

COURT FILE NUMBER Q.B.G. 399 of 2020

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE SASKATOON

PLAINTIFF CANADIAN MORTGAGE SERVICING CORPORATION

DEFENDANT 101118672 SASKATCHEWAN LTD. (formerly Korf Properties
Ltd.)

**IN THE MATTER OF THE RECEIVERSHIP OF 101118672 SASKATCHEWAN LTD.
(formerly Korf Properties Ltd.)**

NOTICE OF APPLICATION
(Sale Approval, Vesting and Distribution Order)

NOTICE TO: Those Parties Identified on the Attached Service List

This application is made against you. You are a respondent. You have the right to state your side of this matter before the Court.

To do so, you must be in Court when the application is heard as shown below:

Where	Court of Queen's Bench 520 Spadina Crescent East Saskatoon, Saskatchewan
Date	Thursday, March 11, 2021
Time	9:00 AM

Due to the health risks posed by the COVID-19 pandemic, all chambers applications will be heard by telephone unless the presiding judge has decided otherwise. To confirm the telephone number where you can be reached on the date of the application, you must immediately contact the office of the local registrar at (306) 953-3200 and provide your telephone number. You must remain available by telephone at that number on that date until your matter is heard.

Remedy claimed or sought:

1. An Order:
 - (a) Approving and authorizing MNP Ltd. (the "**Receiver**") in its capacity as Receiver of 101118672 Saskatchewan Ltd. (formerly Korf Properties Ltd.) (the "**Debtor**") pursuant to the Receivership Order of the Honourable Mr. Justice B.J. Scherman issued March 17, 2020 (the "**Receivership Order**") to complete the transaction contemplated in the Asset Purchase Agreement (the "**Agreement**") made with HI-TEC PROFILES LIMITED PARTNERSHIP, by its General Partner, HI-TEC PROFILES INC. (the "**Proposed Purchaser**"), as outlined in Appendix II attached to the Second Report of the Receiver dated February 26, 2021, (the "**Second Report**");
 - (b) Approving, authorizing and directing the Receiver to enter into a sale of the assets for the purchase price in the Agreement and subject to the terms and conditions thereof;
 - (c) Vesting the Proposed Purchaser with all rights, title, and interest in and to, the assets described in the Agreement, free and clear of all liens, charges, and encumbrances except as provided in the Agreement;
 - (d) Authorizing the Receiver to distribute the sale proceeds as outlined in the proposed Sale Approval, Vesting and Distribution Order filed in these proceedings;
 - (e) Approving the Receiver's activities as described within the Second Report including but not limited to the fees and disbursements of the Receiver; and
 - (f) Such further and other relief as counsel may request and this Honourable Court may allow.

Grounds for making this application:

1. The Receiver makes this application pursuant to section 3 of the Receivership Order, which permits the Receiver to, with approval of this Honourable Court, sell the assets of the Debtor and apply for any Order(s) necessary to do so.

2. This application concerns the sale of one (1) industrial property located at 2350 Industrial Drive in the R.M. of Sherwood (near the City of Regina, Saskatchewan) (the “**Property**”).

Listing Efforts

3. As indicated in the First Report of the Receiver dated December 7, 2020, after the Receiver’s appointment, the properties of the Debtor were listed for sale with Colliers International (“**Colliers**”) on June 18, 2020 on an “Invitation for Offers” basis.

4. Following the sales efforts by Colliers, three (3) parties expressed interest in the Property and made offers. Two other parties were interested but did not make offers.

5. The highest offer was made by the Proposed Purchaser who is the tenant in the Property. The Agreement was reached after significant negotiations between the Receiver and HI-TEC during January and February, 2021.

6. The Receiver is of the view that entering into the Agreement with the Proposed Purchaser for the Property is commercially reasonable and that:

- (a) the Receiver made sufficient effort to get the best price and has not acted improvidently in its efforts;
- (b) the proposed sale is in the interests of all parties and stakeholders;
- (c) the sales process was marked by both efficacy and integrity; and
- (d) there has been unfairness in the working out of the process.

The Proposed Distribution

7. The Receiver proposes to distribute the net sales proceeds from the sale of the Property to the secured creditor, Canadian Mortgage Servicing Corporation, within a reasonable time following the closing of the sale.

Material or evidence to be relied on:

- 1. This Notice of Application with proof of service;
- 2. The draft Sale Approval, Vesting and Distribution Order;

3. The Second Report of the Receiver dated February 26, 2021;
4. The Affidavit of Heather Strendin sworn March 2, 2021;
5. The Affidavit of Jazmine Colliness sworn March 2, 2021;
6. A Brief of Law; and
7. Such further and other material as this Honourable Court may allow.

Applicable Acts, Regulations, and Jurisprudence:

1. *The Queen's Bench Act, 1998*, SS 1998, c Q-1.01, s. 12.
2. *The Bankruptcy and Insolvency Act*, RSC, 1985, c B-3, ss. 243, 247 and 249.
3. *The Personal Property Security Act*, 1993, SS 1993, c P-6.2, ss. 63-64.

DATED at Regina, Saskatchewan, this 4th day of March, 2021.

KANUKA THURINGER LLP

Per: 

Solicitors for MNP Ltd.

CONTACT INFORMATION AND ADDRESS FOR SERVICE

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