

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

B E T W E E N:

(Court Seal)

CAMERON STEPHENS MORTGAGE CAPITAL LTD.

Applicant

and

ZONIX HOMES INC., ZONIX DUDLEY INC., DENIX CORPORATION,
PEJVAK GROUP LTD., DEZ BUILDING INC., LIFELONG SUPPORT
CORPORATION, PARADISE CO. INC., ELEVO CONSULTING GROUP
INC., DIBA PREMIER GROUP INC., HANNAH PREMIER GROUP INC.,
PRO VOLO INC., FARNA CORPORATION, and BEVERNIK LTD.

Respondents

**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**

**SUPPLEMENTARY MOTION RECORD OF THE APPLICANT, CAMERON
STEPHENS MORTGAGE CAPITAL LTD.**

September 21, 2026

GARFINKLE BIDERMAN LLP

Barristers & Solicitors
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Lawyers for the Applicant

TO: **SERVICE LIST**

**ONTARIO
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TAB 1

Court File No. CL-26-00000255-0000

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SUPPLEMENTARY AFFIDAVIT OF YUPEI (SUMMER) XIA

I, Yupei (Summer) Xia, of the City of Markham, in the Regional Municipality of York, in the Province of Ontario, MAKE OATH AND SAY AS FOLLOWS:

1. I am a lawyer with Garfinkle Biderman LLP and, together with Wendy Greenspoon-Soer, am counsel of record for the Applicant, Cameron Stephens Mortgage Capital Ltd. (“**Cameron Stephens**”). As such, I have knowledge of the matters to which I hereinafter depose.

2. Where I do not have personal knowledge, I have indicated the source of my information and do verily believe such information to be true and accurate. Where correspondence is adopted as an exhibit, I do verily believe that it was sent and received on the date, as indicated.

The Commencement of the Receivership Application

3. The within receivership application (the “**Application**”) was commenced by Cameron Stephens by Notice of Application issued May 28, 2026. The Notice of Application was delivered to counsel for the Debtors (as defined further below) that same day and Cameron Stephens’ Application Record relating to the Application was served on the service list for this matter on June 18, 2026. Attached hereto and marked as **Exhibit “A”** are copies of counsel for Cameron Stephens’ email correspondence serving the Notice of Application and the Application Record on May 28, 2026, and June 18, 2026, respectively.

4. Cameron Stephens is the second ranking secured creditor of the Respondents, Zonix Homes Inc. (“**Zonix Homes**”) and Zonix Dudley Inc. (“**Zonix Dudley**”) (collectively, the “**Debtors**”), holding security against, among other things, the Real Property.¹

5. Vector Financial Services Limited and Olympia Trust Company (collectively, the “**Vector Creditors**”) are the first ranking secured creditors of the Debtors and the Real Property.

6. The Vector Creditors support the commencement of the Application and the appointment of TDB Restructuring Limited, as receiver and manager (in such capacity, the “**Receiver**”) over the assets, undertakings and properties of the Debtors, including the Real Property.

¹ The Real Property is comprised of real properties municipally known as 36, 38, 40, 42, 44, 46, and 48 Steeles Avenue East, Markham Ontario and 37, 39, 41, 43, 45, 47, and 49 Highland Park Blvd, Markham Ontario.

The APS

7. Pursuant to an Agreement of Purchase and Sale dated April 27, 2026 (the “**APS**”) between the Debtors and 17767749 Canada Inc., subsequently assigned to De Shan Foundation Inc. (the “**Purchaser**”), the Purchaser agreed to purchase the Real Property for a gross purchase price of \$31,000,000.00. The APS provides for a closing credit of \$1,200,000.00 in favour of the Purchaser for legal fees and transaction costs, resulting in an effective purchase price of \$29,800,000.00.² However, by the Respondent’s own admission, this purchase price is insufficient to satisfy the Debtors’ indebtedness in full and would only substantially, but not entirely, repay the amounts owing to Cameron Stephens and the Vector Creditors.³

The First Adjournment

8. The Application was initially returnable on August 12, 2026 before Justice Black. At that attendance, the Debtors requested an adjournment on the basis that the Purchaser had exercised its right to extend the due diligence period by an additional 60 days. The original due diligence period was scheduled to expire on June 17, 2026. Following the extension, the due diligence period was extended to August 19, 2026.

9. Justice Black granted the requested adjournment to August 21, 2026 and directed the Debtors to put their “best foot forward” at that attendance by providing additional evidence regarding the status of the refinancing efforts and, to the extent possible, evidence concerning the

² A copy of the redacted APS is attached as Exhibit O to Reza Esfahany’s Affidavit sworn July 3, 2026.

³ *Ibid*, at para 43.

likelihood of obtaining such financing.⁴ Attached hereto and marked as **Exhibit “B”** is a copy of Justice Black’s endorsement dated August 12, 2026.

The Second Adjournment

10. On August 19, 2026, two days prior to the adjourned return date, counsel for the Debtors advised that the Purchaser had waived the due diligence condition. Attached hereto and marked as **Exhibit “C”** is a copy of counsel for the Debtors’ correspondence dated August 19, 2026 enclosing the amendment to the APS confirming the waiver of the due diligence condition.

11. That same day, Reza Esfahany, on behalf of the Debtors, delivered a Second Supplementary Affidavit in which he stated, among other things, that: *“The Purchasers are working with BMO for financing and everything looks promising.”*⁵

12. At the hearing held on August 21, 2026, before Justice Koehnen, a further adjournment was granted to September 22, 2026. His Honour noted that the purpose of the adjournment was to permit the parties to determine whether the financing condition and any other outstanding conditions would be waived. His Honour further indicated that, if the financing condition had not been waived by September 22, 2026, a receivership would likely follow.⁶ Attached hereto and marked as **Exhibit “D”** is a copy of Justice Koehnen’s endorsement dated August 21, 2026.

13. On August 24, 2026, counsel for the Debtors delivered a with prejudice correspondence to Mrs. Greenspoon-Soer, me and counsel for the Vector Creditors, stating, among other things, that *“All that said, my client’s position remains that if the Financing Condition is not waived, they will*

⁴ Justice Black’s Endorsement dated August 12, 2026 at para 19.

⁵ Second Supplementary Affidavit of Reza Esfahany sworn August 19, 2026 at para 12.

⁶ Justice Koehnen’s Endorsement dated August 21, 2026 at para 2.

not oppose the appointment of a receiver.” Attached hereto and marked as **Exhibit “E”** is a copy of the with prejudice correspondence of counsel for the Debtors dated August 24, 2026.

No Evidence of Securing Financing

14. On August 21, 2026, counsel for the Debtors advised Ms. Greenspoon-Soer, me and counsel for the Vector Creditors that a letter of intent from the Purchaser’s lender would be provided during the following week. On August 21, 24 and 31, 2026, counsel for the Vector Creditors requested that counsel for the Debtors advise the Purchaser that the Vector Creditors were willing to provide bridge financing to facilitate closing of the APS and further requested that the proposed letter of intent be provided immediately. No substantive response was received from counsel for the Debtors to those requests. Attached hereto and marked as **Exhibit “F”** is a copy of the email correspondence between counsel for the Debtors and counsel for the Vector Creditors between August 21 to 31, 2026.

15. On September 9, 2026, Mrs. Greenspoon-Soer corresponded with counsel for the Debtors as there had been no status update on the Purchaser’s financing, nor was there any confirmation that the Vector Creditors’ willingness to provide bridge financing had been communicated to the Purchaser. In that correspondence, Mrs. Greenspoon-Soer advised that Cameron Stephen would only consent to a further adjournment if:

- (a) evidence was provided demonstrating that sufficient funds would be available on closing to satisfy and discharge all encumbrances required to be paid out;

- (b) a draft calculation of the anticipated net sale proceeds, together with evidence of outstanding taxes and other deductions from the purchase price, was provided by September 11, 2026;
- (c) confirmation was provided that the Purchaser had paid the second deposit; and
- (d) no further extension rights were available to the Purchaser.

Attached hereto and marked as **Exhibit “G”** is a copy of Mrs. Greenspoon-Soer’s correspondence dated September 9, 2026.

16. On September 17, 2026, Ms. Greenspoon-Soer followed up with counsel for the Debtors, as no response had been received to the inquiries set out above. Later that day, counsel for the Debtors advised that the Debtors would be meeting with the Purchaser on September 18, 2026, and that a further update would be provided thereafter. Attached hereto and marked as **Exhibit “H”** is a copy of the correspondence exchanged between Mrs. Greenspoon-Soer and counsel for the Debtors dated September 17, 2026.

