related interest accruals, which obligations are guaranteed by Minoru LP and Minoru Homes.

4.2 Receiver's Concerns Regarding the Lift Stay Order Absent the Granting of the Second Amended and Restated Receivership Order

1. Failing the simultaneous granting of the proposed Second Amended and Restated Receivership Order and the Lift Stay Order, the Receiver does not consent to, nor does it support, the lifting of the stay of proceedings. The Receiver's view in this regard is informed by the prejudice likely to be imposed on 6511 Sussex and its estate as compared to any temporary prejudice currently experienced by Mr. Singh in the event only the Lift Stay Order is granted.
2. Any prejudice currently experienced by Mr. Singh as a result of being temporarily restrained from advancing the Singh Action and recovering the Security Funds, which represent approximately 85% of the Consulting Fee and are not at risk of dissipation or erosion, appears to the Receiver to be:
 - a) subjective and monetary in nature;
 - b) shared by 6511 Sussex and its creditors, which have similarly been deprived of the Security Funds; and
 - c) outweighed by the substantial prejudice to 6511 Sussex's creditors if the Singh Action proceeds and the Receiver is forced to direct its defence at the estate's expense while the Debtors' right, title and interest in the Security Funds remain outside of the scope of the Property, and the adjudication of any entitlement or priority disputes with respect to the Security Funds is not expressly within these proceedings.
3. Consistent with its recommendation set out in Section 4.1 of this Third Report, the Receiver is of the view that any temporary prejudice experienced by Mr. Singh, and the material prejudice that may be imposed on 6511 Sussex and its creditors, are best balanced by the granting of the proposed Second Amended and Restated Receivership Order and the Lift Stay Order contemporaneously.

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)(a) of this Third Report.

* * *

All of which is respectfully submitted,

**KSV RESTRUCTURING INC.,
solely in its capacity as Court-appointed receiver of
6511 Sussex Heights Development Ltd.,
Minoru Square Development Limited Partnership,
Minoru View Homes Ltd., and Thind Parking Corp.,
and not in its personal or corporate capacity**

A handwritten signature in blue ink, appearing to read 'Jason Knight', is written over the printed name and title.

Per: Jason Knight
Managing Director

APPENDIX A

[ATTACHED]



No. S-247764
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN

KINGSETT MORTGAGE CORPORATION

PETITIONER

AND

6511 SUSSEX HEIGHTS DEVELOPMENT LTD.
and
MINORU SQUARE DEVELOPMENT LIMITED PARTNERSHIP
and
MINORU VIEW HOMES LTD.

RESPONDENTS

FIRST REPORT OF THE RECEIVER

January 13, 2025

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1.0 Introduction

1. On December 13, 2024, the Supreme Court of British Columbia (the “**Court**”) granted an order (the “**Receivership 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 39 of the *Law and Equity Act*, R.S.B.C. 1996, c. 253, as amended, appointing KSV Restructuring Inc. (“**KSV**”) as the receiver (in such capacity, the “**Receiver**”), without security, of the property described in Appendix “A” of the Receivership Order (the “**Lands**”) and all right, title, and interest of 6511 Sussex Heights Development Ltd. (“**6511 Sussex**”), Minoru Square Development Limited Partnership (“**Minoru LP**”), and Minoru View Homes Ltd. (“**Minoru Homes**” and collectively with 6511 Sussex and Minoru LP, the “**Debtors**”) in all presently owned or held personal property of whatsoever nature and kind pertaining to the Lands (together with the Lands, the “**Property**”), including all proceeds thereof. A copy of the Receivership Order is attached as **Appendix “A”**.
2. The petition to appoint KSV as Receiver was made by KingSett Mortgage Corporation (“**KingSett**”), the Debtors’ largest and senior secured creditor (the “**KingSett Petition**”). As discussed below, the principal purpose of these proceedings is to create a stabilized environment in which the Debtors’ respective development projects can be completed and/or monetized, and the proceeds arising therefrom can be distributed, in each case, for the benefit of the Debtors’ stakeholders.
3. This report (this “**First Report**”) is being filed by KSV, in its capacity as the Receiver. It focuses on the Receiver’s recommendations in respect of the listing for sale of the 119 strata lots (collectively, the “**Remaining Units**”) comprising the Highline Property (as defined below) owned by 6511 Sussex, and certain related relief intended to facilitate the efficient administration of these proceedings and maximize value for the Debtors’ stakeholders. The Receiver is in the process of advancing a realization strategy in respect of the Property of the other Debtors, being Minoru LP and Minoru Homes, and will return to Court at a future date to seek approval of such realization strategy. Additional background information concerning Minoru LP and Minoru Homes, their respective property, and the Receiver’s recommendations relating thereto will be provided at that time.

1.1 Purposes of this First Report¹

1. The purposes of this First Report are to provide an update regarding these proceedings and information in support of the Receiver's application for the following relief:
 - a) an amended and restated Receivership Order (the "**Amended and Restated Receivership Order**"), among other things:
 - i. expanding the scope of the receivership by appointing KSV as the receiver, without security, of all of Thind Parking Corp.'s ("**TPC**") presently owned or held personal property of whatsoever nature and kind pertaining to the Lands, including the proceeds thereof (collectively, the "**Parking Property**");
 - ii. increasing the Receiver's maximum permitted borrowings under the Receivership Order from \$250,000 to \$2,303,860, and granting a corresponding increase to the Receiver's Borrowings Charge (as defined in the Receivership Order); and
 - iii. updating the description of the Lands to remove certain real property that was sold prior to the commencement of these proceedings;
 - b) an order (the "**Highline Sale Process Order**"), among other things:
 - i. authorizing and empowering the Receiver to enter into the letter agreement dated January 13, 2025 (the "**Marketing Agreement**"), among the Receiver, Rennie Marketing Systems, by its partners Rennie Project Marketing Corporation and 541823 B.C. Ltd. (collectively, "**RMS**"), and Rennie & Associates Realty Ltd. (collectively with RMS, the "**Sales Agent**" or "**Rennie**") in the form attached as **Appendix "B"**; and
 - ii. approving the sale process described in Section 4 of this First Report with respect to the Remaining Units (the "**Highline Sale Process**"), and authorizing the Receiver and the Sales Agent to carry out the Highline Sale Process in accordance with its terms and the terms of the Highline Sale Process Order;

¹ All capitalized terms not defined in this section are defined in the sections below.

- c) an order (the “**Approval and Vesting Order**”), among other things:
- i. prospectively authorizing the Receiver to sell, pursuant to any sale agreements arising from the Sale Process that satisfy the Sale Conditions (as defined below) (each, a “**Sale Agreement**” and each transaction contemplated thereunder, a “**Unit Transaction**”), any and all of the Remaining Units, including all fixtures and chattels, in each case, as designated and described in the applicable Sale Agreement (each, a “**Purchased Unit**”), and to assign the exclusive use of any parking stalls and/or storage lockers in connection therewith;
 - ii. authorizing and directing the Receiver to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of any Unit Transaction, the conveyance of any Purchased Unit to the purchaser thereof (each, a “**Purchaser**”), and the assignment of any parking stalls and/or storage lockers to a Purchaser; and
 - iii. upon delivery by the Receiver to the applicable Purchaser of a certificate substantially in the form attached as Schedule “C” to the Approval and Vesting Order (in each case, a “**Receiver’s Certificate**”), vesting the Purchased Unit described in such Receiver’s Certificate in the Purchaser free and clear of any and all claims and encumbrances (other than certain specified permitted encumbrances);
- d) an order (the “**Ancillary Order**”), among other things:
- i. subject to the Receiver’s determination of the amounts owed by 6511 Sussex to The Owners, Strata Plan EPS 9599 (the “**Strata Corporation**”) that are secured by the liens registered by the Strata Corporation against the Lands owned by 6511 Sussex (collectively, the “**Strata Liens**”), if any (any such amounts so determined being, the “**Priority Indebtedness**”), or the determination of the Priority Indebtedness by this Court, authorizing and directing the Receiver to make a distribution from the proceeds of the Receiver’s borrowings to the Strata Corporation equal to the Priority Indebtedness in full satisfaction of the Strata Liens (the “**Strata Lien Distribution**”); and

- ii. subject to such holdbacks as the Receiver considers necessary or appropriate to satisfy priority claims against each Purchased Unit and/or to fund these proceedings, including, without limitation, the Receiver's fees and the fees of its counsel, authorizing and directing the Receiver, its counsel and other agents to make or cause to be made one or more distributions, payments or adjustments (collectively, the "**Distributions**" and each, a "**Distribution**") from the purchase price paid for each Purchased Unit approved pursuant to the Approval and Vesting Order in the manner and to the parties specified therein; and
- e) an order (the "**Sealing Order**"), among other things, sealing the Confidential Supplement to the First Report dated January 13, 2025 (the "**Confidential Supplement**") pending the filing of a Receiver's Certificate evidencing the closing of the Unit Transaction for the last Purchased Unit.

1.2 Scope and Terms of Reference

1. In preparing this First Report, the Receiver has relied upon the Debtors' unaudited financial information, books and records, information available in the public domain, and discussions with KingSett, the Sales Agent, the Debtors' management, and representatives of Thind Properties Ltd. ("**Thind**"), an entity related to the Debtors.
2. The Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this First 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 due diligence.

1.3 Currency

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

2.0 Background

1. The Debtors consist of 6511 Sussex, Minoru LP, and Minoru Homes, each of which is a single purpose entity. 6511 Sussex and Minoru Homes are corporations incorporated pursuant to the *Business Corporations Act*, S.B.C. c. 57, as amended (the "**BCA**"), with Daljit Thind ("**Mr. Thind**") as a director. Minoru LP is a limited partnership formed under the *Partnership Act*, R.S.B.C. 1996, c. 348, as amended.

2. 6511 Sussex was engaged in the development of a 48-story mixed-use tower located at 6511 Sussex Avenue, Burnaby, BC (the “**Highline Project**”), consisting of, among other things, 332 strata lots (collectively, the “**Highline Units**”), and a designated hotel component, which was sold to a third party prior to the date of the Receivership Order. 6511 Sussex is currently the registered owner of 119 remaining strata lots (i.e., the Remaining Units). The Receiver understands that none of the Remaining Units are subject to an existing agreement of purchase and sale (collectively, the “**Highline Property**”).
3. Minoru LP and Minoru Homes are the beneficial and registered owners, respectively, of a 3.86-acre development site located at 5740, 5760, and 5800 Minoru Boulevard, Richmond, BC (the “**Minoru Property**”).

2.1 Creditors

2.1.1 KingSett

1. In connection with the Highline Project and the Minoru Property, the Debtors entered into the following commitment letters:
 - a) a commitment letter dated October 18, 2021 (as amended by a first amending agreement dated February 14, 2022, a second amending agreement dated March 20, 2023, and a third amending agreement dated February 23, 2024), among, *inter alios*, Minoru Square Development GP Ltd., in its capacity as the general partner for and on behalf of Minoru LP, as borrower, Minoru Homes, as nominee, 6511 Sussex, as guarantor, and KingSett, as lender, pursuant to which KingSett provided a first mortgage loan in the principal amount of \$72,650,000 (the “**Minoru Loan**”); and
 - b) a commitment letter dated March 5, 2024, among, *inter alios*, 6511 Sussex, as borrower, Minoru Homes and Minoru Square Development GP Ltd., in its capacity as the general partner for and on behalf of Minoru LP, as guarantors, and KingSett as lender, pursuant to which KingSett provided a first mortgage loan in the principal amount of \$176,500,000 (the “**Highline Loan**”).
2. As of January 6, 2025, the total indebtedness to KingSett under the Highline Loan (the “**Highline Indebtedness**”) was approximately \$103 million, accruing interest at a rate of approximately \$30,077.52 per day (the “**Highline Daily Interest**”).

