



No. S214960
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

Between:

ADC PROJECTS LTD.

Petitioner

And:

JEANA VENTURES LTD. and 1103 GILSTON ROAD HOLDINGS INC.

Respondents

**IN THE MATTER OF THE RECEIVERSHIP OF
1103 GILSTON ROAD HOLDINGS INC.**

**THIRD REPORT OF THE RECEIVER MANAGER
D. MANNING & ASSOCIATES INC.**

JUNE 10, 2022

D. MANNING & ASSOCIATES INC.
COURT-APPOINTED RECEIVER MANAGER OF THE
ASSETS, UNDERTAKINGS AND PROPERTY OF
1103 GILSTON ROAD HOLDINGS INC.
SUITE 520 – 625 HOWE STREET
VANCOUVER, B.C. V6C 2T6
(604)683-8030, FAX (604)683-8327
www.manning-trustee.com

1) INTRODUCTION

This is the Third Report of D. Manning & Associates Inc. (the “**Receiver**”), in its capacity as Court-Appointed Receiver Manager of the Assets, Undertakings and Property of 1103 Gilston Road Holdings Inc. (the “**Company**”). The First Report was dated October 15, 2021 and the Second Report was dated May 9, 2022.

The Company is the developer of a new single family house, located on lands legally described as:

Lot 20, Block 34, Plan VAP9111,
District Lot CE, Group 1, New Westminster Land District
PID 002-841-231

Civic address: 1103 Gilston Road, West Vancouver, B.C. V7S 2E7

(the “**Property**”)

2) CONSERVATORY AND PROTECTIVE MEASURES

The Receiver continues to monitor the progress of maintenance and minor deficiency remediation at the Property, including clearing drains and gutters of debris.

3) VIRANI MARKETING OF THE PROPERTY

Virani’s Real Estate Advisors’ (“**Virani**”) updated realtor show schedule as of June 7, 2022 is attached as **Schedule “A”**, listing 12 Bid Packages sent to certain realtors, their feedback, and the status of their submitting a Competitive Bid on the Property. Virani comments on their two Open Houses with 20 groups attending, four showings by appointment, and social media exposure, and comments on the “flat” nature of the market for houses at this price range in West Vancouver.

Virani advises that they has received many comments from prospective purchasers that there is a lot of work that needs to be done on the Property.

It is the Receiver’s opinion that Virani’s marketing of the Property has been active, diligent, and appropriate for a niche market with a limited number of prospective purchasers.

4) ACCEPTED LI MEI ZHOU OFFER

The Offer from Li Mei Zhou that has been accepted by the Receiver, subject to the Competitive Bid Process, has the following terms:

Purchaser:	Li Mei Zhou
Purchase Price:	\$6,330,000 plus GST
Deposit:	\$316,500 to Century 21 In Town Realty, in trust
Completion Date:	12 business days following Court approval

Additional clause: (June 29, 2022 assuming June 13, 2022 Court approval)
Contract null and void if Court approval not obtained on or before
June 15, 2022
Open to: 8 PM, April 15, 2022

The Receiver accepted these terms on April 14, 2022 and the deposit was provided on April 18, 2022.

5) BID REQUESTS AND COMPETITIVE BID PROCESS

The Receiver's actions to expose the Property to the market have been threefold:

- 1) Soliciting Offers from realtors to express interest in arranging a sale of the Property;
- 2) Providing ongoing assistance for the marketing of the Property by the listing agent (Virani);
- 3) Informing and encouraging all parties/agents who may be interested in submitting a Competitive Bid, to do so.

The Receiver advised that it would be bringing the Zhou Offer to Court for approval, subject to a Competitive Bid Process. The Competitive Bid Process consisted of an e-mail blast sent out by Virani to interested parties with the goal of soliciting competing bids.

Virani continued to actively market the Property during the Competitive Bid Process, notwithstanding the accepted Zhou Offer.

Offers were to be made by sealed bid to Owen Bird Law Corporation ("**Owen Bird**") with a deadline of noon on May 26, 2022. In the event of competitive bids, Owen Bird was to then give the original offeror, Li Mei Zhou, one last chance to provide a higher bid by 4:00 PM the same day, with the best offer to be submitted to Court for approval on May 30, 2022.

