ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-24-00716425-00CL **DATE: August 17, 2026**

NO. ON LIST: 3

TITLE OF PROCEEDING: Duca Financial Services Credit Union Ltd. V. 10503452 Canada Inc et al

BEFORE: Justice Dunphy

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
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Name of Person Appearing	Name of Party	Contact Info
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For Other, Self-Represented:

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ENDORSEMENT OF JUSTICE DUNPHY:

[1] The receiver seeks an order approving the sale of the debtor's property and an order vesting same in the proposed purchaser upon closing as well as certain other ancillary relief.

[2] The debtor is the owner of a vacant lot on Shepherd Avenue West in Toronto. The Receiver was appointed at the instance of a secured creditor (DUCA) on May 14, 2024. The receivership order authorized the receiver to market the property and solicit offers.

[3] In connection with that authority, the receiver obtained two appraisals of the property, sought and received marketing proposals from experienced real estate brokers, selected a broker to assist in the sales process. Thereafter, the marketing process began and a total of 46 confidentiality agreements were executed by parties participating in the sales process. The property was widely exposed to the market, generated multiple offers which were examined and negotiated by the Receiver and the end result was an accepted purchase offer from the proposed purchaser 100334444 Ontario Inc. ("1001" or the "Purchaser").

[4] I am satisfied that the Receiver has acted in a commercially reasonable manner, that the property has been thoroughly exposed to the market and that the proposed agreement of purchase and sale was the highest and best offer that could be obtained in the circumstances. The Receiver's business judgment to recommend approval of this proposed transaction is deserving of deference having particular regard to the thoroughness of the marketing process. I have no hesitation in approving the proposed 1001 APS.

[5] A late-breaking potential issue arose shortly before this motion was heard. A principal of the purchaser wrote a text message to the receiver indicating that he had serious health issues which would preclude the corporation from completing the agreement in accordance with its terms and asking for the deposit back.

[6] The APS as signed by the Receiver is binding upon both parties subject only to my approval. A late-breaking text message provides me with no basis to reject the Receiver's recommendation and I do not propose to do so. The Receiver has incurred expenses and opportunity cost in bringing this transaction to this point and it is ready to close subject only to my approval. I am of the view that I ought to approve and I am doing so.

[7] The form of Approval and Vesting Order tracks the model order very closely. Subject to minor changes discussed at the hearing, I shall be signing the order as proposed. The material before me discloses all of the registered interests that would be vested off title upon closing. The interested parties have been given notice and are not objecting. Their interests if any continue into the proceeds of sale to be held by the Receiver at all events. The registrant of a proposed "Trust Interest" is not entitled to priority over the applicant and is a claim properly vested off title.

[8] In addition to the AVO, the Receiver proposed an Ancillary Order (also circulated to the Service List). In broad terms, the proposed Ancillary Order approves the Receiver's First Report and the receipts and disbursements

[9] I have reviewed the Receiver's First Report and the receipts and disbursements set forth therein. Subject to the usual caveat regarding the limitations on court approval of the receiver's activities, I have no hesitation in approving the Receiver's activities reported upon therein. The Report along with the motion record has been in the hands of the service list for a sufficient period of time to surface any issues and no opposition has emerged. I am similarly satisfied that the professional fees and disbursements appear reasonable in the circumstances. They too have been before the stakeholders for some time without any voiced objection.

[10] In the circumstances, the order temporarily sealing the confidential appendix containing unredacted details of the purchase agreement is particularly important given the potential that the purchaser may default upon its obligation to complete the transaction. I have amended the proposed order to seal that appendix until completion or six months from now, whichever first occurs. Should there be any need to extend that date I may of course be approached to consider the request.

[11] I have signed the proposed AVO and vesting orders subject to amendments discussed at the hearing. I will not speculate at this juncture whether the purchaser will complete the transaction in accordance with its terms or not.

Date: Aug 17, 2026

Sean Dunphy