

# Deloitte.



NO. H-230653  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

**DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE DEBTORS**

PETITIONER

AND:

**COROMANDEL CAMBIE 59 BT LTD.,  
COROMANDEL CAMBIE 59 DEVELOPMENTS LTD.,  
COROMANDEL CAMBIE 59 LIMITED PARTNERSHIP,  
JUN CHAO MO, ZHEN YU ZHONG,  
CM BAY HOLDINGS LTD., COROMANDEL HOLDINGS LTD.,  
JIN-OCEAN MORTGAGE INVESTMENT CORPORATION, and  
HIS MAJESTY THE KING IN RIGHT OF THE PROVINCE  
OF BRITISH COLUMBIA**

RESPONDENTS

**SECOND REPORT OF THE COURT APPOINTED RECEIVER  
OF COROMANDEL CAMBIE 59 BT LTD.,  
COROMANDEL CAMBIE 59 DEVELOPMENTS LTD., and  
COROMANDEL CAMBIE 59 LIMITED PARTNERSHIP**

**DATED OCTOBER 9, 2025**

**PREPARED BY DELOITTE RESTRUCTURING INC.**

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## APPENDICES

Appendix "A" – Receiver's Interim SRD

## INTRODUCTION

- 1) Pursuant to an Order (the "**Receivership Order**") of the Supreme Court of British Columbia (the "**Court**") dated November 7, 2024 (the "**Date of Receivership**"), Deloitte Restructuring Inc. was appointed as receiver (in such capacity, the "**Receiver**"), without security, of the lands and premises located at 7510 Cambie Street, Vancouver, British Columbia, PID: 029-788-89 (the "**Lands**") and all the personal property of Coromandel Cambie 59 BT Ltd. (the "**Nominee**"), Coromandel Cambie 59 Developments Ltd. and Coromandel Cambie 59 Limited Partnership (collectively, the "**Debtors**") located at, related to or derived from the Lands and the share of the Nominee (together with the Lands, the "**Property**"). The Court proceedings in which the Receiver was appointed are referred to herein as the "**Receivership Proceedings**".
- 2) The Receivership Order was granted pursuant to an application by Desjardins Financial Security Life Assurance ("**Desjardins**"), the primary secured creditor of the Debtors. Desjardins provided the Debtors with a mortgage loan facility pursuant to a commitment letter dated October 18, 2018 (the "**Loan**"). Desjardins is owed \$22,547,338 under the Loan as of November 7, 2024 with interest and costs continuing to accrue.
- 3) As security for the Loan, the Debtors granted Desjardins, among other things, a mortgage and assignment of rents dated October 30, 2018 (the "**Mortgage**") over the Lands.
- 4) Jin-Ocean Mortgage Investment Corporation ("**Jin-Ocean**") holds a second-ranking mortgage over the Lands and is owed \$8,484,954 as of November 7, 2024 with interest and costs continuing to accrue.
- 5) The Receiver has retained the services of Lawson Lundell LLP ("**Lawson**") as its independent legal counsel in these Receivership Proceedings.
- 6) On November 15, 2024, the Receiver issued its first report to Court (the "**First Report**"). The First Report was filed to, among other things, support the Receiver's application for an Order (the "**Stalking Horse Sale Procedure Approval and Reverse Vesting Order**"):
  - a) approving the transaction (the "**Transaction**") contemplated by the Offer to Purchase and Contract of Purchase and Sale Agreement between the Receiver and 1475040 BC Ltd. (the "**Purchaser**" or "**Stalking Horse Bidder**") dated November 15, 2024 (the "**Stalking Horse Bid**"); and
  - b) approving the sale and investment solicitation process (the "**SISP**"), attached as Appendix "B" of the First Report.
- 7) On November 20, 2024, the Court granted the Stalking Horse Sale Procedure Approval and Reverse Vesting Order and also granted an Order approving the Receiver's activities, as detailed in the First Report.
- 8) This is the Receiver's second report to Court (the "**Second Report**" or "**this Report**"). Unless otherwise provided, all other capitalized terms not defined in this Report are as defined in the Receivership Order.

- 9) The Receiver has established a website at [www.insolvencies.deloitte.ca/en-ca/cambie59](http://www.insolvencies.deloitte.ca/en-ca/cambie59) (the "**Receiver's Website**"). The Receiver has posted the Receivership Order and copies of other relevant documents to the Receiver's Website and will continue to update the website to ensure that all stakeholders have access to the most current information pertaining to these Receivership Proceedings.