On May 24, 2022, counsel for Jeana Ventures Ltd. requested an adjournment of the Court hearing to June 13, 2022, with the appropriate deadlines to be adjusted accordingly. The Receiver consented to this request, changing the deadline for competitive bids to noon on June 9, 2022 and the deadline for the original offeror to submit a higher bid changed to 4:00 PM on June 9, 2022. The best Offer will be submitted to Court for approval on June 13, 2022.

6) COMPETITIVE BIDS RECEIVED

The Receiver's counsel received two (2) Competitive Bids by the deadline of 12:00 PM on June 9, 2022.

Counsel for Li Mei Zhou was advised of the existence of a Competitive Bid and was invited to have their client submit a revised bid by 4:00 PM on June 9, 2022.

1364286 B.C. Ltd. Offer

Purchaser: 1364286 B.C. Ltd.

Purchaser's Agent: Cary Zhou, Royal Pacific Lions Gate Realty Ltd.

Purchase Price: \$6,702,000 plus GST
 Deposit: \$335,100 to Owen Bird, in trust
 Completion Date: 12 business days following Court approval
 (June 29, 2022 assuming June 13, 2022 Court approval)

Runguo Chai Offer

Purchaser: Runguo Chai
 Purchaser's Agent: Andrew Zhang, Pacific Evergreen Realty
 Purchase Price: \$6,770,000 plus GST
 Deposit: \$333,500 to Owen Bird, in trust
 Completion Date: 12 business days following Court approval
 (June 29, 2022 assuming June 13, 2022 Court approval)

A revised Offer from Li Mei Zhou (the “**Revised Zhou Offer**”) was received on June 9, 2022, in the amount of \$6,600,800 plus GST. As with the original Zhou Offer, the Revised Zhou Offer will be null and void and the deposit returned to the buyer if Court approval is not obtained by June 15, 2022.

All three Offers provide for a completion date that is 12 business days following Court approval (June 29, 2022 assuming Court approval occurs on June 13, 2022).

7) SECURED CREDITORS

The Receiver has prepared the following list of creditors based on information from the Company and from certain creditors. All numbers are approximate:

	\$
District of West Vancouver – Property Taxes incl. arrears	56,292.69
District of West Vancouver – municipal utilities (as of March 31, 2022)	2,137.55
Canada Revenue Agency Deemed Trust Claim, if any	TBD
Montreal Trust Company	non-financial
1 st mortgage – Wealth One Bank (as of June 20, 2022 plus further interest and costs)	2,765,129.25
2 nd mortgage – Gino Mucio Holdings Inc./Charles Funaro (as of June 20, 2022 plus further interest and costs)	718,098.48
3 rd mortgage – Jeana Ventures Ltd. (as of June 20, 2022 plus further interest and costs)	3,441,199.40
Receiver’s borrowings	50,000.00
Est. interest on Receiver’s borrowings to June 20, 2022	3,151.00
Griff Building Supplies Ltd. (Claim of Builder’s Lien as of Oct. 31, 2019)	55,478.19
Aloha Pools Ltd. (Claim of Builder’s Lien as of July 31, 2020)	87,733.49
ADC Holdings Ltd. (4 th mortgage (approx.) as of August 4, 2021 (disputed))	1,680,000.00
Open Windows Inc. (Claim of Builder’s Lien as of February 10, 2021)	30,000.00
Westfloors Ltd. (Claim of Builder’s Lien as of May 31, 2021)	11,631.00

The District of West Vancouver 2022 Property Tax Notice (**Schedule “B”**) shows unpaid arrears of taxes of \$22,677.36 (plus interest), unpaid delinquent taxes of \$17,612.19 (plus interest), and 2022 taxes of \$16,003.14, for a total of \$56,292.69. The due date for payment is July 4, 2022. If the delinquent taxes plus interest are not paid prior to September 26, 2022, the Property will be put up for Property Tax Sale.

The District of West Vancouver’s Metered Utility Statement shows municipal water/sewer charges owing of \$2,137.55 for the period ended March 31, 2022. There will be further charges for the period April 1, 2022 to the completion date of the sale.

8) COMPARISON OF OFFERS

The Receiver will be recommending approval of the Runguo Chai Offer with a price of \$6,770,000 plus GST, excluding furniture, at the June 13, 2022 Court hearing, as the best and highest Offer, based on reasonable exposure to the market.

