



Court File No. CV-23-00699908-00CL

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

THE HONOURABLE ) THURSDAY, THE 30TH  
JUSTICE J. DIETRICH ) DAY OF JANUARY, 2025

**IN THE MATTER OF SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*,  
R.S.C. 1985, C. B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE  
ACT*, R.S.O. 1990 C. C.43, AS AMENDED**

B E T W E E N :

NHE CAPITAL CORP.

Applicant

- and -

111 SHERWOOD INVESTMENTS INC.

Respondent

**APPROVAL AND VESTING ORDER**

**THIS MOTION**, made by KSV Restructuring Inc., in its capacity as the Court-appointed receiver and manager (in such capacity, the "**Receiver**") of all of the assets, undertakings and properties of 111 Sherwood Investments Inc. (the "**Company**") for an order, *inter alia*, approving the sale transaction (the "**Transaction**") with respect to all of the lands and premises municipally described as 111 Sherwood Drive, Brantford, Ontario, contemplated by an agreement of purchase and sale between the Receiver, as vendor, and 10 John Holdings Inc., as assigned to Sherwood 111 Investments Inc. (collectively, the "**Purchaser**"), as purchaser, dated November 6, 2024 (the "**Sale Agreement**"), a redacted copy of which is attached as Appendix "F" to the Second Report of the Receiver dated January 21, 2025 (the "**Second Report**"), and vesting in the Purchaser, all of the

Company's right, title and interest in and to the property described in the Sale Agreement (the "**Purchased Assets**"), was heard this day via videoconference.

**ON READING** the Second Report and appendices thereto, and on hearing the submissions of counsel for the Receiver and such other counsel as were present, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Jamie Ernst sworn and filed,

### **SERVICE**

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

### **DEFINED TERMS**

2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein have the meaning ascribed to them in the Sale Agreement or the Second Report, as applicable.

### **APPROVAL AND VESTING**

3. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement 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 Purchased Assets to the Purchaser.

4. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as **Schedule "A"** hereto (the "**Receiver's Certificate**"), all of the Company's right, title and interest in and to the Purchased Assets, including without limitation the subject real property identified in **Schedule "B"** hereto (the "**Real Property**"), 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, restrictions, options, judgments, liabilities (direct, indirect, absolute or contingent), obligations, 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 Receivership Order of the Honourable Justice Osborne dated April 19, 2024; (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, including those listed on **Schedule "E"** hereto; 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 and declares that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets and are non-enforceable and non-binding as against the Purchaser.

5. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Brant (No. 2) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby

directed to enter Sherwood 111 Investments Inc. as the owner of the Real Property in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in **Schedule "C", #1 – Instruments to be Deleted** hereto.

6. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of the Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, 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 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 that possession or control immediately prior to the sale.

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

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

- i. the pendency of these proceedings;
- ii. any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Company and any bankruptcy order issued pursuant to any such applications; and
- iii. any assignment in bankruptcy made in respect of the Company,

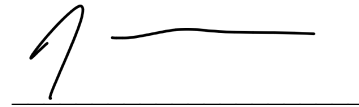
the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Company and shall not be void or

voidable by creditors of the Company, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) 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.

## GENERAL

9. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States 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.

10. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. on the date of this Order.

A handwritten signature, possibly 'A', is written above a horizontal line.

**SCHEDULE "A"**

**FORM OF RECEIVER'S CERTIFICATE**

Court File No. CV-23-00699908-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE COMMERCIAL LIST**

**IN THE MATTER OF SECTION 243(1) OF THE BANKRUPTCY AND INSOLVENCY  
ACT, R.S.C. 1985, C. B-3, AS AMENDED, AND SECTION 101 OF THE COURTS OF  
JUSTICE ACT, R.S.O. 1990 C. C.43, AS AMENDED**

**B E T W E E N :**

**NHE CAPITAL CORP.**

**Applicant**

**- and -**

**111 SHERWOOD INVESTMENTS INC.**

**Respondent**

**RECEIVER'S CERTIFICATE**

**RECITALS**

I. Pursuant to an Order of the Honourable Justice Osborne of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated April 19, 2024 (the "**Receivership Order**"), KSV Restructuring Inc. was appointed as receiver and manager (in such capacity, the "**Receiver**") of all of the assets, undertakings and properties of 111 Sherwood Investments Inc. (the "**Company**").

