

Court File No. CV-23-00698576-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE

)

THURSDAY, THE 16TH

JUSTICE OSBORNE

)

DAY OF NOVEMBER, 2023

)

BETWEEN

KINGSETT MORTGAGE CORPORATION AND DORR CAPITAL CORPORATION

Applicants

- and -

**STATEVIEW HOMES (MINU TOWNS) INC., STATEVIEW HOMES (NAO TOWNS) INC.,
STATEVIEW HOMES (ON THE MARK) INC., TLSFD TAURASI HOLDINGS CORP. AND
STATEVIEW HOMES (HIGH CROWN ESTATES) INC.**

Respondents

**IN THE MATTER OF AN APPLICATION UNDER SUBSECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED, AND
SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

**APPROVAL AND VESTING ORDER
(HIGH CROWN ESTATES)**

THIS MOTION, made by KSV Restructuring Inc. in its capacity as the Court-appointed receiver and manager (in such capacity, the “**Receiver**”) without security, of the property, assets and undertakings of each of the above noted Respondents, including their real property, for an order, *inter alia*, approving the sale transaction (the “**High Crown Transaction**”) in respect of certain of the Property of Stateview Homes (High Crown Estates) Inc. (“**High Crown**”) contemplated by an amended and restated agreement of purchase and sale between the Receiver and Delton Acquisitions Inc. (“**Delton**”) dated October 19, 2023 (as amended from time to time, the “**High Crown APS**”), appended to the Sixth Report of the Receiver dated November 8, 2023 (the “**Sixth Report**”), as assigned to Camcos (King) Inc. (the “**Purchaser**”) pursuant to an assignment agreement dated November 15, 2023, and vesting in the Purchaser High Crown’s right, title and interest in and to the Purchased Assets (as defined in the High Crown APS) (the

“**High Crown Purchased Assets**”), was heard this day by judicial videoconference via Zoom in Toronto, Ontario.

ON READING the Notice of Motion of the Receiver, the Sixth Report and the Appendices thereto and on hearing the submissions of counsel for the Receiver and the other parties listed on the counsel slip, no one appearing for any other party although duly served as appears from the affidavit of service of Alec Hoy sworn November 9, 2023,

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the High Crown APS or the Sixth Report, as applicable.

APPROVAL OF THE HIGH CROWN TRANSACTION

3. **THIS COURT ORDERS AND DECLARES** that the High Crown Transaction is hereby approved, and the execution of the High Crown APS by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the High Crown Transaction and for the conveyance of the High Crown Purchased Assets to the Purchaser and the assumption of the Assumed Liabilities (as defined in the High Crown APS) (the “**High Crown Assumed Liabilities**”).
4. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver’s certificate to the Purchaser substantially in the form attached as **Schedule “A”** hereto (the “**Receiver’s Certificate (High Crown)**”), all of High Crown’s right, title and interest in and to the High Crown Purchased Assets, including the real property set out in **Schedule “B”** hereto (the “**Purchased High Crown Real Property**”), shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, constructive, equitable, or

otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**High Crown Claims**”) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Steele in the within proceedings dated May 2, 2023; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on **Schedule “C”** hereto (all of which are collectively referred to as the “**High Crown Encumbrances**”, which term shall not include the permitted encumbrances, easements and restrictive covenants listed on **Schedule “D”** hereto) and, for greater certainty, this Court orders that all of the High Crown Encumbrances affecting or relating to the High Crown Purchased Assets are hereby expunged and discharged as against the High Crown Purchased Assets upon the delivery of the Receiver’s Certificate (High Crown).

5. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of York (No. 65) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to (a) enter the Purchaser as the owner of the High Crown Real Property identified in **Schedule “B”** hereto in fee simple, (b) delete and expunge from title to the Purchased High Crown Real Property all of the High Crown Claims listed on **Schedule “C”** hereto, and (c) register this Order on title to the Purchased High Crown Real Property.

6. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of High Crown Claims, the net proceeds from the sale of the High Crown Purchased Assets shall stand in the place and stead of the High Crown Purchased Assets, and that from and after the delivery of the Receiver’s Certificate (High Crown), all High Crown Claims and High Crown Encumbrances shall attach to the net proceeds from the sale of the High Crown Purchased Assets with the same priority as they had with respect to the High Crown Purchased Assets immediately prior to the sale, as if the High Crown Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

7. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate (High Crown), forthwith after delivery thereof by the Receiver to the Purchaser.

8. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of High Crown and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of High Crown;

the vesting of the High Crown Purchased Assets in the Purchaser and the assignments pursuant to this Order and the other terms and provisions of this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of High Crown and shall not be void or voidable by creditors of High Crown, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

TERMINATION AND DISCLAIMER OF HOMEBUYER AGREEMENTS

9. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed, on or prior to Closing, to terminate and disclaim all homebuyer agreements of purchase and sale treated as Excluded Contracts under the High Crown APS and, following the delivery of the Receiver's Certificate (High Crown) in accordance with this Order, such agreements shall cease to be continuing obligations effective against the Purchased High Crown Real Property or binding on the Purchaser.

