



NO. H-240524  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

**ROYAL BANK OF CANADA**

PETITIONER

AND:

**WHITEWATER CONCRETE LTD., WHITEWATER DEVELOPMENTS LTD., ROBERT KYLE SMITH, CRAIG SMITH, KRYSTLE HOLDINGS LTD., BASTIAN HOLDINGS LTD., 145 GOLDEN DRIVE LTD., BARRY CARLES HOLDINGS LTD., BECISION HOLDING CORPORATION, G.I.H. PROPERTIES LTD., MCVICAR & COMPANY HOLDINGS INC., TNL DEVELOPMENTS LTD., AMAN GILL, PETER CHAPPELL, SANDRA CHAPPELL, AND TERESA GAUTREAU**

RESPONDENTS

**SUPPLEMENT TO THE SECOND REPORT  
OF THE COURT-APPOINTED RECEIVER OF**

**145 GOLDEN DRIVE LTD., WHITEWATER CONCRETE LTD., AND WHITEWATER DEVELOPMENTS LTD.**

**DATED SEPTEMBER 24, 2025**

**PREPARED BY DELOITTE RESTRUCTURING INC.**

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## INTRODUCTION

- 1) Pursuant to an Order (the "**Receivership Order**") of the Supreme Court of British Columbia (the "**Court**") dated July 2, 2024 (the "**Date of Receivership**"), Deloitte Restructuring Inc. ("**Deloitte**") was appointed as receiver (in such capacity, the "**Receiver**") without security of certain lands, other assets and property (the "**Golden Property**") of 145 Golden Drive Ltd. ("**145**" or "**Golden**"). The Court proceedings in which the Receiver was appointed are referred to herein as the "**Receivership Proceedings**".
- 2) The Receivership Order also appointed Deloitte as the Receiver without security of all of the current assets, claims, and choses in action (the "**Operating Companies' Assets**") of Whitewater Concrete Ltd. ("**Concrete**") and Whitewater Developments Ltd. ("**Developments**") and together with Concrete, "**Whitewater**" or the "**Operating Companies**"). Whitewater and 145 are collectively referred to herein as the "**Debtors**".
- 3) This is a supplement to the Second Report of the Receiver dated August 26, 2025 ("**this Report**" or the "**Second Report Supplement**").

## PURPOSE OF THE SUPPLEMENT TO THE SECOND REPORT

- 4) The purpose of this Second Report Supplement is to provide the Court with the Receiver's views and comments on the orders sought by BDC in its Notice of Application filed September 19, 2025 (the "**BDC Application**").
- 5) This Second Report Supplement should be read in conjunction with the Receiver's First Report to Court dated May 27, 2025 (the "**First Report**") and the Receiver's Second Report to Court dated August 26, 2025 (the "**Second Report**") which provide, among other things, a detailed description of the Sale Process undertaken by the Receiver, background on 145's business, and details regarding the use and distribution of the Transaction proceeds from the sale of the Golden Property.

## TERMS OF REFERENCE

- 6) In preparing this Second Report Supplement, the Receiver has relied upon unaudited financial and other information prepared by the Debtors' bookkeeper, 145's books and records, and other Court materials and affidavits filed in the Receivership Proceedings and related proceedings.
- 7) 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 *CPA Canada Handbook* and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of this information.
- 8) All dollar amounts in this Second Report Supplement are in Canadian dollars, unless otherwise indicated.
- 9) Unless otherwise provided, all other capitalized terms not defined in this Report are as defined in the First Report or the Second Report.

## ACTIONS OF THE RECEIVER

- 10) The Receiver has taken the following steps with respect to 145 since issuing the Second Report:
  - a. Retained final copies of Golden's accounting software and cancelled the license;
  - b. Completed various estate accounting matters including reconciling GST collections and bank reconciliations;
  - c. Corresponded with the Receiver's legal counsel regarding questions posed by 070 with respect to the Transaction;

- d. Made an interim distribution to BDC on September 8, 2025 for \$20,989,966 from the Transaction proceeds (the "**First BDC Distribution**") pursuant to the Order granted September 4, 2025 (the "**Golden Interim Distribution Order**"); and
- e. Prepared this Second Report Supplement.

