



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CL-26-00000425-0000 DATE: OCTOBER 22, 2026

NO. ON LIST: 4

TITLE OF PROCEEDING: HILLMOUNT CAPITAL MORTGAGE HOLDINGS INC. v.
FARIBA RAJABI and PARVIZ AHMADZADEH

IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION
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

BEFORE: JUSTICE W.D. BLACK

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Fred Tayar	Counsel for Hillmount Capital Mortgage Holdings Inc.	fred@fredtayar.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Fariba Rajabi	Self-Represented	nicolerajabi@hotmail.com
Parviz Ahmadzadeh	Self-Represented	torontoparviz@gmail.com

ENDORSEMENT

- [1] This was an application by Hillmount Capital Mortgage Holdings Inc., to appoint TDB Restructuring Limited as Receiver (in this endorsement I will use this and other terms as defined in the applicant's materials), over the Borrowers' Property.
- [2] The application was accompanied by a motion seeking an order validating service on the Borrowers (or for substituted service), but the Borrowers attended in on the application today so there was no need for me to determine the motion concerning service. That said, it is evident that service by email proved to be effective for today's purposes, and going forward, I order and direct that email service on the Borrowers, if service is required, will be sufficient.

- [3] In terms of the receivership application, it is clear from the materials – and the Borrowers filed no responding materials – that the applicant’s mortgage loan to the Borrowers matured on April 1, 2026, and that default in paying off that mortgage continues. The applicant has a right under its security documentation to appoint a receiver in these circumstances.
- [4] There is some debate about whether or not the Borrowers made required interest payments during the life of the mortgage. The Borrowers say that they made certain interest payments that the applicant refused to accept. Mr. Tayar for the applicant denied that that was the case, but in any event, given the uncontested default in the payment of the matured mortgage for many months, I need not determine the dispute about interest payments.
- [5] Moreover, it is clear that the Borrowers are also in arrears with respect to realty taxes and HST. While they say they have entered into discussions and arrangements with respect to the payment of those arrears over time, that does not obviate the fact of the default(s).
- [6] I find that the record amply demonstrates that the Borrowers are in default and that it is just and convenient to appoint a receiver in the circumstances.
- [7] The Borrowers advise that they have been in discussions with a mortgage broker and expect to secure take-out financing imminently. If that proves to be the case, as both I and applicant’s counsel explained, the applicant and the Receiver would welcome payment of the debt. We also explained to the Borrowers, that once the Receiver identifies and makes a deal with a buyer, the Borrowers’ ability to redeem is severely attenuated or even extinguished, but that the Borrowers will have a period of time in the near term to make arrangements to redeem if they are able to do so.
- [8] Again, however, I am not prepared to require the applicant to wait while that uncertain process unfolds, and I am granting the order appointing the Receiver today.
- [9] The record before me also amply supports the judgment sought by the applicant on the covenant; as noted, the Borrowers’ own submissions confirm the default and I am satisfied that the loan and security are valid, that the loan has matured, that there are continuing defaults, and that the applicant has served Notice of Intention to Enforce its Security.
- [10] Finally, the applicant requests a sealing order with respect to a valuation obtained by the applicant and, going forward, the Receiver, and with respect to any future agreement(s) of purchase and sale.
- [11] While it is somewhat unusual to grant a sealing order prospectively, I am prepared to do so in the circumstances of this case, and I accept that the materials in question will meet the requirements for a sealing order as set out by the Supreme Court of Canada in *Sierra Club* and *Sherman Estate*.
- [12] Accordingly, I am granting the Receivership Order sought, and have signed the form of order provided.



W.D. BLACK J.

DATE: OCTOBER 22, 2026