



SUPERIOR COURT OF JUSTICE

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-23-00700497-00CL

DATE: MARCH 25, 2024

NO. ON LIST: 1

TITLE OF PROCEEDING: C&K MORTGAGE SERVICES INC. et al. v.
VILLAGE DEVELOPMENTS INC. et al.

BEFORE: JUSTICE STEELE

PARTICIPANT INFORMATION

For Applicant:

Name of Person Appearing	Name of Party	Contact Info
David Preger	Counsel for the Applicants, C&K Mortgage Services Inc. et al.	dpreger@dickinsonwright.com

For Respondent:

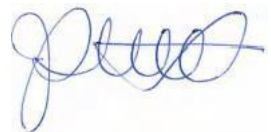
Name of Person Appearing	Name of Party	Contact Info
Dino Mazzorato	Counsel for the Respondent, Paul DeBattista	dgmazzorato@bellnet.com

For Other:

Name of Person Appearing	Name of Party	Contact Info
George Benchetrit	Counsel for the Court-Appointed Receiver, Alvarez & Marsal Canada Inc. (Steve Ferguson & Esther Mann)	george@chaitons.com

ENDORSEMENT OF JUSTICE STEELE:

- [1] The respondents bring a new motion seeking to discharge the receivership order of Justice Penny dated August 15, 2023, which appointed Alvarez & Marsal (Canada) Inc. as the court-appointed receiver of the debtors' property.
- [2] The prior motion to discharge was dismissed on or about March 13, 2024.
- [3] Subsequent to the dismissal of the motion, the debtors secured the proposed financing. Accordingly, the debtors delivered a new motion to discharge the Receiver on March 20, 2024.
- [4] Counsel for the respondents confirmed that he has \$3.35 million in his trust account, which will be paid to the Receiver today, when the Court order is made. Mr. DeBattista has already placed a deposit of \$350,000 with the Receiver.
- [5] The Receiver's supplement report confirmed that according to a title search as of March 6, 2024, the only charges and related registrations remaining on the Property are in favour of C&K, 9929916 Canada Inc. ("992") and the Carrier Estate.
- [6] The first, second and third mortgagees [the second and third mortgagees being the same person, 992 Canada Inc.] have consented. The fourth mortgagee, the Carrier Estate, did not appear at the motion. Counsel for the Carrier Estate indicated by email to counsel for the Receiver that it did not intend to file material or attend the hearing for the second discharge motion.
- [7] The Receiver states that the proposed discharge arrangement could potentially result in higher net recoveries to creditors than the proposed sale, assuming that the discharge arrangement proceeds on an expedited basis.
- [8] It is anticipated that while the C&K Charge and the 992 Charges are expected to be repaid in full, the Carrier Estate will not be repaid in full.
- [9] The proposed Order provides that the registrations on title to the property in favour of C&K, 992, and the Carrier Estate be expunged and discharged. As noted, C&K and 992 consent to the proposed order. The Carrier Estate has not opposed the motion. As noted above, the Receiver anticipates that the recovery to the Carrier Estate would be better under the proposed refinancing than the proposed sale of the property. I am satisfied that I can make the order: s. 12(3) of the *Mortgages Act*.
- [10] Order attached.

A handwritten signature in blue ink, appearing to read "J Steele", is located in the bottom right corner of the page.