



SUPERIOR COURT OF JUSTICE

**COUNSEL SLIP/ ENDORSEMENT FORM**

COURT FILE NO.: CV-24-00724076-00CL DATE: OCTOBER 21, 2024

NO. ON LIST: 3

TITLE OF PROCEEDING: **FOREMOST MORTGAGE HOLDING CORPORATION v.  
BARAKAA DEVELOPER INC. et al**

BEFORE: **JUSTICE W.D. BLACK**

**PARTICIPANT INFORMATION**

**For Plaintiff, Applicant, Moving Party, Crown:**

Name of Person Appearing	Name of Party	Contact Info
Jeff Larry		jeff.larry@paliareroland.com
Ryan Shah		ryan.shah@paliareroland.com
Andrew		andrew@foremost-financial.com

**For Defendant, Respondent, Responding Party, Defence:**

Name of Person Appearing	Name of Party	Contact Info
Danish Afroz		dafroz@chaitons.com

**For Other, Self-Represented:**

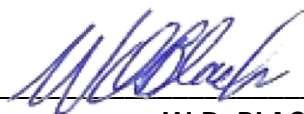
Name of Person Appearing	Name of Party	Contact Info
Bobby Kofman	KSV Receiver	
Meg Ostling	KSV	mostling@ksvadvisory.com
Peter Smiley		psmiley@byldlaw.com
Edmond Lamek		

**ENDORSEMENT OF JUSTICE W.D. BLACK:**

[1] This was an application by Foremost Mortgage Holding Corporation (the “Lender”) for an order appointing KSV Restructuring Inc. (“KSV”) as receiver and manager over various enumerated properties and assets (collectively the “Receivership Property”) owned by Barakaa Developer Inc. (“Barakaa”),

Lerrato Inc. (“Lerrato”), and 214549 Ontario Inc. (“214” and, together with Barakaa and Lerrato, the “Borrowers”).

- [2] In 2022 the Lender granted mortgages in favour of real property owned by the Borrowers, in connection with loans of \$4,133,000 to Barakaa, \$3,155,000 to Lerrato and \$6,185,000 to 214.
- [3] The Borrowers have defaulted under the terms of these mortgages in various ways, including failing to repay the Loans (as defined in the materials) on maturity, permitting outstanding realty taxes to accrue on title to the secured properties, and permitting encumbrances to be registered on title to the secured properties without the Lender’s consent and/or permitting encumbrances to fall into default.
- [4] In these circumstances, and given these defaults, the Lender seeks the appointment of KSV as receiver, as the Lender is explicitly permitted to do under the terms of its security.
- [5] All of the Loans have matured and are due and payable immediately.
- [6] The current balances owing are:
- (a) On the Barakaa Loan, \$3,045,577.15;
  - (b) On the Lerrato Loan, \$3,469,760.10; and
  - (c) On the 214 Loan, \$6.83 million.
- [7] In addition, as noted, significant realty tax arrears have accrued on the secured properties, and the Borrowers have permitted the registration of purported additional encumbrances, including disputed (and allegedly fraudulent) charges by Sanjive Joshi (the “Disputed Joshi Mortgages”).
- [8] In my view, it is just and convenient that KSV be appointed as receiver here. The Loans are in default, there are outstanding realty taxes accruing, and there are various charges registered by various subsequent secured creditors.
- [9] The Borrowers are prevented from selling the secured properties as a result of the Disputed Joshi Mortgages, and I am persuaded that the appointment of a neutral officer of the court will bring order to the circumstances, facilitate the sale of the secured properties as appropriate, and will serve to curtail the litigation ongoing relative to the various charges at issue.
- [10] Moreover, no party has suggested any alternative to the appointment of a receiver to facilitate repayment to the Lender and the Borrower’s other creditors, and no party is opposing the relief sought today.
- [11] In all of the circumstances I am granting the order sought by the Lender, a signed copy of which is attached.



W.D. BLACK J.

**DATE: OCTOBER 21, 2024**