3. The payment and performance of the Highline Indebtedness is secured by, among other things:
 - a) a first mortgage/charge in the principal amount of \$283,750,000 and an assignment of rents registered against the Highline Property in favour of KingSett;
 - b) a general security agreement dated March 20, 2024, between 6511 Sussex, as grantor, and KingSett, as grantee; and
 - c) a collateral mortgage/charge in the principal amount of \$80,000,000 and an assignment of rents registered against the Minoru Property in favour of KingSett.
4. As of January 6, 2025, the total indebtedness to KingSett under the Minoru Loan (the “**Minoru Indebtedness**”) was approximately \$77 million, accruing interest at a rate of approximately \$25,644 per day.
5. The payment and performance of the Minoru Indebtedness is secured by, among other things:
 - a) a first mortgage/charge in the principal amount of \$61,000,000 and an assignment of rents registered against the Minoru Property in favour of KingSett;
 - b) a second mortgage/charge in the principal amount of \$80,000,000 registered against the Minoru Property in favour of KingSett; and
 - c) a general security agreement dated October 29, 2021, between Minoru Homes, as grantor, and KingSett, as grantee.
6. On January 8, 2025, KingSett filed two Notices of Application (the “**Applications for Judgement**”) in these proceedings for orders for judgment in respect of the Highline Indebtedness, the Minoru Indebtedness and declarations with respect to the validity and priority of certain of the security granted in connection with such indebtedness. The Applications for Judgement are currently scheduled to be heard on January 20, 2025.
7. Following the granting of the Receivership Order, the Receiver requested that its independent counsel² conduct a review of certain of the security granted by the Debtors in favour of KingSett in respect of the Highline Indebtedness and the Minoru Indebtedness.

² Bennett Jones LLP (“**Bennett Jones**”), counsel to the Receiver in these proceedings, was involved in registering KingSett’s security for the Highline Loan and the Minoru Loan. To avoid any potential conflicts, the Receiver therefore retained Redpoint Law LLP to provide the security opinions discussed herein.

Subject to the customary qualifications and assumptions set out therein, the Receiver's independent counsel has provided written opinions that the security granted by the Debtors constitutes valid security, enforceable in accordance with its terms, perfected, where necessary by registration. The opinions also state that each of the applicable mortgages in favor of KingSett, registered against the Highline Property and the Minoru Property, constitutes a valid, fixed, and specific charge on such property as of the date of the opinion.

2.1.2 Strata Corporation

1. The Receiver understands that the Strata Corporation is a strata corporation established pursuant to section 2 of the *Strata Property Act*, S.B.C. 1998, c. 43 (the "**SPA**"). Among other responsibilities, the Receiver understands that it manages and maintains the common property and common assets of the Strata Corporation for the benefit of the owners of the strata lots that comprise the Highline Property.
2. In response to the KingSett Petition (the "**Strata Response**"), the Strata Corporation asserted that, as at December 6, 2024, it was owed approximately \$1.1 million from 6511 Sussex, consisting of:
 - a) \$469,549.30 in unpaid strata fees and interest;
 - b) \$472,820.18 for further unpaid strata fees and amounts owed under section 116 of the SPA; and
 - c) \$157,647 owing pursuant to a master airspace easement agreement and Section 219 Covenant dated October 13, 2023.
3. As indicated within the Strata Response, the Strata Corporation filed the Strata Liens against the Remaining Units to secure the aggregate asserted claim of \$942,369.48, and the costs to enforce such Strata Liens. A copy of the Strata Response is attached as **Appendix "C"**. The Receiver has not yet had an opportunity to comprehensively review the claims underlying the Strata Liens.
4. On December 12, 2024, the Strata Corporation filed a petition with the Court (the "**Strata Petition**") seeking orders, among other things:
 - a) declaring that, subject to certain exceptions, the Strata Liens rank in priority to every other lien or registered charge against the Highline Property;
 - b) granting a judgment (the "**Judgment**") against 6511 Sussex for amounts due and owing to the Strata Corporation, including Court-ordered interest and costs;

- c) declaring that, 30 days after the Judgment, the Strata Corporation is granted exclusive conduct of sale of the Highline Property against which the Judgment remains unsatisfied; and
 - d) directing that the amounts set out in the Strata Petition be paid from the sale proceeds of the Highline Property.
5. A copy of the Strata Petition is attached as **Appendix “D”**. As of the date of this First Report, the Strata Petition has not been heard or scheduled to be heard and remains subject to the stay of proceedings. The Strata Liens remain registered against the Remaining Units.

2.1.3 Canada Revenue Agency

1. On January 8, 2025, the Receiver received a letter (the “**CRA Letter**”) from the Canada Revenue Agency (the “**CRA**”) stating that 6511 Sussex owes \$8,152,926 in goods and services tax/harmonized sales tax (“**GST**”). This amount includes \$7,551,095 as a deemed trust claim under the *Excise Tax Act*, R.S.C. 1985, c. E-15, as amended (the “**CRA Deemed Trust Claim**”), and penalties and interest of \$601,831. A copy of the CRA Letter is attached as **Appendix “E”**.
2. On January 11, 2025, the Receiver notified 6511 Sussex’s management and representatives of Third of the CRA Letter, requesting GST returns and supporting documentation for the periods noted in the CRA Letter. As of the date of this First Report, the information has not been provided.
3. As of the date of this First Report, KingSett has filed a notice of application (the “**Bankruptcy Application**”) seeking an order, among other things:
 - a) authorizing and directing the Receiver to assign 6511 Sussex into bankruptcy; and
 - b) authorizing and empowering KSV to act as trustee in bankruptcy of 6511 Sussex.
4. The Receiver understands that the principal purpose of the Bankruptcy Application is to reverse the priority of the CRA Deemed Trust Claim. The Receiver is not aware of any obstacles to concurrently managing these proceedings and the proposed bankruptcy proceedings.

2.1.4 Builder's Lien Claimants

1. As of January 10, 2025, the following builder's liens have been registered against the Highline Property (or portions thereof):
 - a) a lien in favour of Jab Contracting Ltd. in the amount of \$1,905,810.39;
 - b) a lien in favour of Lion's Gate Building Maintenance Ltd. in the amount of \$35,411.25;
 - c) a lien in favour of Hair Stones Limited in the amount of \$255,079.85; and
 - d) a lien in favour of 1364410 B.C. Ltd. in the amount of \$42,613.65.
2. The Receiver has not yet reviewed or vetted any registered builder's lien.

2.1.5 Other Creditors

1. Based on the Receiver's review of 6511 Sussex's books and records, 6511 Sussex's unsecured creditors are owed approximately \$1.1 million in addition to the unsecured and non-priority claim asserted by the Strata Corporation noted above. According to 6511 Sussex's books and records, such indebtedness is primarily comprised as follows:
 - a) Highline Project architects, engineers, and consultants – \$258,852;
 - b) City of Burnaby – \$188,224;
 - c) Rennie – \$130,582;
 - d) Royal Bank of Canada – \$72,866;
 - e) Richards Buell Sutton LLP – \$61,407;
 - f) BC Hydro – \$57,673; and
 - g) other suppliers and vendors – \$351,964.

3.0 Retention of Rennie as the Proposed Sales Agent

1. Pursuant to a marketing agreement between Rennie Marketing Systems, by RMS, and 6511 Sussex dated September 20, 2017 (as amended, the "**Original Marketing Agreement**"), Rennie Marketing Systems was retained as sales agent for the Highline Units. Prior to the date of the Receivership Order, Rennie sold 213 of the Highline Units pursuant to the Original Marketing Agreement (collectively, the "**Sold Units**").

2. Rennie is a prominent real estate company based in Vancouver, BC, with a team of over 130 staff and 270 advisors. Rennie provides real estate marketing, development advisory and brokerage services focusing on high-end residential properties, including luxury homes and high-rise condominiums. Further information on Rennie, and its experience and qualifications is included in **Appendix “F”**.
3. Since the granting of the Receivership Order, the Receiver held discussions with Rennie to understand the status of the Highline Project, the Sold Units and the Remaining Units. Based on Rennie’s background, familiarity with the Highline Property, and its proven success in marketing the Sold Units, the Receiver, in consultation with KingSett, decided to retain Rennie as the Sales Agent for the Remaining Units.

3.1 Marketing Agreement³

1. The Marketing Agreement was negotiated by the Receiver, in consultation with KingSett and is subject to the approval of the proposed Highline Sale Process Order.
2. Pursuant to the Marketing Agreement, the Sales Agent will be engaged by the Receiver to provide the following services with respect to the Highline Property, among others:
 - a) developing and preparing a strategy for the sale of the Remaining Units;
 - b) listing the Remaining Units for sale when requested in writing by the Receiver to do so;
 - c) diligently marketing the Remaining Units listed for sale and using commercially reasonable efforts to sell such Remaining Units, subject to and in accordance with the Sale Conditions (as defined below);
 - d) using Rennie’s and its agents’ proprietary customer databases to introduce prospective buyers to the Remaining Units;
 - e) facilitating contracts between the Receiver and the Purchasers;
 - f) acting solely for the benefit of the Receiver in connection with the marketing and sale of the Remaining Units;

³ Capitalized terms used but not otherwise defined in this section have the meanings ascribed to them in the Marketing Agreement.

- g) assisting with contractual conveyance of the Remaining Units, including, without limitation, collecting lawyer selections, assigning parking stalls and storage lockers, and distributing completion notices;
 - h) providing reports to the Receiver as it reasonably requires;
 - i) assisting in the process of administering the distribution of: (i) disclosure statements and disclosure statement amendments; (ii) addendums to contracts; (iii) deposit collection; (iv) purchaser update communications; and (v) extension requests and agreements;
 - j) preparing a marketing budget and marketing timeline outlining the detailed expenses and disbursements in connection with the marketing and sale of the Remaining Units (the “**Marketing Budget**”), which Marketing Budget shall be submitted to the Receiver for its prior approval promptly following the granting of the Highline Sale Process Order; and
 - k) ensuring compliance with, among other things, the *Real Estate Development Marketing Act*, S.B.C. 2004, c. 41, as amended (“**REDMA**”), its regulations, the British Columbia Financial Services Authority’s (the “**BCFSA**”) requirements, and the various policy statements of the Superintendent of Real Estate, and FINTRAC regulations.
3. Subject to the earlier termination thereof, the term (the “**Term**”) of the Marketing Agreement commences on the date of the Marketing Agreement and ends on the earlier of (i) the Completion Date of the last Remaining Unit sold and (ii) eight (8) months from the filing of a Disclosure Statement (as defined below). Among other termination rights, the Receiver or the Sales Agent may terminate the Marketing Agreement, without penalty or cost and without cause, by delivery of a written notice of termination.
4. Rennie’s compensation includes:
- a) **Commission** – a commission of 3.8% of the Net Contract Sales Price, inclusive of the applicable Outside Agent’s commission, plus all applicable taxes (the “**Commission**”), for each and every Remaining Unit sold during the Term, provided that no Commission will be payable on any Remaining Units sold: (i) as part of one or more bulk transactions identified, solicited or negotiated by KingSett and/or any of its affiliates; or (ii) below the Minimum Square Foot Prices (as defined below), except where such Minimum Square Foot Prices are reduced by the Receiver. The Commission will be split 1.9% for Rennie and 1.9% for the Outside Agent. No member

of the Listing Team will be entitled to represent a Purchaser; and

- b) **Fees and Expenses** – Rennie will also be reimbursed for Vancouver Real Estate Board Multiple Listing Service (“**MLS**”) fees and pre-approved Advertising and Promotional Expenses.

3.2 Recommendation Regarding Retention of Rennie and Approval of Marketing Agreement

1. The Receiver recommends that the Court approve the retention of Rennie as the Sales Agent under the Marketing Agreement for the following reasons:
 - a) the fees payable to Rennie are consistent with the Original Marketing Agreement, and based on the Receiver’s experience, are consistent with market rates for an engagement of this nature and are commercially reasonable;
 - b) Rennie is a leading real estate firm primarily operating in the Greater Vancouver Area with over 130 staff and 270 advisors, and substantial industry experience and expertise;
 - c) KingSett supports the Receiver’s decision to retain Rennie;
 - d) Rennie’s knowledge about the Highline Project (given its involvement since September 2017), prior experience canvassing the market for the Highline Units and preparation of the marketing materials necessary to solicit interest in the Remaining Units, and ongoing rapport with potential purchasers and co-operating agents, will enhance the efficacy of the Highline Sale Process and eliminate the unnecessary delays that would result from the retention of a new agent/broker at this stage; and
 - e) by avoiding unnecessary delays, Rennie’s retention will permit the Highline Sale Process to commence immediately following the filing of a new disclosure statement (a “**Disclosure Statement**”) pursuant to REDMA, and thereby reduce the accrual of the substantial daily holding costs associated with the Highline Property, including the Highline Daily Interest.

