



This is the 1st Affidavit
of Irene Lee in this case
and was made on June 20, 2024

No. S-243389
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE RECEIVERSHIP OF
ECOASIS DEVELOPMENTS LLP AND OTHERS

BETWEEN:

SANOVEST HOLDINGS LTD.

PETITIONER

AND:

ECOASIS DEVELOPMENTS LLP, ECOASIS BEAR
MOUNTAIN DEVELOPMENTS LTD., ECOASIS RESORT
AND GOLF LLP, 0884185 B.C. LTD., 0884188 B.C. LTD.,
0884190 B.C. LTD., 0884194 B.C. LTD., BM 81/82 LANDS
LTD., BM 83 LANDS LTD., BM 84 LANDS LTD., BM
CAPELLA LANDS LTD., BM HIGHLANDS GOLF COURSE
LTD., BM HIGHLANDS LANDS LTD., BM MOUNTAIN
GOLF COURSE LTD. and BEAR MOUNTAIN
ADVENTURES LTD.

RESPONDENTS

AFFIDAVIT

I, Irene Lee, of 2900 – 550 Burrard Street, Vancouver British Columbia, Legal Assistant,
SWEAR, THAT:

1. I am a Legal Assistant employed by the law firm Fasken Martineau DuMoulin LLP, solicitors for the Petitioner, Sanovest Holdings Ltd. (“**Sanovest**”), and as such have personal knowledge of the facts hereinafter deposed to except where stated to be on information and belief, in which case I verily believe them to be true.

2. Now produced and shown to me and attached as **Exhibit “A”** to my affidavit is a screenprint of an article from Business in Vancouver dated June 6, 2022, titled “Who's getting sued: June 6, 2022” from the URL: <https://www.biv.com/news/economy-law-politics/whos-getting-sued-june-6-2022-8268066>.

3. Now produced and shown to me and attached as **Exhibit “B”** to my affidavit is a screenprint of an article from Vancouver Island Free Daily dated August 24, 2022, titled “Two lawsuits filed against Bear Mountain property companies” from the URL: <https://www.vancouverislandfreedaily.com/news/two-lawsuits-filed-against-bear-mountain-property-companies-7233742>.

4. Now produced and shown to me and attached as **Exhibit “C”** to my affidavit is a screenprint of an article from Business in Vancouver dated June 12, 2023, titled “Lawsuit of the Week: Developer claims partner blocked sales, withheld funding” from the URL: <https://www.biv.com/news/economy-law-politics/lawsuit-week-developer-claims-partner-blocked-sales-withheld-funding-8272071>.

5. Now produced and shown to me and attached as **Exhibit “D”** to my affidavit is a screenprint of an article from the Victoria Times Colonist dated March 19, 2024, titled “City of Langford suing Bear Mountain developer for \$1.88M” from the URL: <https://www.timescolonist.com/local-news/city-of-langford-suing-bear-mountain-developer-for-188m-8462311>.

6. Now produced and shown to me and attached as **Exhibit “E”** to my affidavit is a screenprint of an article from Chek News dated May 28, 2024, titled “Bear Mountain creditor seeks owners to enter receivership amid unpaid \$62M loan” from the URL: <https://www.cheknews.ca/bear-mountain-creditor-seeks-owners-to-enter-receivership-amid-unpaid-62m-loan-1206568/>.

7. Now produced and shown to me and attached as **Exhibit “F”** to my affidavit is a screenprint of an article from Victoria News dated May 28, 2024, titled “Westin Bear Mountain Resort not involved in Langford, Ecoasis legal battle” from the URL:

<https://www.vicnews.com/local-news/westin-bear-mountain-resort-not-involved-in-langford-ecoasis-legal-battle-7366291>.

8. Now produced and shown to me and attached as **Exhibit “G”** to my affidavit is a screenprint of an article from the Victoria Times Colonist dated May 29, 2024, titled “Bear Mountain court filings cloud future operations” from the URL: <https://www.timescolonist.com/local-news/bear-mountain-court-filings-cloud-future-operations-8887963>.

9. Now produced and shown to me and attached as **Exhibit “H”** to my affidavit is a screenprint of an article from Victoria Buzz dated May 29, 2024, titled “Bear Mountain businesses distance themselves from ongoing legal proceedings” from the URL: <https://www.victoriabuzz.com/2024/05/bear-mountain-businesses-distance-themselves-from-1-88m-langford-lawsuit/>.

10. Now produced and shown to me and attached as **Exhibit “I”** to my affidavit is a screenprint of an article from the Victoria Times Colonist dated June 7, 2024, titled “Court to hear Bear Mountain receivership request” from the URL: <https://www.timescolonist.com/local-news/court-to-hear-bear-mountain-receivership-request-9020296>.

SWORN, BEFORE ME at Vancouver,)
British Columbia, on June 20, 2024)
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British Columbia)



PAIGE MUELLER
Barrister & Solicitor
Fasken Martineau DuMoulin LLP
2900 - 550 Burrard Street
Vancouver, BC V6C 0A3
604 631 4970


IRENE LEE

1

This is **Exhibit "A"** referred to in the
Affidavit of Irene Lee
made before me on this 20th day of June, 2024


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Who's getting sued: June 6, 2022

Jun 6, 2022 12:00 AM



artisteer/iStock/Getty Images Plus

*These corporate claims were filed with the **BC Supreme Court** registry in Vancouver. Information is derived from notices of civil claim. Civil claims have not been tested or proven in court.*

Defendants

1330277 B.C. Ltd. and Pattern Logistics Inc. and Dream Rise Construction Ltd. and Amritpal Singh Chahal and Manpreet Kaur Chahal and Lakhvinder Singh Chahal and Manjit Kaur Chahal

Plaintiffs

Overland Capital Canada Inc. and VWR Capital Corp.