## Purpose of the Second Report

- 10) The purpose of the Second Report is to:
- a) Report on the outcome of the SISP, the repudiation of the Stalking Horse Bid, and the consequent termination of the Transaction;
  - b) Provide the Court with an overview of the Receiver's ongoing efforts to market the Property for sale;
  - c) Provide the Court with an overview of the Receiver's activities since the First Report and the Receiver's interim statement of receipts and disbursements from the Date of Receivership to September 22, 2025 (the "**Receiver's Interim SRD**"); and
  - d) To support the Receiver's application (to be filed) seeking:
    - i) An order approving the activities of the Receiver as described in this Report; and
    - ii) An amended and restated Receivership Order incorporating, among other things: (i) an increase in the amount that the Receiver is authorized to borrow, with a corresponding increase in the Receiver's Borrowing Charge (as defined in the Receivership Order) from \$150,000 to \$1,000,000; and (ii) changes to the priority of the Receiver's Borrowing Charge and the Receiver's Charge (as defined in the Receivership Order) as further described herein (the "**Amended and Restated Receivership Order**").

## Terms of reference

- 11) In preparing this Second Report, the Receiver has relied upon certain information (the "**Information**"), including financial information provided by the Debtors, information in the First Affidavit of Kathy Wong filed November 5, 2024, and information in the Notice of Application filed November 5, 2024 in these Receivership Proceedings.
- 12) The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the *Chartered Professional Accountants Canada Handbook* and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of this information.
- 13) All dollar amounts in this Report are in Canadian dollars, unless otherwise indicated.

## BACKGROUND

- 14) The Debtors were a part of the Coromandel Properties Ltd. group ("**Coromandel**"), a real estate developer which previously employed approximately 30 employees and

held interests in approximately 16 real estate projects located in Vancouver, British Columbia ("BC"). Coromandel began experiencing liquidity issues in February 2023, which ultimately resulted in several of its projects becoming subject to foreclosure and receivership proceedings over the past three years.

- 15) The Debtors' principal asset is the Lands, which comprises a rectangular-shaped parcel of land located on the southeast corner of Cambie Street and West 59<sup>th</sup> Avenue in Vancouver, BC, with a lot area of 29,482 square feet. The Lands include a dilapidated and boarded-up two-storey, mixed-use building, a single-family house, and a parking lot.
- 16) As Nominee, Coromandel Cambie 59 BT Ltd. is the legal owner of the Lands. Coromandel Cambie 59 Developments Ltd. and Coromandel Cambie 59 Limited Partnership are the beneficial owners of the Lands and the shareholders of the Nominee.

### Foreclosure proceedings

- 17) On March 13, 2023, Jin-Ocean commenced separate foreclosure proceedings and was granted order nisi, which provided for a six-month redemption period and judgment against the Debtors and certain other parties.
- 18) On August 31, 2023, Desjardins commenced foreclosure proceedings in respect of the Lands. Pursuant to an Order dated October 26, 2023, the Court declared that the Mortgage was in default and granted the Debtors until April 26, 2024 to redeem the amount owing under the Mortgage.
- 19) On November 30, 2023, Jin-Ocean obtained an Order for conduct of sale in respect of the Lands.

### Foreclosure sale process

- 20) As outlined in the First Report, on December 11, 2023, Jin-Ocean entered into an exclusive listing agreement with Colliers Macaulay Nicholls Inc. ("**Colliers**") dated December 11, 2023 (the "**Colliers' Listing Agreement**") to conduct a comprehensive marketing and sale process for the Lands.
- 21) From December 2023 to March 2024, Colliers marketed the Lands for sale. On March 8, 2024, an offer to purchase the Lands for the purchase price of \$25,800,000 was accepted.
- 22) Thereafter, on April 25, 2024, a new offer was received from the Purchaser for the purchase price of \$32,000,000 (the "**Original Offer**"). The Receiver understands that the Purchaser is a party related to Jin-Ocean.
- 23) The Original Offer was for the purchase of the Lands and all buildings, structures and improvements thereon, which are understood by Desjardins, Jin-Ocean and the Purchaser to be all, or substantially all, of the Debtors' assets.
- 24) The Original Offer provided for the \$32,000,000 purchase price to be paid by a deposit of \$2,000,000 (the "**First Deposit**"), with a closing date of October 1, 2024.
- 25) On April 29, 2024, this Honourable Court granted an Order (the "**Approval Order**") which, *inter alia*, approved the Original Offer.