4.0 Highline Sale Process

1. In addition to retaining Rennie as the Sales Agent to sell the Remaining Units, the Receiver has developed the Highline Sale Process described in this section, in consultation with the Sales Agent and KingSett.

2. The Highline Sale Process is intended to provide a flexible, efficient, and fair process for canvassing the market for potential purchasers and maximizing the value of the Remaining Units and recovery for the Debtors' stakeholders. Moreover, it is intended to significantly reduce carrying costs, and minimize the number of Court attendances required by prospectively approving the Sale Agreements and the Unit Transactions that are anticipated to materialize from the Highline Sale Process, subject, in each case, to the satisfaction of the Sale Conditions.
3. The principal features of the Highline Sale Process are discussed below.

4.1 Rennie Report and Pricing Schedule

1. At the Receiver's request, Rennie prepared a report dated January 9, 2025 to support the Highline Sale Process (the "**Rennie Report**"). The Rennie Report outlines Rennie's recommendations and proposed marketing plan with respect to the Remaining Units and includes a schedule summarizing the following metrics for each Remaining Unit (the "**Pricing Schedule**"):
 - a) the suggested listing prices (the "**Listing Prices**"); and
 - b) the minimum prices per square foot (the "**Minimum Square Foot Prices**").
2. Based on the Listing Prices, the aggregate gross market value of the Remaining Units is expected to exceed \$100 million. A partially redacted copy of the Rennie Report is attached as **Appendix "G"**. An unredacted version of the Rennie Report will be filed as an appendix to the Confidential Supplement.
3. Holding the Remaining Units indefinitely is not viable due to significant carrying costs, including:
 - a) the Highline Daily Interest (\$30,077.52/day);
 - b) go forward monthly strata fees; and
 - c) property taxes, insurance premiums, and upkeep costs.
4. Delaying the sale of the Remaining Units or not setting achievable sale prices would result in further Court attendances and increased professional fees, thus exacerbating these financial burdens, diminishing the net proceeds available for distribution to the Debtors' creditors. The prompt and efficient execution of the Highline Sale Process is essential to mitigate these escalating costs and preserve value for stakeholders.

5. As detailed in the Pricing Schedule, the Listing Prices and Minimum Square Foot Prices are based on an analysis prepared by Rennie that considered, among other things:
 - a) prices obtained for the Sold Units prior to the date of the Receivership Order;
 - b) sales data for similar development projects in Burnaby and the surrounding areas;
 - c) Rennie's significant expertise and knowledge of the Highline Project; and
 - d) input from, and consultation with, KingSett.

4.2 Highline Sale Process

1. To minimize costs and ensure the efficiency of the Highline Sale Process, the Receiver seeks prospective approval under the proposed Approval and Vesting Order of the Unit Transactions anticipated to materialize in the Highline Sale Process, without additional Court attendances, provided the following conditions are met in the case of each such Unit Transaction (collectively, the "**Sale Conditions**"):
 - a) the Receiver is satisfied with the purchase price and other terms of the applicable Unit Transaction;
 - b) the Minimum Square Foot Price for each Remaining Unit is not less than the applicable amount specified in the Pricing Schedule, subject to the Receiver's limited authority therein to adjust the Minimum Square Foot Prices;
 - c) the applicable Sale Agreement is entered into within eight (8) months from the filing of the Disclosure Statement and is in substantially the form appended to the Disclosure Statement; and
 - d) KingSett consents to each Unit Transaction.
2. The Receiver, in consultation with KingSett, and with the assistance of Rennie, will administer, supervise, facilitate, and oversee the Highline Sale Process to maximize value for the Remaining Units in a timely manner. In this regard, the Highline Sale Process will involve the following:
 - a) **Disclosure Statement** – the Receiver is required to file a Disclosure Statement before commencing the Highline Sale Process. The Disclosure Statement is currently being finalized with the assistance of the Receiver's legal counsel;

- b) **Marketing** – upon the granting of the proposed Highline Sale Process Order, the Sales Agent will finalize marketing materials for the Remaining Units for the Receiver’s approval, and after the filing of the Disclosure Statement, with the Receiver’s oversight and input, and in consultation with KingSett, will:
 - i. send an email and newsletter regarding the opportunity to its database of parties, including industry contacts, potential buyers, and the brokerage community;
 - ii. post the Remaining Units selected by the Receiver on MLS at the Listing Prices provided in the Pricing Schedule; and
 - iii. conduct open houses for the Remaining Units;
 - c) **Sale Agreement** – the Receiver, with the assistance of its legal counsel, and in consultation with KingSett, will prepare a form of the Sale Agreement to be appended to the Disclosure Statement and provided to parties interested in purchasing one or more Remaining Units;
 - d) **As Is, Where Is** – the Remaining Units and parking stalls and storage units/lockers will be marketed on an “as is, where is” basis;
 - e) **Adjustment to Listing Prices** – the Receiver will maintain discretion to adjust the Minimum Square Foot Prices, as provided in the Confidential Supplement; and
 - f) **Review and Acceptance of Offers** – the Receiver will review and consider all offers (collectively, the “Offers”) for the Remaining Units. The Receiver has sole discretion to accept, reject, or negotiate Offers, provided the Sale Conditions are satisfied. In evaluating Offers, the Receiver will consider: (i) the purchase price and other terms; (ii) conditions to closing; and (iii) the proposed closing date.
2. As noted previously, the Receiver is seeking the proposed Approval and Vesting Order to facilitate the Unit Transactions that are anticipated to materialize from the Highline Sale Process. Among other things, the proposed Approval and Vesting Order:
- a) subject to the filing of a Disclosure Statement, authorizes the Receiver to sell the Remaining Units pursuant to the Sale Agreements arising from the Highline Sale Process that satisfy the Sale Conditions, and to assign the exclusive use of any parking stalls and/or storage lockers in connection therewith;

- b) authorizes and directs the Receiver to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of any Unit Transaction, the conveyance of any Purchased Unit to the Purchaser thereof, and the assignment of any parking stalls and/or storage lockers to such Purchaser; and
- c) upon delivery of a Receiver's Certificate, vests title to the Purchased Unit in the applicable Purchaser free and clear of all claims and encumbrances, except permitted encumbrances.

4.3 Recommendation Regarding Highline Sale Process and Approval and Vesting Order

1. The Receiver recommends that this Court issue the proposed Highline Sale Process Order and Approval and Vesting Order for the following reasons:
 - a) the Highline Sale Process was developed by the Receiver in consultation with the Sales Agent, with a view to providing a flexible, efficient and fair process for canvassing the market for potential purchasers and maximizing the value of the Remaining Units and recovery for the Debtors' stakeholders. By requiring all of the Offers to conform to a standardized Sale Agreement and satisfy the Sale Conditions, the process ensures that bids are evaluated consistently based on criteria established by the Receiver;
 - b) the Highline Sale Process will be overseen by the Receiver and the Sales Agent, whose expertise, commission structure, substantial marketing efforts, and familiarity with the Highline Property will enhance the commercial efficacy of the process. Rennie is prepared to commence the Highline Sale Process immediately, which is critical given the significant holding costs associated with the Remaining Units, particularly the Highline Daily Interest;
 - c) the proposed Highline Sale Process is commercially reasonable and is consistent with practices employed in other residential real estate receiverships. In similar cases, Courts have granted prospective orders approving the sale of multiple residential units to reduce Court attendances, professional fees, and interest obligations while maximizing stakeholder recovery. The proposed Highline Sale Process Order and Approval and Vesting Order will eliminate the need for 119 individual sale approval applications, thereby significantly reducing professional costs and the use of judicial resources;

- d) the Highline Sale Process will broadly market the Remaining Units and optimize the chances of securing the maximum purchase prices for such Remaining Units available in the circumstances. Adherence to the proposed Sale Conditions will ensure the fairness and integrity of the Highline Sale Process and the providence of each Unit Transaction. As the best option for maximizing recovery available at this time, the proposed Highline Sale Process is in the best interests of the Debtors' stakeholders and is supported by the Debtors' largest and senior secured creditor, KingSett;
- e) the Listing Prices and Minimum Square Foot Prices outlined in the Pricing Schedule, the latter of which is an integral feature of the Sale Conditions, were developed by the Sales Agent, in consultation with the Receiver, based on the sale prices for the Sold Units, market research, and Rennie's significant expertise and knowledge of the Highline Project;
- f) the Highline Sale Process provides the Receiver with the procedures and flexibility that it believes are necessary to maximize the value of the Remaining Units, and if necessary, to adjust the Minimum Square Foot Prices for the Remaining Units;
- g) provided that the Priority Indebtedness is determined and satisfied, the only encumbrances to be vested off title to the Remaining Units under the proposed Approval and Vesting Order are those of KingSett and valid builder's lien claimants under the *Builders Lien Act*, S.B.C. 1997, c. 45, as amended (in respect of which the Receiver will be authorized to hold back funds to satisfy any valid builder's lien, if necessary). In any event, the proposed Approval and Vesting Order does not prejudice parties with valid encumbrances against the Remaining Units as such encumbrances will attach to the net proceeds of the applicable Unit Transaction, maintaining their existing priority;
- h) KingSett has approved the Pricing Schedule and supports the Highline Sale Process; and
- i) following the completion of all the Unit Transactions, the Receiver will file a report with the Court detailing the sale price for each of the Remaining Units.

5.0 Sealing Order

1. Pursuant to the proposed Sealing Order, the Receiver is seeking to seal the Confidential Supplement. The Confidential Supplement includes an unredacted version of the Rennie Report (including the Pricing Schedule), which contains the Minimum Square Foot Prices and related analysis.
2. The information contained in the Confidential Supplement, if disclosed, could undermine the integrity of the Highline Sale Process and negatively impact realizations from the Unit Transactions to the detriment of the Debtors' stakeholders. In particular, the Minimum Square Foot Prices and related analysis contained in the Confidential Supplement, if disclosed, would allow a prospective purchaser to calculate the potential minimum price that could be accepted for a Remaining Unit.
3. The Confidential Supplement is proposed to remain sealed pending the filing of a Receiver's Certificate evidencing the closing of the Unit Transaction for the last Purchased Unit. The salutary effects of temporarily sealing such information from the public record greatly outweigh the deleterious effects of doing so in the circumstances. The Receiver is not aware of any party that will be prejudiced if the information in the Confidential Supplement is sealed or any public interest that will be served if such details are disclosed in full. Accordingly, the Receiver believes the proposed sealing of the Confidential Supplement is appropriate in the circumstances.

6.0 Amended and Restated Receivership Order

1. The Receiver is seeking the proposed Amended and Restated Receivership Order, which primarily:
 - a) expands the scope of the Receivership Order by appointing KSV as receiver, without security, of the Parking Property and adds TPC as a "Respondent" in these proceedings;
 - b) increases the Receiver's maximum permitted borrowings under the Receivership Order from \$250,000 to \$2,303,860, and grants a corresponding increase to the Receiver's Borrowings Charge; and

- c) updates the description of the Lands to remove certain real property that was sold prior to the commencement of these proceedings and instead, include the Remaining Units owned by 6511 Sussex as of the date of the Receivership, as reflected in the freehold transfers registered in the New Westminster Land Title Office with registration numbers CB1732198 and CB1732165 and owner's name search attached as **Appendices "H"** and **"I"**, respectively.
2. A blackline comparison between the Amended and Restated Receivership Order and the Receivership Order is attached as **Appendix "J"**. The salient features of the proposed Amended and Restated Receivership Order are discussed below.

