



Court File No. CV-22-00674717-00CL & CV-21-00668821-00CL

Court File No. CV-21-00668821-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE)
JUSTICE STEELE)
)
)
TUESDAY, THE 23rd
DAY OF JANUARY, 2024

BETWEEN:

**BERKID INVESTMENTS LIMITED, ROBERT BARRON, THORNBRIDGE CAPITAL
INC., LUCY BER, SUSAN LATREMOILLE, JAMES MACDONALD, SCOTT
TUPLING, NADA TUPLING, TMP INVESTMENTS INC., MARK PIEROG, TARA
PIEROG, RON LAPSKER, 1392530 ONTARIO INC., LANGFORD GRAIN INC., FORE
BEARS FORENSIC SCIENCE INC., FESTIVUS HOLDINGS INC., STEVEN FREIMAN
AND GREGORY IP**

Plaintiffs

- and -

**HUNTER MILBORNE, GREGORY MARCHANT, MM REALTY PARTNERS
INTERNATIONAL, MM REALTY PARTNERS INTERNATIONAL INC., LEGACY
LIFESTYLE DESTIN LIMITED PARTNERSHIP, LEGACY LIFESTYLE DESTIN GP
INC., LEGACY LIFESTYLE SUMMERLIN LIMITED PARTNERSHIP, LEGACY
LIFESTYLE SUMMERLIN GP INC. LEGACY LIFESTYLE TRAILWINDS LIMITED
PARTNERSHIP, LEGACY LIFESTYLE TRAILWINDS GP INC., WAVERLEY
CORPORATE FINANCE SERVICES LTD. and MORGAN MARCHANT**

Defendants

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ONTARIO
SUPERIOR COURT OF JUSTICE
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**LEGACY LIFESTYLES DESTIN LP, LEGACY LIFESTYLES TRAILWINDS LP,
LEGACY LIFESTYLES SUMMERLIN LP, LEGACY LIFESTYLES OCOEE LP,
LEGACY LIFESTYLES LONGLEAF LP**

Applicants

- and -

**LEGACY LIFESTYLES DESTIN PROPERTY LLC, LEGACY LIFESTYLES
TRAILWINDS PROPERTY LLC, LEGACY LIFESTYLES FORT MYERS PROPERTY
LLC, LEGACY LIFESTYLES OCOEE PROPERTY LLC, , LEGACY LIFESTYLES
LONGLEAF PROPERTY LLC**

Respondents

APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C., C. B-3,
as amended, and section 101 of the *Courts of Justice Act*, R.S.O. 1990, C. C-43, as amended

APPROVAL AND VESTING ORDER
(Destin Property)

THIS MOTION, made by Zeifman Partners Inc., in its capacity as the court-appointed receiver (the “**Receiver**”) of the assets, undertakings and properties of Legacy Lifestyles Destin LP, Legacy Lifestyles Destin GP Inc., Legacy Lifestyles Summerlin LP, Legacy Lifestyles Summerlin GP Inc., Legacy Lifestyles Trailwinds LP, Legacy Lifestyles Trailwinds GP Inc., Legacy Lifestyles Ocoee LP, Legacy Lifestyles Ocoee GP Inc., Legacy Lifestyles Longleaf LP, Legacy Lifestyles Longleaf GP Inc., Legacy Lifestyles Destin Property LLC (“**Destin Property LLC**”), Legacy Lifestyles Trailwinds Property LLC, Legacy Lifestyles Ft. Myers Property LLC, Legacy Lifestyles Ocoee Property LLC and Legacy Lifestyles Longleaf Property LLC (collectively, the “**Debtors**”) for an order approving the sale transaction (the “**Transaction**”) contemplated by a real estate purchase and sale agreement (the “**Sale Agreement**”) between the Receiver and The School Board of Okaloosa County, Florida (the “**Purchaser**”), dated October 9, 2023 and appended to the Third Report of the Receiver dated January 12, 2024 (the “**Third**

Report"), and vesting in the Purchaser the right, title and interest of Destin Property LLC in and to the real property located at 401 Beach Drive, Destin, Okaloosa County, Florida, 32548, identified as Parcel ID No. 00-2S-22-0000-0071-0000, as more particularly described on Exhibit "A" to the Sale Agreement (the "**Property**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Third Report, and the Factum of the Receiver, dated January 18, 2024, and on hearing the submissions of counsel for the Receiver, and any other parties listed on the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Amanda Campbell sworn January 12, 2024 and the affidavit of Hanqiong (Joan) Xu affirmed January 15, 2024, filed:

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby ratified and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction, the conveyance of the Property to the Purchaser, and the discharge of all Encumbrances (defined herein).
3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule "A" hereto (the "**Receiver's Certificate**"), all of Destin Property LLC's right, title and interest in and to the Property shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Amended Order of the Honourable Justice Conway, dated February 11, 2022, as amended; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or

any other personal property registry system (all of which are collectively referred to as the "**Encumbrances**", which term shall not include any Permitted Encumbrances (as defined in the Sale Agreement)) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Property are hereby expunged and discharged as against the Property upon delivery of the Receiver's Certificate.

4. **THIS COURT ORDERS** that, for the avoidance of doubt, the Receiver is hereby authorized and directed to take such steps and execute such documents as may be necessary or desirable to discharge the following mortgages from title to the Property:

- (a) mortgage granted to Hillmount Capital Inc. ("**Hillmount**") pursuant to the Mortgage and Security Agreement, dated May 23, 2022, recorded on May 26, 2022, in Clerk's Instrument #3553207 of the Public Records of Okaloosa County, Florida (the "**Hillmount Mortgage**"), as amended; and
- (b) mortgage granted to Legacy Lifestyles Destin LP, recorded on June 1, 2016, in the Public Records of Okaloosa County, Florida, as amended, which mortgage shall be discharged without payment or other consideration paid to the mortgagee on discharge.

5. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Encumbrances, the net proceeds from the sale of the Property shall stand in the place and stead of the Property, and that from and after the delivery of the Receiver's Certificate all Encumbrances shall attach to the net proceeds from the sale of the Property with the same priority as they had with respect to the Property immediately prior to the sale, as if the Property had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

6. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed, on the closing of the Transaction, to distribute to Hillmount that portion of the net proceeds from the sale of the Property required to pay in full and discharge the Hillmount Mortgage, as detailed on a payout statement issued by Hillmount.

7. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

8. **THIS COURT ORDERS** that, notwithstanding:
- (a) the pendency of these proceedings;
 - (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of any of the Debtors and any bankruptcy order issued pursuant to any such applications; and
 - (c) any assignment in bankruptcy made in respect of any of the Debtors;

the vesting of the Property in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

9. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby 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. Specifically, and for the avoidance of doubt, the Receiver is hereby authorized as the Foreign Representative in the jointly administered cases proceeding as *In re Legacy Lifestyles Destin LP, et al.*, Chapter 15 Bankruptcy Case No. 22-01246 before the United States Bankruptcy Court for the Middle District of Florida to seek entry of an order authorizing the effectiveness of this Order within the United States and the sale of the Property free and clear of liens, claims and encumbrances pursuant to sections 105(a), 363(b), 363(f) and 1521(a)(7) of title 11 of the United States Code.

SEALING

10. **THIS COURT ORDERS** that the Receiver is authorized, *nunc pro tunc*, to redact the Confidential Appendices from the Third Report and that the Confidential Appendices be sealed from the public record until the closing of Transaction (as defined in the Third Report) or further order of the Court.



Digitally signed
by Jana Steele
Date: 2024.01.23
16:00:04 -05'00'

Schedule A – Form of Receiver’s Certificate

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SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

**BERKID INVESTMENTS LIMITED, ROBERT BARRON, THORNBRIDGE CAPITAL
INC., LUCY BER, SUSAN LATREMOILLE, JAMES MACDONALD, SCOTT
TUPLING, NADA TUPLING, TMP INVESTMENTS INC., MARK PIEROG, TARA
PIEROG, RON LAPSKER, 1392530 ONTARIO INC., LANGFORD GRAIN INC., FORE
BEARS FORENSIC SCIENCE INC., FESTIVUS HOLDINGS INC., STEVEN FREIMAN
AND GREGORY IP**

