

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

**BETWEEN:**

**EMPIRICAL CAPITAL CORP.**

Applicant

- and -

**IDEAL (WC) DEVELOPMENTS INC.**

Respondent

**SUPPLEMENTAL REPORT TO THE SECOND REPORT OF THE RECEIVER OF  
6532 & 6544 WINSTON CHURCHILL BOULEVARD, MISSISSAUGA, ONTARIO**

**JUNE 22, 2022**

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## I. INTRODUCTION

1. RSM Canada Limited (the “**Receiver**”), in its capacity as receiver over the lands and premises known municipally as 6532 & 6544 Winston Churchill Boulevard, Mississauga, Ontario (the “**Property**”), filed its Second Report to the Court dated June 9, 2022 (the “**Second Report**”) in connection with a motion by the Receiver seeking, *inter alia*, an order approving the sale of the Property.
2. The purpose of this Supplemental Report to the Second Report (the “**Supplemental Second Report**”) is to:
  - i) inform the Court of the assignment of the APS to 1000199992 Ontario Corp.;
  - ii) provide the Court with the revised form of Approval and Vesting Order being sought by the Receiver as a result of the assignment of the APS;
  - iii) amend the definition of Empirical Advances that is set out in the Second Report;
  - iv) provide information to the Court with respect to the Hasan Affidavit (as defined later herein); and
  - v) seek an order approving the Supplemental Second Report and the Receiver’s conduct and activities set out therein.
3. This Supplemental Second Report should be read in conjunction with the Second Report, including the Terms of Reference contained therein.
4. Unless otherwise defined, defined terms in the Supplemental Second Report have the same definition as set out in the Second Report.

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## II. THE AGREEMENT OF PURCHASE AND SALE

5. Pursuant to the terms of Paragraph 44 of the APS, the Purchaser has the right to assign its rights to acquire the Property to any company or companies provided by the Purchaser provided that such assignment does not release the Purchaser from its obligations under the APS.
6. The Purchaser has informed the Receiver that it wishes to assign the APS to 1000199992 Ontario Corp. and, by Purchaser's Assignment of Agreement of Purchase and Sale made as of June 20, 2022 (the "**Assignment Agreement**"), the APS was assigned to 1000199992 Ontario Corp. A copy of the Assignment Agreement is attached as **Appendix "A"** to this Supplemental Second Report.
7. The form of Approval and Vesting Order being sought by the Receiver has accordingly been amended to reflect the party to which the APS has been assigned, and is attached as **Appendix "B"** to this Supplemental Second Report.
8. Following the issuance of the Second Report, certain of the Home Buyers requested to see Confidential Appendix 1 to the Second Report. After receipt of signed confidentiality agreements from those Home Buyers, the Receiver provided them with Confidential Appendix 1.

## III. THE EMPIRICAL DISTRIBUTION

9. The Second Report set out that following closing of the sale of the Property, the Receiver proposed to pay the Empirical Advances plus any further amounts that may be owing to Empirical in the event that the closing of the sale occurs after July 11, 2022 (the "**Empirical Distribution**").

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10. Included in the Second Report at Appendix “G” was the Empirical Statement which projected that the indebtedness owing to Empirical as at July 11, 2022, the anticipated closing date of the Transaction if the Approval and Vesting Order is issued on July 11, 2022, would be \$6,547,575.76 , inclusive of (i) principal, interest and fees, and (ii) the \$20,000 advance for which Receiver Certificates No. 1 and 2 were issued (collectively, the “**Empirical Advances**”).
  11. The Receiver was recently informed that the Empirical Statement did not include certain of Empirical’s costs. Empirical has provided the Receiver with an updated discharge statement as at July 11, 2022 (the “**Amended Empirical Statement**”) which is attached as **Appendix “C”** to this Supplemental Second Report. As set out on the Amended Empirical Statement, the indebtedness owing to Empirical as at July 11, 2022, would be \$6,560,254.37 subject to further legal fees and disbursements and other charges that are incurred up to the date of discharge of the Empirical Mortgage.
  12. The Receiver therefore is seeking approval to pay to Empirical, following the closing of the sale of the Property, the amount owing as set out on the Amended Empirical Statement, plus other amounts which may be due and owing to Empirical on the date that the Receiver repays Ideal’s indebtedness to Empirical in respect of Empirical’s mortgage against the Property (collectively the “**Amended Empirical Distribution**”).

