

**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 | ) | MONDAY, THE 2ND    |
|                | ) |                    |
| JUSTICE STEELE | ) | DAY OF MARCH, 2026 |

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

**B & M HANDELMAN INVESTMENTS LIMITED, CAROL HANDELMAN,  
BEVERLEY GORDON, 4055845 CANADA INC.,  
BAMBURGH HOLDINGS LTD., AMANDA SALEM, MARVIN TEPERMAN,  
HILDA ZAHLER, AURELIA OSTRO, EITAN OSTRO, JEFFREY GERTNER,  
M & B BARANEK LIMITED, WERGER HOLDINGS INC.,  
ROBERT BERGER, JANET GOLFMAN, GARY LIPTON, GERALD MALDOFF,  
STARGLOW INTERNATIONAL INC., 593651 ONTARIO LTD.,  
RIDGESTAR DEVELOPMENTS INC., 1031436 ONTARIO INC.,  
1008118 ONTARIO LIMITED, RCMF MORTGAGE INVESTMENTS INC.,  
C & K MORTGAGE SERVICES INC. and CANADIAN WESTERN TRUST COMPANY**

**Applicants**

**- and -**

**CENTREVILLE HOMES (ESSA ROAD) INC.,  
CENTREVILLE (SHELBURNE) INC., ~~and~~  
CENTREVILLE HOMES (PICKERING) INC. and  
CENTREVILLE VETMACK GP INC.**

**Respondents**

**ORDER**

**THIS MOTION** made by the Applicant RCMF Mortgage Investments Inc. ("**RCMF**"), for an  
Order (i) granting leave to issue a Fresh as Amended Notice of Application in this proceeding to

add Centreville Wasaga LP and Centreville Wasaga GP Inc. (together, the “**Wasaga Debtors**”) as Respondents in the form attached hereto as Schedule “A” and dispensing with service of the Fresh as Amended Notice of Application, and (ii) extending the appointment of Rosen Goldberg Inc. as receiver and manager over the Wasaga Debtors, was heard this day by Zoom videoconference at 330 University Avenue, in Toronto, Ontario.

**ON READING** the Affidavit of Gary Gruneir sworn February 3, 2025, and on hearing the submissions of counsel for RCMF, and counsel for 1590245 Ontario Inc. and 2661622 Ontario Inc. appearing but not making submissions, no one else on the service list appearing, although served, as appears from the Affidavit of Service of J. Nairne sworn February 13, 2026, filed,

#### **SERVICE**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

#### **FRESH AS AMENDED NOTICE OF APPLICATION**

2. **THIS COURT ORDERS** that leave is hereby granted to issue a Fresh as Amended Notice of Application in this proceeding to add the Wasaga Debtors as Respondents, in the form attached hereto as Schedule “A”.

3. **THIS COURT ORDERS** that service of the Fresh as Amended Notice of Application is hereby dispensed with.

## APPOINTMENT

4. **THIS COURT ORDERS** that pursuant to 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, Rosen Goldberg Inc. is hereby also appointed as receiver and manager (in such capacities, the “**Receiver**”) of all of the assets, undertakings and property of the Wasaga Debtors, acquired for, or used in relation to a business carried on by the Wasaga Debtors, including and without in any way limiting the generality of the foregoing, the property known municipally as 602, 612, 604 and 646 River Road West, Wasaga Beach, Ontario and legally described in Schedule “B” hereto (the “**Property**”), and all proceeds thereof.

5. **THIS COURT ORDERS** that all references to the Receiver, the Debtors, and the Property in the Order of Justice Cavanagh dated April 9, 2025 (as amended, restated, or amended and restated, the “**Appointment Order**”) shall be deemed to include the Receiver (as defined herein), the Wasaga Debtors and the Property (as defined herein), respectively. For greater certainty, the Appointment Order shall apply *mutatis mutandis* to this Order.

