

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

BETWEEN:

ROMSPEN INVESTMENT CORPORATION

Applicant

-and-

HORSESHOE VALLEY LANDS LTD.

Respondent

**SUPPLEMENTARY MOTION RECORD OF THE RECEIVER,
ROSEN GOLDBERG INC.**

December 20, 2016

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Proposed Receiver (*Courtesy Copy*)

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Tabs Document

1. Supplementary Report to the First Report of Rosen Goldberg Inc. dated December 20, 2016
- A Appendix "1" - Confidential Appendix 1 – Firstview Offer to Purchase

Tab 1

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

IN THE MATTER OF SECTION 47(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

BETWEEN:

ROMSPEN INVESTMENT CORPORATION

Applicant

- and -

HORSESHOE VALLEY LANDS LTD.

Respondent

**SUPPLEMENTARY REPORT TO THE
FIRST REPORT OF ROSEN GOLDBERG INC.**

I. PURPOSE OF THIS SUPPLEMENT TO RE-REPORT

1. This Supplementary Report to the Receiver's First Report is being filed to update the Court regarding the status of negotiations between the Receiver and Firstview Homes (Scarborough) Inc. ("**Firstview**").

2. All capitalized terms not defined herein have the meanings set out in the Receiver's First Report.

3. As previously noted in the First Report, the Receiver has been negotiating with Firstview in an effort to preserve the benefit of an offer to purchase the Single Family Lots submitted by Firstview to the Debtor prior to the Receiver's appointment.

4. On December 19, 2016, subsequent to service of the First Report, Firstview submitted an Offer to Purchase the Single Family Lots from the Receiver (the "**Firstview APS**"). A true copy of the Firstview APS is attached as **Confidential Appendix 1**. The Receiver seeks an Order sealing the Firstview APS, pending completion of a sale transaction, as disclosure of the Firstview APS at this time may prejudice realizations.

5. The purchase price under the Firstview APS is significantly higher than the purchase price under the Grandview APS. In addition, the Grandview APS requires payment of a real estate commission by the vendor, whereas no real estate commission is payable under the Firstview APS.


6. In light of the results of the extensive marketing process previously carried out by the Debtor, the Receiver does not believe that any further marketing process will increase recoveries. Moreover, an early completion of a sale transaction and distribution of the proceeds to Romspen, as first ranking secured creditor, will result in a substantial reduction of the amount owed to Romspen, and the interest accruing thereon.

7. Therefore, subject to approval by this Honourable Court, the Receiver has accepted the Firstview APS, and intends to move on the first available date in January, 2017 for an Order approving the Firstview APS.

All of which is respectfully submitted,

Dated at Toronto, Ontario, this 20th day of December 2016.

**ROSEN GOLDBERG INC., SOLELY IN ITS CAPACITY AS
COURT-APPOINTED RECEIVER AND MANAGER OF
HORSESHOE VALLEY LANDS LTD. AND NOT IN A
PERSONAL OR CORPORATE CAPACITY**



Tab A

Confidential Appendix 1 – omitted

Sealed at Receiver's request.

ROMSPEN INVESTMENT CORPORATION
Applicant

-and-
Respondents

HORSESHOE VALLEY LANDS LTD.

Court File No. CV-16-11468-00CL

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SUPERIOR COURT OF JUSTICE
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PROCEEDING COMMENCED AT
TORONTO

SUPPLEMENTARY MOTION RECORD

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