



Court File No. H200605  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

**IN THE MATTER OF THE RECEIVERSHIP OF**  
**THE ASSETS, UNDERTAKINGS AND PROPERTIES OF**  
**2173 ARGYLE AVENUE LIMITED PARTNERSHIP,**  
**ARGYLE GP LTD. AND 1104194 B.C. LTD.**

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**RECEIVER'S FIRST REPORT TO COURT**

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July 12, 2022

**IN THE MATTER OF THE RECEIVERSHIP OF  
2173 ARGYLE AVENUE LIMITED PARTNERSHIP,  
ARGYLE GP LTD. AND 1104194 B.C. LTD.**

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## I. PURPOSE OF REPORT AND BACKGROUND

### Background

1. 2173 Argyle Avenue Limited Partnership, Argyle GP Ltd. and 1104194 B.C. Ltd. (the "Companies") own a three-unit townhouse development located at:
  - 2171 Argyle Avenue, West Vancouver;
  - 2173 Argyle Avenue, West Vancouver; and,
  - 2175 Argyle Avenue, West Vancouver(Collectively the "Development").
2. 1104194 B.C. Ltd. is the registered owner of the Development and 2173 Argyle Avenue Limited Partnership is the beneficial owner. Argyle GP Ltd. is the general partner.
3. Canadian Western Bank ("CWB") advanced funds to the Companies for the acquisition of land and construction of the Development secured by, among other things, a first mortgage.
4. The Companies were not able to complete the Development due to cost overruns and defaulted on the required payments to CWB. In addition, builder's liens were filed against the Development, which at the date of the receivership totalled \$147,000.
5. CWB was not willing to fund additional advances to the Companies as CWB was concerned with the Companies' ability to complete the Development and the builder's liens filed against the Development.
6. The Companies abandoned the Development as they could not obtain sufficient funding to complete the Development.
7. CWB issued a Demand and Notice of Intention to Enforce security on November 25, 2021.
8. CWB was concerned that the value of its security was eroding. Accordingly, CWB appointed The Bowra Group Inc. ("TBGI") as Receiver of the Companies on December 9, 2020 by way of an instrument appointment pursuant to a general security agreement in favour of CWB.

9. CWB was owed approximately \$6.8 million by the Companies as at December 9, 2020.
10. Once appointed, the Receiver met with the Companies' representative on-site who informed us that the only remaining work was:
  - i. Connecting the line from the utility pole to the underground conduit for internet and fire monitoring; and
  - ii. Calling for a final inspection for occupancy.
11. The Receiver determined that there was significant work required to obtain the occupancy permit and comply with new home warranty that was previous not identified by the Companies' representative. However, the Receiver did not have the necessary powers under the instrument appointment to complete the Development.
12. On December 31, 2020 CWB commenced foreclosure proceedings against the Lands comprising the Development (the "**Foreclosure Proceedings**"), which proceedings included the Companies.
13. On application by CWB within the Foreclosure Proceedings, TBGI was appointed as Receiver and Manager (the "**Receiver**") of the assets, undertakings and properties of the Companies on February 25, 2021 pursuant to an Order of the Supreme Court of British Columbia (the "**Receivership Order**"). Attached as **Appendix A** is a copy of the Receivership Order.
14. The Receiver completed the Development over a period of 9 months and obtained the occupancy permit from the District of West Vancouver ("**DWV**") on September 24, 2021.
15. The Receiver sold the Development for total gross proceeds of \$8 million.

## **Purpose of Report**

16. The purpose of this report is to:
  - i. Provide the Court with a summary of Receiver's activities to date;
  - ii. Request that the Court approve the Receiver's activities and fees incurred to date;
  - iii. Request the Court approve the fees, disbursements and taxes of the Receiver's legal counsel to date; and,
  - iv. Request that the Court approve the distribution of funds to CWB of \$3 million.

## **II. RECEIVER'S ACTIVITIES TO DATE**

17. Since its appointment, the Receiver has completed and sold the Development for total gross proceeds of \$8 million.
18. A summary of the main categories of the Receiver's work to date is as follows:
  - i. Completion of Construction and Occupancy Permit;
  - ii. Sales and Marketing; and,
  - iii. Strata Work.