6. **THIS COURT ORDERS** that the title of these proceedings is hereby changed to:

**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**

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

**B & M HANDELMAN INVESTMENTS LIMITED, CAROL HANDELMAN,  
BEVERLEY GORDON, 4055845 CANADA INC.,  
BAMBURGH HOLDINGS LTD., AMANDA SALEM, MARVIN TEPERMAN,  
HILDA ZAHLER, AURELIA OSTRO, EITAN OSTRO, JEFFREY GERTNER,  
M & B BARANEK LIMITED, WERGER HOLDINGS INC.,  
ROBERT BERGER, JANET GOLFMAN, GARY LIPTON, GERALD MALDOFF,  
STARGLOW INTERNATIONAL INC., 593651 ONTARIO LTD.,  
RIDGESTAR DEVELOPMENTS INC., 1031436 ONTARIO INC.,  
1008118 ONTARIO LIMITED, RCMF MORTGAGE INVESTMENTS INC.,  
C & K MORTGAGE SERVICES INC. and CANADIAN WESTERN TRUST COMPANY**

Applicants

- and -

**CENTREVILLE HOMES (ESSA ROAD) INC.,  
CENTREVILLE (SHELBURNE) INC.,  
CENTREVILLE HOMES (PICKERING) INC.,  
CENTREVILLE VETMACK GP INC.,  
CENTREVILLE WASAGA LP and  
CENTREVILLE WASAGA GP INC.**

Respondents

**GENERAL**

7. **THIS COURT ORDERS** that RCMF shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of RCMF's security or, if not so provided

by RCMF's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtors' estates with such priority, at such time as this Court may determine.

8. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. prevailing Eastern Time on the date hereof and is enforceable without any need for entry and filing.

Jana  
Steele



Digitally signed  
by Jana Steele  
Date: 2026.03.02  
12:38:54 -05'00'

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**SCHEDULE "B"**  
**WASAGA PROPERTY**

PIN: 58337-0269 (LT)

Legal Description: PART OF THE SOUTH HALF OF LOT 25 CON 9 FLOS, PART 1 ON 51 R44180;  
TOWN OF WASAGA BEACH

PIN: 58337-0270 (LT)

Legal Description: PART OF THE SOUTH HALF OF LOT 25 CON 9 FLOS, PART 2 ON 51 R44180;  
TOWN OF WASAGA BEACH

PIN: 58337-0271 (LT)

Legal Description: PART OF THE SOUTH HALF OF LOT 25 CON 9 FLOS, PART 3 ON 51R44180; TOWN  
OF WASAGA BEACH

PIN: 58337-0272 (LT)

Legal Description: PART OF THE SOUTH HALF OF LOT 25 CON 9 FLOS, PART 4 ON 51R44180; TOWN  
OF WASAGA BEACH

**Schedule "A"**

Court File No. CV-25-00736332-00CL

**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**

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

*(Court Seal)*

**B & M HANDELMAN INVESTMENTS LIMITED, CAROL HANDELMAN,  
BEVERLEY GORDON, 4055845 CANADA INC.,  
BAMBURGH HOLDINGS LTD., AMANDA SALEM, MARVIN TEPERMAN,  
HILDA ZAHLER, AURELIA OSTRO, EITAN OSTRO, JEFFREY GERTNER,  
M & B BARANEK LIMITED, WERGER HOLDINGS INC.,  
ROBERT BERGER, JANET GOLFMAN, GARY LIPTON, GERALD MALDOFF,  
STARGLOW INTERNATIONAL INC., 593651 ONTARIO LTD.,  
RIDGESTAR DEVELOPMENTS INC., 1031436 ONTARIO INC.,  
1008118 ONTARIO LIMITED, RCMF MORTGAGE INVESTMENTS INC.,  
C & K MORTGAGE SERVICES INC. and CANADIAN WESTERN TRUST COMPANY**

Applicants

- and -

**CENTREVILLE HOMES (ESSA ROAD) INC.,  
CENTREVILLE (SHELBURNE) INC.,  
CENTREVILLE HOMES (PICKERING) INC.,  
CENTREVILLE VETMACK GP INC.,  
CENTREVILLE WASAGA LP and  
CENTREVILLE WASAGA GP INC.**

Respondents

**FRESH AS AMENDED NOTICE OF APPLICATION**

TO THE RESPONDENTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicants. The claim made by the Applicants appears on the following pages.