- 26) In September, 2024, the Purchaser, Jin-Ocean and Desjardins agreed to an extension of the closing date to January 7, 2025 conditional on the Purchaser making payment of a further deposit of \$900,000 (the "**Second Deposit**"). The Receiver understands that the First Deposit and the Second Deposit were paid by the Purchaser and received by Desjardins on May 29, 2024 and September 26, 2024, respectively, and both deposits have been forfeited.
- 27) The Purchaser advised Jin-Ocean and Desjardins that the Purchaser wanted to restructure the Original Offer by way of a sale or issuance of shares of the Debtors subject to, and to be implemented by, a reverse vesting order ("**RVO**"). The main benefit of the RVO structure is that it would allow the Purchaser to avoid paying the property transfer tax.
- 28) The Receiver and the Purchaser negotiated and prepared the Stalking Horse Bid. The Stalking Horse Bid was substantially on the same commercial terms as the Original Offer but for an increase to the purchase price to \$32,576,612 and structured through the issuance of shares of the Nominee subject to, and implemented by, an RVO rather than an asset sale. The Stalking Horse Bid also contemplated a Transaction closing date of January 7, 2025.
- 29) In addition, to ensure the highest offer was obtained for the Lands, the Purchaser agreed to be the Stalking Horse Bidder in the SISP.

## **THE SALE AND INVESTMENT SOLICITATION PROCESS**

- 30) Unless otherwise provided, all capitalized terms in this section are as defined in the SISP.
- 31) Pursuant to the SISP and the Stalking Horse Sale Procedure Approval and Reverse Vesting Order, Colliers marketed the Lands for sale starting on November 19, 2024 and sought binding offers by the Bid Deadline of December 16, 2024.
- 32) The Receiver did not receive any Qualified Bids other than the Stalking Horse Bid before the Bid Deadline. Pursuant to section 23 of the SISP, the Stalking Horse Bid was automatically approved and accepted by the Receiver and the Receiver then took steps to close the Transaction.
- 33) Subsequently, in late December 2024, the Purchaser requested an extension to the closing date of the Transaction from January 7, 2025 to March 7, 2025 to allow additional time for the Purchaser to secure financing.
- 34) Following discussions between the Receiver and Desjardins, on January 6, 2025, the Receiver executed an amendment to the Stalking Horse Bid pursuant to which, *inter alia*, the closing date of the Transaction was extended to March 7, 2025 and the Purchaser agreed to make payment of a further non-refundable deposit of \$600,000 to Desjardins, increasing the total deposit to \$3,500,000.
- 35) In March 2025, the Purchaser requested a further extension to the closing date to September 8, 2025. The Receiver entered into discussions and negotiations with the Purchaser and Desjardins to consider this request.

- 36) On March 7, 2025, the Receiver executed a further amendment to the Stalking Horse Bid (the "**Second Amendment to the Stalking Horse Bid**") pursuant to which:
- a) The closing date of the Transaction was extended to September 8, 2025;
  - b) The Purchaser agreed to make six (6) consecutive monthly payments to Desjardins of \$330,000 each, as an additional non-refundable deposit (the "**Deposit Payments**");
  - c) The Purchaser agreed to make four (4) consecutive monthly payments to the Receiver of \$90,000 each, to be applied against arrears of property taxes (the "**Property Tax Payments**");
  - d) The Purchaser agreed to make a payment of \$50,000 to the Receiver as an additional retainer for its costs of administering the Receivership Proceedings (the "**Retainer Payment**"); and
  - e) The Purchaser agreed to make a payment of \$15,000 to the Receiver by way of Receiver borrowings to fund the holding costs of the Property (the "**Borrowings Advance**").
- 37) The Purchaser made payment of the Retainer Payment and the Borrowings Advance to the Receiver shortly after execution of the Second Amendment to the Stalking Horse Bid.