### **i. Completion of Construction and Occupancy Permit**

19. At the date of the Court appointed receivership, the Development was substantially complete, but required work prior to calling for an occupancy inspection.
20. To complete the construction and obtain the occupancy permit the Receiver performed the following:
  - Requested that the DWV conduct the outstanding plumbing inspections which was required prior to calling for an occupancy inspection;
  - Engaged a mechanical contractor to complete the remaining mechanical and plumbing work that was identified by DWV during the plumbing inspections and obtained necessary sign-offs;

- Arranged for fire monitoring to the Development which required:
  - Engaging a contractor to connect an internet and phone line from the utility pole to the Development;
  - Engaging an electrical contractor to connect the fire panel to the phone line port;
  - Engaging a fire monitoring company to install and monitor the system;
  - Engaging a sprinkler contractor to test the sprinkler systems; and,
  - Obtaining sign-offs from the sprinkler, electrical and fire protection engineers;
- Completed the landscape work and obtained the security deposit held by the DWV. DWV is holding \$10,000 as security deposit for warranty purposes until February 2023;
- Worked with the architect and consultants to resolve various issues and obtained the necessary sign-offs;
- Engaged a general contractor to complete the deficiency work and to conduct deficiency walkthroughs with purchasers required for New Home Warranty. The Receiver is continuing to work with the general contractor to complete the in-suite deficiency work;
- Managed and oversaw the completion of the deficiency work and occupancy related issues;
- Reviewed and approved all work required to complete the Development; and,
- Arranged for final inspections for occupancy.

21. DWV issued the occupancy permit on September 24, 2021.

**ii. Sales and Marketing**

22. The Receiver marketed and sold the Development for gross proceeds of \$8 million.

23. The Receiver performed the following in preparation for the sale of the Development:

- i. Held discussions and with four realtor groups regarding marketing strategy, pricing and current market conditions;

- ii. Obtained proposals from four realtor groups; and,
  - iii. Reviewed and assessed the proposals.
24. The Receiver engaged Virani Real Estate Advisors (the “**Realtor**”) to market and sell the Development.
25. The following is a summary of the Receiver’s work with the Realtor to market and sell the Development:
  - i. Held numerous discussions with the Realtor to discuss pricing and marketing strategies;
  - ii. Arranged for staging of the units;
  - iii. Held regular discussions and correspondence with the Realtor;
  - iv. Negotiated and approved all sales contracts;
  - v. Coordinated deficiency walkthrough with the purchasers; and,
  - vi. Prepared materials for Court applications to approve sales.

### iii. Strata Work

26. The Development is considered a strata development. At the date of the receivership, the strata plan was filed but not yet registered to designate the strata lot as a triplex. The Receiver worked with the Land Title Office in order to have the strata plan registered so that the Development could be sold as three separate strata lots.
27. The Receiver initiated the strata and engaged a third-party property manager (the “**Property Manager**”).
28. After the sale of the first strata lot, the Receiver handed over day to day operations to the Property Manager and worked with the Property Manager to:
  - Prepare an interim budget required under the *Strata Property Act*;
  - Transfer all contracts from the Companies to the strata corporation;
  - Arrange for strata insurance; and,
  - Schedule and attend the first Annual General Meeting.

**iv. Payment to Creditors**

- 29. CWB was owed approximately \$6.8 million as at the date of the receivership.
- 30. During the receivership period, the Receiver borrowed a total of \$594,000 from CWB as Receiver's borrowings to complete the Development. At any given time, the outstanding principal amount of the Receiver's borrowings did not exceed \$500,000. The Receiver's borrowings have been repaid in full.
- 31. The Receiver has paid CWB a total of \$4.59 million as summarized below:

<b>Payments to CWB</b>	<b>\$000's</b>
Repayment of Secured Debt	3,989
Repayment of Receiver's Borrowings	594
Interest on Receiver's Borrowings	7
<b>Total Payments to CWB</b>	<b>4,590</b>

- 32. As at the date of this report, CWB is owed approximately \$3.2 million.
- 33. The Receiver currently holds \$3.1 million in its trust account and does not anticipate any additional receipts except for the \$10,000 landscape security deposit held by DWV.
- 34. We estimate that there will be a shortfall to CWB of between \$200,000 and \$300,000 on their secured loan.
- 35. The Receiver requests that the Court approve the payment of \$3 million to CWB. The Receiver will retain \$125,000 for estimated ongoing costs for remaining in-suite deficiency and landscape work and pay the balance to CWB when the Receiver is prepared to be discharged.