THIS APPLICATION will come on for a hearing by videoconference at the Superior Court of Justice (Commercial List), 330 University Avenue, Toronto, Ontario on a date to be set by a Judge presiding over the Commercial List.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the Applicants' lawyer or, where the Applicants do not have a lawyer, serve it on the Applicants, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicants' lawyer or, where the Applicants do not have a lawyer, serve it on the Applicants, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date \_\_\_\_\_ Issued by \_\_\_\_\_  
Local Registrar

Address of court office: Superior Court of Justice  
330 University Avenue  
Toronto, ON  
M5G 1R7

**TO: CENTREVILLE HOMES (ESSA ROAD) INC.**  
1500 Creditstone Road, 2<sup>nd</sup> Floor  
Concord, ON L4K 5W2



- AND TO: CENTREVILLE (SHELBURNE) INC.**  
1500 Creditstone Road, 2<sup>nd</sup> Floor  
Concord, ON L4K 5W2
- AND TO: CENTREVILLE HOMES (PICKERING) INC.**  
1500 Creditstone Road, 2<sup>nd</sup> Floor  
Concord, ON L4K 5W2
- AND TO: CENTREVILLE VETMACK GP INC.**  
1500 Creditstone Road, 2<sup>nd</sup> Floor  
Concord, ON L4K 5W2
- AND TO: CENTREVILLE WASAGA LP**  
1500 Creditstone Road, 2<sup>nd</sup> Floor  
Concord, ON L4K 5W2
- AND TO: CENTREVILLE WASAGA GP INC.**  
1500 Creditstone Road, 2<sup>nd</sup> Floor  
Concord, ON L4K 5W2

## APPLICATION

1. The Applicants make application for:

- (a) if necessary, an Order abridging and validating the time for service and filing of this Notice of Application and the Application Record and dispensing with further service thereof;

an Order, pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43, as amended (the “**CJA**”), appointing Rosen Goldberg Inc. as receiver and manager (in such capacities, the “**Receiver**”) of all of the assets, undertakings and property of the Respondents (collectively, the “**Debtors**” and, individually, a “**Debtor**”), acquired for, or used in relation to a business carried on by the Debtors, including and without in any way limiting the generality of the foregoing, the properties known municipally as 521 and 525 Essa Road, Barrie, Ontario (the “**First Barrie Property**”), 600 Main Street East, Shelburne, Ontario (the “**Shelburne Property**”), 313 Toynevale Road, Pickering, Ontario (the “**Pickering Property**”), 910 Veterans Drive, Barrie, Ontario (the “**Second Barrie Property**”) and 602, 612, 604 and 646 River Road West, Wasaga Beach, Ontario (collectively, the “**Wasaga Property**”); and

- (b) such further and other relief as to this Honourable Court may seem just.

2. The grounds for the application are:

- (a) The Debtors, other than Wasaga LP (as hereinafter defined) are single purpose Ontario corporations controlled by Cesare Bauco (“**Mr. Bauco**”);
- (b) Wasaga LP is an Ontario limited partnership, whose general partner is Wasaga GP (as hereinafter defined);

- (c) Collectively, the Applicants advanced eight separate secured loans to the Debtors (collectively, the “**Loans**” and, individually, a “**Loan**”), each of which is secured by, among other things, a charge over real property owned by one of the Debtors;
- (d) Monthly payments of interest are no longer being received under any of the Loans, and all Loans are past maturity;
- (e) As of January 20, 2025, the amount owing under the Loans, excluding the Loans to the Second Barrie Debtor (as hereinafter defined) and Wasaga LP, collectively, was \$15,028,858.53;
- (f) As of May 6, 2025, the amount owing under the Loan to the Second Barrie Debtor (excluding legal fees) was \$3,694,151.52;
- (g) As of January 16, 2026, the amount owing under the Loan to Wasaga LP (excluding legal fees) was \$6,787,745.77;

**I. Loans and Security**

**A. The First Barrie Property**

- (h) The Debtor Centerville Homes (Essa Road) Inc. (the “**First Barrie Debtor**”) is the owner of the First Barrie Property. The First Barrie Property is a 1.0939 acre vacant parcel located on the northwest side of Essa Road, west of Highway 400 and east of Town Line Road. It is proposed for the development of 36 back-to-back townhomes and 12 traditional townhomes;

