



This is the 1st affidavit
of Ashley Kumar in this case
and was made on August 31, 2026

No. S-260086
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

MCAP FINANCIAL CORPORATION

PETITIONER

AND:

MASKEEN 177 PROJECTS LTD., 0676086 B.C. LTD., MASKEEN DEVELOPMENT LTD.,
MASKEEN HOMES LTD., 1302095 B.C. LTD., 0943151 B.C. LTD., 0816980 B.C. LTD.,
0816984 B.C. LTD., PRO RIDGE HOMES LTD., PRORIDGE VENTURES INC., JAGDIP
SINGH SIVIA, AMARJIT KAUR SIVIA, JATINDERPAL SINGH GILL, HARBANS KAUR GILL,
PRABHDEV SINGH KHERA, FIRST WEST CREDIT UNION, TOKIO MARINE CANADA LTD.,
VACNOUVER CITY SAVINGS CREDIT UNION, BMW CANADA INC., FRONT STREET
LEASING LP O/A DILAWRI LEASING, OPENROAD LEASING, TD AUTO FINANCE (CANADA)
ENVIRONMENTAL SERVICES LTD., INTEGRITY SHORING & CIVIL LTD., WITH ASSUMES
NAME: ISC SHORING & CIVIL LTD., MADNESS FORMING & CONSTRUCTION SERVICES
INC., AND PDQ CONSTRUCTION LTD.

RESPONDENTS

AFFIDAVIT

I, Ashley Kumar, Legal Assistant of Suite 2700 - 1133 Melville Street, Vancouver, British
Columbia, MAKE OATH AND SAY AS FOLLOWS:

1. I am an employee of the firm of DLA Piper (Canada) LLP, solicitors for the Petitioner, MCAP Financial Corporation ("**MCAP**"), in this action. I have personal knowledge of the facts and matters hereinafter deposed to in this Affidavit, except where they are stated to be made upon information and belief and where so stated I verily believe them to be true.
2. Attached hereto and marked as **Exhibit "A"** is a copy of MCAP's Discharge Statement, dated August 31, 2026.
3. Attached hereto and marked as **Exhibit "B"** is a copy of the Notice of Application on behalf of Carvolth 86th Avenue Lands Ltd., Maskeen (Carvolth) GP Inc. and Maskeen (Carvolth) Limited Partnership, ("**Carvolth**"), filed August 24, 2026; in action S-256472.
4. Attached hereto and marked as **Exhibit "C"** is a copy of the Application Response of Carvolth, filed August 24, 2026 in action S-256472.
5. Attached hereto and marked as **Exhibit "D"** is a copy of the Affidavit #1 of Amrinder S. Cheema, on behalf of Carvolth, filed August 25, 2026 in action S-256472.
6. Attached hereto and marked as **Exhibit "E"** is the entered copy of the Approval and Vesting Order, made before the Honourable Justice Fitzpatrick on August 25, 2026, in action S-256472.

SWORN BEFORE ME at Vancouver, British
Columbia, on August 31, 2026.

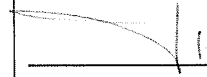
A Commissioner for taking Affidavits for
British Columbia.



ASHLEY KUMAR

Joel Robertson-Taylor
Associate
DLA Piper (Canada) LLP
1133 Melville Street, Suite 2700
Vancouver, BC V6E 4E5
004.687.9444

This is **Exhibit " A "** referred to in the 1st
Affidavit of Ashley Kumar sworn before me
at Vancouver, British Columbia, on this
31st, day of August, 2026.



A Commissioner for taking Affidavits for
British Columbia



2100 475 Howe Street
Vancouver, BC V6C 2E3
604 682 7141

August 31, 2026

DLA Piper (Canada) LLP
Suite 2700, The Stack, 1133 Melville Street
Vancouver, BC
V6E 4E5

Attention to: Colin Brousson/Arad Mojtahedi

Payout Date: September 1, 2026

DISCHARGE STATEMENT

Mortgage No. 21-7296-V41, 21-7296-V42 & 21-7296-V91	This Statement is Valid Until: September 30, 2026	
Maturity Date August 1, 2025	Bank Prime Rate: Royal Bank Prime	Margin: RBC Prime + 2.00% (floor 8.45% p.a.)
Borrower Name: 0943151 B.C. Ltd. et Al.	Property Address: 13746 Bentley Road and 13746 Harper Road, Surrey BC	

Principal Balance Outstanding		\$ 13,876,669.67
Accrued Interest to : <u>September 1, 2026</u>		\$ 1,533,876.53
Other Charges:		
Late Interest		\$ -
Discharge Fees		\$ -
Legal Fees:		\$ 46,355.77
Forbearance Fee:		\$ 35,000.00
MCAP Letter of Credit Fees:		\$ 62,800.68
Cash Requirement to Collateralize Letters of Credit:		\$ 837,342.47
Per diem rate of interest: <u>\$ 3,526.53</u>		
Total Amount		\$ 16,392,045.12

The full principal amount together with interest, fees and any applicable per diem rate of interest must be received in full in order to obtain a discharge of mortgage.

The above statement is calculated assuming all payments due up to and including the date of discharge are made under the terms of our contract and honoured by the bank.

We request that discharge proceeds be wired into MCAP's account. Funds received after 12:00 PM (PST) shall be deemed to have been made and received on the next business day and MCAP Financial Corporation shall be entitled to the additional per diem interest.

Wired Discharge Funds are to be delivered to the following account:

Account Holder: MCAP Financial Corporation
200 King Street West, Suite 400, Toronto, Ontario, M5H 3T4
Bank: Bank of Montreal
100 King Street West, Toronto, Ontario, M5X 1A3
Bank Number: 001
Transit Number: 00022
Account Number: 1357-893
Swift Number: BOFMCAM2

Confirmation from the Borrower or its Counsel of wired funds must be sent via electronic mail to VanFunding@MCAP.com in order to ensure the application on funds on the appropriate business date. Confirmations are reference the loan number and include information regarding the project name, wired amount and lot/unit closing(s).

Any legal and/or other costs of providing the discharge are in addition to the amount stipulated in the above statement and shall be borne by the Borrower.

This statement is subject to changes to the Bench Mark Rate. Changes to the Bench Mark Rate may result in additional funds due at the time of closing. Kindly consult with the undersigned to ensure the validity of the total discharge amount due.

Prepared By:

Susannah Boisclair
Director
E. & O.E.

Authorized by:

Colin Brenneis
Senior Director

Blake Johnston
Director

This is **Exhibit "B"** referred to in the 1st
Affidavit of Ashley Kumar sworn before me
at Vancouver, British Columbia, on this
31st, day of August, 2026.

A handwritten signature in black ink, consisting of a large, sweeping loop followed by a vertical stroke and a horizontal stroke.

A Commissioner for taking Affidavits for
British Columbia

FORM 32 (RULE 8-1(4))

NO. S-256472
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

NATIONAL BANK OF CANADA

PETITIONER

AND:

CARVOLTH 86TH AVENUE LANDS LTD. MASKEEN (CARVOLTH) GP INC.
AND MASKEEN (CARVOLTH) LIMITED PARTNERSHIP

RESPONDENTS

NOTICE OF APPLICATION

Name of Applicants: Carvolth 86th Avenue Lands Ltd., Maskeen (Carvolth) GP Inc. and Maskeen (Carvolth) Limited Partnership (collectively, the "Application Respondents", the "Debtors", or "Maskeen")

To: The Service List, attached to the Receiver's Notice of Application, filed on August 14, 2026.

TAKE NOTICE that an application will be made by the applicants to Justice Fitzpatrick at the courthouse at 800 Smithe Street, Vancouver, British Columbia on Tuesday, August 25, 2026 at 9:00 a.m. to be heard together with, or immediately before the Receiver's Notice of Application filed on August 18, 2026, for the orders set out in Part 1 below.

The applicant estimates that the application will take 1 day. 45 mins

This matter is NOT within the jurisdiction of an associate judge. LLL

Part 1: ORDERS SOUGHT

1. An Order declaring that the Debtors are entitled to redeem the lands defined in the Receiver's Notice of Application, filed on August 18, 2026, as the Property, by paying, or causing to be paid, the amounts properly required to discharge the senior mortgage debt owing to the petitioner, National Bank of Canada, together with any and all other amounts ordered by this Court to be paid on redemption.
2. An Order directing National Bank of Canada, upon receipt of the amounts required for redemption, to deliver discharges of its mortgage, assignment of rents, security agreements, and any and all extensions, modifications, priority agreements, certificates of pending litigation, or related security instruments within its control in respect of the Property.

3. An Order directing the Receiver to cooperate with the redemption, including by providing payout information, reasonable closing deliverables, and any consents or directions reasonably required to permit the redemption to complete.
4. An Order dismissing, refusing, or adjourning the Receiver's application for approval of the Purchase Agreement and related vesting, distribution, and discharge relief to the extent necessary to permit the Debtors to complete redemption within the time directed by this Court.
5. In the alternative, an Order adjourning the Receiver's application and preserving the Debtors' right to redeem for a defined period, on terms fixed by this Court.
6. In the further alternative, an Order that any approval of sale is expressly subject to the Debtor's right to redeem within the time directed by this Court and prior to title vesting.
7. An Order that, if redemption is completed within the time directed by this Court, the Purchase Agreement and any obligation of the Receiver to proceed with or complete the sale are terminated and of no further force or effect.
8. An Order that the Receiver not make any distribution of sale proceeds or other funds to National Bank of Canada, and not seek or obtain its discharge, until the Debtors' redemption application has been determined and the time fixed by this Court for redemption has expired or redemption has failed to complete.
9. Costs, if opposed.
10. Such further and other orders, directions, and declarations as counsel may advise and this Honourable Court may consider just.

Part 2: FACTUAL BASIS

1. Capitalized terms used but not otherwise defined in this Application Response have the meanings given to them in the Receiver's Notice of Application, filed August 18, 2026, and in the First Report of the Receiver, dated August 18, 2026.
2. The Receiver was appointed over the assets, undertakings and property of the Debtors by Order of this Court made January 8, 2026.
3. The Debtors are part of the Maskeen real estate development group, and their principal business is real estate development.
4. The Debtors' principal asset is the undeveloped real property located at 20120 86th Avenue, Langley, British Columbia, legally described as PID: 002-331-471, Lot 56 except: the Easterly portion; Section 26 Township 8 New Westminster District Plan 62363 (the "Property"). As of the receivership date, the Property remained undeveloped and was being used by Tannin Developments Ltd. as a staging area for construction of its adjacent project for a monthly payment of \$6,000, plus taxes.

