

Court No.: 33-165410
Estate No.: 33-165410

**IN THE MATTER OF THE RECEIVERSHIP OF
HYDE PARK RESIDENCES INC
Of the City of Ottawa, In the Province of Ontario**

RECEIVER'S INTERIM REPORT AND STATEMENT OF ACCOUNTS
(Subsection 246(2) of the Act)

The Receiver gives notice and declares that:

1. Deloitte Restructuring Inc. was appointed Receiver and Manager ("Receiver") of the property and undertaking of Hyde Park Residences Inc. ("Hyde Park") pursuant to an Order of the Ontario Superior Court of Justice dated February 20, 2014. Hyde Park was the owner and developer of a partially completed retirement housing community in the village of Richmond, Ontario (the "Property")
2. The Receiver took possession and control of the Property on February 21, 2014. Further information on the Property was provided in the Receiver's first report to the Court dated April 7, 2014.
3. The Receiver completed a sale of its interest in the Property on July 17, 2015. Details of the Receiver's realization are set out in the attached Interim Statement of Receipts and Disbursements (General Account) described below.
4. Enclosed, as Appendices A to C, are the Receiver's Interim Statements of Receipts and Disbursements, for the period from February 21, 2014 to July 31, 2015, for the following three (3) trust accounts it is operating for this receivership:
 - a) A 'Property Management Account' to record all receipts and disbursements relating to the ninety-two (92) townhouses and the water plant (which provides clean water for the residents);
 - b) A 'Reserve Account' to record all receipts and disbursements relating to reserve funds; and
 - c) A 'General Account' to record all receipts and disbursements relating to all other receivership matters excluding those that relate to property management or reserve funds.

5. It is anticipated that the receivership will be completed within the next few months once final accounts are reconciled and paid, and the Receiver obtains its discharge from the Court.
6. The contact person for the Receiver is:

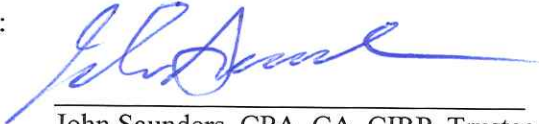
John Saunders
100 Queen Street, Suite 1600
Ottawa, Ontario K1P 5T8
Phone No.: (613) 751-5303
Facsimile No.: (613) 563-2244

Dated at Ottawa, Ontario this 21st day of August, 2015.

DELOITTE RESTRUCTURING INC.

In its capacity as Receiver and Manager of Hyde Park Residences Inc.
and not in its personal capacity

Per:



John Saunders, CPA, CA, CIRP, Trustee
Vice-President

Appendix "A"

In the Matter of the Receivership of Hyde Park Residences Inc.
of the Town of Dunrobin, in the City of Ottawa, in the Province of Ontario
Receiver and Manager's Interim Statement of Receipts and Disbursements

As at July 31, 2015

Property Management Account

Receipts

Cash in bank (as at April 15, 2014)	\$	8	
Interest Income		213	
Monthly occupancy charges received from residents		632,621	<i>Note 1</i>
Total Receipts	\$	632,841	

Disbursements

Insurance (Townhome and Water Plant)	49,918	
Landscaping services	45,531	
Property taxes	266,237	
Residents Association expenses	346	
Repair and maintenance	12,148	
Security	577	
Snow removal	57,738	
Sump pump repair and maintenance services	9,008	
Telephone	4,741	
Office expenses	108	
Utilities	8,359	
Wages and benefits of temporary employees	84,748	<i>Note 2</i>
Water system operator	29,307	
	\$	568,766

Transfer to Receiver's Reserve Account	31,527	<i>Note 3</i>
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Total Disbursements	\$	600,293	<i>Note 4</i>
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Net receipts over disbursements	\$	32,549
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Less: Amount transferred to purchaser on closing of sale	20,818
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Balance available for remaining disbursements	<u>\$</u>	<u>11,731</u>
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Notes

- Occupancy charges represent amounts collected from residents of the townhomes for the period from February 21, 2014 to July 17, 2015.
- The Receiver retained, as temporary employees, the Project's previous maintenance technician and the Project's previous client service manager to respond to all resident inquiries and property management issues. The maintenance technician also inspected and helped to monitor the Water Plant daily. The cost of the related payroll and benefits have been paid out of the Receiver's Property Management Account; however, wages of the maintenance technician that directly relate to the upkeep and maintenance of Apartment A and Immanuel House are reimbursed from the Receiver's General Account.
- The amount represents of 5% of occupancy charges transferred from the Receiver's Property Management Account to its Reserve Account in accordance with the life lease occupancy agreements.
- Professional fees related to the Receiver have been charged to the Receiver's General Account.