Request for Extension of Financing Condition

17. On September 18, 2026, at approximately 4:01 p.m., I emailed counsel for the Debtors requesting an update following the Debtors’ meeting with the Purchaser. At approximately 4:43 p.m., counsel for the Debtors responded and enclosed, among other documents, an amendment executed by the Debtors on September 17, 2026 at 3:11 p.m (the “**Amendment**”). extending the financing condition to October 8, 2026. Counsel for the Debtors further advised that he was awaiting “a letter from the Buyer addressed to Vector Financial explaining the reason for the

financing extension". Attached hereto and marked as **Exhibit "I"** is copy of my correspondence with counsel for the Debtors dated September 18, 2026, with enclosures.

18. Later that day, at approximately 5:08 p.m., counsel for the Vector Creditors requested confirmation as to whether the letter from the Purchaser referred to above had been received. At approximately 5:39 p.m., counsel for the Debtors advised that it had not been received. Attached hereto and marked as **Exhibit "J"** is a copy of the email correspondence exchanged between counsel for the Debtors and counsel for the Vector Creditors dated September 18, 2026.

19. I note that although the Amendment extending the financing condition was executed by the Debtors on September 17, 2026, it was not provided to Cameron Stephens or the Vector Creditors until late in the afternoon of September 18, 2026. As a result, Cameron Stephens and the Vector Creditors were left with only one business day before the September 22 hearing date to obtain instructions from their respective clients and prepare responding materials addressing the amended transaction.

20. The Amendment contains the following salient terms:

- (a) *Section 4: Buyer Deliverables; Condition Precedent to Extension. The extension in Section 1 is conditional upon the Buyer delivering to the Seller, by no later than 5:00 pm on September 18, 2026 (the "Deliverables Deadline"), the following, in each case in form and substance satisfactory to the Seller, acting reasonably: (a) the supporting letter or email from the City of Markham regarding the new plan received by the purchaser in September 2026; and (b) a letter from the Buyer addressed to Vector Financial explaining the reason for the financial extension (together, the "Buyer Deliverables").*
- (b) *Section 5: Failure of Condition; Consequences. If the condition in Section 4 is not satisfied or waived by the Deliverables Deadline, then the extension in Section 1 shall be null and void and of no force or effect, and the APS/offer shall thereupon become null and void, and the deposit shall be returned to the Buyer in full without deduction.*

21. As evidenced by the email correspondence from counsel for the Debtors dated September 18, 2026 at 5:39 p.m., the letter addressed to Vector Financial referred to in section 4(b) of the Amendment had not been provided as of that time. Pursuant to section 5 of the Amendment, if the condition set out in section 4 is not satisfied or waived by the Deliverables Deadline, the extension is deemed null and void and of no force or effect, the APS becomes null and void, and the deposit is to be returned to the Buyer in full without deduction. Accordingly, absent satisfaction or waiver of that condition by 5:00 p.m. on September 18, 2026, there would be no binding APS in effect and the contemplated sale transaction would not proceed.

22. As of the date of swearing this Affidavit, counsel for the Debtors has still not provided the letter required under section 4(b) of the Amendment. As a result, the condition precedent contained in section 4 of the Amendment has not been satisfied and, pursuant to section 5 of the Amendment, the extension and the APS are null and void and of no force or effect. The contemplated sale of the Property therefore no longer exists.

No Evidence of Sufficient Funds to Discharge Both Loans

23. Pursuant to the Amendment, the closing credit in favour of the Purchaser was reduced from \$1,200,000.00 to \$600,000.00. As a result, the effective purchase price under the APS increased from \$29,800,000.00 to \$30,400,000.00.

24. As of September 21, 2026, the aggregate indebtedness owing by the Debtors to Cameron Stephens and the Vector Creditors was approximately \$29.8 million, exclusive of continuing interest, fees, costs, and other expenses. Interest alone is accruing under the two loans at an approximate rate of \$280,000.00 per month. Assuming a closing date of November 9, 2026, being

approximately 30 days following the extended financing condition date of October 8, 2026, the aggregate indebtedness would increase to approximately \$30,200,000.00, before taking into account any additional fees, costs, legal expenses, or other charges incurred in the interim. Attached hereto and marked as **Exhibit “K”** are copies of Cameron Stephens’ discharge statement dated May 5, 2026, and the Vector Creditors’ discharge statement dated May 4, 2026.

25. Based on the foregoing, even if the APS were to close on November 9, 2026 at the revised effective purchase price of \$30,400,000.00, the projected gross sale proceeds would exceed the estimated secured indebtedness owing to Cameron Stephens and the Vector Creditors by only approximately \$200,000.00. Cameron Stephens has not been provided with a draft calculation of net sale proceeds demonstrating that the sale proceeds will be sufficient to satisfy in full the indebtedness owing to Cameron Stephens and the Vector Creditors after accounting for legal fees, closing costs, tax adjustments, and other transaction expenses.

26. In the absence of any evidence regarding the anticipated net sale proceeds, it remains unclear whether the proceeds of the proposed sale will be sufficient to discharge in full the indebtedness owing to Cameron Stephens and the Vector Creditors (assuming that the APS would close on November 9, 2026). Nor has any evidence been provided as to the source of funds that would be available to satisfy any resulting shortfall should the net sale proceeds prove insufficient.

No Concrete Evidence that the Financing Condition Would be Waived and the APS Would Close

27. As of the date of swearing this Affidavit, counsel for the Debtors has not provided any evidence that the Purchaser has secured financing for the transaction, including any letter of intent,

commitment letter, or other confirmation from a proposed lender. Accordingly, there is no evidentiary basis to conclude that the financing condition will be satisfied or waived by October 8, 2026, or that the APS will close within 30 days following waiver of the financing condition.

28. I swear this Affidavit in support of the Application and for no other purposes.

SWORN by Yupei (Summer) Xia of the City of Markham, in the Regional Municipality of York, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on September 21, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits
(or as may be)

WENDY GREENSPOON-SOER

YUPEI (SUMMER) XIA

CAMERON STEPHENS MORTGAGE CAPITAL LTD.
Applicant

and

ZONIX HOMES INC., et al.
Respondents

Court File No. CL-26-00000255-0000

ONTARIO
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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**

Proceeding commenced at Toronto

SUPPLEMENTARY AFFIDAVIT OF YUPEI
(SUMMER) XIA
SWORN SEPTEMBER 21, 2026

GARFINKLE BIDERMAN LLP
Barristers & Solicitors
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Toronto, Ontario
M5C 2V9

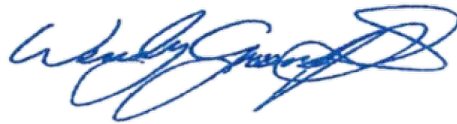
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Yupei (Summer) Xia – LSO#: 85015Q
Email: sxia@garfinkle.com
Tel: 416-869-7665

Lawyers for the Applicant

File Number: 6243-830

This is Exhibit “A” referred to in the Affidavit of Yupei (Summer) Xia sworn by Yupei (Summer) Xia of the City of Markham, in the Regional Municipality of York, before me at the City of Toronto, in the Province of Ontario, on September 21, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

WENDY GREENSPOON-SOER

From: Wendy Greenspoon
Sent: May 28, 2026 4:20 PM
To: Jonathan Kulathungam
Cc: btannenbaum@tdbadvisory.ca; Dominique Michaud; Summer Xia; arja1964@yahoo.com; reza@zonix.ca; sean@zonix.ca; aborsagh@gmail.com; jabdol@gmail.com
Subject: Cameron Stephens v. Zonix Homes
Attachments: Issued Notice of Application - 28 May 2026.pdf

Good afternoon, Jonathan,

I am writing to advise that my client has now commenced an application for the appointment of a Receiver as per the attached.

Please advise by 11am on Monday as to whether you will be representing some or all of the Responding parties and whether you can accept service.

I will be booking a scheduling appointment with the Commercial List for 15 minutes to schedule the hearing and timetable the preceding steps. I have been advised of availability on either June 8th or 10th. If you intend to be involved, please indicate your availability. I expect it will be set for 9 or 9:30am. If you will not be involved, or I do not receive notice of another solicitor to contact, I will proceed to book the 8th and send notification by email to your clients.