5. The Property is vacant development property. Its value is expected to increase as a result of anticipated increases in permitted density arising from the updating of the Willoughby Community Plan and its designation within a Frequent Transit Development Area.
6. In furtherance of that development potential, the Debtors submitted an application to amend the Carvolth Neighbourhood Plan to increase the density designations to facilitate development of a 39-storey mixed-use tower with 331 apartment units and 4,529 m² (48,750 ft²) of commercial space, together with a 6-storey apartment building with 133 apartment units and daycare space, on approximately 0.9 ha (2.3 ac) of land located at 20120 86 Avenue, in the Township of Langley, BC (the "Amendment Application").
7. If granted, the Amendment Application would increase the permitted density by 23,653 m² (254,607 ft²) of floorspace, in keeping with the expected updated Willoughby Community Plan, given that the Property falls within a designated Frequent Transit Development Area.
8. The Amendment Application notes that the applicant has elected to advance a voluntary contribution of \$5,104,000.00 towards Community Amenity Contributions ("CACs"). That amount was arrived at through discussions and negotiations with the Township of Langley (the "Township") following the decision in *Lorval Developments Ltd. v. Langley (Township)*, 2025 BCSC 1148, where the Township's mandatory CAC policy was found to be invalid. Those discussions and negotiations resulted in a reduction in the overall CAC payment by \$5,120,610.00.
9. The Township's previous CAC policy, including its position that CACs were mandatory, together with the discussions and negotiations following the *Lorval* decision, resulted in first, second, and third reading of the Debtors' application being put off from July 15, 2025 to September 15, 2025, through no fault of the Debtors and despite the Debtors' diligent efforts. That delay ultimately resulted in significant cost savings for the project.
10. In a Report to Mayor and Council dated September 15, 2025, the Community Development Division at the Township outlined the background for the project and provided two options for consideration: (a) defer consideration of the application until Council consideration of an updated Willoughby Community Plan and refer the applicant to staff to address the items outlined in the report; or (b) direct staff to advance the bylaws associated with the application. Council elected to defer consideration of the application.
11. The Property has an estimated land value range of \$20.3 million to \$23.2 million without the amendment, and an estimated land value range of \$22 million to \$26 million with the amendment, indicating an increase of \$1.7 million to \$5.7 million depending on the value range.
12. The Township has raised no issues with respect to outstanding property taxes for the Property, and the Debtors are in the process of making arrangements for payment of same.
13. The Bank is the Debtors' senior secured creditor in respect of the Property. The Receiver reports that the Bank was owed approximately \$11.0 million as of August 19, 2025, with interest continuing to accrue, and that the Receiver has also borrowed \$250,000 from the Bank under Receiver's Certificates.

14. The Receiver now seeks approval of a Purchase Agreement dated July 16, 2026 between the Receiver, as vendor, and 1489190 BC Ltd., as purchaser, for the sale of the Property for \$6,400,000, with a \$640,000 deposit held by the purchaser's solicitor.
15. The Purchase Agreement is conditional on Court approval. It provides that the purchaser may terminate the transaction if Court approval is not obtained within 45 days of the date of the Purchase Agreement, and that the sale is to complete within 30 days after Court approval.
16. The Receiver's proposed Approval and Vesting Order would vest the Property in the purchaser free and clear of claims and encumbrances, including the Bank's mortgage and assignment of rents and Cedar Ridge Investments Ltd.'s mortgage and assignment of rents, subject only to the permitted encumbrances identified in the proposed Sale Approval and Vesting Order.
17. On the Receiver's evidence, the Property was listed for sale on or about April 24, 2026 at a listing price of \$7,000,000. The marketing process included a LinkedIn post, preview phone call campaign, listing on AY's website, an official launch email sent to 1,362 local developers and investors, follow-up phone calls, offer solicitation calls, and advertisements in the June and July editions of the Western Investor.
18. The Receiver reports that 13 parties executed confidentiality agreements and obtained access to the data room, two parties expressed interest at \$3 million and \$5.5 million but did not proceed with a formal offer, and one formal offer was received.
19. The Receiver also reports that the purchaser initially made an offer on June 17, 2026, later proposed a reduced price before subject removal, and that the Receiver then negotiated a revised offer which led to the July 16, 2026 Purchase Agreement.
20. Notwithstanding the Receiver's sale process, no order approving a sale has yet been made and no sale has completed. The Debtors' equity of redemption therefore remains available and should be preserved before the proposed sale and vesting relief is granted.
21. The Debtors have remained responsive to the Petitioner, both directly and through counsel, and have continued to engage in good-faith discussions regarding development of the Property and paydown and refinancing of the Petitioner's loan.
22. The Debtors intend to redeem the Property by paying, or arranging for payment of, the amounts properly required to satisfy the Bank's senior secured debt, together with any amounts the Court directs as conditions of redemption, including any proper Receiver's borrowings, charges, and costs.
23. The Receiver's own materials recognize that the Company and a third-party lender had been corresponding with the Receiver concerning refinancing efforts, and that the Receiver held discussions with that third-party lender.
24. The Purchase Agreement itself contemplates redemption before Court approval. Schedule "A" to the Purchase Agreement provides that acceptance of the offer, and any obligation of the Receiver to put the offer before the Court, may be terminated at any time

before the Court makes the Vesting Order approving the sale if the debts secured against the Property are redeemed.

25. The Receiver seeks approval to distribute the remaining net proceeds to the Bank. The Receiver estimates net proceeds from the Property sale of approximately \$6.155 million and estimated net cash available for distribution to the Bank of approximately \$5.858 million, after repayment of Receiver's borrowings, estimated professional fees to complete, and a contingency.
26. The Receiver reports that, given the Bank's indebtedness is approximately \$11 million, the Bank is expected to suffer a material shortfall and no other creditors will receive any recovery if the proposed sale and distribution proceed.
27. The Debtors deny that the anticipated shortfall to the Bank justifies extinguishing the Debtors' equitable right to redeem before the redemption proposal is tested. If redemption completes, the Bank can be paid in full, the Receiver's borrowings and proper charges can be addressed, and the proposed sale and distribution would be unnecessary.
28. The Debtors seek to have their redemption application heard before, or at the same time as and prior to determination of, the Receiver's Application because approval of the proposed sale transaction and related distribution and discharge relief may impair, or effectively extinguish, the Debtors' practical ability to redeem the Bank's mortgage and preserve the Property.

Part 3: LEGAL BASIS

A. The Equitable Right of Redemption

1. There is perhaps no area of the law where the contribution of equity is so complete as the law with respect to the enforcement of mortgages.
2. In 355498 *B.C. Ltd. v. Namu Properties*, 1999 BCCA 138 [*Namu Properties*], at para. 12, Southin J.A. affirmed the oft-cited judgment of Jessel M.R. in *Campbell v. Holyland* (1877), 7 Ch. 166, that although a mortgage may be absolute in form when the condition is broken, equity treats it as security for a debt and gives relief by way of redemption. Even after an order absolute of foreclosure, the mortgagee remains subject to the Court's equitable discretion, and the mortgagor may still be permitted to redeem.
3. The equity of redemption arises from the relationship between mortgagor and mortgagee. That fundamental relationship was confirmed in *North Vancouver v. Carlisle*, 1922 CanLII 726 (BCCA). In BC, notwithstanding later changes to the *Land Title Act*, R.S.B.C. 1996, c. 250, a mortgage continues to operate as if it were a conveyance with a right of defeasance. The right of defeasance, or equity of redemption, does not arise because foreclosure proceedings are commenced. This is because, as noted in *CIBC v. Burnham*, 1986 CanLII 1032 at para. 11, proceedings for redemption were invented prior to proceedings for foreclosure.
4. The concept of defeasance, or equity of redemption, is the long-standing equitable "golden thread" that runs throughout the mortgage relationship. It informs and constrains enforcement steps taken under a mortgage, including the appointment of a receiver and

any subsequent application to approve a sale of the mortgaged property. That principle is particularly important here because the Property is not simply a static asset: it is vacant development property with identified density upside, an active Amendment Application, and an estimated value materially higher than the proposed sale price if its planning potential is preserved.

5. It is well established that the Court will not permit the right of redemption to be fettered. A term that constitutes a clog on the equity of redemption is unenforceable: *Namu Properties* at paras. 13 and 15.
6. The prohibition against clogs on the equity of redemption protects the inviolability of the mortgagor's right to redeem. The mortgagor is entitled, upon payment of the secured debt, to recover the mortgaged property completely and unimpaired by the terms of the mortgage. The doctrine exists to protect necessitous landowners from oppressive agreements and from lenders who might take advantage of the mortgagor's vulnerability. Subject only to the mortgagee's power of sale and the Court's foreclosure jurisdiction, a mortgagor cannot be deprived of the property except through a process that tests value and preserves the mortgagor's inviolable right to redeem: *Dical Investments Ltd. v. Morrison* (C.A.), 1990 CanLII 6606 at p. 8; see also *Dhillon v. Jhutee*, 1998 CanLII 5414 (BCSC) at paras. 15–19.
7. The equity of redemption is a concept that equity imposed upon the parties to a mortgage, despite the wording of any agreement to the contrary, as an "inviolable and sacrosanct principle of equity". In other words, no provision in a mortgage can be construed so as to be inconsistent with the right of redemption - period: *Bank of Montreal v. Beilstein*, 1998 CanLII 6982 (NWTSC) at paras. 11, 15, 17 and 21; *Imor Capital Corp. v. Bullet Enterprises Ltd.*, 2012 BCSC 899 at paras. 12–14.

B. Redemption Remains Available Before Final Sale

8. The equitable right of redemption is a fundamental incident of a mortgage. It permits a mortgagor, or those standing in the mortgagor's position, to recover the charged property by paying the secured debt before the right has been finally foreclosed or displaced by a completed court-approved sale.
9. In *Bank of Montreal v. Hester Creek Estate Winery Ltd.*, 2004 BCSC 724, the Court permitted redemption in a receivership/sale context, set aside a court-approved sale, and adjourned the sale application to permit the bankrupt estate's trustee to redeem by paying the secured creditors in full, stating at para. 27: "Whenever there is a court-ordered sale process, it is always implicit that the conduct of sale is subject to the debtor being able to pay of the secured creditor before a sale is approved by the court." The case supports the proposition that redemption remains available before final sale approval, absent truly extraordinary circumstances.
10. In *League Assets Corp. (Re)*, 2015 BCSC 619, the Court confirmed that before registration of an order absolute, the mortgagor could pay the mortgage debt and require delivery of discharges. Although decided in the foreclosure context, the principle reinforces that the right to redeem should be preserved until the relevant property interest has been finally and effectively transferred.