### **Termination of the Transaction**

- 38) On June 12, 2025, counsel to the Purchaser advised the Receiver and Desjardins that the Purchaser would not be making the fourth monthly Deposit Payment or the fourth Property Tax Payment. The Purchaser's counsel further advised that the Purchaser did not intend to perform its obligations under the Second Amendment to the Stalking Horse Bid and was seeking to amend certain terms of the Transaction.
- 39) Desjardins, the Receiver and the Purchaser entered into various discussions in relation to a potential amendment to the terms of the Transaction. However, the terms proposed by the Purchaser were not satisfactory to Desjardins, and no agreement was reached.
- 40) On July 17, 2025, the Receiver wrote to counsel for the Purchaser, confirming that the Purchaser's failure to make material payments under the Second Amendment to the Stalking Horse Bid constituted a fundamental breach. The Receiver accepted the Purchaser's repudiation of the Stalking Horse Bid (as amended) and confirmed its termination, while expressly reserving all rights and remedies against the Purchaser. The Receiver also advised that it would continue to apply the Retainer Payment toward ongoing receivership costs. No response was received.

### **Re-listing of the Property**

- 41) The Receiver subsequently instructed Colliers to re-list the Lands for sale. A new marketing process was launched on July 29, 2025, with a list price of \$23,000,000. The list price was recommended by Colliers and agreed to by Desjardins, having regard to prevailing market conditions and estimated market value of the Lands.
- 42) Marketing of the Lands remains ongoing.

## ACTIVITIES OF THE RECEIVER SINCE THE FIRST REPORT

- 43) In addition to the activities described above in relation to the SISP, the Receiver's activities since the First Report have included, *inter alia*, the following:
- a) retained a security patrol company to undertake regular patrols of the Lands;
  - b) retained contractors to repair fences and remove garbage from the Lands;
  - c) arranged for the extension of the general liability insurance policy;
  - d) corresponded with Lawson and counsel for Desjardins and Jin-Ocean regarding various aspects of the Receivership Proceedings;
  - e) held various discussions with Colliers and Desjardins on the marketing of the Lands;
  - f) reviewed the updated marketing brochure prepared by Colliers pertaining to the Lands;
  - g) prepared this Second Report; and
  - h) performed the general administration of the Receivership of the Debtors and such other duties as reasonably requested of the Receiver.

## CREDITORS AND SECURED CHARGES

### Priority claims

- 44) The Receiver is not aware of any deemed trust or priority claims in relation to the Debtors.

### Property taxes

- 45) Property taxes and utilities owing to the City of Vancouver total approximately \$680,000, inclusive of penalties and interest, and date back to 2023 (the "**Outstanding Property Taxes**"). Arrears from 2023 and 2024 continue to accrue interest at 10% per annum.
- 46) As the timing of a sale of the Lands remains uncertain, the Receiver has requested funding from Desjardins to pay the Outstanding Property Taxes. The Receiver understands that Desjardins has obtained credit approval to advance these funds, conditional on the Court granting the Amended and Restated Receivership Order.

### Receiver's charge and borrowings

- 47) Pursuant to paragraph 20 of the Receivership Order, the Receiver and its legal counsel, Lawson, are the beneficiaries of the Receiver's Charge (as defined in the Receivership Order) which secures payment of their fees and disbursements incurred in the Receivership Proceedings. The Receiver's Charge ranks in priority to all encumbrances on the Property except for: (i) the security interest in favour of Desjardins; and (ii) the statutory charges created under sections 14.06(7), 81.4(4), and 81.6(2) of the BIA (the "**Statutory Charges**").