**i. First Mortgage Loan**

- (i) Pursuant to a commitment letter given by Rescom Capital (“**Rescom**”)<sup>1</sup> dated January 16, 2020, the Applicants B & M Handelman Investments Limited, Carol Haberman, Beverley Gordon, 4055845 Canada Inc., Bamburgh Holdings Ltd., Amanda Salem, Marvin Teperman, Hilda Zahler, Aurelia Ostro, Eitan Ostro, Jeffery Gerner, M & B Baranek Limited, Werger Holdings Inc., Robert Berger, Janet Golfman, Gary Lipton, Gerald Madoff, Starglow International Inc., 593651 Ontario Ltd., Ridgestar Developments Inc., 1031436 Ontario and 1008118 Ontario Limited (collectively, “**B & M Handelman et al.**”) extended a loan in the principal amount of \$2,460,000.00 to the First Barrie Debtor, which was renewed and amended pursuant to a renewal commitment given by Rescom dated January 17, 2024;
- (j) As security for the loan to the First Barrie Debtor, B & M Handelman et al. hold, among other security:
  - (i) a first-ranking charge registered on title to the First Barrie Property on March 11, 2020;
  - (ii) a first-ranking assignment of rents registered on title to the First Barrie Property on March 11, 2020;
  - (iii) a first-ranking general security agreement, securing all of the personal property of the First Barrie Debtor, dated March 2, 2020; and
  - (iv) a joint and several guarantee and postponement of claim given by Centreville Development Corporation (“**CDC**”) and Mr. Bauco dated March 2, 2020;

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<sup>1</sup> C & K Mortgage Services Inc. (“**C & K**”) carries on business as Rescom Capital

- (k) The renewal term matured on January 1, 2025;

**ii. Second Mortgage Loan**

- (l) Pursuant to a commitment letter given by Rescom dated July 18, 2024, the Applicant RCMF Mortgage Investments Inc. ("**RCMF**") extended a loan in the principal amount of \$750,000.00 to the First Barrie Debtor;
- (m) As security for the loan to the First Barrie Debtor, RCMF holds, among other security:
  - (i) a second-ranking charge registered on title to the First Barrie Property on July 25, 2024;
  - (ii) a second-ranking assignment of rents registered on title to the First Barrie Property on July 25, 2024;
  - (iii) a second-ranking general security agreement, securing all of the personal property of the First Barrie Debtor, dated July 24, 2024; and
  - (iv) a joint and several guarantee and postponement of claim given by CDC and Mr. Bauco dated July 24, 2024;
- (n) Apart from the above-noted instruments, there are no other financial encumbrances registered on title to the First Barrie Property;

**B. The Shelburne Property**

- (o) The Debtor Centerville (Shelburne) Inc. (the "**Shelburne Debtor**") is the owner of the Shelburne Property. The Shelburne Property is a 5.58 acre parcel located on the north side of Main Street East, west of Dufferin Road 124 and east of Owen Sound Street. It is proposed for the development of 58 unit townhouses;

**i. First Mortgage Loan**

- (p) Pursuant to a commitment letter given by Rescom dated April 4, 2022, the Applicants C & K and Canadian Western Trust Company (“**CWT**”) extended a loan in the principal amount of \$5,570,000.00 to the Shelburne Debtor, which was renewed and amended pursuant to a renewal commitment given by Rescom dated June 19, 2023;
- (q) As security for the loan to the Shelburne Debtor, C & K and CWT hold, among other security:
  - (i) a first-ranking charge registered on title to the Shelburne Property on June 10, 2022;
  - (ii) a first-ranking assignment of rents registered on title to the Shelburne Property on June 10, 2022;
  - (iii) a first-ranking general security agreement, securing all of the personal property of the Shelburne Debtor, dated June 8, 2022;
  - (iv) a guarantee and postponement of claim given by CDC dated June 8, 2020; and
  - (v) a guarantee and postponement of claim given by Mr. Bauco dated June 8, 2020;
- (r) The renewal term matured on July 1, 2024;

**ii. Second Mortgage Loan**

- (s) Pursuant to a commitment letter given by Rescom dated May 18, 2023, C & K extended a loan in the principal amount of \$1,000,000.00 to the Shelburne Debtor;