6.1 Addition of TPC as a Respondent

1. Following its appointment, the Receiver learned that 6511 Sussex is party to a parking facility and storage lease dated October 12, 2023 with TPC (the **"Parking and Storage Lease"**). TPC is a British Columbia corporation of which Mr. Thind is a director. Copies of the BC Registry Services Company Summary of TPC and a British Columbia Personal Property Registry search of TPC are attached as **Appendices "K"** and **"L"**, respectively.
2. Pursuant to the Parking and Storage Lease, 6511 Sussex leased all the parking stalls in the underground parking facility, and all the lockers in the common property storage areas, at the Highline Property to TPC for \$10.00. The Parking and Storage Lease and the covenants and obligations of 6511 Sussex attach to the Highline Property. A copy of the Parking and Storage Lease is attached as **Appendix "M"**.
3. TPC is the sole party capable of partially assigning the Parking and Storage Lease and its long-term demised leasehold interest granted thereunder to Unit Purchasers, which partial assignments are expressly contemplated by the Parking and Storage Lease. As such, TPC's inclusion in these proceedings is necessary to facilitate compliance with each Sale Agreement, ensure the assignment of parking and storage rights, and maximize value for 6511 Sussex's stakeholders.
4. No parties have registered a security interest in respect of the Parking Property. As a result, the Receiver's appointment in respect of the Parking Property is not expected to prejudice any party.
5. The Receiver's consent to act in respect of TPC is attached as **Appendix "N"**.

6.2 Increases to the Receiver's Borrowings and the Receiver's Borrowings Charge

1. The Receiver is requesting that the maximum permitted borrowings under the Receivership Order and the Receiver's Borrowings Charge be increased to \$2,303,860 to cover the following disbursements:
 - a) approximately \$942,360.48 for the Strata Lien Distribution, subject to the determination of the Priority Indebtedness and other terms of the proposed Ancillary Order;
 - b) approximately \$1,011,500 for repairs to the Remaining Units to prepare them for sale; and
 - c) a contingency of \$350,000 to account for expenses related to the Remaining Units, including, among other things, ongoing fees payable to the Strata Corporation, utilities, insurance, property taxes, and any unforeseen expenses or disbursements that may be required.

6.2.1 Unpaid Strata Fees

1. The Strata Corporation filed the Strata Liens against the Remaining Units for the purposes of securing the aggregate asserted claim of \$942,369.48 and the costs to enforce such Strata Liens. Subsection 116(5) of the SPA affords validly registered liens of a strata corporation priority over other liens and charges, subject to the exceptions enumerated therein, including a lien or charge made under the BLA.
2. Although the Strata Liens could be paid from the sale proceeds of the Remaining Units, as the Receiver understands is customary and likely to be requested by Purchasers, Rennie has advised that the presence of the Strata Liens may deter potential purchasers from participating in the Highline Sale Process. Accordingly, the Receiver is seeking to borrow approximately \$942,369.48 to pay the Priority Indebtedness, if any, secured by the Strata Liens pursuant to the proposed Ancillary Order. As reflected in the proposed Ancillary Order, the payment of the Priority Indebtedness by way of the Strata Lien Distribution is contingent upon the Receiver's examination and reconciliation of the amounts asserted by the Strata Corporation to be secured by the Strata Liens or the Court's determination of such Priority Indebtedness.

3. Subject in all respect to the determination of the Priority Indebtedness asserted to be secured by the Strata Liens and the other terms of the proposed Ancillary Order (including the removal of the Strata Liens), the Receiver recommends the Strata Lien Distribution to enhance the marketability of the Remaining Units.

6.2.2 Remaining Unit Repairs

1. Based on the information provided by the Debtors, KingSett, Rennie, and Thind, the Receiver has identified certain repairs that are necessary to ensure the Remaining Units are in optimal condition for the Highline Sale Process. Rennie estimates the cost of such repairs to be between \$7,500 and \$8,500 per Remaining Unit, totaling approximately \$892,500 to \$1,011,500.
2. To further evaluate the required work, the Receiver has engaged Brasfield Builders Limited ("**Brasfield**") to perform a walkthrough of the Remaining Units and provide a detailed schedule and cost estimate for the necessary repairs. The Receiver is currently negotiating a master services agreement with Brasfield to oversee such repairs.
3. In the circumstances, the Receiver expects that the necessary repairs will enhance the efficacy of the Highline Sale Process and that the costs of the repairs to be incurred will be value accretive.

7.0 Distributions

1. The Receiver is seeking the proposed Ancillary Order, among other things:
 - a) subject to the Receiver's determination of the Priority Indebtedness secured by the Strata Liens, if any, or the determination of the Priority Indebtedness by the Court, authorizing and directing the Receiver to make the Strata Lien Distribution; and
 - b) subject to such holdbacks as the Receiver considers necessary or appropriate to satisfy priority claims against each Purchased Unit and/or to fund these proceedings, including, without limitation, the Receiver's fees and the fees of its counsel, authorizing and directing the Receiver, its counsel and other agents to make or cause to be made one or more Distributions from the purchase price paid for each Purchased Unit approved pursuant to the Approval and Vesting Order as follows:
 - i. to the CRA in respect of any GST required to be paid by the Receiver in connection with the closing of such Purchased Unit;

- ii. to such parties as are applicable in respect of any property tax arrears, strata fees, and such other customary disbursements for a transaction of a similar nature, in each case, in connection with the closing of such Purchased Unit; and
- iii. to the Sales Agent in respect of the Commission payable pursuant to the Marketing Agreement, in connection with such Purchased Unit, including any commissions payable to a cooperating brokerage and any GST.

7.1 Recommendation Regarding Distributions and Strata Lien Distributions

1. The Receiver recommends that the Court issue the proposed Ancillary Order authorizing the Distributions and Strata Lien Distribution, subject to and in accordance with the terms thereof, for the following reasons:
 - a) satisfying the Priority Indebtedness and removing the Strata Liens will improve the marketability of the Remaining Units;
 - b) the Distributions and the Strata Lien Distribution will facilitate the closing of the Unit Transactions that will materialize from the Highline Sale Process and be approved and implemented pursuant to the proposed Approval and Vesting Order, and ensure the efficient administration of their estates;
 - c) each of the Distributions and the Strata Lien Distribution is in respect of an obligation that is customarily required to close a Unit Transaction, is entitled to be paid and/or benefits from relevant legal priorities, or in the case of Commission to the Sales Agent, is commensurate with the Marketing Agreement; and
 - d) pursuant to the proposed Amended and Restated Receivership Order and Ancillary Order, the Receiver will be entitled to (i) hold back such amounts from the purchase price paid for each Purchased Unit as it considers necessary or appropriate to satisfy priority claims against such Purchased Unit, including any valid builder's lien, and/or to fund these proceedings, and (ii) borrow up to the maximum principal amount of \$2,303,860. As a result of its authority to holdback funds and the proposed increase to the Receiver's borrowings, the Receiver is confident that it will have access to sufficient monies to advance these proceedings while making the Strata Lien Distribution and the Distributions.

8.0 Other Activities of the Receiver

1. Since its appointment, the Receiver has performed the following key activities:
 - a) corresponding extensively with the Debtors, including representatives of Thind, to obtain information concerning the Debtors;
 - b) corresponding with KingSett, and its counsel, Osler Hoskin & Harcourt LLP, regarding all aspects of these proceedings;
 - c) securing the Debtors' bank accounts at the Bank of Montreal and changing the account signatories to representatives of the Receiver;
 - d) corresponding with the Debtors' insurance broker to determine whether insurance coverage was in place and premiums were current, and to add the Receiver as an additional insured and loss payee on the Debtors' policies;
 - e) redirecting all the Debtors' mail to the Receiver's office;
 - f) engaging with the City of Burnaby to have the building permit extended for the Highline Property;
 - g) attending to various matters with respect to the requirements under REDMA, including, among other things:
 - i. reviewing the cease marketing letters dated November 22, 2024 (the "**Cease Marketing Letters**") with respect to the Highline Property and Minoru Property issued by the BCFSa; and
 - ii. working with legal counsel to prepare the cease marketing undertakings with respect to the Highline Property and Minoru Property requested by the BCFSa in the Cease Marketing Letters, and a Disclosure Statement;
 - h) corresponding with First Service, the Strata Corporation manager, and engaging with both it and its counsel in connection with the Highline Property and the Strata Liens;
 - i) corresponding with CRA with respect to tax accounts and remittances;
 - j) preparing the statutory reports required by subsections 245(1) and 246(1) of the BIA and mailing same to all known creditors of the Debtors and the Official Receiver;

- k) working with legal counsel to prepare the application materials in respect of the relief to be sought by the Receiver;
- l) establishing and maintaining the Receiver's case website; and
- m) preparing this First Report.

9.0 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) of this First Report.

* * *

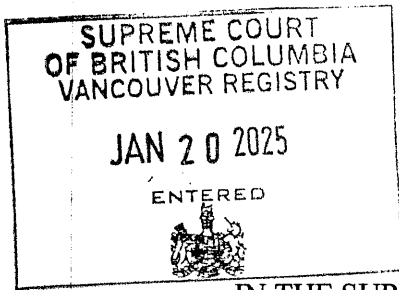
All of which is respectfully submitted,

KSV RESTRUCTURING INC.,
solely in its capacity as Court-appointed receiver of
6511 Sussex Heights Development Ltd.,
Minoru Square Development Limited Partnership,
and Minoru View Homes Ltd., and not
in its personal or corporate capacity

Per: 
Jason Knight
Managing Director

APPENDIX B

[ATTACHED]



No. S-247664
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN

KINGSETT MORTGAGE CORPORATION

PETITIONER

AND

**6511 SUSSEX HEIGHTS DEVELOPMENT LTD.
and
MINORU SQUARE DEVELOPMENT LIMITED PARTNERSHIP
and
MINORU VIEW HOMES LTD.**

RESPONDENTS

**IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE RECEIVERSHIP OF
6511 SUSSEX HEIGHTS DEVELOPMENT LTD.
AND MINORU SQUARE DEVELOPMENT LIMITED PARTNERSHIP AND
MINORU VIEW HOMES LTD.**

ORDER MADE AFTER APPLICATION

AMENDED AND RESTATED RECEIVERSHIP ORDER

BEFORE } THE HONOURABLE JUSTICE MASUHARA } 2025/01/20

ON THE APPLICATION of KSV Restructuring Inc. ("KSV"), in its capacity as receiver (in such capacity, the "Receiver"), without security, of the property described in Appendix A to this Order (the "Lands") and all right, title and interest of 6511 Sussex Heights Development Ltd., Minoru Square Development Limited Partnership, and Minoru View Homes Ltd. in all presently

owned or held personal property of whatsoever nature and kind pertaining to the Lands, including all proceeds, coming on for hearing this day at 800 Smithe Street, Vancouver, British Columbia.

AND ON READING the Affidavit #1 of Daniel Pollack made November 5, 2024, each consent of KSV to act as the Receiver, and the First Report of the Receiver dated January 13, 2025; **AND ON HEARING**, Sean Zweig, counsel for the Receiver, Emma Newbery, counsel for KingSett Mortgage Corporation and those other counsel listed on Schedule "A" hereto.

THIS COURT ORDERS AND DECLARES THAT:

APPOINTMENT

1. Pursuant to Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and Section 39 of the *Law and Equity Act*, R.S.B.C. 1996 c. 253, as amended (the "**LEA**"), KSV is appointed Receiver, without security, of the Lands and all right, title and interest of 6511 Sussex Heights Development Ltd., Minoru Square Development Limited Partnership, Minoru View Homes Ltd. and Thind Parking Corp. (the "**Debtors**") in all presently owned or held personal property of whatsoever nature and kind pertaining to the Lands (together with the Lands, the "**Property**"), including all proceeds.

