



Court File No.:

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

BETWEEN:

CENTURION ASSET MANAGEMENT INC.

Applicant

-and-

**VALOUR WESTMOUNT HOLDINGS INC., WESTMOUNT LIMITED PARTNERSHIP,
VALOUR WESTMOUNT GP INC., CARMEN CAMPAGNARO, RICHARD HALL,
VALOUR GROUP INC., CARMCORP INC., RICHARD HALL FAMILY HOLDINGS
LTD.**

Respondents

**IN THE MATTER OF AN APPLICATION
Under Section 243(1) of the Bankruptcy and Insolvency Act (R.S.C., 1985, c. B-3), and
Section 101 of the *Courts Of Justice Act*, R.S.O. 1990, C. C.43**

NOTICE OF APPLICATION

TO THE RESPONDENT(S):

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicants. The claim made by the Applicants appears on the following page.

THIS APPLICATION will come on for a hearing (*choose one of the following*)

- In person;
- By telephone conference;
- By video conference.

at the following location

at the following location – Via Zoom videoconference, details of which are to be provided by the Registrar.

on _____, _____, at _____ (or on a day to be set by the registrar).

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date: _____ Issued by: _____

Address of court office: **330 University Avenue
9th Floor
Toronto, ON M5G 1R7**

TO: THE SERVICE LIST

APPLICATION

1. The Applicant, Centurion Asset Management Inc. (“**Centurion**” or the “**Lender**”) makes an application for, *inter alia*, the following relief:

- (a) an Order abridging the time for service of this Notice of Application and the Application Record herein, and dispensing with further service thereof;
- (b) an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43 (the “**CJA**”), appointing BDO Canada Limited (“**BDO**”) as receiver (in such capacity, the “**Receiver**”), without security, of all assets, undertakings and properties owned by the Respondents, Valour Westmount Holdings Inc., Westmount Limited Partnership, and Valour Westmount GP Inc. (collectively, the “**Borrowers**”), including the property further described in **Schedule “A”** to this Notice of Application (the “**Property**”);
- (c) judgment, jointly and severally, against the Respondents, Carmen Campagnaro, Richard Hall, Valour Group Inc., Carmcorp Inc., and Richard Hall Family Holdings Ltd. (collectively, the “**Guarantors**”) in accordance with and only to the extent of their respective guarantees of the Borrowers’ outstanding obligations to the Lender;
- (d) an Order approving the sale process (the “**Sale Process**”) as described in the Pre-Filing Report of the Receiver, which is to be filed (the “**Pre-Filing Report**”);
- (e) costs, in accordance with the terms of the Loan (defined below), and the Guarantee (defined below);
- (f) in the alternative to the applicable contractual interest claimed above, pre-judgment and post-judgment interest in accordance with the provisions of the CJA; and
- (g) such further and other relief this Honourable Court may deem just.

THE GROUNDS FOR THE APPLICATION ARE:

Overview

2. This Application relates to the Borrowers’ ongoing defaults in respect of loans totalling over \$38 million held by the Lender and the first mortgagee on the Property, CMLS Financial Ltd. (“**CMLS**” or the “**First Mortgagee**”).

3. The Lender submits the appointment of a Receiver is necessary in order to protect both the Lender and CMLS' security position due to unpaid and accruing interest. This default and deterioration of security is occurring despite the Borrowers operating a residential apartment building that is approximately 80% leased and subject to significant rental income.

The Parties and the Property

The Lender and the First Mortgagee

4. The Lender, Centurion, is an Ontario corporation located in Toronto, carrying on business as, *inter alia*, a commercial mortgage lender. Effective January 1, 2024, Centurion was amalgamated with Centurion Mortgage Capital Corporation ("**CMCC**"), which is also an Ontario corporation, under the provisions of the *Business Corporations Act*, Ontario. As a result of the amalgamation, Centurion assumed all rights of CMCC under its existing contracts, including the Loan, Commitment and Security (as defined herein).

5. CMLS is a commercial mortgage lender with an office in Toronto, Ontario.

The Borrowers and Guarantors

6. The Borrowers, Valour Westmount Holdings Inc. ("**Holdings Inc.**") and Valour Westmount GP Inc. ("**GP Inc.**"), are Ontario corporations. The Borrower, Westmount Limited Partnership ("**WLP**"), is an Ontario Limited Partnership. GP Inc. is the general partner of WLP.

7. The Borrowers are real estate developers that are located in the Greater Toronto Area (Burlington).

8. The Guarantors, Valour Group Inc. ("**Valour Group**") and Richard Hall Family Holdings Inc. ("**RH Family Holdings**"), are Ontario corporations with their head offices also located in the

Greater Toronto Area (Burlington).