## BDC APPLICATION

- 11) The BDC Application follows the Golden Interim Distribution Order whereby the First BDC Distribution out of the Golden receivership was made net of the following amounts:
  - a. \$353,427 in transfers from the Golden receivership trust account to the Concrete receivership trust account during the period from January to July 2025 to cover the unfunded professional fees and costs related to the Whitewater receiverships (the "**Concrete Transfers**"); and
  - b. \$650,000 in holdback amounts to cover \$500,000 in estimated current and future Receiver's fees in the Receivership Proceedings, \$100,000 in post-receivership obligations, and \$50,000 in pre-receivership statutory claims (the "**Holdback**").
- 12) The BDC Application seeks, among other things, the following Orders:
  - a. That the costs of the Receivership Proceedings be allocated between the two asset pools which include the Golden Property and the Operating Companies' Assets (the "**Cost Allocation Request**");
  - b. That the Receiver forthwith transfer or pay the Concrete Transfers to the Golden receivership account and distribute those funds to BDC; and
  - c. That the Receiver forthwith pay to BDC the full amount of the Holdback held in the Golden receivership account.
- 13) As outlined in the Second Report, BDC was owed approximately \$27.5 million as at April 16, 2025 (the "**BDC Debt**") which was made up of the BDC Direct Debt of \$11.4 million, the Whitewater Guarantee of \$3.4 million, and the Lougheed Guarantee of \$12.7 million. After the First BDC Distribution, the Receiver estimates that BDC is owed approximately \$7.5 million with accrued interest and other costs (the "**BDC Remaining Debt**"). The BDC Remaining Debt is secured by the Lougheed Guarantee which is supported by a first charge on 27222 Lougheed Highway, Maple Ridge, BC (the "**Lougheed Property**").
- 14) The Receiver understands that BDC issued demand for repayment of the BDC Debt by letters dated September 9, 2024 and that, as of the date of this Report, no enforcement steps have been taken by BDC pursuant thereto.

## RESPONSE TO THE BDC APPLICATION

### Overall Position

- 15) The Receiver's overall position with respect to the BDC Application is as follows:
  - a. The Receiver understood that BDC's concern related to the Holdback funds and that BDC's position on the Holdback was communicated prior to the Golden Interim Distribution Order, and all parties agreed that the order could be made without prejudice to BDC's right to seek an allocation order in respect of the Holdback. The Receiver understood that at no point was it suggested that BDC intended to claw back the Concrete Transfers which have been made since January 2025 with advance notice to BDC and without objection. There are insufficient funds in the Concrete account to repay the Concrete Transfers at this time.
  - b. The value of the Lougheed Property, which forms part of BDC's remaining security, is estimated to have a current value well in excess of the BDC Remaining Debt as

outlined in the Colliers Loughheed Value Estimate as defined and discussed later in this Report.

- c. The BDC Application is premature as the Concrete receivership will receive a recovery from an accounts receivable (the "**Trilogy AR Recovery**") owing from Trilogy Concrete 2021 Ltd. ("**Trilogy**") which will more than exceed the amount of the Concrete Transfers owing to the Golden receivership. In addition, the Receiver is attempting to collect approximately \$4.4 million in accounts receivable owing to the Operating Companies from related companies. An update on the Whitewater receiverships is discussed later in this Report.
- d. The Receiver's Charge is in place to secure the Receiver's fees and costs in the Receivership Proceedings and a Receiver should not be left without funding.
- e. The Cost Allocation Request included in the BDC Application is premature and, in any event, unnecessary, because:
  - i. the Trilogy AR Recovery is expected to exceed the amount of the Concrete Transfers and the Holdback; and
  - ii. based on current valuations, the Receiver does not expect BDC to suffer any shortfall on the BDC Remaining Debt by virtue of its security over the Loughheed Property.