RECEIVER'S POWERS

2. The Receiver is 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 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 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, changing locks and security codes, relocation of Property, engaging independent security personnel, taking physical inventories and placing insurance coverage;
 - (c) to manage, operate and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, cease to perform any contracts of the Debtors, and take such steps as the Receiver determines may be reasonably necessary or appropriate to comply with the *Real Estate Development Marketing Act*, S.B.C. 2004, c. 41, as amended;
 - (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, construction managers, project managers, contractors, subcontractors, trades, engineers, quantity surveyors, appraisers, real estate brokers, 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 to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting these amounts, including, without limitation, enforcement of any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (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 Debtors, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;
- (j) to initiate, manage and direct all legal proceedings now pending or hereafter pending (including appeals or applications for judicial review) in respect of the Debtors, the Property or the Receiver, including initiating, prosecuting, continuing, defending, settling or compromising the proceedings;
- (k) 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 considers appropriate;
- (l) 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 a single transaction for consideration up to \$500,000 provided that the aggregate consideration for all such transactions does not exceed \$1,000,000, and
 - (ii) with the approval of this Court in respect of any transaction in which the individual or aggregate purchase price exceeds the limits set out in subparagraph (i) above,and in each such case notice under Section 59(10) of the *Personal Property Security Act*, R.S.B.C. 1996, c. 359 shall not be required;
- (m) 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, free and clear of any liens or encumbrances;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver considers appropriate on all matters relating to the Property and the receivership, and to share information, subject to confidentiality terms as the Receiver considers appropriate;

- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if considered necessary or appropriate by the Receiver, in the name of the Debtors;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limitation, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have;
- (s) to apply for remedies available under the *BIA*, including to declare or make an assignment into bankruptcy in respect of the Debtors; and
- (t) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

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 (as defined below), including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

3. Each of (i) the Debtors; (ii) all of the Debtors' 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 (collectively, "**Persons**" and each 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 (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
4. All Persons, other than governmental authorities, shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (collectively, the "**Records**") in that Person's possession or control. Upon request, governmental authorities shall advise the Receiver of the existence of any Records in that Person's possession or control.
5. Upon request, all Persons shall provide to the Receiver or permit the Receiver to make, retain and take away copies of the Records and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities, provided however that nothing in paragraphs 4, 5, or 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 solicitor client privilege or statutory provisions prohibiting such disclosure.

6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by an 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 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 require including, without limitation, providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. 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 DEBTORS OR THE PROPERTY

8. No Proceeding against or in respect of the Debtors 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 Debtors or the Property are stayed and suspended pending further Order of this Court; provided, however, that nothing in this Order shall prevent any Person from commencing a Proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such Proceeding is not commenced before the expiration of the stay provided by this paragraph and provided that no further step shall be taken in respect of the Proceeding except for service of the initiating documentation on the Debtors and the Receiver.

NO EXERCISE OF RIGHTS OR REMEDIES

9. All rights and remedies (including, without limitation, set-off rights) against the Debtors, the Receiver, or affecting the Property, are stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this Order shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) affect the rights of any regulatory body as set forth in Section 69.6(2) of the *BIA*, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien. This stay and suspension shall not apply in respect of any “eligible financial contract” as defined in the *BIA*.

NO INTERFERENCE WITH THE RECEIVER

10. 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 Debtors, without written consent of the Receiver or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract from closing out and terminating such contract in accordance with its terms.

CONTINUATION OF SERVICES

11. All Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors are 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 the Receiver shall be entitled to the continued use of the Debtors' 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 Debtors 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. 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. Subject to the employees' right to terminate their employment, all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities of the Debtors, including any successor employer liabilities as referred to in Section 14.06(1.2) of the *BIA*, other than amounts the Receiver may specifically agree in writing to pay or in respect of obligations imposed specifically on receivers by applicable legislation, including Sections 81.4(5) or 81.6(3) of the *BIA* or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47. The Receiver shall be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts relating to any employees

that the Receiver may hire in accordance with the terms and conditions of such employment by the Receiver. The Receiver is empowered but not obligated to interact with, and provide direction to, individuals who are on the Property, but are not employed by the Debtors, in matters relating to safety, access and use of the Property.

PERSONAL INFORMATION

14. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 or Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, the Receiver may 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 Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. Nothing in this Order 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 relating to the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination (collectively "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation.
16. 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 the Receiver is actually in possession.
17. Notwithstanding anything in federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arises or environmental damage that occurred:
 - (a) before the Receiver's appointment; or,
 - (b) after the Receiver's appointment, unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.

18. Notwithstanding anything in federal or provincial law, but subject to paragraph 17 of this Order, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, if the Receiver complies with the *BLA* Section 14.06(4), the Receiver is not personally liable for the failure to comply with the order and is not personally liable for any costs that are or would be incurred by any Person in carrying out the terms of the order.

LIMITATION ON THE RECEIVER'S LIABILITY

19. The Receiver shall incur no liability or obligation as a result of the performance, actions, errors, omissions or negligence by or of any construction manager, project manager, developer, contractor, subcontractor or other service provider, and all other persons acting on their behalf, or the Receiver's appointment or the carrying out the provisions of this Order, save and except:
- (a) any gross negligence or wilful misconduct on the Receiver's part; or
 - (b) amounts in respect of obligations imposed specifically on receivers by applicable legislation.

Nothing in this Order shall derogate from the protections afforded the Receiver by Section 14.06 of the *BLA* or by any other applicable legislation.

RECEIVER'S ACCOUNTS

20. The Receiver and its legal counsel, if any, are granted a charge (the "**Receiver's Charge**") on the Property as security for the payment of their fees and disbursements, in each case at their standard rates, in respect of these proceedings, whether incurred before or after the making of this Order. The Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to Sections 14.06(7), 81.4(4), and 81.6(2) of the *BLA*.
21. 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 referred to a judge of the Supreme Court of British Columbia and may be heard on a summary basis.
22. 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

23. The Receiver is authorized and 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 \$2,303,860 (or such greater

amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as the Receiver 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 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, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver’s Charge and the charges as set out in Sections 14.06(7), 81.4(4), and 81.6(2) of the *BLA*.

24. 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.
25. The Receiver is 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.
26. 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.

ALLOCATION

27. Any interested party may apply to this Court on notice to any other party likely to be affected for an order allocating the Receiver’s Charge and Receiver’s Borrowings Charge amongst the Property.

SERVICE AND NOTICE OF MATERIALS

28. The Receiver shall establish and maintain a website in respect of these proceedings (the “**Website**”) at <https://www.ksvadvisory.com/experience/case/highline-and-minoru> and shall post there as soon as practicable:
 - (a) all materials prescribed by statute or regulation to be made publicly available, including pursuant to Rule 10-2 of the *Supreme Court Civil Rules*; and,
 - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
29. Any Person who is served with a copy of this Order and that wishes to be served with any future application or other materials in these proceedings must provide to counsel for each of the Receiver and the Applicant a demand for notice in the form attached as Schedule “C” (the “**Demand for Notice**”). The Receiver and the Applicant need only provide further notice in respect of these proceedings to Persons that have delivered a properly completed

Demand for Notice. The failure of any Person to provide a properly completed Demand for Notice releases the Receiver and the Applicant from any requirement to provide further notice in respect of these proceedings until such Person delivers a properly completed Demand for Notice.

30. The Receiver shall maintain a service list identifying all parties that have delivered a properly completed Demand for Notice (the "**Service List**"). The Receiver shall post and maintain an up-to-date form of the Service List on the Website.
31. Any interested party, including the Receiver, may serve any court materials in these proceedings by facsimile or by emailing a PDF or other electronic copy of such materials to the numbers or addresses, as applicable, set out on the Service List. Any interested party, including the Receiver, may serve any court materials in these proceedings by mail to any party on the Service List that has not provided a facsimile number or email address, and materials delivered by mail shall be deemed received five (5) days after mailing.
32. Notwithstanding paragraph 31 of this Order, service of the Petition and any affidavits filed in support shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c.C-50 and its regulations for the Federal Crown and the *Crown Proceedings Act*, R.S.B.C. 1996 c.89 in respect of the British Columbia Crown.
33. The Receiver and its counsel are authorised to serve or distribute this Order, any other orders and any other materials as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding copies by facsimile or by email to the Debtors' creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of any legal or juridical obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*.

STYLE OF CAUSE

34. Thind Parking Corp. is hereby added as a Respondent to these proceedings, and the style of cause is hereby amended to read as follows:

"No. S-247664
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN

KINGSETT MORTGAGE CORPORATION

PETITIONER

AND

**6511 SUSSEX HEIGHTS DEVELOPMENT LTD.
and
MINORU SQUARE DEVELOPMENT LIMITED PARTNERSHIP
and
MINORU VIEW HOMES LTD.
and
THIND PARKING CORP.**

RESPONDENTS"

35. All references to "Debtors" in this Order and any further order of the Court in these proceedings are hereby deemed to include Thind Parking Corp.
36. Neither the Petitioner nor the Receiver shall be required to amend the Petition filed in these proceedings or to serve copies of the Petition or other filed materials on Thind Parking Corp.


GENERAL

37. Any interested party may apply to this Court to vary or amend this Order on not less than seven (7) clear business days' notice to the Service List and to any other party who may be affected by the variation or amendment, or upon such other notice, if any, as this Court may order.
38. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
39. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.
40. This Court requests the aid, recognition and assistance of any court, tribunal, regulatory or administrative body having jurisdiction, wherever located, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All such courts, tribunals and regulatory and administrative bodies are 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.
41. The Receiver is authorized and empowered to apply to any court, tribunal or regulatory or administrative body, wherever located, for recognition of this Order and for assistance in carrying out the terms of this Order and 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.

42. Endorsement of this Order by counsel appearing on this application other than the Petitioner is dispensed with.

THE FOLLOWING PARTIES APPROVE OF THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

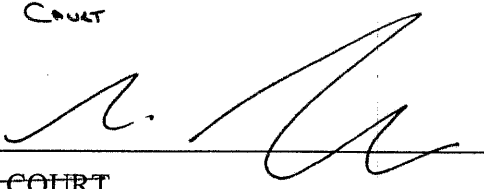
APPROVED BY:



Signature of Sean Zweig, lawyer for the Receiver

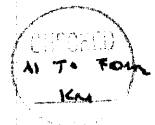


By the Court



BY THE COURT

DISTRICT REGISTRAR



SCHEDULE "A"
Appearance List

NAME	APPEARING FOR

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT

\$ _____

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the Receiver (the "**Receiver**") of all of the property legally described as 031-656-561; 032-078-307; 032-078-315; 032-078-323; 032-078-331; 032-078-340; 032-078-358; 032-078-366; 032-078-374; 032-078-382; 032-078-498; 032-079-451; 032-079-630; 032-079-664; 032-079-753; 032-079-915; 032-079-931; 032-080-026; 032-080-077; 032-080-166; 032-080-255; 032-080-271; 032-080-344; 032-080-361; 032-080-395; 032-080-450; 032-080-468; 032-080-476; 032-080-484; 032-080-514; 032-080-522; 032-080-531; 032-080-549; 032-080-573; 032-080-603; 032-080-611; 032-080-620; 032-080-638; 032-080-646; 032-080-654; 032-080-662; 032-080-701; 032-080-719; 032-080-727; 032-080-735; 032-080-743; 032-080-751; 032-080-778; 032-080-786; 032-080-794; 032-080-808; 032-080-816; 032-080-824; 032-080-832; 032-080-841; 032-080-859; 032-080-867; 032-080-875; 032-080-883; 032-080-891; 032-080-905; 032-080-930; 032-080-956; 032-080-964; 032-080-999; 032-081-006; 032-081-014; 032-081-022; 032-081-031; 032-081-049; 032-081-057; 032-081-065; 032-081-073; 032-081-081; 032-081-090; 032-081-103; 032-081-111; 032-081-120; 032-081-138; 032-081-146; 032-081-154; 032-081-162; 032-081-171; 032-081-201; 032-081-235; 032-081-251; 032-081-260; 032-081-278; 032-081-286; 032-081-294; 032-081-308; 032-081-316; 032-081-324; 032-081-332; 032-081-341; 032-081-359; 032-081-367; 032-081-375; 032-081-383; 032-081-391; 032-081-405; 032-081-413; 032-081-421; 032-081-430; 032-081-448; 032-081-456; 032-081-464; 032-081-472; 032-081-481; 032-081-499; 032-081-502; 032-081-511; 032-081-529; 032-081-537; 032-081-545; 032-081-553; 032-081-561; 032-081-588; 032-081-600; and 032-081-618 (collectively, the "**Lands**") and all of the right, title and interest of 6511 Sussex Heights Development Ltd., Minoru Square Development Limited, Minoru View Homes Ltd. and Thind Parking Corp. in all presently owned or held personal property of whatsoever nature and kind pertaining to the Lands (collectively with the Lands, the "**Property**"), including all proceeds, appointed by Order of the Supreme Court of British Columbia (the "**Court**") dated the 13th day of December, 2024 (as amended and restated, the "**Order**") made in SCBC Action No. S-247664, Vancouver Registry has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ [REDACTED], being part of the total principal sum of \$ [REDACTED] 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 [REDACTED] day of each month after the date hereof at a notional rate per annum equal to the rate of [REDACTED] per cent above the prime commercial lending rate of [REDACTED] 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*, and the right of the Receiver to indemnify itself out of the 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 legal office of the Lender at [REDACTED].
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 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 under this Certificate in respect of which it may issue certificates under the terms of the Order.

