



No. S-244252
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

**THE UNITED STATES LIFE INSURANCE COMPANY IN THE CITY OF NEW YORK, and
AMERICAN HOME ASSURANCE COMPANY**

PETITIONERS

AND:

SCREO I METROTOWN INC., and SCREO I METROTOWN L.P.

RESPONDENTS

**SUPPLEMENTAL REPORT TO THE SECOND REPORT OF THE RECEIVER
ALVAREZ & MARSAL CANADA INC.**

JUNE 12, 2025

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1.0 PURPOSE

1.1 This supplemental report (the “**Supplemental Report**”) has been prepared by the Receiver to address certain matters raised at the Court hearing on May 20, 2025 (the “**Hearing**”), regarding the Receiver’s application (the “**Application**”) seeking directions in relation to a secured claim asserted by Timbercreek Mortgage Servicing Inc. (“**Timbercreek**”) and a potential bankruptcy of Respondents. In particular, this Supplemental Report addresses the following matters:

- a) a summary of all known unsecured creditors based on the Receiver’s review of the Debtors’ books and records, as at the Receivership Date;
- b) a general overview of the statutory claims process under a receivership and a bankruptcy; and
- c) the Receiver’s efforts in notifying all known unsecured creditors of the applications to be brought by Timbercreek and the Greater Vancouver Water District (“**GVWD**”) scheduled for June 16, 2025.

1.2 The Supplemental Report should be read in conjunction with the Second Report of the Receiver dated March 5, 2025 (the “**Second Report**”) and other materials filed in the Receivership Proceedings (collectively, the “**Filed Materials**”). Background information, including capitalized terms not defined herein, are contained in the Filed Materials.

1.3 All monetary amounts contained in this Supplemental Report are expressed in Canadian dollars unless otherwise noted.

2.0 RECEIVER’S INTERIM STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

2.1 The Receiver’s interim statement of cash receipts and disbursements for the period July 8, 2024 to April 30, 2024 (the “**Reporting Period**”) is summarized in the table below:

SCREO I Metrotown Inc. and SCREO I Metrotown LP
Interim Statement of Cash Receipts and Disbursements
For the period July 8, 2024 to April 30, 2025
\$000's

Receipts

Receiver's borrowings	\$ 400,000
Sale of assets	11,370,391
Rent and other receipts	69,525
Total receipts	11,839,916

Disbursements

General and administrative	243
Security	14,036
Repairs and maintenance	46,241
Utilities	43,870
Insurance	57,717
Property management	34,269
Receiver's fees and disbursements	126,660
Legal fees and disbursements	74,624
Professional fees	17,504
GST paid on disbursements	17,734
PST paid on disbursements	5,601
Total disbursements	438,499

Net cash flow (deficit) **\$ 11,401,417**

Cash position

Opening cash	-
Net cash flow (deficit)	11,401,417
Closing cash	\$ 11,401,417

2.2 Compared to the Second Report, which presented balance as at December 31, 2024, the closing cash balance as at April 30, 2025 has increased by \$17,120. This is driven by:

- a) interest income and GST refunds totaling \$60,120;
- b) disbursements of \$43,000 primarily comprised of the Receiver's legal counsel fees and property management fees in relation to the period prior to the Transaction.

3.0 LIST OF KNOWN UNSECURED CREDITORS

3.1 The list of all known unsecured creditors as at the Receivership Date (i.e. July 8, 2024), based on the Receiver's review of the Debtors' books and records, is set out below. The below list was attached to the Notice and Statement of the Receiver (the "Form 87") dated July 16, 2024. A copy of the Form 87 is attached hereto as **Appendix "A"**.

SCREO I METROTOWN**Preliminary List of Unsecured Creditors as at July 8, 2024**

Unsecured Creditors	\$
Aplin & Martin Consultants Ltd.	9,219
BC Hydro	Unknown
Canada Revenue Agency	Unknown
Colliers Macaulay Nicolls Inc. (NPSS)	50,946
Cordeiro Maintenance Contractors Ltd	18,634
DIALOG BC Inc.	43,080
EDELMAN PR WORDWIDE CANADA, INC.	334
FortisBC-Natural Gas	6,185
Fusion Security Inc.	43,951
Hood Cleaners of America	838
Kern BSG Management Ltd.	171
KPMG LLP, T4348	18,592
Mac's Electric Ltd	2,703
McCarthy Tetrault LLP	94,895
Greater Vancouver Water District	9,000,000
Ministry of Finance	Unknown
MFM SAFETY CO.	7,429
Nikls One Call Property Services	546
Technical Safety BC	7,034
TELUS	86
TK Elevator (Canada) Limited	27,898
Translink	177
Urban Strategies Inc.	1,285
Total Unsecured Creditors	\$9,334,003

3.2 At the time Form 87 was prepared, the Receiver had not received any detailed information in relation to Timbercreek's asserted claim of up to \$17 million (the "**Timbercreek Claim**"). Accordingly, the list of creditors did not include any claims from Timbercreek.