- (t) As security for the loan to the Shelburne Debtor, C & K holds, among other security:
  - (i) a second-ranking charge registered on title to the Shelburne Property on June 21, 2023;
  - (ii) a second-ranking general security agreement, securing all of the personal property of the Shelburne Debtor, dated June 19, 2023;
  - (iii) a guarantee and postponement of claim given by CDC dated June 19, 2023; and
  - (iv) a guarantee and postponement of claim given by Mr. Bauco dated June 19, 2023;
- (u) The above-noted loan matured on July 1, 2024;
- (v) Apart from the above-noted instruments, there are no other financial encumbrances registered on title to the Shelburne Property;

**C. The Pickering Property**

- (w) The Debtor Centerville Homes (Pickering) Inc. (the “**Pickering Debtor**”) is the owner of the Pickering Property. The Pickering Property is 2.498 acre vacant parcel located south of Highway 401, west of Whites Road and east of Port Union Road. It is proposed for the development of 8 single family detached lots with 45 feet of frontage and of 5 single family detached lots with 50 feet of frontage;

**i. First Mortgage Loan**

- (x) Pursuant to a commitment letter given by Rescom dated June 21, 2022, C & K and CWT extended a loan in the principal amount of \$6,000,000.00 to the Pickering

Debtor, which was renewed and amended pursuant to a renewal commitment given by Rescom dated November 23, 2023;

- (y) As security for the loan to the Pickering Debtor, C & K and CWT hold, among other security:
  - (i) a first-ranking charge registered on title to the Pickering Property on August 12, 2022;
  - (ii) a first-ranking assignment of rents registered on title to the Pickering Property on August 12, 2022;
  - (iii) a first-ranking general security agreement, securing all of the personal property of the Pickering Debtor, dated August, 2022; and
  - (iv) a guarantee and postponement of claim given by Mr. Bauco dated August, 2022;
- (z) The renewal term matured on September 1, 2024;

**ii. Second Mortgage Loan**

- (aa) Pursuant to a commitment letter given by Rescom dated November 23, 2023, RCMF extended a loan in the principal amount of \$500,000.00 to the Pickering Debtor;
- (bb) As security for the loan to the Pickering Debtor, RCMF holds, among other security:
  - (i) a second-ranking charge registered on title to the Pickering Property on January 8, 2024;



- (ii) a second-ranking assignment of rents registered on title to the Pickering Property on January 8, 2024;
  - (iii) a second-ranking general security agreement, securing all of the personal property of the Pickering Debtor, dated January 3, 2024; and
  - (iv) a guarantee and postponement of claim given by Mr. Bauco dated January 3, 2024;
- (cc) The above-noted loan matured on September 1, 2024;
- (dd) Apart from the above-noted instruments, there are no other financial encumbrances registered on title to the Pickering Property;

**D. The Second Barrie Property**

- (ee) The Debtor Centreville Vetmack GP Inc. (the “**Second Barrie Debtor**”) is the registered owner of the Second Barrie Property;
- (ff) The Second Barrie Debtor holds the Second Barrie Property in trust for Vetmack Barrie LP by its General Partner Centreville Vetmack GP Inc. (“**Vetmack Barrie LP**”). Vetmack Barrie LP is the beneficial owner of the Second Barrie Property;
- (gg) The Second Barrie Property is a 1.82 acre parcel located on the northwest corner of Veterans Drive and McKay Road, in Barrie, Ontario. It is draft approved for the development of 48 townhouses;

**i. First Mortgage Loan**

- (hh) Pursuant to a commitment letter given by Rescom dated February 9, 2022, C & K extended a loan in the principal amount of \$4,850,000.000 to the Second Barrie Debtor, which was renewed and amended pursuant to a renewal commitment given by Rescom dated June 19, 2023;

- (ii) As security for the loan to the Second Barrie Debtor, C & K holds, among other security:
  - (i) a first-ranking charge registered on title to the Second Barrie Property on March 3, 2022;
  - (ii) a first-ranking assignment of rents registered on title to the Second Barrie Property on March 3, 2022;
  - (iii) a first-ranking general security agreement, securing all of the personal property of the Second Barrie Debtor, dated March 2022;
  - (iv) a beneficial authorization and charge agreement dated March 2022; and
  - (v) a joint and several guarantee and postponement of claim given by CDC and Mr. Bauco dated March 2022;
- (jj) The renewal term matured on April 1, 2024;
- (kk) Apart from the above-noted instruments, there are no other financial encumbrances registered on title to the Second Barrie Property;
- (ll) Apart from the general security agreement and the beneficial authorization and charge agreement, there are no other *PPSA* registrations against the Second Barrie Debtor;