DATED the [REDACTED] day of [REDACTED], 202_.

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

Per:
Name:
Title:

SCHEDULE "C"

Demand for Notice

TO: **KingSett Mortgage Corporation**
c/o Osler, Hoskin & Harcourt LLP
Attention: Mary Buttery, K.C., Emma Newbery, Lucas Hodgson
Email: mbuttery@osler.com, enewbery@osler.com, lhodgson@osler.com

AND TO: **KSV Restructuring Inc.**
c/o Bennett Jones LLP
Attention: Sean Zweig, David Gruber, Joshua Foster and Andrew Froh
Email: zweigs@bennettjones.com, gruberd@bennettjones.com,
fosterj@bennettjones.com, froha@bennettjones.com

Re: In the matter of the Receivership of 6511 SUSSEX HEIGHTS DEVELOPMENT LTD. and MINORU SQUARE DEVELOPMENT LIMITED PARTNERSHIP and MINORU VIEW HOMES LTD. and THIND PARKING CORP.

I hereby request that notice of all further proceedings in the above Receivership be sent to me in the following manner:

1. By email, at the following address (or addresses):

OR

2. By facsimile, at the following facsimile number (or numbers):

OR

3. By mail, at the following address:

Name of Creditor: _____

Name of Counsel (if any): _____

Creditor's Contact Address: _____

Appendix "A" – Description of the Lands

Lands owned by Minoru View Homes Ltd.

1. LOT 1 SECTION 5 BLOCK 4 NORTH RANGE 6 WEST NEW WESTMINSTER DISTRICT PLAN EPP112775, PID 031-656-561

Lands owned by 6511 Sussex Development Ltd.

1. STRATA LOT 1 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-078-307
2. STRATA LOT 2 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-078-315
3. STRATA LOT 3 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-078-323
4. STRATA LOT 4 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-078-331
5. STRATA LOT 5 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-078-340
6. STRATA LOT 6 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-078-358
7. STRATA LOT 7 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-078-366

8. STRATA LOT 8 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-078-374
9. STRATA LOT 9 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-078-382
10. STRATA LOT 20 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-078-498
11. STRATA LOT 116 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-079-451
12. STRATA LOT 134 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-079-630
13. STRATA LOT 137 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-079-664
14. STRATA LOT 146 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-079-753
15. STRATA LOT 162 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-079-915
16. STRATA LOT 164 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-079-931

17. STRATA LOT 173 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-026
18. STRATA LOT 178 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-077
19. STRATA LOT 187 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-166
20. STRATA LOT 196 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-255
21. STRATA LOT 198 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-271
22. STRATA LOT 205 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-344
23. STRATA LOT 207 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-361
24. STRATA LOT 210 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-395
25. STRATA LOT 216 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-450

26. STRATA LOT 217 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-468
27. STRATA LOT 218 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-476
28. STRATA LOT 219 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-484
29. STRATA LOT 222 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-514
30. STRATA LOT 223 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-522
31. STRATA LOT 224 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-531
32. STRATA LOT 225 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-549
33. STRATA LOT 228 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-573
34. STRATA LOT 231 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-603

35. STRATA LOT 232 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-611
36. STRATA LOT 233 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-620
37. STRATA LOT 234 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-638
38. STRATA LOT 235 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-646
39. STRATA LOT 236 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-654
40. STRATA LOT 237 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-662
41. STRATA LOT 241 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-701
42. STRATA LOT 242 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-719
43. STRATA LOT 243 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-727

44. STRATA LOT 244 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-735
45. STRATA LOT 245 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-743
46. STRATA LOT 246 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-751
47. STRATA LOT 248 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-778
48. STRATA LOT 249 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-786
49. STRATA LOT 250 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-794
50. STRATA LOT 251 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-808
51. STRATA LOT 252 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-816
52. STRATA LOT 253 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-824

53. STRATA LOT 254 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-832
54. STRATA LOT 255 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-841
55. STRATA LOT 256 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-859
56. STRATA LOT 257 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-867
57. STRATA LOT 258 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-875
58. STRATA LOT 259 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-883
59. STRATA LOT 260 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-891
60. STRATA LOT 261 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-905
61. STRATA LOT 264 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-930

62. STRATA LOT 266 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-956
63. STRATA LOT 267 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-964
64. STRATA LOT 270 DISTRICT LOT 153 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS9599 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V, PID 032-080-999
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APPENDIX C

[ATTACHED]



No. S-247764
Vancouver Registry



IN THE SUPREME COURT OF BRITISH COLUMBIA

KINGSETT MORTGAGE CORPORATION

PETITIONER

AND

6511 SUSSEX HEIGHTS DEVELOPMENT LTD.
and
MINORU SQUARE DEVELOPMENT LIMITED PARTNERSHIP
and
MINORU VIEW HOMES LTD.
and
THIND PARKING CORP.

RESPONDENTS

SECOND REPORT OF THE RECEIVER

March 24, 2025

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1.0 Introduction

1. On December 13, 2024, the Supreme Court of British Columbia (the “**Court**”) granted an order (the “**Receivership 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 39 of the *Law and Equity Act*, R.S.B.C. 1996, c. 253, as amended (the “**LEA**”), appointing KSV Restructuring Inc. (“**KSV**”) as the receiver (in such capacity, the “**Receiver**”), without security, of the property described in Appendix “A” of the Receivership Order (the “**Lands**”) and all right, title, and interest of 6511 Sussex Heights Development Ltd. (“**6511 Sussex**”), Minoru Square Development Limited Partnership (“**Minoru LP**”), and Minoru View Homes Ltd. (“**Minoru Homes**” and collectively with 6511 Sussex and Minoru LP, the “**Initial Debtors**”) in all presently owned or held personal property of whatsoever nature and kind pertaining to the Lands (together with the Lands, the “**Property**”), including all proceeds thereof.
2. The petition to appoint KSV as Receiver was made by KingSett Mortgage Corporation (“**KingSett**”), the Initial Debtors’ largest and senior secured creditor. The principal purpose of these proceedings is to create a stabilized environment in which the Debtors’ (as defined below) respective development projects can be completed and/or monetized, and the proceeds therefrom can be distributed for the benefit of the Debtors’ stakeholders.
3. On January 13, 2025, the Receiver filed its first report to Court in these proceedings (the “**First Report**”). The First Report focused on the Receiver’s recommendations in respect of the listing for sale of the 119 strata lots at the Highline Project (as defined below) owned by 6511 Sussex (collectively, the “**Remaining Highline Units**”), and provided information to the Court in support of the Receiver’s application for:
 - a) an amended and restated Receivership Order (the “**Amended and Restated Receivership Order**”), among other things:
 - i. expanding the scope of the receivership by appointing KSV as the receiver, without security, of all of Thind Parking Corp.’s (“**TPC**”, together with the Initial Debtors, the “**Debtors**”) presently owned or held personal property of whatsoever nature and kind pertaining to the Lands, including the proceeds thereof; and
 - ii. increasing the quantum of the Receiver’s Borrowings Charge (as defined in the Receivership Order) to \$2,303,860;
 - b) a sale process order (the “**Highline Sales Process Order**”), among other things:

- i. authorizing and empowering the Receiver to enter into the agreement dated January 13, 2025, among the Receiver, Rennie Marketing Systems, by its partners Rennie Project Marketing Corporation and 541823 B.C. Ltd., and Rennie & Associates Realty Ltd. (collectively, “**Rennie**”); and
 - ii. approving the sale process described in Section 4 of the First Report with respect to the Remaining Highline Units (the “**Highline Sale Process**”) and authorizing the Receiver and Rennie to carry out the Highline Sale Process;
- c) an approval and vesting order (the “**Highline AVO**”), among other things:
 - i. prospectively authorizing the Receiver to sell, pursuant to any sale agreements arising from and in accordance with the Highline Sale Process, any and all of the Remaining Highline Units (each, a “**Purchased Highline Unit**”); and
 - ii. upon delivery by the Receiver to the applicable purchaser of a Purchased Highline Unit (each, a “**Highline Purchaser**”) a certificate substantially in the form attached as Schedule “C” to the Highline AVO (the “**Highline Certificate**”), vesting the Purchased Highline Unit described in such Highline Certificate in the Highline Purchaser free and clear of any and all claims and encumbrances;
- d) an order (the “**Ancillary Order**”):
 - i. subject to the Receiver’s determination of the amounts owed by 6511 Sussex to The Owners, Strata Plan EPS 9599 (the “**Strata Corporation**”) that are secured by the liens registered by the Strata Corporation against the Lands owned by 6511 Sussex (collectively, the “**Strata Liens**”), if any (any such amounts so determined being, the “**Priority Indebtedness**”), or the determination of the Priority Indebtedness by this Court, authorizing and directing the Receiver to make a distribution to the Strata Corporation equal to the Priority Indebtedness in full satisfaction of the Strata Liens; and
 - ii. subject to such holdbacks as the Receiver considers necessary or appropriate, authorizing and directing the Receiver, its counsel and other agents to make or cause to be made one or more distributions, payments, or adjustments from the purchase price paid for each Purchased Highline Unit approved pursuant to the Highline AVO in the manner and to the parties specified therein; and

- e) an order (the “**Highline Sealing Order**”) sealing the Confidential Supplement to the First Report dated January 13, 2025, until the filing of the Highline Certificate confirming the closing of the last Purchased Highline Unit.
- 4. The Court granted the Amended and Restated Receivership Order, Highline Sale Process Order, Highline AVO, Ancillary Order, and Highline Sealing Order on January 20, 2025. A copy of the Amended and Restated Receivership Order is attached as **Appendix “A”**.
- 5. This report (this “**Second Report**”) is being filed by KSV, in its capacity as the Receiver. This Second Report focuses on the Receiver’s recommendations in respect of the listing for sale of the Lands comprising the Minoru Property (as defined below) owned by Minoru LP and Minoru Homes. Additional background information concerning 6511 Sussex, its respective property, and the Receiver’s recommendations relating thereto is provided in the First Report and is not repeated herein.

1.1 Purposes of this Second Report

- 1. The purposes of this Second Report are to provide an update regarding these proceedings and information in support of the Receiver’s application for:
 - a) an order (the “**Minoru Sale Process Order**”), among other things:
 - i. authorizing and empowering the Receiver to enter into the Listing Agreement dated March 24, 2025 (the “**Minoru Listing Agreement**”) with Jones Lang LaSalle Real Estate Services, Inc. (“**JLL**” or the “**Minoru Sales Agent**”); and
 - ii. approving the sale process, substantially as described in Section 4 of this Second Report and the Minoru Listing Agreement (the “**Minoru Sale Process**”), and authorizing the Receiver and the Minoru Sales Agent to carry out the Minoru Sale Process in accordance with its terms and the terms of the Minoru Sale Process Order; and
 - b) an order (the “**Minoru Sealing Order**”) sealing the Confidential Supplement to the Second Report dated March 24, 2025 (the “**Confidential Supplement**”) until the earlier of:
 - i. the closing of all transactions related to the Minoru Property following the culmination of the Minoru Sale Process; or
 - ii. further order of the Court.