3.3 Together with the known creditors as of July 8, 2024, and the Timbercreek Claim, total potential claims against the Estate would appear to be \$26.3 million.

3.4 According to the Affidavit #1 of Robert Kates, sworn April 16, 2025, the GVWD has asserted its claim against the Debtors of \$9 million plus interest (not calculated).

4.0 GENERAL OVERVIEW OF THE CLAIMS PROCESS

4.1 Under a receivership proceeding, a receiver does not generally initiate a claims process for unsecured claims. As there is no statutory process for a claims process in a receivership, any such process would need to be prescribed and directed by an Order from the Court.

- 4.2 No such order has been made in this proceeding, and accordingly the Receiver has not run a claims process for unsecured creditors, and no claims have been adjudicated. As a result, the full scope of claims is currently unknown to the Receiver.
- 4.3 The Receiver anticipates that the claims process would occur in the context of a bankruptcy, if and when one is filed. Under a bankruptcy proceeding, the trustee will notify all known creditors of the estate of the bankruptcy. A blank proof of claim will also be provided to all known creditors in order for them to prove their claims against the bankruptcy estate. Under the *Bankruptcy and Insolvency Act* (the “BIA”), the trustee is also required to, among other things, publish a newspaper advertisement in the locality of the debtor to advise any interested party of the First Meeting of Creditors, and send a notices requiring person to prove claims, pursuant to s.149(2) of the BIA, prior to finalizing a distribution to any known creditors who do not submit a proof of claim.
- 4.4 As at the date of this Supplemental Report, no creditors have filed a proof of claim against the receivership. To be clear, neither Timbercreek nor the Greater Vancouver Water District have filed proof of claim with the Receiver, and the Receiver has not adjudicated either of their claims.

5.0 CREDITORS CORRESPONDENCE

- 5.1 During the Hearing, this Honourable Court queried whether all known creditors were served the materials related to the Application. While all filed materials in relation to the Application are posted to the Receiver’s website at: www.alvarezandmarsal.com/screometrotown, at the time of the Hearing, only parties listed in the Service List were served. A copy of the Service List as at the date of the Hearing is attached as **Appendix “B”**.
- 5.2 On June 3, 2025, the Receiver’s legal counsel, Dentons Canada LLP, dispatched letters to the above-listed 23 known unsecured creditors, either by email or regular mail, informing them of the current status of the Receivership Proceedings and the current Application. A sample copy of the letter is attached hereto as **Appendix “C”**.

All of which is respectfully submitted to this Honourable Court this 12th day of June, 2025.

Alvarez & Marsal Canada Inc.,
in its capacity as Receiver of
SCREO I Metrotown Inc. and SCREO I Metrotown L.P.



Per: Anthony Tillman
Senior Vice President



Per: Pinky Law
Vice President

Appendix A – Form 87



Form 87

Notice and Statement of the Receiver (Subsection 245(1) and 246(1) of the *Bankruptcy and Insolvency Act*)

IN THE MATTER OF THE RECEIVERSHIP OF SCREO I METROTOWN INC., AND SCREO I METROTOWN L.P

The receiver hereby gives notice and declares that:

- On the 8th day of July, 2024, Alvarez & Marsal Canada Inc. (“**A&M**”) was appointed receiver and manager (the “**Receiver**”) without security, of the real property and all of the assets, undertakings and property, both real and personal, located at, relating to or used in connection with the real property of (i) SCREO I Metrotown Inc. (the “**Legal Owner**”), and (ii) SCREO I Metrotown L.P. (the “**Beneficial Owner**”, and together with the Legal Owner, the “**Debtors**” and each a “**Debtor**”), including the beneficial ownership interest in and to such property, whether held directly or indirectly by the Beneficial Owner for itself or for others, being insolvent persons that are described below.

The property consists of two vacant commercial office towers located at the following addresses:

- 4430 Kingsway, Burnaby, B.C. (“**Tower 1**”); and
- 5945 Kathleen Avenue, Burnaby, B.C. (“**Tower 3**”).