**E. The Wasaga Property**

- (mm) The Debtor Centreville Wasaga GP Inc. ("**Wasaga GP**") is the registered owner of the Wasaga Property;

- (nn) Wasaga GP holds the Wasaga Property in trust for Centreville Wasaga LP (“**Wasaga LP**” and together with Wasaga GP, the “**Wasaga Debtors**”). Wasaga LP is the beneficial owner of the Wasaga Property;
- (oo) The Wasaga Property is an irregularly-shaped, approximately 8.3 acre parcel consisting of 4 contiguous lots, in Wasaga Beach, Ontario. It is on the north-west side of River Road and east of Zoo Park Road. The Wasaga Property was proposed to be developed in two interconnected parts, one being a condominium building and the second being a townhouse development;

**i. First Mortgage Loan**

- (pp) Pursuant to a commitment letter given by Rescom dated October 21, 2024, RCMF extended a loan in the principal amount of \$6,650,000 to Wasaga LP. The term of the Loan was 13 months;
- (qq) As security for the Loan to Wasaga LP, RCMF holds, among other security:
  - (i) a first-ranking charge registered on title to the Wasaga Property on November 14, 2024;
  - (ii) a first-ranking assignment of rents registered on title to the Wasaga Property on November 14, 2026;
  - (iii) a first-ranking general security agreement, securing all of the personal property of Wasaga LP, dated November 4, 2024;
  - (iv) a beneficial authorization and charge agreement dated November 4, 2024; and
  - (v) a guarantee and postponement of claim given by Mr. Bauco dated November 4, 2024.

- (rr) In addition to the above-noted instruments, there are two subsequent charges on title to the Wasaga Property, as follows:
- (i) a charge in the original principal amount of \$7,500,000 granted to 1590245 Ontario Inc. and 2661622 Ontario Inc., which was registered on title on June 24, 2022, and subsequently postponed to the charge held by RCMF by way of a Priority and Subordination Agreement registered on title on November 14, 2024; and
  - (ii) a charge in the original principal amount of \$2,500,000 granted to Wingfield Mortgage Corp.<sup>2</sup> which was registered on title on June 24, 2022, and subsequently postponed to the charge held by RCMF by way of a Priority and Subordination Agreement registered on title on November 14, 2024;
- (ss) Apart from the general security agreement and the beneficial authorization and charge agreement, there are no other *PPSA* registrations against the Wasaga Debtors;

## **II. Delivery of Notices of Intention to Enforce Security**

- (tt) On December 23, 2024, Rescom delivered notices of intention to enforce security pursuant to section 244 of the *BIA* on behalf of the Applicants who are lenders under the Loans to the Shelburne Debtor and the Pickering Debtor;
- (uu) On January 8, 2025, Rescom delivered a notice of intention to enforce security pursuant to section 244 of the *BIA* on behalf of B & M Handelman et al. who are lenders under the first mortgage Loan to the First Barrie Debtor;

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<sup>2</sup> Name registered on parcel records for the Wasaga Property changed from Wingfield Mortgage Corporation by Instrument SC2093922 registered on November 5, 2025.

- (vv) On January 8, 2025, Rescom delivered a notice of intention to enforce security pursuant to section 244 of the *BIA* on behalf of RCMF who is the lender under the first mortgage Loan to the Second Barrie Debtor;
- (ww) On January 20, 2026, Rescom delivered a notice of intention to enforce security pursuant to section 244 of the *BIA* on behalf of RCMF who is the lender under the first mortgage Loan to Wasaga LP;
- (xx) Despite the expiry of the 10 day statutory notice period under the *BIA*, the Debtors have made no payments under the Loans;
- (yy) As of January 20, 2025, the following amounts were owing under the Loans (excluding legal fees) and *per diem* interest was accruing thereon:

| <b>Loan</b>                                 | <b>Amount Owing</b>    | <b><i>Per Diem</i> Interest<br/>Accrual</b> |
|---------------------------------------------|------------------------|---------------------------------------------|
| First Mortgage Loan to First Barrie Debtor  | \$2,507,580.76         | \$779.06                                    |
| Second Mortgage Loan to First Barrie Debtor | \$750,250.00           | *                                           |
| First Mortgage Loan to Shelburne Debtor     | \$5,466,755.18         | \$1,637.25                                  |
| Second Mortgage Loan to Shelburne Debtor    | \$1,035,541.19         | \$414.30                                    |
| First Mortgage Loan to Pickering Debtor     | \$4,747,802.60         | \$1,454.39                                  |
| Second Mortgage Loan to Pickering Debtor    | \$520,928.80           | \$213.28                                    |
| <b>TOTAL</b>                                | <b>\$15,028,858.53</b> | <b>\$4,498.28</b>                           |