#### **IV. OPPOSITION OF SYED MUHAMMAD FARUQI HASAN**

13. In the afternoon of June 21, 2022, the Receiver received from Mr. Ali Sheikh, counsel to Syed Muhammad Faruqi Hasan, Mr. Hasan’s affidavit in which Mr.

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Hasan sets out, *inter alia*, his opposition to the Receiver's application to the court to approve the Transaction (the "**Hasan Affidavit**").

14. The Hasan Affidavit contains a number of comments critical of the Receiver's activities in conducting the sales process, indicates that Mr. Hasan is prepared to make an offer of \$6,810,000 for the Property and expresses his dissatisfaction that the Receiver has not taken any steps to look into the manner in which the Debtor conducted its business or trace the funds collected by Ideal.
15. While the Receiver does not intend at this time to respond to each of the matters raised in the Hasan Affidavit, the Receiver wishes to comment on certain matters in the Hasan Affidavit, as follows:
  - a) Mr. Hasan's Statement of Claim against Ideal or its principal was not stayed by the Appointment Order, rather, the stay only applied to Mr. Hasan's claim as against the Property or proceeds therefrom;
  - b) prior to engaging Mr. Sheikh to be his counsel, Mr. Hasan was represented by Loopstra Nixon. Loopstra Nixon was present at the Court application in which the Receiver sought approval of the marketing process;
  - c) On March 23, 2022, the Receiver wrote to the Service List and requested if the parties on the Service List were "aware of any parties who are interested in purchasing the property, kindly ask them to contact either or both of Kelly Avison and Ben Sykes of Avison Young who are copied on this email.";
  - d) on April 13, 2022, Loopstra Nixon contacted Paliare and advised that its client may be interested in purchasing the Property. In response, Paliare provided Loopstra Nixon with the email blast containing information about

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the Property and the sales process, including the applicable bid deadline (the “**April 13 Email**”). A copy of the April 13 Email is attached as **Appendix “D”** to this Supplemental Second Report. The Receiver has been advised by Avison Young that Avison Young sent the Confidentiality Agreement to Loopstra Nixon on April 14, 2022, and sent the Brochure and Confidentiality Agreement to Loopstra Nixon on April 18, 2022. Avison Young further advised the Receiver that it received no other communication from Loopstra Nixon, and has no record of Loopstra Nixon’s client contacting Avison Young;

- e) Mr. Hasan states that Mr. Sheikh reached out to the Receiver to make an offer was but was denied that request, however, the Hasan Affidavit does not indicate the date on which Mr. Sheikh contacted the Receiver’s counsel. The Receiver notes that Paliare was contacted by Mr. Sheikh shortly after the motion materials were served on June 14, 2022, which is well after the date that the APS was signed by the Receiver (and over one month after the bid deadline);
- f) notwithstanding that the Receiver does not recommend considering the offer suggested in the Hasan Affidavit, the Receiver observes that the suggested offered purchase price of \$6,810,000 does not exceed the Cash Amount calculated by the Receiver pursuant to the APS and does not provide a superior result for stakeholders to the one contemplated by the APS;

