

Court File No. CV-23-00001179-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE)
JUSTICE *NICHOLSON*)

MONDAY 17TH
~~FRIDAY~~, THE 14TH
DAY OF JUNE, 2024

BETWEEN:

COSMAN MORTGAGE CAPITAL CORPORATION

Applicant

- and -

LARSON PROPERTIES PARTNERSHIP CORP.

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by Ira Smith Trustee & Receiver Inc. in its capacity as the Court-appointed receiver (in such capacity, the “**Receiver**”) without security, of the lands and premises registered in the name of Larson Properties Partnership Corp. (the “**Debtor**”) for an order (a) approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale (the “**APS**”) between the Receiver and Devcor Capital Inc. (the “**Purchaser**”) dated May 8, 2024 and accepted May 15, 2024 and appended to the First Report of the Receiver dated June 4, 2024 (the “**First Report**”), and (b) vesting in the Purchaser the Debtor’s right, title and interest in and to the property known municipally as 31-33 Market Place, Stratford, Ontario and legally described in **Schedule “A”** hereto (the “**Property**”), was heard this day at 80 Dundas St., London, Ontario.

ON READING the Notice of Motion and the First Report, filed, and on hearing the submissions of counsel for the Receiver, and all other counsel and parties listed on the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Daisy Jin sworn June 4, 2024, filed:

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that all capitalized terms not otherwise defined herein shall be as defined in the APS.
2. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record in support of this Motion and the First Report be and is hereby validated, such that this Motion is properly returnable today and hereby dispenses with further service thereof.

APPROVAL OF THE TRANSACTION

3. **THIS COURT ORDERS** that the Receiver's engagement of Cushman & Wakefield Waterloo Region Ltd. pursuant to a listing agreement dated November 10, 2023 for the marketing and sale of the Property be and is hereby approved.
4. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the APS by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. 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 of the Property to the Purchaser.
5. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as **Schedule "B"** hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Property described in the APS shall vest absolutely in the Purchaser, 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 the Honourable Justice Howard dated September 15, 2023; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on **Schedule "C"** 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 "D"**) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Property are hereby expunged and discharged as against the Property.

6. **THIS COURT ORDERS** that upon the registration in the Land Registry Office No. 44 at the Land Titles Division of Perth located at 59 Lorne Avenue East, Unit B, Stratford, Ontario, N5A 6S4 of an Application for Vesting Order in the form prescribed by the *Land Titles Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject Property identified in **Schedule "A"** hereto in fee simple, and is hereby directed to delete and expunge from title to the Property all of the Claims listed in **Schedule "C"** hereto.

7. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Property shall stand in the place and stead of the Property, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Property with the same priority as they had with respect to the Property immediately prior to the sale, as if the Property had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

8. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

9. **THIS COURT ORDERS** that, notwithstanding:

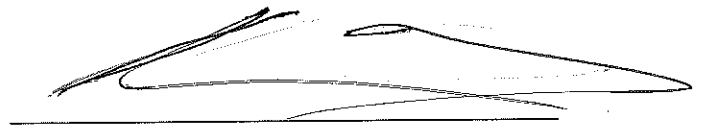
- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and

(c) any assignment in bankruptcy made in respect of the Debtor,

the vesting of the Property in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA 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. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any other foreign jurisdiction 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.

11. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Eastern Time) on the date of this Order without the need for entry or filing.

A handwritten signature in black ink, consisting of several overlapping, fluid strokes that form a cursive name. The signature is positioned above a horizontal line.

Schedule A – Description of the Property

LT 11 PL 87 STRATFORD AS AMENDED BY PL 88; PT LT 10 PL 87
STRATFORD AS AMENDED BY PL 88; PT LT 12 PL 87 STRATFORD AS
AMENDED BY PL 88 AS IN R252604; S/T & T/W INTEREST IN R252604;
EXCEPT RIGHT THEREIN; CITY OF STRATFORD

being PIN 53117 - 0084 LT

and

PT LT 9 PL 87 STRATFORD AS AMENDED BY PL 88; PT LT 10 PL 87
STRATFORD AS AMENDED BY PL 88 AS IN R336998; S/T & T/W INTEREST
IN R336998; S/T R336998 ; STRATFORD

being PIN 53117 - 0085 LT

(collectively, the “Property”).