11. In *Bank of Montreal v. Haro-Thurlow Street Project Limited Partnership*, 2024 BCSC 47, the Court granted a receivership, but expressly preserved the borrowers' opportunity to redeem by restricting the receiver's sales efforts and sale approval application for a defined period. At paragraphs 91-93, the Court clarified that it is not the granting of conduct of sale that extinguishes the right of redemption, stating: "a redemption can take place at any time prior to a sale being approved by the Court on an application by any receiver."
12. That is the present case. No order approving the Receiver's proposed transaction has been made, no sale has completed, and the Purchase Agreement itself recognizes the possibility of redemption before Court approval by permitting termination if the debts secured against the Property are redeemed before the Court makes the Vesting Order. The Receiver's own sale agreement therefore reflects the legal reality that the Debtors' redemption right remains alive unless and until the Court approves and implements a sale that displaces it.
13. In *Evanton Limited v. American Bullion Minerals Ltd.*, 2003 BCSC 1958, the Court recognized that a debtor in receivership retained a statutory right to redeem collateral before disposition. The Court declined to order redemption on the facts because no concrete redemption plan had been advanced. Here, unlike in *Evanton*, the Debtors have remained engaged with the Petitioner and the Receiver, have pursued refinancing discussions, and the Receiver's own materials acknowledge correspondence with a third-party lender and discussions with that lender concerning refinancing efforts.
14. In *Namu Properties*, the Court reopened an order absolute and ordered reconveyance to the mortgagor on specified terms, holding that equitable relief remained available before a bona fide purchaser obtained certificate of title. The case reflects the Court's broad equitable jurisdiction to prevent the loss of property where redemption can be effected without unfair prejudice up to the very date when title is transferred.
15. The authorities distinguish cases where a sale has been completed or vested in a purchaser. In *Montreal Trust Company v. Brown*, 1974 CanLII 1108 (BC CA), redemption was refused after the judicial sale had been completed by payment of the purchase money into court and vesting in the purchaser. That concern does not arise here because the Receiver's proposed transaction has not yet been approved or completed, and because the purchaser contracted on terms that expressly contemplated redemption before any Vesting Order.

C. Extension of the Redemption Period

16. The Court also has discretion to extend the redemption period in appropriate circumstances, and that discretion may be exercised either before or after expiry of the redemption period: *1103969 B.C. Ltd. v. 1069185 B.C. Ltd.*, 2019 BCCA 73 at paras. 25–28. The governing inquiry is whether the mortgagor has shown that the property provides sufficient value as security for the amount outstanding and that there is a reasonable prospect of repayment within the extended redemption period: *Canada Permanent Mortgage Corp. v. Dan-Al Construction Co. Ltd.*, [1982] B.C.J. No. 239.
17. Both requirements are met here, or at minimum are sufficiently engaged to justify an adjournment or short extension on strict terms. The Property has an estimated land value range of \$20.3 million to \$23.2 million without the amendment, and \$22 million to \$26

million with the amendment, against the Bank's reported indebtedness of approximately \$11 million plus interest and the Receiver's reported borrowings. The Property therefore provides substantial apparent value as security, particularly when compared to the proposed sale price of \$6.4 million and the Receiver's estimated net cash available for distribution of approximately \$5.858 million.

18. The reasonable prospect of repayment is also supported by the facts. The Debtors have remained responsive to the Petitioner and have continued good-faith discussions concerning paydown and refinancing. The Receiver's own materials recognize that the Company and a third-party lender had been corresponding with the Receiver concerning refinancing efforts, and that the Receiver held discussions with that lender. The law requires a reasonable prospect of repayment, not certainty of repayment, particularly where a short extension may permit full payment of the secured debt and avoid an unnecessary forced sale.
19. In *Bancorp Growth Mortgage Fund II Ltd. v. Rouleur (Woodland) Limited Partnership*, 2021 BCSC 898, the Court adjourned an application for conduct of sale and granted a three-month extension of the redemption period where the respondents had obtained an offer to purchase the properties for an amount exceeding the amount required to redeem. The offer remained subject to conditions precedent in favour of the purchaser, but the Court held that the test was a reasonable prospect of repayment, not commercial certainty, and granted the extension notwithstanding the risk that the purchaser might not remove subjects.
20. Similarly, in *Mission Creek Mortgage Ltd. v. Angleland Holdings Inc.*, 2010 BCSC 1593, the Court granted a six-month extension of the redemption period after the respondents obtained a letter of intent to finance, concluding that refinancing was a reasonable prospect if pursued with vigour and focus: at paras. 15, 30, 31 and 35.
21. A short extension or adjournment is therefore in the best interests of all parties if it permits a refinancing and payout in full. The Bank would receive payment of the senior secured debt, the Receiver's borrowings and proper charges can be addressed as conditions of redemption, and the Debtors' equity of redemption would be preserved without impairing the Receiver's ability to return for sale approval if redemption does not complete within the time fixed by the Court. By contrast, the proposed sale would leave an estimated material shortfall to the Bank and no recovery for any other creditors.

D. The Court Should Preserve Redemption

22. The Court should therefore preserve and give effect to the Debtors' right of redemption. If the Bank is paid in full, the purpose of the receivership as against the senior secured mortgage debt will be satisfied, there will be no unfair prejudice to the Bank, and the extraordinary relief associated with an RVO will be unnecessary or should at least be adjourned pending completion of redemption.
23. No order approving a sale has been made. Until the Court approves and implements a final sale, and perhaps even until title has passed, the Debtors' equity of redemption remains available. It should be preserved where the Bank can be paid in full, the Receiver's borrowings and proper charges can be addressed by strict terms, and any prejudice can be managed by a defined redemption timetable.

24. Preserving redemption is also consistent with the commercial reality of the Property. The Debtors' evidence is that the Property has meaningful development upside arising from its anticipated density increase, its location within a Frequent Transit Development Area, the Amendment Application, the negotiated reduction in voluntary CAC payments following *Lorval*, and the potential increase in land value if the amendment is granted. Approval of the proposed sale now would transfer that upside for \$6.4 million before the Debtors' redemption proposal is tested.
25. The Court should therefore make the orders in the manner that best preserves redemption while protecting the integrity of the sale process. The Receiver's sale approval application should be adjourned, dismissed, or refused to the extent necessary to permit redemption to complete because approval of the proposed RVO before the redemption proposal is tested would risk defeating the Debtors' equity of redemption. In the alternative, if the Court is not prepared to dismiss or refuse the sale approval application outright, it should adjourn that application and preserve the Debtors' right to redeem for a defined period on strict terms fixed by the Court. If the Court is otherwise minded to approve the Receiver's application, any approval should be expressly subject to a redemption order permitting the Debtors to complete redemption within the time directed by the Court, with the Receiver directed to cooperate by providing payout information, reasonable closing deliverables, and any consents or directions reasonably required for completion.

E. Sale Approval Principles include Preserving Redemption

26. The governing sale approval framework is the four-part test from *Royal Bank of Canada v. Soundair Corp.*, as applied in British Columbia in authorities including *Farm Credit Canada v. Gidda* and *Kruger v. Wild Goose Vintners Inc.*: whether the Receiver made sufficient efforts to obtain the best price and acted providently; whether the sale is in the interests of all parties; the efficacy and integrity of the process; and whether the process was unfair. The Receiver bears the burden of satisfying the Court that those factors support approval.
27. The Court's role is not limited to deferring to the Receiver's commercial preference. Although the Court gives appropriate weight to a receiver's business judgment, it retains an independent gatekeeping role and may refuse or adjourn approval where the proposed transaction is unnecessary, unfair, or fails to properly account for affected stakeholders. *QRD (Willoughby) Holdings Inc. v. MCAP Financial Corporation*, 2024 BCCA 318 confirms that sale approval requires a fair balancing of the *Soundair* factors and that a receiver owes duties to all affected parties, including the debtor and different classes of creditors.
28. On the present application, the central question is not whether the Receiver has found a commercially acceptable purchaser; it is whether sale approval should be granted when the Debtors seek to redeem before any sale has been approved or completed. *Kruger* recognizes that redemption rights must be balanced against purchaser interests and the integrity of the sale process, and distinguishes *Bank of Montreal v. Hester Creek Estate Winery Ltd.*, where redemption prevented sale approval because the secured debt could be paid in full.
29. That balance favours preserving redemption here. The proposed sale price is \$6.4 million, while the Receiver estimates net cash available for distribution to the Bank of approximately \$5.858 million against indebtedness of approximately \$11 million, leaving

a material shortfall and no expected recovery for other creditors. The Debtors' redemption proposal, if completed, would instead pay the Bank in full and address the Receiver's proper borrowings, charges, and costs. It would also preserve the Debtors' ability to capture the Property's development value, including the potential value associated with the Amendment Application and the anticipated increase in density.

30. The sale process facts do not displace that conclusion. The Receiver marketed the Property, obtained confidentiality agreements from 13 parties, received only one formal offer, and negotiated the revised Purchase Agreement after the purchaser attempted to reduce its price before subject removal. Those facts may explain how the Purchase Agreement came about, but they do not answer the equitable question of whether the Court should approve a transaction that may extinguish redemption when the Property's estimated value and development upside materially exceed the proposed sale price and when redemption has not yet been tested.
31. This case falls on the *Hester Creek* side of the balance if the Debtors demonstrate a concrete ability to pay the Bank and satisfy the conditions imposed by the Court. The Bank can be protected by payment in full together with interest, costs, Receiver's charges, and any further terms the Court considers necessary. By contrast, approval of the proposed RVO may make redemption practically impossible and may irreversibly transfer the Property before the Debtors' redemption proposal is tested.
32. The Court should therefore make the orders in the manner that best preserves redemption while protecting the integrity of the sale process. The Receiver's sale approval application should be dismissed, refused, or adjourned to the extent necessary to permit the Debtors' redemption proposal to be tested because the sale approval analysis cannot be divorced from the Debtors' outstanding equity of redemption.
33. At minimum, the application should be adjourned on strict terms that require the Debtors to establish and complete payment within the time fixed by the Court, while preserving the Receiver's ability to return for sale approval if redemption does not complete. If the Court is otherwise prepared to approve the Receiver's proposed transaction, approval should be expressly subject to a redemption order so that the RVO does not operate to defeat a right that remains available before final sale approval and completion.

Part 4: MATERIAL TO BE RELIED ON

1. The pleadings had and filed in the within proceedings;
2. The Receivership Order, pronounced January 8, 2026;
3. The First Report of the Receiver, dated August 18, 2026;
4. Affidavit #1 of A. Cheema, filed September 30, 2025;
5. Affidavit #1 of S. Martin, filed October 6, 2025;
6. Affidavit #2 of S. Martin, filed January 7, 2026;
7. Affidavit of A. Cheema, to be filed;

8. Such further and other material as counsel may advise and this Honourable Court may permit.

TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION: If you wish to respond to this notice of application, you must, within 5 business days after service of this notice of application or, if this application is brought under Rule 9-7, within 8 business days after service of this notice of application,

- (a) file an application response in Form 33,
- (b) file the original of every affidavit, and of every other document, that
 - (i) you intend to refer to at the hearing of this application, and
 - (ii) has not already been filed in the proceeding, and
- (c) serve on the applicant 2 copies of the following, and on every other party of record one copy of the following:
 - (i) a copy of the filed application response;
 - (ii) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;
 - (iii) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7(9).

Date: August 24, 2026.



DAN A.T. MOSELEY

Signature of ☒ lawyer for the applicants,
Carvolth 86th Avenue Lands Ltd., Maskeen
(Carvolth) GP Inc. and Maskeen (Carvolth)
Limited Partnership

To be completed by the court only:

Order made

- ☐ in the terms requested in paragraphs of Part 1 of this notice of application
- ☐ with the following variations and additional terms:

Date: _____, 2026

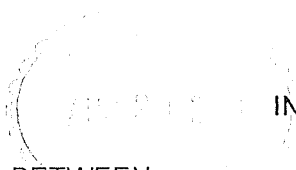
Signature of ☐ Judge ☐ Master

This is **Exhibit " C "** referred to in the 1st
Affidavit of Ashley Kumar sworn before me
at Vancouver, British Columbia, on this
31st, day of August, 2026.