\* Interest is pre-paid until February 1, 2025

- (zz) As of May 6, 2025, the amount owing under the Loan to the Second Barrie Debtor (excluding legal fees) was \$3,694,151.52;

(aaa) As of January 16, 2026, the amount owing under the Loan to Wasaga LP (excluding legal fees) was \$6,787,745.77;

#### **IV. Request to Appoint Receiver**

(bbb) The appointment of Rosen Goldberg Inc. as receiver and manager of the assets, undertakings and property of the Debtors is just and convenient in the circumstances for the following reasons:

- (i) the Loans are in financial default;
- (ii) notwithstanding the issuance of the section 244 *BIA* notices, the indebtedness owing under the Loans has not been repaid;
- (iii) the statutory ten day period under the *BIA* has expired;
- (iv) under the security documents given in connection with the Loans, the Applicants are contractually entitled to appoint a receiver upon default;  
~~and~~
- (v) a Court-supervised receiver will have regard for the interests of the Applicants, the Debtors, the subsequent mortgagees of the Wasaga Property, and Mr. Bauco and CDC, as guarantors of the Loans (as applicable), and will facilitate a fair and transparent sale process for the disposition of the First Barrie Property, the Shelburne Property, the Pickering Property, the Second Barrie Property, and the Wasaga Property;  
and

(ccc) section 243(1) of the *BIA*;

(ddd) section 101 of the *CJA*;

(eee) Rules 3.02(1), 14.05(3) and 16.08 of the *Rules of Civil Procedure*; and

(fff) such further and other grounds as counsel may advise and this Honourable Court may permit.

3. The following documentary evidence will be used at the hearing of the application:

- (a) the Affidavit of Gary Gruneir, sworn January 31, 2025;
- (b) the Affidavit of Gary Gruneir, sworn March 19, 2025;
- (c) the Affidavit of Gary Gruneir, sworn February 3, 2026;
- (d) the Consent of Rosen Goldberg Inc. to act as the Receiver; and
- (e) such further and other evidence as counsel may advise and this Honourable Court may permit.

February 3, 2026

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Lawyers for the Applicants

**B & M HANDELMAN INVESTMENTS LIMITED et al.**  
Applicants

-and- **CENTREVILLE HOMES (ESSA ROAD) INC. et al.**  
Respondents

Court File No. CV-25-00736332-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

PROCEEDING COMMENCED AT  
TORONTO

**FRESH AS AMENDED NOTICE OF APPLICATION**

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Lawyers for the Applicants



**SCHEDULE "B"**  
**WASAGA PROPERTY**

PIN: 58337-0269 (LT)

Legal Description: PART OF THE SOUTH HALF OF LOT 25 CON 9 FLOS, PART 1 ON 51 R44180;  
TOWN OF WASAGA BEACH

PIN: 58337-0270 (LT)

Legal Description: PART OF THE SOUTH HALF OF LOT 25 CON 9 FLOS, PART 2 ON 51 R44180;  
TOWN OF WASAGA BEACH

PIN: 58337-0271 (LT)

Legal Description: PART OF THE SOUTH HALF OF LOT 25 CON 9 FLOS, PART 3 ON 51R44180; TOWN  
OF WASAGA BEACH

PIN: 58337-0272 (LT)

Legal Description: PART OF THE SOUTH HALF OF LOT 25 CON 9 FLOS, PART 4 ON 51R44180; TOWN  
OF WASAGA BEACH

**B & M HANDELMAN INVESTMENTS LIMITED et al.**  
Applicants

-and- **CENTREVILLE HOMES (ESSA ROAD) INC. et al.**  
Respondents

Court File No. CV-25-00736332-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

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**ORDER**

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