

Court File No. CV-23-00710795-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

CAMERON STEPHENS MORTGAGE CAPITAL LTD.

Applicant

-and-

**2011836 ONTARIO CORP., JEFFERSON PROPERTIES LIMITED PARTNERSHIP,
1000162801 ONTARIO CORP., AMERICAN CORPORATION
and 1000199992 ONTARIO CORP.**

Respondents

**IN THE MATTER OF AN APPLICATION PURSUANT TO 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**

FIRST SUPPLEMENT TO THE SIXTH REPORT OF THE RECEIVER

Dated December 9, 2025

A. Introduction

1. On December 21, 2023 (the “**Appointment Date**”), the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) made an order (the “**Appointment Order**”) pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* R.S.C. 1985, c. B-3, as amended (“**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O 1990, c. 43, as amended, *inter alia*, appointing Albert Gelman Inc. (“**AGI**”) as receiver and manager (in such capacity, the “**Receiver**”), without security, of all present and future property, assets and undertakings of 2011836 Ontario Corp. (“**201Co.**”) and Jefferson Properties Limited Partnership (“**JPLP**” and, together with 201Co., the “**Debtors**”), including the real property known municipally as 39, 53 and 67 Jefferson Side Road, Richmond Hill, Ontario (the “**Real Property**”). The Appointment Order was granted pursuant to an application (the “**Receivership Application**”) made by Cameron Stephens Mortgage Capital Ltd. (“**Cameron Stephens**”), the Debtors’ senior secured lender. Attached as **Appendix A** is a copy of the Appointment Order.

2. The primary objective of these receivership proceedings has been to complete the construction of a residential housing project located at the Real Property and known as “Richmond Hill Grace” (the “**Project**”) and to sell the units in the Project, all in an effort to maximize the recovery to the Debtors’ stakeholders.

B. Purpose of Report

3. The purpose of this report (the “**First Supplement**”) is to supplement the Sixth Report of the Receiver dated September 9, 2025 (the “**Sixth Report**”) in connection with the return of the Receiver’s motion for approval of a sales process for the Project, among other things, which was adjourned in part, *sine die*, by Order of Justice Kimmel. On the return of this motion, the Receiver seeks:

- (a) Approval and vesting orders (collectively, “**AVOs**” and, individually, an “**AVO**”):
 - (i) Approving the Transactions and the December AVO Agreements (each as defined below);
 - (ii) following the Receiver’s delivery of the Receiver’s certificate substantially in the form attached as Schedule “A” to a given AVO, transferring and vesting all of the Debtor’s right, title and interest in and to the relevant December AVO Unit (as defined below) in the relevant December AVO Purchaser (as defined below), free and clear of all liens, charges, security interests and encumbrances other than permitted encumbrances;
- (b) An ancillary relief order:
 - (i) approving this First Supplement and the Receiver’s activities described therein;
 - (ii) approving a form of template vesting order that is to be completed by the Receiver in the future for each Permitted Transaction (as defined in the Sixth Report) and submitted to the Court Registrar for signature, in order to convey one or more Units (as defined below) to a purchaser free and clear of any mortgages, charges, liens or other encumbrances in the absence of separate court attendances for each separate Permitted Transaction;

- (iii) approving the Template APSs (as defined below) for use in connection with Permitted Transactions;
- (iv) amending subsection 3(k) of the Appointment Order to authorize the Receiver to sell the Units without approval of this Court in respect of any such transaction, provided that:
 - 1) the total consideration for the Unit under an agreement of purchase and sale is not less than the Target Price (as defined in the Sixth Report) set out in Confidential Appendix 1 to the Sixth Report; and
 - 2) the agreement of purchase and sale for such transaction is substantially in the form of either the Freehold Template or the Stacked Template (each as defined below), subject to such minor deviations from the Template APSs as the Receiver deems appropriate (each such transaction being a **“Permitted Transaction”**);
- (v) sealing the confidential appendices to the First Supplement; and
- (vi) authorizing the Receiver to distribute the proceeds of the Transactions in accordance with the Interim Distribution.

C. Scope and Terms of Reference

4. This First Supplement has been prepared solely for the purposes described in this report. Accordingly, the reader is cautioned that this First Supplement may not be appropriate for any other purpose.

5. Capitalized terms not defined in this First Supplement have the meanings ascribed to them in the Sixth Report.

D. Status of the Project

6. The Project consists of 96 residential units (collectively, the “**Units**” and, individually, a “**Unit**”), which Units represent the primary asset of the Debtors.

7. 36 of the Units are freehold townhomes in the form of parcels of tied land appurtenant to a common elements condominium (collectively, the “**Freeholds**”).

8. 60 of the Units are stacked townhomes in the form of units in a standard condominium (collectively, the “**Stacked Units**”).