1.2 Scope and Terms of Reference

1. In preparing this Second Report, the Receiver has relied upon the Debtors' unaudited financial information, books and records, information available in the public domain, and discussions with KingSett, the Minoru Sales Agent, the Debtors' management, and representatives of Thind Properties Ltd. ("**Thind**"), an entity related to the Debtors.
2. The Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this Second 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 due diligence.

1.3 Currency

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

2.0 Background

1. The Debtors consist of 6511 Sussex, Minoru LP, Minoru Homes, and TPC, each of which is a single-purpose entity. 6511 Sussex, Minoru Homes, and TPC are corporations incorporated pursuant to the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended. Minoru LP is a limited partnership formed under the *Partnership Act*, R.S.B.C. 1996, c. 348, as amended.
2. Minoru LP and Minoru Homes are the beneficial and registered owners, respectively, of a 3.86-acre development site located at 5740, 5760, and 5800 Minoru Boulevard, Richmond, BC (the "**Minoru Property**"). Prior to these proceedings, Minoru LP and Minoru Homes were engaged in the development of a mixed-use community on the Minoru Property consisting of one office tower and three residential towers with a total of 429 units (the "**Minoru Project**"). Construction of the Minoru Project has not yet commenced.

3. 6511 Sussex is the registered owner of the Remaining Highline Units located at 6511 Sussex Avenue, Burnaby, BC (collectively, the “**Highline Property**”). Prior to the granting of the Receivership Order, 6511 Sussex was engaged in the development of a 48-story mixed-use tower located at 6511 Sussex Avenue, Burnaby, BC (the “**Highline Project**”), consisting of, among other things, 332 strata lots, and a designated hotel component, which was sold to a third party.

2.1 Creditors

2.1.1 KingSett

1. In connection with the Highline Project and the Minoru Project, the Initial Debtors entered into the following commitment letters (together, the “**Commitment Letters**”):
 - a) a commitment letter dated October 18, 2021 (as amended by a first amending agreement dated February 14, 2022, a second amending agreement dated March 20, 2023, and a third amending agreement dated February 23, 2024), among, *inter alios*, Minoru Square Development GP Ltd. (“**Minoru GP**”), in its capacity as the general partner for and on behalf of Minoru LP, as borrower, Minoru Homes, as nominee, 6511 Sussex, as guarantor, and KingSett, as lender, pursuant to which KingSett provided a first mortgage loan in the principal amount of \$72,650,000 (the “**Minoru Loan**”); and
 - b) a commitment letter dated March 5, 2024, among, *inter alios*, 6511 Sussex, as borrower, Minoru Homes and Minoru GP, in its capacity as the general partner for and on behalf of Minoru LP, as guarantors, and KingSett, as lender, pursuant to which KingSett provided a first mortgage loan in the principal amount of \$176,500,000 (the “**Highline Loan**”).
2. As of January 6, 2025, the total indebtedness to KingSett under each of the Minoru Loan and Highline Loan was as follows:
 - a) **Minoru Loan** – approximately \$77 million (the “**Minoru Indebtedness**”), accruing interest at a rate of approximately \$25,644 per day; and
 - b) **Highline Loan** – approximately \$103 million (the “**Highline Indebtedness**”), accruing interest at a rate of approximately \$30,078 per day.

3. The payment and performance of the Highline Indebtedness and Minoru Indebtedness is secured by, among other things:
 - a) **Highline Indebtedness:** (i) a first mortgage/charge in the principal amount of \$283,750,000 and an assignment of rents registered against the Highline Property in favour of KingSett; (ii) a general security agreement dated March 20, 2024, between 6511 Sussex, as grantor, and KingSett, as grantee; and (iii) a collateral mortgage/charge in the principal amount of \$80,000,000 and an assignment of rents registered against the Minoru Property in favour of KingSett; and
 - b) **Minoru Indebtedness:** (i) a first mortgage/charge in the principal amount of \$61,000,000 and an assignment of rents registered against the Minoru Property in favour of KingSett; (ii) a second mortgage/charge in the principal amount of \$80,000,000 registered against the Minoru Property in favour of KingSett; and (iii) a general security agreement dated October 29, 2021, between Minoru Homes, as grantor, and KingSett, as grantee.
4. Following the Initial Debtors' respective defaults under the Commitment Letters, KingSett provided notices of default and notices of intention to enforce security in accordance with section 244 of the BIA. KingSett subsequently sought and obtained the Receivership Order pursuant to subsection 243(1) of the BIA and section 39 of the LEA, appointing KSV as the Receiver of the Property.
5. On January 30, 2025, the Court granted an order (the "**Judgement**") confirming the validity and priority of certain of the security granted in connection with the Minoru Indebtedness and judgement in the amount of \$76,599,425.45 as of January 6, 2025, plus interest from and after the date of the Judgement at the rate set out therein. A copy of the Judgement is attached as **Appendix "B"**.

2.1.2 Builder's Lien Claimants and Mortgage

1. As of March 24, 2025, the following have been registered against the Minoru Property:
 - a) builder's liens in favour of: (i) Core Creative & Strategy Inc. (\$27,300); (ii) RAM Geotechnical Engineering Ltd. (\$10,038); and (iii) Super Save Fence Rentals Inc. (\$2,102) (the "**Builder's Liens**"); and
 - b) a mortgage in favour of 1076737 B.C. Ltd. in the principal amount of \$800,000 (the "**Mortgage**").

2. The Receiver has not yet reviewed or assessed the validity of the Builder's Liens nor the Mortgage.

2.1.3 Other Creditors

1. Based on the Receiver's review of the books and records of Minoru LP and Minoru Homes, unsecured creditors are owed approximately \$2.6 million, consisting of the following:
 - a) D-Thind Construction Minoru Ltd. and D-Thind Development Ltd. (both related parties) – \$1,063,561 and \$379,033, respectively;
 - b) City of Richmond – \$472,130;
 - c) Rennie Marketing Systems – \$193,652;
 - d) BAM Interior Inc. – \$122,558; and
 - e) other suppliers and vendors – \$401,081.

3.0 Retention of JLL as the Minoru Sales Agent

1. Pursuant to a listing agreement dated August 28, 2024 (the "**Original Listing Agreement**"), between JLL and Minoru Homes, JLL was retained as the listing agent for the Minoru Property. Prior to the Receivership Order, JLL had, among other things:
 - a) worked with Minoru Homes and representatives of Thind to understand the nature of the Minoru Property, including its entitlement status, work in progress, and fees paid to the City of Richmond for the planned Minoru Project;
 - b) prepared an offering summary, a confidential information memorandum, and data room;
 - c) commenced formal marketing of the Minoru Property on October 9, 2024 via an email announcement to a database of 1,429 developers and investors;
 - d) listed the Minoru Property on JLL's website and the JLL listing team's LinkedIn network; and
 - e) initiated discussions with interested parties.

2. Following the granting of the Receivership Order, the Receiver held discussions with JLL to understand the status of the Minoru Property and the interest from potential purchasers. Based on JLL's background, expertise, and familiarity with the Minoru Property, the Receiver, in consultation with KingSett, determined it was appropriate to retain JLL as the Minoru Sales Agent.

3.1 Minoru Listing Agreement

1. The Minoru Listing Agreement was negotiated by the Receiver, in consultation with KingSett. Pursuant to the Minoru Listing Agreement, JLL will be engaged by the Receiver to provide the following services with respect to the Minoru Property:
 - a) list the Minoru Property as instructed by the Receiver;
 - b) unless otherwise agreed to by the Receiver, diligently market the Minoru Property and use commercially reasonable efforts to conduct the Minoru Sale Process; and
 - c) subject to the Receiver's instructions, assist the Receiver in negotiating one or more binding agreements of purchase and sale, which shall be subject to Court approval.
2. Under the Minoru Listing Agreement, JLL will be entitled to the following compensation:
 - a) a work fee in the amount of \$100,000, plus GST (the "**Work Fee**"); and
 - b) a commission of 1.00% of the sale price of the Minoru Property, exclusive of applicable taxes, plus GST (the "**Listing Fee**") and less the Work Fee.
3. If a credit bid by a mortgagee of the Minoru Property is the Successful Bid (as defined below) in the Minoru Sale Process, the Minoru Sales Agent will be entitled to the Listing Fee based on the minimum cash consideration contemplated by the highest "Closeable Offer", being a bid provided in accordance with the Minoru Sale Process that meets the minimum bid amount specified in the Minoru Listing Agreement (the "**Minimum Bid Amount**"). The Listing Fee in any such case shall be credited against the Work Fee.
4. A copy of the Minoru Listing Agreement with the Minimum Bid Amount redacted is attached as **Appendix "C"**. An unredacted copy of the Minoru Listing Agreement will be filed as an appendix to the Confidential Supplement.

3.2 Recommendation Regarding Retention of JLL and Approval of Minoru Listing Agreement

1. The Receiver recommends that the Court approve the retention of JLL as the Minoru Sales Agent under the Minoru Listing Agreement for the following reasons:
 - a) the fees payable to JLL are lower than the Original Listing Agreement,¹ and based on the Receiver's experience, are consistent with market rates for an engagement of this nature and are commercially reasonable;
 - b) JLL is a leading national brokerage, with the requisite experience and expertise to market the Minoru Property, including in-depth knowledge of the Greater Vancouver Area market;
 - c) KingSett supports the Receiver's decision to retain JLL; and
 - d) JLL's knowledge about the Minoru Property (given its involvement since August 2024), prior experience canvassing the market for the Minoru Property and preparation of the marketing materials necessary to solicit interest in the Minoru Property, and ongoing rapport with potential purchasers, will enhance the efficacy of the Minoru Sale Process and eliminate the unnecessary delays that would result from the retention of a new agent/broker at this stage.

3.3 Sealing of the Minoru Listing Agreement

1. Pursuant to the proposed Minoru Sealing Order, the Receiver is seeking to seal the Confidential Supplement. The Confidential Supplement includes an unredacted version of the Minoru Listing Agreement, which contains the Minimum Bid Amount determined by the Receiver and JLL.
2. The information contained in the Confidential Supplement, if disclosed, could undermine the integrity of the Minoru Sale Process and negatively impact realizations to the detriment of the Debtors' stakeholders. In particular, disclosure of the Minimum Bid Amount, which is an indication of the value of the Minoru Property, could adversely impact the marketability and realization of the Minoru Property subject to the Minoru Sale Process.

¹ Under the Original Listing Agreement, JLL was to be paid a fee of 1.50% of the Gross Proceeds (as defined in the Original Marketing Agreement) generated from the sale of the Minoru Property.

3. The Confidential Supplement is proposed to remain sealed until the earlier of:
 - a) the closing of all transactions related to the Minoru Property following the culmination of the Minoru Sale Process; or
 - b) further order of the Court.
4. The salutary effects of sealing such information from the public record greatly outweigh the deleterious effects of doing so under the circumstances. The Receiver is not aware of any party that will be prejudiced if the Minimum Bid Amount is sealed or any public interest that will be served if such details are disclosed in full, and notes that the proposed Minoru Sealing Order is limited in time and scope. Accordingly, the Receiver believes the proposed sealing of the Confidential Supplement is appropriate under the circumstances.

4.0 Minoru Sale Process

1. The Receiver developed the proposed Minoru Sale Process, in consultation with JLL, to solicit interest in the Minoru Property. The Minoru Sale Process is intended to be a flexible, efficient, and fair process for canvassing the market for potential purchasers and maximizing the value of the Minoru Property and recovery for the Debtors' creditors.
2. The key aspects of the Minoru Sale Process are summarized below. The full terms of the Minoru Sale Process are attached as Schedule "B" to the Minoru Listing Agreement.
3. A summary of the Minoru Sale Process timeline is as follows:

Milestone	Timeline
Distribution of marketing materials	No later than 20 days after the issuance of the Minoru Sale Process Order (the " Launch Date ")
Bid Deadline	No later than six weeks from the Launch Date (the " Bid Deadline ")
Shortlisting of Bids	Within one week from Bid Deadline
Selected bidders to perform final due diligence	Within 30 days from selection of successful bidder(s) (each, a " Successful Bidder ")
Sale Approval Application	15 to 30 days from the date that the Successful Bidder(s) confirms all conditions have been satisfied or waived

4.1 Marketing Materials

1. As soon as practicable (and in any case, within 20 calendar days after the Minoru Sale Process Order is granted), the Minoru Sales Agent will:
 - a) develop a master prospects list and have pre-marketing discussions with certain targeted prospects;
 - b) prepare a teaser letter, confidential information memorandum, and confidentiality agreement to be executed by potential purchasers (collectively, the “**Marketing Materials**”); and
 - c) populate a virtual data room for the Minoru Property.
2. For a period of four to six weeks from the Launch Date, the Minoru Sales Agent will, among other things:
 - a) distribute the Marketing Materials to its client base and the listing of potential purchasers;
 - b) offer the Minoru Property for sale on an unpriced basis or post the Minoru Property for sale on a Multiple Listing Service for \$1.00, as requested by the Receiver;
 - c) directly canvass likely prospects; and
 - d) facilitate diligence for interested parties.