II. Pursuant to an Order of the Court dated January 30, 2025, the Court approved the agreement of purchase and sale between the Receiver, as vendor, and 10 John Holdings Inc., as assigned to Sherwood 111 Investments Inc. (collectively the "**Purchaser**"), as purchaser, dated November 6, 2024 (as amended, the "**Sale Agreement**"), and provided for the vesting in the

Purchaser of all the Company's right, title and interest in and to the property described in the Sale Agreement (the "**Purchased Assets**"), which vesting is to be effective with respect to the Purchased Assets 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 Purchased Assets; (ii) that the conditions to closing 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.

III. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

**THE RECEIVER CERTIFIES** the following:

1. The Purchaser has paid and the Receiver has received the purchase price for the Purchased Assets payable on the closing date pursuant to the Sale Agreement;
2. The conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser in accordance with their terms;
3. The transaction has been completed to the satisfaction of the Receiver; and

4. This Certificate was delivered by the Receiver at \_\_\_\_\_ [TIME] on  
\_\_\_\_\_, 2025 [DATE].

**KSV RESTRUCTURING INC.**, solely in its  
capacity as court-appointed receiver of the  
Company, and not in its personal capacity or in  
any other capacity

Per: \_\_\_\_\_  
Name:  
Title:



## **SCHEDULE "B"**

### **LEGAL DESCRIPTION OF THE REAL PROPERTY**

#### **PIN: 32278-0148 (LT)**

FIRSTLY: PART LOTS D, E AND F NORTH OR WEST OF SHERWOOD DRIVE PLAN CITY OF BRANTFORD SEPTEMBER 7, 1892 PART 1 2R8603 SECONDLY: PART LOTS D AND E NORTH OR WEST OF SHERWOOD DRIVE PLAN CITY OF BRANTFORD SEPTEMBER 7, 1892 PART 2 2R8603 THIRDLY: PART LOT D NORTH OR WEST OF SHERWOOD DRIVE PLAN CITY OF BRANTFORD SEPTEMBER 7, 1892 PART 3 2R8603 FOURTHLY: PART LOTS E AND F NORTH OR WEST OF SHERWOOD DRIVE PLAN CITY OF BRANTFORD SEPTEMBER 7, 1892 PART 4 2R8603 FIFTHLY: PART LOT F NORTH OR WEST OF SHERWOOD DRIVE PLAN CITY OF BRANTFORD SEPTEMBER 7, 1892 PART 5 2R8603 SIXTHLY: PART LOT E NORTH OR WEST OF SHERWOOD DRIVE PLAN CITY OF BRANTFORD SEPTEMBER 7, 1892 PARTS 6 AND 7 2R8603; TOGETHER WITH AN EASEMENT OVER PART LOT C NORTH OR WEST OF SHERWOOD DRIVE PLAN CITY OF BRANTFORD SEPTEMBER 7, 1892 PART 8 2R8603 IN FAVOUR OF PARTS 1, 2, 3, 4 AND 7 2R8603 AS IN A145258; TOGETHER WITH AN EASEMENT OVER PART LOT D NORTH OR WEST OF SHERWOOD DRIVE PLAN CITY OF BRANTFORD SEPTEMBER 7, 1892 PART 15 2R8603 IN FAVOUR OF PARTS 1, 2, 3 AND 4 2R8603 AS IN BC107530; TOGETHER WITH AN EASEMENT OVER PART LOT E NORTH OR WEST OF SHERWOOD DRIVE PLAN CITY OF BRANTFORD SEPTEMBER 7, 1892 PARTS 14 AND 16 2R8603 IN FAVOUR OF PART 7 2R8603 AS IN BC122397; TOGETHER WITH AN EASEMENT OVER PART LOTS E, F AND G NORTH OR WEST OF SHERWOOD DRIVE PLAN CITY OF BRANTFORD SEPTEMBER 7, 1892 PARTS 9, 10, 11, 12, 13 AND 17 2R8603 AS IN BC357075; TOGETHER WITH AN EASEMENT OVER PART LOTS E, F AND G NORTH OR WEST OF SHERWOOD DRIVE PLAN CITY OF BRANTFORD SEPTEMBER 7, 1892 PARTS 9, 10 AND 17 2R8603 AS IN BC357075; SUBJECT TO AN EASEMENT OVER PART 2 2R8603 AS IN A249453; SUBJECT TO AN EASEMENT OVER PART 3 2R8603 AS IN A249454; SUBJECT TO AN EASEMENT OVER PARTS 1, 2, 3, 4, 5, 6 AND 7 2R8603 IN FAVOUR OF PART LOTS E, F AND G NORTH OR WEST OF SHERWOOD DRIVE PLAN CITY OF BRANTFORD SEPTEMBER 7, 1892 PARTS 6, 8, 9, 11, 12 AND 13 2R8327 AS IN BC357075; SUBJECT TO AN EASEMENT OVER PARTS 4 AND 5 2R8603 IN FAVOUR OF PART LOTS E, F AND G NORTH OR WEST OF SHERWOOD DRIVE PLAN CITY OF BRANTFORD SEPTEMBER 7, 1892 PARTS 6, 8, 9, 11, 12 AND 13 2R8327 AS IN BC357075; CITY OF BRANTFORD