A handwritten signature in black ink, consisting of a large, sweeping loop followed by a vertical stroke and a horizontal line.

A Commissioner for taking Affidavits for
British Columbia

Form 33 (Rule 8-1(10))

NO. S-256472
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

NATIONAL BANK OF CANADA

PETITIONER

AND:

CARVOLTH 86TH AVENUE LANDS LTD. MASKEEN (CARVOLTH) GP INC.
AND MASKEEN (CARVOLTH) LIMITED PARTNERSHIP

RESPONDENTS

APPLICATION RESPONSE

Filed by: Carvolth 86th Avenue Lands Ltd., Maskeen (Carvolth) GP Inc. and Maskeen (Carvolth) Limited Partnership (collectively, the "Application Respondents", the "Debtors", or "Maskeen")

To: The Service List, attached to the Receiver's Notice of Application, filed on August 14, 2026.

THIS IS A RESPONSE TO the Notice of Application of FTI Consulting Canada Inc., in its capacity as court-appointed receivers and manager of the Debtors, filed August 18, 2026.

The Application Respondents estimate that the application will take 1 day.

Part 1: ORDERS CONSENTED TO

The Application Respondents consent to the granting of the Orders set out in the following paragraphs of Part 1 of the Notice of Application: **NONE**

Part 2: ORDERS OPPOSED

The Application Respondents opposes the granting of the Orders set out in the following paragraphs of Part 1 of the Notice of Application: **ALL**

The Debtors oppose approval of the Receiver's proposed sale transaction and reverse vesting order if, or to the extent that, such approval would impair, defeat, or extinguish the Debtors' equitable right to redeem.

Part 3: ORDERS ON WHICH NO POSITION IS TAKEN

The Application Respondents take no position on the granting of the Orders set out in the following paragraphs of Part 1 of the Notice of Application: **NONE**

Part 4: FACTUAL BASIS

1. Capitalized terms used but not otherwise defined in this Application Response have the meanings given to them in the Receiver's Notice of Application, filed August 18, 2026, and in the First Report of the Receiver, dated August 18, 2026.
2. The Receiver was appointed over the assets, undertakings and property of the Debtors by Order of this Court made January 8, 2026.
3. The Debtors are part of the Maskeen real estate development group, and their principal business is real estate development.
4. The Debtors' principal asset is the undeveloped real property located at 20120 86th Avenue, Langley, British Columbia, legally described as PID: 002-331-471, Lot 56 except: the Easterly portion; Section 26 Township 8 New Westminster District Plan 62363 (the "Property"). As of the receivership date, the Property remained undeveloped and was being used by Tannin Developments Ltd. as a staging area for construction of its adjacent project for a monthly payment of \$6,000, plus taxes.
5. The Property is vacant development property. Its value is expected to increase as a result of anticipated increases in permitted density arising from the updating of the Willoughby Community Plan and its designation within a Frequent Transit Development Area.
6. In furtherance of that development potential, the Debtors submitted an application to amend the Carvolth Neighbourhood Plan to increase the density designations to facilitate development of a 39-storey mixed-use tower with 331 apartment units and 4,529 m² (48,750 ft²) of commercial space, together with a 6-storey apartment building with 133 apartment units and daycare space, on approximately 0.9 ha (2.3 ac) of land located at 20120 86 Avenue, in the Township of Langley, BC (the "Amendment Application").
7. If granted, the Amendment Application would increase the permitted density by 23,653 m² (254,607 ft²) of floorspace, in keeping with the expected updated Willoughby Community Plan, given that the Property falls within a designated Frequent Transit Development Area.
8. The Amendment Application notes that the applicant has elected to advance a voluntary contribution of \$5,104,000.00 towards Community Amenity Contributions ("CACs"). That amount was arrived at through discussions and negotiations with the Township of Langley (the "Township") following the decision in *Lorval Developments Ltd. v. Langley (Township)*, 2025 BCSC 1148, where the Township's mandatory CAC policy was found to be invalid. Those discussions and negotiations resulted in a reduction in the overall CAC payment by \$5,120,610.00.
9. The Township's previous CAC policy, including its position that CACs were mandatory, together with the discussions and negotiations following the *Lorval* decision, resulted in first, second, and third reading of the Debtors' application being put off from July 15, 2025 to September 15, 2025, through no fault of the Debtors and despite the Debtors' diligent efforts. That delay ultimately resulted in significant cost savings for the project.
10. In a Report to Mayor and Council dated September 15, 2025, the Community Development Division at the Township outlined the background for the project and provided two options for

consideration: (a) defer consideration of the application until Council consideration of an updated Willoughby Community Plan and refer the applicant to staff to address the items outlined in the report; or (b) direct staff to advance the bylaws associated with the application. Council elected to defer consideration of the application.

11. The Property has an estimated land value range of \$20.3 million to \$23.2 million without the amendment, and an estimated land value range of \$22 million to \$26 million with the amendment, indicating an increase of \$1.7 million to \$5.7 million depending on the value range.
12. The Township has raised no issues with respect to outstanding property taxes for the Property, and the Debtors are in the process of making arrangements for payment of same.
13. The Bank is the Debtors' senior secured creditor in respect of the Property. The Receiver reports that the Bank was owed approximately \$11.0 million as of August 19, 2025, with interest continuing to accrue, and that the Receiver has also borrowed \$250,000 from the Bank under Receiver's Certificates.
14. The Receiver now seeks approval of a Purchase Agreement dated July 16, 2026 between the Receiver, as vendor, and 1489190 BC Ltd., as purchaser, for the sale of the Property for \$6,400,000, with a \$640,000 deposit held by the purchaser's solicitor.
15. The Purchase Agreement is conditional on Court approval. It provides that the purchaser may terminate the transaction if Court approval is not obtained within 45 days of the date of the Purchase Agreement, and that the sale is to complete within 30 days after Court approval.
16. The Receiver's proposed Approval and Vesting Order would vest the Property in the purchaser free and clear of claims and encumbrances, including the Bank's mortgage and assignment of rents and Cedar Ridge Investments Ltd.'s mortgage and assignment of rents, subject only to the permitted encumbrances identified in the proposed Sale Approval and Vesting Order.
17. On the Receiver's evidence, the Property was listed for sale on or about April 24, 2026 at a listing price of \$7,000,000. The marketing process included a LinkedIn post, preview phone call campaign, listing on AY's website, an official launch email sent to 1,362 local developers and investors, follow-up phone calls, offer solicitation calls, and advertisements in the June and July editions of the Western Investor.
18. The Receiver reports that 13 parties executed confidentiality agreements and obtained access to the data room, two parties expressed interest at \$3 million and \$5.5 million but did not proceed with a formal offer, and one formal offer was received.
19. The Receiver also reports that the purchaser initially made an offer on June 17, 2026, later proposed a reduced price before subject removal, and that the Receiver then negotiated a revised offer which led to the July 16, 2026 Purchase Agreement.
20. Notwithstanding the Receiver's sale process, no order approving a sale has yet been made and no sale has completed. The Debtors' equity of redemption therefore remains available and should be preserved before the proposed sale and vesting relief is granted.

- 4 -

21. The Debtors have remained responsive to the Petitioner, both directly and through counsel, and have continued to engage in good-faith discussions regarding development of the Property and paydown and refinancing of the Petitioner's loan.
22. The Debtors intend to redeem the Property by paying, or arranging for payment of, the amounts properly required to satisfy the Bank's senior secured debt, together with any amounts the Court directs as conditions of redemption, including any proper Receiver's borrowings, charges, and costs.
23. The Receiver's own materials recognize that the Company and a third-party lender had been corresponding with the Receiver concerning refinancing efforts, and that the Receiver held discussions with that third-party lender.
24. The Purchase Agreement itself contemplates redemption before Court approval. Schedule "A" to the Purchase Agreement provides that acceptance of the offer, and any obligation of the Receiver to put the offer before the Court, may be terminated at any time before the Court makes the Vesting Order approving the sale if the debts secured against the Property are redeemed.
25. The Receiver seeks approval to distribute the remaining net proceeds to the Bank. The Receiver estimates net proceeds from the Property sale of approximately \$6.155 million and estimated net cash available for distribution to the Bank of approximately \$5.858 million, after repayment of Receiver's borrowings, estimated professional fees to complete, and a contingency.
26. The Receiver reports that, given the Bank's indebtedness is approximately \$11 million, the Bank is expected to suffer a material shortfall and no other creditors will receive any recovery if the proposed sale and distribution proceed.
27. The Debtors deny that the anticipated shortfall to the Bank justifies extinguishing the Debtors' equitable right to redeem before the redemption proposal is tested. If redemption completes, the Bank can be paid in full, the Receiver's borrowings and proper charges can be addressed, and the proposed sale and distribution would be unnecessary.
28. The Debtors seek to have their redemption application heard before, or at the same time as and prior to determination of, the Receiver's Application because approval of the proposed sale transaction and related distribution and discharge relief may impair, or effectively extinguish, the Debtors' practical ability to redeem the Bank's mortgage and preserve the Property.

Part 5: LEGAL BASIS

A. The Equitable Right of Redemption

1. There is perhaps no area of the law where the contribution of equity is so complete as the law with respect to the enforcement of mortgages.
2. In *355498 B.C. Ltd. v. Namu Properties*, 1999 BCCA 138 [*Namu Properties*], at para. 12, Southin J.A. affirmed the oft-cited judgment of Jessel M.R. in *Campbell v. Holyland* (1877), 7 Ch. 166, that although a mortgage may be absolute in form when the condition is broken,

equity treats it as security for a debt and gives relief by way of redemption. Even after an order absolute of foreclosure, the mortgagee remains subject to the Court's equitable discretion, and the mortgagor may still be permitted to redeem.