Wendy



Wendy H. Greenspoon-Soer
 Partner
 Garfinkle, Biderman LLP
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From: Timothea Huynh
Sent: June 18, 2026 11:23 AM
To: btannenbaum@tdbadvisory.ca; dmichaud@robapp.com; Bornstein, Jeremy; ehyderman@cassels.com; Jonathan Kulathungam; osbservice-bsfservice@ised-isde.gc.ca; AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca; insolvency.unit@ontario.ca
Cc: Summer Xia; Wendy Greenspoon
Subject: Re: Cameron Stephens Mortgage Capitals Ltd. v. Zonix Homes Inc., et al. - Court File No. CL-26-00000255-0000
Attachments: Application Record - Applicant - Cameron Stephens - 18-JUNE-2026.pdf; Filed Aide Memoire of the Applicant Cameron Stephens Mortgage Capital Ltd. - June 9, 2026.pdf; (EN) Commercial List Endorsement-scheduling appointment June 10, 2026.pdf

Dear Service List,

Attached please find the Applicant, Cameron Stephens Mortgage Capital Ltd.'s Application Record, served upon you pursuant to the Commercial List Court's e-service guidelines and the *Rules of Civil Procedure*.

Attached please also find the Applicant's Aide Memoire in connection with the scheduling appointment on June 10 before Justice Black, together with His Honour's Endorsement issued on the same date, served herewith.

Regards,
Timothea



Timothea Huynh
Paralegal and Notary Public/Law Clerk
1 Adelaide Street East, Suite 801
Toronto, Ontario M5C 2V9
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This is Exhibit “B” referred to in the Affidavit of Yupei (Summer) Xia sworn by Yupei (Summer) Xia of the City of Markham, in the Regional Municipality of York, before me at the City of Toronto, in the Province of Ontario, on September 21, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

WENDY GREENSPOON-SOER



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CL-26-00000255-0000

DATE: August 12, 2026

NO. ON LIST: 1

TITLE OF PROCEEDING:

CAMERON STEPHENS MORTGAGE CAPITAL LTD. v. ZONIX HOMES INC et al.

BEFORE: JUSTICE BLACK

PARTICIPANT INFORMATION

For Applicant:

Name of Person Appearing	Name of Party	Contact Info
Yupei (Summer) Xia AND Wendy Greenspoon-Soer	Cameron Stephens Mortgage Capital Ltd.	sxia@garfinkle.com, wgreenspoon@garfinkle.com

For Respondent:

Name of Person Appearing	Name of Party	Contact Info
Jonathon Kulathungam	Counsel for Zonix Homes Inc et al.	jkulathungam@teplitskyllp.com

For Other:

Name of Person Appearing	Name of Party	Contact Info
Jeremy Borenstein	Counsel for Vector Financial Services Limited and Olympia Trust Company	jborenstein@cassels.com

ENDORSEMENT OF JUSTICE BLACK:

- [1] The applicant Cameron Stephens (in this endorsement I will use this and other terms as defined in the parties' materials) is seeking to appoint TDB as Receiver over the Property of the Debtors.
- [2] The CS Loan at issue entailed an initial advance of \$21,457,000.00 and a further advance of \$2,543,000.00, and was secured by the CS Security, including the CS GSA (with a right to appoint a receiver).
- [3] On March 21, 2024, the Non-Borrower Beneficial Owners executed two documents in which they:
 - (a) Acknowledged and consented to the CS Loan;
 - (b) Authorized the Nominees to enter into the CS Loan and the CS Security; and
 - (c) Granted charges and security interests over their beneficial interests in the Real Property in favour of Cameron Stephens.
- [4] The CS Loan matured on April 1, 2025 and the Nominees defaulted on repayment.
- [5] On May 9, 2025, Cameron Stephens issued demands and NITES under s. 244 of the BIA.
- [6] On May 22, 2025, Cameron Stephens agreed to a Forbearance Agreement under which it agreed to forbear from enforcing the CS Security until June 13, 2025, to permit the Nominees to refinance the CS Loan.
- [7] After the expiration of the Forbearance Agreement, on July 14, 2025, Cameron Stephens, the Nominees and the Zonix Guarantors entered into the Accommodation Agreement extending the forbearance period to April 30, 2026 and permitting a proposed refinancing with Vector.
- [8] The Accommodation Agreement contemplated a refinancing facility from Vector in an amount not less than \$24,500,000.00 and a partial repayment to Cameron Stephens of not less than \$21,300,000.00.
- [9] Pursuant to the Vector Commitment Letter (dated April 29, 2025 and subsequently amended) the Vector Creditors advanced a loan in the principal amount of \$24,500,000.00 to the Nominees. To facilitate the Vector Financing Cameron Stephens agreed to subordinate and postpone the CS Security in favour of the Vector Creditors (the details of which subordination and postponement are set out in Cameron Stephens' materials).
- [10] Following completion of the Vector Financing, Cameron Stephens received a partial repayment of \$21,331,563.20 toward the CS Loan.
- [11] However, the Nominees have not paid the Residual Principal Balance and certain interest and fees and expenses, which were due by April 30, 2026 (and the quantum of some of which appear to be disputed).
- [12] On May 6, 2026, Cameron Stephens issued further demands and NITES. In the circumstances, the Vector Creditors likewise issued demands and NITES for outstanding amounts owing to them.
- [13] The Respondents advised that they retained Colliers in July 2025 to list and market the Real Property for sale. However, according to information from Colliers, the (large) scale of the proposed development is causing challenges in the current market.
- [14] That said, the Respondents entered into an APS with the Purchaser on April 27, 2026. The APS provided for an initial 50-day due diligence period in favour of the Purchaser, expiring June 17, 2026.

- [15] The Respondents before me today requested an adjournment of this application – scheduled for today – on the basis that on June 17, 2026, the Purchaser under the APS had exercised its right to extend the due diligence period by a further 60 days to complete its investigations and determine whether it would waive the applicable conditions.
- [16] The critical financing condition is open until September 19, 2026, and the Respondents’ position set out in their factum was that the matter should be adjourned until after that date.
- [17] However, there is an earlier deadline of August 19 for certain other conditions to be waived.
- [18] Respondents’ counsel acknowledged that if those conditions are not waived by August 19, the proposed receivership will be inevitable. There was some agreement, albeit in fairness understandably somewhat grudging from Cameron Stephens and Vector, that it would be reasonable to wait to see if the conditions at issue are waived by August 19 as required. If they are, there is still a live issue as to whether or not it is realistic to expect the financing condition to be met, but for the time being a further appointment for a case conference has been scheduled for August 21, 2026 at 12:30 p.m. for 30 minutes.
- [19] If the August 19 conditions have not been waived, I expect the Receivership to be confirmed at that point. If those conditions have been waived, then I expect a discussion that day about next steps, and, in that context, I have encouraged counsel for the Respondents that the Respondents should put their “best foot forward” that day, and furnish additional evidence as to the status of the refinancing effort and, to the extent possible, evidence of the likelihood of that financing to be secured. I understand the concerns of Cameron Stephens and Vector that they do not wish to be strung along as substantial interest charges continue to accrue, and so my expectation, if the August 19 conditions are waived, is that the Respondents will provide evidence to reassure all concerned, including the court, that a further extension is warranted.



Justice W.D. Black

Date: Aug 12, 2026

This is Exhibit “C” referred to in the Affidavit of Yupei (Summer) Xia sworn by Yupei (Summer) Xia of the City of Markham, in the Regional Municipality of York, before me at the City of Toronto, in the Province of Ontario, on September 21, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

WENDY GREENSPOON-SOER

From: Jonathan Kulathungam <jkulathungam@teplitskyllp.com>
Sent: August 19, 2026 9:24 AM
To: Wendy Greenspoon; Summer Xia; Monika Gugu
Cc: Kathy Ples
Subject: RE: CAMERON STEPHENS MORTGAGE CAPITAL LTD. v. ZONIX HOMES INC. et al.
|CL-26-00000255-0000
Attachments: DD Waiver Aug 18 2026.pdf

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Wendy

The Purchaser has waived the Due Diligence Condition, please see attached.

We will be serving an affidavit providing an update as per Justice Black's endorsement.