### III. RECEIVER'S STATEMENT OF RECEIPTS AND DISBURSEMENTS

36. A copy of the Receiver's Interim Statement of Receipts and Disbursements for the period December 9, 2020 to June 29, 2022 is attached as **Appendix B**.
37. The Receiver's Statement of Receipts and Disbursements is summarized below:

	\$000's
<b>Receipts</b>	
Gross sale proceeds	8,079
Receiver's Borrowings	594
GST collected	404
Other miscellaneous receipts	80
	<b>9,157</b>
<b>Disbursements</b>	
GST remitted	396
Contractors and consultants	314
Real estate commission	242
Court-Appointed Receiver's Fees	166
Property taxes	67
Other miscellaneous disbursements	60
Marketing costs	50
Legal fees and disbursements	50
GST and PST paid	47
Instrument-Appointed Receiver's Fees	45
	<b>1,437</b>
<b>Excess of receipts over disbursements</b>	<b>7,720</b>
<b>Less:</b>	
<b>Payments to CWB:</b>	
Repayment of Secured Debt	3,989
Repayment of Receiver's Borrowings	594
Interest on Receiver's Borrowings	7
Payment to the Receiver General for Deemed Trust Claim	6
	<b>4,596</b>
<b>Funds available in Receiver's account</b>	<b>3,124</b>

**IV. PROFESSIONAL FEES**

**Summary of Court-Appointed Receiver's Fees**

38. For the period February 25, 2021 to May 31, 2022, the Receiver's fees were:

	\$'s
Fees	165,567
Disbursements	8,300
GST	8,693
<b>Total</b>	<b><u>182,560</u></b>

39. A summary of the Receiver's fees and invoices is attached as **Appendix C**.

40. Copies of the Receiver's invoices referenced above are provided in Affidavit #6 of Mario Mainella.

**Court-Appointed Receiver's Staffing and Hours**

41. Mario Mainella had primary responsibility for the work carried out by the Receiver. When appropriate, this work was delegated to other staff. A summary of the time spent on this assignment by members of The Bowra Group Inc. for the period February 25, 2021 to May 31, 2022 is summarized below:

Name	Title	Hours	Average Hourly Rate (\$)
Mario Mainella	President	47.50	584
Alan Davies	Manager	93.20	350
Kevin Koo	Senior Associate	342.05	284
Andrew Pappel	Senior Associate	0.65	250
Michael Busch	Associate	2.60	225
Sofie Parker	Insolvency Administrator	9.25	185
Office Administration		44.75	125
		<b><u>540.00</u></b>	<b><u>307 *</u></b>

*\*Average Hourly Rate*

42. In the Receiver's opinion, the time and disbursements incurred in the course of its duties are:
- i. fair and reasonable in a receivership of the nature described herein; and,
  - ii. comparable to receivership assignments of similar scale and complexity.
43. The hourly rates charged by the Receiver are:
- i. consistent with the hourly rates billed by the Receiver on other engagements; and,
  - ii. consistent with other insolvency firms of comparable size engaged on similar receivership matters to the Receiver's knowledge.
44. The Receiver requests that the Court approve the Receiver's fees and costs incurred to date of \$182,560.

**Legal Fees**

45. The Receiver engaged Richards Buell Sutton LLP ("RBS") as its legal counsel. The total legal fees for the period March 1, 2021 to May 30, 2022 were as follows:

	\$'s
Legal Fees	45,049
Disbursements	4,806
GST	2,424
PST	3,174
<b>Total</b>	<b><u>55,453</u></b>

46. A summary of RBS's legal fees by fees and invoices is attached as **Appendix D**.
47. Copies of the RBS's invoices referenced above are provided in Affidavit #2 of Dan Nugent.

