

BETWEEN:

PLW INVESTMENT LTD.

PETITIONER

AND:

1025332 B.C. LTD., 1025334 B.C. LTD., 1025336 B.C. LTD., CHONGYE DEVELOPMENTS LTD., WASHINGTON PROPERTIES (POINT GREY) INC., WASHINGTON PROPERTIES (QEP) INC., LUCKY FIVE INVESTMENTS LTD., 1094321 B.C. LTD., PRARDA DEVELOPMENTS CORPORATION, 1256306 B.C. LTD., 1256319 B.C. LTD., AMY BARSHA WASHINGTON (A.K.A. FENGYUN SHAO), EDISON WASHINGTON (A.K.A. QIANG WANG), LINDA WASHINGTON, 35 PARK PARKING INC. AND EARLSTON MORTGAGE CORP.

RESPONDENTS

NOTICE OF APPLICATION

Name of applicant: Alvarez & Marsal Canada Inc., in its capacity as court appointed receiver and manager (the "Receiver")

To:

the Service List

TAKE NOTICE that an application will be made by the Petitioner to Justice Blake at the courthouse at 800 Smithe Street, Vancouver, British Columbia on 30/OCT/2023 at 9:00 a.m. for the order set out in Part 1 below.

Part 1: ORDER SOUGHT

- 1. An Order unsealing the Confidential Supplemental to the Third Report of the Receiver dated July 4, 2023 (the "Confidential Report"), which was sealed by Justice Ahmad pursuant to an Order of this Court dated July 13, 2023 (the "Sealing Order"), substantially in the form attached hereto as Schedule "A".
- 2. An Order removing the Nicola Strata Lot (as defined below) from this receivership proceeding, substantially in the form attached hereto as **Schedule "B"**.

Part 2: FACTUAL BASIS

A. The Receivership

- 1. On or about October 27, 2022, on application of PLW Investment Ltd. ("PLW"), the Receiver was appointed as court-appointed receiver over twenty-one (21) parcels of land, and certain related personal property, of the Respondents pursuant to an order of this Court (as subsequently amended on November 7, 2022, the "Receivership Order").
- 2. The Receivership Order was subsequently stayed in its entirety by consent of all parties, which stay expired on April 7, 2023. The Receiver's appointment resumed on April 8, 2023. However, the stay in respect of two parcels of land was subsequently re-instated by a consent order made April 26, 2023.
- 3. In addition, since the stay of the Receivership Order expired, this Court has approved the sale of seven parcels of land which were subject to the Receivership Order, six of which have completed and the other of which is scheduled to complete in December, 2023. A consolidated list of the sold properties is as follows:

	CIVIC ADDRESS	PID	LEGAL OWNER	DEFINED TERM
1.	4899 Belmont Ave, Vancouver	010-858-288	1025332 B.C. Ltd.,	"Belmont 1"
2.	4889 Belmont Ave Vancouver	010-858-296	1025334 B.C. Ltd.,	"Belmont 2"
3.	4883 Belmont Ave Vancouver	010-858-300	1025336 B.C. Ltd.	"Belmont 3" together with items 1 and 2, "Belmont"
4.	835 Eyremount Dr, West Vancouver	010-577-441	Amy Washington	"Eyremount"
5.	504 – 4963 Cambie Street, Vancouver	030-879-451	1256306 B.C. Ltd.	"Cambie Lot 54"
6.	505 – 5033 Cambie Street, Vancouver	030-880-076	1256306 B.C. Ltd.	"Cambie Lot 116"
7.	605 – 5077 Cambie Street, Vancouver	030-880-122	1256306 B.C. Ltd.	"Cambie Lot 121"

4. As a result of the foregoing, and upon completion of the above noted sales, there are twelve (12) parcels which remain subject to the Receivership Order. A consolidated list of the remaining lands which are subject to the Receivership Order is as follows:

	CIVIC ADDRESS	PID	LEGAL OWNER	DEFINED TERM
1.	4215 Cambie Street, Vancouver	009-467-904	Edison Washington	"4215 Cambie"
2.	4491 Cambie Street, Vancouver	008-116-059	Amy Washington	"4491 Cambie"
3.	4403 W 3 rd Avenue, Vancouver	013-255-495	Amy Washington	"West 3rd"
4.	505 – 4963 Cambie Street, Vancouver	030-879-469	1256306 B.C. Ltd.	"Cambie Lot 55"
5.	501 – 5033 Cambie Street, Vancouver	030-880-033	1256306 B.C. Ltd.	"Cambie Lot 112"
6.	504 – 5033 Cambie Street, Vancouver	030-880-068	1256306 B.C. Ltd.	"Cambie Lot 115"
7.	601 – 5033 Cambie Street, Vancouver	030-880-084	1256306 B.C. Ltd.	"Cambie Lot 117"
8.	604 – 5033 Cambie Street, Vancouver	030-880-114	1256306 B.C. Ltd.	"Cambie Lot 120"
9.	501 – 5077 Cambie Street, Vancouver	030-880-696	1256306 B.C. Ltd.	"Cambie Lot 178"
10.	502 – 5077 Cambie Street, Vancouver	030-880-645	1256306 B.C. Ltd.	"Cambie Lot 173"
11.	602 – 5077 Cambie Street, Vancouver	030-880-700	1256306 B.C. Ltd.	"Cambie Lot 179",
12.	1203 – 535 Nicola Street, Vancouver	024-010-499	Linda Washington	"Nicola Strata Lot"

B. <u>Unsealing the Confidential Report</u>

5. On or about June 29, 2023, the Receiver filed a notice of application seeking to approve the sale of the Belmont lands (the "Belmont Sale NOA").

- 6. In support of the Belmont Sale NOA, the Receiver prepared the Confidential Report to provide this Court with certain appraisal evidence with respect to Belmont, in order to properly assess the offer to purchase the properties and approve the sale.
- 7. In connection with the Confidential Report, the Receiver obtained the Sealing Order, which provides that the Confidential Report will be filed under seal at the Court registrar until further order of this Court.
- 8. It was anticipated that the Confidential Report would be unsealed once the sale of each of the Belmont properties had completed, so that the appraisal evidence contain in the Confidential Report would not prejudice the marketing efforts of the Receiver with respect to these lands.
- On or about August 31, 2023, the sale of the Belmont properties completed (in accordance with the Approval and Vesting Order granted by Justice Ahmad on July 20, 2023, as amended by the Order of Justice Wilkinson on August 28, 2023), and on or about September 1, 2023, the Receiver filed its certificate with the Court confirming the sale was complete.
- 10. As such, the Receiver is now seeking an Order unsealing the Confidential Report.

C. Removal of the Nicola Strata Lot from this Receivership

- 11. The Receiver is seeking an order removing the Nicola Strata Lot from these receivership proceedings.
- 12. The respondent, Linda Washington ("Linda"), is the registered owner of the Nicola Strata Lot.
- 13. As of the date of the Receivership, the following secured charges were registered against the Nicola Strata Lot:
 - (a) Pacifica Mortgage Investment Corporation ("Pacifica Investment") holds a first ranking mortgage and assignment of rents under charge numbers CA7180083 and CA7180084;
 - (b) CTJ Investments Inc. ("CTJ Investments") holds a second ranking mortgage and assignment of rents under charge numbers CA7180085 and CA7180086;
 - (c) PLW holds a third ranking mortgage and assignment of rents under charge number CA7651464 and CA7651465;

- (d) PLW holds a subsequent certificate of pending litigation under charge number CB224804;
- (e) Pacifica Investment holds a subsequent certificate of pending litigation under charge number CB478153;
- (f) the Strata Owners under Plan LMS3057 (the "**Strata**") hold a registered *Strata Property Act* lien under charge number CB502831; and
- (g) CTJ Investments holds a certificate of pending litigation under charge number CB521421.
- 14. Pursuant to the Receivership Order, the Receiver was appointed as receiver by application of PLW with respect to the Debtors and certain Property (as defined in the Receivership Order), which includes the Nicola Strata Lot.
- 15. The adjoining lot to the Nicola Strata lot is municipally described as #1203 535 Nicola Street, Vancouver, BC, and legally described as PID: 024-010-502, Strata Lot 70, Plan LMS3057, District Lot PHBI, New Westminster Land District ("Lot 70").
- 16. Despite being separate legal units, the Receiver is advised that, at some point, the Nicola Strata Lot and Lot 70 were renovated and the wall separating the two lots was removed. As a result, the Nicola Strata Lot and Lot 70 were effectively converted into one unit.
- 17. PLW does not have a mortgage registered against Lot 70 and the Receiver is not appointed with respect to Lot 70.
- 18. The following entities hold secured charges against Lot 70:
 - (a) Pacifica Investment holds a first ranking mortgage and assignment of rents under charge numbers CA7180083 and CA7180084;
 - (b) CTJ Investments holds a second ranking mortgage and assignment of rents under charge numbers CA7180085 and CA7180086;
 - (c) Pacifica Investment holds a certificate of pending litigation under charge number CB478153;
 - (d) the Strata holds a registered *Strata Property Act* lien under charge number CB502863; and
 - (e) CTJ Investments holds a certificate of pending litigation under charge number CB521421.