Jonathan

Jonathan Kulathungam | Partner

B.A. (Hons), LL.B.

jkulathungam@teplitskyllp.com



70 Bond St, Suite 200 • Toronto, Ontario • M5B 1X3 • Canada
Phone 416.865.5318 • Fax: 416.365.7702 • www.teplitskyllp.com



Waiver

Agreement of Purchase and Sale

Form 123

for use in the Province of Ontario

BUYER: DE SHAN FOUNDATION INC.

SELLER: ZONIX HOMES INC. and ZONIX DUDLEY INC.

REAL PROPERTY: 36 to 48 Steeles Avenue East and 37 to 49 Highland Park Avenue, Thornhill, ON

In accordance with the terms and conditions of the Agreement of Purchase and Sale dated the 27 day of April,

2026, regarding the above property, I/We hereby waive the condition(s) which read(s) as follows:

This Agreement is conditional, for the sole benefit of the Buyer, for a period of fifty (50) days after acceptance of this Agreement, during which period the Buyer may conduct such due diligence investigations respecting the Property as the Buyer deems appropriate, in the Buyer's sole and absolute discretion.

If the Buyer does not waive this condition in writing within such fifty (50) day period, this Agreement shall be null and void and the Deposit shall be returned to the Buyer, without deduction or set-off, except as otherwise expressly provided herein.

All other terms and conditions in the aforementioned Agreement of Purchase and Sale to remain unchanged.

For the purposes of this Waiver, "Buyer" includes purchaser and "Seller" includes vendor.

DATED at _____, Ontario, at _____ this _____ day of _____ 20_____
(a.m./p.m.)

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

(Witness)

(Buyer/Seller)

August 18, 2026
(Seal) (Date)

(Witness)

(Buyer/Seller)

(Seal) (Date)

Receipt acknowledged at _____ this _____ day of _____ 20_____ by:
(a.m./p.m.)

Print Name: _____

Signature: _____



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This is Exhibit “D” referred to in the Affidavit of Yupei (Summer) Xia sworn by Yupei (Summer) Xia of the City of Markham, in the Regional Municipality of York, before me at the City of Toronto, in the Province of Ontario, on September 21, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

WENDY GREENSPOON-SOER



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CL-26-00000255-0000

DATE: August 21, 2026

NO. ON LIST:

TITLE OF PROCEEDING: CAMERON STEPHENS MORTGAGE CAPITAL LTD. v. ZONIX HOMES INC.; ZONIX DUDLEY INC.; DENIX CORPORATION; PEJVAK GROUP LTD.; DEZ BUILDING INC.; LIFELONG SUPPORT CORPORATION; PRO VOLO INC.; PARADISE CO. INC.; ELEVO CONSULTING GROUP INC.; DIBA PREMIER GROUP INC.; HANNAH PREMIER GROUP INC.; FARNA CORPORATION; BEVERNIK LTD.

BEFORE: Justice Markus Koehnen

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Yupei (Summer) Xia, Wendy Greenspoon-Soer,	Cameron Stephens Mortgage Capital Ltd.	sxia@garfinkle.com, wgreenspoon@garfinkle.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Jonathan Kulathungam	Zonix Homes Inc., Zonix Dudley Inc., Denix Corporation, Pejvak Group Ltd.	jkulathungam@teplitskyllp.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Bryan A. Tannenbaum		btannenbaum@tdbadvisory.ca
Jeremy Bornstein		jbornstein@cassels.com

ENDORSEMENT OF JUSTICE:

[1] This matter is adjourned to September 22, 2026 at 9 AM for a one hour hearing.

[2] The purpose of the adjournment is to permit the parties to determine whether a financing or other conditions associated with the debtor's proposed sale will be waived. If the financing condition has not been waived by September 22, then, in principle, a receivership is likely to follow. That may also be the case if other conditions remain on September 22 but that will be for the judge hearing the matter on September 22 to determine.

Date: Aug 21, 2026


Justice Markus Koehnen

This is Exhibit “E” referred to in the Affidavit of Yupei (Summer) Xia sworn by Yupei (Summer) Xia of the City of Markham, in the Regional Municipality of York, before me at the City of Toronto, in the Province of Ontario, on September 21, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

WENDY GREENSPOON-SOER

From: Kathy Ples <kples@teplitskyllp.com>
Sent: August 24, 2026 9:23 AM
To: Wendy Greenspoon; Summer Xia; Jeremy Bornstein
Cc: Jonathan Kulathungam
Subject: Zonix Homes Inc., Zonix Dudley Inc. et al. ats Cameron Stephens Mortgage Capital Ltd. (Our File 34512)
Attachments: Counsel L3 (00922463xC0375).PDF
Follow Up Flag: Follow up
Flag Status: Completed

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Good morning,

Attached please find correspondence with respect to the above referenced matter, the contents of which are self-explanatory.

Kathy Ples

Legal Assistant to Jonathan Kulathungam

kples@teplitskyllp.com

(416) 365-9320 x 1120



70 Bond St, Suite 200 • Toronto, Ontario • M5B 1X3 • Canada
 Tel: 416.365.9320 • Fax: 416.365.7702 • www.teplitskyllp.com

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Suite 200, 70 Bond Street
 Toronto, Ontario
 M5B 1X3
 Telephone: (416) 365-9320
 Facsimile: (416) 365-0695

JONATHAN KULATHUNGAM, B.A.(Hons.), LL.B.
 Direct Line: (416) 865-5318
 E-mail: jkulathungam@teplitskyllp.com

August 24, 2026

Our File Number: 34512

WITH PREJUDICE

SENT BY EMAIL TO:

wgreenspoon@garfinkle.com
sxia@garfinkle.com

Ms. Wendy Greenspoon-Soer
 Ms. Yupei (Summer) Xia
 Garfinkle, Biderman LLP
 Barristers & Solicitors
 1 Adelaide Street East
 Suite 801
 Toronto ON M5C 2V9

SENT BY EMAIL TO:

jbornstein@cassels.com

Jeremy Bornstein
 Cassels Brock & Blackwell LLP
 Suite 3200, Bay Adelaide Centre
 40 Temperance street
 Toronto, Ontario

Dear Counsel:

**Re: Zonix Homes Inc., Zonix Dudley Inc. et al. ats Cameron Stephens
 Mortgage Capital Ltd.**

Further to the attendance before Justice Koehnen of August 21, 2026, I wish to reiterate what transpired:

1. On August 20th, we had without prejudice discussions. During those discussions, I made it clear that I would speak to my client to have them execute a consent to the receivership order. As you will recall, I was the one who suggested that there be an actual consent so that I could send it to the client and have them authorize me to sign the consent.
2. I raised with you my concerns with the 30 day limit. I suggested 60 days.
3. I requested that you provide a draft endorsement by 8:00 p.m. It was not provided.

4. The morning of August 21st, I provided an update re financing. Jeremy Bornstein responded offering, in essence, bridge financing.
5. This was followed by an email exchange at 9:30 and 9:49 am between Wendy Greenspoon-Soer and I where the specific question posed to me was “ *What about the consent and the proposed endorsement for today?*” . To which I responded “ *I haven't received anything from you. I was waiting for the draft*”

Wendy’s email of 9:30 am did not confirm a consent, but consistent with our conversation of August 20th, asked for my client’s position regarding the consent order.

6. Clearly, there had been NO consent order agreed to as of 10 am on August 21. For counsel to claim and submit that I had agreed to a consent order on August 20th is not only incorrect but untrue and offensive.
7. As I made clear during our conversation on August 20th, I would speak to my clients and asked that the draft endorsement and consent be provided by 8 pm (as I was tied up in other matters and in meetings until 8pm and could only speak to my client after 8 pm).
8. In any event, I did receive a draft of the proposed endorsement at 10:30 a.m. I responded at 10:50 a.m. setting out clearly:

*“My client is agreeable to what is set out below and will authorize me to sign the consent order provided that (a) below is amended to provide that a further adjournment be **no more than 60 days, preferably 90 days.**”*
(Emphasis not added)

9. At 11:07 am, Summer Xia responded providing the Lender’s position.
10. I then responded at 11:14 a.m. stating, *inter alia*:

“Before I speak to the client, could we agree on 60 days? I will push it with my client.”

11. At 11:22 a.m. I wrote stating:

*“Please keep in mind that with the 60 days, my client **will Consent** to the appointment of the receiver.”* (Emphasis not added)

12. At 11:43 a.m., Ms. Xia responded providing the Lender’s position.

That is what transpired. There was no meeting of the minds.