9) OTHER EXPENSES

On May 30, 2022, ADC Holdings Ltd. (“ADC”) submitted its invoice for maintenance, upkeep and related repair work for the period December 27, 2021 to May 25, 2022, totalling \$20,706.09 (including GST). ADC’s unpaid invoices to date now total \$46,257.28 including GST.

ADC has continued basic maintenance, and recently completed some repairs to the interior ceiling, including painting, that are not included in its latest invoice. ADC will also be doing some necessary spring weeding and lawn cutting on the Property.

10) OTHER ISSUES

ADC continues to assert a security interest in certain property of the Company that the Receiver considers to be fixtures and therefore part of the Property being sold.

11) RECOMMENDATIONS

The Receiver makes the following recommendations:

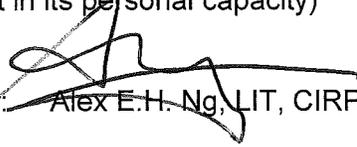
- 1) Dealing with creditor and stakeholder enquiries;
- 2) Pay operating costs to maintain and preserve the Property where funds are available, and pay Receivership costs;
- 3) Apply for Court approval on the Runguo Chai Offer, excluding furniture, and obtain a Vesting Order;
- 4) Complete the sale of the Property, excluding furniture;
- 5) Hold back sufficient funds for Receiver’s costs, including legal costs for the Receiver’s legal counsel and holdback for dispute over ADC’s claim against certain fixtures and personal property of the Company;
- 6) Cancel the Receiver’s utility accounts;

- 7) Cancel insurance coverage on the Property after the completion of the sale;
- 8) Pay all outstanding property taxes and utility charges to the District of West Vancouver from sale proceeds on the Property;
- 9) Determine if there are any other priority claims and hold back funds, if necessary;
- 10) Make a distribution to Wealth One Bank of Canada on its first mortgage, and to Gino Muoio Holdings Inc./Charles Funaro on their second mortgage;
- 11) Make a distribution to Jeana Ventures Ltd. of surplus funds, to be applied against repayment of Receiver's borrowings plus accrued interest, and then their mortgage;
- 12) Provide financial information during the period of Receivership including net sale proceeds and expenses for the Property, and Receivership costs, to the Company to enable them to prepare the necessary corporate income tax return at their next fiscal year end;
- 13) Prepare and file statutory notices;
- 14) Apply for the Receiver's discharge and passing of accounts;

Should you have any questions or comments, please contact the writer.

Yours very truly,

D. MANNING & ASSOCIATES INC.
LICENSED INSOLVENCY TRUSTEE
COURT-APPOINTED RECEIVER MANAGER OF THE ASSETS, UNDERTAKINGS
AND PROPERTY OF 1103 GILSTON ROAD HOLDINGS INC.
(not in its personal capacity)

Per:  Alex E.H. Ng, LIT, CIRP, President

Attachments

SCHEDULE "A"

**VIRANI REAL ESTATE ADVISORS
UPDATED REALTOR SHOW SCHEDULE
AS OF JUNE 7, 2022**

Alex Ng

From: Haneef Virani <haneef@virani.ca>
Sent: June 7, 2022 4:43 PM
To: William Choo
Cc: Alex Ng
Subject: 1103 Gilston Road, West Vancouver June 7th, 2022 Update
Attachments: Gilston Report May 25.xlsx

Hello William and Alex,

Since our last report in mid May, we have been very busy with activity at the subject property. The change in listing price turned out to be a good strategy and we saw an increased number of Buyers interested. The overall market in West Vancouver continues to be very flat. The high end market above \$5 million is seeing very few sales. Higher interest rates are causing a wait and see approach from many Buyers. Highlights of last 3 weeks of activity include:

- 2 Open Houses – Approx 20 groups through – 2 showing some interest
- Additional Bid Packages were sent to a few realtors
- We had 4 by APPT showings
- The home was featured again in Virani social media
- We were set back with showings for a few days with some work that the Builder was undertaking.

Thank you,

Haneef

HANEEF VIRANI, PREC*
Chief Operating Officer



T: 604.913.1000
haneef@virani.ca
www.virani.ca

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Vancouver | 109-1500 Howe St | Vancouver | V6Z 2N1
Seattle | 609-10655 NE 4th St | Seattle | 98004
London | 2nd floor, Berkeley Square House | Mayfair | W1J 6BD
Beijing | 1801-B#4 Zhubang 2000, 100 Balizhuang West Road | Beijing | 100025



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♻️ PLEASE CONSIDER THE ENVIRONMENT BEFORE PRINTING. "SUPPORTING LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN (LEED) IN SUSTAINABLE GREEN BUILDING DEVELOPMENT PRACTICES.

