



SUPERIOR COURT OF JUSTICE

COUNSEL SLIP/ ENDORSEMENT FORM

COURT FILE NO.: CV-23-00699432-00CL DATE: July 22, 2024

NO. ON LIST: 4

TITLE OF PROCEEDING: **MARSHALLZEHR GROUP INC. v. 2557386 ONTARIO INC. et al**

BEFORE JUSTICE: **JUSTICE CAVANAGH**

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing	Name of Party	Contact Info
Maya Poliak	Lawyers for KSV Restructuring Inc., in its capacity as Court-Appointed Receiver	maya@chaitons.com
Mitch Vininsky	KSV Restructuring, Receiver	mvininsky@ksvadvisory.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
Robert Trifts	Lawyer for Omer Arshed Bhatti (2051 Vickery Purchaser)	ronaldflom@gmail.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info

ENDORSEMENT OF JUSTICE CAVANAGH:

- [1] KSV Restructuring Inc., in its capacity as Court-appointed receiver of the assets, undertakings and properties of 2557386 Ontario Inc. and 2363823 Ontario Inc. o/a Mariman Homes (the “Companies”) acquired for or used in relation to a business carried on by the Companies, brings this motion for:
- a. an order approving the agreement of purchase and sale between the Receiver and Arshed Omer Bhatti and Aimen Iqbal dated June 7, 2024 for the sale of the property municipally known as 2051 Vickery Drive, Oakville, Ontario and related relief; and
 - b. an order approving the Receiver’s activities as described in the Second Report to the Court dated July 16, 2024 and approving the fees and disbursements of the Receiver and its legal counsel as described in the Second Report.
- [2] Following its appointment, the Receiver was provided with a copy of an agreement of purchase and sale dated February 3, 2021 with Arshed Omer Bhatti as purchaser for a purchase price of \$2.85 million and deposits paid of \$500,000. This original agreement provides for the completion of a 4244 square-foot two-story home on the property and a \$30,000 allowance to purchase appliances. Construction of the house is partially completed as the exterior is nearly finished and the interior is at the drywall stage. The Receiver’s understanding is that the deposits paid by Mr. Bhatti were not held in trust and have since been spent.
- [3] Morris Wright holds a first registered charge against the property in the principal amount of \$3.4 million. Based on the discharge statement provided by Morris Wright to the Receiver, as at July 31, 2024 Mariman is indebted to Morris Wright under the charge in the amount of approximately \$2.4 million. The Receiver obtained a legal opinion that, subject to the standard assumptions and qualifications contained therein, the charge is valid and enforceable.
- [4] The Receiver, with the consent of Morris Wright, entered into a new agreement of purchase and sale with Mr. Bhatti and his wife. The purchase price payable under the new agreement is \$2,175,000 plus HST. The purchase price is consistent with the estimates of value for this property obtained by the Receiver. The purchase price under the new agreement is less than the amount owing to Morris Wright under the charge. Accordingly, the Receiver seeks an order authorizing it to distribute the net proceeds under the new agreement, after payment of the Receiver’s fees and disbursements and those of its legal counsel, to Morris Wright.
- [5] I have reviewed the motion materials and I am satisfied that the requested Orders should be made.
- [6] Orders to issue in forms of Orders signed by me today.

Justice CAVANAGH

DATE: July 22, 2024