### **Concrete Transfers**

- 16) The Concrete Transfers were made in order to avoid the Receiver having to draw on the Borrowing Facility available in the Receivership Proceedings and to incur interest charges which would have been secured with a prior-ranking charge ahead of BDC. As a result, BDC and RBC have benefitted from the Concrete Transfers. In making the Concrete Transfers, the Receiver considered BDC's security position and concluded that BDC will suffer no prejudice from the Concrete Transfers given its first position mortgage security over the Loughheed Property.
- 17) The BDC Application includes, among other things, correspondence between the Receiver and BDC regarding the Concrete Transfers which are attached as Exhibits to Affidavit #2 of S. Riley (the "**Transfer Correspondence**").
- 18) The Transfer Correspondence include comments that the Receiver has agreed to the return of the Concrete Transfers to the Golden trust account "in due course." The Receiver's position is unchanged in this regard, and the Receiver intends on returning the Concrete Transfer once there are sufficient funds in the Concrete receivership from the Trilogy AR Recovery.
- 19) The Concrete Transfers supported past activities of the Receiver, not future activities, and are secured under the Receiver's priority charge over BDC.

### **Loughheed Property Valuation**

- 20) The Receiver understands that Colliers Macaulay Nicolls Inc. ("**Colliers**") prepared an appraisal of the Loughheed Property in August 2024 which estimated a value of \$35.8 million (the "**Loughheed Appraisal**"). The Loughheed Appraisal was included in an affidavit of Mr. Craig Smith dated August 5, 2025 that was filed in separate legal proceedings for a company related to the Debtors.
- 21) The Receiver understands that the value included in the Loughheed Appraisal significantly exceeds the BDC Remaining Debt secured by the Loughheed Guarantee and the Loughheed Property and that the immediate release of the Holdback would be to the prejudice of Whitewater's other creditors without improving BDC's position on the Loughheed Guarantee.
- 22) The Receiver received an opinion of value of the Loughheed Property from Colliers dated September 23, 2025 which estimates a range of values from \$26.9 million to \$30.4 million

(the "**Colliers Loughheed Value Estimate**") over a sale timeline from nine to twelve months. A copy of the Colliers Loughheed Value Estimate is attached hereto as **Appendix "A"**.

### **Whitewater Receivership Recoveries**

- 23) The BDC Application notes that the Receiver has not yet issued a report to Court with respect to the particulars of Concrete and Development.
- 24) The Receiver has not yet prepared a report given that recoveries with respect to Whitewater have been minimal to date and limited to approximately \$195,000 recovered from the Whitewater bank accounts at the Date of Receivership. The Receiver does not believe it appropriate to incur the costs to prepare a report when no particular Order is being sought, as is common practice.
- 25) The Receiver notes that the primary recovery to Concrete will be from the Trilogy AR Recovery. As discussed in the Second Report, the Trilogy bankruptcy estate is in receipt of \$5.7 million in holdback funds (the "**Trilogy Funds**") related to its work on the new St. Paul's Hospital Project. The Receiver has filed a claim in the Trilogy bankruptcy for approximately \$6.2 million. The Receiver understands from MNP Ltd. ("**MNP**"), the Licensed Insolvency Trustee of Trilogy, that Concrete's share of the total claims filed in the Trilogy bankruptcy to date is approximately 28% of the total. Based on the claims filed and Concrete's share of the Trilogy Funds, the Trilogy AR Recovery will significantly exceed the amount of the Concrete Transfers and will be used to repay the transfers to the Golden receivership account when received. MNP has indicated that they are still finalizing the claim amounts and priorities of the claims and expect to make an application to Court to distribute the Trilogy Funds before the end of 2025.
- 26) As set out in paragraph 15(c), the Receiver is also attempting to collect approximately \$4.4 million in accounts receivable owing to the Operating Companies from related companies.

### **CONCLUSIONS AND RECOMMENDATIONS**

- 27) For the reasons outlined above, the Receiver recommends that the BDC Application be dismissed or adjourned generally.

All of which is respectfully submitted at Vancouver, BC this 24<sup>th</sup> day of September, 2025.

#### **DELOITTE RESTRUCTURING INC.**

In its capacity as Court-appointed Receiver of  
Whitewater Concrete Ltd., Whitewater Developments Ltd.,  
and 145 Golden Drive Ltd.,  
and not in its personal capacity



Per: Jeff Keeble, CPA, CA, CIRP, LIT  
Senior Vice-President

## **Appendix "A"**

### **Colliers Lougheed Value Estimate**



September 23, 2025

Deloitte  
Attn: Jeff Keeble  
410 West Georgia Street  
Vancouver, BC V6B 0S7

**Re: 27222 Lougheed Highway, Maple Ridge - Opinion of Value**

Dear Mr. Keeble

The following information has been compiled to provide an Opinion of Value for the Property located at 27222 Lougheed Highway, Maple Ridge (the "Property").