3. The equity of redemption arises from the relationship between mortgagor and mortgagee. That fundamental relationship was confirmed in *North Vancouver v. Carlisle*, 1922 CanLII 726 (BCCA). In BC, notwithstanding later changes to the *Land Title Act*, R.S.B.C. 1996, c. 250, a mortgage continues to operate as if it were a conveyance with a right of defeasance. The right of defeasance, or equity of redemption, does not arise because foreclosure proceedings are commenced. This is because, as noted in *CIBC v. Burnham*, 1986 CanLII 1032 at para. 11, proceedings for redemption were invented prior to proceedings for foreclosure.
4. The concept of defeasance, or equity of redemption, is the long-standing equitable "golden thread" that runs throughout the mortgage relationship. It informs and constrains enforcement steps taken under a mortgage, including the appointment of a receiver and any subsequent application to approve a sale of the mortgaged property. That principle is particularly important here because the Property is not simply a static asset: it is vacant development property with identified density upside, an active Amendment Application, and an estimated value materially higher than the proposed sale price if its planning potential is preserved.
5. It is well established that the Court will not permit the right of redemption to be fettered. A term that constitutes a clog on the equity of redemption is unenforceable: *Namu Properties* at paras. 13 and 15.
6. The prohibition against clogs on the equity of redemption protects the inviolability of the mortgagor's right to redeem. The mortgagor is entitled, upon payment of the secured debt, to recover the mortgaged property completely and unimpaired by the terms of the mortgage. The doctrine exists to protect necessitous landowners from oppressive agreements and from lenders who might take advantage of the mortgagor's vulnerability. Subject only to the mortgagee's power of sale and the Court's foreclosure jurisdiction, a mortgagor cannot be deprived of the property except through a process that tests value and preserves the mortgagor's inviolable right to redeem: *Dical Investments Ltd. v. Morrison* (C.A.), 1990 CanLII 6606 at p. 8; see also *Dhillon v. Jhutee*, 1998 CanLII 5414 (BCSC) at paras. 15–19.
7. The equity of redemption is a concept that equity imposed upon the parties to a mortgage, despite the wording of any agreement to the contrary, as an "inviolable and sacrosanct principle of equity". In other words, no provision in a mortgage can be construed so as to be inconsistent with the right of redemption - period: *Bank of Montreal v. Beilstein*, 1998 CanLII 6982 (NWTSC) at paras. 11, 15, 17 and 21; *Imor Capital Corp. v. Bullet Enterprises Ltd.*, 2012 BCSC 899 at paras. 12–14.

B. Redemption Remains Available Before Final Sale

8. The equitable right of redemption is a fundamental incident of a mortgage. It permits a mortgagor, or those standing in the mortgagor's position, to recover the charged property by paying the secured debt before the right has been finally foreclosed or displaced by a completed court-approved sale.

9. In *Bank of Montreal v. Hester Creek Estate Winery Ltd.*, 2004 BCSC 724, the Court permitted redemption in a receivership/sale context, set aside a court-approved sale, and adjourned the sale application to permit the bankrupt estate's trustee to redeem by paying the secured creditors in full, stating at para. 27: "Whenever there is a court-ordered sale process, it is always implicit that the conduct of sale is subject to the debtor being able to pay of the secured creditor before a sale is approved by the court." The case supports the proposition that redemption remains available before final sale approval, absent truly extraordinary circumstances.
10. In *League Assets Corp. (Re)*, 2015 BCSC 619, the Court confirmed that before registration of an order absolute, the mortgagor could pay the mortgage debt and require delivery of discharges. Although decided in the foreclosure context, the principle reinforces that the right to redeem should be preserved until the relevant property interest has been finally and effectively transferred.
11. In *Bank of Montreal v. Haro-Thurlow Street Project Limited Partnership*, 2024 BCSC 47, the Court granted a receivership, but expressly preserved the borrowers' opportunity to redeem by restricting the receiver's sales efforts and sale approval application for a defined period. At paragraphs 91-93, the Court clarified that it is not the granting of conduct of sale that extinguishes the right of redemption, stating: "a redemption can take place at any time prior to a sale being approved by the Court on an application by any receiver."
12. That is the present case. No order approving the Receiver's proposed transaction has been made, no sale has completed, and the Purchase Agreement itself recognizes the possibility of redemption before Court approval by permitting termination if the debts secured against the Property are redeemed before the Court makes the Vesting Order. The Receiver's own sale agreement therefore reflects the legal reality that the Debtors' redemption right remains alive unless and until the Court approves and implements a sale that displaces it.
13. In *Evanton Limited v. American Bullion Minerals Ltd.*, 2003 BCSC 1958, the Court recognized that a debtor in receivership retained a statutory right to redeem collateral before disposition. The Court declined to order redemption on the facts because no concrete redemption plan had been advanced. Here, unlike in *Evanton*, the Debtors have remained engaged with the Petitioner and the Receiver, have pursued refinancing discussions, and the Receiver's own materials acknowledge correspondence with a third-party lender and discussions with that lender concerning refinancing efforts.
14. In *Namu Properties*, the Court reopened an order absolute and ordered reconveyance to the mortgagor on specified terms, holding that equitable relief remained available before a bona fide purchaser obtained certificate of title. The case reflects the Court's broad equitable jurisdiction to prevent the loss of property where redemption can be effected without unfair prejudice up to the very date when title is transferred.
15. The authorities distinguish cases where a sale has been completed or vested in a purchaser. In *Montreal Trust Company v. Brown*, 1974 CanLII 1108 (BC CA), redemption was refused after the judicial sale had been completed by payment of the purchase money into court and vesting in the purchaser. That concern does not arise here because the Receiver's proposed transaction has not yet been approved or completed, and because

the purchaser contracted on terms that expressly contemplated redemption before any Vesting Order.

C. Extension of the Redemption Period

16. The Court also has discretion to extend the redemption period in appropriate circumstances, and that discretion may be exercised either before or after expiry of the redemption period: *1103969 B.C. Ltd. v. 1069185 B.C. Ltd.*, 2019 BCCA 73 at paras. 25–28. The governing inquiry is whether the mortgagor has shown that the property provides sufficient value as security for the amount outstanding and that there is a reasonable prospect of repayment within the extended redemption period: *Canada Permanent Mortgage Corp. v. Dan-Al Construction Co. Ltd.*, [1982] B.C.J. No. 239.
17. Both requirements are met here, or at minimum are sufficiently engaged to justify an adjournment or short extension on strict terms. The Property has an estimated land value range of \$20.3 million to \$23.2 million without the amendment, and \$22 million to \$26 million with the amendment, against the Bank's reported indebtedness of approximately \$11 million plus interest and the Receiver's reported borrowings. The Property therefore provides substantial apparent value as security, particularly when compared to the proposed sale price of \$6.4 million and the Receiver's estimated net cash available for distribution of approximately \$5.858 million.
18. The reasonable prospect of repayment is also supported by the facts. The Debtors have remained responsive to the Petitioner and have continued good-faith discussions concerning paydown and refinancing. The Receiver's own materials recognize that the Company and a third-party lender had been corresponding with the Receiver concerning refinancing efforts, and that the Receiver held discussions with that lender. The law requires a reasonable prospect of repayment, not certainty of repayment, particularly where a short extension may permit full payment of the secured debt and avoid an unnecessary forced sale.
19. In *Bancorp Growth Mortgage Fund II Ltd. v. Rouleur (Woodland) Limited Partnership*, 2021 BCSC 898, the Court adjourned an application for conduct of sale and granted a three-month extension of the redemption period where the respondents had obtained an offer to purchase the properties for an amount exceeding the amount required to redeem. The offer remained subject to conditions precedent in favour of the purchaser, but the Court held that the test was a reasonable prospect of repayment, not commercial certainty, and granted the extension notwithstanding the risk that the purchaser might not remove subjects.
20. Similarly, in *Mission Creek Mortgage Ltd. v. Angleland Holdings Inc.*, 2010 BCSC 1593, the Court granted a six-month extension of the redemption period after the respondents obtained a letter of intent to finance, concluding that refinancing was a reasonable prospect if pursued with vigour and focus: at paras. 15, 30, 31 and 35.
21. A short extension or adjournment is therefore in the best interests of all parties if it permits a refinancing and payout in full. The Bank would receive payment of the senior secured debt, the Receiver's borrowings and proper charges can be addressed as conditions of redemption, and the Debtors' equity of redemption would be preserved without impairing the Receiver's ability to return for sale approval if redemption does not complete within the

time fixed by the Court. By contrast, the proposed sale would leave an estimated material shortfall to the Bank and no recovery for any other creditors.

D. The Court Should Preserve Redemption

22. The Court should therefore preserve and give effect to the Debtors' right of redemption. If the Bank is paid in full, the purpose of the receivership as against the senior secured mortgage debt will be satisfied, there will be no unfair prejudice to the Bank, and the extraordinary relief associated with an RVO will be unnecessary or should at least be adjourned pending completion of redemption.
23. No order approving a sale has been made. Until the Court approves and implements a final sale, and perhaps even until title has passed, the Debtors' equity of redemption remains available. It should be preserved where the Bank can be paid in full, the Receiver's borrowings and proper charges can be addressed by strict terms, and any prejudice can be managed by a defined redemption timetable.
24. Preserving redemption is also consistent with the commercial reality of the Property. The Debtors' evidence is that the Property has meaningful development upside arising from its anticipated density increase, its location within a Frequent Transit Development Area, the Amendment Application, the negotiated reduction in voluntary CAC payments following *Lorval*, and the potential increase in land value if the amendment is granted. Approval of the proposed sale now would transfer that upside for \$6.4 million before the Debtors' redemption proposal is tested.
25. The Court should therefore make the orders in the manner that best preserves redemption while protecting the integrity of the sale process. The Receiver's sale approval application should be adjourned, dismissed, or refused to the extent necessary to permit redemption to complete because approval of the proposed RVO before the redemption proposal is tested would risk defeating the Debtors' equity of redemption. In the alternative, if the Court is not prepared to dismiss or refuse the sale approval application outright, it should adjourn that application and preserve the Debtors' right to redeem for a defined period on strict terms fixed by the Court. If the Court is otherwise minded to approve the Receiver's application, any approval should be expressly subject to a redemption order permitting the Debtors to complete redemption within the time directed by the Court, with the Receiver directed to cooperate by providing payout information, reasonable closing deliverables, and any consents or directions reasonably required for completion.

E. Sale Approval Principles include Preserving Redemption

26. The governing sale approval framework is the four-part test from *Royal Bank of Canada v. Soundair Corp.*, as applied in British Columbia in authorities including *Farm Credit Canada v. Gidda* and *Kruger v. Wild Goose Vintners Inc.*: whether the Receiver made sufficient efforts to obtain the best price and acted providently; whether the sale is in the interests of all parties; the efficacy and integrity of the process; and whether the process was unfair. The Receiver bears the burden of satisfying the Court that those factors support approval.
27. The Court's role is not limited to deferring to the Receiver's commercial preference. Although the Court gives appropriate weight to a receiver's business judgment, it retains

an independent gatekeeping role and may refuse or adjourn approval where the proposed transaction is unnecessary, unfair, or fails to properly account for affected stakeholders. *QRD (Willoughby) Holdings Inc. v. MCAP Financial Corporation*, 2024 BCCA 318 confirms that sale approval requires a fair balancing of the *Soundair* factors and that a receiver owes duties to all affected parties, including the debtor and different classes of creditors.