- 19. The Receiver was of the view that it would be impractical to sell the Nicola Strata Lot without selling Lot 70; therefore, on or about June 8, 2023, the Receiver filed a notice of application to have Lot 70 added to these receivership proceedings.
- 20. However, the Respondents opposed the application to add Lot 70 to these receivership proceedings. As such, the Receiver agreed to adjourn its application to add Lot 70 to reach an agreement with the Respondents.
- 21. Recently, Pacifica Investment and CTJ Investments approached the Receiver seeking consent to seek conduct of sale of the Nicola Strata Lot outside of these Receivership Proceedings. Notably, Pacifica Investments and CTJ Investments each have a secured interest against both the Nicola Strata Lot and Lot 70.
- 22. The Receiver consented to allow either Pacifica Investment or CTJ Investments take conduct of sale of the Nicola Strata Lot and consequently now seeks an order amending the Receivership Order to remove the Nicola Strata Lot from the receivership Property (as defined in the Receivership Order).
- 23. The Receiver understands that CTJ Investments will seek an Order from this Court for conduct of sale of the Nicola Strata Lot shortly.

Part 3: LEGAL BASIS

A. Unsealing the Confidential Report

- 1. The Receiver is seeking an Order directing the Court Registry to unseal the Confidential Report.
- 2. Pursuant to the Sealing Order, the Confidential Report was to be sealed until "further Court Order".
- 3. As set out in *Sierra Club of Canada v. Canada (Minister of Finance)*, 2002 SCC 41 and confirmed in *Sherman Estate v. Donovan*, 2021 SCC 25, open and accessible court proceeds is a fundamental principle of justice.

Sierra Club of Canada v. Canada (Minister of Finance), 2002 SCC 41 at para. 52

- 4. While there was prejudice to allowing the contents of the Sealed Report to be public prior to the sale of Belmont, now that the sale has closed, there is little prejudice to unsealing the Confidential Report.
- 5. Therefore, the Receiver submits that in these circumstances the Court should grant the Order to unseal the Confidential Report with the Court registry.

B. Removal of the Nicola Strata Lot from this Receivership

- 6. The Receiver is seeking an Order to amend the Receivership Order to remove the Nicola Strata Lot as "Property" subject to these Receivership proceedings.
- 7. Pursuant to Section 8 of the Receivership Order, no proceeding against any of the "Property" (as defined in the Receivership Order) may be commended without the written consent of the Receiver.
- 8. In addition, pursuant to Section 34 of the Receivership Order, any interested party may apply to this Court to amend or vary the Receivership Order on seven (7) clear days written notice to the service list.
- 9. As the Receiver has consented to either Pacifica Investment or CTJ Investments taking conduct of sale of the Nicola Strata Lot (in accordance with Section 8 of the Receivership Order), the Receiver is seeking to amend the Receivership Order to remove the Nicola Strata lot from the definition of "Property".
- 10. The Receiver submits that the Respondents and stakeholders of the Respondents should not be prejudiced by this amendment, and has confirmed with PLW that they consent to either Pacifica Investment or CTJ Investments taking conduct of sale of the Nicola Strata Lot. Therefore, the Receiver submits that in these circumstances the Court should grant the Order to amend the Receivership Order to remove the Nicola Strata Lot from these proceedings.

Part 4: MATERIAL TO BE RELIED ON

- 1. Receivership Order made October 27, 2022;
- 2. Order (Slip Rule) Amending Receivership Order, made November 7, 2022;
- 3. Approval and Vesting Order regarding the Belmont properties, made July 20, 2023;
- 4. Order amending the Approval and Vesting Order regarding the Belmont properties, made August 28, 2023;
- 5. Receiver's Certificate regarding the sale of the Belmont properties, filed September 1, 2023;
- 6. Sealing Order, made July 13, 2023; and
- 7. Receiver's Fifth Report to the Court, to be filed.

The applicant(s) estimate(s) that the application will take 5 minutes.