However, as I made it abundantly clear in the factum, if it turns out that the conditions cannot be fulfilled, then the appointment of a receiver would be inevitable. That was my submission before Justice Black, and I made similar comments to Justice Koehnen.

The submissions made that I had agreed to a consent order, as indicated above, were indeed incorrect and personally offensive. I am glad that Justice Koehnen read the emails himself. Mr. Bornstein's submission was in effect, cherry picking what was set out in the correspondence and our discussions.

All that said, my client's position remains that if the Financing Conditions is not waived, they will not oppose the appointment of a receiver.

Yours very truly,
TEPLITSKY LLP

Per:

Jonathan Kulathungam

Jonathan Kulathungam

JK/kp

This is Exhibit “F” referred to in the Affidavit of Yupei (Summer) Xia sworn by Yupei (Summer) Xia of the City of Markham, in the Regional Municipality of York, before me at the City of Toronto, in the Province of Ontario, on September 21, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

WENDY GREENSPOON-SOER

From: Bornstein, Jeremy <jbornstein@cassels.com>
Sent: August 31, 2026 11:04 AM
To: Jonathan Kulathungam; Kathy Ples
Cc: Wendy Greenspoon; Summer Xia; Monika Gugu
Subject: RE: Zonix

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Jonathan,

I'm following up on my two emails below. Could you please provide a response as soon as possible? Vector is becoming increasingly concerned by the lack of responsiveness to these requests.

In addition, could you please provide a copy of the financing LOI from the purchaser's lender? As noted in your email below, it was expected to be provided to the purchaser last week.

We look forward to hearing from you promptly.

Jeremy

Cassels | **JEREMY BORNSTEIN**
 Partner
 t: +1 416 869 5386
 e: jbornstein@cassels.com

Cassels Brock & Blackwell LLP | cassels.com
 Suite 3200, Bay Adelaide Centre – North Tower
 40 Temperance St.
 Toronto, ON M5H 0B4 Canada

From: Bornstein, Jeremy <jbornstein@cassels.com>
Sent: Monday, August 24, 2026 10:08 AM
To: Jonathan Kulathungam <jkulathungam@teplitskyllp.com>; Wendy Greenspoon <wgreenspoon@garfinkle.com>; Summer Xia <sxia@garfinkle.com>; Monika Gugu <mgugu@garfinkle.com>; Kathy Ples <kples@teplitskyllp.com>
Subject: Re: Zonix

Jonathan,

To follow up on the below: do you know how much financing the purchaser requires?

Has the possibility of bridge financing from Vector been communicated to the potential purchaser? For the avoidance of doubt, any such financing would be subject to usual underwriting and only made available in Vector's discretion.

Please confirm that you will follow up with the potential purchaser throughout the week for it to provide you with a copy of any financing LOI received.

Please also confirm that any financing LOI provided by the potential purchaser to the borrowers will be shared with the lenders immediately upon receipt.

Thank you.

Jeremy



Cassels Brock & Blackwell LLP | cassels.com
 Suite 3200, Bay Adelaide Centre – North Tower
 40 Temperance St.
 Toronto, ON M5H 0B4 Canada

From: Bornstein, Jeremy <jbornstein@cassels.com>
Sent: Friday, August 21, 2026 9:14 AM
To: Jonathan Kulathungam <jkulathungam@teplitskyllp.com>; Wendy Greenspoon <wgreenspoon@garfinkle.com>; Summer Xia <sxia@garfinkle.com>; Monika Gugu <mgugu@garfinkle.com>; Kathy Ples <kples@teplitskyllp.com>
Subject: Re: Zonix

Thanks for the update Jonathan. Do you know how much financing the purchaser requires?

If that is the only condition they require in order to go firm it's possible the current lenders can provide the short term solution.



Cassels Brock & Blackwell LLP | cassels.com
 Suite 3200, Bay Adelaide Centre – North Tower
 40 Temperance St.
 Toronto, ON M5H 0B4 Canada

From: Jonathan Kulathungam <jkulathungam@teplitskyllp.com>
Sent: Friday, 21 August 2026 09:08:21
To: Wendy Greenspoon <wgreenspoon@garfinkle.com>; Bornstein, Jeremy <jbornstein@cassels.com>; Summer Xia <sxia@garfinkle.com>; Monika Gugu <mgugu@garfinkle.com>; Kathy Ples <kples@teplitskyllp.com>
Subject: Zonix

CAUTION: External Email

By way of update, our client was advised by the purchaser that:

1) there will be NO request for a vendor take-back mortgage; and

2) a LOI will be provided by the purchasers lender sometime next week.

Jonathan

Sent from my iPhone

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This is Exhibit “G” referred to in the Affidavit of Yupei (Summer) Xia sworn by Yupei (Summer) Xia of the City of Markham, in the Regional Municipality of York, before me at the City of Toronto, in the Province of Ontario, on September 21, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

WENDY GREENSPOON-SOER

From: [Sue Rizvi](#)
To: ikulathungam@teplitskyllp.com
Cc: [Wendy Greenspoon](#); [Summer Xia](#); jbornstein@cassels.com
Subject: 6243-830 - Cameron Stephens Mortgage Capital Ltd. Loan No. 4107 to Zonix Homes Inc. and Zonix Dudley Inc. Project: 36-48 Steeles Avenue East & 37-49 Highland Park Boulevard, Markham
Date: Wednesday, September 9, 2026 3:55:18 PM
Attachments: [Letter to Teplitsky LLP - September 9, 2026.pdf](#)

Good afternoon,

Attached please find correspondence dated today from Ms. Greenspoon-Soer with respect to the above-noted matter.

Best Regards,

Sue



Sue Rizvi

Paralegal and Notary Public/Law Clerk

Direct Line: 416-869-7161

Email: srizvi@garfinkle.com

Suite 801, 1 Adelaide Street East

Toronto, Ontario M5C 2V9

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Wendy Greenspoon-Soer
Direct Line: 416-869-7615
e-mail: wgreenspoon@garfinkle.com

September 9, 2026

SENT BY E-MAIL: jkulathungam@teplitskyllp.com

WITH PREJUDICE

Teplitsky LLP
Barristers
70 Bond Street, Suite 200
Toronto, Ontario,
M5B 1X3

Attention: Jonathan D. Kulathungam

Dear Counsel:

Re: Cameron Stephens Mortgage Capital Ltd. Loan No. 4107 to Zonix Homes Inc. and Zonix Dudley Inc. Project: 36-48 Steeles Avenue East & 37-49 Highland Park Boulevard, Markham - Our File No.: 6243-830

I write with respect to the outstanding Receivership Application, which is currently scheduled to be heard on September 22, 2026.

Despite follow-up communications from Mr. Bornstein's office, we have received no update from you with respect to the status of the Purchaser's financing. I note that Vector has indicated they may be willing to assist with financing, but we have not received confirmation that you have conveyed that information to the purchaser, nor any response to the offer.

In the event that the financing condition is waived and the deal is firm, we wish to make it clear that we will only be consenting to an adjournment for 30 days and, **ONLY IF THE FOLLOWING CONDITIONS ARE ALSO SATISFIED:**

- a) There is evidence that your clients will have sufficient funds on the date of the scheduled closing to pay out and discharge all requisite encumbrances. In that regard, we've been advising you for months now, since you indicated that the Agreement of Purchase and Sale will result in a shortfall, to provide evidence as to how the balance of the funds will be delivered. A number of your clients are guarantors of my client's mortgage, and an action is already outstanding for payment. Either the Debtor or the Guarantors will need to come up with the balance of the funding for closing and we have cautioned you to have them seek personal mortgages or other loans in order to satisfy same;

Letter to Teplitsky LLP
September 9, 2026
Page 2

- b) confirmation that the second deposit has been paid; and
- c) provided that there are no further rights of extension of the closing date.

In order to be able to get a clear picture of a) mentioned above, I'm asking that you please provide to me before the end of this week a draft calculation as to the anticipated net proceeds of sale should this transaction close 30 days from waiver. In that regard, we will need to see evidence of the current outstanding taxes and any other proposed subtractions from the purchase price. We would expect you would have done that exercise in any event for your clients to know the amount of shortfall they need to cover. Your clients have had several months to address this issue, throughout which time your clients have continued to collect rents from the property and or occupy it for free, without remitting any payment to keep the indebtedness down.