4.2 Bid Deadline and Selection of Successful Bidder

1. Prospective purchasers will be required to submit a purchase and sale agreement in the form prepared by the Receiver and its counsel, together with a blackline reflecting any proposed revisions, by the Bid Deadline.
2. One week from the Bid Deadline, among other things:
 - a) the Minoru Sales Agent will collect and summarize all of the offers received by the Bid Deadline;
 - b) the Receiver may invite selected bidders to improve their offers and may conduct multiple bidding rounds to maximize consideration and minimize execution risk;

- c) the Receiver will select the Successful Bidder(s), having regard to, among other things:
 - i. the total consideration;
 - ii. the form of consideration being offered;
 - iii. any third-party approvals required; and
 - iv. any conditions to closing and the time required to satisfy or waive same.
- 3. Within 30 days of their selection, the Successful Bidder(s) shall address any of the outstanding diligence conditions to which its or their bids, as applicable, are subject (each, a **"Successful Bid"**). Following the execution of the applicable definitive transaction documents, the Receiver will seek Court approval of the Successful Bid(s).
- 4. Additional terms of the Minoru Sale Process include:
 - a) the Minoru Property will be marketed and sold on an "as-is, where-is" basis, with standard representations and warranties for the sale of real property in receivership;
 - b) to the extent permitted by law, all of the right, title, and interest of the Debtors in the Minoru Property, will be sold free and clear of all pledges, liens, security interests, encumbrances and claims, pursuant to one or more approval and vesting orders to be sought by the Receiver, subject to customary permitted encumbrances;
 - c) the Receiver, after consultation with KingSett, will have the right to reject any and all offers and shall not be under any obligation to accept any offer, including the highest and best offers;
 - d) KingSett retains the right to credit bid the debt owing to it in respect of the Minoru Property if, at the conclusion of the Minoru Sale Process, there are no acceptable offers that the Receiver is prepared to bring forward for Court approval, following consultation with KingSett;
 - e) if the Receiver determines, in its sole discretion, that it will assist to maximize recoveries, the Receiver will have the right to: (i) waive strict compliance with the terms of the Minoru Sale Process; and (ii) modify and adopt such other procedures that will better promote the sale of the Minoru Property; and

- f) any material modifications to, or the suspension or termination of, the Minoru Sale Process shall require Court approval, subject to the right to extend deadlines therein.

4.3 Recommendation Regarding Minoru Sale Process

1. The Receiver recommends that this Court issue the proposed Minoru Sale Process Order approving the Minoru Sale Process for the following reasons:
 - a) the proposed Minoru Sale Process was developed by the Receiver, in consultation with the Minoru Sales Agent, with a view to providing a flexible, efficient, and fair process for canvassing the market for potential purchasers and maximizing the value of the Minoru Property and recovery for the Debtors' creditors;
 - b) the Minoru Sale Process is consistent with other insolvency sale processes approved by the Court for real property;
 - c) the Minoru Sale Process will be conducted and overseen by the Receiver and the Minoru Sales Agent. Given the Minoru Sales Agent's experience marketing comparable assets and its familiarity with the Minoru Property, its involvement is expected to materially enhance the efficiency and commercial effectiveness of the Minoru Sale Process;
 - d) the Minoru Sale Process will enable the Receiver and the Minoru Sales Agent to broadly market the Minoru Property and optimize the chances of securing the maximum purchase price for the Minoru Property available in the circumstances;
 - e) the Minoru Sale Process is in the best interests of the Debtors' stakeholders;
 - f) the duration of the Minoru Sale Process is sufficient to allow interested parties to perform diligence and submit offers, and limits the undue accrual of interest on the Minoru Indebtedness; and
 - g) KingSett, the Initial Debtors' senior secured creditor and largest financial stakeholder, is supportive of the Minoru Sale Process.

5.0 Other Activities of the Receiver

1. Since the First Report, the Receiver has performed the following key activities:
 - a) corresponding extensively with the Debtors, including representatives of Thind, to obtain information concerning the Debtors;
 - b) corresponding with KingSett, and its counsel, Osler Hoskin & Harcourt LLP, regarding all aspects of these proceedings;
 - c) corresponding with the Canada Revenue Agency with respect to tax accounts and outstanding remittances;
 - d) corresponding with the Debtors' insurance broker to renew the insurance coverage on the Highline Property and Minoru Property;
 - e) establishing and maintaining the Receiver's case website;
 - f) preparing this Second Report;
 - g) attending to, among other things, the following matters regarding the Minoru Property:
 - i. engaging with JLL regarding the Minoru Sale Process and preparation of the Minoru Listing Agreement;
 - ii. reviewing the license agreement dated August 1, 2023 (the "**License Agreement**"), between Minoru LP and Minoru Homes, as licensor, and Columbia Chrysler Dodge Jeep Ltd. ("**Columbia Chrysler**"), as licensee, regarding the Minoru Property and Columbia Chrysler's occupation of same;
 - iii. corresponding with Columbia Chrysler regarding the License Agreement and the payments due to Minoru LP and Minoru Homes under same; and
 - iv. corresponding with the Bank of Montreal ("**BMO**") regarding letter of credit facilities and cash collateral held by BMO; and
 - h) attending to, among other things, the following matters regarding the Highline Property:
 - i. engaging with the City of Burnaby to have the building permit extended for the Highline Project;

- ii. engaging in various correspondence with and reviewing various information provided by Lesperance Mendes Lawyers, counsel to the Strata Corporation, and FirstService Residential, the Strata Corporation manager, regarding these proceedings, the Strata Liens, and the Receiver's application on January 20, 2025;
- iii. corresponding and attending calls with Rennie regarding these proceedings, the Highline Project, the Highline Sale Process, and the obligations of the Receiver and 6511 Sussex under the *Real Estate Development Marketing Act*, S.B.C. 2004, c. 41 ("**REDMA**");
- iv. reviewing numerous drafts of the disclosure statement and template agreement of purchase and sale required under REDMA;
- v. negotiating a master services agreement and statement of work with Brasfield Builders Limited ("**Brasfield**") to perform a walkthrough of the Remaining Highline Units and provide a detailed schedule and cost estimate for the necessary repairs regarding the Remaining Highline Units;
- vi. working with Brasfield to coordinate certain repairs required to the Remaining Highline Units and the Highline Project's common areas;
- vii. corresponding with WBI Home Warranty Ltd. regarding the claims filed by owners of units in the Highline Project that were sold prior to the Receivership Order and the new home warranty program for the Remaining Highline Units; and
- viii. responding to various letters and emails from counsel to subcontractors and creditors regarding amounts outstanding for work performed on the Highline Project.

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 of this Second Report.

* * *

All of which is respectfully submitted,

KSV RESTRUCTURING INC.,
solely in its capacity as Court-appointed receiver of
6511 Sussex Heights Development Ltd.,
Minoru Square Development Limited Partnership,
Minoru View Homes Ltd., and Thind Parking Corp.
and not in its personal or corporate capacity



Per: Jason Knight
Managing Director

APPENDIX D

[ATTACHED]

Reply Attention of: Nicholas M. Vaartnou
Direct Dial Number: 250 405 1988
Email Address: nvaartnou@farris.com

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File No: 53117-1

November 25, 2024

BY EMAIL

Fasken Martineau DuMoulin LLP
2900 – 550 Burrard Street
Vancouver, BC V6C 0A3

Richards Buell Sutton LLP
700 – 401 West Georgia Street
Vancouver, BC V6B 5A1

Attention: Brent Clark

Attention: Ryan Klassen

Dear Sirs/Mesdames:

**Re: Security Agreement between KingSett Mortgage Corporation
("KingSett"), Gurmail Singh, and 6511 Sussex Heights
Development Ltd. ("Sussex Heights")**

We confirm that we are counsel for Gurmail Singh and Richards Buell Sutton LLP is counsel for Sussex Heights in respect of Supreme Court of British Columbia action no. S-255846 (New Westminster registry) (the "**Action**").

As you are aware, Mr. Singh claims an interest in a number of properties subject to a sale between Mundi Hotel Enterprises Ltd. ("**Mundi Hotel**") and Sussex Heights arising from a consulting agreement, which is the subject of the Action. On that basis, Mr. Singh filed a certificate of pending litigation (the "**CPL**") against those properties on November 14, 2024 pursuant to instrument no. CB1711624.

We understand that Mundi Hotel has assigned its right to purchase those properties to 1506956 B.C. Ltd. ("**1506956**"). We further understand that Fasken Martineau DuMoulin LLP ("**Fasken**") represents KingSett, who is acting as 1506956's lender in respect of the sale.

We write to set out the terms of a security arrangement between Mr. Singh, KingSett and Sussex Heights to allow the sale to complete, which are as follows:

1. Mr. Singh shall forthwith deliver a letter authorizing the release of the CPL from the subject properties (the "**Release Letter**") to Mr. Clark.
2. KingSett will transfer funds in the amount of \$800,000.00 (the "**Security Funds**") to Fasken.
3. The Security Funds shall stand in substitution for the properties at issue in the Action with respect to the CPL.
4. Mr. Clark shall undertake as follows:
 - a. not to make use of the Release Letter until he has received the Security Funds;

FARRIS LLP

25th Floor – 700 W Georgia Street Vancouver, BC Canada V7Y 1B3
Tel 604 684 9151 farris.com

November 25, 2024

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- b. to deposit the Security Funds in a trust account;
 - c. to hold the Security Funds and not distribute them except:
 - i. in accordance with a written direction provided by Mr. Singh and Sussex Heights, or counsel acting on their behalf; or
 - ii. in accordance with a court order directing distribution of the funds.
5. The discharge of the CPL will not prejudice the rights of either party to the Action and will not deprive Sussex Heights or any other person of the ability to advance an application in British Columbia Supreme Court seeking:
- a. a declaration that the CPL was defective or improper contrary to s. 215 of the *Land Title Act* and that the CPL was a nullity as the notice of civil claim it was filed with does not claim an estate or interest in land;
 - b. an order that the Security Funds should be varied or reduced pursuant to a determination by the Court as to the appropriate amount of security that ought to stand in place of the CPL or to make any other order available to the Court under s. 257 of the *Land Title Act*; or
 - c. any other remedies available to it.

Please acknowledge your clients' agreement to the above terms and Mr. Clark's acceptance of these undertakings by signing and returning to us an enclosed copy of this letter as soon as possible.

Yours truly,

FARRIS LLP

Per:


Nicholas M. Vaartnou

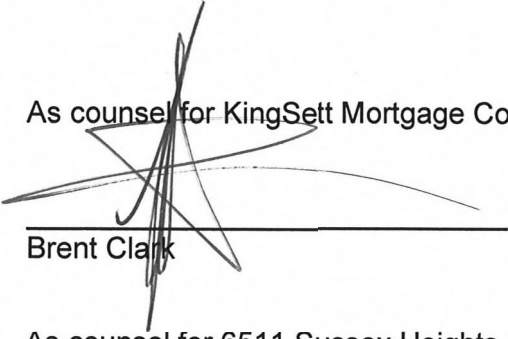
NMV/jal

November 25, 2024

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As counsel for KingSett Mortgage Corporation I confirm that I agree with the above:



Brent Clark

As counsel for 6511 Sussex Heights Development Ltd. I confirm that I agree with the above:



Ryan Klassen