Updated as of June 7th, 2022

	Date	Agent	Brokerage	Feedback	Listing Package sent	Offer Potential?
1	APRIL 24TH, 2022	Sydney Deng	Royal Pacific Realty Corp.	Client interested/asked to send package/Pre inspection on May 19th/ After 2 inspection they deemed there are a lot of deficiencs that needs to be fixed and they are not sure if they put an offer now.	✓✓	No - too many issues with the house
2	APRIL 24TH, 2022	Isaac Cheung	Oakwyn Realty	Client are very Interested/Asked about purchasing furniture/ Agent said they are on the fence now about wirting an offer now.	✓✓	Considering
3	APRIL 24TH, 2022	Amir Hamzehali	Royal LePage	Client considering putting an offer in court	✓✓	
4	APRIL 24TH, 2022	Alex Qiu	Royal Pacific Realty Corp.	Considering an offer/asked for documents	✓✓	
5	APRIL 24TH, 2022	Wendy Tian	Luxmore Realty	Client is interested/Wants court info	✓✓	
6	APRIL 24TH, 2022	Bill Liu	Pemberton Homes	Have asked for documents/clients might be interested	✓✓	
7	APRIL 24TH, 2022	Joyce Zhu	Sutton Group-West Coast Realty	Doing inspection on May 6th/Considering an offer/ Cancelled pre inspection Clients can't do completion for months so they have decided to pass	✓✓	
8	APRIL 25TH, 2022	Michael Xu	Sutton Group-West Coast Realty	Walked the Lot	-	
9	APRIL 26TH, 2022	Kourus Pezesh	Royal LePage Sussex	Didn't seem to interested due to work required	-	
10	APRIL 28TH, 2022	Nira Jayez	88West Realty	No Feedback provided.	-	
11	APRIL 28TH, 2022	Cary Zhou	Royal Pacific Lions Gate Realty Ltd.	Client will be putting an offer in court/Did Pre Inspection on May 16th.	✓✓	Yes - sending offer
12	APRIL 29TH, 2022	Mahsa Sarband	88West Realty	Not Interested	-	
13	MAY 2ND, 2022	Diane Zhang	Royal Pacific Realty Corp.	No Feedback provided	-	
14	MAY 15TH, 2022	Steve JIang	Sutton Group-West Coast Realty	Attended the Open/ Asked for offer package and Court proceduras	✓✓	Very Likely
15	MAY 15TH, 2022	Samuel Mao	Park Georgia Realty Ltd.	No Feedback provided		
16	MAY 16TH, 2022	Gino Muocio	Bel-Air Realty	Asked for Court details and how he can attend	✓✓	
17	MAY 16TH, 2022	Linda Quang	Royal Pacific Realty Corp.	Attended the Open/ Asked for offer package	✓✓	
18	MAY 17TH, 2022	Les Sailay		He has contacted the receiver directly about putting an offer		Very Likely
19	MAY 18TH, 2022	Andrew YJ Zhang	Pacific Evergreen Realty Ltd.	Attended the Open/They are thinking about putting an offer	✓	Very Likely
20						
21						
22						
23						
24						
25						

SCHEDULE "B"

**DISTRICT OF WEST VANCOUVER
2022 PROPERTY TAX NOTICE**



DISTRICT OF WEST VANCOUVER
750 17th Street
West Vancouver BC V7V 3T3
604-925-7032
taxinfo@westvancouver.ca

2022 PROPERTY TAX NOTICE

DUE DATE: JULY 4, 2022



5% PENALTY IF NOT PAID OR GRANT NOT CLAIMED BY JULY 4, 2022

ADDITIONAL 5% PENALTY ADDED TO ANY CURRENT TAXES OUTSTANDING AFTER SEPTEMBER 1, 2022

DELINQUENT TAXES - To avoid Property Tax Sale, all Delinquent taxes plus interest must be paid prior to September 26, 2022. For more information contact the Finance Department at 604-925-7032.