Claim

\$3,566,791 for debt and declaratory relief that plaintiffs hold a mortgage over defendants' lands as collateral under a loan agreement.

Defendants

Abo Taheri and Fatemeh Safavi and Mirage Trading Corp.

Plaintiff

Seylynn (North Shore) Development LP

Claim

\$2.5 million for debt.

Defendant

Lightbox Enterprises Ltd. dba Dutch Love Cannabis

Plaintiff

Pensionfund Realty Ltd.

Claim

\$1,574,193 for breach of lease.

Defendant

Zenabis Operations Ltd.

Plaintiff

Bevo Farms Ltd.

Claim

\$1,075,051 for breach of lease.

Defendants

Ground X Site Services Ltd. and Richard Lubarski and Epix Broadway BT Inc. and Ivan Celuszak and Shameer Dada

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Plaintiff

Geo Stabilization International Inc.

Claim

\$659,826 for shotcrete shoring work; a builder's lien.

Defendants

1201345 B.C. Ltd. and Jeffrey Hunt and Corbin Kempenaar

Plaintiff

Royal Bank of Canada

Claim

\$472,049 for debt.

Defendant

Femo Construction Ltd.

Plaintiff

Taishan Jinzuhe Scaffolding Co. Ltd.

Claim

\$430,591 for construction materials.

Defendants

Aipin Family Trust and San Yin Yang as trustee of the Aipin Family Trust and Si Xuan Guan as trustee of the Aipin Family Trust

Plaintiff

Feature Projects Ltd.

Claim

\$323,611 for debt; a builder's lien.

Defendants

Infocube Technology Ltd. and Qi Zhang aka Jacky Zhang

Plaintiff

Business Development Bank of Canada

Claim

\$190,530 for debt.

Defendants

1265644 B.C. Ltd. and Ralph Stapleton and Shanyi Zhao and Rockshore Development Ltd. and Stonegate Resorts Ltd. and Peter Sherba

Plaintiffs

Arapahoe Holdings Inc. and 1 City Financial Ltd.

Claim

\$180,060 for debt.

Defendants

Lemon Tree Home Style Food Ltd. dba Lemon Tree Restaurant and Muallah Gunduz

Plaintiffs

Merchant Opportunities Fund LP and Merchant Opportunities Fund Ltd. as general partner of Merchant LP

Claim

\$141,523 for debt.

Defendants

Victoria Dosa Palace Ltd. and Christurasa Frankis

Plaintiff

Haruna Sales & Services Ltd.

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Claim

\$64,828 for breach of lease.

Defendants

Happy-Tizers Unlimited Catering and Sheila Kennedy

Plaintiff

Canadian Imperial Bank of Commerce

Claim

\$63,047 for debt.

Defendant

Honeywell Ltd.

Plaintiff

Assa Abloy Entrance Systems Canada Inc.

Claim

\$59,343 for door equipment and materials.

Defendant

A P Enterprises Ltd.

Plaintiff

Unsworth Market (2017) Ltd.

Claim

\$42,090 for debt.

Defendants

Onni Contracting Ltd. and Onni Howe Street (Nominee) Corp.

Plaintiff

H&L Aluminum Railing Ltd.

Claim

\$41,857 for railing supply and installation; a builder's lien.

Defendant

Copper River Plumbing & Heating Ltd.

Plaintiff

Wolseley Canada Inc.

Claim

\$41,489 for plumbing and HVAC materials.

Defendant

CPA International Investigations Inc.

Plaintiff

Tri West Integrated Solutions Inc.

Claim

\$31,972 for debt.

Defendant

Hardom Investments Ltd.

Plaintiff

Kanojo Trading Ltd.

Claim

Specific performance of a lease.

Defendants

Ivanhoe Cambridge II Inc. and Concord Metrotown Skypark LP and Concord Kingsway Project GP Ltd. and Concord Kingsway Project LP

Plaintiff

Hudson's Bay Company ULC

Claim

Damages for breach of lease arising from defendants violating a "no-build zone" in plaintiff's lease by starting construction and altering the "retail character" of plaintiff's Metrotown mall location.

Defendants

Light Quantum Energy Holdings and Worldwide Stock Transfer LLC and Solarwindow Technologies Inc. and Seongae Ko and David Ramm

Plaintiffs

Kalen Capital Corp. and Kalen Capital Holdings LLC

Claim

Damages for breach of contract for failure to deliver shares.

Defendants

J. Cote & Son Excavating Ltd. and 113703 B.C. Ltd. and the Corporation of the Township of Langley

Plaintiffs

Ronald Wrazy and Sherri Wrazy

Claim

Damages arising from a flood.

Defendants

Daniel Matthews and Tomoson (Tom) Kusumoto and Ecoasis Bear Mountain Developments Ltd. and BM Mountain Golf Course Ltd.

Plaintiff

Sanovest Holdings Ltd.

Claim

Damages for breach of fiduciary duty related to defendants' self-interested transactions, including selling a property for \$1 without determining the land's market value and failure to account to plaintiffs under a partnership agreement.