- 48) To date, the Purchaser advanced a \$200,000 retainer to cover the Receiver's and Lawson's costs, of which \$151,648 has been applied (inclusive of taxes). Given the termination of the Transaction, no further funding is expected from the Purchaser. Accordingly, the Receiver requires that its charge be amended to rank in priority to the security interest in favour of Desjardins.
- 49) Pursuant to paragraph 23 of the Receivership Order, the Receiver is authorized to borrow up to \$150,000 without further Court approval (the "**Borrowing Facility**") for the purpose of carrying out its duties and powers.
- 50) The Purchaser advanced \$15,000 to the Receiver under the Borrowing Facility, which is secured by the Receiver's Borrowings Charge. The Receiver's Borrowing Charge currently ranks in priority to all encumbrances on the Property except for: (i) the security interest in favour of Desjardins; (ii) the Receiver's Charge; and (iii) the Statutory Charges.
- 51) The proposed Amended and Restated Receivership Order provides for the following amendments:
- a) An increase in the Receiver's borrowing authority from \$150,000 to \$1,000,000, with a corresponding increase in the Receiver's Borrowing Charge. This increase is required to fund the Receivership Proceedings generally and to pay the Outstanding Property Taxes;
  - b) An amendment to the Receiver's Charge to provide that it ranks in priority to the security interest of Desjardins; and
  - c) An amendment to the Receiver's Borrowing Charge to provide that it ranks in priority to the security interest of Desjardins and Jin-Ocean.
- 52) Without the requested amendments, the Receiver will lack sufficient funding and security to properly discharge its duties. The increased borrowing authority and enhanced priority of the Receiver's Charge and Borrowing Charge are necessary to ensure the orderly continuation of the Receivership Proceedings, including payment of the Outstanding Property Taxes and other critical holding costs of the Lands. These amendments are consistent with the Court's practice of ensuring that receivers are adequately protected and resourced, thereby safeguarding the integrity of the administration for the benefit of all stakeholders.
- 53) The Receiver understands that Desjardins, as the first-ranking secured creditor of the Debtors, is supportive of the proposed amendments to the Receivership Order.

## **STATEMENT OF RECEIPTS AND DISBURSEMENTS**

- 54) The Receiver's Interim R&D reflects the administration of the Receivership Proceedings from the Date of Receivership to September 22, 2025 and is attached hereto as **Appendix "A"**.
- 55) As of September 22, 2025, the Receiver's gross receipts amounted to \$295,000, of which \$270,000 relates to the Property Tax Payments received from the Purchaser, and \$15,000 relates to funds provided by the Purchaser under the Borrowing Facility.

- 56) During the same period, the Receiver made disbursements totaling approximately \$289,246 including, among other things:
- a) \$270,000 for property taxes;
  - b) \$10,500 for insurance premiums; and
  - c) \$6,907 for repairs, maintenance and snow clearance.
- 57) The net cash balance held by the Receiver was \$5,754 as of September 22, 2025.
- 58) The remaining retainer funds of approximately \$49,322, inclusive of interest, are being held in Deloitte's third-party deposit trust account and will be drawn down as required. The professional fees of the Receiver and Lawson will be approved by the Court in the Receivership Proceedings in the usual course.

### **CONCLUSIONS AND RECOMMENDATIONS**

- 59) Based on the foregoing, the Receiver respectfully requests that the Court grant the Orders cited at paragraph 10(d) of this First Report.

All of which is respectfully submitted at Vancouver, BC this 9<sup>th</sup> day of October, 2025.

### **DELOITTE RESTRUCTURING INC.**

In its capacity as Court-Appointed Receiver of  
Coromandel Cambie 59 BT Ltd., Coromandel Cambie 59 Developments Ltd.,  
and Coromandel Cambie 59 Limited Partnership  
and not in its personal capacity



Per: Paul Chambers, FCA(UK), CIRP, LIT  
Senior Vice-President



Jeff Keeble, CPA, CMA, CIRP, LIT  
Senior Vice-President

## Appendix "A"

### Receiver's Interim SRD

In the Matter of the Receivership of  
Coromandel Cambie 59 BT Ltd. et al.

#### Receiver's Interim Statement of Receipts and Disbursements For the Period of November 7, 2024 to September 22, 2025

Description	CDN\$
<b>Receipts</b>	
Advance from Purchaser for property taxes	\$ 270,000
Receiver borrowings	25,000
<b>Total receipts</b>	<b>\$ 295,000</b>
<b>Disbursements</b>	
Property taxes	270,000
Insurance premium	10,500
Repairs and maintenance	6,907
Miscellaneous expenses	857
Utilities	582
GST on disbursements	368
HST on disbursements	33
<b>Total disbursements</b>	<b>\$ 289,246</b>
<b>Excess of receipts over disbursements</b>	<b>\$ 5,754</b>

#### Retainer Account

<b>Receipts</b>	
Third party retainer advance	\$ 200,000
Bank interest	970
<b>Total receipts</b>	<b>\$ 200,970</b>
<b>Disbursements</b>	
Receiver's fees and disbursements	59,850
Legal fees and disbursements	79,392
GST on fees	6,938
PST on fees	5,469
<b>Total disbursements</b>	<b>\$ 151,648</b>
<b>Excess of receipts over disbursements</b>	<b>\$ 49,322</b>