#### **PIN: 32278-0149 (LT)**

PART LOT E NORTH OR WEST OF SHERWOOD DRIVE PLAN CITY OF BRANTFORD SEPTEMBER 7, 1892 PARTS 4 AND 5 2R8327 AND PART 1 2R8327 SAVE AND EXCEPT PARTS 1, 2, 3, 4, 5, 6 AND 7 2R8603; SUBJECT TO AN EASEMENT AS IN BC357075; SUBJECT TO AN EASEMENT OVER PARTS 4 AND 5 2R8327 AS IN BC107568;

TOGETHER WITH AN EASEMENT OVER PART LOT C NORTH OR WEST OF SHERWOOD DRIVE PLAN CITY OF BRANTFORD SEPTEMBER 7, 1892 PART 8 2R8603 IN FAVOUR OF PARTS 1, 2, 3, 4 AND 7 2R8603 AS IN A145258; TOGETHER WITH AN EASEMENT OVER PART LOT D NORTH OR WEST OF SHERWOOD DRIVE PLAN CITY OF BRANTFORD SEPTEMBER 7, 1892 PART 15 2R8603 IN FAVOUR OF PARTS 1, 2, 3 AND 4 2R8603 AS IN BC107530; TOGETHER WITH AN EASEMENT OVER PART LOT E NORTH OR WEST OF SHERWOOD DRIVE PLAN CITY OF BRANTFORD SEPTEMBER 7, 1892 PARTS 14 AND 16 2R8603 IN FAVOUR OF PART 7 2R8603 AS IN BC122397; TOGETHER WITH AN EASEMENT OVER PART LOTS E, F AND G NORTH OR WEST OF SHERWOOD DRIVE PLAN CITY OF BRANTFORD SEPTEMBER 7, 1892 PARTS 9, 10, 11, 12, 13 AND 17 2R8603 AS IN BC357075; TOGETHER WITH AN EASEMENT OVER PART LOTS E, F AND G NORTH OR WEST OF SHERWOOD DRIVE PLAN CITY OF BRANTFORD SEPTEMBER 7, 1892 PARTS 9, 10 AND 17 2R8603 AS IN BC357075; CITY OF BRANTFORD

## SCHEDULE "C"

### CLAIMS TO BE DELETED

#### 1. Instruments to be Deleted

Reg. No.	Date	Instrument Type	Instrument Holder
BC426524	2022/03/24	MORTGAGE	NHE CAPITAL CORP.
BC426525	2022/03/24	ASSIGNMENT OF RENTS AND LEASES	NHE CAPITAL CORP.
BC442348	2022/10/19	MORTGAGE	OLYMPIA TRUST COMPANY
BC471555	2024/04/18	MORTGAGE	REIF FINANCIAL INVESTMENTS INC., FORTUNAFI ASSET MANAGEMENT LLC, YUVAL BAVLY, BENJAMIN AMES AND ALISON AMES
BC471757	2024/04/22	RECEIVERSHIP ORDER	KSV RESTRUCTURING INC.

