No. H-251466
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

DOMAIN MORTGAGE CORP. as mortgage administrator and bare trustee for Capstone Mortgage Pool and Capstone Mortgage Opportunities Fund LP

PETITIONER

AND:

1119356 B.C. LTD.
CENTRA LIMITED PARTNERSHIP
1138624 B.C. LTD.
1877725 ALBERTA LTD.
ZAFIR RASHID
HARPREET (HARIS) THIARA
SATPREET THIARA
FRANCISCO IGNACIO
TRISURA GUARANTEE INSURANCE COMPANY
JB SOLUTIONS ULC
1299881 BC LTD.
TANDEM MECHANICAL SYSTEMS LTD.
METRO-CAN CONSTRUCTION (OT) LTD.
B&B EXCAVATION AND SHORING LTD.
RPMC INVESTMENT INC.
541823 B.C. LTD.
ALL TENANTS AND/OR OCCUPIERS OF THE SUBJECT LANDS AND PREMISES

RESPONDENTS

FIRST REPORT OF THE RECEIVER

ALVAREZ & MARSAL CANADA INC.

July 24, 2026

ALVAREZ & MARSAL

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1.0 INTRODUCTION

1.1 On March 11, 2026 (the "**Receivership Date**"), on the application of the Petitioner, Domain Mortgage Corp. ("**Domain**"), in Supreme Court of British Columbia (the "**Court**") Action No. H-251466, Vancouver Registry (the "**Receivership Proceedings**"), the Court granted an order (the "**Receivership Order**") 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**"), appointing Alvarez & Marsal Canada Inc. ("**A&M**") as receiver and manager (the "**Receiver**") without security, of all of the assets, undertakings and property of 1119356 B.C. Ltd. (the "**Nominee**"), Centra Limited Partnership (the "**Beneficial Owner**"), and 1138624 B.C. Ltd. ("**GP**", and together with the Nominee and the Beneficial Owner, the "**Debtors**"), including, without limitation, the lands legally described as:

> PARCEL IDENTIFIER: 026-731-134
> PARCEL A SECTION 26 BLOCK 5 NORTH RANGE 2 WEST NEW WESTMINSTER DISTRICT PLAN BCP24667 (the "**Lands**")

and all shareholdings of the Beneficial Owner and GP, or either of them, in the Nominee, and all proceeds therefrom (collectively, the "**Property**").

1.2 Concurrently with the filing of this First Report of the Receiver (the "**First Report**"), the Receiver is filing an application for an order (the "**Charge Increase Order**") increasing the amount the Receiver is authorized to borrow from $500,000 to $1.5 million, which amount shall be secured by the Receiver's Borrowing Charge (subsequently defined).

1.3 The Receivership Order, along with select application materials and other documents filed in the Receivership Proceedings (the "**Filed Materials**"), are available for review by interested parties and posted on the Receiver's website (the "**Receiver's Website**") at www.alvarezandmarsal.com/centra.

1.4 Capitalized terms not otherwise defined herein have the meanings ascribed to them in the applicable Filed Materials. Unless otherwise stated, all monetary amounts contained in this First Report are expressed in Canadian dollars.

2.0 PURPOSE OF THE FIRST REPORT

2.1 The purpose of the First Report is to provide this Honourable Court with information regarding the following:

a) background information with respect to the Debtors;

a) the Receiver's marketing efforts in relation to the Lands, including the proposed sale of the Lands;
b) a summary of the activities of the Receiver since its appointment on the Receivership Date;
c) the Receiver's interim statement of cash receipts and disbursements for the period March 11, 2026 to July 8, 2026; and
d) a cash flow forecast for the period July 9, 2026 to November 30, 2026.

3.0 TERMS OF REFERENCE

3.1 In preparing this report, A&M has necessarily relied upon unaudited financial and other information provided by the Debtors, its agents and other third parties. Although this information has been subject to review, A&M has not conducted an audit or otherwise attempted to verify the information's accuracy or completeness. Accordingly, A&M expresses no opinion and does not provide any other form of assurance on the accuracy and/or completeness of any information contained in this report, or otherwise used to prepare this report.

3.2 Certain of the information referred to in this First Report consists of financial forecasts and/or projections prepared by the Receiver. An examination or review of financial forecasts and projections and procedures as outlined by the Chartered Professional Accountants of Canada has not been performed by A&M. Readers are cautioned that since financial forecasts and/or projections are based upon assumptions about future events and conditions that are not ascertainable, actual results will vary from those forecasts and/or projected and the variations could be significant.