SEALING

10. **THIS COURT ORDERS** that the Confidential Appendices "2" and "6" to the Sixth Report are hereby sealed until the earlier of:

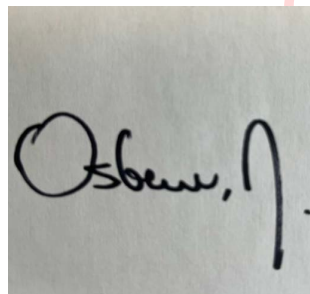
- (a) the closing of the High Crown Transaction; or
- (b) upon further order of the Court.

GENERAL

11. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

12. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal and regulatory or administrative bodies, having jurisdiction in Canada or in any other foreign jurisdiction, to give effect to this Order and to assist the Receiver and its respective agents in carrying out the terms of this Order. All courts, tribunals and regulatory and administrative bodies are hereby 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 respective agents in carrying out the terms of this Order.

13. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Eastern Time) on the date of this Order without the need for entry or filing.



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SCHEDULE "A"
FORM OF RECEIVER'S CERTIFICATE

Court File No. CV-23-00698576-00CL

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SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

RECEIVER'S CERTIFICATE
(HIGH CROWN ESTATES)

RECITALS

- A. Pursuant to an Order of the Honourable Justice Steele of the Ontario Superior Court of Justice (the "**Court**") dated May 2, 2023, KSV Restructuring Inc. was appointed as the receiver and manager (the "**Receiver**") of the property, assets and undertakings of each of the above noted Respondents, including Stateview Homes (High Crown Estates) Inc. ("**High Crown**").
- B. Pursuant to an Order of the Court dated November 16, 2023, the Court approved the amended and restated agreement of purchase and sale attached as Appendix "F" to the Sixth Report of the Receiver dated November 8, 2023 (as amended from time to time, the "**High Crown APS**") between the Receiver and Delton Acquisitions Inc. ("**Delton**"), as assigned to Camcos

(King) Inc. (the “**Purchaser**”) pursuant to an assignment agreement dated November 15, 2023, providing for the vesting in the Purchaser of High Crown’s right, title and interest in and to the Purchased Assets (as defined in the High Crown APS) (the “**High Crown Purchased Assets**”), which vesting is to be effective with respect to the High Crown Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price (as defined in the High Crown APS) for the High Crown Purchased Assets; (ii) that the other conditions to Closing as set out in each of the High Crown APS have been satisfied or waived by the Receiver and the Purchaser; and (iii) that the transaction pursuant to the High Crown APS (the “**High Crown Transaction**”) has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the High Crown APS.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid, and the Receiver has received, the Purchase Price for the High Crown Purchased Assets payable pursuant to the High Crown APS;
2. The other conditions to Closing as set out in the High Crown APS have been satisfied or waived by the Receiver and the Purchaser, as applicable; and
3. The High Crown Transaction has been completed to the satisfaction of the Receiver.

This Receiver’s Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

KSV Restructuring Inc., in its capacity as court-appointed receiver and manager, without security, of, *inter alia*, High Crown Property and all present and future undertakings and property, both real and personal of Stateview Homes (High Crown Estates) Inc., which is located at or related to or used in connection with or arising from or out of the High Crown Property, and not in its personal capacity

Per: _____

Name:

Title:

SCHEDULE "B"

LEGAL DESCRIPTION OF PURCHASED HIGH CROWN REAL PROPERTY

Stateview Homes (High Crown Estates) Inc.

PIN 03372-1040 (LT)

BLOCK 2, PLAN 65M4757; SUBJECT TO AN EASEMENT AS IN YR3467268; SUBJECT TO AN
EASEMENT IN GROSS AS IN YR3502108; TOWNSHIP OF KING

(the "High Crown Real Property")

SCHEDULE "C"

**CLAIMS TO BE DELETED AND EXPUNGED FROM TITLE TO THE HIGH CROWN REAL
 PROPERTY**

Instrument Number	Date	Instrument Type	Parties From	Parties To
YR3298339	August 16, 2021	Charge	Stateview Homes (High Crown Estates) Inc.	Dorr Capital Corporation
YR3298340	August 16, 2021	Notice of Assignment of Rents	Stateview Homes (High Crown Estates) Inc.	Dorr Capital Corporation
YR3298341	August 16, 2021	Charge	Stateview Homes (High Crown Estates) Inc.	Dorr Capital Corporation
YR3298342	August 16, 2021	Notice of Assignment of Rents	Stateview Homes (High Crown Estates) Inc.	Dorr Capital Corporation
YR3490340	October 25, 2022	Postponement	Dorr Capital Corporation	The Corporation of the Township of King
YR3490341	October 25, 2022	Postponement	Dorr Capital Corporation	The Corporation of the Township of King
YR3500633	November 23, 2022	Postponement	Dorr Capital Corporation	The Corporation of the Township of King
YR3500634	November 23, 2022	Postponement	Dorr Capital Corporation	The Corporation of the Township of King
YR3502109	November 28, 2022	Postponement	Dorr Capital Corporation	Hydro One Networks Inc.
YR3502110	November 28, 2022	Postponement	Dorr Capital Corporation	Hydro One Networks Inc.
YR3545969	April 28, 2023	Construction Lien	Trudel & Sons Roofing Ltd.; 2496008 Ontario Inc.	
YR3547282	May 2, 2023	Construction Lien	Generation Carpentry Ltd.	