	This r	s matter is within the jurisdiction of a master.						
\boxtimes	This r	natter i	natter is not within the jurisdiction of a master, scheduled through trial scheduling.					
Notice	of App nis app	olication	RECEIVING THIS NOTICE OF APPLICATION: If you wish to respond to this n, you must, within 5 business days after service of this Notice of Application is brought under Rule 9-7, within 8 business days of service of this Notice of					
	(a) file an Application Response in Form 33,							
	(b)	file th	ne original of every affidavit, and of every other document, that					
		(i)	you intend to refer to at the hearing of this application, and					
		(ii)	has not already been filed in the proceeding, and					
	(c)		e on the applicant 2 copies of the following, and on every other party of record copy of the following:					
		(i)	a copy of the filed Application Response;					
		(ii) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;						
		(iii)	if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7(9).					
Date	e: <u>18</u>	_/OCT/2	2023 <u>Y. 12 Ca Plandered</u> Signature of lawyer for filing party Emma Newbery					
	Tob	e comp	pleted by the court only:					
		·						
Order made in the terms requested in paragraphs of Part 1 of this Notice of Application								
		ne following variations and additional terms:						
	Date	ı:						
			Signature of JudgeMaster					

APPENDIX

THIS APPLICATION INVOLVES THE FOLLOWING:

	discovery: comply with demand for documents
	discovery: production of additional documents
	other matters concerning document discovery
	extend oral discovery
	other matter concerning oral discovery
	amend pleadings
	add/change parties
	summary judgment
	summary trial
	service
	mediation
	adjournments
	proceedings at trial
	case plan orders: amend
	case plan orders: other
	experts
\boxtimes	none of the above

Schedule "A"

Unsealing the Confidential Report - Draft Order
(See Attached)

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RESPONDENTS

ORDER MADE AFTER APPLICATION

))	
BEFORE)	JUSTICE BLAKE)	30/OCT/2023
))	

ON THE APPLICATION of the Alvarez & Marsal Canada Inc., in its capacity as court appointed receiver and manager (the "Receiver"), coming on for hearing at Vancouver, British Columbia on this day, and on hearing Jordan Schultz and Emma Newbery, counsel for the Receiver, and those other counsel listed on Schedule "A" hereto, and no one else appearing, although duly served;

THIS COURT ORDERS THAT:

1. The Confidential Report of the Receiver, dated July 4, 2023 (the "Confidential Report"), which was sealed by Justice Ahmad pursuant to an Order of this Court dated July 13, 2023, is hereby lifted and the Vancouver Registry is directed to file the Confidential Report in the public Court record.

counsel for the Receiver is dispensed with.	
	HE FORM OF THIS ORDER AND CONSENT AT ARE INDICATED ABOVE AS BEING BY
Signature of Jordan Schultz Lawyer for the Receiver	_
	By the Court.
	Registrar

Endorsement of this Order by counsel appearing on this application other than

2.

SCHEDULE "A"

LIST OF COUNSEL

Name	Appearing for

BETWEEN:

PLW INVESTMENT LTD.

PETITIONER

AND:

1025332 B.C. LTD., 1025334 B.C. LTD., 1025336 B.C. LTD., CHONGYE DEVELOPMENTS LTD., WASHINGTON PROPERTIES (POINT GREY) INC., WASHINGTON PROPERTIES (QEP) INC., LUCKY FIVE INVESTMENTS LTD., 1094321 B.C. LTD., PRARDA DEVELOPMENTS CORPORATION, 1256306 B.C. LTD., 1256319 B.C. LTD., AMY BARSHA WASHINGTON (A.K.A. FENGYUN SHAO), EDISON WASHINGTON (A.K.A. QIANG WANG), LINDA WASHINGTON, 35 PARK PARKING INC. AND EARLSTON MORTGAGE CORP.

RESPONDENTS

ORDER MADE AFTER APPLICATION

DENTONS CANADA LLP BARRISTERS & SOLICITORS 250 Howe Street, 20th Floor Vancouver, BC V6C 3R8 Phone No.: (604) 687-4460 Attention: Jordan Schultz

File No. 529227-23

Schedule "B"

Removal of the Nicola Strat Lot from the Receivership - Draft Order
(See Attached)

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PLW INVESTMENT LTD.

PETITIONER

AND:

1025332 B.C. LTD., 1025334 B.C. LTD., 1025336 B.C. LTD., CHONGYE DEVELOPMENTS LTD., WASHINGTON PROPERTIES (POINT GREY) INC., WASHINGTON PROPERTIES (QEP) INC., LUCKY FIVE INVESTMENTS LTD., 1094321 B.C. LTD., PRARDA DEVELOPMENTS CORPORATION, 1256306 B.C. LTD., 1256319 B.C. LTD., AMY BARSHA WASHINGTON (A.K.A: FENGYUN SHAO), EDISON WASHINGTON (A.K.A. QIANG WANG), LINDA WASHINGTON, 35 PARK PARKING INC. AND EARLSTON MORTGAGE CORP.