3.3 Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

4.0 BACKGROUND

Corporate Structure and Operations

4.1 The Beneficial Owner is the sole beneficial owner of the Lands and the Nominee is the registered and legal owner of the Lands, as agent, bare trustee, and nominee for and on behalf of the Beneficial Owner. GP is the general partner of the Beneficial Owner.

4.2 The Lands are located at 13862 and 13868, 101 Avenue, Surrey, B.C. where the Debtors were involved in the development and construction of a partially built structure intended to be a 24-storey residential condominium tower (the "**Tower**") and a two-storey townhouse building, spanning approximately 145,673 square feet and comprising 167 residential lots (the

"**Development**"). The Receiver understands that 152 units of the Development were subject to pre-sale agreements.

4.3 The Tower was partially built to the sixth storey before construction ceased in or around August 2024. Metro-Can Construction (OT) Ltd. ("**MCC**") was the general contractor for the project, however, in December 2025, MCC terminated its construction contract with the Debtors due to the Debtors' failure to pay amounts owing for work performed by MCC in connection with the Development.

Secured Debt and Other Liabilities

4.4 As at the Receivership Date, the Debtors had three secured creditors with aggregate claims totalling approximately $61.6 million, as follows:

a) Desjardins Financial Security Life Assurance ("**Desjardins**") provided a credit facility to the Debtors (the "**Desjardins Facility**"), which was secured by, among other things, a first-ranking mortgage, an assignment of rents, and a general security agreement granting a security interest over all present and after-acquired personal property of the Debtors. As at the Receivership Date, the outstanding indebtedness under the Desjardins Facility was $8.9 million;
b) Domain Mortgage Corp. ("**Domain**") is the mortgage administrator and bare trustee for Capstone Mortgage Pool and Capstone Mortgage Opportunities Fund LP (together, "**Capstone**"). Capstone advanced a mortgage loan (the "**Capstone Facility**") which was secured by, among other things, a second-ranking mortgage and a general security agreement granting a security interest over all present and after-acquired personal property of the Debtors. The security is subordinate to the security held by Desjardins. As at the Receivership Date, the outstanding indebtedness under the Capstone Facility was $45.7 million; and
c) Trisura Guarantee Insurance Company ("**Trisura**") holds a third-ranking mortgage in relation to a deposit protection insurance facility for the Development. As at the Receivership Date, the total insured deposits were approximately $7.0 million.

4.5 Other known liabilities include the following:

a) $255,000 of unpaid property taxes, of which $65,000 must be paid before August 21, 2026, to avoid a tax sale being enforced by the City of Surrey (the "**City**"); and
b) $11.5 million owed to MCC for unpaid goods and services in respect of which a builder's lien was registered.

5.0 ACTIVITIES OF THE RECEIVER

5.1 Since the Receivership Date, the Receiver's activities have included, but are not limited to, the following:

Appointment and Preservation of the Property

a) attended at the Lands, conducted site inspections, and implemented measures to preserve and secure the Lands, including engaging security services and arranging for ongoing maintenance, de-watering, and addressing inspection reports issued by WorkSafeBC;
b) discussed potential decommissioning options with the owner of a crane situated on the Lands;
c) established and maintained the Receiver's Website with information regarding the Receivership Proceedings;
d) communicated with the City regarding outstanding property taxes and the potential tax sale;
e) reviewed the Debtors' books and records, bank accounts, and holdback-related matters, and transferred funds from the Debtors' bank accounts to the Receiver's trust account;
f) reviewed insurance coverage and renewed policies, as required;

Receiver's Cash Receipts and Disbursements

a) prepared interim statements of receipts and disbursements, as well as cash-flow statements for the Receivership Proceedings;
b) reviewed invoices and prepared vendor payments related to the care and maintenance of the site;

Sales Process Matters

a) held meetings with three potential real estate brokerages and reviewed two proposals before subsequently engaging Goodman Commercial Inc. ("**Goodman**") on April 30, 2026 in respect of the listing and marketing of the Lands;
b) compiled information for a virtual data room to facilitate due diligence for interested parties;
c) reviewed sales materials and periodic marketing update reports prepared by Goodman;
d) held meetings with the Receiver's legal counsel, Fasken Martineau DuMoulin LLP ("**Fasken**"), Chiniki Surrey Tower LP ("**Chiniki**") and their legal counsel to negotiate and execute a purchase and sale agreement dated May 8, 2026, as amended, which is further discussed below in section 7.0 of this First Report;