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- g) the Receiver conducted the sale process in an open and transparent manner as detailed in the Second Report. While the Receiver is sympathetic to the situation faced by the Home Buyers as a result of their dealings with Ideal, the Receiver is of the view that providing the disclosure suggested in the Hasan Affidavit to the Home Buyers, who are unsecured creditors, is not the practice or duty of court-appointed receivers;
  - h) that said, as set out above, the Receiver did provide Confidential Appendix 1 to certain Home Buyers who executed a confidentiality agreement;
  - i) the March 2020 appraisal contained in the Hasan Affidavit is not instructive as to the current market value of the Property. The results of the sale process conducted by the Receiver are indicative of the current market value of the Property; and
  - j) as discussed in the Second Report, and further to the Endorsement of Justice Kimmel made on March 22, 2022, no Home Buyer approached the Receiver to discuss the expansion of the Receiver's mandate to conduct the review suggested in the Hasan Affidavit including the assumption of the responsibility for funding the potential cost of such mandate expansion.
16. The Receiver will provide such additional information that the Court may request in connection with the above-noted matters.
17. After reviewing the Hasan Affidavit and considering the points above, the Receiver maintains its recommendation that the Court approve the APS and the Receiver's completion of the Transaction contemplated therein.



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**V. RECEIVER'S REQUESTS OF THE COURT**

18. In addition to the relief set out in the Second Report, the Receiver respectfully requests that the Court make an order(s):
- i) authorizing and directing the Receiver to pay the Amended Empirical Distribution; and
  - ii) approving the Supplemental Second Report and the Receiver's conduct and activities set out therein.

All of which is respectfully submitted to this Court as of this 22nd day of June, 2022.

**RSM CANADA LIMITED**

In its capacity as Court-appointed Receiver of  
6532 & 6544 Winston Churchill Boulevard, Mississauga, Ontario  
and not in its personal capacity



Per: Daniel Weisz, CPA, CA, CFF, CIRP, LIT  
Senior Vice-President

## **APPENDIX A**

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**PURCHASER'S ASSIGNMENT OF AGREEMENT OF PURCHASE AND SALE**

**THIS AGREEMENT** made as of the 20<sup>th</sup> day of June, 2022.

**BETWEEN:**

**DRAGON HOLDING GLOBAL REAL ESTATE FUNDS INC.**

**(hereinafter referred to as the "Assignor")**

**OF THE FIRST PART**

**- and -**

**1000199992 ONTARIO CORP.**

**(hereinafter referred to as the "Assignee")**

**OF THE SECOND PART**

**WHEREAS** by Agreement of Purchase and Sale, dated May 26, 2022 and accepted on May 30, 2022 (the "**Agreement**"), RSM Canada Limited, as Vendor agreed to sell to the Assignor, as Purchaser, the property municipally known as 6532 and 6544 Winston Churchill Boulevard, Mississauga, Ontario and legally described on Schedule "A" attached hereto (collectively the "**Property**");

**AND WHEREAS** the Assignor has agreed to assign the Agreement to the Assignee;

**AND WHEREAS** the Assignee has agreed to assume the payment of all monies due under the Agreement;

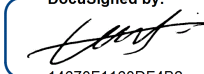
**NOW THEREFORE WITNESSETH THAT** in consideration the sum of Two Dollars (\$2.00) in lawful money of Canada and other good and valuable considerations (the receipt and sufficiency of which is hereby acknowledged by the parties, the Assignor agrees to and with the Assignee as follows:

1. The Assignor hereby assigns to the Assignee the Agreement and its interest in the Property to have and to hold the same as if the Assignee was named as the Purchaser in the Agreement and the Assignor does hereby grant, release and quit claim onto the Assignee the Agreement and its interest in the Property together with all appurtenances thereto belonging or pertaining in all improvements thereon and all of the right, title and interest of the Assignor therein and thereto.
2. The Assignor hereby covenants with, represents and warrants to the Assignee that it has done no act to encumber the Property and to the best of its knowledge has done no act or have been guilty of any omission or laches whereby the Agreement have become, in part or in its entirety, in any way, impaired or invalid.