48. The Receiver has reviewed the invoices rendered by RBS and believes them to be reasonable and proper. The legal services provided were
- i. necessary for the Receiver to fulfill its obligations in the proceedings; and
  - ii. the tasks undertaken were done so at the request and with the consent of the Receiver.
49. The Receiver requests that the Court approve the legal fees and disbursements incurred to date of \$55,453.

**V. CONCLUSION**

50. The Receiver has completed and sold the Development for gross proceeds of \$8 million.
51. The Receiver will need to complete in-suite deficiency work and obtain the landscape deposit from the DWV prior to applying for its discharge.
52. The Receiver requests the Court's approval of the following:
- i. Receiver's activities and fees incurred to date;
  - ii. Receiver's legal counsel's activities and fees incurred to date; and,
  - iii. Distribution of 3 million to CWB from funds in the estate.

All of which is respectfully submitted to this Honourable Court this 12th day of July 2022.

**The Bowra Group Inc., LIT**

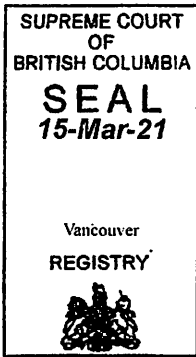
in its capacity as Receiver of  
2173 Argyle Avenue Limited Partnership,  
Argyle GP Ltd. and 1104194 B.C. Ltd.

Per: 

Mario Mainella, CPA, CA, CIRP

**APPENDIX A**

**: Receivership Order Dated February 25, 2021**



No. H200605  
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

CANADIAN WESTERN BANK

PETITIONER

AND:

2173 ARGYLE AVENUE LIMITED PARTNERSHIP,  
ARGYLE GP LTD., 1104194 B.C. LTD., ABANA CAPITAL  
MANAGEMENT GROUP INC., ATTI MANAGEMENT  
GROUP INC., ARMAN TEHRANI, 1224979 B.C. LTD.,  
ASCENT DRYWALL AND COATINGS LTD., ILIR VUKAJ,  
PF MECHANICAL LTD., and  
TORR ELECTRIC LTD.

RESPONDENTS

**ORDER MADE AFTER APPLICATION**  
**(Appointing Receiver)**

BEFORE } MASTER MUIR

} THURSDAY, THE 25TH  
} DAY OF FEBRUARY,  
2021

ON THE APPLICATION of the Petitioner, coming on for hearing today at Vancouver, British Columbia and on hearing Daniel D. Nugent, Counsel for the Petitioner, by MS Teams, and no one else appearing, although duly served in accordance with the Rules of this Court;

THIS COURT ORDERS that:

**APPOINTMENT**

1. The Bowra Group Inc., of 505 Burrard Street, Suite 430, Vancouver, British Columbia, is hereby appointed as Receiver and Manager (the "Receiver") without bond or security, of all of the assets, undertakings, and property (the "Property") of the Respondents, 2173 Argyle Avenue Limited Partnership, Argyle GP Ltd., and 1104194 B.C. Ltd. (collectively, the "Debtor"), including, without limitation, the lands and premises, and any rents or revenues of that certain parcel or tract of lands and premises situate, lying and being in the District of West Vancouver, in the Province of British Columbia being more particularly known and described as:

Parcel Identifier: 011-469-013

LOT 22 OF LOT 13 BLOCKS 7 TO 12 DISTRICT LOT 775 PLAN 4595

(hereinafter called the "Lands and Premises").

**RECEIVER'S POWERS**

2. The Receiver is empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, changing locks and security codes, relocation of Property, engaging independent security personnel, taking physical inventories and placing insurance coverage;
- (c) to manage, operate and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary

course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including, without limitation, those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting these amounts, including, without limitation, enforcement of any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) to initiate, manage and direct all legal proceedings now pending or hereafter pending (including appeals or applications for judicial review) in respect of the Debtor, the Property or the Receiver, including initiating, prosecuting, continuing, defending, settling or compromising the proceedings;
- (k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver considers appropriate;



- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business and the notice under Section 59(10) of the *Personal Property Security Act*, R.S.B.C. 1996, c. 359 shall not be required.
- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers, free and clear of any liens or encumbrances;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver considers appropriate on all matters relating to the Property and the receivership, and to share information, subject to confidentiality terms as the Receiver considers appropriate;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if considered necessary or appropriate by the Receiver, in the name of the Debtor;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limitation, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

3. Each of (i) the Debtor; (ii) all of the Debtor's current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf; and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (collectively, "Persons" and each a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.

