



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-25-00734688-00CL

DATE: November 14, 2025

NO. ON LIST: 2

TITLE OF PROCEEDING:

TREZ CAPITAL LIMITED PARTNERSHIP, TCC MORTGAGE HOLDINGS INC.
v.
ELDERWOOD HOLDINGS INC. et al

BEFORE: Justice Jane O. Dietrich

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Aiden Nelms	Trez Capital	nelmsa@bennettjones.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Caitlin Fell	KSV Restructuring Inc. (Receiver)	cfell@reconllp.com
Simran Joshi	KSV Restructuring Inc. (Receiver)	sjoshi@reconllp.com

ENDORSEMENT OF Justice J. Dietrich:

Introduction

- [1] KSV Restructuring Inc. (“**KSV**”) as receiver over the real property (the “**Real Property**”) held by Elderwood Holdings Inc. (the “**Debtor**”) seeks two orders.
- [2] First, an approval and vesting order (the “**AVO**”) is sought approving the transaction contemplated by a purchase and sale agreement dated November 6, 2025 (the “**Sale**”

Agreement”) between the Receiver, as vendor, and TCC Mortgage Holdings Inc. (“**TCC**”), as purchaser (in its capacity as purchaser, the “**Purchaser**”) for the sale of the Purchased Assets, including the Real Property (the “**Transaction**”) and sealing Confidential Appendix “1” to the Second Report.

- [3] Second, a discharge order (the “**Discharge Order**”) is sought (i) approving the Second Report of the Receiver dated November 6, 2025 (the “**Second Report**”) and the activities of the Receiver described therein; (ii) approving the fees, and expenses of the Receiver, including those of its counsel as set out in the Second Report including an estimated amount to complete the administration ; (iii) discharging the Receiver upon the filing of a discharge certificate (the “**Discharge Certificate**”); and (iv) releasing KSV from liability as Receiver, save and except for any gross negligence or wilful misconduct.
- [4] No opposition was raised with respect to any of the relief sought
- [5] Defined terms used but not otherwise defined herein have the meaning provided to them in the factum of the Receiver filed for use on this motion.

Background

- [6] The Receiver was appointed on February 27, 2025.
- [7] The principal purpose of the receivership proceeding was to create a stabilized environment to enable the Receiver to conduct a Court-supervised sale process for the Real Property.
- [8] The Real Property is a multi-family residential site on approximately 23,000 square feet of land. It contains three residential apartment buildings totaling approximately 10,900 rentable square feet with a total of 13 rental apartments. It is located at 1677-1679 Bathurst Street, Toronto, Ontario; and 73-75 Elderwood Drive, Toronto, Ontario.
- [9] TCC, as agent for Trez Capital Limited Partnership (“**Trez**”), is the sole secured creditor of the Debtor.
- [10] A Sale Process Order was granted on April 29, 2025. It provided that Trez would have the opportunity to credit bid and to acquire the Property subject to the Receiver confirming the validity and enforceability of the security granted to Trez through its nominee TCC.
- [11] The Listing Brokerage, with the assistance of the Receiver, launched its marketing efforts in respect of the Sale Process on June 17, 2025. The marketing efforts are described in the Second Report. the Receiver, in consultation with the Listing Brokerage set July 24, 2025 as the earliest date that an offer could be submitted in the Sale Process (the “**Offer Not Before Date**”).

- [12] By the Offer Not Before Date, 31 interested parties had signed confidentiality agreements and were granted access to a virtual data room. Two parties submitted offers. The Receiver, in consultation with Trez, reviewed both offers but determined that they were not acceptable, as the proposed purchase price for both was too low. The Listing Brokerage went back and encouraged both bidders to approve the terms of their respective offers. Neither bidder would increase their proposed purchase price. One additional offer was received on September 13, 2025, which the Receiver rejected. No further bids or resubmissions were received, and other interested parties indicated that they would not or could not submit an acceptable offer. Following that, in accordance with the terms of the Sale Process, Trez advised the Receiver that it would submit a bid a credit bid for the Real Property.
- [13] The Transaction is a credit-bid transaction with a portion of the purchase price representing priority payables to be satisfied in cash.
- [14] The Receiver is of the view that the Transaction provides the highest price amongst all of the offers received, will benefit Trez, the Debtors' sole secured creditor in so far that it will allow Trez to realize value on account of its indebtedness through a credit bid and the Transaction will also provide stability for the tenants currently residing at the Real Property.