9. Since its appointment, the Receiver has been working to complete the Project, with a view to marketing the Units for sale to homebuyers. The Project is now substantially complete.

10. On October 8, 2025, the Receiver successfully registered the common elements condominium in respect of the Freeholds with the Land Registry Office for York. A copy of the parcel register for the premises on which the Freeholds and the common elements condominium are situated is attached hereto as **Appendix B**.

11. As of the date of this First Supplement, the Land Registry Office for York has not yet registered the declaration for the standard condominium in respect of the Stacked Units. The Receiver anticipates that this declaration will be registered within the next business day.

12. As a result of the registration of the common elements condominium and the imminent registration of the standard condominium, the Receiver:

- (a) is now in a position to convey title to the Freeholds to purchasers; and
- (b) will very likely be in a position to convey title to the Stacked Units to purchasers as of the return of the Sales Process Motion (as defined below) on December 19, 2025,

subject to the Court issuing approval and vesting orders in connection with the same.

E. The Sales Process

1. The Sales Process Motion

13. On September 11, 2025, the Receiver commenced the within motion (the “**Sales Process Motion**”) which sought, among other things:

- (a) An Order amending the Appointment Order to authorize the Receiver to sell the Units without approval of the Court where the sale price of the Unit under the agreement of purchase and sale is not less than that Unit’s Target Price, as set out in the Target Price List developed by the Receiver and described in detail in the Sixth Report (each such Transaction being a “**Permitted Transaction**”);
- (b) An Order approving a form of template vesting order that is to be completed by the Receiver for each Permitted Transaction and submitted to the Court

Registrar for signature in order to convey title to the Units to purchasers free and clear of encumbrances;

(c) An Order approving the Sales Process described in the Sixth Report; and

(d) An Order sealing the Target Price List.

14. The Receiver's original Notice of Motion in connection with the Sales Process Motion is attached hereto as **Appendix C**.

15. The Sales Process Motion was opposed by Fanseay Wang ("**Fanseay**"), the principal of the Debtors. In addition to opposing the relief sought by the Receiver in the Sales Process Motion, on October 16, 2025, Fanseay served a cross-motion (the "**Cross-Motion**") on the Receiver which sought, among other things:

(a) A stay of retail and individual Unit sales pending completion of a Court-ordered bulk-sale market test conducted by an independent sales monitor;

(b) An Order requiring the Receiver to disclose the Target Price List to stakeholders; and

(c) An Order reserving and holding back 50% of the future fees of the Receiver and its counsel.

16. A copy of the notice of motion for the Cross-Motion is attached hereto as **Appendix D**.

17. The Sales Process Motion was heard on October 23, 2025 by Justice Kimmel. On November 28, 2025, Justice Kimmel released her decision in connection with the Sales Process Motion and the Cross-Motion. Justice Kimmel:

- (a) Dismissed the Cross-Motion (with the caveat that this dismissal only dismisses Fanseay's request for relief in opposition to the relief granted in connection with the Receiver's Sales Process Motion);
- (b) Ordered the relief sought in the Sales Process Motion, with the exception of (i) the Receiver's request for orders amending the Appointment Order to enable the Receiver to complete Permitted Transactions without Court approval; and (ii) approving a template form of vesting order for use in connection with the same (such relief being the "**Amendment Relief**"); and
- (c) Adjourned the Receiver's motion for the Amendment Relief *sine die*.

18. A copy of Justice Kimmel's Order and Endorsement in connection with the Sales Process Motion are attached hereto as **Appendix E**.

19. Justice Kimmel determined that it was premature to grant the Amendment Relief without the intended form of agreement of purchase and sale for use in connection with Permitted Transactions also being approved by the Court.

20. Accordingly, Justice Kimmel suggested to the Receiver that the Receiver's Motion for the Amendment Relief be considered in the context of a motion for one or more AVOs based on the form of agreement and purchase and sale intended to be used in Permitted Transactions.

2. Template APSs

21. As suggested by Justice Kimmel in connection with the Sales Process Motion, and in consultation with its counsel and advisors, the Receiver has developed two template agreements of purchase and sale for use in connection with Permitted Transactions.

22. The template agreement of purchase and sale for use in connection with Freeholds (the “**Freehold Template**”) is attached hereto as **Appendix F**.

23. The template agreement of purchase and sale for use in connection with Stacked Units (the “**Stacked Template**” and, together with the Freehold Template, the “**Template APSs**”) is attached hereto as **Appendix G**.

3. Results of the Receiver’s sale efforts to date

24. Through and with its real estate broker, Homelife, the Receiver has been marketing the Unsold Units for sale since September 29, 2025, as contemplated by the Sales Process approved by Order of Justice Kimmel.