Plaintiffs

- and -

**HUNTER MILBORNE, GREGORY MARCHANT, MM REALTY PARTNERS
INTERNATIONAL, MM REALTY PARTNERS INTERNATIONAL INC., LEGACY
LIFESTYLE DESTIN LIMITED PARTNERSHIP, LEGACY LIFESTYLE DESTIN GP
INC., LEGACY LIFESTYLE SUMMERLIN LIMITED PARTNERSHIP, LEGACY
LIFESTYLE SUMMERLIN GP INC. LEGACY LIFESTYLE TRAILWINDS LIMITED
PARTNERSHIP, LEGACY LIFESTYLE TRAILWINDS GP INC., WAVERLEY
CORPORATE FINANCE SERVICES LTD. and MORGAN MARCHANT**

Defendants

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**LEGACY LIFESTYLES DESTIN LP, LEGACY LIFESTYLES TRAILWINDS LP,
LEGACY LIFESTYLES SUMMERLIN LP, LEGACY LIFESTYLES OCOEE LP,
LEGACY LIFESTYLES LONGLEAF LP**

Applicants

- and -

**LEGACY LIFESTYLES DESTIN PROPERTY LLC, LEGACY LIFESTYLES
TRAILWINDS PROPERTY LLC, LEGACY LIFESTYLES FORT MYERS PROPERTY
LLC, LEGACY LIFESTYLES OCOEE PROPERTY LLC, LEGACY LIFESTYLES
LONGLEAF PROPERTY LLC**

Respondents

APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C., C. B-3,
as amended, and section 101 of the *Courts of Justice Act*, R.S.O. 1990, C. C-43, as amended

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Amended Order of the Honourable Justice Conway of the Ontario Superior Court of Justice (the "**Court**"), dated February 11, 2022, Zeifman Partners Inc. was appointed as the receiver (the "**Receiver**") of the assets, undertakings and properties of Legacy Lifestyles Destin LP, Legacy Lifestyles Destin GP Inc., Legacy Lifestyles Summerlin LP, Legacy Lifestyles Summerlin GP Inc., Legacy Lifestyles Trailwinds LP, Legacy Lifestyles Trailwinds GP Inc., Legacy Lifestyles Ocoee LP, Legacy Lifestyles Ocoee GP Inc., Legacy Lifestyles Longleaf LP, Legacy Lifestyles Longleaf GP Inc., Legacy Lifestyles Destin Property LLC ("**Destin Property LLC**"), Legacy Lifestyles Trailwinds Property LLC, Legacy Lifestyles Ft. Myers Property LLC, Legacy Lifestyles Ocoee Property LLC and Legacy Lifestyles Longleaf Property LLC.

B. Pursuant to an Order of the Court, dated January 23, 2023, the Court approved the real estate purchase and sale agreement (the "**Sale Agreement**"), dated October 9, 2023, between the Receiver and The School Board of Okaloosa County, Florida (the "**Purchaser**") and provided for the vesting in the Purchaser of Destin Property LLC's right, title and interest in and to the Property, which vesting is to be effective with respect to the Property upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Property; (ii) that the conditions to Closing as set out in Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Property payable on Closing pursuant to the Sale Agreement;
2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.

This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

ZEIFMAN PARTNERS INC., in its capacity as Receiver of the undertaking, property and assets of Legacy Lifestyles Destin LP, Legacy Lifestyles Destin GP Inc., Legacy Lifestyles Summerlin LP, Legacy Lifestyles Summerlin GP Inc., Legacy Lifestyles Trailwinds LP, Legacy Lifestyles Trailwinds GP Inc., Legacy Lifestyles Ocoee LP, Legacy Lifestyles Ocoee GP Inc., Legacy Lifestyles Longleaf LP, Legacy Lifestyles Longleaf GP Inc., Legacy Lifestyles Destin Property LLC, Legacy Lifestyles Trailwinds Property LLC, Legacy Lifestyles Ft. Myers Property LLC, Legacy Lifestyles Ocoee Property LLC and Legacy Lifestyles Longleaf Property LLC, and not in its personal or corporate capacity

Per: _____

Name:

Title:

Court File No. CV-22-00674717-00CL & CV-21-00668821-00C

Court File No. CV-21-00668821-00C

BERKID INVESTMENTS LIMITED
Plaintiff

and

HUNTER MILBORNE et al.
Defendant

LEGACY LIFESTYLES DESTIN LP, et al.
Applicants

and

Court File No. CV-22-00674717-00C
LEGACY LIFESTYLES DESTIN PROPERTY LLC, et al.
Responden

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT TORONTO

APPROVAL AND VESTING ORDER

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*Lawyers for Zeifman Partners Inc., in its capacity as Court-
appointed Receiver*