28. On the present application, the central question is not whether the Receiver has found a commercially acceptable purchaser; it is whether sale approval should be granted when the Debtors seek to redeem before any sale has been approved or completed. *Kruger* recognizes that redemption rights must be balanced against purchaser interests and the integrity of the sale process, and distinguishes *Bank of Montreal v. Hester Creek Estate Winery Ltd.*, where redemption prevented sale approval because the secured debt could be paid in full.
29. That balance favours preserving redemption here. The proposed sale price is \$6.4 million, while the Receiver estimates net cash available for distribution to the Bank of approximately \$5.858 million against indebtedness of approximately \$11 million, leaving a material shortfall and no expected recovery for other creditors. The Debtors' redemption proposal, if completed, would instead pay the Bank in full and address the Receiver's proper borrowings, charges, and costs. It would also preserve the Debtors' ability to capture the Property's development value, including the potential value associated with the Amendment Application and the anticipated increase in density.
30. The sale process facts do not displace that conclusion. The Receiver marketed the Property, obtained confidentiality agreements from 13 parties, received only one formal offer, and negotiated the revised Purchase Agreement after the purchaser attempted to reduce its price before subject removal. Those facts may explain how the Purchase Agreement came about, but they do not answer the equitable question of whether the Court should approve a transaction that may extinguish redemption when the Property's estimated value and development upside materially exceed the proposed sale price and when redemption has not yet been tested.
31. This case falls on the *Hester Creek* side of the balance if the Debtors demonstrate a concrete ability to pay the Bank and satisfy the conditions imposed by the Court. The Bank can be protected by payment in full together with interest, costs, Receiver's charges, and any further terms the Court considers necessary. By contrast, approval of the proposed RVO may make redemption practically impossible and may irreversibly transfer the Property before the Debtors' redemption proposal is tested.
32. The Court should therefore make the orders in the manner that best preserves redemption while protecting the integrity of the sale process. The Receiver's sale approval application should be dismissed, refused, or adjourned to the extent necessary to permit the Debtors' redemption proposal to be tested because the sale approval analysis cannot be divorced from the Debtors' outstanding equity of redemption.
33. At minimum, the application should be adjourned on strict terms that require the Debtors to establish and complete payment within the time fixed by the Court, while preserving the Receiver's ability to return for sale approval if redemption does not complete. If the Court is otherwise prepared to approve the Receiver's proposed transaction, approval should

be expressly subject to a redemption order so that the RVO does not operate to defeat a right that remains available before final sale approval and completion.

Part 6: MATERIAL TO BE RELIED ON

1. The pleadings had and filed in the within proceedings;
 2. The Receivership Order, pronounced January 8, 2026;
 3. The First Report of the Receiver, dated August 18, 2026;
 4. Affidavit #1 of A. Cheema, filed September 30, 2025;
 5. Affidavit #1 of S. Martin, filed October 6, 2025;
 6. Affidavit #2 of S. Martin, filed January 7, 2026;
 7. Affidavit of A. Cheema, to be filed;
 8. Such further and other material as counsel may advise and this Honourable Court may permit.
- ☒ The Application Respondents have filed in this proceeding a document that contains an address for service.

Date: August 24, 2026.



DAN A.T. MOSELEY

Signature of ☒ lawyer for the Application
Respondents, Carvolth 86th Avenue Lands Ltd.,
Maskeen (Carvolth) GP Inc. and Maskeen
(Carvolth) Limited Partnership, Jagdip Singh Sivia
and Jatinderpal Singh Gill

No. S-260086
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

MCAP FINANCIAL CORPORATION

PETITIONER

AND:

MASKEEN 177 PROJECTS LTD., 0676086 B.C. LTD., MASKEEN
DEVELOPMENT LTD., MASKEEN HOMES LTD., 1302095 B.C. LTD., 0943151
B.C. LTD., 0816980 B.C. LTD., 0816984 B.C. LTD., PRO RIDGE HOMES LTD.,
PRORIDGE VENTURES INC., JAGDIP SINGH SIVIA, AMARJIT KAUR SIVIA,
JATINDERPAL SINGH GILL, HARBANS KAUR GILL, PRABHDEV SINGH
KHERA, FIRST WEST CREDIT UNION, TOKIO MARINE CANADA LTD.,
VACNOUVER CITY SAVINGS CREDIT UNION, BMW CANADA INC., FRONT
STREET LEASING LP O/A DILAWRI LEASING, OPENROAD LEASING, TD
AUTO FINANCE (CANADA) ENVIRONMENTAL SERVICES LTD., INTEGRITY
SHORING & CIVIL LTD., WITH ASSUMES NAME: ISC SHORING & CIVIL LTD.,
MADNESS FORMING & CONSTRUCTION SERVICES INC., AND PDQ
CONSTRUCTION LTD.

RESPONDENTS

AFFIDAVIT

DLA Piper (Canada) LLP
Barristers & Solicitors
Suite 2700
1133 Melville Street
Vancouver, BC V6E 4E5

Tel. No. 604.687.9444
Fax No. 604.687.1612

File No.: 045036-00175

AK

This is **Exhibit “ D ”** referred to in the 1st
Affidavit of Ashley Kumar sworn before me
at Vancouver, British Columbia, on this
31st , day of August, 2026.

A handwritten signature in black ink, consisting of a large loop followed by a vertical stroke and a horizontal stroke.

A Commissioner for taking Affidavits for
British Columbia



This is the second affidavit of A. Cheema in this case and was made on August 25th, 2025.

NO. S-256472
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

NATIONAL BANK OF CANADA

PETITIONER

AND:

CARVOLTH 86TH AVENUE LANDS LTD. MASKEEN (CARVOLTH) GP INC.
AND MASKEEN (CARVOLTH) LIMITED PARTNERSHIP

RESPONDENTS

AFFIDAVIT

I, Amrinder S. Cheema, businessman, c/o McQuarrie Hunter LLP, whose offices are located at 15th Floor, 13450 102nd Avenue, in the City of Surrey, in the Province of British Columbia, MAKE OATH AND SAY THAT:

1. I am the Chief Financial Officer of the Maskeen Group of Companies, which includes the Respondents in the within proceedings, and as such, I have personal knowledge of the facts and matters hereinafter deposed to, except where stated to be based on information and belief, and where so stated I verily believe them to be true.
2. I have read the Petition and the Response to the Petition in these proceedings, I adopt the terms and definitions set out therein, and I am authorized to make this affidavit on behalf of the Respondents.
3. The Property is development property, with an expected increase in permitted density as a result of the updating of the Willoughby Community Plan, and as a result of being designated as within a Frequent Transit Development Area, all of which is expected to increase the value of the Property.
4. The Property has an estimated land value range of \$20.3M to \$23.2M without the amendment, and an estimated land value range of \$22M to \$26M with the amendment, indicating an increase of \$1.7M to \$5.7M, depending on the value range. The most recent appraisal from Garnet Wilson as of September 30, 2025 values the Property at \$24,100,000.00 'as-is' and \$28,600,000.00 assuming its rezoned.
5. The Respondents have been working diligently to redeem the Property, but it's been difficult in the current economic environment and with the stigma attached to a development in Receivership.
6. I have been working with 24th Avenue Capital, LLC (the "Lender"), who is a US-based lender prepared to advance funds to redeem the Property. The Lender has now provided me with a Commitment Letter dated August 24, 2026 (the "Commitment Letter") and a Proof of Funds Letter also dated August 24, 2026 (the "Proof of Funds Letter").

7. There are no conditions precedent other than completion of satisfactory legal and document release by the Lender's closing department, execution of definitive loan documentation, and no material adverse change in the Project or the Borrower.
8. Attached collectively hereto and marked **Exhibit "A"** is a copy of the Commitment Letter and the Proof of Funds Letter.
9. The Commitment Letter calls for funding 30 days after execution.
10. Whereas if the Property is redeemed the petitioner will receive back its principal and interest, the proposed sale represents a significant shortfall which will affect the borrowers and its principals and guarantors, the petitioner, and various other stakeholders who are creditors.

SWORN BEFORE ME at the City of Surrey,
Province of British Columbia this 25th day of
August, 2026.

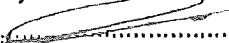


A Commissioner for taking Affidavits within British
Columbia


AMRINDER S. CHEEMA

DAN A.T. MOSELEY
Barrister & Solicitor
Suite 1500, 13450 - 102nd Ave.
Surrey, B.C. V3T 5X3
604-581-7001

This is Exhibit " A " referred to in the
affidavit of A. Cheemu
sworn before me at Surrey, BC
this 25th day of August, 2026.


A Commissioner for taking Affidavits
Within British Columbia



COMMITMENT LETTER

Date: August 24, 2026

Borrower: CARVOLTH 86TH AVE LANDS LTD.

Re: Maskeen Development
20120 86 Avenue, Langley, British Columbia

1. INTRODUCTION

24th Avenue Capital, LLC ("Lender") is pleased to present this Commitment Letter ("Commitment") to provide construction financing to CARVOLTH 86TH AVE LANDS LTD. ("Borrower") for the development of a 464-unit residential condominium project located in the New West District submarket of Langley, B.C. (the "Project" or "Property").

2. BORROWER / GUARANTORS

Borrower: CARVOLTH 86TH AVE LANDS LTD.

Sponsors: Jatinderpal Singh, Jagdip Singh

Completion Guarantor: Maskeen Projects Inc.

3. LOAN TERMS

Total Est. Project Cost: Up to USD \$267,015,000

Facility Size: Up to USD \$225,615,000 made up as follows:

(a) Up to USD \$173,550,000 Term-Loan

(b) Up to USD \$52,065,000 Equity

Loan Type: Senior secured real estate construction loan

Lien Position: First priority mortgage or deed of trust

Term Loan: Up to twenty-four (24) months from the date of closing, with two (2) additional six (6)-month extension options, subject to Lender approval and satisfaction of applicable extension conditions.

First Advance at Settlement: USD \$12,000,000.00 plus fees

Repayment Type: Interest-only payments

Interest Rate Estimate: 8.50%

Extension Options: Two six-month extension options available

24th Avenue Capital, LLC
1090 Center Drive Park City, UT 84098
Office: (307) 650-2037

Page 1 of 5



Equity: Up to 30% of total project cost

Payment Structure: Interest-only during the loan term

Repayment: Monthly interest payments with all outstanding principal and accrued interest due at maturity

Loan-to-Cost (LTC): 65%

Additional Requirements: Minimum 10% Sponsor Equity contribution in cash and/or eligible collateral

4. FUNDING STRUCTURE

The Loan will be funded through a finalized line of credit and/or correspondent relationship structure established by 24th Avenue Capital.

5. FEES AND EXPENSES

Lender Fees

Item	Amount
Term loan:	2.50% (Due at Closing from Loan Proceeds)
Legal Fee:	USD \$5,000.00 (Paid at execution of this Commitment)

Review Fee and Legal Deposit. Upon execution of this Commitment Letter, Borrower shall remit a non-refundable legal deposit of Five Thousand Dollars (USD \$5,000.00). The legal deposit shall be applied toward Lender's legal fees and expenses incurred in connection with the proposed transaction. Any legal fees and expenses incurred in excess of the USD \$5,000.00 legal deposit shall be the responsibility of Borrower and shall be due and payable in full at settlement (closing).

General Cost Responsibility

Borrower shall be responsible for all costs and expenses incurred in connection with underwriting, due diligence, and closing of the Loan, including but not limited to appraisal, environmental, legal, title, escrow, engineering, insurance, and other customary transaction costs, whether or not the Loan closes.

6. USE OF PROCEEDS

Loan proceeds shall be used for clearing the debt associated with the subject property and the construction and development of the Project.