3. The Assignee hereby covenants and agrees with the Assignor that it will assume, pay and discharge all monies due and to become due under the Agreement, if any and will indemnify and save harmless the Assignor from all claims relating to monies due and to become due under the Agreement and will indemnify and save harmless the Assignor against and from the payment of the same, or any part thereof, and will observe, keep and perform all of the terms, covenants and conditions contained in the Agreement, if any in which the Assignor has agreed to observe, keep and perform. Notwithstanding the within assignment, the Assignor confirms and acknowledges it is not released from its obligations under the Agreement and shall remain liable in accordance with the terms of the Agreement.
4. This agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same agreement. This agreement may be executed electronically and delivered by facsimile or email, and receipt by any party to this agreement of a facsimile or PDF copy showing electronic execution by one or more parties shall be considered firm and binding upon the parties having so executed.
5. This agreement and everything herein contained shall extend to, bind and enure to the benefit of the successors and assigns of the parties hereto.

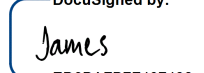
**IN WITNESSETH WHEREOF** the parties have executed this agreement as of the first day and year written above.

**DRAGON HOLDING GLOBAL REAL ESTATE FUNDS INC.**

DocuSigned by:  
  
Per: \_\_\_\_\_  
Name: Fanshay Wang  
Title: A. S. O.

I have the authority to bind the Corporation

**1000199992 ONTARIO CORP.**

DocuSigned by:  
  
Per: \_\_\_\_\_  
Name: James Xu  
Title: A. S. O.

I have the authority to bind the corporation

**SCHEDULE "A"****LEGAL DESCRIPTION**

<i>PIN</i> <i>Description</i>	13243 – 0378 (LT) PART LOT 9 CONCESSION 11 (NEW SURVEY) TRAFALGAR, DESIGNATED AS PART 1, PLAN 43R37427; CITY OF MISSISSAUGA
<i>PIN</i> <i>Description</i>	13243 – 0269 (LT) PCL BLOCK 19-1, SEC 43M932; BLK 19, PL 43M932; CITY OF MISSISSAUGA

## **APPENDIX B**

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

THE HONOURABLE )  
JUSTICE CONWAY ) TUESDAY THE 24<sup>TH</sup> DAY  
OF JUNE, 2022

**BETWEEN:**

**EMPIRICAL CAPITAL CORP.**

Applicant

- and -

**IDEAL (WC) DEVELOPMENTS INC.**

Respondent

APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985 c-B-3, as amended and S. 101 of the *Courts of Justice Act*,  
R.S.O. 1990, c.C-43, as amended

**APPROVAL AND VESTING ORDER**

**THIS MOTION**, made by **RSM CANADA LIMITED** in its capacity as the receiver (the "**Receiver**"), without security, of the property municipally known as 6532 & 6544 Winston Churchill Boulevard, Mississauga, Ontario (the "**Property**") owned by Ideal (WC) Developments Inc. (the "**Debtor**"), for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale between the Receiver and Dragon Holding Global Real Estate Funds Inc. dated May 26, 2022 and assigned to 1000199992 Ontario Corp. (the "**Purchaser**") on June 20, 2022 (the "**APS**") and vesting in the Purchaser the Debtor's right, title and interest in and to the assets described in the APS (the "**Purchased Assets**"), was heard this day by videoconference at 330 University Avenue, Toronto, Ontario.

**ON READING** the Second Report of the Receiver dated June 9, 2022 and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list,

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved.

2. **THIS COURT ORDERS AND DECLARES** that the execution of the APS by the Receiver is authorized and approved, and 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 Transaction and for the conveyance of the Purchased Assets to the Purchaser.

3. **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**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the APS and listed on Schedule "B" hereto 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, 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 "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Dietrich dated January 11, 2022; (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; (iii) any legal, equitable or other claims that any person had, has, or may in the future have, against the Property in connection with or arising from any agreements of purchase and sale ("**Buyer Agreements**") entered into by the Debtor including any right to compel the closing of the transactions contemplated in the Buyer Agreements or any of them, and (iv) those Claims listed on Schedule "C" hereto (all of which are collectively referred to as the "**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 Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for Peel (No. 43) 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 enter the Purchaser as the owner of the subject real property identified in Schedule "B" hereto (the "**Real Property**") in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule "C" hereto.

5. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the 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.

6. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

7. **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 the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and

shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance 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.

8. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, 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 agents in carrying out the terms of this Order.

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**Schedule A – Form of Receiver’s Certificate**

Court File No.: CV-21-00672628-00CL

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

**BETWEEN:**

**EMPIRICAL CAPITAL CORP.**

Applicant

- and -

**IDEAL (WC) DEVELOPMENTS INC.**

Respondent

APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985 c-B-3, as amended and S. 101 of the *Courts of Justice Act*,  
R.S.O. 1990, c.C-43, as amended

**RECEIVER’S CERTIFICATE**

**RECITALS**

A. Pursuant to an Order of the Honourable Justice Dietrich of the Ontario Superior Court of Justice (the "**Court**") dated January 11, 2022, RSM Canada Limited was appointed as the receiver (the "**Receiver**") of the lands and premises municipally known as 6532 & 6544 Winston Churchill Boulevard, Mississauga, Ontario (the "**Property**") owned by Ideal (WC) Developments Inc. (the "**Debtor**"), including all proceeds thereof.

B. Pursuant to an Order of the Court dated June 24, 2022 (the "**Vesting Order**"), the Court approved the agreement of purchase and sale between the Receiver and Dragon Holding Global Real Estate Funds Inc. dated May 26, 2022 (the "**APS**") and assigned to the 1000199992 Ontario Corp. (the "**Purchaser**") on June 20, 2022 and provided for the vesting in the Purchaser all of the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the 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 for the Purchased Assets in accordance with the APS; (ii) that the conditions of Closing as set out in the APS have been satisfied or waived by the Receiver and the Purchaser; and (iii) the 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 APS or the Vesting Order.

**THE RECEIVER CERTIFIES** the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Date of Closing pursuant to the APS;
2. The conditions to Closing as set out in the APS have been satisfied or waived by the Receiver and the Purchaser;
3. The Transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at **[TIME]** on ► **[DATE]**.

**RSM Canada Limited, solely in its capacity as  
Court-appointed Receiver of the Property and  
not in its personal or corporate capacity**

Per: \_\_\_\_\_  
Name  
Title

## Schedule B – Purchased Assets

All of the Receiver's and Ideal (WC) Developments Inc.'s right, title and interest in and to the Property (as defined in the APS) including, without limitation, the following real property:

**Municipal Address:** 6532 & 6544 Winston Churchill Boulevard, Mississauga, Ontario

### Legal Description:

Firstly: PART LOT 9 CONCESSION 11 (NEW SURVEY) TRAFALGAR, DESIGNATED AS PART 1, PLAN 43R37427; CITY OF MISSISSAUGA

Secondly:

PCL BLOCK 19-1, SEC 43M932; BLK 19, PL 43M932; CITY OF MISSISSAUGA

### PIN:

Firstly: 13243 – 0378 (LT)

Secondly: 13243 – 0269 (LT)

Registry Office: Land Titles Division of Peel (No. 43)

**Schedule C – Claims to be deleted and expunged from title to Real Property**

The following Instruments are to be discharged upon registration of the Vesting Order:

1. Instrument No. PR3308660 being a Charge registered April 11, 2018, from Ideal (WC) Developments Inc. in favour of Empirical Capital Corp. securing the principal sum of \$5,500,000.00.
2. Instrument No. PR3308661 being a Notice of Assignment of Rents-General registered April 11, 2018 from Ideal (WC) Developments Inc. in favour of Empirical Capital Corp. related to the Charge registered as Instrument No. PR3308660.
3. Instrument No. PR3308694 being Postponement of Interest registered April 11, 2018, from American Corporation to Empirical Capital Corp.
4. Instrument No. PR3937041 being a Caution-Land registered October 29, 2021, from Ideal (WC) Developments Inc. to Syed Muhammed Faruqi Hasan.
5. Instrument No. PR3976090 being an Application to Register Court Order registered January 12, 2022, from Ontario Superior Court of Justice to RSM Canada Limited

**Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants  
related to the Real Property**

**(unaffected by the Vesting Order)**

Permitted Encumbrances with respect to the Property (as defined in the Sale Agreement) means:

1. The specific encumbrances (excluding any mortgages or charges), exceptions and qualifications set out in the *Land Titles Act* (Ontario) and/or on the parcel registers for the Property.
2. The reservations, limitations, provisos and conditions expressed in the original grant from the Crown.
3. Any registered or unregistered easements, servitudes, rights-of-way, licences, restrictions that run with the land and other encumbrances and/or agreements with respect thereto (including, without limiting the generality of the foregoing, easements, rights-of-way and agreements for sewers, drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables).
4. Inchoate liens for taxes, assessments, public utility charges, governmental charges or levies not at the time due or liens for same which are due but the validity of which are being contested in good faith by the Vendor provided that the Vendor has provided security which in the opinion of the Vendor, acting reasonably, is necessary to avoid any lien, charge or encumbrance arising with respect thereto.
5. Any encroachments, minor defects or irregularities indicated on any survey of the Property or which may be disclosed on an up-to-date survey of the Property;
6. Zoning (including, without limitation, airport zoning regulations), use and building by-laws and ordinances, federal, provincial or municipal by-laws and regulations, work orders, deficiency notices and any other noncompliance.
7. Any breaches of any applicable laws, including, without limitation, outstanding building permits, work orders and deficiency notices.
8. Any subdivision agreements, site plan agreements, development agreements and any other agreements with the municipality, region, publicly regulated utilities or other governmental authorities having jurisdiction.
9. Defects or irregularities in title to the Property.
10. Any rights of expropriation, access or use, or any other right conferred or reserved by or in any statute of Canada or the Province of Ontario or in any other governmental authority.

11. Encumbrances respecting minor encroachments by the Property over neighbouring lands permitted under agreements with the owners of such other lands and minor encroachments over any of the Property by improvements of abutting land owners permitted under agreements with such abutting owners.
12. Without in any way limiting the generality of any of the foregoing, the following specific instruments registered on title against the Property:

**PIN: 13243-0378 (LT)**

- a) Instrument No. TR353603 being a Notice of Amendment of Airport Zoning Regulations registered January 15, 1973.
- b) Instrument No. LT2057426 being a Notice of Pearson Airport Zoning Regulation registered March 27, 2000.
- c) Instrument No. PR2489661 being a Transfer registered January 20, 2014, from Roland William Karl and Thomas Alfred Karl to Ideal (WC) Developments Inc.
- d) Instrument No. PR2489665 being a Transfer registered January 20, 2014, from Anneliese Bertha Karl to Ideal (WC) Developments Inc.
- e) Instrument No. PR2907448 being an Application to Consolidate registered May 3, 2016.
- f) Instrument No. PR43R37427 being a Reference Plan registered November 23, 2016.
- g) Instrument No. PR3034033 being an Application for Absolute Title registered November 24, 2016.
- h) Instrument No. PR3114761 being a Charge in favour of Amercan Corporation registered April 24, 2017 as amended by Instrument No. PR3799133 being a Noticed registered on March 16, 2021.
- i) Instrument No. PR3799134 being a Charge in favour of Dragon Holding Global Real Estate Funds Inc. registered March 16, 2021.

**PIN: 13243-0269 (LT)**

- a) Instrument No. TR353603 being a Notice of Amendment of Airport Zoning Regulations registered January 15, 1973.
- b) Instrument No. LT1045790 being a Notice registered August 30, 1989, in favour of The Corporation of the City of Mississauga and The Regional Municipality of Peel.



- c) Instrument No. LT1045792 being a Notice registered August 30, 1989, in favour of Mississauga Hydro-Electric Commission.
- d) Instrument No. LT2057426 being a Notice of Pearson Airport Zoning Regulations registered March 27, 2000, from Her Majesty The Queen In Right of the Department of Transport Canada.
- e) Instrument No. PR2801362 being a Transfer registered October 9, 2015, from The Corporation of the City of Mississauga in favour of Ideal (WC) Developments Inc.
- f) Instrument No. PR3114761 being a Charge in favour of Amercan Corporation registered April 24, 2017 as amended by Instrument No. PR3799133 being a Notice registered on March 16, 2021.
- g) Instrument No. PR3799134 being a Charge in favour of Dragon Holding Global Real Estate Funds Inc. registered March 16, 2021.

