

**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 CONWAY) DAY OF AUGUST, 2024

BETWEEN:

AFC MORTGAGE ADMINISTRATION INC.

Applicant

- and -

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

Respondents

SALE PROCEDURE ORDER

THIS MOTION, made by Rosen Goldberg Inc. ("**Rosen Goldberg**"), in its capacity as the Court-appointed receiver and manager (the "**Receiver**"), without security, over the lands and premises including but not limited to the properties municipally known as 74 Yonge Street, Elmvale, Ontario and 5 and 6 Train Avenue, Elmvale, Ontario (the "**Properties**") having PINs, 58379-0238, 58379-0406, 58379-0407, 58379-0237 and 58379-0163 (hereinafter collectively referred to as the "**Elmvale Property**"), which is owned by Sunrise Acquisitions (Elmvale) Inc. (the "**Debtors**"), and for all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to the Properties, including all proceeds thereof (together with the Properties, hereinafter collectively referred to as the "**Property**") seeking among other relief, an Order approving a sale procedure, was heard virtually this day on August 15, 2024 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, Motion Record including the First Report of the Receiver dated August 1, 2024 (“**First Report**”) and the exhibits thereto and on hearing submissions for counsel for the Receiver, counsel for the Applicant, counsel for the Debtors, and counsel for KSV Restructuring Inc. who is a court ordered receiver as it relates to proceedings as against some of the named Debtors in the within proceeding, no one else on the service list appearing although duly served as it appears from the affidavit of service of Sara Collins sworn August 6, 2024, filed.

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record is abridged and validated such that this Motion is properly returnable today, and further service of the Notice of Motion and the Motion Record is hereby dispensed with.

APPROVAL OF SALE PROCEDURE AND LISTING AGREEMENT

2. **THIS COURT ORDERS** that the Receiver’s retention of CBRE (“**CBRE**”) as the listing agent for the Properties (the “**CBRE Listing Agreement**”) be and is hereby approved.

3. **THIS COURT ORDERS** that the sale procedure substantially in the form of the Sale Procedure included as Appendix “E” to the First Report (the “**Sale Procedure**”), as described in the First Report, with the timelines as amended by Schedule A attached hereto, be and hereby is approved.

4. **THIS COURT ORDERS** that the Receiver is authorized to enter into the asset purchase agreement, as attached as Appendix “D” to the First Report and as may in the future be supplemented, amended or restated from time to time (the “**Stalking Horse Agreement**”), in respect of the Properties.

5. **THIS COURT ORDERS** that the Receiver is hereby authorized to commence and carry out the Sale Procedure and to take such further steps as are considered necessary or desirable in carrying out the terms of the Sale Procedure, subject to prior approval of this Court being obtained before completion of any transactions under the Sale Procedure.

6. **THIS COURT ORDERS** that the Receiver and its respective affiliates, partners, directors, officers, employees, representatives and agents shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to any person in connection with or as a result of the Sale Procedure, except to the extent such losses, claims, damages or liabilities result from gross negligence or willful misconduct of the Receiver in performing its obligations under the Sale Procedure as determined by this Court.

APPROVAL OF RECEIVER'S REPORTS AND CONDUCT

7. **THIS COURT ORDERS** that the First Report and the conduct and activities of the Receiver, as described therein, be and hereby are approved.

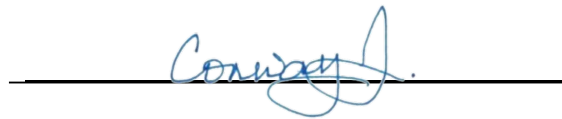
SEALING OF CONFIDENTIAL APPENDIX

8. **THIS COURT ORDERS** that Confidential Appendices 1,2,3 and 4 to the First Report, filed, be and hereby are sealed.

GENERAL

9. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions on the discharge of its duties and powers hereunder.

10. **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.

A handwritten signature in blue ink is written over a solid black horizontal line. The signature is cursive and appears to read "Conway".

SCHEDULE A

| | Milestone | Timeline |
|----|---|---|
| 1. | Preparation of teaser and other marketing material. | By August 15, 2024. |
| 2. | Mailing of teaser, placement of advertising, commencement of access to Data Room. | By August 15, 2024. |
| 3. | Phase I bids due. | By October 15, 2024 |
| 4. | Evaluation of Phase I bids, and determination of Phase II qualifying bids. | By October 22, 2024 |
| 5. | Phase II bids due. | By November 8, 2024 |
| 6. | Review of Phase II bids and auction (if required). | By November 15, 2024 |
| 7. | Selection of successful bid. | By November 16, 2024 |
| 8. | Application to Court for Approval. | As soon as practical offer, post November 16, 2024 |
| 9. | Closing of sale. | As soon as practical offer issuance or Approval and Verify Order. |

AFC MORTGAGE ADMINISTRATION INC.
Applicant

-and-

SUNRISE ACQUISITIONS (ELMVALE) INC. et al.
Respondents

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

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PROCEEDING COMMENCED AT
TORONTO

SALE PROCEDURE ORDER

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