Please note that we intend to rely upon this correspondence at our next attendance, together with the two prior Endorsements which reflect upon these issues. Please further note that all last-minute communications and materials only serve to increase legal costs added to our client's mortgage indebtedness.

Yours very truly,
Garfinkle Biderman LLP
Per:



Wendy Greenspoon-Soer

WGS/sr

cc: Jeremy Bornstein and Summer Xia (via e-mail)

G:\Client Data\6243\6243-830\Correspondence\Letter to Teplitsky LLP Barristers - September 9, 2026.docx

This is Exhibit “H” referred to in the Affidavit of Yupei (Summer) Xia sworn by Yupei (Summer) Xia of the City of Markham, in the Regional Municipality of York, before me at the City of Toronto, in the Province of Ontario, on September 21, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

WENDY GREENSPOON-SOER



RE: 6243-830 - Cameron Stephens Mortgage Capital Ltd. Loan No. 4107 to Zonix Homes Inc. and Zonix Dudley Inc. Project: 36-48 Steeles Avenue East & 37-49 Highland Park Boulevard, Markham

From Wendy Greenspoon <wgreenspoon@GARFINKLE.com>

Date Thu 9/17/2026 10:22 AM

To jkulathungam@teplitskyllp.com <jkulathungam@teplitskyllp.com>

Cc Summer Xia <sxia@garfinkle.com>; jbornstein@cassels.com <jbornstein@cassels.com>; Sue Rizvi <srizvi@garfinkle.com>

1 attachment (207 KB)

Letter to Teplitsky LLP - September 9, 2026.pdf;

Jonathan,

I write to follow up on my letter of September 9th. Can you provide an update on the Purchaser's refinancing status?

Further, I await the draft calculations of the estimated shortfall if the APS were to be closed as well as concrete evidence as to how that shortfall will be addressed.

I will rely on this email and my prior correspondence at our next attendance.

Wendy



Wendy H. Greenspoon-Soer

Partner

Garfinkle, Biderman LLP

Suite 801

1 Adelaide Street East

Toronto, Ontario M5C 2V9

Tel No: 416.869.1234

DIRECT LINE: 416.869.7615

Fax No: 416.869.0547

E-mail: wgreenspoon@garfinkle.com

www.garfinkle.com

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From: Sue Rizvi <srizvi@garfinkle.com>

Sent: September 9, 2026 3:54 PM

To: jkulathungam@teplitskyllp.com

Cc: Wendy Greenspoon <wgreenspoon@GARFINKLE.com>; Summer Xia <sxia@garfinkle.com>; jbornstein@cassels.com

Subject: 6243-830 - Cameron Stephens Mortgage Capital Ltd. Loan No. 4107 to Zonix Homes Inc. and Zonix Dudley Inc. Project: 36-48 Steeles Avenue East & 37-49 Highland Park Boulevard, Markham

Good afternoon,

Attached please find correspondence dated today from Ms. Greenspoon-Soer with respect to the above-noted matter.

Best Regards,
Sue



Sue Rizvi

Paralegal and Notary Public/Law Clerk

Direct Line: 416-869-7161

Email: srizvi@garfinkle.com

Suite 801, 1 Adelaide Street East

Toronto, Ontario M5C 2V9

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This is Exhibit “I” referred to in the Affidavit of Yupei (Summer) Xia sworn by Yupei (Summer) Xia of the City of Markham, in the Regional Municipality of York, before me at the City of Toronto, in the Province of Ontario, on September 21, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

WENDY GREENSPOON-SOER

From: Jonathan Kulathungam <jkulathungam@teplitskyllp.com>
Sent: September 18, 2026 5:39 PM
To: Bornstein, Jeremy; Summer Xia
Cc: Wendy Greenspoon; Monika Gugu; Kathy Ples
Subject: RE: CL-26-00000255-0000, CAMERON STEPHENS MORTGAGE CAPITAL LTD. v ZONIX HOMES INC.,

Follow Up Flag: Follow up
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Jeremy

In response to the last two emails:

- 1) Owens, Wright is the real estate lawyer for the Seller (ie my clients). The deposit has been received by them;
- 2) I have not yet received the letter addressed to Vector setting out the reason for the extension; and
- 3) A supplementary brief affidavit will be sworn, served, and filed providing an update and attaching the documents provided to you.

Jonathan

Jonathan Kulathungam | Partner
 B.A. (Hons), LL.B.
jkulathungam@teplitskyllp.com



70 Bond St, Suite 200 • Toronto, Ontario • M5B 1X3 • Canada
 Phone 416.865.5318 • Fax: 416.365.7702 • www.teplitskyllp.com

From: Bornstein, Jeremy <jbornstein@cassels.com>
Sent: Friday, September 18, 2026 5:25 PM
To: Jonathan Kulathungam <jkulathungam@teplitskyllp.com>; Summer Xia <sxia@garfinkle.com>
Cc: Wendy Greenspoon <>wgreenspoon@GARFINKLE.com>; Monika Gugu <mgugu@garfinkle.com>; Kathy Ples <kples@teplitskyllp.com>
Subject: Re: CL-26-00000255-0000, CAMERON STEPHENS MORTGAGE CAPITAL LTD. v ZONIX HOMES INC.,

Jonathan, Monday is Yom Kippur. Please provide any materials you plan on filing as soon as possible today.

Cassels | **JEREMY BORNSTEIN**
 Partner

t: +1 416 869 5386
e: jbornstein@cassels.com

Cassels Brock & Blackwell LLP | cassels.com
Suite 3200, Bay Adelaide Centre – North Tower
40 Temperance St.
Toronto, ON M5H 0B4 Canada

From: Jonathan Kulathungam <jkulathungam@teplitskyllp.com>
Sent: Friday, 18 September 2026 16:42:49
To: Summer Xia <sxia@garfinkle.com>
Cc: Wendy Greenspoon <wgreenspoon@GARFINKLE.com>; Monika Gugu <mgugu@garfinkle.com>; Bornstein, Jeremy <jbornstein@cassels.com>; Kathy Ples <kples@teplitskyllp.com>
Subject: RE: CL-26-00000255-0000, CAMERON STEPHENS MORTGAGE CAPITAL LTD. v ZONIX HOMES INC.,

CAUTION: External Email

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Kathy will upload all the documents first thing Monday morning.

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In the interim, attached please find:

1. Amending Agreement;
2. Additional deposit cheque; and
3. Letter from the City Counsellor.

I am still awaiting “(b) a letter from the Buyer addressed to Vector Financial explaining the reason for the financial extension”

Pursuant to the Amending Agreement, the funds now available on closing is **increased by \$600,000.00.**

Jonathan

Jonathan Kulathungam | Partner
B.A. (Hons), LL.B.
jkulathungam@teplitskyllp.com



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Phone 416.865.5318 • Fax: 416.365.7702 • www.teplitskyllp.com

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Thanks,

Summer



Summer Xia

Litigation Associate Lawyer

Direct Line: 416-869-7665

Email: sxia@garfinkle.com

Suite 801, 1 Adelaide Street East

Toronto, Ontario M5C 2V9

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Cc: "Asifi, Roya (JUD)" <Roya.Asifi@ontario.ca>

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Mir Nahid

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Form 570

for use in the Province of Ontario

Amendment to Agreement of Purchase and Sale - Commercial

BETWEEN:**BUYER:** DE SHAN FOUNDATION INC.**AND****SELLER:** ZONIX HOMES INC ZONIX DUDLEY INC

RE: Agreement of Purchase and Sale - Commercial (Agreement) between the Seller and Buyer, dated the 27 day of April, 2026,

concerning the property known as 36-48 Steeles Ave E, And 37-49 Highland Park Blvd Thornhill

..... L3T 1A2 And L3T1B4 ON as more particularly described in the aforementioned Agreement.

The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

Delete

Credit and Fees

The Seller shall provide the Buyer with a closing credit of CDN \$1,200,000.00 toward legal fees and transaction costs.

For greater certainty, the credit of CDN \$1,200,000.00 referenced in this Agreement is an internal price adjustment only and shall not give rise to any obligation on the part of the Buyer to pay any amount in excess of the Purchase Price.

FINANCIAL CONDITION

Following waiver of the due diligence condition, this Agreement shall be conditional for an additional thirty (30) days for the sole benefit of the Buyer to complete its financial, funding and approval review. If the Buyer does not waive this condition in writing within such thirty (30) day period, this Agreement shall be null and void, and the Deposit shall be returned to the Buyer, without deduction or set-off, except as otherwise expressly provided herein.