RESPONDENTS

ORDER MADE AFTER APPLICATION

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BEFORE)	JUSTICE BLAKE)	30/OCT/2023
))	

ON THE APPLICATION of the Alvarez & Marsal Canada Inc., in its capacity as court appointed receiver and manager (the "Receiver"), coming on for hearing at Vancouver, British Columbia on this day, and on hearing Jordan Schultz and Emma Newbery, counsel for the Receiver, and those other counsel listed on Schedule "A" hereto, and no one else appearing, although duly served;

THIS COURT ORDERS THAT:

- 1. Capitalized terms used herein but not otherwise defined shall have the meaning ascribed to them in the Order of this Court made in these proceedings on October 27, 2022 (as amended from time to time, the "Receivership Order").
- 2. The Receivership Order be amended such that <u>Schedule "B"</u> attached thereto be replaced with a revised Schedule attached hereto as <u>Schedule "B"</u>.

3. Endorsement of this Order by counse counsel for the Receiver is dispensed with.	el appearing on this application other than
THE FOLLOWING PARTIES APPROVE THE TO EACH OF THE ORDERS, IF ANY, THAT CONSENT:	
Signature of Jordan Schultz Lawyer for the Receiver	
	By the Court.
	Registrar

SCHEDULE "A"

LIST OF COUNSEL

Name	Appearing for

Schedule "B"

Revised Schedule to the Receivership Order

(See attached)

Schedule "B"

Lands

- PID: 013-255-495
 Lot 9 of Lot 3, Block 138, District Lot 540, Plan 2992
- PID: 010-577-441
 Lot 9, Block 19, Capilano Estates Plan 7525
- PID: 009-467-904
 Lot 8, Block 700, District Lot 526, Plan 6539
- PID: 008-116-059
 Lot 11, Block 740, District Lot 526, Plan 6539
- PID: 010-858-288
 LOT 1, except part in explanatory plan 3376, Block 1, District Lot 140, Plan 6583
- PID: 010-858-296
 Lot 2, Block 1, District Lot 140, Plan 6583
- PID: 010-858-300
 Lot 3, Block 1, District Lot 140, Plan 6583
- PID: 030-879-451
 Strata Lot 54 Block 839 District Lot 526 Group 1 New Westminster District Strata
 Plan EPS4950
- PID: 030-879-469
 Strata Lot 55 Block 839 District Lot 526 Group 1 New Westminster District Strata
 Plan EPS4950
- PID: 030-880-033
 Strata Lot 112 Block 839 District Lot 526 Group 1 New Westminster District
 Strata Plan EPS4950
- PID: 030-880-068
 Strata Lot 115 Block 839 District Lot 526 Group 1 New Westminster District
 Strata Plan EPS4950
- PID: 030-880-076
 Strata Lot 55 Block 839 District Lot 526 Group 1 New Westminster District Strata
 Plan EPS4950

- PID: 030-880-084
 Strata Lot 117 Block 839 District Lot 526 Group 1 New Westminster District
 Strata Plan EPS4950
- PID: 030-880-114
 Strata Lot 120 Block 839 District Lot 526 Group 1 New Westminster District
 Strata Plan EPS4950
- PID: 030-880-122
 Strata Lot 121 Block 839 District Lot 526 Group 1 New Westminster District
 Strata Plan EPS4950
- PID: 030-880-645
 Strata Lot 173 Block 839 District Lot 526 Group 1 New Westminster District
 Strata Plan EPS4950
- PID: 030-880-696
 Strata Lot 178 Block 839 District Lot 526 Group 1 New Westminster District
 Strata Plan EPS4950
- PID: 030-880-700
 Strata Lot 179 Block 839 District Lot 526 Group 1 New Westminster District
 Strata Plan EPS4950
- PID: 030-879-515
 Strata Lot 60, Block 839, District Lot 526 Group 1 New Westminster District
 Strata Plan EPS4950
- PID: 030-880-548
 Strata Lot 163, Block 839, District Lot 526 Group 1 New Westminster District
 Strata Plan EPS4950

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RESPONDENTS

ORDER MADE AFTER APPLICATION

DENTONS CANADA LLP BARRISTERS & SOLICITORS 250 Howe Street, 20th Floor Vancouver, BC V6C 3R8 Phone No.: (604) 687-4460 Attention: Jordan Schultz

File No. 529227-23