



**SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

ENDORSEMENT

**COURT FILE
NO.:**

CV-22-00674717-00CL

DATE: September 25, 2024

NO. ON LIST: 3

**TITLE OF
PROCEEDING:**

LEGACY LIFESTYLES DESTIN LP et al v LEGACY LIFESTYLES
DESTIN PROPERTY LLC et al

**BEFORE
JUSTICE:** OSBORNE

PARTICIPANT INFORMATION

For the Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Kenneth Kraft Sara-Ann Wilson	Receiver	Kenneth.kraft@dentons.com Sara.wilson@dentons.com

For the Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Adam Wygodny	Respondents	awygodny@wagnersidlofsky.com
Fred Tayar	DIP Lender	fred@fredtayar.com
Michael Katzman	Intervenor Investors	mkatzman@katzmanlitigation.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Allan Rutman	Zeifman Partners Inc (Receiver)	aar@zeifmans.ca

ENDORSEMENT OF JUSTICE OSBORNE:

- [1] The Receiver seeks an order:
- a. approving distributions of the net sale proceeds of the Destin Property and the Trailwinds Property;
 - b. authorizing the Receiver to distribute any remaining net proceeds in accordance with the Distribution Calculations;
 - c. directing that the Receiver shall have no liability for carrying out the order sought in making the distributions save and except for any gross negligence or wilful misconduct;
 - d. approving the Sixth Report dated September 16, 2024 and the activities and conduct of the Receiver described therein;
 - e. approving the Receiver's interim statement of receipts and disbursements as of September 5, 2024; and
 - f. and approving the fees and disbursements of the Receiver and its counsel.
- [2] Defined terms in this Endorsement have the meaning given to them in the motion materials , including but not limited to the Sixth Report and the Supplemental Sixth Report dated September 24, 2024.
- [3] The Service List has been served with the materials. The relief sought today is unopposed.
- [4] The Debtors' Property primarily comprised five real properties in Florida at the time of the appointment of the Receiver. Two of those are the Destin Property and the Trailwinds Property, respectively. They have now been sold by the Receiver pursuant to the Court-approved sales process.
- [5] The parties to this proceeding include creditors who were Investors who loaned funds on an unsecured basis to the Debtors for the purposes of developing senior care facilities on those properties.
- [6] This Court had previously granted a Claims Procedure Order in respect of each of the two affected Properties. Mr. Gregory Marchant filed proofs of claim in respect of both the Destin Debtors and the Trailwinds Debtors, both of which were partially disallowed by the Receiver. Counsel confirms today that there will be no further objection to those partial disallowances. The proposed distributions therefore reflect this.
- [7] I am satisfied, for the reasons set out in the Sixth Report and the Supplement thereto, that the requested relief is appropriate.
- [8] The proposed distributions are appropriate and the proposed holdbacks are also appropriate for the reasons set out in the materials, and in particular, pending the sale of the remaining properties.
- [9] The receipts and disbursements are appropriate and reasonable. I am satisfied that the fees of the Receiver and its counsel are reasonable in the circumstances, have been validly incurred and relate to activities that accord with the mandate given to the Receiver in the original appointment order.
- [10] Order to go in the form signed by me today which is effective immediately and without the necessity of issuing and entering.

Osborne, J.