

**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**

THE HONOURABLE ) THURSDAY, THE 15TH  
 )  
JUSTICE B. CONWAY ) DAY OF AUGUST, 2024

B E T W E E N:

AFC MORTGAGE ADMINISTRATION INC.

Applicant

and

SUNRISE ACQUISITIONS (ELMVALE) INC., SAJJAD HUSSAIN,  
MAHVESH HUSSAIN, MUZAMMIL KODWAVI and SAFANA KODWAVI

Respondents

**APPROVAL AND VESTING ORDER**

THIS MOTION, made by Rosen Goldberg Inc. in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of Sunrise Acquisitions (Elmvale) Inc., Sajjad Hussain, Mahvesh Hussain, Muzammil Kodwavi and Safana Kodwavi (the "**Debtors**") for an order approving the sale transactions (the "**Transactions**") contemplated by an agreements of purchase and sale (the "**Sale Agreements**") between the Receiver:

- i. Baomin Yi and Ting Fang Ge ("**Cicada Purchaser**") as contemplated in an Agreement of Purchase and Sale dated July 2, 2024 ("**Cicada APS**") as it relates to the Cicada Property (as defined below);
- ii. Antonio Puopolo and Rosa Puopolo (the "**Abbruzze Purchaser**") as contemplated in the Agreement of Purchase and Sale dated July 4, 2024 ("**Abbruzze APS**") as it relates to the Abbruzze Property (as defined below)

(Hereinafter Cicada Purchaser and Abbruzze Purchaser collectively referred to as “**Purchasers**”).

As appended to the Report of the Receiver dated August 1, 2024 (the "Report"), and vesting in the Purchasers the Debtor’s right, title and interest in and to the assets described in the Cicada APS and Abbruzze APS (the "**Purchased Assets**"), was heard virtually this day at 330 University Avenue, Toronto, Ontario.

ON READING the Motion Record of the Receiver, the Report and Affidavits contained therein and the Responding Record of the Debtors, the Affidavit of Brahm Rosen sworn August 15, 2024, and on hearing the submissions of counsel for the Receiver, counsel for the Debtors, counsel for the Applicant, no one appearing for any other person on the Service List, although properly served as it appears from the Affidavit of Sara Collins sworn August 6, 2024.

THIS COURT APPROVES a distribution of the net cash component of the sale proceeds on the following basis:

1. As it relates to the Cicada Property:

- a. payment of the first mortgage held by Home Trust Company registered as Instrument No. AT503572 (“**Home Trust Mortgage**”);
- b. A holdback of \$140,634.75 plus 25% for a total of \$183,293.44 (“**Holdback**”) as it relates to a construction lien registered by Mason’s Masonry Supply Ltd. (“**Lien Claimant**”) as Instrument No. AT6465836 with a Certificate of Action registered as Instrument No. AT6519170 (collectively “**Construction Lien**”) which Holdback shall be held in lieu of security of the Cicada Property, without prejudice pending further court order or directions; and
- c. The remaining net sale proceeds to the Lender, AFC Mortgage Administration Inc. (“**AFC**” or “**Lender**”);

2. As it relates to the Abbruzze Property:

- a. Payment of the first mortgage registered as Instrument No. 3261530 in favour of Computer Share Trust Company of Canada (“**Computer Share Mortgage**”); and
- b. The remainder to the Lender,

All of the above subject to the Receiver holding back any further amount as may be required to complete its mandate and obtain its discharge pursuant to the Order of Justice Black dated April 15, 2024.

1. THIS COURT ORDERS AND DECLARES that the Transactions are hereby approved, and the execution of the Sale Agreements 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 Transactions and for the conveyance of the Purchased Assets to the Purchasers.

2. THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver’s certificate to the Purchasers substantially in the form attached as Schedule A (regarding Cicada) and B (regarding Abbruzze) hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreements [and listed on Schedule C (regarding Cicada) and D (regarding Abbruzze) hereto 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 Black dated April 15, 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; and (iii) those Claims listed on Schedule E (regarding Cicada) and F (regarding Abbruzze) 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 G) (regarding Cicada) and H (regarding Abbruzze) and, for greater certainty,

this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets, with the Construction Lien being vacated from title and the Lien Claimant having no further claims as against the Cicada Property but limited against the Holdback held in lieu of the Cicada Property.

3. THIS COURT ORDERS that upon the registration in the Land Registry Office for the Registry Division #66 (as it relates to the Cicada Property) and #65 (as it relates to Abbruzze Property) of a Transfer/Deed of Land in the form prescribed by the *Land Registration Reform Act* duly executed by the Receiver], the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (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 hereto.

4. THIS COURT ORDERS that for the purposes of determining the nature and priority of 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.

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

6. 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) 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 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 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 *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.

7. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

8. 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.

  
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**Schedule A – Form of Receiver’s Certificate**

Court File No. CV-24-00713287-00CL

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

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

**AFC MORTGAGE ADMINISTRATION INC.**

**Applicant**

**and**

**SUNRISE ACQUISITIONS (ELMVALE) INC., SAJJAD HUSSAIN, MAHVESH  
HUSSAIN, MUZAMMIL KODWAVI and SAFANA KODWAVI**

**Respondents**

**RECEIVER’S CERTIFICATE**

**RECITALS**

A. Pursuant to an Order of the Honourable Justice Black of the Ontario Superior Court of Justice (the "Court") dated April 15, 2024, Rosen Goldberg Inc. was appointed as the receiver (the "Receiver") of the undertaking, property and assets of Sunrise Acquisitions (Elmvale) Inc., Sajjad Hussain, Mahvesh Hussain, Muzammil Kodwavi and Safana Kodwavi (the “**Debtors**”).