Insert:

1. Extension of Condition Date. The parties agree that the relevant financing condition date under the Agreement of Purchase and Sale (the "APS") is hereby extended to October 8, 2026 (the "Extended Date"), time being of the essence.
2. Credit & Fees Amended. The parties agree that the following provision in the Agreement of Purchase and Sale (the "APS") is deleted in its entirety and replaced with the following: "The Seller shall provide the Buyer with a closing credit of CDN \$600,000.00 toward legal fees and transaction costs. For greater certainty, the credit of CDN \$600,000.00 referenced in this APS is an internal price adjustment only and shall not give rise to any obligation on the part of the Buyer to pay any amount in excess of the Purchase Price."
3. Additional Deposit. Within one (1) Business Day (being within 24 hours, excluding non-Business Days) following the date this amendment is fully executed by both parties, the Buyer shall deliver to the Seller's solicitor, in trust, an additional deposit in the amount of CDN \$100,000.00 (the "Additional Deposit"), by certified cheque, bank draft, wire transfer payable to the Seller's lawyer. The Additional Deposit shall form part of the Deposit under the APS and shall be dealt with in accordance with the APS.
4. Buyer Deliverables; Condition Precedent to Extension. The extension in Section 1 is conditional upon the Buyer delivering to the Seller, by no later than 5:00 pm on September 18, 2026 (the "Deliverables Deadline"), the following, in each case in form and substance satisfactory to the Seller, acting reasonably: (a) the supporting letter or email from the City of Markham regarding the new plan received by the purchaser in September 2026; and (b) a letter from the Buyer addressed to Vector Financial explaining the reason for the financial extension (together, the "Buyer Deliverables").
5. Failure of Condition; Consequences. If the condition in Section 4 is not satisfied or waived by the Deliverables Deadline, then the extension in Section 1 shall be null and void and of no force or effect, and the APS/offer shall thereupon become null and void, and the deposit shall be returned to the Buyer in full without deduction.
6. Benefit and Waiver. The condition in Section 4 is for the sole benefit of the Seller and may be waived, in whole or in part, by the Seller by written notice to the Buyer delivered on or before the Deliverables Deadline.
7. Ratification. Except as expressly amended by this Amendment, the APS remains unamended and in full force and effect, and is hereby ratified and confirmed by the parties in all respects.
8. Conflict. If there is any conflict or inconsistency between the terms of this Amendment and the APS, the terms of this Amendment shall govern to the extent of such conflict or inconsistency.

INITIALS OF BUYER(S):
INITIALS OF SELLER(S):


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IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by Buyer until 11:00
 (Seller/Buyer) (a.m./p.m.) **X**
 on the 17 day of September, 2026, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor.
 Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

.....
 (Witness) (Buyer/Seller/Authorized Signing Officer) (Seal) 9/17/2026 (Date)

 (Witness) (Buyer/Seller/Authorized Signing Officer) (Seal) (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

.....
 (Witness) Ali Reza Jafari (Sep 17, 2026 15:11:44 ADT) (Seal) 09/17/2026 (Date)

 (Witness) Reza Esfahany (Sep 17, 2026 14:10:07 EDT) (Seal) 09/17/2026 (Date)

 (Witness) (Buyer/Seller/Authorized Signing Officer)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

.....
 (Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at this 09/17/2026
 (a.m./p.m.)

Reza Esfahany (Sep 17, 2026 14:10:07 EDT) Ali Reza Jafari (Sep 17, 2026 15:11:44 ADT)
 (Signature of Seller or Buyer)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

Ali Reza Jafari (Sep 17, 2026 15:11:44 ADT) 09/17/2026
 (Seller) (Date)
 Reza Esfahany (Sep 17, 2026 14:10:07 EDT) 09/17/2026
 (Seller) (Date)

Address for Service
 (Tel. No.)

Seller's Lawyer Owens Wright LLP

Address

Email ADaneshvar@owenswright.com

(416) 486-9800 (Tel. No.) (Fax. No.)

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

..... (Buyer) (Date)
 (Buyer) (Date)

Address for Service
 (Tel. No.)

Buyer's Lawyer LAW OFFICE OF JOSEPH MALMAZADA

Address

Email josephmalmazada@hotmail.com

(905) 922-2881 (Tel. No.) (Fax. No.)

The Toronto-Dominion Bank

550 Highway 7 East Unit 55 Richmond Hill ON L4B 3Z4

13542319

Purchaser YONGQUAN SUN

DATE

2026-09-17

YYYYMMDD

Transit-Serial No. 868-13542319

Pay to the
Order of OWENS WRIGHT LLP, IN TRUST

\$ ****100,000.00

ONE HUNDRED THOUSAND**00/100

Authorized signature required for amounts over CAD \$5,000.00

Re

The Toronto-Dominion Bank
Toronto, Ontario
Canada M5K 1A2

Authorized Officer

Countersigned

Canadian Dollars

Number

OUTSIDE CANADA NEGOTIABLE BY CORRESPONDENTS AT THEIR BUYING RATE FOR DEMAND DRAFTS ON CANADA

⑈ 1354 2319 ⑈ ⑈ 096 12 004 ⑈

⑈ 3808 ⑈

Transaction Record
Customer CopySeptember 18, 2026
Branch Transit: 0459

Operator: 026

Business Date: September 18, 2026

Card Number: No Card

Authentication: Manual

11:12:22 AM

Deposit

Account:

1 Cheque(s):

Total Deposit:

0443 1xxx-071
\$100,000.00
\$100,000.00Thank you for banking with
Bank of Montreal



Andrew Keyes
Ward 5 Councillor

August 26, 2026

Mr. Emmanuel Assouline
6505 Trans Canada Route #630
Saint-Laurent, Quebec H4T 1S3

Dear Emmanuel,

I am writing to express my strong support for the proposed seniors' assisted living and long-term care facility at 36 Steeles Avenue East in Thornhill, Markham.

I firmly believe our seniors deserve greater access to high-quality care options in their own community. As Markham continues to age, projects like this are urgently needed.

I have met with you on numerous occasions and have carefully reviewed the preliminary concept plans. I am impressed by the thoughtful design and the clear commitment to creating a facility that prioritizes dignity, safety, and quality of life for residents.

This is a worthwhile and timely project. I fully support your efforts to bring it forward and encourage you and your investors to continue advancing it with confidence.

Thank you for your dedication to improving seniors' care in our community.

Sincerely,

A handwritten signature in blue ink that reads 'A Keyes'.

Andrew Keyes
Councillor, Ward 5
City of Markham

This is Exhibit “J” referred to in the Affidavit of Yupei (Summer) Xia sworn by Yupei (Summer) Xia of the City of Markham, in the Regional Municipality of York, before me at the City of Toronto, in the Province of Ontario, on September 21, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

WENDY GREENSPOON-SOER



Re: CL-26-00000255-0000, CAMERON STEPHENS MORTGAGE CAPITAL LTD. v ZONIX HOMES INC.,

From Bornstein, Jeremy <jbornstein@cassels.com>

Date Fri 9/18/2026 5:08 PM

To Jonathan Kulathungam <jkulathungam@teplitskyllp.com>; Summer Xia <sxia@garfinkle.com>

Cc Wendy Greenspoon <>wgreenspoon@GARFINKLE.com>; Monika Gugu <mgugu@garfinkle.com>; Kathy Ples <kples@teplitskyllp.com>

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Jonathan,

It's past 5pm, have you received 4(b) yet?

Also, have you or the seller's real estate lawyer received the \$100,000 deposit yet? The bank draft you provided is to Owens Wright (which I understood to be the purchaser's solicitor) but the amendment says the \$100,000 will be paid to the Seller's solicitor.

Cassels

JEREMY BORNSTEIN

Partner

t: +1 416 869 5386

e: jbornstein@cassels.com

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40 Temperance St.

Toronto, ON M5H 0B4 Canada

From: Jonathan Kulathungam <jkulathungam@teplitskyllp.com>

Sent: Friday, September 18, 2026 4:43 PM

To: Summer Xia <sxia@garfinkle.com>

Cc: Wendy Greenspoon <wggreenspoon@GARFINKLE.com>; Monika Gugu <mgugu@garfinkle.com>; Bornstein, Jeremy <jbornstein@cassels.com>; Kathy Ples <kples@teplitskyllp.com>

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CAUTION: External Email

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Kathy will upload all the documents first thing Monday morning.