**EMPIRICAL CAPITAL CORP.**

-and-

**IDEAL (WC) DEVELOPMENTS INC.**

Applicant

Respondent

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

PROCEEDING COMMENCED AT  
TORONTO

**ORDER**

**PALIARE ROLAND ROSENBERG ROTHSTEIN LLP**

155 Wellington Street West

35th Floor

Toronto, ON M5V 3H1

Tel: 416.646.4300

Fax: 416.646.4301

**Jeffrey Larry** (LSO# 44608D)

Tel: 416.646.4330

jeff.larry@paliareroland.com

Lawyers for the Receiver

## APPENDIX C

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## Mortgage Statement as of July 11, 2022

Empirical Capital Corp. loan to Ideal (WC) Developments Inc.  
with respect to 6544 Winston Churchill Boulevard, Mississauga, Ontario

	<b>TOTAL 12%</b>
Loan Principal \$	<b>5,573,625.00</b>
Interest Due from July 02, 2021 to August 01, 2021	55,736.25
Interest Due from August 02, 2021 to September 01, 2021	56,293.61
Interest Due from September 02, 2021 to October 01, 2021	56,856.55
Interest Due from October 02, 2021 to November 01, 2021	57,425.11
Interest Due from November 02, 2021 to December 01, 2021	57,999.37
Interest Due from December 02, 2021 to January 01, 2022	58,579.36
Interest Due from January 02, 2022 to February 01, 2022	59,165.15
Interest Due from February 02, 2022 to March 01, 2022	59,756.80
Interest Due from March 02, 2022 to April 01, 2022	60,354.37
Interest Due from April 02, 2022 to May 01, 2022	60,957.92
Interest Due from May 02, 2022 to June 01, 2022 inclusive	61,567.49
Interest Due from June 02, 2022 to July 01, 2022 inclusive	62,183.17
Interest Due from July 2, 2022 to July 11, 2022 inclusive	20,648.22
Legal fees paid to Garfinkle Biderman re Default	46,832.29
Legal fees billed but unpaid legal fees owing to Garfinkle Biderman *	12,678.61

Receivership costs per RSM Canada Limited	<u>20,000.00</u>
<b>Subtotal</b>	6,380,659.28
Two months Interest per Forbearance Agreement dated April 22, 2021	111,472.50
Forbearance fee due September 02, 2021 per Forbearance Agreement dated April 22, 2021	41,802.00
Forbearance fee per Forbearance Agreement October 20, 2021	20,000.00
Title search fee	270.59
Annual review fees (4 years x \$500 per annum)	2,000.00
Default letter fee	750.00
NSF fees (7 x \$350 per occurrence)	2,450.00
Bank processing fee	500.00
Mortgage statement fee	<u>350.00</u>
<b>TOTAL * \$</b>	<b><u><u>6,560,254.37</u></u></b>

per diem after July 11, 2022 @ 12% \$ **2,152.63**

**\* NOTE:**

**Subject to such further legal fees and disbursements which are incurred up to the date of discharge.**

## APPENDIX D

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**From:** Jeff Larry  
**Sent:** Wednesday, April 13, 2022 10:20 AM  
**To:** Sarah White  
**Cc:** Daniel Weisz  
**Subject:** Re:Bidding process re: EMPIRICAL CAPITAL CORP. V. IDEAL (WC) DEVELOPMENTS INC., COURT FILE NO. CV-21-00672628-00CL - Receivership of 6532 & 6544 WINSTON CHURCHILL BOULEVARD, ON  
**Attachments:** For Sale - 1.43 Acre Infill Residential Development Site - Mississauga, ON

Sarah

See attached.