4. All Persons, other than governmental authorities, shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (collectively, the "Records") in that Person's possession or control. Upon request, governmental authorities shall advise the Receiver of the existence of any Records in that Person's possession or control.

5. Upon request, all Persons shall provide to the Receiver or permit the Receiver to make, retain and take away copies of the Records and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities, provided however that nothing in paragraphs 4, 5 or 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to solicitor client privilege or statutory provisions prohibiting such disclosure.

6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by an independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and

fully copy all of the information contained therein whether by way of printing the information or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may require including, without limitation, providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

7. No proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

#### **NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY**

8. No Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are stayed and suspended pending further Order of this Court; provided, however, that nothing in this Order shall prevent any Person from commencing a Proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such Proceeding is not commenced before the expiration of the stay provided by this paragraph and provided that no further step shall be taken in respect of the Proceeding except for service of the initiating documentation on the Debtor and the Receiver.

#### **NO INTERFERENCE WITH THE RECEIVER**

9. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or

permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract from closing out and terminating such contract in accordance with its terms.

#### **CONTINUATION OF SERVICES**

10. All Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

#### **RECEIVER TO HOLD FUNDS**

11. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever including, without limitation, the sale of all or any of the Property and the collection of any accounts receivable, in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post-Receivership Accounts") and the monies standing to the credit of such Post-Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

## **EMPLOYEES**

12. Subject to the employees' right to terminate their employment, all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities of the Debtor, including any successor employer liabilities as referred to in Section 14.06(1.2) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA"), other than amounts the Receiver may specifically agree in writing to pay or in respect of obligations imposed specifically on receivers by applicable legislation, including sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47. The Receiver shall be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts relating to any employees that the Receiver may hire in accordance with the terms and conditions of such employment by the Receiver.

## **PERSONAL INFORMATION**

13. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 or Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, the Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

## **LIMITATION ON ENVIRONMENTAL LIABILITIES**

14. Nothing in this Order shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release, or deposit of a substance contrary to any federal, provincial or other law relating to the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination (collectively "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation.

15. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless the Receiver is actually in possession.

16. Notwithstanding anything in federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arises or environmental damage that occurred:

- (a) before the Receiver's appointment; or,
- (b) after the Receiver's appointment, unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.

17. Notwithstanding anything in federal or provincial law, but subject to paragraph 17 of this Order, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, if the Receiver complies with the BIA section 14.06(4), the Receiver is not personally liable for the failure to comply with the order and is not personally liable for any costs that are or would be incurred by any Person in carrying out the terms of the order.

### **LIMITATION ON THE RECEIVER'S LIABILITY**

18. The Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except:

- (a) any gross negligence or wilful misconduct on its part; or
- (b) amounts in respect of obligations imposed specifically on receivers by applicable legislation.

19. Nothing in this Order shall derogate from the protections afforded the Receiver by Section 14.06 of the BIA or by any other applicable legislation.

### **RECEIVER'S ACCOUNTS**

20. The Receiver and its legal counsel, if any, are granted a charge (the "Receiver's Charge") on the Property as security for the payment of their fees and disbursements, in each case at their standard rates, in respect of these proceedings, whether incurred before or after the making of this Order. The Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

21. The Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are referred to a judge of the Supreme Court of British Columbia and may be heard on a summary basis.

22. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

## **FUNDING OF THE RECEIVERSHIP**

23. The Receiver is authorized and empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as the Receiver deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

24. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

25. The Receiver is authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

26. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

## **ALLOCATION**

27. Any interested party may apply to this Court on notice to any other party likely to be affected for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the Property.



## SERVICE AND NOTICE OF MATERIALS

28. The Receiver shall establish and maintain a website in respect of these proceedings at: <[www.bowragroup.com/argyleavenue](http://www.bowragroup.com/argyleavenue)> (the "Website") and shall post there as soon as practicable:

- (a) all materials prescribed by statute or regulation to be made publicly available, including pursuant to Rule 10-2 of the Supreme Court Civil Rules; and,
- (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.