Defendants

Canapex Education Consulting Inc. and Patrick Chung Pan Wan

Plaintiff

Fairlight Educational College Ltd.

Claim

Damages for fraudulent misrepresentation arising from defendants' failure to submit immigration documents for plaintiff's clients who sought to study in or immigrate to Canada.

Defendants

D-Box Technologies Inc. and Eomac Ltd. and Kempa Interiors Ltd. and Gerald Labelle Architect and Gerald Labelle

Plaintiff

Her Majesty the Queen in Right of British Columbia

Claim

Health-care costs recovery for a personal injury caused by defendants' immersive cinematic D-Box seats installed in a movie theater where a woman broke her foot and ruptured her Achilles tendon.

Defendants

Shorncliffe Construction Ltd. and Steven Richard Vanderwal and Ronald Leblanc and John Does

Plaintiff

Travelers Insurance Company of Canada

Claim

Damages related to construction defects.

Defendants

10

Temple Contracting Inc. and Civilworx Construction Inc.

Plaintiff

Keady Holdings Ltd. dba Northern Geo Testing & Engineering Ltd.

Claim

Declaratory relief for indemnity from a construction defects lawsuit.

Defendant

0980131 B.C. Ltd.

Plaintiff

Steven Wheelhouse

Claim

Specific performance of a real estate contract.

Defendants

Dennis Dahl and Dahl & Connors LLP

Plaintiff

Estate of Morley Adelman

Claim

Damages for breach of fiduciary duty and breach of contract arising from defendants' failure to repay a loan from a client who "suffered severe mental health issues" prior to his death in 2020.

Defendants

Bindy Sangara and BST Management Ltd. dba BST Transportation Group and Quick as a Wink Courier Services Ltd. dba Quick Transload and BA Holdings Ltd. and Pro West Transport Ltd.

Plaintiff

1192820 B.C. Ltd.

Claim

Damages for misrepresentation and unjust enrichments arising from defendants' falsely inducing plaintiff into providing a loan to keep defendant Quick Transload afloat in exchange for a 50 per cent interest in the business.

Defendants

Her Majesty the Queen in Right of British Columbia and Minister of Energy, Mines and Low Carbon Innovation

Plaintiffs

Eric Unger and EIP Equipment & Safety Products Ltd.

Claim

Damages for compensation and disturbance for defendants' de facto expropriation of plaintiff's Crown-granted mineral claims.

Defendants

K2 Roofing Ltd. and Bo-Dean Trucking Ltd. and Albert Van Peborgh

Plaintiffs

Ricky Kulcheski and Catherine Kulcheski

Claim

Damages for property damage arising from a crane dropping a pallet of materials onto plaintiffs' roof.

Defendants

Tyco Integrated Fire & Security Canada Inc. and Johnson Controls and Johnson Controls Canada LP

Plaintiff

British Columbia Hydro and Power Authority

Claim

Damages and declaratory relief for indemnity from any costs of expenses related to defendants' defective design of a fire alarm system that required costly changes by the installation sub-contractor.

Defendants

12

Harbour International Trucks Ltd. dba Harbour Idealease

Plaintiff

BCI Bulkhaul Carriers Inc.

Claim

Damages for breach of contract for defendant's failure to submit an insurance claim for damage done to a rented truck.

Defendants

Muhammad Kashif Akram and Muhammad Shaukat and Adnan Malik and John Does and John Doe Companies and 1984 ehf

Plaintiffs

Telecure Technologies Inc. and Joshua Rosenberg and Eli Dusenbury and Harwinder Parmar and Faizaan Lalani and Amandeep Parmar

Claim

Damages for defamation for defendants' statements posted online falsely accusing plaintiffs of market manipulation and involvement in pump-and-dump schemes.

Defendants

Giu Ru Lu and Sarina Han and Luxmore Realty

Plaintiff

Osman Aziza

Claim

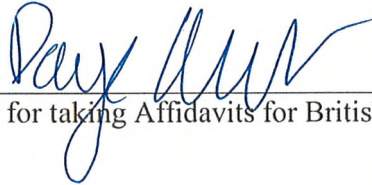
Specific performance of a real estate contract.

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This is **Exhibit "B"** referred to in the
Affidavit of Irene Lee
made before me on this 20th day of June, 2024

A handwritten signature in blue ink, appearing to read "Day Allen", written over a horizontal line.

A Commissioner for taking Affidavits for British Columbia

Two lawsuits filed against Bear Mountain property companies

Bailey Moreton

Aug 24, 2022 5:10 AM



An aerial view over Bear Mountain. (Black Press Media file photo)

Two separate lawsuits have been filed against the owner of several Bear Mountain properties over alleged self-interest, failure to disclose financial information, and unpaid loans.

The first suit involves Sanovest Holdings, which joined into a partnership with 599 and Ecoasis Bear Mountain Developments (EBMD) in 2013 to buy several properties on Skirt Mountain, including two golf courses, The Westin Bear Mountain Golf Resort and Spa and pieces of real estate.

Sanovest Holdings alleges in court documents that the owner of 599 and 50 per cent owner of EBMD, Daniel Matthews (Sanovest owns the other half of EBMD), moved assets away from the partnership to a separate company, Bear Mountain Adventures (BMA) – owned by Matthews and Tomoson Kusumoto, who is also director of EBMD – without properly disclosing the deals to Sanovest.

