



No. S-247764
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

KINGSETT MORTGAGE CORPORATION

PETITIONER

AND:

6511 SUSSEX HEIGHTS DEVELOPMENT LTD.
and
MINORU SQUARE DEVELOPMENT LIMITED PARTNERSHIP
and
MINORU VIEW HOMES LTD.

RESPONDENTS

**IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE RECEIVERSHIP OF 6511 SUSSEX HEIGHTS
DEVELOPMENT LTD. AND MINORU SQUARE DEVELOPMENT LIMITED
PARTNERSHIP AND MINORU VIEW HOMES LTD.**

ORDER MADE AFTER APPLICATION: MINORU JUDGEMENT

BEFORE } THE HONOURABLE JUSTICE MASUHARA) 2024/01/30

ON THE APPLICATION of the Petitioner, coming on for hearing at 800 Smithe Street, Vancouver, BC V6Z 2E1 on January 30, 2025.

AND ON READING Affidavit #1 of Daniel Pollack made on November 5, 2024 and Affidavit #2 of Daniel Pollack made on January 8, 2025 (the “**Second Pollack Affidavit**”); AND ON HEARING Mary Buttery, K.C. and Lucas Hodgson, counsel for KingSett Mortgage Corporation. and those other counsel as set out in **Schedule “A”**.

THIS COURT ORDERS AND DECLARES that:

1. The mortgage and assignment of rents dated October 26, 2021 (the “**First Mortgage**”) granted by Minoru View Homes Ltd. (the “**Nominee**”) in favour of KingSett Mortgage Corporation (“**KingSett**”), which are registered in the New Westminster Land Title Office (the “**LTO**”) under registration numbers CA9469145 and CA9469146, constitute valid charges in favour of KingSett in priority to the interest therein or claims thereto of all Respondents and all persons claiming by, through, or under them, against the following lands legally described as LOT 1 SECTION 5 BLOCK 4 NORTH RANGE 6 WEST NEW WESTMINSTER DISTRICT PLAN EPP112775, PID 031-656-561 and municipally described as 5768 Minoru Blvd, Richmond, British Columbia (the “**Property**”), subject only to:
 - (a) the rent charges registered by the City of Richmond set out in Schedule “B” (the “**Rent Charges**”) in so far as the Rent Charges are found by this Court or KSV Restructuring Inc., in its capacity as court appointed receiver of the Borrower (the “**Receiver**”) to be valid charges against the Property; and
 - (b) The Receiver’s Charge and the Receiver’s Borrowings Charge, as defined in the Amended and Restated Receivership Order granted in these proceedings on January 20, 2025 (the “**Receiver’s Priority Charges**”).
2. The mortgage dated March 9, 2022 (the “**Second Mortgage**”) granted by the Nominee in favour of KingSett, which is registered in the LTO under registration number CA9774692, constitutes a valid charge in favour of KingSett in priority to the interest therein or claims thereto of all Respondents and all persons claiming by, through, or under them, against the Property, subject only to the Receiver’s Priority Charges and the Rent Charges in so far as the Rent Charges are found by this Court or the Receiver to be valid charges against the Property and the First Mortgage.
3. The mortgage and assignment of rents dated March 14, 2024 (the “**Collateral Mortgage**”) granted by the Nominee in favour of KingSett, which is registered in the LTO under registration numbers CB1229022 and CB1229023, constitute valid charges in favour of KingSett in priority to the interest therein or claims thereto of all Respondents and all

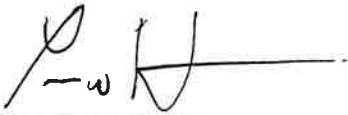
persons claiming by, through, or under them, against the Property, subject only to the Receiver's Priority Charges and the Rent Charges in so far as the Rent Charges are found by this Court or the Receiver to be valid charges against the Property, the First Mortgage, and the Second Mortgage.

4. The general security agreement, dated October 29, 2021 granted by the Nominee in favour of KingSett in respect of which a financing statement was filed in the British Columbia Personal Property Registry (the "PPR") against the Nominee under base registration number 334886N on October 28, 2021, constitutes a valid charge in favour of KingSett on all present and after acquired personal property of the Nominee located at, relating to, arising from, or used in connection with or which is necessary to the use and operation of the Property in priority to the interest therein or claims thereto of all Respondents and all persons claiming by, through, or under them, subject only to the Receiver's Priority Charges.
5. The beneficial direction, acknowledgement, and security agreement, dated October 29, 2021 granted by the Nominee and Minoru Square Development Limited Partnership (the "**Limited Partnership**", together with the Nominee, the "**Borrowers**") in favour of KingSett in respect of which a financing statement was filed in the PPR against the Borrowers under base registration number 334886N on October 28, 2021, constitutes a valid charge in favour of KingSett on all present and after acquired personal property of the Borrowers located at, relating to, arising from, or used in connection with, or which is necessary to the use and operation of the Property in priority to the interest therein or claims thereto of all Respondents and all persons claiming by, through, or under them, subject only to the Receiver's Priority Charges.
6. The first mortgage loan advanced by KingSett to the Borrowers in the amount of \$72,650,000 (the "**Loan**"), pursuant to a commitment letter dated October 18, 2021, as amended by a first amending agreement dated February 14, 2022, a second amending agreement dated March 20, 2023 and a third amending agreement dated February 23, 2024, is in default.

7. The Borrowers are indebted to KingSett for their default of the Loan in the amount of \$76,599,425.45 as of January 6, 2025 (plus interest and fees that continues to accrue), and this amount is justly due and owing.
8. KingSett is hereby granted judgment against the Borrowers, jointly and severally, in the amount of \$76,599,425.45 as of January 6, 2025 plus interest from and after the date of this Order at the rate of the Royal Bank of Canada's Prime Rate plus 5.54% (with a floor rate of 12.24%), per annum, calculated on the daily outstanding balance, compounded and payable monthly, or in the alternative, pursuant to the *Court Order Interest Act*, RSBC 1996, c 79.
9. Any interested party may apply to this Court to vary or amend this Order on not less than seven (7) clear business days' notice to the Service List and to any other party who may be affected by the variation or amendment, or upon such other notice, if any, as this Court may order.
10. Endorsement of this Order by counsel appearing on this application, other than counsel for the Applicant is hereby dispensed with.

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:

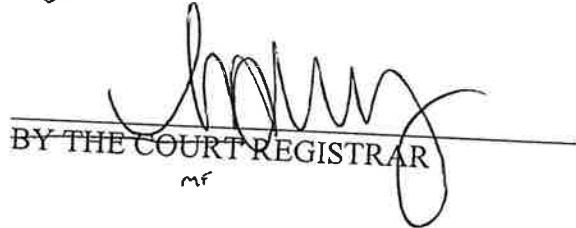
APPROVED BY:



Signature of Mary Buttery, K.C. / Lucas
Hodgson, lawyers for the Applicant



By the Court



BY THE COURT REGISTRAR
mf

For
CHECKED
mf

Schedule "A"

Counsel Appearing

Counsel	Party Represented
Lucas Hobson and Mary Buttery, KC	KingSett Mortgage Corporation
David Gruber	KSV Restructuring Inc.
Nikhil Pandey	CRA
James Christie	The Owners, Strata Plan EPS9599

Schedule "B"

City of Richmond Charges

Charge Holder	Charge Number
City of Richmond	Rent charge registered under charge number CA9783064 registered on March 14, 2022 against the Property
City of Richmond	Rent charge registered under charge number CA9783017 registered on March 14, 2022 against the Property
City of Richmond	Rent charge registered under charge number CA9783050 registered on March 14, 2022 against the Property