B. Pursuant to an Order of the Court dated April 15, 2024, the Court approved the agreement of purchase and sale made as of purchase and sale as of July 2, 2024 (the "Sale Agreement") between the Receiver and Baomin Yi and Ting Fang Ge (the "Purchaser") and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to 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 section 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.

C. 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; 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].

Per: \_\_\_\_\_

**Schedule B – Form of Receiver’s Certificate**

Court File No. CV-24-00713287-00CL

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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; 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].

Per: \_\_\_\_\_

**SCHEDULE 'C'**  
**DESCRIPTION OF LANDS**

<b>ADDRESS</b>	<b>9 Cicada Court Toronto, Ontario</b>
<b>PIN</b>	10120-0064 (LT)
<b>DESCRIPTION</b>	LT 63 PL 4758 NORTH YORK; S/T NY200193; TORONTO (N YORK) , CITY OF TORONTO

**SCHEDULE 'D'**  
**DESCRIPTION OF LANDS**

<b>ADDRESS</b>	<b>88 Abbruzze Court, Woodbridge, Ontario</b>
<b>PIN</b>	03345-0011 (LT)
<b>DESCRIPTION</b>	PCL 8-1 SEC 65M3001; LT 8 PL 65M3001; T/W BLK 36 PL 65M3001 AS IN LT1037812 (S/T LT1006180); CITY OF VAUGHAN

**SCHEDULE “E”**

**REGISTRATIONS TO BE DELETED/VACATED FROM PINS**

<b>Reg. No.</b>	<b>Date</b>	<b>Instrument Type</b>	<b>Amount</b>	<b>Parties From</b>	<b>Parties To</b>
<b>For PIN 10120-0064 (LT)</b>					
AT5035271	Dec. 17, 2018	Transfer	\$1,818,000	Ghahraman, Mitra	Hussain, Sajjad Hussain, Mahvesh
AT5035272	Dec. 17, 2018	Charge	\$995,000	Hussain, Sajjad Hussain, Mahvesh	Home Trust Company
AT5161488	June 17, 2019	Transfer of Charge		Home Trust Company	Computershare Trust Company of Canada
AT6210829	Oct. 27, 2022	Charge	\$2,010,000	Hussain, Sajjad Hussain, Mahvesh	AFC Mortgage Administration Inc.
AT6210830	Oct. 27, 2022	Notice of Assignment of Rents – General		Hussain, Sajjad Hussain, Mahvesh	AFC Mortgage Administration Inc.
AT6465836	Nov. 24, 2023	Construction Lien	\$140,634	Mason's Masonry Supply Ltd.	
AT6519170	Feb. 26, 2024	Certificate		Mason's Masonry Supply Ltd.	
AT6554117	April 17, 2024	Application for Court Order		Ontario Superior Court of Justice	Rosen Goldberg Inc.

**SCHEDULE “F”**

**REGISTRATIONS TO BE DELETED FROM PINS**

<b>Reg. No.</b>	<b>Date</b>	<b>Instrument Type</b>	<b>Amount</b>	<b>Parties From</b>	<b>Parties To</b>
<b>For PIN 03345-0011 (LT)</b>					
YR3261529	June 4, 2021	Transfer	\$2,980,000	Wang, Min Cai, Yan Hua	Kodwavi,Muzammil Kodwavi, Safana
YR3261530	June 4, 2021	Charge	\$1,980,000	Kodwavi,Muzammil Kodwavi, Safana	Computershare Trust Company of Canada
YR3491120	Oct. 27, 2022	Charge	\$2,010,000	Kodwavi,Muzammil Kodwavi, Safana	AFC Mortgage Administration Inc.
YR3491121	Oct. 27, 2022	Notice of Assignment of Rents – General		Kodwavi,Muzammil Kodwavi, Safana	AFC Mortgage Administration Inc.
YR3667399	April 17, 2024	Application for Court Order		Ontario Superior Court of Justice	Rosen Goldberg Inc.
YR3688348	June 18, 2024	Transfer of Charge		Computershare Trust Company of Canada	Community Trust Company

**SCHEDULE "G"**

**REGISTRATIONS TO BE PERMITTED ON PINS**

<b>Reg. No.</b>	<b>Date</b>	<b>Instrument Type</b>	<b>Amount</b>	<b>Parties From</b>	<b>Parties To</b>
<b>For PIN 10120-0064 (LT)</b>					
NY200193	June 3, 1955	Transfer Easement	\$1		Bell Telephone Co. of Canada  Hydro-Electric Commission of Township of North York
TB969713	June 1, 1995	Notice		Bell Canada	
TR53160	Dec. 6, 1999	Notice		Toronto-Hydro-Electric System Limited	

**SCHEDULE "H"**

**REGISTRATIONS TO BE PERMITTED ON PINS**

<b>Reg. No.</b>	<b>Date</b>	<b>Instrument Type</b>	<b>Amount</b>	<b>Parties From</b>	<b>Parties To</b>
<b>For PIN 03345-0011 (LT)</b>					
LT1006180	Oct. 14, 1994	Notice of Subdivision Agreement			The Corporation of the City of Vaughan
LT1039181Z	May 26, 1995	Application To Annex Restrictive Covenants S. 119			