Sanovest is seeking compensation for the losses caused or accounting for the profits made due to the dealings.

Bear Mountain Adventures (BMA) was started around May 2017 by Matthews and Kusumoto, separate from the partnership between the pair and Sanovest. The suit alleges the company was used multiple times to move assets away from the partnership, benefitting Matthews and Kusumoto.

Before the partnership formed, the Capital Regional District signed an agreement over reimbursement of costs relating to constructing the Skirt Mountain Reservoir with the previous property owners.

When EBMD bought the Bear Mountain properties, they took over the agreement that would see the CRD pay reimbursement, meaning EBMD would be paid that money. That agreement was then transferred to BMA and the CRD paid \$3.37 million to BMA. Kusumoto then loaned his portion of the CRD money to Matthews.

In November 2018, Matthews and Kusumoto applied on behalf of BM Mountain Golf Course (BMGC) to rezone part of Mountain Golf Course to allow for the building of a gondola between Bear Mountain and Mount Finlayson. The land was valued at nearly \$123,000 – although the suit alleges the land could have been valued in the millions – but was sold to BMA for a dollar.

BMGC, controlled by Matthews and Kusumoto, made the decision to sell to BMA on behalf of EBMD, which held the beneficial interest in the property on behalf of the partnership.

The third incident involved EBMD, acting on behalf of the partnership, signing a deal with a third-party financial institution that loaned EBMD \$8.125 million to service 39 residential lots adjacent to Bear Mountain Parkway, which were then to be sold to developers.

The suit alleges that money from that loan was diverted to BMA, which was then used to buy the Bear Mountain Activity Centre from the City of Langford for \$3.575 million.

As part of the partnership, Sanovest also loaned EBMD money which meant they were required to provide financial statements and annual reports to Sanovest, which Sanovest says Matthews refused to do.

In a separate suit, Kusumoto is suing Matthews for failing to repay three loans by the agreed-upon deadline, totalling \$1.787 million. Kusumoto is seeking judgment on the loan and the interest accrued on that money, which was set at five per cent per year, compounded annually.

None of the allegations in the suits have been heard or proven in court.

READ MORE: [Westin Bear Mountain hotel sold to local businessman and entrepreneur](#)

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bailey.moreton@goldstreamgazette.com

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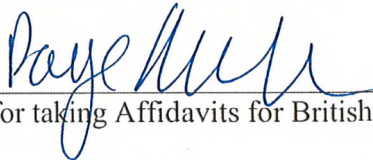
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Black Press Media

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Black Press Media

This is **Exhibit "C"** referred to in the
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A handwritten signature in blue ink, appearing to read "Paye Muir", written over a horizontal line.

A Commissioner for taking Affidavits for British Columbia

Lawsuit of the Week: Developer claims partner blocked sales, withheld funding

Dustin Godfrey

Jun 12, 2023 9:30 AM



The B.C. Supreme Court in Vancouver | Rob Kruyt, BIV

The CEO of a development partnership claims a major shareholder is trying to thwart plans to establish a resort community on Vancouver Island.

Sanovest Holdings Ltd. and 599315 B.C. Ltd. are equal partners in Ecoasis Developments LLP, which was formed in September 2013 to build a B.C. resort community under the company name Ecoasis Bear Mountain Developments Ltd. (EBMD).

The Bear Mountain project operated without significant hitches until June 2021, according to a recent lawsuit filed by 599315 and the LLP against Sanovest and Tian Kusumoto, a representative of Sanovest.

In a petition to the court, filed on the same day as the lawsuit, Matthews and 599315 claim Tian Kusumoto sought to advance a new goal for the Bear Mountain development that runs contrary to the original goal.

“Kusumoto has sought to radically alter the business objectives by seeking to involve EBMD and the partnership in vertical building partnerships with developers rather than pursue the established plan of bulk sales of multi-family sites and single-family residential lots,” the petition claims.

“In order to further this plan, or otherwise to force the sale of 599315’s interest in EBMD and the partnership on a distressed and devalued basis, Kusumoto and Sanovest have improperly withheld funding and prevented sales to deliberately place financial and operational pressure on Matthews and 599315.”

Sanovest had appointed Tom Kusumoto as its representative in EBMD to act as secretary, while Daniel Matthews was 599315’s appointee, serving as president and CEO, according to the lawsuit.

The lawsuit notes Sanovest agreed to provide a loan of up to \$35 million at an annual interest rate of eight per cent, with a November 2017 maturity date. That loan agreement was amended in June 2016 to a limit of \$70 million and to extend the loan to November 2021, a date that was further extended at a later point to May 2024, according to the lawsuit.

Tom Kusumoto was replaced in June 2021 as Sanovest’s appointee to EBMD by Tian Kusumoto, according to the legal filings, which claim that was when things turned sour.

The lawsuit lists 11 particular breaches of the partnership agreement.

Specifically, it claims Tian Kusumoto prevented Matthews from carrying out his role as CEO and president of EBMD, “attempting to seize control” of EBMD’s bank accounts and claiming a \$100,000 fee on the loan agreement.

That loan agreement fee, the plaintiffs argue, was improper and concealed from 599315 and Matthews.

The plaintiffs also claim Tian Kusumoto and Sanovest impeded EBMD’s business, including blocking “commercially reasonable bulk sales and, indeed, sales for unprecedented value” attached to the project. In all, the lawsuit claims EBMD lost \$164 million in sales in 2022 alone.

