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File No. 33-165410

## RECEIVER'S FINAL REPORT AND STATEMENT OF ACCOUNTS

(Section 246(3) of the Bankruptcy and Insolvency Act)

### IN THE MATTER OF THE RECEIVERSHIP OF HYDE PARK RESIDENCES INC.

Pursuant to subsection 246(3) of the Bankruptcy and Insolvency Act ("BIA"), the undersigned hereby submits to the Official Receiver, the insolvent person, and to any creditor of the insolvent debtor who requests a copy at any time up to six months after the end of the receivership, a final report and a statement of accounts in the prescribed form and containing the prescribed information relating to the receivership pursuant to Rule 127 of the BIA, and more specifically:

#### Per Rule 127(a):

Attached as Schedule "A" are the Receiver's final statements of receipts and disbursements for the following three (3) trust accounts it operated during the receivership:

- 1) The 'Property Management Account' (as at November 30, 2015), which was used to record all receipts and disbursements relating to management of 92 townhouses and a private water treatment facility located on the property of Hyde Park Residences Inc.;
- 2) The 'Reserve Account' (as at November 30, 2015) which was used to record all receipts and disbursements relating to a reserve fund (used for major repairs and capital replacements for the townhouse units, common areas and facilities); and
- 3) The 'General Account' (as at April 30, 2016) which was used to record all receipts and disbursements relating to all other receivership matters, excluding those that relate to property management or reserve funds.

The above noted statements were prepared in compliance with the provisions of the BIA.

#### Per Rule 127(b):

By Order of the Ontario Superior Court of Justice dated February 20, 2014, Deloitte Restructuring Inc. was appointed as the Receiver and Manager of the assets, undertakings and property (the "**Property**") of Hyde Park Residences Inc., including all of the lands and premises known municipally as 6143 Perth Street, Richmond. The net proceeds from the Court approved realization of the Property were paid to the first mortgagee, Frontenac Mortgage Investment Corporation, to partially satisfy its secured claim.

#### Per Rule 127(c):

The Receiver is not aware of any other assets under its possession and control, which have not been realized and/or are not accounted for in the final statements of receipts and disbursements, attached as Schedule "A".

Dated in Ottawa, this 30<sup>th</sup> day of April, 2016.

**DELOITTE RESTRUCTURING INC.**

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

Per:

A handwritten signature in cursive script, appearing to read "John Saunders", written in black ink.

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

**Schedule "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 Final Statement of Receipts and Disbursements

As at November 30, 2015

**Property Management Account**

**Receipts**

Cash in bank (as at April 15, 2014)	\$	8	
Interest Income		238	
Monthly occupancy charges received from residents		632,621	<i>Note 1</i>
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Total Receipts	\$	632,867	

**Disbursements**

Bank Fees (Trust Account)		3,963	<i>Note 5</i>
Insurance (Townhome and Water Plant)		41,394	<i>Note 6</i>
Landscaping services		45,531	
Office expenses		108	
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	
Utilities		8,699	
Wages and benefits of temporary employees		85,025	<i>Note 2</i>
Water system operator		29,307	
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	\$	564,821	

Transfer to Receiver's Reserve Account		31,527	<i>Note 3</i>
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Total Disbursements	\$	596,348	<i>Note 4</i>
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<b>Net receipts over disbursements</b>	\$	36,519
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Less: Amount transferred to purchaser of property		36,519
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<b>Ending Balance</b>	\$	0
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**Notes**

- 1 Occupancy charges represent amounts collected from residents of the townhomes for the period from February 21, 2014 to July 17, 2015.
- 2 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 were paid out of the Receiver's Property Management Account; however, wages of the maintenance technician that directly related to the upkeep and maintenance of Apartment A and Immanuel House are reimbursed from the Receiver's General Account.
- 3 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.
- 4 Professional fees related to the Receiver were charged to the Receiver's General Account.
- 5 Bank fees relate to funds held for the water reserve as required by agreement with the City of Ottawa.
- 6 Insurance amount represents the total insurance costs incurred less a refund upon sale of \$8,524.44.

## Schedule "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 Final Statement of Receipts and Disbursements

As at November 30, 2015

### Reserve Account

#### Receipts

Cash in bank (as at April 15, 2014)	\$	30,979	
Advances from Receiver's Property Management Account		31,527	Note 1
Special Assessment		46,000	Note 2
Interest Income		121	
<b>Total Receipts</b>	<b>\$</b>	<b>108,626</b>	<b>Note 3</b>

#### Disbursements

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

#### Net receipts over disbursements

\$ 56,745

Less: Amount transferred to purchaser of property

56,745

#### Ending Balance

\$ 0

#### 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 Hyde Park 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 was being held in a trust account with BMO Harris Private Banking ("BMO Harris"). 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 Harris to freeze this account but was 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 were based on requirements within the life lease occupancy agreements.

**Schedule "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 April 30, 2016

**General Account**

**Receipts**

Cash in bank (as at April 15, 2014)	\$	13	
Loan Advance: Frontenac Management Investment Corporation		1,550,000	<i>Note 1</i>
Net Proceeds from sale of Hyde Park's property and assets		6,989,122	
HST Collected on proceeds from sale of assets		26,000	
HST refund		196,487	
Interest Income		431	
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Total Receipts	\$	8,762,053	

**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		5,202	
Utilities (Hydro Ottawa & Enbridge)		10,623	
Repairs and maintenance expenses		3,556	
Wages and benefits of temporary employee		51,758	<i>Note 2</i>
Receiver's fees and out-of-pocket costs		871,969	
Legal fees		424,615	
HST paid for all disbursements		222,676	
On-site security officer		19,111	
Miscellaneous expenses		-	<i>Note 3</i>
		<hr/>	
Total Disbursements	\$	2,141,587	

**Net receipts over disbursements**

\$ 6,620,466

Less: Amount distributed to Pillar Financial Services Inc.

6,620,466

**Balance Remaining**

\$ 0

**Notes**

- 1 Loan advances were from Frontenac and bore an interest rate of 9.5% per annum. The amounts advanced were in accordance with the Appointment Order dated February 20, 2014 and were secured by the applicant's security. The Court permitted the Receiver to obtain a loan of up to \$1,735,000.
- 2 The amount represents the Maintenance Technician's wages that related 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 reimbursed the Property Management Account for these costs.
- 3 The amount previously reported as miscellaneous expenses were reallocated to consulting services.