29. Any Person who is served with a copy of this Order and that wishes to be served with any future application or other materials in these proceedings must provide to counsel for each of the Receiver and the Applicant a demand for notice in the form attached as Schedule B (the "Demand for Notice"). The Receiver and the Applicant need only provide further notice in respect of these proceedings to Persons that have delivered a properly completed Demand for Notice. The failure of any Person to provide a properly completed Demand for Notice releases the Receiver and the Applicant from any requirement to provide further notice in respect of these proceedings until such Person delivers a properly completed Demand for Notice.

30. The Receiver shall maintain a service list identifying all parties that have delivered a properly completed Demand for Notice (the "Service List"). The Receiver shall post and maintain an up-to-date form of the Service List on the Website.

31. Any interested party, including the Receiver, may serve any court materials in these proceedings by facsimile or by emailing a PDF or other electronic copy of such materials to the numbers or addresses, as applicable, set out on the Service List. Any interested party, including the Receiver, may serve any court materials in these proceedings by mail to any party on the Service List that has not provided a facsimile

number or email address, and materials delivered by mail shall be deemed received five (5) days after mailing.

32. The Receiver and its counsel are authorised to serve or distribute this Order, any other orders and any other materials as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding copies by facsimile or by email to the Debtor's creditors or other interested parties and their advisors.

### **GENERAL**

33. Any interested party may apply to this Court to vary or amend this Order on not less than seven (7) clear business days' notice to the Service List and to any other party who may be affected by the variation or amendment, or upon such other notice, if any, as this Court may order.

34. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

35. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

36. This Court requests the aid, recognition and assistance of any court, tribunal, regulatory or administrative body having jurisdiction, wherever located, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All such courts, tribunals and regulatory and administrative bodies are 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.

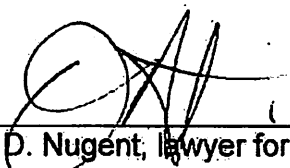
37. All questions relating to the passing of the accounts of the Receiver and the discharge of the Receiver shall be reserved until further Order of this Court.

38. The Receiver shall continue in office until further Order of this Court.

39. The Petitioner be awarded the costs of and related to this application.

40. Endorsement of this Order by counsel appearing on this application other than the Petitioner is dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT

  
\_\_\_\_\_  
Daniel D. Nugent, lawyer for the  
Petitioner

BY THE COURT

\_\_\_\_\_  
REGISTRAR

**SCHEDULE "A"**

**RECEIVER CERTIFICATE**

CERTIFICATE NO.

AMOUNT

\_\_\_\_\_  
\$ \_\_\_\_\_  
\_\_\_\_\_

1. THIS IS TO CERTIFY that The Bowra Group Inc., the Receiver (the "Receiver") of all of the assets, undertakings and properties of 2173 Argyle Avenue Limited Partnership, Argyle GP Ltd., and 1104194 B.C. Ltd. (collectively, the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Supreme Court of British Columbia (the "Court") dated the [REDACTED] day of [REDACTED], 2021 (the "Order") made in SCBC Action No. H200605 has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ [REDACTED], being part of the total principal sum of \$ [REDACTED] which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded ~~daily~~ monthly not in advance on the [REDACTED] day of each month after the date hereof at a notional rate per annum equal to the rate of [REDACTED] per cent above the prime commercial lending rate of [REDACTED] from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy*

*and Insolvency Act*, and the right of the Receiver to indemnify itself out of the Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at [REDACTED].
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum under this Certificate in respect of which it may issue certificates under the terms of the Order.

DATED the [REDACTED] day of [REDACTED], 2021.