The lawsuit claims blocking those sales were part of an attempt “to improperly entrench Sanovest’s position as lender,” which also allegedly included refusing to allow EBMD to refinance on terms more commercially advantageous to the partnership.

At the same time, the lawsuit alleges Sanovest and Tian Kusumoto prevented EBMD from building up cash reserves, and that they refused to advance funds under the loan agreement.

The plaintiffs are seeking damages for breach of the partnership agreements and for breach of fiduciary duty to the partnership.

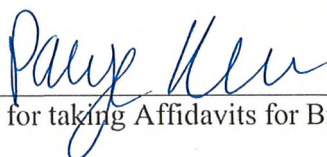
The allegations have not been proven in court. A response had not been filed as of press time.

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This is **Exhibit "D"** referred to in the
Affidavit of Irene Lee
made before me on this 20th day of June, 2024


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City of Langford suing Bear Mountain developer for \$1.88M



[Darron Kloster](#)

Mar 19, 2024 5:45 AM



The entrance to the new Bear Mountain Parkway in Langford is seen in a file photo from April 2018. DARREN STONE, TIMES COLONIST

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00:03:45

Langford is suing Bear Mountain Resort owner Ecoasis Developments LLP for \$1.88 million after claiming the company breached an agreement to make scheduled payments for its share of the Bear Mountain

Parkway expansion.

The 3.6-kilometre road connected the Leigh Road interchange to the existing Bear Mountain Parkway at the Country Club Way roundabout at Bear Mountain Resort. Before the extension, the only way to access Bear Mountain Resort and nearby developments was to take the parkway from Millstream Road.

In a civil claim filed in B.C. Supreme Court, the City of Langford said Vancouver-based Ecoasis did not pay a yearly agreed-upon amount by Dec. 31, 2023. That triggered an act of default on a payment plan agreement and Langford now wants the entire outstanding amount owed plus additional costs.

The claim states Ecoasis is liable for \$1,881,852 as well as all of the city's costs in enforcing the settlement agreement, including interest and legal expenses.

Langford and Ecoasis entered into a memorandum of understanding on the extension of Bear Mountain Parkway on Sept. 6, 2016, where Ecoasis agreed to pay just over \$3 million for construction of the parkway.

According to the claim, the company paid a portion of the road's cost with development-cost charge credits, but a dispute arose regarding the amount owing to Langford and the timing of the developer's payment.

The claim said that ultimately the two sides entered into a settlement agreement with an effective date of February 2023 when Ecoasis agreed to pay the city \$1,886,353.

Ecoasis paid an initial \$90,000 and another \$300,000, but failed to make a scheduled payment of \$300,000 by Dec. 31, 2023, the civil claim said. The payment plan was designed to also include \$300,000 payments by the end of 2024, 2025 and 2026 and a final payment of \$296,353 to complete the agreement.

But the missed payment at the end of 2023 triggered the default and Langford's civil claim for the whole amount owed plus costs.

The claim said the city has not received any payment from Ecoasis since the \$300,000 payment required by Jan. 31, 2022.

Langford's payment plan agreement with Ecoasis states that when an act of default occurs the company also becomes liable for all the costs the city incurs in enforcing the settlement agreement, including legal costs and additional amounts that include interest charges.

Langford's legal counsel sent an email to Ecoasis CEO Dan Mathews on Jan. 24 asking for what's owed. When the city did not get a response, a demand letter was sent to Matthews on Feb. 8. The claim states a Feb. 14 deadline for payment was also not met.

yb

The Bear Mountain Parkway extension officially opened in April 2018 and was celebrated at the time as alleviating congestion and gridlock, improving access for emergency responders and opening up further developments on Skirt Mountain.

The *Times Colonist* has sent an email to Ecoasis asking for comment.

Ecoasis owns about 500 acres of golf courses and trails on its private lands at Bear Mountain.

dkloster@timescolonist.com

>>> To comment on this article, write a letter to the editor: letters@timescolonist.com

This is **Exhibit "E"** referred to in the
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made before me on this 20th day of June, 2024


A Commissioner for taking Affidavits for British Columbia



Bear Mountain creditor seeks owners to enter receivership amid unpaid \$62M loan

Posted: May 28, 2024 1:35PM



CHEK

In the receivership filing, Sanovest notes that the lease for the golf course expires at the end of June and there is not a plan to extend the lease.

Bear Mountain owners owe \$62 million to a creditor that was due on May 1, and that creditor is now asking for the owners to enter receivership.



Sanovest is a partner in the project and secured creditor with around \$62 million plus interest outstanding on the loan, it says in a court filing.

"The loan came due on May 1, 2024 and, despite demand, has not been repaid," Sanovest says in its court filing. "In fact, the Developments Partnership has failed to make any payments to Sanovest since July 2023."


Sanovest is asking a receiver to step in to "preserve the Respondents' assets and ensure fair treatment among creditors."

ADVERTISEMENT

Bear Mountain is independent from the Westin Bear Mountain Resort & Spa, which is unaffected and the Westin Hotel, Amatista Spa and the food, beverage and conference facilities all remain open and unaffected by this filing.

Sanovest has filed this request to enter receivership against 15 owners of Bear Mountain, which encompasses its development and resort partnerships. The resort partnership includes the Ecoasis properties and golf course.