Pre-Sale Contracts

a) instructed Fasken to prepare the Form of Undertaking to cease marketing in accordance with the *Real Estate Development Marketing Act* ("**REDMA**") in response to a letter received from the BC Financial Services Authority ("**BCFSA**") and facilitated discussions with BCFSA with respect to various matters related to the Receivership Proceedings;

b) reviewed presale purchase agreements, including deposits paid, and attended to inquiries from pre-sale purchasers;

c) held discussions with Trisura regarding deposit protection insurance, unpaid accrued interest on pre-sale deposits, and outstanding deposits currently held in the Debtor's counsel, Gowling WLG's ("**Gowling**") trust account;

d) held discussions with Gowling regarding the current deposit and accrued interest balances held in their trust account;

Statutory Duties

a) attended to inquiries from Canada Revenue Agency ("**CRA**") in respect to unpaid payroll source deductions;

b) completed the Receiver's statutory obligations under the BIA, the LEA, and the *Personal Property Security Act* (British Columbia), including issuing notices to creditors, publishing notice of the Receiver's appointment, and posting required materials to the Receiver's website; and

c) prepared this First Report.

6.0 RECEIVER'S INTERIM STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

6.1 The Receiver's interim statement of cash receipts and disbursements (the "**Interim R&D**") for the period March 11 to July 8, 2026 (the "**Reporting Period**") is summarized in the table below:

Centra Limited Partnership et al. Receiver's Interim Statement of Cash Receipts and Disbursements For the period March 11, 2026 to July 8, 2026 *\$CAD '000s*		
Receipts		
Cash on hand	$	30
Receiver's borrowings		500
Other receipts		1
Total receipts		**531**
Disbursements		
Insurance		79
Security		69
Maintenance		24
Professional fees and disbursements - Receiver's legal counsel		62
Professional fees and disbursements - Receiver		154
Other disbursements		1
Total disbursements		**387**
Ending cash balance	**$**	**144**

6.2 As at July 8, 2026, the Receiver holds approximately $144,000 in its trust account. During the Reporting Period, total receipts were approximately $531,000, which included the following:

a) cash held in the Debtors' operating bank account of approximately $30,000;

b) Receiver's borrowings in the principal amount of $500,000; and

c) bank interest and other receipts totalling approximately $1,000.

6.3 During the Reporting Period, total disbursements were $387,000, which included the following:

a) insurance premiums of approximately $79,000 for policy coverage for the period April 1, 2026 to September 30, 2026;

b) security fees of approximately $69,000 for 24/7 security surveillance to safeguard the Lands;

c) maintenance and site preservation related costs of approximately $24,000 to ensure compliance with WorkSafeBC requirements and on-going de-watering at the site; and

d) professional fees of the Receiver and its legal counsel of approximately $216,000.

7.0 SALES PROCESS

Chiniki Transaction

7.1 Prior to the Receivership Date, the Debtors entered into a purchase and sale agreement with Chiniki dated February 11, 2026 in respect of the sale of the Lands.

7.2 Shortly after the Receivership Date, the Receiver and Fasken held meetings with Chinki and its counsel, Osler, Hoskin & Harcourt LLP ("**Osler**"), to discuss a new purchase and sale agreement to reflect a sale transaction within the Receivership Proceedings.

7.3 Following consultation with Desjardins, Domain, and Capstone, the Receiver and Chiniki entered into a purchase and sale agreement dated May 7, 2026 (the "**Chiniki PSA**"). The Chiniki PSA is subject to certain conditions for the benefit of Chiniki, with a subject removal deadline of June 22, 2026, which was later extended by agreement of the parties to July 22, 2026. In accordance with the terms of the Chiniki PSA, as amended, a deposit of $350,000 was paid to the Receiver and is held in its trust account.

7.4 As of the date of this Report, Chiniki has not yet waived the remaining conditions, including obtaining satisfactory financing. Following discussions among the Receiver, the secured lenders, and Chiniki, the parties have agreed to a further extension of the condition removal date to July 29, 2026. The extension was granted to provide Chiniki with an opportunity to advance its financing efforts to facilitate Chiniki providing the Receiver with a substantive update regarding the status of its financing, including evidence demonstrating that financing is progressing, such as a draft lender term sheet or comparable documentation. Upon receipt and review of such information, the Receiver, in consultation with the secured lenders, will consider whether a further extension should be granted, which may be subject to additional terms, including the payment of a further deposit.