The Bowra Group Inc., solely in its  
capacity as Receiver of the Property, and  
not in its personal capacity

Per:  
Name:  
Title:

**Schedule "B"**

**Demand for Notice**

**TO:** The Bowra Group Inc.  
c/o Richards Buell Sutton LLP  
700 - 401 West Georgia Street  
Vancouver, B.C. V6B 5A1  
Attention: Daniel D. Nugent  
Email: dnugent@rbs.ca

**Re: In the matter of the Receivership of 2173 Argyle Avenue Limited Partnership, Argyle GP Ltd., and 1104194 B.C. Ltd.**

I hereby request that notice of all further proceedings in the above Receivership be sent to me in the following manner:

1. By email, at the following address (or addresses):

\_\_\_\_\_

OR

2. By facsimile, at the following facsimile number (or numbers):

\_\_\_\_\_

OR

3. By mail, at the following address:

\_\_\_\_\_

Name of Creditor: \_\_\_\_\_

Name of Counsel (if any): \_\_\_\_\_

Creditor's Contact Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Creditor's Contact Phone Number: \_\_\_\_\_

No. H200605  
Vancouver Registry

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IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

CANADIAN WESTERN BANK

PETITIONER

AND:

2173 ARGYLE AVENUE LIMITED  
PARTNERSHIP  
ARGYLE GP LTD.  
1104194 B.C. LTD.  
ALBANA CAPITAL MANAGEMENT  
GROUP INC.  
ATTI MANAGEMENT GROUP INC.  
ARMAN TEHRANI  
1224979 B.C. LTD.  
ASCENT DRYWALL AND COATINGS  
LTD.  
ILIR VUKAJ  
PF MECHANICAL LTD.  
TORR ELECTRIC LTD.

RESPONDENTS

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**ORDER MADE AFTER APPLICATION**  
**(Appointing Receiver)**

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38275-11  
DDN/tmc

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**RICHARDS BUELL SUTTON LLP**  
**BARRISTERS AND SOLICITORS**  
**700 - 401 WEST GEORGIA STREET**  
**VANCOUVER, B.C. CANADA V6B 5A1**  
**604.682.3664**

**APPENDIX B**

**Interim Statement of Receipts and Disbursements  
For the Period December 9, 2020 to June 29, 2022**



**In the Matter of the Receivership of 2173 Argyle Avenue Limited Partnership,  
Argyle GP Ltd. and 1104194 BC Ltd.  
Interim Statement of Receipts and Disbursements  
For the Period December 9, 2020 to June 29, 2022**

	<u>\$</u>
<b>Receipts</b>	
Gross sale proceeds	8,079,048
Receiver's Borrowings	594,447
GST collected	403,952
Security deposit	60,708
GST refunds	18,245
Other miscellaneous receipts	1,503
	<u>9,157,903</u>
<b>Disbursements</b>	
GST remitted	395,825
Contractors and consultants	313,537
Real estate commission	242,371
Court-Appointed Receiver's Fees	165,567
Property taxes	67,290
Marketing costs	50,052
Legal fees and disbursements	49,855
Instrument-Appointed Receiver's Fees	44,724
GST paid	44,052
Strata fees	17,729
License and permits	13,783
Administrative disbursements	10,247
Utilities	9,942
Other miscellaneous disbursements	4,731
PST paid	3,174
Change of locks	1,394
Insurance	1,146
Newspaper advertisement	740
Filing fees	215
	<u>1,436,374</u>
<b>Excess of receipts over disbursements</b>	<u><b>7,721,529</b></u>
<b>Less:</b>	
Payments to CWB:	
Repayment of Secured Debt	3,988,893
Repayment of Receiver's Borrowings	594,447
Interest on Receiver's Borrowings	7,427
Payment to the Receiver General for Deemed Trust Claim	6,382
	<u>4,597,150</u>
<b>Funds available in Receiver's account</b>	<u><b>3,124,379</b></u>

**APPENDIX C**

**Summary of Court-Appointed Receiver's Fees and Invoices  
For the Period February 25, 2021 to May 31, 2022**

**In the Matter of the Receivership of**  
**2173 Argyle Avenue Limited Partnership,**  
**Argyle GP Ltd. and 1104194 BC Ltd.**  
**Summary of Court-Appointed Receiver's Fees**  
**For the Period February 25, 2021 May 31, 2022**