It is our understanding that two valuations were previously completed for the Property in April 2022, by Grover Elliot, and in August 2024, by Colliers. We have reviewed the information available from these reports and have used these as guidance in our opinion of value provided in this letter.

In this letter, we will provide a summary of the property details as determined through a search of the Property through publicly available databases and from the previous appraisal report and provide analysis of the various factors leading to our Opinion of Value.

**Property Overview:**

The salient facts are as follows:

Civic Address	27222 Lougheed Highway, Maple Ridge
PID	024-337-285
Lot Area	9.31 Acres
Building Area	Warehouse: 62,247 SF, 2 <sup>nd</sup> and 3 <sup>rd</sup> Floor Office: 28,188 SF
Zoning	M-2: General Industrial
Year Built	2000
Assessed Value (2025)	\$10,205,000 (Buildings) \$19,980,000 (Land) \$30,185,000 (Total)

Based on this information, including the of the building, the highest and best use of the Property is as built. We anticipate that an investor or owner occupier would be most likely to offer to purchase the property.



### Income Analysis:

Assuming the Property were to be purchased by an investor, we have reviewed the income analysis provided in the 2022 Grover Elliot appraisal report and applied adjustments based on current market trends. Industrial rental rates reached a peak in 2020/2021 and have since leveled off, increasing at a more standard annual rate as opposed to the significant, record setting value increases seen in the market from 2015 to 2021. As vacancy has also increased over the past 2 years, we have reflected this accordingly.

A summary of our stabilized income analysis is below:

Basic Rent	\$10.50 x 90,435 SF	\$949,568
Surplus Land Rent	\$1.90 x 124,050 SF	\$235,695
<b>Gross Income</b>		<b>\$1,185,263</b>
Vacancy Allowance	3%	(\$35,558)
<b>Stabilized NOI</b>		<b>\$1,149,705</b>

We have now applied a market capitalization rate of 3.75% - 4.25%.

Cap. Rate	Value
3.75%	\$30,658,790
4.00%	\$28,742,616
4.25%	\$27,051,874

Our anticipated range of value based on our income analysis is approximately \$27,000,000 to \$30,600,000.

### Commentary on Market Trends and Value Analysis:

It is our understanding that an additional valuation was provided in August 2024 by Colliers based on sales value per square foot of improved building and net, unused land of the Property.

In the past 12-18 months, the commercial property market has been in a state of flux with pricing rediscovery occurring across all sectors. Ongoing political and policy uncertainty, interest rate changes and continued increased construction costs have played a role in reshaping our market.

Fortunately, the Property has existing structures that remain viable as vacant or redevelopment land has seen the largest drop off from peak pricing, often falling in the range of 40-50%.

In our recent experience with the sale of industrial and commercial properties, with existing structures that allow us to cater the sales process to investor buyers and owner occupiers, we have seen a less significant drop-off from pricing that may have been achievable 12-24 months ago. We believe that a 15-25% reduction in market value is a reasonable assumption in the current market conditions.



Based on the analysis completed in the August 2024 valuation, a market value of \$35,810,000 was provided. Based on this value, and adjusting for current market conditions as outlined above, we would anticipate that a reasonable trading range for the property would be approximately \$26,900,000 to \$30,400,000.

**Summary:**

We anticipate that a sale to an investor based on our income analysis would result in pricing of:

**\$27,000,000 to \$30,600,000**

We anticipate that a sale to an owner occupier, based on review of the previous valuation provided and applying current market assumptions would result in pricing of:

**\$26,900,000 to \$30,400,000**

We anticipate that the sale timeline of approximately 9 to 12 months is likely to be required to achieve this price range.

If required, a detailed Sale and Marketing proposal including step by step marketing and timeline considerations can be provided to Deloitte for consideration. Please contact us with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Hart Buck", written over a horizontal line.

Hart Buck  
*Senior Vice President*

A handwritten signature in black ink, appearing to read "Jennifer Darling", written in a cursive style.

Jennifer Darling  
*Associate Vice President*