Bear Mountain has not yet filed a counterclaim to the application filed in the Supreme Court of British Columbia in bankruptcy and insolvency. The claim was filed on May 22, and Bear Mountain has 21 days to file a response.

In addition to the unpaid loan, Sanovest noted that the lease for the golf course is "critic operations" and the lease expires on June 30, 2024, and there is "no viable strategy to extend that lease or replace the services it provides." 

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Sanovest also notes that the development project is facing litigation and “does not have access to funds to satisfy judgments if they were made in those proceedings.”

One of the ongoing lawsuits includes the City of Langford, which filed a notice of civil claim in March saying Ecoasis had an outstanding balance of \$3,069,507.19 towards the extension of the Bear Mountain Parkway that became due on Dec. 31, 2023.

Ecoasis filed a two-page response on April 12 denying every allegation that Langford made against it.

“The Defendent denies it is liable to the Plaintiff, or that any amounts are due and payable to the Plaintiff, as alleged in the Notice of Civil Claim, or at all,” the response says.

RELATED: [Langford sues Bear Mountain developer for overdue funds](#)

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Laura
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A Commissioner for taking Affidavits for British Columbia

Westin Bear Mountain Resort not involved in Langford, Ecoasis legal battle

Thomas Eley

May 28, 2024 2:30 PM



The Westin Bear Mountain Resort said it is not associated with the Langford and Ecoasis lawsuit. (Westin Bear Mountain Resort/Facebook)

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00:00:54

The Westin Bear Mountain Resort in Langford is distancing itself from legal proceedings involving Sanovest, Ecoasis Developments LLP and Ecoasis Resort and Golf LLP.

Back on March 19 it became known that the City of Langford was suing Ecoasis after the developer failed to make scheduled payments for the Bear Mountain Parkway.

In the press release, Westin Bear Mountain Resort clarified that it is not affiliated with the group and wants to ensure that guests' stays are uninterrupted.

The resort on Bear Mountain was acquired by the Westin Hotel group in 2019, and all food and beverage outlets and conference facilities will remain open.

READ MORE: [Langford sues Bear Mountain developer to recoup road costs](#)

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About the Author: Thomas Eley

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Bear Mountain court filings cloud future operations



Darron Kloster
May 29, 2024 4:44 AM



An entrance to the Bear Mountain development from Bear Mountain Parkway. ADRIAN LAM, TIMES COLONIST

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00:07:09

A flurry of court filings between the two controlling partners of Bear Mountain is creating uncertainty for the future operation of the 1,100-acre resort community.

Sanovest Holdings Ltd., which holds a \$62-million loan on the Bear Mountain lands in Langford and the Highlands, has asked B.C. Supreme Court to appoint a receiver after Ecoasis Developments LLP failed to

pay off the loan in full by May 1.

45

Sanovest has asked for a receivership to preserve its assets and ensure fair treatment among creditors, citing a “breakdown in trust between the parties,” according to a petition to the court. Ecoasis and 14 other associated companies are listed as respondents.

Dan Matthews, president and chief executive of Ecoasis Developments, and Tian Kusumoto, director at Sanovest Holdings Ltd. have been at odds since 2021 and involved in ongoing litigation over the operation and the sale of raw land since last year. Each have 50% ownership in the Bear Mountain Partnership.

Matthews said Sanovest issued a formal demand for payment of the loan and then refused Matthews’ cash offer to buy out Sanovest’s 50% interest in the Bear Mountain partnership.

In response, Ecoasis applied to B.C. Supreme Court on May 10 to appoint a marketing agent and to approve the sale of about 10% of its land holdings at Bear Mountain — the proceeds of which would “fully retire the debt associated with Bear Mountain.”

In a lawsuit filed last June, Matthews claims Kusumoto, who took over a partnership role from his father, Tom, in 2021, has been “attempting to seize control” of the company’s bank accounts and operation of the company, and has been deliberately blocking land sales “of unprecedented value” that would have easily paid off the loan.

In a court petition, filed the same day as the lawsuit, 599315 B.C. Ltd., which is headed by Matthews, claims Kusumoto advanced a new goal for the Bear Mountain development that runs contrary to the original goal.

“Kusumoto has sought to radically alter the business objectives by seeking to involve the partnership in vertical building partnerships with developers rather than pursue the established plan of bulk sales of multi-family sites and single-family residential lots,” the petition says.

Matthews alleges Kusumoto’s actions are threatening the “operational integrity” of Bear Mountain.

In the latest filing, Matthews is asking the court to appoint a marketing agent to sell some Bear Mountain land parcels that would retire the loan, pay property taxes and meet other mounting expenses related to the development.

Bear Mountain includes two 18-hole golf courses, tennis courts and trails. It has about 775 acres of undeveloped lands. Hundreds of homes have been built over the years on property spread over Skirt Mountain.

In its petition for a receiver, Sanovest said the lease for the golf courses is critical to operations and revenue and the lease expires on June 30 with “no viable strategy to extend that lease or replace the services it provides.”

Matthews said none of the operations or homeowners at Bear Mountain are affected by the legal proceedings.

In a separate statement Tuesday, Westin Bear Mountain Resort and Spa clarified it is an independent entity and not associated with any of the companies at Bear Mountain, and it’s business as usual.

Another company, One Bear Mountain, said it is an independent development by 360 Pacifica and Terracap that is a distinct and financially viable entity with no corporate or investor ties to Sanovest, Ecoasis Developments LLP and Ecoasis Resort and Golf LLP.