<b>Period</b>	<b>Invoice</b>	<b>Fees</b>	<b>Disbursements</b>	<b>GST</b>	<b>Total</b>
February 25 to March 31, 2021	9166-2	18,951.25	876.00	991.36	20,818.61
April 1 to June 30, 2021	9219	44,167.50	2,302.95	2,323.52	48,793.97
July 1 to July 31, 2021	9261	11,053.75	601.14	582.74	12,237.63
August 1 to August 31, 2021	9265	15,806.25	825.00	831.56	17,462.81
September 1 to September 30, 2021	9281	17,912.00	847.50	937.98	19,697.48
October 1 to October 31, 2021	9299	11,883.50	621.00	625.23	13,129.73
November 1 to December 31, 2021	9341	8,906.00	453.00	467.95	9,826.95
January 1 to February 28, 2022	9395	15,497.75	732.75	811.53	17,042.03
March 1 to May 31, 2022	9452	21,388.50	1,041.00	1,121.48	23,550.98
	<b>Total</b>	<b>165,566.50</b>	<b>8,300.34</b>	<b>8,693.35</b>	<b>182,560.19</b>

**In the Matter of the Receivership of**  
**2173 Argyle Avenue Limited Partnership,**  
**Argyle GP Ltd. and 1104194 BC Ltd.**  
**Summary of Court-Appointed Receiver's Staff Hours and Hourly Rates**  
**For the Period February 25, 2021 May 31, 2022**

Name	Title	Hours	Average Hourly Rate (\$)
Mario Mainella	President	47.50	584
Alan Davies	Manager	93.20	350
Kevin Koo	Senior Associate	342.05	284
Andrew Pappel	Senior Associate	0.65	250
Michael Busch	Associate	2.60	225
Sofie Parker	Insolvency Administrator	9.25	185
Office Administration		44.75	125
		<b>540.00</b>	<b>307 *</b>

*\*Average Hourly Rate*

**APPENDIX D**

**Summary of Richard Buell Sutton LLP's Invoices  
For the Period March 1, 2021 to May 30, 2022**

**In the Matter of the Receivership of  
2173 Argyle Avenue Limited Partnership,  
Argyle GP Ltd. and 1104194 BC Ltd.  
Summary of Richards Buell Sutton LLP's Invoices  
For the Period March 1, 2021 May 30, 2022**

<b>Period</b>	<b>Invoice</b>	<b>Fees</b>	<b>Disbursements</b>	<b>GST</b>	<b>PST</b>	<b>Total</b>
March 1 to March 25, 2021	463552	2,200.00	6.65	110.33	154.00	2,470.98
March 26 to April 27, 2021	464474	2,355.00	549.24	124.69	171.15	3,200.08
April 28 to May 27, 2021	465573	1,100.00	157.80	60.39	79.10	1,397.29
May 28 to June 25, 2021	466671	400.00	-	20.00	28.00	448.00
June 26 to August 31, 2021	469136	2,550.00	-	127.50	178.50	2,856.00
September 1 to September 28, 2021	469948	7,023.50	1,154.56	399.71	497.25	9,075.02
September 27 to September 28, 2021	470899	609.00	-	30.45	42.63	682.08
October 1 to November 2, 2021	473053	6,333.50	572.22	339.79	445.45	7,690.96
November 29 to December 16, 2021	474970	1,450.00	5.25	72.76	101.50	1,629.51
January 11 to January 25, 2022	475518	2,772.00	58.05	141.50	194.04	3,165.59
January 31 to February 28, 2022	476552	9,330.00	515.27	488.26	654.50	10,988.03
January 25 to February 28, 2022	476476	706.50	-	35.33	49.46	791.29
January 18 to February 28, 2022	476477	77.50	-	3.88	5.43	86.81
March 1 to March 31, 2022	477773	1,664.00	339.56	90.33	118.58	2,212.47
March 14, 2022	478899	77.50	-	3.88	5.43	86.81
April 27, 2022	478900	-	197.56	1.20	-	198.76
March 31 to April 27, 2022	478871	3,318.00	807.22	202.26	232.96	4,560.44
March 28 to April 27, 2022	478904	332.50	98.78	17.23	23.28	471.79
March 24 to May 30, 2022	480276	2,750.00	344.04	154.63	193.20	3,441.87
<b>Total</b>		<b>45,049.00</b>	<b>4,806.20</b>	<b>2,424.12</b>	<b>3,174.46</b>	<b>55,453.78</b>