



No. VLC-S-S-253697  
Vancouver Registry

**BETWEEN:**

INSTITUTIONAL MORTGAGE CAPITAL CANADA INC., in its  
capacity as general partner of IMC LIMITED PARTNERSHIP

**PETITIONER**

**AND:**

MORTISE (SCOTT ROAD RESIDENTIAL) HOLDINGS LTD.,  
MORTISE (SCOTT ROAD OFFICE) HOLDINGS LTD., MORTISE  
(SCOTT ROAD COMMERCIAL) HOLDINGS LTD., 1048799 B.C.  
LTD., BALJIT SINGH JOHAL, BANCORP BALANCED MORTGAGE  
FUND II LTD., BANCORP GROWTH MORTGAGE FUND II LTD.,  
BANCORP FINANCIAL SERVICES INC., MANDATE  
MANAGEMENT CORPORATION, G4 CONSTRUCTION LTD.,  
BULAND CONSTRUCTION LTD., LIFETIME CONSTRUCTION  
LTD., BEST CANADIAN HOMES LTD., GILL 22 CONSTRUCTION  
LTD., 1370395 B.C. LTD., HARJUS CONSTRUCTION LTD. and  
1507718 B.C. LTD.

**RESPONDENTS**

**RESPONSE TO PETITION**

Filed by: BANCORP BALANCED MORTGAGE FUND II LTD.,  
BANCORP GROWTH MORTGAGE FUND II LTD.,  
BANCORP FINANCIAL SERVICES INC.  
MANDATE MANAGEMENT CORPORATION  
(collectively, the "**Bancorp Parties**"),

THIS IS A RESPONSE to the petition to the court filed May 14, 2025.

The Bancorp Parties estimate that the application will take 2 hours.

### **Part 1: ORDERS CONSENTED TO**

The Bancorp Parties consent to the granting of the orders set out in the following paragraphs of Part 1 of the petition:

NONE.

### **Part 2: ORDERS OPPOSED**

The Bancorp Parties oppose the granting of the orders set out in the following paragraphs of Part 1 of the petition:

All, subject to receipt of particulars of relief sought.

### **Part 3: ORDERS ON WHICH NO POSITION IS TAKEN**

The Bancorp Parties take no position on the granting of the orders set out in the following paragraphs of Part 1 of the petition:

1, 2, 4 (subject to receipt of particulars of relief sought), 5 (with a 6 month redemption period), 6 – 10, 12

### **Part 4: FACTUAL BASIS**

1. The Bancorp Parties adopt the terms defined in the Petition filed May 14, 2025 for convenience of reference only.
2. The Bancorp Parties are the holder of the Bancorp Mortgage registered against the Lands.
3. The Mortgage ranks in priority to the interests in the Lands of the Bancorp Parties under the Bancorp Mortgage.
4. The Borrowers and 104 Ltd. are guarantors of a loan (the “**Bancorp Loan**”) in the amount of \$9,250,000 made by the Bancorp Parties to 1014669 B.C. Ltd. and 0993006 B.C. Ltd. (the “**Bancorp Borrowers**”). The Bancorp Loan was advanced on or about November 5, 2024 and remains outstanding and current.
5. The Bancorp Mortgage is collateral security for the Bancorp Loan and the obligations of the Borrowers and 104 Ltd. under their guarantee.

6. The Petitioner was aware of the Bancorp Mortgage prior to it being registered. No objections were raised by the Petitioner to registration of the Bancorp Mortgage either before or after it was registered.
7. Notwithstanding registration of the Bancorp Mortgage, the Petitioner later entered into the Forbearance Agreement extending the time for the Borrowers to pay, and did not require discharge of the Bancorp Mortgage.
8. The Lands were recently appraised at \$34,000,000. There is ample equity in the Lands for the Petitioner's Mortgage today and to cover the interest accrual during a 6 month redemption period. There is no irreparable harm to the Petitioner. There is no risk to its security.
9. The Lands are presently listed for sale by the Borrowers and can be listed for sale following a successful application for conduct of sale by the Bancorp Parties during a 6 month redemption period.
10. There is no need for a receiver. The Lands are comprised of completed units, there is no construction to be completed. There is no evidence that the Lands are wasting.
11. Most of the completed units are leased. The Petitioner claims there is a shortfall between the amount of rent being collected and the interest accruing under the Mortgage, but there is no evidence that the Petitioner has sought to recover the rents under its assignment of rents.
12. The receivership would add significant and unnecessary costs. No particulars are given as to likely length of the receivership, or cost estimates for either the receiver or its counsel yet both would have their costs secured by a charge ranking ahead of the Bancorp Mortgage.
13. The proposed Order also allows for \$250,000 of borrowings by the receiver that would rank ahead of the Bancorp Mortgage, but there is no evidence indicating that this is required or what it might be spent on.
14. The proposed Order also creates a stay that would prevent the Bancorp Parties from pursuing their own remedies against the Borrower and the Lands. The appointment of a receiver of the Lands is a default under the Bancorp Mortgage.

15. The balance of convenience weighs heavily in favour of the Respondents, including the Bancorp Parties.

16. In sum, through the appointment of a receiver, the Petitioner seeks to circumvent the foreclosure process and a usual 6 month redemption period by asking the Court to grant the extraordinary remedy of appointing a receiver where none is justified or supported by evidence, and to give the receiver the immediate power to sell the lands where such an order would not be warranted in a foreclosure.

17. If the Court is inclined to appoint a receiver, it may consider limiting the receiver's mandate to receiving rents, without ordering any borrowing powers or priming charges, or if such charges are to be ordered, that they rank subsequent to the Bancorp Mortgage.

#### **Part 5: LEGAL BASIS**

1. The Bancorp Parties adopt and support the Legal Basis set out in the Response of the Borrowers filed on June 16, 2025.

2. Such further and other legal basis as counsel may advise.

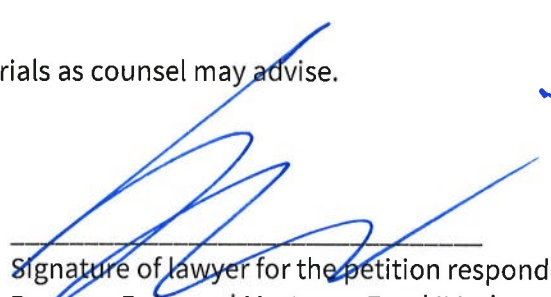
#### **Part 6: MATERIAL TO BE RELIED ON**

1. Affidavit #1 of Flordeliz Mercado sworn June 26, 2025.

2. The pleadings filed herein;

3. Such further affidavits and other materials as counsel may advise.

Dated: June 27, 2025



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Signature of lawyer for the petition respondents,  
Bancorp Balanced Mortgage Fund II Ltd.  
Bancorp Growth Mortgage Fund II Ltd.  
Bancorp Financial Services Inc.  
Mandate Management Corporation

Petition respondent's address for service:

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Nil

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Name of the petition respondent's lawyer:

Shawn A. Poisson