Tower 1 and Tower 3 have been legally consolidated into one parcel identifier: PID 031-357-881, Lot 1 District Lot 153 Group 1 New Westminster District Plan EPP107270.

- The assessed value of the Debtors’ assets as of July 8, 2024, is listed below:

	Estimated Value (CAD\$)
Property and land	87,760,000
Total	\$87,760,000

Note: Realizable values may be materially different from the above. The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy of the foregoing.

- A&M became a receiver by virtue of being appointed by the Supreme Court of British Columbia (the “**Court**”) pursuant to the receivership order granted on July 8, 2024 (the “**Receivership Order**”). Copies of the Receivership Order and other Court materials can be found on the Receiver’s website www.alvarezandmarsal.com/screometrotown.

4. The Receiver took possession or control of the property described above on the 8th of July, 2024.

5. The following information relates to the receivership:

Address of insolvent persons: 121 King Street West, Suite 200, Toronto, Ontario

Principal line of business: Real estate holding

Location of business: Burnaby, B.C. Canada

Amounts owed by the Debtors to each creditor, according to the books and records as at July 8 2024, are shown below:

<u>Creditor Type</u>	<u>Claim Amount (CAD\$)</u>
Secured creditors	\$ 49,780,310
Unsecured creditors	9,334,003
Total	<u>\$ 59,114,313</u>

Attached as Appendix "A" is a list of all known creditors of the Debtors as at the date of receivership.

6. The intended plan of action of the Receiver during the receivership, to the extent that such a plan has been determined, is as follows:

- To conduct a sales process in respect of the property enumerated in the Receivership Order.

7. For further information, please contact the Receiver at the following address:

Alvarez & Marsal Canada Inc.
Licensed Insolvency Trustee
Cathedral Place Building
925 West Georgia Street, Suite 902
Vancouver, BC V6C 3L2

Telephone: (604) 639-0845

Facsimile: (604) 638-7441

Email: marianna.lee@alvarezandmarsal.com



8. To date, no claims procedure has been approved by the Court that instructs creditors to prove their claims against the Debtors. As a result, creditors are not required to file a proof of claim with the Receiver at this time. The Receiver will notify each known creditor if a claims procedure order has been granted by the Court that instructs creditors to prove their claim(s).

Dated at Vancouver, British Columbia this 16th day of July, 2024.

**ALVAREZ & MARSAL CANADA INC.
IN ITS CAPACITY AS RECEIVER OF
SCREO I METROTOWN INC. AND SCREO I METROTOWN L.P**



Per: Anthony Tillman
Senior Vice President



**IN THE MATTER OF THE RECEIVERSHIP OF
SCREO I METROTOWN INC. AND SCREO I METROTOWN L.P.**

Preliminary List of Creditors as at July 8, 2024

Name of Creditor	Address	Amount (\$)
Secured Creditors		
The United States Life Insurance Company in the City of New York and American Home Assurance Company	c/o Nathanson, Schachter & Thompson LLP 750-900 Howe Street, Vancouver, B.C. V6Z 2M4	\$ 48,962,831
City of Burnaby	4949 Canada Way, Burnaby, B.C. V5G 1M2	817,480
Total Secured Creditors		49,780,310
Unsecured Creditors		
Aplin & Martin Consultants Ltd.	201-12448 82nd Avenue, Surrey, BC V3W 3E9	9,219
BC Hydro	P.O. Box 8910, Vancouver, BC V6B 4X3 Canada	Unknown
Canada Revenue Agency	9737 King George Boulevard, Surrey, BC V3T 5W6 Canada	Unknown
Colliers Macaulay Nicolls Inc. (NPSS)	181 Bay St. #1400, Toronto, ON M5J 2V1	50,946
Cordeiro Maintenance Contractors Ltd	3529 Eton Street, Vancouver, British Columbia, V5K 1K6	18,634
DIALOG BC Inc.	406, 611 Alexander Street, Vancouver, BC V6A 1E1	43,080
EDELMAN PR WORDWIDE CANADA, INC.	355 Burrard Street, Suite 1260, Vancouver BC V6G 2G8	334
FortisBC-Natural Gas	16705 Fraser Highway, Surrey, BC V4N 0E8 Canada	6,185
Fusion Security Inc.	160 – 4321 Still Creek Drive, Burnaby, BC V5C 6S7	43,951
Hood Cleaners of America	5500, Tomken Rd, Unit 8, Mississauga, ON. L4W 2Z4	838
Kern BSG Management Ltd.	D - 3889 Keith St., Burnaby BC V5J 5K4	171
KPMG LLP, T4348	777 Dunsmuir St 11th Floor, Vancouver, BC V7Y 1K3	18,592
Mac's Electric Ltd	PO Box 72087, 31-4429 Kingsway Ave, Burnaby BC V5H 4P9	2,703
McCarthy Tetrault LLP	Suite 2400, 745 Thurlow Street, Vancouver BC V6E 0C5	94,895
Metro Vancouver Water Services	Metrotower III, 4515 Central Boulevard, Burnaby, BC, V5H 0C6	9,000,000
Ministry of Finance	1802 Douglas St., Income Taxation Branch, Victoria, BC V8T 4K6 Can:	Unknown
MFM SAFETY CO.	N/A	7,429
Nikls One Call Property Services	Unit 2 – 8456 129A Street, Surrey, BC V3W-1A2	546
Technical Safety BC	Suite 600 - 2889 East 12th Avenue, Vancouver, BC V5M 4T5	7,034
TELUS	510 West Georgia Street, Vancouver, BC, V6B 0M3	86
TK Elevator (Canada) Limited	3657 Wayburne Dr, Burnaby, BC V5G 3L1	27,898
Translink	400 - 287 Nelson's Court, New Westminster, BC V3L 0E7	177
Urban Strategies Inc.	197 Spadina Avenue, Suite 600, Toronto, Ontario, M5T 2C8	1,285
Total Unsecured Creditors		9,334,003
Total Creditors		\$ 59,114,313