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YR3547433	May 2023	2,	Construction Lien	Tamarack Lumber Inc.	
YR3547502	May 2023	2,	Application to Register Court Order	Ontario Superior Court of Justice	Kingsett Mortgage Corporation; Dorr Capital Corporation
YR3547890	May 2023	3,	Construction Lien	Con-Drain Company (1983) Limited	
YR3548793	May 2023	5,	Construction Lien	Pro Star Excavating & Grading Ltd.	
YR3548840	May 2023	5,	Construction Lien	Sunbelt Rentals Of Canada Inc.	
YR3548874	May 2023	5,	Construction Lien	Applewood Air-Conditioning Limited	
YR3549235	May 2023	8,	Construction Lien	Schaeffer & Associates Ltd.	
YR3550483	May 2023	11,	Construction Lien	Stardrain & Concrete Inc.	
YR3551759	May 2023	16,	Certificate	Schaeffer & Associates Ltd.	
YR3559448	June 2023	6,	Certificate	Pro Star Excavating & Grading Ltd.	
YR3561416	June 2023	9,	Construction Lien	Best Rental Services Inc.	
YR3562588	June 2023	14,	Construction Lien	Di Giovanni, Massimo	
YR3563292	June 2023	15,	Certificate	Trudel & Sons Roofing Ltd.; 2496008 Ontario Inc.	
YR3564355	June 2023	20,	Certificate	Con-Drain Company (1983) Limited	
YR3566372	June 2023	26,	Certificate	Generation Carpentry Ltd.	Stateview Homes (High Crown Estates) Inc.; Dorr Capital Corporation
YR3567331	June 2023	28,	Certificate	Tamarack Lumber Inc.	

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YR3575175	July 19, 2023	Certificate	Sunbelt Rentals of Canada Inc.	
YR3577088	July 24, 2023	Certificate	Best Rental Services Inc.	
YR3577258	July 25, 2023	Certificate	Di Giovanni, Massimo	

SCHEDULE "D"

**PERMITTED ENCUMBRANCES, EASEMENTS AND RESTRICTIVE COVENANTS RELATED
TO THE HIGH CROWN REAL PROPERTY**

(unaffected by the Approval and Vesting Order)

1. Instrument No. A20842A is By-law No. 1144 registered July 23, 1958 amending By-law 929 by the Township of King regarding the designation of subdivision control.
2. Instrument No. B33674B is By-law No. 1509 registered April 14, 1967, being a by-law to amend By-Law No. 929 by the Municipality of the Township of King regarding the designation of subdivision control.
3. Instrument No. YR3319404 is a Notice of No Pre-Sales Agreement registered September 28, 2021 from High Crown to The Corporation of the Township of King.
4. Instrument No. YR3467268 is a Transfer of Easement registered on August 19, 2022 from High Crown in favour of Enbridge Gas Inc. for the purpose of surveying, constructing, laying, using, installing, repairing, inspecting, replacing, removing, renewing, expanding, enlarging, altering, reconstructing, operating and maintaining gas lines, piping, meters, attachments, apparatus, appliances, markers, fixtures, works and other equipment.
5. Instrument No. 65M4757 is a Plan of Subdivision registered on October 24, 2022.
6. Instrument No. YR3490173 is a Notice of Subdivision Agreement registered October 25, 2022 between The Corporation of the Township of King and High Crown
7. Instrument No. YR3490343 is a Postponement registered October 25, 2022 from Enbridge Gas Inc. in favour of the Corporation of the Township of King postponing Instrument No. YR3467268 to the Notice of Subdivision Agreement under Instrument No. YR3490173.
8. Instrument No. YR3500632 is a Notice of Site Plan Development Agreement dated September 20, 2022 and registered on November 23, 2022 between The Corporation of the Township of King and High Crown
9. Instrument No. YR3502108 is a Transfer of Easement registered on November 28, 2022 from High Crown in favour of Hydro One Networks Inc. to erect, maintain, operate, repair, replace, relocate, upgrade, reconstruct and remove at any time and from time to time, an electrical transmission line or lines and communication line or lines consisting of poles and anchors with all necessary guys, braces, wires, cables, padmount equipment, if necessary, underground cable and associated material and equipment.

Court File No. CV-23-00698576-00CL

IN THE MATTER OF THE RECEIVERSHIP OF STATEVIEW HOMES (MINU TOWNS) INC., STATEVIEW HOMES (NAO TOWNS) INC., STATEVIEW HOMES (ON THE MARK) INC., TLSFD TAURASI HOLDINGS CORP. AND STATEVIEW HOMES (HIGH CROWN ESTATES) INC.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT TORONTO

**APPROVAL AND VESTING ORDER
(HIGH CROWN ESTATES)**

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Lawyers for the Receiver (Nao Phase 1, Minu, On the Mark,
High Crown and Taurasi Holdings Receiverships)