25. As a result of these efforts, the Receiver has entered into agreements of purchase and sale (collectively, the “**New Agreements**” and, individually, a “**New Agreement**”), each of which is substantially in the form of either the Freehold Template or the Stacked Template, as applicable. The details of the New Agreements are set out in the table below. This table identifies the appendix to this First Supplement in which each New Agreement, and any applicable amendments, can be found.

Suite #/Stacked or Freehold?	Date	Purchaser(s)	Appendix	Confidential Appendix
18/Freehold	October 14, 2025, as amended October 27, 2025	Connie Fan, Gerrome Tan	H	1
19/Freehold	October 14, 2025	Anna Manza	I	2
204/Stacked	November 16, 2025	Anna Mikhmel	J	3
212/Stacked	October 21, 2025, as amended November 2, 2025	Na Wang	K	4
213/Stacked	November 6, 2025, as amended November 14, 2025	Purvin Pui Fung Wai	L	5

F. Pre-Receiveership Agreements

26. In addition to the New Agreements, there are currently 8 Units that are subject to agreements of purchase and sale (collectively, the “**Pre-Receiveership Agreements**” and, individually, a “**Pre-Receiveership Agreement**”) that pre-date the appointment of the Receiver.

27. The details of the Pre-Receivership Agreements are set out in the table below. This table identifies the appendix to the First Supplement in which each Pre-Receivership Agreements, and any applicable amendments, can be found.

Suite #/Stacked or Freehold?	Date	Purchaser(s)	Appendix	Confidential Appendix
104/Stacked	November 29, 2021, as amended December 1, 2021 and February 13, 2025	Brian Chuen Ho Yiu, Sharon Christine Rodrigues	M	6
120/Stacked	November 30, 2021, as amended December 1, 10 and	Louiza Zahiroleslam-Zadeh	N	7

	16, 2021 and February 13, 2025,			
201/Stacked	May 8, 2021, as amended May 14 and 17, 2021 and February 20, 2025	Hyeseon Lee, Dukuh Kim	O	8
210/Stacked	May 23, 2021, as amended May 23, 25 and 27, 2021 and March 18, 2025.	Jackelyn Lau	P	9
214/Stacked	May 7, 2021, as amended	Lei Wang, Li Feng	Q	10

	May 21, 2021 and March 28, 2025			
302/Stacked	May 28, 2021, as amended May 30, 2021, June 1, 2021 and March 17, 2025	Nasar Holdings Inc., Asfiya Ali	R	11
305/Stacked	June 3, 2021, as amended June 4, 2021, October 26 and 28, 2021 and October 1, 2025	Salman Khawar Khawaja	S	12

314/Stacked	May 28, 2021, as amended June 2, 2021 and March 21, 2025	Bhatti Canada Holdings Inc., Ferzana Kouser	T	13
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28. Together, the New Agreements and the Pre-Receivership Agreements are referred to as the “**December AVO Agreements**” and, individually, a “**December AVO Agreement.**”

29. The transactions contemplated by the December AVO Agreements are referred to collectively as the “**Transactions**” and, individually, a “**Transaction.**”

30. The purchasers under the December AVO Agreements are referred to collectively as the “**December AVO Purchasers**” and, individually, as a “**December AVO Purchaser.**”

G. Approval and Vesting Orders

31. The Receiver recommends that this Court approve the December AVO Agreements and grant AVOs vesting title to the December AVO Units in the relevant December AVO Purchasers, upon the closing of these Transactions and filing of the Receiver’s certificate. The Receiver notes the following:

- (a) To the best of the Receiver’s knowledge, the relationships between JPLP and the purchasers under the Pre-Receivership Agreements were arm’s length and

the Pre-Receivership Agreements were the product of industry-standard marketing efforts for a single family residential unit on behalf of JPLP;

- (b) The values of the Units subject to the Pre-Receivership Agreements exceed the Receiver's estimates of the current market values of these Units, which estimates are set out in the Target Price List, being Confidential Appendix 1 to the Sixth Report;
- (c) The New Agreements are the product of Homelife's marketing efforts, in accordance with the Sales Process approved by this Court;
- (d) The value of each of the December AVO Agreements exceeds the Target Price for the respective December AVO Unit, as set out in the Target Price List. As set out in greater detail in the Sixth Report, each Unit's Target Price reflects the Receiver's estimate of the current fair market value of each Unit (as at the date of the Sixth Report), subject to a discount to provide the Receiver with flexibility in negotiating a favourable price with potential purchasers, in all the circumstances;
- (e) The Receiver is of the view that, in all the circumstances, further marketing efforts in respect of the December AVO Units would be unlikely to generate a greater return for the Debtors' stakeholders than the December AVO Agreements, taking into account:
 - (i) the Receiver's estimate of the market value of the December AVO Units;
 - (ii) the professional fees associated with further marketing efforts; and

- (iii) the continued accrual of interest on amounts owing to Cameron Stephens under the amounts lent by Cameron Stephens to the Receiver under the Receiver's Borrowing Charge (as defined in the Appointment Order). Such indebtedness can be reduced through the distribution of the proceeds of the Transactions to Cameron Stephens; and
- (f) In all the circumstances, the December AVO Agreements are commercially reasonable transactions and the Receiver is of the view that the Receiver's completion of the December AVO Agreements would be accretive to the estate of the Debtors and beneficial to their stakeholders.