Appendix "B"

In the Matter of the Receivership of Hyde Park Residences Inc.
of the Town of Dunrobin, in the City of Ottawa, in the Province of Ontario
Receiver and Manager's Interim Statement of Receipts and Disbursements

As at July 31, 2015

Reserve Account

Receipts

Cash in bank (as at April 15, 2014)	\$	30,979	
Advances from Receiver's Property Management Account		31,527	<i>Note 1</i>
Special Assessment		46,000	<i>Note 2</i>
Interest Income		113	
Total Receipts	\$	108,618	<i>Note 3</i>

Disbursements

Roof replacement - Block of 5 units	\$	35,282	<i>Note 4</i>
Foundation repair at 304 Chestnut Green Private		2,895	<i>Note 4</i>
Foundation repair at 407 Grassendale Private		2,274	<i>Note 4</i>
Repair to Flooring & Patio Door at 403 Grassendale Private		11,430	<i>Note 4</i>
Total Disbursements	\$	51,881	

Net receipts over disbursements

\$ 56,737

Less: Amount transferred to purchaser on closing of sale

54,580

Balance available for remaining disbursements

\$ 2,157

Notes

- 1 Amount represents 5% of monthly occupancy charges transferred to the Receiver's Reserve Account from the Receiver's Property Management Account in accordance with the life lease occupancy agreements.
- 2 The Receiver requested that all 92 of the residents provide a special assessment payment of \$500 each in 2014 to increase the balance of the reserve fund.
- 3 Receipts do not include an additional reserve fund of \$112,869.79 (as at May 13, 2015) that is currently being held in a trust account with BMO Harris Private Banking ("BMO"). The Trustee for these funds is BMO Trust Company pursuant to a Trust Agreement with Hyde Park Residences Inc. dated July 10, 2003. This trust represents the capital reserve fund for the Water Plant as required by the City of Ottawa pursuant to the Private Communal Water System and Private Communal Wastewater System Responsibility Agreement dated July 9, 2010. The Receiver requested BMO to freeze this account but is not able to have these funds transferred to the Receiver's trust account without approval from the Ontario Ministry of the Environment and/or the City of Ottawa.
- 4 Disbursements from the reserve fund are based on requirements within the life lease occupancy agreements.

Appendix "C"

In the Matter of the Receivership of Hyde Park Residences Inc.
of the Town of Dunrobin, in the City of Ottawa, in the Province of Ontario
Receiver and Manager's Interim Statement of Receipts and Disbursements

As at July 31, 2015

General Account

Receipts

Cash in bank (as at April 15, 2014)	\$	13	
Loan Advance: Frontenac Management Investment Corporation	1,550,000		Note 1
Net Proceeds from sale of Hyde Park's property and assets	6,968,675		
HST Collected on proceeds from sale of assets	26,000		
HST refund	167,563		
Interest Income	438		
	<u>Total Receipts</u>	<u>\$ 8,712,689</u>	

Disbursements

Advertising	\$	2,962	
Appraisal fee	17,850		
Change locks	275		
Consulting and related services	8,497		
Engineering services	2,500		
Equipment rental	703		
Insurance	125,506		
Insurance consulting services	1,500		
Official Receiver fees	70		
Propane (for heating)	11,258		
Scaffolding rental (to hold up part of building)	308,408		
Security	1,778		
Snow removal	3,784		
Storage fees	46,985		
Telephone	5,079		
Utilities (Hydro Ottawa & Enbridge)	10,028		
Repairs and maintenance expenses	3,556		
Wages and benefits of temporary employee	51,758		Note 2
Receiver's fees and out-of-pocket costs	822,671		
Legal fees	366,431		
HST paid for all disbursements	214,552		
On-site security officer	19,111		
Miscellaneous expenses	-		Note 3
	<u>Total Disbursements</u>	<u>\$ 2,025,263</u>	

Net receipts over disbursements

\$ 6,687,426

Notes

- 1 Loan advances are from Frontenac and bear an interest rate of 9.5% per annum. The amounts advanced are in accordance with the Appointment Order dated February 20, 2014 and shall be secured by the applicant's security. The Court has permitted the Receiver to obtain a loan of up to \$1,735,000.
- 2 The amount represents the Maintenance Technician's wages that relate directly to the maintenance and monitoring of Apartment A and Immanuel House. These wages were originally paid through the Receiver's Property Management Account. The General Account reimburses the Property Management Account for these costs.
- 3 The amount previously reported as miscellaneous expenses was reallocated to consulting services.