Schedule B – Form of Receiver’s Certificate

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- and -

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Respondent

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice Howard of the Ontario Superior Court of Justice (the “**Court**”) dated September 15, 2023, Ira Smith Trustee & Receiver Inc. was appointed as the receiver (in such capacity, the “**Receiver**”) of the lands and premises registered in the name of Larson Properties Partnership Corp. (the “**Debtor**”) municipally known as 31-33 Market Square, Stratford, Ontario and more particularly described as follows:

LT 11 PL 87 STRATFORD AS AMENDED BY PL 88; PT LT 10 PL 87
STRATFORD AS AMENDED BY PL 88; PT LT 12 PL 87 STRATFORD AS
AMENDED BY PL 88 AS IN R252604; S/T & T/W INTEREST IN R252604;
EXCEPT RIGHT THEREIN; CITY OF STRATFORD

being PIN 53117 - 0084 LT

and

PT LT 9 PL 87 STRATFORD AS AMENDED BY PL 88; PT LT 10 PL 87
STRATFORD AS AMENDED BY PL 88 AS IN R336998; S/T & T/W INTEREST
IN R336998; S/T R336998 ; STRATFORD

being PIN 53117 - 0085 LT

(collectively, the “**Real Property**”).

B. Pursuant to an Order of the Court dated June 14, 2024, the Court approved the agreement of purchase and sale dated May 8, 2024 and accepted May 15, 2024 (the “**APS**”) between the Receiver and Devcor Capital Inc. (the “**Purchaser**”) and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Real Property, which vesting is to be effective with respect to the Real Property upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the purchase price for the Real Property; (ii) that the conditions to Closing as set out in the APS have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the APS.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the purchase price for the Real Property payable on the closing date pursuant to the APS;
2. The conditions to closing as set out in the APS have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**Ira Smith Trustee & Receiver Inc., in its capacity as
Receiver of LARSON PROPERTIES PARTNERSHIP
CORP., and not in its personal capacity**

Per:

Name:

Title:

Schedule C – Claims to be deleted and expunged from title to Real Property

FOR BOTH OF PIN 53117 - 0084 LT and PIN 53117-0085 LT

Registration Number	Date	Instrument Type	Amount	Parties From	Parties To
PC169038	2019/06/14	Charge	\$2,400,000.00	Larson Properties Partnership Corp.	Cosman Mortgage Capital Corporation
PC169039	2019/06/14	Notice of Assignment of Rents – General		Larson Properties Partnership Corp.	Cosman Mortgage Capital Corporation
PC169081	2019/06/17	Charge	\$1,629,140.00	Larson Properties Partnership Corp.	Olympia Trust Company
PC169528	2019/06/17	Charge	\$350,000.00	Larson Properties Partnership Corp.	Bennington Financial Corp.
PC169529	2019/06/28	Postponement		Olympia Trust Company	Bennington Financial Corp
PC169765	2019/07/09	Notice		Larson Properties Partnership Corp.	Olympia Trust Company
PC217133	2023/09/18	Application to Register Court Order		Ontario Superior Court of Justice	Ira Smith Trustee & Receiver Inc.
PC218664	2023/11/17	Certificate	\$64,006.00	The Corporation of the City of Stratford	

**Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property**

(unaffected by the Vesting Order)

FOR PIN 53117 - 0084 LT

Registration Number	Date	Instrument Type	Amount	Parties From	Parties To
S/T and T/W Interest(s) R252604	1984/02/13	Transfer/Deed		Gus Karamountzos, In Trust	552853 Ontario Inc.
PC59883	2008/04/26	Application (General)		Royal Corp.	
PC142527	2016/11/21	Transfer/Deed	\$1,960,000.00	Basran-Sons Inc.	Larson Holdings Inc.
PC157437	2018/05/09	Application Change Name – Owner		Larson Holdings Inc.	Larson Properties Partnership Corp.

FOR PIN 53117-0085 LT

Registration Number	Date	Instrument Type	Amount	Parties From	Parties To
S/T and T/W Interest(s) R336998	1993/06/23	Transfer/Deed	\$140,000.00	The Canadian Red Cross Society	260568 Holdings Limited
PC132932	2015/11/05	Transfer/Deed	\$515,000.00	Bayer, Catherine	Damlar Inc.
PC157438	2018/05/09	Application Change Name – Owner		Damlar Inc.	Larson Properties Partnership Corp.

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PROCEEDING COMMENCED AT LONDON

APPROVAL AND VESTING ORDER

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Counsel for Ira Smith Trustee & Receiver Inc., in its capacity
as Receiver of Larson Properties Partnership Corp.