H. Sealing Order

32. The Receiver requests that this Court grant a sealing order in respect of the Confidential Appendices to this First Supplement.

33. As set out above, the Confidential Appendices consist of the unredacted copies of the December AVO Agreements, which each set out the financial terms of the transactions contemplated therein.

34. If any of this pricing information was made public, it would compromise the Receiver's ability to obtain the best price for the Units because it may reveal information about the Receiver's pricing and negotiation strategy to potential purchasers, who could in turn use this information to make tactical, lower offers for the purchase of the Units. This would be detrimental to stakeholder recovery.

35. As a result, the Receiver is of the view that an order sealing the Confidential Appendices will permit the Receiver to maximize the proceeds of the Units and is in the best interests of the Debtors' stakeholders.

I. Interim Distribution

36. As amended by the Order of Justice Steele dated May 2, 2025, the Receiver is authorized to borrow \$40,000,000, which amounts are secured by the Receiver's Borrowing Charge provided for in the Appointment Order. A copy of the Order of Justice Steele dated May 2, 2025 is attached hereto as **Appendix U**.

37. As of December 8, 2025, the Receiver has borrowed \$35,901,755 from Cameron Stephens pursuant to the Receiver's Borrowing Charge.

38. The Receiver requests authorization to use the proceeds of the Transactions to:

- (a) Pay commission owing to Homelife and cooperating brokers in connection with the New Agreements;
- (b) Pay the fees and disbursements of the Receiver and its legal counsel, to the extent those fees have been approved by the Court; and
- (c) Repay amounts owing to Cameron Stephens under the Receiver's Borrowing Charge (such scheme of distribution being the "**Interim Distribution**").

39. Repayment of amounts owing to Cameron Stephens under the Receiver's Borrowing Charge will minimize the accrual of interest on these amounts and will be in the best interests of stakeholders generally.

40. Pursuant to the listing agreement between Homelife and the Receiver, Homelife is to be paid between 0.8 and 1% of the sale price of a Unit as listing sales commission (and 3% of the sale price of a Unit if Homelife acts as both listing and cooperating agent in connection with a Unit sale).

41. According to agreements between the Receiver and cooperating agents in connection with the New Agreements, these cooperating agents are to be paid 3% of the sale price of a Unit.

42. In the Receiver's view, the foregoing real estate commission rates are typical for single-family residential real property in Ontario.

J. Bankruptcy of Fanseay

43. On December 1, 2025, Justice Kimmel made a bankruptcy order against Fanseay (the "**Bankruptcy Order**"). Copies of the Bankruptcy Order and the endorsement of Justice Kimmel in relation thereto are attached hereto as **Appendix V**.

44. The Bankruptcy Order appoints Albert Gelman Inc. as trustee-in-bankruptcy.

45. On December 3, 2025, Fanseay filed a Notice of Appeal in respect of the Bankruptcy Order. A copy of this Notice of Appeal is attached hereto as **Appendix W**.

K. Professional Fees

46. In accordance with paragraphs 17, 18 and 19 of the Appointment Order, the Receiver has been authorized to periodically pay its fees and disbursements, and that of its counsel, subject to approval by the Court.

47. The Receiver's professional fees incurred for services rendered from September 1, 2025 to November 30, 2025 amount to \$185,696.00, plus disbursements in the amount of \$824.95 (all excluding HST). These amounts represent professional fees and disbursements not yet approved by the Court. The time spent by the Receiver's professionals is described in the affidavit of Bryan Gelman, sworn December 8, 2025 attached hereto as **Appendix X**.

48. The fees of Paliare Roland Rosenberg Rothstein LLP ("**Paliare**"), litigation and insolvency counsel to the Receiver, for services rendered from September 1, 2025 to November 30, 2025 total \$109,536.19 (inclusive of HST and disbursements). These amounts represent professional fees and disbursements not yet approved by the Court. The time spent by Paliare's professionals is described in the affidavit of Candace Baumtrog sworn December 9, 2025 attached hereto as **Appendix Y**.

L. Order Requested

49. The Receiver respectfully requests that the Court grant the relief described in paragraph 3 of this First Supplement.

All of which is respectfully submitted this 9th day of December 2025,

**ALBERT GELMAN INC., solely in its
capacity as Court-Appointed Receiver
of each of the Debtors and the Real Property
and not in any other capacity**



Per: _____

Tom McElroy, *CIRP, LIT*
Managing Director
(Ontario)