9. The Guarantor, Carmcorp Inc. (“**Carmcorp**”), is a federally incorporated corporation, doing business extra-provincially in Ontario, located in the Greater Toronto Area (Burlington).

10. The Guarantor, Carmen Campagnaro (“**Campagnaro**”), is an individual residing in the Greater Toronto Area (Burlington). Campagnaro is a director of Holdings Inc., GP Inc., Valour Group, and Carmcorp.

11. The Guarantor, Richard Hall (“**Hall**”), is an individual residing in the Greater Toronto Area (Burlington). Hall is a director of Holdings Inc., GP Inc., Valour Group, and RH Family Holdings.

The Property

12. The Property is located in Kitchener, Ontario. Holdings Inc. is the registered owner of the Property.

13. The Property is the site of a mixed-use apartment building, with 85 residential units, 11,721 square feet of commercial space, including 98 covered parking stalls and 96 surface parking stalls (the “**Development**”). Approximately 80% of the residential units in the Development have been leased.

The Loan

14. Pursuant to the terms of a Commitment Letter dated June 7, 2023 (the “**Commitment**”), the Lender made a secured loan to the Borrowers in the principal amount of \$6,100,000.00 (the “**Loan**”).

15. The purpose of the Loan was to provide financing to the Borrowers for the construction of

the Development. The entirety of the Development's cost was projected to be \$51,013,774.00, of which, Centurion was to fund \$6,100,000.00.

16. The Commitment contemplated a three-tier mortgage structure for the Development financing:

- (a) a mortgage to be granted by the Borrowers to CMLS in an amount not exceeding \$31,021,946.00 (the "**CMLS Mortgage**"), would be in first priority;
- (b) a mortgage to be granted by the Borrowers to the Lender in the amount of \$6,100,000.00 (the "**Centurion Mortgage**"), to be registered against the Property, would be in second priority; and
- (c) a pre-existing mortgage that had been granted by the Borrowers to District REIT Limited Partnership, by its general partner, District REIT GP Inc. ("**DREIT**"), in the amount of \$10,000,000.00 (the "**DREIT Mortgage**"), would be in third priority.

The CMLS Mortgage, the Centurion Mortgage and the DREIT Mortgage are collectively referred to as the "**Mortgages**".

17. Additionally, as security for its indebtedness and obligations to the Lender under the Loan, the Borrowers also delivered, *inter alia*, the following security, without limitation, to the Lender:

- (a) a Notice of Assignment of Rents – General registered as Instrument No. WR1523195, in favour of the Lender;
- (b) General Security Agreement between the Lender and the Borrowers made as of July 10, 2023 (the "**GSA**"); and
- (c) Guarantee from the Guarantors to the Lender, dated July 10, 2023 (the "**Guarantee**");

Along with the Centurion Mortgage, these are collectively referred to as the "**Security**".

18. The Lender also made registrations pursuant to the *Personal Property Security Act* (the "**PPSA**") against the Borrowers, the details of which are set out herein.

The Mortgages

19. On October 13, 2021, the DREIT Mortgage was registered against the Property as instrument number WR1383108.

20. On July 28, 2023, the CMLS Mortgage was registered against the Property as instrument number WR1523155. The CMLS Mortgage is held in trust by Computershare Trust Company of Canada.

21. On the same day, the Centurion Mortgage was registered against the Property as instrument number WR1523194.

22. Pursuant to the terms of the Commitment, on July 28, 2023:

(a) CMLS and Centurion entered into a Subordination and Standstill Agreement, by which the CMLS Mortgage is acknowledge to have priority over the Centurion Mortgage; and

(b) DREIT and Centurion entered into a Priority Agreement, by which the Centurion Mortgage is acknowledged to have priority over the DREIT Mortgage.

23. There are no other charges or liens registered against the Property.

PPSA Creditors

24. A summary of the registrations against the Borrowers pursuant to the *Personal Property Security Act* (Ontario) is set out in **Schedule “B”** .

Execution Creditors

As of the date of this Notice of Application, none of the Borrowers have any execution creditors.

Default and Demand

25. The Borrowers defaulted by failing to repay the Loan when it reached maturity on February 1, 2025 (the “**Maturity Date**”).

26. Following negotiations, on or about June 18, 2025, the Borrowers and the Guarantors entered into a Renewal Agreement with the Lender on June 18, 2025 (the “**Renewal Agreement**”). The Renewal Agreement, *inter alia*, extended the Maturity Date to April 1, 2026, and the Borrowers and Guarantors covenanted to continue making monthly interest payments in addition to quarterly principal payments, in accordance with a schedule as set out therein (the “**Payments**”).

27. The Borrowers defaulted on the terms of the Renewal Agreement by failing to make the Payments as they became due and payable.