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7. COLLATERAL

The Loan shall be secured by customary collateral, including a first priority mortgage or deed of trust, assignment of rents and leases, security agreement and UCC filings, pledge of ownership interests, completion guaranty, non-recourse carve-out guarantees, and such additional collateral as may be required by Lender.

8. RECOURSE

The Loan shall be non-recourse except for customary "bad boy" carve-outs, including but not limited to fraud, misrepresentation, bankruptcy-related actions, misapplication of funds, environmental liabilities, and unauthorized transfers. A completion guaranty shall be required.

9. CONSTRUCTION AND DEVELOPMENT TERMS

Construction and Development Controls

Item	Indicative Term
Construction Budget	USD \$267,015,000 subject to lender approval
Draw Process	Milestone-based funding draws verified by inspection and cost-to-complete reporting
Completion Guarantee	Completion guarantees, insurance, warranties and contractor packages to be reviewed.
Cost Overruns	Sponsor responsible for cost overruns
Contractor	Maskeen Projects Inc. (subject to lender approval)

Key Project Metrics

Metric	Amount
Total Project Cost	USD \$267,015,000
Estimated Project Value	USD \$346,700,000
Units	464 condominium units

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10. CONDITIONS PRECEDENT

The proposed Loan is subject to completion of satisfactory legal and document release by Lender's closing department, execution of definitive loan documentation, and no material adverse change in the Project or Borrower.

11. GENERAL CONDITIONS

All general requests have been received.

12. COSTS AND EXPENSES

Borrower shall pay all costs and expenses incurred in connection with the Loan, including legal fees, whether or not the Loan closes.

13. INDEMNIFICATION

Borrower shall indemnify and hold Lender harmless from any losses, claims, damages, and expenses arising from the Loan or Property.

14. NON-ASSIGNMENT

Borrower may not assign this Commitment or the Loan without Lender's prior written consent.

15. TIMELINE

Closing to occur within 30 calendar days at closing department's sole discretion. 24-hour acceptance window.

16. ARBITRATION

Any controversy, claim, or dispute arising out of or relating to this Commitment or the proposed financing transaction shall be resolved by binding arbitration administered in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The arbitration shall take place in the State of Wyoming, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The fees and costs of the arbitration, exclusive of each party's attorney's fees and costs, shall be borne equally by the parties. If either party fails or refuses to pay its share of the arbitration fees and costs, the other party may advance those amounts. In such event, the non-paying party shall be deemed to have waived its right to participate in the arbitration unless and until reimbursement is made. In the event of any conflict or inconsistency between this Commitment and any definitive loan documentation

24th Avenue Capital, LLC
1090 Center Drive Park City, UT 84098
Office: (307) 650-2037

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executed by the parties, the terms and conditions contained in the definitive documentation shall control.

17. CONFIDENTIALITY

The parties agree that this Commitment and all information contained herein are confidential and shall not be reproduced, distributed, or disclosed to any third party except each party's legal, financial, or professional advisors who are bound by similar confidentiality obligations.

18. NON-BINDING NATURE

This Commitment is non-binding except for provisions relating to fees, confidentiality, governing law, and dispute resolution.

19. ACCEPTANCE

24TH AVENUE CAPITAL, LLC

Signatures

Jason M. de Murray

Jason M. de Murray
CIO\ Managing Director
24th Avenue Capital LLC

CARVOLTH 86TH AVE LANDS LTD.

By: *[Signature]*
Name: Jagdeep Sivia
Title: Director
Date: August 24, 2026

24th Avenue Capital, LLC
1090 Center Drive Park City, UT 84098
Office: (307) 650-2037

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24th Avenue Capital, LLC
1090 Center Drive
Park City, UT 84098

08.24.2026

To Whom It May Concern

Re: Statement of Present Ability to Fund

Project: Maskeen Development

Subject Address: 20120 86 Avenue, Langley, British Columbia

Contemplated Facility Size: USD \$225,615,000

This letter is provided in connection with the proposed financing of the above-referenced project and is intended solely to confirm the present platform capability, capitalization framework, institutional relationships, and transaction capacity of 24th Avenue Capital, LLC in relation to the contemplated financing.

As previously outlined in materials shared regarding 24th Avenue Capital, LLC, the firm is being developed as a real estate and structured capital platform designed to originate, structure, and execute transactions across commercial real estate, bridge financing, acquisition-related capital, recapitalizations, development-related transactions, and other bespoke asset-backed opportunities. From a capitalization and execution standpoint, the platform is being built around a single source of funds, including a contemplated line of credit platform of up to approximately USD \$225,615,000.

Based on its present internal assessment, capital planning, platform design, and institutional relationships, 24th Avenue Capital, LLC confirms that it has the present ability to evaluate, support, and discuss a contemplated financing for Maskeen Development in an amount of up to USD \$225,615,000, subject to all times to satisfactory completion of underwriting, due diligence, internal approvals, legal and compliance review, confirmation of capital availability at the relevant time, and the negotiation and execution of mutually acceptable definitive documentation.

24th Avenue Capital, LLC further confirms that a contemplated financing in the amount of USD \$225,615,000 falls within the scope of transaction sizes the firm is prepared to consider and support. The firm does not regard a financing of this size as disproportionate to its broader capitalization strategy, contemplated line capacity, capital relationships, or integrated execution framework. Rather, the requested facility amount is viewed as a transaction that can be assessed within the platform's intended operating range, whether supported directly and/or through affiliated capital sources, lending partners, co-lending structures, warehouse arrangements, participation structures, or other institutional capital relationships, depending on the final transaction structure and applicable approval pathway.

24th Avenue Capital, LLC
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The purpose of 24th Avenue Capital, LLC's platform design is to preserve flexibility in matching the appropriate form of capital to a particular transaction rather than forcing each opportunity into a single product structure. It is on that basis that the firm confirms that the contemplated Maskeen Development facility is of a nature and scale that sits within the class of transactions the platform is designed to evaluate and support.

Based on current internal planning and platform development, 24th Avenue Capital, LLC does not presently anticipate that near-term funding capacity should, in itself, constitute an impediment to advancing discussions regarding a financing of this nature, assuming the underlying transaction continues to satisfy the firm's commercial, legal, technical, underwriting, diligence, compliance, and closing requirements. The firm is therefore comfortable confirming, for present purposes only, that both the contemplated facility size and the anticipated execution profile are within a manageable and supportable range from its perspective.

For the avoidance of doubt, this letter is intended solely as a statement of present platform capability, capital relationships, and transaction capacity in connection with the contemplated financing. It is provided exclusively for informational, evidentiary, and discussion purposes.

This letter does not constitute, and shall not be construed as, any of the following:

- (i) a loan commitment;
- (ii) a binding obligation to lend, fund, or arrange financing;
- (iii) a credit approval or final underwriting approval;
- (iv) a guarantee of financing or capital availability;
- (v) a reservation, earmarking, or segregation of funds;
- (vi) a term sheet, mandate, or commitment to proceed; or
- (vii) any legally enforceable promise, undertaking, or obligation of any kind.

This letter is not intended to create, and shall not be construed as creating, any legally binding obligation, commitment, undertaking, or liability of any kind on the part of 24th Avenue Capital, LLC or any of its affiliates, related entities, funding sources, counterparties, principals, officers, directors, employees, agents, or representatives.

No party may rely on this letter as a commitment or agreement by 24th Avenue Capital, LLC to lend, fund, arrange, syndicate, reserve, allocate, or otherwise make available any financing. No such obligation shall arise unless and until definitive written agreements have been negotiated, approved, executed, and delivered by all relevant parties, and all stated conditions precedent have been satisfied or expressly waived in writing.

Any potential financing remains expressly subject to, among other matters, satisfactory completion of financial, legal, technical, and commercial due diligence; confirmation of project economics, budget, schedule, capitalization, and exit assumptions; review of all borrower, sponsor, guarantor, and project-level information; review and acceptance of appraisal, valuation, title, survey, environmental,

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insurance, and construction-related materials; satisfaction of internal underwriting, investment committee, credit committee, compliance, and risk management requirements; structuring of the transaction in a manner acceptable to the relevant funding sources; confirmation of capital availability and final allocation at the time of closing; and execution and delivery of definitive agreements in form and substance satisfactory to all relevant parties.

Accordingly, this letter should be read solely as a good-faith statement of present platform capability and transaction capacity to evaluate and discuss a contemplated financing of this nature and scale, and not as a commitment to provide financing.

24th Avenue Capital, LLC appreciates the opportunity to be considered in connection with the proposed financing and remains willing to continue discussions in good faith regarding the transaction.

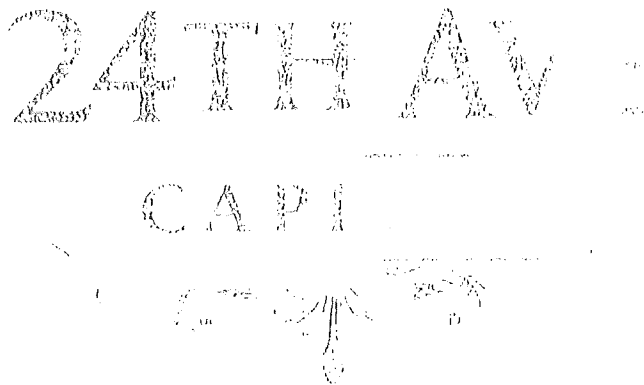
Sincerely,

By: Michael Brunsvold

Name: Michael Brunsvold

Title: Head of Treasury

Date: 8/24/2026

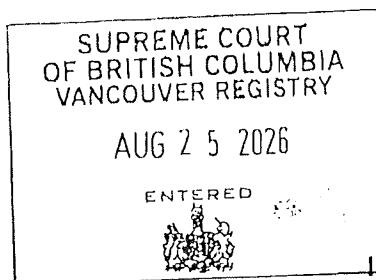


24th Avenue Capital, LLC
1090 Center Drive Park City, UT 84098
Office: (307) 650-2037

This is **Exhibit “ E ”** referred to in the 1st
Affidavit of Ashley Kumar sworn before me
at Vancouver, British Columbia, on this
31st , day of August, 2026.

A handwritten signature in black ink, consisting of a large loop on the left and a series of horizontal strokes extending to the right, ending in a vertical line.