Matthews said in a statement on Tuesday that the Ecoasis court filings this month and last June are in response to the refusal of Sanovest to approve significant land sales that would have resulted in \$164 million in revenue, which would have allowed the company to resume selling property and pay its bills.

“Unfortunately, Sanovest did not agree to the reasonable alternatives presented,” Matthews said. “Instead, Sanovest through its representative, Tian Kusumoto, has embarked on a harmful and unnecessary path to further its self-serving and oppressive agenda.”

Matthews said Bear Mountain’s resort operations remain profitable.

He said he is asking the court to approve the sale of select sites at Bear Mountain to retire the debt. “I believe it is in the best interests of the company, our valued staff and the community of Bear Mountain.”

On May 3, Sanovest issued a formal demand for payment of its \$62.3-million loan, and Ecoasis claims the interest continues to build at a rate of \$13,560 a day. Sanovest said the partnerships’ last loan payment was last July.

In addition to the Sanovest loan, Ecoasis is facing a \$1.886-million lawsuit by the City of Langford for a portion of the cost of the Bear Mountain Parkway, an estimated \$1.65 million in property taxes payable by July 1, about \$100,000 per month in basic operating expenses and about \$2 million in other expenses.

The only source of revenue for the partnership is coming from golf and recreation operations, according to the filings. “While this cash flow can sustain the golf and recreation operations on their own, it falls below what is necessary to sustain operations as a whole,” the court documents say.

The lawsuit alleges Kusumoto interfered with a sales and marketing plan by Colliers International in June 2021 for Bear Mountain properties, seeking higher prices from buyers than what was already offered. The documents say Colliers warned that refusal to engage with purchase candidates “risked reputational

damage in the investor/developer community by creating the perception that the partnership was not a serious vendor.”

Matthews’ application to the court said that while he’s sought alternative funding from financial institutions, the company can’t obtain reasonable refinancing while Kusumoto continues to block the sale of land.

Sanovest said in its court filing that while both sides agree Bear Mountain has significant value in the lands it owns, they “disagree on on the appropriate strategy to realize on that value.”


Sanovest does not agree with Matthews’ application to subdivide, bundle and sell properties. It is seeking the receivership order to conduct a more transparent process, the court filing said.

It isn’t known when B.C. Supreme Court will make decisions on the applications.

dkloster@timescolonist.com

>>> To comment on this article, write a letter to the editor: letters@timescolonist.com

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News

Bear Mountain businesses distance themselves from ongoing legal proceedings

📅 Wednesday, May 29th, 2024 | By Curtis Blandy



(Westin Bear Mountain Resort and Spa)

Several businesses on businesses on Bear Mountain have distanced themselves from the legal fiasco between the owners of the resort community.

The legal proceedings involve Sanovest, Ecoasis Developments LLP and Ecoasis Resort and Golf LLP.

According to reports, Sanovest is a partner in the project and a secured creditor with approximately \$62 million plus interest outstanding on the loan, as stated in a court

One Bear Mountain is a separate entity independently owned by 360Pacifica and Terracap while the Westin Bear Mountain is owned and operated by independently as an individually owned franchise of Westin.

“Given similar naming of various developments and businesses within the region, we would appreciate your support in helping to minimize any confusion or repetitional damage,” said a spokesperson for the One Bear Mountain.

In addition to this lawsuit, Langford had recently filed a civil claim in the BC Supreme Court against the owners of the Bear Mountain region over missed payments for a roadway which accesses the region from the Trans-Canada Highway.

The lawsuit arose because the region’s proprietors, Ecoasis Developments LLP and their partners Sanovest were supposed to pay an agreed upon amount to the City of Langford annually for the construction and upkeep of the Bear Mountain Parkway.

This roadway is an almost four kilometre roadway which was initially the only way in or out of the community Ecoasis constructed in the region.

According to the civil claim, Ecoasis is now on the hook for a total of \$1,881,852, the initially agreed upon amount.

A payment plan was set out in which Ecoasis has paid nearly \$400,000 of their owed debt, but since they missed their last payment date, Langford is going after the developer for the rest of the money owed plus interest and legal fees.

Related:

‘It’s private property’: Bear Mountain to charge \$45 to access trails on their land

Victoria Buzz reached out to Ecoasis for a statement on the lawsuit but as of this publication, they have not responded to the request.

This latest debacle isn’t the first time Ecoasis has endured legal proceedings regarding Bear Mountain or the first time they’ve come under fire from the City of Langford.



Editor's note: Victoria Buzz initially reported that the businesses had distanced themselves from the legal proceedings due to Langford's lawsuit; however, this was incorrect, and the article has since been updated.

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
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A handwritten signature in blue ink, appearing to read "Daye Min", written over a horizontal line.

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Court to hear Bear Mountain receivership request



[Darron Kloster](#)

Jun 7, 2024 1:42 AM

Updated Jun 7, 2024 3:19 AM



Sanovest Holdings Ltd. and 599315 B.C. Ltd., headed by chief executive Dan Matthews, are equal partners in Ecoasis Developments LLP, which was formed in 2013 under the company name Ecoasis Bear Mountain Developments Ltd. and purchased the 886 acres of land out of bankruptcy from HSBC. ADRIAN LAM, TIMES COLONIST

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00:06:48

The B.C. Supreme Court will hear a petition this month asking for a receiver-manager to oversee the Bear Mountain resort community where two owners are in a dispute that could affect how its golf courses are operated and how its land is developed.

