Court File No.: CV-25-00752828-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

CAMERON STEPHENS MORTGAGE CAPITAL LTD.

Applicant

- and –

TRINITYSTAR DEVELOPMENTS INC.

Respondent

APPLICATION UNDER 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

AIDE MEMOIRE OF TRINITYSTAR DEVELOPMENTS INC.
(CSMC Receivership Application)

Returnable October 1, 2025

September 30, 2025

BLAKE, CASSELS & GRAYDON LLP
Barristers and Solicitors
199 Bay Street
Suite 4000, Commerce Court West
Toronto, Ontario M5L 1A9

Chris Burr, LSO #55172H
Tel: 416-863-3261
Email: chris.burr@blakes.com

Jules Monteyne, LSO #72980C
Tel: 416-863-2513
Email: jules.monteyne@blakes.com

Lawyers for TrinityStar Developments Inc.

AIDE MEMOIRE OF TRINITYSTAR DEVELOPMENTS INC.

1. Cameron Stephens Mortgage Capital Ltd. (“**CSMC**”) has brought an application seeking the appointment of TDB Restructuring Limited (the “**Proposed Receiver**”) over the assets, undertakings and properties of TrinityStar Developments Inc. (“**TrinityStar**”).

Position of the Parties

2. CSMC seeks the appointment of the Proposed Receiver.

3. TrinityStar seeks a short adjournment of two weeks.

4. Certain construction lien claimants have filed notices of appearance, but have not communicated a position to TrinityStar or its counsel.

Evidence

5. CSMC has filed (a) an application record, including the affidavit of Jerrold Marriott, sworn September 29, 2025, and (b) a factum.

6. TrinityStar has filed a responding record, including the affidavit of Dunstan Peter, sworn September 30, 2025.

Background

7. TrinityStar is a developer of real property, and is in the process of building a residential development in Newtonville, Ontario, consisting of approximately 80 acres, with approximately 58.4 acres of net developable land (the “**Project**”).

8. CSMC is a lender, and the senior secured creditor of TrinityStar. CSMC is owed approximately $16.2mm (the “**CSMC Loan**”), which is secured by a comprehensive pledge of TrinityStar’s real and personal property (the “**Collateral**”).

9. The CSMC Loan matured on June 1, 2025 and has not been repaid. TrinityStar has been in discussions with a series of CSMC representatives leading up to June 1, and thereafter until mid-August, to discuss the terms of an extension, refinancing or forbearance.

10. Advances under the CSMC credit facility have ceased, and the Project has been on hold. This has resulted in numerous construction liens being filed. While the aggregate amount of *registered* construction liens is approximately $8.8 million, the actual amounts owing to lien claimants is approximately $2.5-$2.8 million. The materially greater amount as-registered is the result of conservative registrations, double-counting of claims between the general contractor and the subcontractors, and generally inflated claims.

11. On August 15, 2025, CSMC issued a demand letter and notice of intention to enforce security against the Collateral.

12. Insurance coverage on the Project was terminated on August 30, 2025 as a result of non-payment of premiums by TrinityStar. It is TrinityStar’s understanding that CSMC’s application

was brought on very short notice due to its concerns about the lapsed insurance.

13. TrinityStar has had the insurance coverage on the Project reinstated, and such coverage will be in place at least until October 31, 2025, when another premium payment will be due. If that premium payment is made, the insurance coverage will continue in place.

Adjournment Requested by TrinityStar

14. The reinstatement of the insurance has cured the only urgent issue in CSMC's application. In TrinityStar's view, CSMC's application should be adjourned for two weeks (subject to Court availability). This additional time is reasonable and prudent in the circumstances because:

A. **Imminent Refinancing.** TrinityStar is in advanced discussions with a new lender, though a mortgage broker, to obtain financing that would be in an amount sufficient to (i) pay-out CSMC in full, (ii) pay the legitimate outstanding construction lien claims, and (iii) completed the Project. TrinityStar believes that if it is given two weeks, it can obtain and deliver to CSMC and the Court a binding commitment for such financing.

B. **Better Result for Stakeholders.** TrinityStar completing the Project with new financing would be a materially better result for all stakeholders, including CSMC, because it would (i) provide for new funds to pay creditors, on much shorter timeline than could be achieved through a receivership sale process, (ii) ensure that no claims are vested out of the property, in the even that the Proposed Receiver was not able to obtain a purchase price at least equivalent to the CSMC Loan and valid construction lien claims, (iii) ensure that purchasers who have paid deposits on homes at the Project will be able to close on their houses, (iv) avoid the fees and costs of a receivership proceeding, and (v) if there is any equity in the Project, enable TrinityStar to realize it.

C. **Opportunity to More Formally Respond**. TrinityStar has material concerns about the conduct of CSMC surrounding the maturity of the CSMC Loan and discussions about extensions, as well as material concerns about the defaults alleged by CSMC. With the reinstated insurance eliminating the urgency, these issues ought to be responded to formally and fully in the record (including an opportunity for CSMC to respond), including cross-examinations of affiants if desired by TrinityStar or CSMC.

D. **No Prejudice**. Two weeks is a short extension of time, and there would be no prejudice to stakeholders. If the Proposed Receiver is appointed, that will be the end for TrinityStar. The "cost" of an additional two weeks, now that the insurance is reinstated and will remain in place until the end of October, pales in comparison to the prejudice to TrinityStar if a short adjournment is not granted.

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Applicant Respondent

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Proceeding Commenced at Toronto

AIDE MEMOIRE OF TRINITYSTAR DEVELOPMENTS INC.
September 30, 2025

BLAKE, CASSELS & GRAYDON LLP
199 Bay Street
Suite 4000, Commerce Court West
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Chris Burr, LSO #55172H
Tel: 416-863-3261
Email: chris.burr@blakes.com

Jules Monteyne, LSO #72980C
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Email: jules.monteyne@blakes.com

Lawyers for the Respondent