7.5 Although the Receiver continues to advance the Chiniki PSA, the Receiver, in consultation with Desjardins, Domain, and Capstone, determined that it was prudent to continue to market the Lands with Goodman. Since Goodman launched the marketing process on May 11, 2026, Goodman's marketing activities have included, among other things, contacting over 12,600 potential purchasers resulting in six parties signing a non-disclosure agreement to access a due diligence data room.

7.6 Further details in respect of the Chiniki PSA and ongoing marketing efforts to sell the Lands will be communicated in subsequent reports from the Receiver.

8.0 ADDITIONAL RECEIVER'S BORROWINGS

8.1 Pursuant to paragraph 23 of the Receivership Order, the Receiver is authorized and empowered to borrow up to the maximum principal amount of $500,000. As discussed in section 6.0 of this First Report and reflected in the Interim R&D, the Receiver has fully drawn the $500,000 that it is authorized to borrow.

8.2 The Receiver has prepared a cash flow forecast for the period July 9, 2026 to November 30, 2026 (the "**Forecast Period**"), which is summarized in the table below:

In the Matter of the Receivership of Centra Limited Partnership et al. Cash Flow Forecast For the period July 9 to November 30, 2026 *$CAD '000s*		
Receipts		
Receiver's borrowings	$	400
Total cash receipts		**400**
Operating disbursements		
Insurance	$	39
Security		96
Maintenance and utilities		46
Property taxes		70
Professional fees and disbursements - Receiver's legal counsel		105
Professional fees and disbursements - Receiver		110
Contingency		5
Total disbursements		**470**
Total operating cash flow	**$**	**(70)**
Opening cash		144
Net cash flow		(70)
Closing cash	**$**	**74**
Continuity of Receiver's Borrowings		
Opening balance	$	500
Forecast advances		400
Ending balance	**$**	**900**

8.3 The cash flow forecast shows that additional borrowings of approximately $400,000 may be required to fund the anticipated cash disbursements of $470,000 during the Forecast Period, consisting primarily of the following:

a) insurance premiums of $39,000 to renew the required insurance coverage for an additional three-month period commencing October 1, 2026;

b) ongoing security costs of $96,000 and maintenance costs of $41,000 required to safeguard, preserve, and maintain the Lands;

c) property tax payments of approximately $70,000, including accrued interest, to be made by August 21, 2026 to avoid a tax sale by the City, as discussed above; and

d) professional fees of the Receiver and its legal counsel of $215,000.

8.4 As reflected in the cash flow forecast, the Receiver will require additional borrowings beyond the $500,000 currently authorized under the Receivership Order. Accordingly, the Receiver is seeking a $1 million increase (the "**Proposed Increase**") to the maximum principal amount of borrowings approved in the Receivership Order from $500,000 to $1.5 million. The increased borrowing authority will provide sufficient liquidity to fund the ongoing care and maintenance of the Lands, facilitate the continued marketing and sale process, and provide an appropriate liquidity buffer to accommodate potential timing differences in cash receipts and disbursements, including the possibility of a longer-than-anticipated sale process being required to monetize the Property. The Proposed Increase, along with the previously authorized borrowings amount, will continue to be secured by the charge against the Property as security for the repayment of the monies borrowed by the Receiver (the "**Receiver's Borrowing Charge**"). The Receiver has discussed the Proposed Increase with Desjardins, which has advised that it supports the requested increase and is prepared to fund the additional borrowings.

8.5 It is the Receiver's view that the Proposed Increase is reasonable and appropriate in the circumstances for, among others, the following reasons:

a) the receivership estate has limited ongoing cash receipts and requires additional funding to meet its obligations as they come due;
b) the additional liquidity will enable the Receiver to continue preserving the Lands while advancing the marketing process and the proposed Chiniki PSA, with the objective of maximizing recoveries for the benefit of the estate and its stakeholders; and
c) the Proposed Increase is supported by the senior secured creditor, Desjardins.

9.0 RECEIVER'S CONCLUSION AND RECOMMENDATIONS

9.1 The Receiver respectfully recommends that this Honourable Court grant the Charge Increase Order authorizing the Receiver to borrow the maximum principal amount of $1.5 million.

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All of which is respectfully submitted to this Honourable Court this 24th day of July, 2026.

Alvarez & Marsal Canada Inc.,
in its capacity as Receiver and Manager of the Debtors
and not in its personal capacity

Per: Anthony Tillman Senior Vice President	Per: Vicki Chan Vice President