If you click the Investment Summary, it will provide the information that your client is seeking.

Your client can contact Kelly Avison or Ben Sykes and, after signing an NDA, they will get access to the data room.

If you have any other questions, you can contact Danny Weisz (copied) directly.

From: Sarah White <swhite@loonix.com>  
Date: April 13, 2022 at 8:08:10 AM EDT  
To: Jeff Larry <Jeff.Larry@paliareroland.com>  
Cc: Jayson Thomas <jthomas@loonix.com>  
Subject: Bidding process re: EMPIRICAL CAPITAL CORP. V. IDEAL (WC) DEVELOPMENTS INC., COURT FILE NO. CV-21-00672628-00CL - Receivership of 6532 & 6544 WINSTON CHURCHILL BOULEVARD, ON

Good morning Jeff,

We have a client who is considering purchasing the land subject to the receivership.

Although we have found the listing for the property at 6532\* Winston Churchill Blvd, Mississauga, Ontario, L5N3W4 <https://www.realtor.ca/real-estate/24251704/6532-winston-churchill-blvd-mississauga-meadowvale#view=stats><<https://can01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.realtor.ca%2Freal-estate%2F24251704%2F6532-winston-churchill-blvd-mississauga-meadowvale%23view%3Dstats&data=04%7C01%7Cswhite%40loonix.com%7C867bbe5d91504d692bdb08da1cee05c0%7Ce59eabfb3f6f44178a75ce51065a02c3%7C0%7C0%7C637854105863584368%7CUnkno>>

wn%7CTWFpbGZsb3d8eyJWljojMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTiI6Iik1haWwiLCJXVCI6Mn0%3D%7C3000&sdata=R2Rv0EfMXfkiEu6nxK%2F8cveAccrxKhZpCqcanTPtC4%3D&reserved=0>, based on the marketing process, it is our understanding that a bid date will be set.

Do you know if a bid date has been set? Based on the Marketing Process within the Receiver's First Report, it appears that a bid date is supposed to be set 4-6 weeks within the Marketing Process, however, we are unaware of those actual calendar dates.

Can you also let us know whether there may be other information our client would need to make a bid, such as appraisals and potential interest in the property? If there is any information you can provide that would assist towards making a bid, that would be greatly appreciated.

Please let me know if further clarification is required.

Thank you,

[A picture containing drawing Description automatically generated] Sarah White

Associate | Bankruptcy & Insolvency | Loopstra Nixon LLP

[A picture containing drawing Description automatically generated] 416.748.6545 | F: 416.746.8319

[A close up of a logo Description automatically generated]

swhite@loonix.com<mailto:swhite@loonix.com> |

www.loopstranixon.com<http://www.loopstranixon.com/>

135 Queens Plate Drive, Suite 600, Toronto, ON Canada M9W 6V7

[cid:image007.png@01D84F0B.42C6D0B0]

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**From:** Ben Sykes <ben.sykes@avisonyoung.com>  
**Sent:** Tuesday, April 12, 2022 2:14 PM  
**To:** Weisz, Daniel  
**Subject:** For Sale - 1.43 Acre Infill Residential Development Site - Mississauga, ON



**For Sale**  
by Court-appointed Receiver  
6532 & 6544 Winston Churchill Boulevard  
Mississauga, ON



## Property Highlights

- 1.436 acre infill residential development site
- Zoned for residential - detached and semi-detached homes
- Application submitted for the development of 15 detached dwellings
- Located on a major thoroughfare across from Meadowvale Town Centre
- Near Meadowvale GO station and highways 401 and 407

[Investment Summary](#)

[Confidentiality Agreement](#)

For more information, please contact:

**Kelly Avison, AACI**

Principal, Broker  
416.673.4030  
kelly.avison@avisonyoung.com

**Ben Sykes, SIOR**

Principal, Sales Representative  
905.283.2324  
ben.sykes@avisonyoung.com



This email was sent to: [daniel.weisz@rsmcanada.com](mailto:daniel.weisz@rsmcanada.com)

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