#### 2. Other claims to be deleted

<b>Litigation</b>	Mon Bijou Bridge ULC v. 111 Sherwood Investments Inc. Case Number: CV23000001370000 Case Type: Contract Law Case Opened: June 8, 2023 Status: Active Amount: \$350,000.00
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## SCHEDULE "D"

### PERMITTED ENCUMBRANCES, EASEMENTS AND RESTRICTIVE COVENANTS RELATED TO THE REAL PROPERTY

#### **PIN: 32278-0148 (LT)**

1. Instrument No. A249453 registered February 6, 1981 being a Transfer Easement in favour of Union Gas Limited;
2. Instrument No. A249454 registered February 6, 1981 being a Transfer Easement in favour of Union Gas Limited;
3. Instrument No. BC314388 registered April 13, 2013 being a Notice of Lease from Brantcord Leasing Ltd. to Solar Power Network 006 Inc. and SPN LP 10;
4. Instrument No. BC357075 registered April 25, 2019 being a Transfer from Brantcord Leasing Ltd. to Brantcord Leasing Ltd.;
5. Instrument No. BC359173 registered May 31, 2019 being a Transfer from Brantcord Leasing Ltd. to 111 Sherwood Investments Inc.;
6. Instrument No. BC359174 registered May 31, 2019 being a Notice in favour of West Brant Centre Inc.;
7. Instrument No. BC361775 registered July 16, 2019 being a Notice of Charge of Lease granted by Solar Power Network 006 Inc. and SPN LP 10 in favour of Deutsche Bank Trust Company Americas;
8. Instrument No. 2R8603 registered June 30, 2021 being a Plan Reference;
9. Instrument No. BC406381 registered June 30, 2021 being an Application for Absolute title;
10. Instrument No. BC450820 registered April 3, 2023 being a Notice of Lease from 111 Sherwood Investments Inc. to Celebration Church Brant; and
11. Instrument No. BC470695 registered March 28, 2024 being a Land Registrar's Order.

#### **PIN: 32278-0149 (LT)**

1. Instrument No. BC107568 registered March 21, 2007 being a Transfer Easement in favour of The Cordage Lofts Inc.;
2. Instrument No. BC314388 registered April 13, 2013 being a Notice of Lease from Brantcord Leasing Ltd. to Solar Power Network 006 Inc. and SPN LP 10;
3. Instrument No. 2R8327 registered January 31, 2019 being a Plan Reference;

4. Instrument No. BC357075 registered April 25, 2019 being a Transfer from Brantcord Leasing Ltd. to Brantcord Leasing Ltd.;
5. Instrument No. BC359173 registered May 31, 2019 being a Transfer from Brantcord Leasing Ltd. to 111 Sherwood Investments Inc.;
6. Instrument No. BC359174 registered May 31, 2019 being a Notice in favour of West Brant Centre Inc.;
7. Instrument No. BC361775 registered July 16, 2019 being a Notice of Charge of Lease granted by Solar Power Network 006 Inc. and SPN LP 10 in favour of Deutsche Bank Trust Company Americas;
8. Instrument No. BC450820 registered April 3, 2023 being a Notice of Lease from 111 Sherwood Investments Inc. to Celebration Church Brant;
9. Instrument No. BC465522 registered December 8, 2023 being an Application to Register a Governmental Order pertaining to an Order to Comply by The Corporation of the City of Brantford;
10. Instrument No. BC470695 registered March 28, 2024 being a Land Registrar's Order; and
11. Instrument No. BC470757 registered April 2, 2024 being an Application General pertaining to a Certificate of Compliance in connection with Instrument No. BC465522.

**SCHEDULE "E"**

<p><b><u>Personal Property Security Act (Ontario)</u></b></p> <p><b>File No.:</b> 787648563 <b>Registration No.:</b> 20221018 0953 5064 5510 <b>Secured Party:</b> Olympia Trust Company</p>	<p>Inventory, Equipment, Account, Other</p> <p>Site specific security agreement over 111 Sherwood Drive, Brantford, Ontario</p>
<p><b><u>Personal Property Security Act (Ontario)</u></b></p> <p><b>File No.:</b> 781381386 <b>Registration No.:</b> 20220324 1053 1590 4111 <b>Secured Party:</b> NHE Capital Corp.</p>	<p>Inventory, Equipment, Account, Other</p> <p>All present and future undertaking and personal property of the Debtor, used solely and exclusively in connection with or located at the real property municipality known as 111 Sherwood Drive, Brantford, Ontario, including without limitation, all rents, income, equipment, material agreements, deposits, permits and receivables, books and records, and intangibles relating thereto and all proceeds therefrom.</p>

Court File No. CV-23-00699908-00CL

**NHE CAPITAL CORP.**

- and -

**111 SHERWOOD INVESTMENTS INC.**

Applicant

Respondent

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

Proceeding commenced at Toronto

**APPROVAL AND VESTING ORDER**

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Counsel to KSV Restructuring Inc., solely in its  
capacity as Court-appointed Receiver and not in its  
personal capacity