Appendix B – Service List as at May 20, 2025

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

THE UNITED STATES LIFE INSURANCE COMPANY IN THE CITY OF NEW YORK, and
AMERICAN HOME ASSURANCE COMPANY

PETITIONERS

AND:

SCREO I METROTOWN INC., and SCREO I METROTOWN L.P.

RESPONDENTS

SERVICE LIST

(As at November 19, 2024)

Receiver's website: <https://www.alvarezandmarsal.com/screometrotown>

COUNSEL:	PARTY(IES):
Dentons Canada LLP 20 th Floor – 250 Howe Street Vancouver, BC V6C 3R8 Phone No. 604.687.4460 Attention: Jordan Schultz Cassandra Federico Email: jordan.schultz@dentons.com cassandra.federico@dentons.com avic.arenas@dentons.com chelsea.denton@dentons.com nav.sidhu@dentons.com	<i>Counsel for the court-appointed Receiver, Alvarez & Marsal Canada Inc.</i>
Alvarez & Marsal Canada Inc. Licensed Insolvency Trustee Cathedral Place Building 925 West Georgia Street, Suite 902 Vancouver, BC V6C 3L2 Phone No. 604.639.0845 Attention: Pinky Law Anthony Tillman Email: pinky.law@alvarezandmarsal.com atillman@alvarezandmarsal.com marianna.lee@alvarezandmarsal.com	<i>Court-Appointed Receiver</i>

COUNSEL:	PARTY(IES):
<p>Nathanson, Schachter & Thompson LLP 750 – 900 Howe Street Vancouver, BC V6Z 2M4</p> <p>Phone No.</p> <p>Attention: Peter J. Reardon Kayla K. Strong</p> <p>Email: preardon@nst.ca kstrong@nst.ca</p>	<p><i>Counsel for the Petitioners, The United States Life Insurance Company In The City Of New York and American Home Assurance Company</i></p>
<p>Blake, Cassels & Graydon LLP 199 Bay Street Suite 4000 Commerce Court West Toronto, ON M5L 1A9</p> <p>Phone No. 416.863.2400</p> <p>Attention: Aryo Shalviri</p> <p>Email: aryo.shalviri@blakes.com</p>	<p><i>Co-Counsel for the Petitioners, The United States Life Insurance Company In The City Of New York and American Home Assurance Company</i></p>
<p>McCarthy Tetrault LLP 2400- 745 Thurlow Street Vancouver, BC V6E 0C5</p> <p>Phone No. 604.643.7154</p> <p>Attention: Lance Williams Ashley Bowron</p> <p>Email: lwilliams@mccarthy.ca abowron@mccarthy.ca</p>	<p><i>Counsel for SCREO I Metrotown Inc. and SCREO I Metro town L.P.</i></p>
<p>Borden Ladner Gervais LLP 1200 Waterfront Centre, 200 Burrard Street P.O. Box 48600 Vancouver, BC, V7X 1T2</p> <p>Phone No. 604.640.4106</p> <p>Attention: Jennifer Pepper David Madsen Jack Maslen</p> <p>Email: JPepper@blg.com DMadsen@blg.com JMAslen@blg.com</p>	<p><i>Counsel for Timbercreek Mortgage Servicing Inc.</i></p>