28. Accordingly, by letter dated August 8, 2025, the Lender made formal written demand on the Borrowers and the Guarantors for repayment of the Loan. The Lender also gave notice of its intention to enforce its security pursuant to section 244 of the *BIA* (the demand letter and the *BIA* Notice are collectively referred to as the “**Demand Notice**”).

The Forbearance Agreement

29. On January 13, 2026, the Borrowers, the Guarantors and the Lender executed a Forbearance Agreement (the “**Forbearance Agreement**”) whereby the Lender agreed to forbear from taking steps to enforce the Loan or the Security on the terms and conditions set therein, until April 1, 2026.

30. The terms of the Forbearance Agreement stipulate that upon default, the Lender is entitled to immediately terminate the Forbearance Agreement and enforce its rights to seek immediate

repayment of the indebtedness owing under the Loan. Further, the parties agreed that upon default, the Borrowers consent to the appointment of a receiver.

31. The Borrowers have defaulted on the terms of the Forbearance Agreement by, *inter alia*, failing to make payments due under the terms of the Forbearance Agreement.

32. As at March 1, 2026, the Borrowers owed the Lender \$6,604,508.65 plus per diem interest, costs, legal fees and disbursements, and other expenses incurred by the Lender.

33. The terms of the Mortgage, the GSA, the Renewal Agreement and the Forbearance Agreement, *inter alia*, permit the Lender to appoint a receiver over the Property, in the event that the Borrowers are in default.

34. CMLS has also advised that the Borrower is in default on the CMLS Mortgage as a result of the Borrower having failed to make monthly mortgage payments for many months. CMLS has advised the Lender that they support the Lender's enforcement and this application to appoint a Receiver over the Borrower.

35. As of the date of this Notice of Application, the Lender understands that CMLS is owed over \$31.5 million dollars on the CMLS Mortgage.

Appointment of the Receiver

36. The Lender brings this application for the Court appointment of the Receiver in order to maximize the recovery for all of the Borrowers' creditors and other stakeholders. The appointment of the Receiver is just and convenient in the circumstances because:

- (a) the Renewal Agreement, the Mortgage and the GSA provide the appointment of a Receiver upon default of the Loan;

- (b) the appointment of the Receiver is necessary to properly manage matters pertaining to the Property and to stop the Borrower from diverting rents away from ongoing mortgage payments; and
- (c) a court appointed receivership process will provide the best forum for the court supervised sale of the Property and to deal with any priority issues as between the Lender and other stakeholders.

The Consent of the Receiver and Approval of Sale Process

37. BDO has consented to its appointment as Receiver and has recommended the Sale Process as reasonable.

Other Grounds

38. Rules 2.03, 3.02 and 41 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194.

39. Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, section 243 of the *Bankruptcy and Insolvency Act*, the *Personal Property Security Act*, R.S.O. 1990, c. P.10, and such further and other grounds as counsel may advise.

40. The following documentary evidence will be used at the hearing of the application:

- (a) Affidavit of Bob Vavaroutsos, to be sworn
- (b) Pre-Filing Report of the Receiver (to be filed); and
- (c) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

March 10, 2026

ROBINS APPLEBY LLP
2600 - 120 Adelaide Street West
Toronto, ON M5H 1T1

Dominique Michaud LSO No.: 56871V
Email: dmichaud@robapp.com
Tel: (416) 360-3795

Anisha Samat LSO No.: 82342Q
Email: asamat@robapp.com
Tel: (416) 860-1901

Lawyers for the Applicant

SCHEDULE "A" – The Property

PIN: 22445-0679 (LT)

