



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., VANCOUVER CITY SAVINGS
CREDIT UNION, BMW CANADA INC., FRONT STREET
LEASING LP O/A DILAWRI LEASING, OPENROAD LEASING,
TD AUTO FINANCE (CANADA) INC., COUNTRY GREEN
EXCAVATING LIMITED, 1299615 B.C. LTD., NEXGEN
ENVIRONMENTAL SERVICES LTD., INTEGRITY SHORING &
CIVIL LTD. WITH ASSUMED NAME: ISC SHORING & CIVIL
LTD., MADNESS FORMING & CONSTRUCTION SERVICES
INC., AND PDQ CONSTRUCTION LTD.

RESPONDENTS

APPLICATION RESPONSE

Application response of: MCAP Financial Corporation ("**MCAP**")

THIS IS A RESPONSE TO the notice of application of AlixPartners Restructuring, Inc. (formerly KSV Restructuring Inc.), in its capacity as Court-appointed receiver (the "**Receiver**"), filed August 14, 2026 (the "**Notice of Application**").

The application respondent estimates that the application will take 1 day.

PART 1 ORDERS CONSENTED TO

The application respondent consents to the granting of ALL of the orders set out in Part 1 of the Notice of Application.

PART 2 ORDERS OPPOSED

The application respondent opposes NONE of the orders set out in Part 1 of the Notice of Application.

PART 3 ORDERS ON WHICH NO POSITION IS TAKEN

The application respondent takes no position on NONE of the orders set out in Part 1 of the Notice of Application.

PART 4 FACTUAL BASIS

1. MCAP is the Petitioner in these proceedings and the senior secured creditor in respect of the **“Real Property”** (as defined in the Notice of Application). MCAP registered a mortgage and assignment of rents against the Real Property under charge numbers CB391708 and CB391709 on December 15, 2022, in connection with a loan agreement dated October 31, 2022, as amended (the **“Loan Agreement”**).
2. As at August 27, 2026, MCAP is owed approximately \$16.5 million under the Loan Agreement, with interest and costs continuing to accrue, and excluding the amounts it has advanced to fund the present proceedings.
3. Maskeen 177 Projects Ltd., 0676086 B.C. Ltd., Maskeen Development Ltd., Maskeen Homes Ltd., 1302095 B.C. Ltd., and 0943151 B.C. Ltd. (collectively, the **“Borrowers”**) have been in default of the Loan Agreement since August 2025. The **“Receivership Order”** was pronounced on January 17, 2026, on MCAP’s petition, after the Borrowers consented to the appointment and were provided until March 16, 2026 to redeem. The Borrowers did not redeem and the Receivership Order was entered on March 17, 2026, appointing AlixPartners Restructuring, Inc. (formerly KSV Restructuring Inc.) as the receiver (in such capacity, the **“Receiver”**).

4. Pursuant to the “**Sale Process Order**” dated May 6, 2026, the “**Receiver**” (as defined in the Notice of Application) conducted a Court-approved sale process for the Real Property (the “**Sale Process**”). The Receiver retained Colliers Macaulay Nicolls Inc. (the “**Colliers**”) to market the Real Property.
5. Colliers’ marketing activities included email blasts to over 4,600 recipients, property signage, listings on Colliers’ web platforms and LinkedIn, direct solicitation of prospective purchasers, and preparation of a confidential information memorandum and virtual data room. Twelve parties executed confidentiality agreements and were provided access to the data room. Three offers were received.
6. The agreement of purchase and sale with 1343239 B.C. Ltd. (the “**Purchaser**”) dated June 30, 2026 and executed on July 14, 2026 (the “**APS**”) provides for the highest consideration received in the Sale Process. The APS is unconditional and the initial deposit has been paid.
7. The Receiver recommends approval of the resulting transaction (the “**Transaction**”), and Colliers has expressed the view that the Transaction is the best available in the circumstances and that additional marketing time is unlikely to produce a superior offer.
8. In addition to its secured debt, MCAP has so far advanced \$313,341.06 to the Receiver during these proceedings, which advances are secured under the “Receiver’s Borrowings Charge” (as defined in the Receivership Order). MCAP supports the proposed increase to the “Receiver’s Borrowing Limit” (as defined in the Receivership Order) from \$500,000 to \$1 million to fund outstanding property taxes and ongoing receivership costs.
9. MCAP supports the Transaction, the reverse vesting order, the proposed distributions, the increase to the Receiver’s Borrowings Charge, the Releases in favour of the Released Parties (each as defined in the Notice of Application), the sealing order, and the approval of the Receiver’s activities.
10. MCAP reserves the right to file written submissions and to make further submissions at the hearing of this application.

PART 5 LEGAL BASIS

1. The Receivership Order authorizes the Receiver to market and sell the Real Property, subject to approval by the Court for transactions exceeding the thresholds set out therein.
2. On an application to approve a sale in a receivership, the Court considers the factors set out in *Royal Bank of Canada v. Soundair Corp.* (1991), 4 O.R. (3d) 1 (Ont. C.A.) (the “**Soundair**”), including: (a) whether the receiver has made sufficient effort to obtain the best price and has not acted improvidently; (b) the interests of all parties; (c) the efficacy and integrity of the process by which offers were obtained; and (d) whether there has been unfairness in the working out of the process.
3. In the present case, the Sale Process was conducted in accordance with the Sale Process Order, was commercially reasonable, broadly canvassed the market, and yielded the highest and best offer available. The *Soundair* factors are satisfied.
4. The reverse vesting order structure is appropriate in the circumstances, consistent with the principles set out in *Harte Gold Corp. (Re)*, 2022 ONSC 653 and *British Columbia v. Peakhill Capital Inc.*, 2024 BCCA 246, as the structure avoids triggering property transfer tax and produces a better economic result for stakeholders than any other viable alternative.
5. In support of the present Response, MCAP relies generally on:
 - (a) The Receivership Order, entered March 17, 2026;
 - (b) The Sale Process Order, dated May 6, 2026;
 - (c) Part XI of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3;
 - (d) Such further and other legal basis as counsel may advise and this Court may allow.

PART 6 MATERIAL TO BE RELIED ON

1. First Report of the Receiver, filed April 28, 2026;
2. Second Report of the Receiver, filed August 17, 2026;
3. Affidavit #1 of Blake Johnston, made January 7, 2026;

4. Affidavit #2 of Blake Johnston, made August 19, 2026;
 5. The materials filed in these proceedings and such further material as counsel may advise and this Honourable Court may allow.
- ☒ The application respondent has filed in this proceeding a document that contains the application respondents address for service.

August 25, 2026

Dated



Signature of ☒ lawyer for application respondent
DLA Piper (Canada) LLP (Arad Mojtahedi)
Lawyer for MCAP Financial Corporation

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., VANCOUVER CITY SAVINGS CREDIT
UNION, BMW CANADA INC., FRONT STREET LEASING LP O/A
DILAWRI LEASING, OPENROAD LEASING, TD AUTO FINANCE
(CANADA) INC., COUNTRY GREEN EXCAVATING LIMITED, 1299615
B.C. LTD., NEXGEN ENVIRONMENTAL SERVICES LTD., INTEGRITY
SHORING & CIVIL LTD. WITH ASSUMED NAME: ISC SHORING &
CIVIL LTD., MADNESS FORMING & CONSTRUCTION SERVICES INC.,
AND PDQ CONSTRUCTION LTD.

RESPONDENTS

APPLICATION RESPONSE

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

AM/ak