COUNSEL:	PARTY(IES):
<p>Farris LLP 700 W Georgia St #2500 Vancouver, BC V7Y 1B3 Phone No. 604.661.2174 Attention: Tevia Jeffries Email: tjeffries@farris.com</p>	<p><i>Counsel for City of Burnaby</i></p>
<p>Lawson Lundell LLP Suite 1600 Cathedral Place 925 West Georgia Street Vancouver, BC V6C 3L2 Phone No. 604.631.6742 Attention : Mandeep Dhaliwal Email : mdhaliwal@lawsonlundell.com</p>	<p><i>Counsel for Westmount West Services Inc.</i></p>
<p>Gehlen Dabbs Cash LLP 1201–1030 W Georgia Street Vancouver, BC V6E 2Y3 Phone No. 604.642.6422 Attention Geoffrey H. Dabbs Email : gd@gdlaw.ca</p>	<p><i>Counsel for Metro Vancouver Water Services</i></p>

EMAIL SERVICE:

Jordan.schultz@dentons.com; cassandra.federico@dentons.com; avic.arenas@dentons.com; chelsea.denton@dentons.com; nav.sidhu@dentons.com; pinky.law@alvarezandmarsal.com; atillman@alvarezandmarsal.com; marianna.lee@alvarezandmarsal.com; preardon@nst.ca; kstrong@nst.ca; lwilliams@mccarthy.ca; abowron@mccarthy.ca; JPepper@blg.com; DMadsen@blg.com; JMAslen@blg.com; tjeffries@farris.com; aryo.shalviri@blakes.com; mdhaliwal@lawsonlundell.com; gd@gdlaw.ca

Appendix C – Sample letter to creditors dated June 3, 2025

DENTONS

Jordan Schultz
Partner

jordan.schultz@dentons.com
D +1 604 691 6452

Dentons Canada LLP
20th Floor, 250 Howe Street
Vancouver, BC, Canada V6C 3R8

dentons.com

June 3, 2025

DELIVERED VIA COURIER



Dear: sirs/mesdames

Re: **Notice to Known Unsecured Creditors- Distribution of Proceeds in Receivership of (SCREO I Metrotown Inc. and SCREO I Metrotown L.P (the “Debtors”)**

We are counsel to Alvarez & Marsal Canada Inc. (the “**Receiver**”) in the above captioned matter. You are receiving this letter because the Receiver has identified you as having a possible unsecured claim in the assets of the Debtors. We write to provide you with notice of an upcoming hearing related to distribution of proceeds and certain background information relating to the same.

Background:

As you may be aware, the United States Life Insurance Company in the City of New York and American Home Assurance Company (the “**Petitioners**”) brought an application to appoint the Receiver in June 2024. The Receiver was appointed pursuant to an order made on July 8, 2024 over of all the assets, undertakings and property of the Debtors. The Debtors are special purpose entities created to acquire and develop two office towers located at 4430 Kingsway Avenue and 5945 Kathleen Avenue, Burnaby B.C. (the “**Property**”).

On November 7, 2024, the Receiver obtained an order approving the sale of the Property and authorizing it to make a distribution to the Petitioners (the “**Sale Approval Order**”). After repaying the Petitioners, the Receiver continues to hold approximately \$11.4 million in proceeds from the sale of the Property (the “**Remaining Proceeds**”).

Next Steps:

There are competing claims being advanced to the Remaining Proceeds.

Timbercreek Mortgage Servicing Inc. (“**Timbercreek**”) asserts a secured claim in the Remaining Proceeds, and has brought an application seeking an order for distribution of all of the Remaining Proceeds to Timbercreek pursuant to its security interest.

Greater Vancouver Water District (“**GVWD**”) asserts an unsecured claim in the Remaining Proceeds, and has brought a petition seeking to assign the Debtors into bankruptcy. A bankruptcy assignment may result in some recovery for unsecured creditors.

A hearing has been scheduled for a **full day on Monday, June 16, 2025** to hear the above noted competing applications.

Further information about the proceedings, including above reference applications and corresponding materials, can be found on the Receiver’s website at: www.alvarezandmarsal.com/screometrotown.

Please direct any questions or concerns to the attention of the author.

Best regards,

Dentons Canada LLP

DocuSigned by:

Jordan Schultz

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Jordan Schultz
Partner

JS/cf