Description: PART BLK A PL 1319 BEING PTS 9, 10, 11, 12, 13 & 14 ON 58R-17509; SUBJECT TO AN EASEMENT AS IN 440968; TOGETHER WITH AN EASEMENT OVER PT BLK A, PL 1319 BEING PTS 2, 4, 7, & 8 ON 58R17509 AS IN WR742850; TOGETHER WITH AN EASEMENT OVER PT BLK A, PL 1319 BEING PTS 1, 2, 3, 4, 5, 6, 7, 8, & 15 ON 58R17509 AS IN WR742850; TOGETHER WITH AN EASEMENT OVER PT BLK A, PL 1319 BEING PTS 1, 2, 3, 4, 5, 6, 7, 8, & 15 ON 58R17509 AS IN WR742850; TOGETHER WITH AN EASEMENT OVER PT BLK A, PL 1319 BEING PTS 1, 2, 3, 4, 5, 6, 7, 8, & 15 ON 58R17509 AS IN WR742850; SUBJECT TO AN EASEMENT OVER PT 9 ON 58R17509 IN FAVOUR OF PT BLK A, PL 1319 BEING PTS 1, 2, 3, 4, 5, 6, 7, 8, & 15 ON 58R17509 AS IN WR742850; SUBJECT TO AN EASEMENT OVER PTS 10 & 12 ON 58R17509 IN FAVOUR OF PT BLK A, PL 1319 BEING PTS 1, 2, 3, 4, 5, 6, 7, 8, & 15 ON 58R17509 AS IN WR742850; SUBJECT TO AN EASEMENT OVER PT 11 ON 58R17509 IN FAVOUR OF PT BLK A, PL 1319 BEING PTS 1, 2, 3, 4, 5, 6, 7, 8, & 15 ON 58R17509 AS IN WR742850; SUBJECT TO AN EASEMENT IN FAVOUR OF PT BLK A, PL 1319 BEING PTS 1, 2, 3, 4, 5, 6, 7, 8, & 15 ON 58R17509 AS IN WR742850; SUBJECT TO AN EASEMENT IN FAVOUR OF PT BLK A, PL 1319 BEING PTS 1, 2, 3, 4, 5, 6, 7, 8, & 15 ON 58R17509 AS IN WR742850; SUBJECT TO AN EASEMENT IN FAVOUR OF PT BLK A, PL 1319 BEING PTS 1, 2, 3, 4, 5, 6, 7, 8, & 15 ON 58R17509 AS IN WR742850; SUBJECT TO AN EASEMENT OVER PART OF BLOCK A, PLAN 1319 PARTS 3, 4, 5 AND 6 PLAN 58R19934 IN FAVOUR OF PART OF BLOCK A, PLAN 1319 PARTS 1, 2, 3, 4, 5, 6, 7, 8 AND 15, PLAN 58R17509 AS IN WR1157508; SUBJECT TO AN EASEMENT OVER PART BLOCK A, PLAN 1319 PARTS 1, 2, 3 AND 5 PLAN 58R19934 IN FAVOUR OF PART BLOCK A, PLAN 1319 PARTS 1, 2, 3, 4, 5, 6, 7, 8 AND 15 PLAN 58R17509 AS IN WR1157509; SUBJECT TO AN EASEMENT AS IN WR1535390; CITY OF KITCHENER

Address: 301 Westmount Road, West, Kitchener, Ontario

SCHEDULE “B” – PPSA Registrations

Creditor	Borrower	PPSA Registration Number
Centurion Mortgage Capital Corporation	Valour Westmount Holdings Inc. Valour Westmount GP Inc. Westmount Limited Partnership	20230726 1127 1590 3575
Computershare Trust Company of Canada c/o Peakhill Capital Inc.	Valour Westmount Holdings Inc. Valour Westmount GP Inc. Westmount Limited Partnership	20250116 0906 1590 4040
Peakhill Capital Inc.	Valour Westmount Holdings Inc. Valour Westmount GP Inc. Westmount Limited Partnership	20250116 0915 1590 4045
Computershare Trust Company of Canada c/o CMLS Financial Ltd.	Valour Westmount Holdings Inc. Valour Westmount GP Inc. Westmount Limited Partnership	20230710 1505 1590 1471
Centurion Mortgage Capital Corporation	Valour Westmount Holdings Inc. Valour Westmount GP Inc. Westmount Limited Partnership	20230726 1127 1590 3575
District REIT GP Inc.	Valour Westmount Holdings Inc.	20211015 0859 6083 3767

Postponement to registration number 20230726 1127 1590 3575 in favour of Centurion Mortgage Capital Corporation	Valour Westmount Holdings Inc.	20230726 1139 1590 3585
District REIT GP Inc. subordinates its Security Interest in the assets of the Debtor in favour of Computershare Trust Company of Canada Under Registration No. 20230710 1505 1590 1471 / File No. 795107259 and Registration No. 20230710 1508 1590 1472 / File No. 795107313	Valour Westmount Holdings Inc.	20230728 0908 1590 3935
Computershare Trust Company Of Canada C/O CMLS Financial Ltd.	Valour Westmount Holdings Inc.	20230710 1508 1590 1472

**CENTURION ASSET
MANAGEMENT INC.**

- and- **VALOUR WESTMOUNT
HOLDINGS INC., et. al.**

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Respondents

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of the *Courts Of Justice Act*, R.S.O. 1990, C. C.43

PROCEEDING COMMENCED AT TORONTO

NOTICE OF APPLICATION

ROBINS APPLEBY LLP
2600 - 120 Adelaide Street West
Toronto, ON M5H 1T1

Dominique Michaud LSO No.: 56871V
Email: dmichaud@robapp.com
Tel: (416) 360-3795

Anisha Samat LSO No.: 82342Q
Email: asamat@robapp.com
Tel: (416) 860-1901

Lawyers for the Applicant