Issues

- [15] The following issues are to be determined today should the Court:
- a. approve the Transaction;
 - b. approve the Second Report, the activities of the Receiver set out therein, and the fees and activities of the Receiver and its counsel; and
 - c. grant the limited sealing order requested; and
 - d. discharge the Receiver upon filing of the Discharge Certificate.

Analysis

- [16] The principles to be applied when determining whether to approve a sale transaction were articulated by the Ontario Court of Appeal in *Royal Bank of Canada v Soundair Corp.* 1991 ONCA 2727 (“**Soundair**”): (a) whether the receiver has made sufficient effort to obtain the best price and has not acted improvidently; (b) the efficacy and integrity of the process by which offers have been obtained; (c) whether the interests of all parties have been considered; and (d) whether there has been unfairness in the working out of the process.

- [17] I am satisfied that the Soundair principles have been met.
- [18] The Real Property was broadly marketed during the Sale Process which was previously approved by this Court. The Transaction represents the highest bid for the Property and is in the best interests of the Debtor's stakeholders. As a result of the low bids received, the Transaction, to be completed by way of a credit bid, enables the Debtor's senior secured creditor to realize value on account of its indebtedness.
- [19] As noted above, no objections were raised with respect to the approval of the Transaction.
- [20] Accordingly, the requested AVO, which is substantively consistent with the form of Commercial List Model Order is approved.
- [21] The request to approve the Second Report is not unusual and there are good policy and practical reasons for doing so: see *Target Canada Co. (Re)*, 2015 ONSC 7574 [Morawetz R.S.J. (as he then was)], paras. 2, and 23. No opposition to the approval of the Second Report has been raised and the approval of the Second Report is appropriate in the circumstances as the Receiver has acted reasonably and in good faith. The draft order provided contains the typical language that only the Receiver is entitled to rely on the approval.
- [22] The Receiver also seeks approval of the fees and disbursements of the itself and its legal counsel as described in affidavits attached to the Second Report, In this respect, as the Court of Appeal for Ontario held in *Bank of Nova Scotia v Diemer* 2014 ONCA 851 at paras 33 and 45, this Court does not undertake a line-by-line analysis of the invoices. Rather, the guiding principles on fee approvals of this nature are whether the fees are fair, reasonable, and proportionate given the value of the Property and liabilities as well as the complexity of the Proceeding. In considering these guiding principles, the fees of the Receiver and its counsel as set out in the Second Report, including the estimated fees to complete the administration are appropriate and are approved.
- [23] The limited sealing order being sought is necessary to preserve the Receiver's ability to maximize the value of the Real Property in the event of the Transaction does not close. I am satisfied that the requested sealing order for the confidential appendix to the Second Report (being a summary of the other offers received) meets the test in *Sherman Estate v. Donovan* 2021 SCC 25 at para 38 and that disclosure of this information would pose a risk to the public interest in enabling stakeholders of a company in receivership to maximize the realization of assets. I direct counsel for the Receiver to file a hard copy of the confidential appendices with the Commercial List Office in a sealed envelope with a copy of the relevant order and this endorsement.

[24] As for the requested discharge, given the very limited activities to be completed following closing of the Transaction, in this case, I am prepared at this to time to grant that relief and discharge the Receiver upon the filing of the Discharge Certificate.

Disposition

[25] Orders to go in the form signed by me this day.

A handwritten signature in blue ink, consisting of a stylized initial 'J' followed by a horizontal line.

Date: November 14, 2025

Justice Jane O. Dietrich