We will be serving a supplementary affidavit and possibly an aide memo.

In the interim, attached please find:

1. Amending Agreement;
2. Additional deposit cheque; and
3. Letter from the City Counsellor.

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Thanks,

Summer



Summer Xia

Litigation Associate Lawyer
Direct Line: 416-869-7665
Email: sxia@garfinkle.com
Suite 801, 1 Adelaide Street East
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Jeremy

In response to the last two emails:

1. Owens, Wright is the real estate lawyer for the Seller (ie my clients). The deposit has been received by them;
2. I have not yet received the letter addressed to Vector setting out the reason for the extension; and
3. A supplementary brief affidavit will be sworn, served, and filed providing an update and attaching the documents provided to you.

Jonathan

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B.A. (Hons), LL.B.

jkulathungam@teplitskyllp.com



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Partner

t: +1 416 869 5386
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Toronto, ON M5H 0B4 Canada

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Sent: Friday, 18 September 2026 16:42:49

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Summer Xia

Litigation Associate Lawyer

Direct Line: 416-869-7665

Email: sxia@garfinkle.com

Suite 801, 1 Adelaide Street East

Toronto, Ontario M5C 2V9

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This is Exhibit “K” referred to in the Affidavit of Yupei (Summer) Xia sworn by Yupei (Summer) Xia of the City of Markham, in the Regional Municipality of York, before me at the City of Toronto, in the Province of Ontario, on September 21, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

WENDY GREENSPOON-SOER



320 Bay Street, Suite 1700
Toronto, Ontario
Canada M5H 4A6
T: 416 591 8787
F: 416 591 9001

Date: May 5, 2026

Discharge Statement

Loan No: 4107-11
Borrower(s): Zonix Homes Inc. & Zonix Dudley Inc.
Property Address: Zonix Yonge & Steeles Land Assembly
Closing Date: May 6, 2026

Interest Rate:	15.00%	Principal Balance	\$ 3,985,472.27
Maturity Date:	April 1, 2025	Property Tax:	
Payment Frequency:	Monthly	Escrow:	
Next Payment Due:	June 1, 2026	TOTAL PAYMENT:	\$ 4,127,781.92

Principal Balance	\$ 3,985,472.27
Interest in arrears	\$ 93,496.33
Accrued Interest (May 1, 2026 - May 6, 2026)	\$ 8,463.94
Chargebacks - Garfinkle Biderman	\$ 40,149.38
NSF fee	\$ 200.00

Total amount required in wire funds (1:00 p.m. May 6, 2026) **\$ 4,127,781.92**

CONDITIONS

This statement is correct only if all payments have been made and honoured and is subject to the correction of any errors or omissions. Should this transaction not close prior to the next payment due date then this statement will be void and Cameron Stephens Mortgage Capital Ltd. will require the **May 31, 2026** payment made and a new statement requested.

Should the mortgage be in arrears, the "Principal Balance" will be as at the due date of the last paid installment. All taxes and other charges paid by us from the time of preparation to the closing date and not indicated on this statement, are the responsibility of the mortgagor.

Wire funds received after 1:00pm of the proposed discharge date will be subject to an additional daily interest charge of **\$1,692.79**. If the proposed discharge date is on Friday, funds after 1:00pm will be subject to additional interest until the next business day.

It is the responsibility of your office to ensure that the appropriate discharge documents are prepared and forwarded to Cameron Stephens Mortgage Capital for execution. This includes any applicable PPSA discharge documentation.

This statement is valid up the last day of the current month of the expected payout date. Should the rate change prior to payout then this statement will be void and a new statement issued to reflect the change in the interest rate.

Yours truly,

Vivian David

Vivian David
Manager, Funding and Loan Administration

DocuSigned by:

Daniel Leitch

5B46A5586F9E43E...
Daniel Leitch
SVP, Credit

E&OE

MORTGAGE PAYOUT STATEMENT

May 4, 2026

Zonix Homes Inc and Zonix Dudley Inc

44 Steeles Avenue East
Markham, ON L3T 1A2
Attention: Sean Parsa

RE : 1st Mortgage Loan on 36-48 Steeles Ave East, 37-49 Highland Blvd, Markham
Reference No. : BC25-11

This statement shall be null and void and the Lender shall not be required to discharge the mortgage security if this statement is not acknowledged by the Borrower upon Payout.

The following summarizes the amounts required to pay out the loan on the above-noted property:

Payout Date	May 4, 2026
Principal Balance	\$24,250,000.00
Interest Charges at 11.30% per annum to May 4, 2026	\$190,295.14
Loan Charges *For additional details see itemization attached	\$153,912.50
Less Credit for Trust Balance as of date of this statement	(\$279,848.25)
<u>TOTAL AMOUNT PAYABLE</u>	<u>\$24,314,359.39</u>

HST# 10550 1209RT0001
E. & O.E.

These figures are subject to change with any subsequent transactions and do not include any legal fees. We reserve the right to amend this Statement should any changes occur that would increase the total amount payable. **Please note that this Statement expires on May 18, 2026**, after which this Statement shall become null and void and additional charges may apply in accordance with the terms of your mortgage.

A per diem interest amount of **\$7,611.81** will be due for each additional day past **May 4, 2026**. Funds received after 1:00 pm EST on the proposed discharge date will be subject to an additional per diem charge as noted herein until paid. If the proposed discharge date is a Friday, funds received after 1:00 pm EST will be subject to additional interest until the next business day.

Payment must be made by wire transfer only to **VECTOR FINANCIAL SERVICES LIMITED** or their solicitors as directed.

Yours truly,
VECTOR FINANCIAL
Per:



Mitchell Oelbaum
President
Mortgage Agent Lic. M13001562



SCHEDULE OF LOAN CHARGES ACCOMPANYING THE MORTGAGE PAYOUT STATEMENT

Borrower : Zonix Homes Inc and Zonix Dudley Inc
Property : 1st Mortgage Loan on 36-48 Steeles Ave East, 37-49 Highland Blvd, Markham
Reference No. : BC25-11

Date	Description	Amount
07/16/2025	Exit Fee	\$121,250.00
07/16/2025	Brokerage Fees Deferred - Anbros	\$25,000.00
04/13/2026	NSF Payment Charge	\$1,100.00
04/20/2026	Mortgage Default Admin Fee - Apr 2026	\$5,650.00
05/04/2026	Discharge Wire Fee	\$17.00
05/04/2026	Bank Processing Fee for Mortgages > \$2M	\$500.00
05/04/2026	Mortgage Discharge Statement	\$395.50
Total Loan Charges		<u>\$153,912.50</u>

HST# 10550 1209RT0001
 E. & O.E.

ACKNOWLEDGEMENT OF MORTGAGE PAYOUT STATEMENT

Borrower : Zonix Homes Inc and Zonix Dudley Inc
Property : 1st Mortgage Loan on 36-48 Steeles Ave East, 37-49 Highland Blvd, Markham
Reference No. : BC25-11

The undersigned, on behalf of the Borrower, hereby acknowledges and approves the amounts owing to the Lender as set out in the attached mortgage payout statement issued on May 4, 2026.

Acknowledged on this _____ day of _____, 2026.

Per:



CAMERON STEPHENS MORTGAGE CAPITAL LTD.
Applicant

and

ZONIX HOMES INC., et al.
Respondents

Court File No. CL-26-00000255-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
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

Proceeding commenced at Toronto

SUPPLEMENTARY AFFIDAVIT OF YUPEI
(SUMMER) XIA
SWORN SEPTEMBER 21, 2026

GARFINKLE BIDERMAN LLP
Barristers & Solicitors
1 Adelaide Street East, Suite 801
Toronto, Ontario
M5C 2V9

Wendy Greenspoon-Soer – LSO#: 34698L
Email: wgreenspoon@garfinkle.com
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Yupei (Summer) Xia – LSO#: 85015Q
Email: sxia@garfinkle.com
Tel: 416-869-7665

Lawyers for the Applicant

File Number: 6243-830

CAMERON STEPHENS MORTGAGE CAPITAL LTD.
Applicant

and

ZONIX HOMES INC., et al.
Respondents

Court File No. CL-26-00000255-0000

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Proceeding commenced at Toronto

SUPPLEMENTARY MOTION RECORD

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