Two days are set aside for the hearing in Vancouver: June 24 and 25.

55

Sanovest Holdings Ltd. and 599315 B.C. Ltd., headed by chief executive Dan Matthews, are equal partners in Ecoasis Developments LLP, which was formed in 2013 under the company name Ecoasis Bear Mountain Developments Ltd.

The 886 acres of land was bought out of bankruptcy from a bank, HSBC, which had taken over from original developer Len Barrie and his partners.

Sanovest, which holds a \$62-million loan on the Bear Mountain lands in Langford and the Highlands, asked the B.C. Supreme Court to appoint a receiver after Ecoasis Developments LLP failed to pay off the loan in full by May 1.

Sanovest claims there is a breakdown in trust between the two controlling partners — Sanovest director Tian Kusumoto and Matthews, chief executive of Ecoasis Bear Mountain Developments.

Ecoasis owns and operates the resort community's two Jack Nicklaus-designed golf courses and tennis facilities and oversees hundreds of acres of undeveloped land on Bear Mountain.

Sanovest is asking for a receivership to preserve its assets and ensure fair treatment among creditors. Ecoasis and 14 other associated companies known as the Developments Partnership are listed as respondents in the petition by Sanovest.

The two partners have been at odds on many issues, including how to market and develop the remaining lands and on whether to sign a contract extension with the privately held Bear Mountain Westin Hotel for use of the locker-rooms, pro shop and cart-charging facilities linked to the two 18-hole golf courses.

Sanovest said it requires a receiver-manager to address several concerns, including property taxes coming due, looming legal expenses and potential payroll shortfalls.

Kusumoto said in his petition to the court that the lease with the hotel expires on June 30 and the partnership will require alternate arrangements for golfers if a new contract isn't signed.

Ecoasis sold the hotel in June 2019 to a private company and entered into a lease agreement for the pro shop and cart storage.

"Without this [new] lease, the resort partnership will lose access to the [golf] course facilities, which would be very detrimental to revenue," said Kusumoto in his statements to the court.

Golf carts are critical to the golf course operations since the length and hilly terrain would deter guests from golfing without carts, he said.

"The resort partnership will also require alternate arrangements for space for members and a pro shop."

Kusumoto claims a representative of the hotel advised him the hotel would agree to commercially reasonable terms for an extension, but that "they would not extend or renegotiate the lease if Mr. Matthews is involved."

Kusumoto said Ecoasis, at Matthews' direction, skirted the hotel-contract issue and hired a contractor to build new cart-charging and storage facilities using shipping containers at an estimated cost of \$500,000.

The new facilities are being built on driving-range land and required new cart paths. Kusumoto did not agree to the plan.

Sanovest claims it hasn't received any audited financial statements since the end of 2018 from the development partnerships and will be unable to meet the bills as they come due, including \$542,000 for accounting and legal services, a \$300,000 default payment to the City of Langford for the Bear Mountain Parkway roadwork and \$2 million owing vendors and other creditors.

Property taxes on Bear Mountain lands for 2024 are \$1.6 million and due in early July.

Sanovest said legal claims against Ecoasis are mounting — \$1.8 million by Langford for the parkway roadwork and \$3.6 million by two developers claiming breaches of agreements.

Ecoasis applied to B.C. Supreme Court on May 10 to appoint a marketing agent and to approve the sale of about 10% of its land holdings at Bear Mountain — the proceeds of which would "fully retire the debt associated with Bear Mountain."

Matthews alleges Kusumoto's actions are threatening the "operational integrity" of Bear Mountain.

In the latest filing, Matthews said selling some Bear Mountain land parcels would generate funds to retire the loan, pay property taxes and meet other mounting expenses related to the development.

He said in a statement the Ecoasis court filings are in response to Sanovest's refusal to approve significant land sales that would have resulted in \$164 million in revenue, allowing the company to resume selling property and pay its bills.

Sanovest said in its court filing that while both sides agree Bear Mountain has significant value in the lands it owns, they "disagree on the appropriate strategy to realize on that value."

Sanovest does not agree with Matthews' application to subdivide, bundle and sell properties. It is seeking the receivership order to conduct a more transparent process, the court filing said.

Kusumoto said there are "irreconcilable differences" regarding the business.

"I have frequently sought to have the partnerships engage professionals to assess how they can proceed with the development of the site to maximize profitability," Kusumoto said in his petition. "The partnerships have not completed this analysis and Mr. Matthews has advised me that he would prefer the sale of lots and bulk sale sites that would generate immediate profits. I have not agreed to those sales ... without complete analysis, I believe the partnerships may have unrealized profits and/or be left with properties that are difficult to sell or develop."

Kusumoto cites "management concerns" that he claims require a court-appointed receiver. Among the claims in the petition are alleged fees paid to Matthews without a formal agreement, the use of cash and questions about expenses charged to corporate credit cards.

The Sanovest petition said it is prepared to advance further funds for the receivership process — and operating shortfalls — but only if the court makes the receivership order.

dkloster@timescolonist.com

No. S-243389
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

SANOVEST HOLDINGS LTD.

PETITIONER

AND:

ECOASIS DEVELOPMENTS LLP and others

RESPONDENTS

AFFIDAVIT

FASKEN MARTINEAU DuMOULIN LLP

Barristers and Solicitors

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