A Commissioner for taking Affidavits for
British Columbia



No. S-256472
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN

NATIONAL BANK OF CANADA

PETITIONER

AND

CARVOLTH 86TH AVENUE LANDS LTD., MASKEEN (CARVOLTH) GP INC.
AND MASKEEN (CARVOLTH) LIMITED PARTNERSHIP

RESPONDENTS

ORDER MADE AFTER APPLICATION
(APPROVAL AND VESTING ORDER)

BEFORE THE HONOURABLE	)	TUESDAY, THE 25 TH DAY
MADAM JUSTICE FITZPATRICK	)	OF AUGUST, 2026

ON THE APPLICATION of FTI Consulting Canada Inc. ("FTI"), in its capacity as Court-appointed Receiver and Manager (the "**Receiver**") of the assets, undertakings and properties of Carvolth 8th Avenue Lands Ltd., Maskeen (Carvolth) GP Inc., and Maskeen (Carvolth) Limited Partnership (the "**Debtors**"), coming on for hearing at Vancouver, British Columbia, on the 25th day of August, 2026; AND ON HEARING Ashley Bowron, *and H. Lance Williams* counsel for the Receiver, and those other counsel listed on **Schedule "A"** hereto; AND UPON READING the material filed, including the First Report of the Receiver, dated August 18, 2026 (the "**First Receiver's Report**");

THIS COURT ORDERS AND DECLARES THAT:

1. The time for service of the Notice of Application and supporting materials is hereby abridged such that the Notice of Application is properly returnable today.
2. The sale transaction (the "**Transaction**") contemplated by the contract of purchase and sale dated July 16, 2026 (the "**Sale Agreement**") between the Receiver and 1489190 BC Ltd. (the "**Purchaser**"), a copy of which is attached as Appendix "A" to the First

Receiver's Report is hereby approved, and the Sale Agreement is commercially reasonable. The execution of the Sale Agreement by the Receiver is hereby 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 to the Purchaser of the assets described in the Sale Agreement (the "**Purchased Assets**").

3. Upon delivery by the Receiver to the Purchaser of a certificate substantially in the form attached as **Schedule "B"** hereto (the "**Receiver's Certificate**"), all of the Debtors' right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on **Schedule "C"** hereto shall vest absolutely in the Purchaser in fee simple, 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 this Court dated January 8, 2026; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Columbia or any other personal property registry system; and (iii) those Claims listed on **Schedule "D"** 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 "E"** 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. Upon presentation for registration in the Land Title Office for the Land Title District of New Westminster of a certified copy of this Order, together with a letter from McCarthy Tétrault LLP, solicitors for the Receiver, authorizing registration of this Order, the British Columbia Registrar of Land Titles is hereby directed to:
 - (a) enter the Purchaser as the owner of the Lands, as identified in **Schedule "B"** hereto, together with all buildings and other structures, facilities and improvements located thereon and fixtures, systems, interests, licenses, rights, covenants, restrictive covenants, commons, ways, profits, privileges, rights, easements and appurtenances to the said hereditaments belonging, or with the

same or any part thereof, held or enjoyed or appurtenant thereto, in fee simple in respect of the Lands, and this Court declares that it has been proved to the satisfaction of the Court on investigation that the title of the Purchaser in and to the Lands is a good, safe holding and marketable title and directs the BC Registrar to register indefeasible title in favour of the Purchaser as aforesaid; and

- (b) having considered the interest of third parties, to discharge, release, delete and expunge from title to the Lands all of the registered Encumbrances except for those listed in **Schedule "E"**.
- 5. 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 from and after the delivery of the Receiver's Certificate all Claims 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 had possession or control immediately prior to the sale.
 - 6. The Receiver is to file with the Court a copy of the Receiver's Certificate forthwith after delivery thereof.
 - 7. Subject to the terms of the Sale Agreement, vacant possession of the Purchased Assets, including any real property, shall be delivered by the Receiver to the Purchaser at 12:00 noon on the Closing Date (as defined in the Sale Agreement), subject to the permitted encumbrances as set out in the Sale Agreement and listed on **Schedule "E"**.
 - 8. The Receiver, with the consent of the Purchaser, shall be at liberty to extend the Closing Date to such later date as those parties may agree without the necessity of a further Order of this Court.
 - 9. Notwithstanding:
 - (a) these proceedings;
 - (b) any applications for a bankruptcy order in respect of the Debtors now or hereafter made pursuant to the *Bankruptcy and Insolvency Act* and any bankruptcy order issued pursuant to any such applications; and

- 4 -

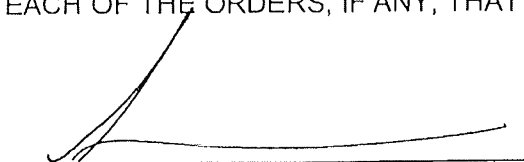
(c) any assignment in bankruptcy made by or in respect of the Debtors,

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 Debtors and shall not be void or voidable by creditors of the Debtors, nor shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* 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.

10. The Receiver or any other party have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order.
11. Endorsement of this Order by counsel appearing on this application, other than counsel for the Receiver, is hereby dispensed with.

THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, 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.

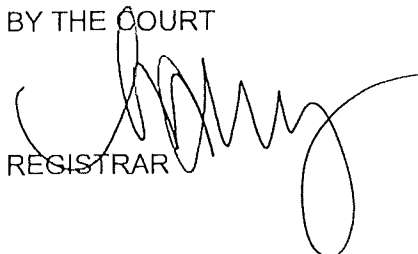
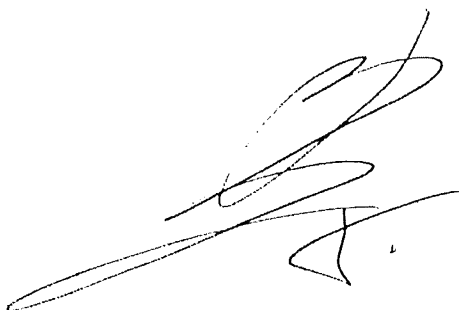
THE FOLLOWING PARTIES APPROVE OF THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



 Lawyer for FTI Consulting Canada Inc.
 McCarthy Tétrault LLP
 (H. Lance Williams and Ashley Bowron)

BY THE COURT

REGISTRAR


SCHEDULE "A"

LIST OF COUNSEL

Name of Counsel	Party Represented
Peter Rubin	National Bank of Canada
Dan Moseley	Respondents
Dustin Ellis	1489190 BC Ltd.

SCHEDULE "B"

No. S-256472
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN

NATIONAL BANK OF CANADA

PETITIONER

AND

CARVOLTH 86TH AVENUE LANDS LTD., MASKEEN (CARVOLTH) GP INC.
AND MASKEEN (CARVOLTH) LIMITED PARTNERSHIP

RESPONDENTS

RECEIVER'S CERTIFICATE

1. Pursuant to an Order of Justice Fitzpatrick of the Supreme Court of British Columbia (the "**Court**") dated January 8, 2026, FTI Consulting Canada Inc. was appointed as the receiver and manager (the "**Receiver**") of the property, assets and undertakings of Carvolth 8th Avenue Lands Ltd., Maskeen (Carvolth) GP Inc., and Maskeen (Carvolth) Limited Partnership.
2. Pursuant to the Approval and Vesting and Order of the Court dated August 25, 2026, the Court, among other things, approved the contract of purchase and sale dated July 16, 2026 between the Receiver and 1489190 BC Ltd. (the "**Purchaser**"), and the transaction contemplated thereby, and providing for the occurrence of certain events in the specified sequence upon delivery by the Receiver to the Purchaser of a certificate confirming (i) payment by the Purchaser of the Purchase Price; (ii) that the conditions to completion as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.
3. Unless otherwise indicated herein, the capitalized terms have the meanings set out in the Sale Agreement.

- 2 -

THE RECEIVER HEREBY CONFIRMS AND CERTIFIES THE FOLLOWING:

4. The Purchaser have paid and the Receiver has received the Purchase Price payable on the Completion Date pursuant to the Sale Agreement;
5. The conditions to closing set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
6. The Transaction has been completed, to the satisfaction of the Receiver.

DATE THIS ____ DAY OF _____, 2026

FTI Consulting Canada Inc., in its capacity as the court-appointed receiver and manager of the assets, properties, and undertakings of Carvolth 8th Avenue Lands Ltd., Maskeen (Carvolth) GP Inc., and Maskeen (Carvolth) Limited Partnership, and not in its personal capacity.

Per: _____

Name:

Title:

SCHEDULE "C"**PURCHASED ASSETS**

1. Those lands in the Province of British Columbia legally described as:

Parcel Identifier 002-331-471

Lot 56 Except: the easterly portion; section 26 township 8 NWD Plan 62363

SCHEDULE "D"**ENCUMBRANCES TO BE DISCHARGED AGAINST PURCHASED ASSETS**Land Title Office

1. Mortgage in favour of National Bank of Canada registered on September 29, 2022, under instrument number CB251146
2. Assignment of Rents in favour of National Bank of Canada registered on September 29, 2022, under instrument number CB251147
3. Mortgage in favour of Cedar Ridge Investments Ltd. registered on September 29, 2022, under instrument number CB251998
4. Assignment of Rents in favour of Cedar Ridge Investments Ltd. registered on September 29, 2022, under instrument number CB251999

Personal Property Registry of British Columbia

5. Base Registration Number 987426N in favour of National Bank of Canada
6. Base Registration Number 113529P in favour of Cedar Ridge Investments Ltd.

SCHEDULE "E"

PERMITTED ENCUMBRANCES, EASEMENTS AND RESTRICTIVE COVENANTS RELATED TO REAL PROPERTY

1. Legal Notations

Easement CB252754 over Lots 1 and 2 Plan EPP102074.

2. Charges, Liens, and Interest

Nature of Charge	Holder of Charge	Registration No.
Easement	N/A	CA8568544

3. Proposed Charges

- a. Statutory Right of Way over the portion of the Property shown on Plan EPP149894 in favour of the Corporation of the Township of Langley with respect to the construction, maintenance and operation of certain road work, telecommunication infrastructure and public utility services.
- b. Statutory Right of Way over the portion of the Property shown on Plan EPP 149894 in favour of British Columbia Hydro and Power Authority with respect to the construction, maintenance and operation of certain electrical distribution and communication works.

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

MCAP FINANCIAL CORPORATION

PETITIONER

AND:

MASKEEN 177 PROJECTS LTD., 0676086 B.C. LTD., MASKEEN
DEVELOPMENT LTD., MASKEEN HOMES LTD., 1302095 B.C. LTD., 0943151
B.C. LTD., 0816980 B.C. LTD., 0816984 B.C. LTD., PRO RIDGE HOMES LTD.,
PRORIDGE VENTURES INC., JAGDIP SINGH SIVIA, AMARJIT KAUR SIVIA,
JATINDERPAL SINGH GILL, HARBANS KAUR GILL, PRABHDEV SINGH
KHERA, FIRST WEST CREDIT UNION, TOKIO MARINE CANADA LTD.,
VACNOUVER CITY SAVINGS CREDIT UNION, BMW CANADA INC., FRONT
STREET LEASING LP O/A DILAWRI LEASING, OPENROAD LEASING, TD
AUTO FINANCE (CANADA) ENVIRONMENTAL SERVICES LTD., INTEGRITY
SHORING & CIVIL LTD., WITH ASSUMES NAME: ISC SHORING & CIVIL LTD.,
MADNESS FORMING & CONSTRUCTION SERVICES INC., AND PDQ
CONSTRUCTION LTD.

RESPONDENTS

AFFIDAVIT

DLA Piper (Canada) LLP
Barristers & Solicitors
Suite 2700
1133 Melville Street
Vancouver, BC V6E 4E5

Tel. No. 604.687.9444
Fax No. 604.687.1612

File No.: 045036-00175

AK