1103 GILSTON ROAD HOLDINGS INC.
200 100 PARK ROYAL SOUTH
WEST VANCOUVER BC V7T 1A2 14771

LEGAL DESCRIPTION			
LOT 20 BLOCK 34 CAPILANO ESTATES PLAN 9111			
TOTAL NET ASSESSED VALUES FOR TAXATION PURPOSES			
CLASS	GENERAL	SCHOOL	HOSPITAL
1 - Res	4,572,000	4,572,000	4,572,000

JURISDICTION	328	ROLL	19-0062-000-000
FOLIO	19-0062	ACCESS	067648
PROPERTY ADDRESS	1103 GILSTON ROAD		
PID	002-841-231	RATES	

COLUMN A	COLUMN B	COLUMN C
NO GRANT	BASIC GRANT	ADDITIONAL GRANT

COLLECTED ON BEHALF OF OTHER GOVERNMENT AUTHORITIES

PROVINCIAL SCHOOL TAX	0.71630	3,274.92	3,274.92	3,274.92
ADDITIONAL SCHOOL TAX TIER 1	2.00000	2,000.00	2,000.00	2,000.00
ADDITIONAL SCHOOL TAX TIER 2	4.00000	2,288.00	2,288.00	2,288.00
NET BASIC SCHOOL TAXES		7,562.92	7,562.92	7,562.92
BC ASSESSMENT AUTHORITY	0.03490	159.56	159.56	159.56
MUNICIPAL FINANCE AUTHORITY	0.00020	0.91	0.91	0.91
METRO VANCOUVER	0.05259	240.44	240.44	240.44
TRANSIT	0.22590	1,032.81	1,032.81	1,032.81
TOTAL OTHER GOVERNMENT TAXES		8,996.64	8,996.64	8,996.64

WEST VANCOUVER MUNICIPAL PROPERTY TAX

GENERAL MUNICIPAL	1.49575	6,838.57	6,838.57	6,838.57
ASSET LEVY	0.01469	67.16	67.16	67.16
ENVIRONMENTAL LEVY	0.02204	100.77	100.77	100.77
TOTAL WEST VANCOUVER MUNICIPAL TAXES		7,006.50	7,006.50	7,006.50

TOTAL 2022 TAXES

16,003.14	16,003.14	16,003.14
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UNPAID ARREARS TAXES	22,677.36	22,677.36	22,677.36
UNPAID DELINQUENT TAXES	17,612.19	17,612.19	17,612.19
TOTAL OUTSTANDING TAXES	56,292.69	56,292.69	56,292.69

DEFERMENT: All 2022 current taxes can be deferred, including additional school tax.
PLAN AHEAD FOR 2023: Apply for the monthly or Annual Pre-Authorized Tax Payment Plan:
MONTHLY PLAN, your estimated monthly payment to cover NEXT YEAR'S taxes would be \$1,334.00 starting August 1.
ANNUAL PLAN, there would be a one time ANNUAL withdrawal of the outstanding balance on the due date.
 Visit westvancouver.ca/tax for an application form.



APPLY FOR THE HOME OWNER GRANT ONLINE



gov.bc.ca/homeownergrant

PROPERTY TAX DUE DATE: JULY 4, 2022

A - NO GRANT	B - BASIC GRANT	C - ADD'L GRANT
\$56,292.69	\$56,292.69	\$56,292.69

HOME OWNER GRANT INFORMATION ALL HOME OWNER GRANTS ARE NOW CLAIMED ONLINE.

Municipalities no longer accept Home Owner Grant applications under the direction of the Province of BC.

All Home Owner Grant applications will need to be made through the Province. To make your claim or for information please visit: gov.bc.ca/homeownergrant

When claiming your grant, you will need the **Jurisdiction Number** and **Roll Number** from this tax notice.

Refer to the back of this notice for eligibility requirements. If you have any questions regarding Home Owner Grants, please call the Provincial Grant Office at 1-888-355-2700.

A	B	C
No Grant	Grant: 0.00	Grant: 0.00
\$56,292.69	\$56,292.69	\$56,292.69
Amount Paid		

JURISDICTION 328 I
 FOLIO / ROLL 19-0062 / 19-0062-000-000
 PID 002-841-231
 CIVIC 1103 GILSTON ROAD
 OWNERS 1103 GILSTON ROAD HOLDINGS
 200 100 PARK ROYAL SOUTH
 WEST VANCOUVER BC V7T 1A

