

**ONTARIO
SUPERIOR COURT OF JUSTICE
[COMMERCIAL LIST]**

BETWEEN:

PEOPLES TRUST COMPANY

Applicant

- and -

ROSE OF SHARON (ONTARIO) RETIREMENT COMMUNITY

Respondent

**SEVENTH REPORT TO THE COURT OF THE RECEIVER
(dated March 3, 2015)**

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INTRODUCTION

1. Pursuant to an Order (the “**Appointment Order**”) of Justice Campbell of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated September 27, 2011 (the “**Appointment Date**”), Deloitte & Touche Inc., now Deloitte Restructuring Inc. (“**Deloitte**”), was appointed receiver and manager (the “**Receiver**”) of all of the current and future assets, undertakings and properties of Rose of Sharon (Ontario) Retirement Community (“**Rose**”). A copy of the Amended and Restated Appointment Order is attached hereto as **Appendix “A”**.
2. Capitalized terms not defined in this report are as defined in the Appointment Order, or the Receiver’s First through Sixth Reports. All references to dollars are in Canadian currency unless otherwise noted.
3. Rose’s principal asset is a 12 storey building located at 15-17 Maplewood Avenue, Toronto, Ontario (the “**Property**”) which is comprised of a 60 bed long-term care facility located on floors 4 through 6 (the “**Nursing Home**”) and 90 life-lease units (“**Units**”, and individually “**Unit**”) located on floors 2, 3 and 7 through 12 (the “**Life-Lease Residence**”).
4. The Receiver’s Third Report to the Court dated February 19, 2013 (the “**Third Report**”) provided the Court with, among other things, the history of the Property, the construction of the Property, a detailed analysis of the Units purchased in the Life-Lease Residence, details on the terms of the loan provided by Peoples Trust Company (“**Peoples**”) used to fund construction of the Property (the “**Construction Loan**”), the competing interests in the Property, and the Receiver’s position on priority of the first mortgage registered against title to the Property (the “**Construction Mortgage**”) and held by Peoples as against the other various agreements, loans, notes, liens, charges and mortgages registered and unregistered against the Property (the “**Priority Issue**”).
5. The Receiver’s Fourth Report to the Court (the “**Fourth Report**”) dated March 11, 2013 provided the Court with an update on the Receiver’s activities in respect of its motion for the appointment of Kronis, Rotzstain, Margles, Cappel LLP (“**KRMC**”) as representative counsel (“**Representative Counsel**”) of arm’s length purchasers of Units in the Life-

Lease Residence (the “ALUs”), composed mostly of persons of Korean Heritage, many of whom are elderly and/or have a limited grasp of English. The Fourth report also included re-categorization of certain Unit-holders into or out of the ALU category, and addressed procedural matters related to the appointment of Representative Counsel. The Receiver was of the opinion that the appointment of Representative Counsel would be to the general benefit of the Rose estate and the ALUs and would allow for the Priority Issue to be dealt with in a more efficient process.

6. On April 8, 2013, Peoples served its motion materials (the “**Priority Motion**”) seeking priority over all of the mortgages registered against the Property and over the Life Lease Claimants (as defined in the Priority Motion, and essentially being all persons having an interest in the Property except for those having construction lien claims found to be valid and in priority to Peoples), including Unimac Group Ltd. (“**Unimac**”).
7. On April 11, 2013, Justice Mesbur issued an Order approving the appointment of KRMC as Representative Counsel in respect of the Priority Motion for the group that what would eventually consist of only the ALUs (the “**Representative Counsel Order**”).
8. On September 10, 2013, the date scheduled for the hearing of the Priority Motion, Gowlings advised the Court that Peoples and the Receiver had reached a settlement with the ALUs in respect of the Priority Motion, representing 28 Units in the Life-Lease Residence (the “**ALU Settlement**”), and sought the Court’s approval of the ALU Settlement. Justice Mesbur approved the ALU Settlement and issued an Order (the “**ALUs Settlement Approval Order**”) to that effect. There was no opposition to the ALU Settlement at that time (as noted in Justice Mesbur’s Endorsement, Justin Baichoo attended on the motion as counsel for both Unimac and IWOK Corporation (“**IWOK**”). The remaining issues concerning the Priority Motion were adjourned to November 14 and 15, 2013.
9. As summarized in the Receiver’s Fifth Report to the Court dated December 10, 2013 (the “**Fifth Report**”), the continuation of the Priority Motion resulted in the following Orders:

- (a) on November 14, 2013 Justice Mesbur ordered and declared that Peoples was entitled to priority over the claims of all persons claiming an interest in 25 non-ALU Units in the Property, except for any construction lien claims found to be valid and prior by a judge presiding over the Superior Court of Justice (Commercial List) (the “**November 14 Priority Claims Order**”). These 25 non-ALU Units consisted of sixteen (16) Released and Vacant Units, three (3) Units subject to Right to Occupy Agreements (“**RTOA**”) with Turfpro Investments Inc. (“**Turfpro**”) (the “**Turfpro RTOA Units**”), two (2) Units subject to options to enter into RTOAs with Turfpro (the “**Turfpro Option Units**”) identified as Units #310 and #PH3, one (1) Unsold and Vacant Unit, and three (3) Units in which John Yoon or Moon Yoon, the former CEO of Rose and his spouse, claimed an interest;
 - (b) on November 22, 2013, Justice Mesbur made an order (the “**ILA Order**”) that KRMC be discharged as Representative Counsel and that it perform a new mandate to provide independent legal advice (“**KRMC ILA Retainer**”) to certain individual unrepresented non-ALUs (ultimately encompassing Unit-holders of 6 Units purchased by non-ALUs separate and apart from the 25 Units set out in subparagraph (a) above) who had entered, or would be entering, into settlements with Peoples regarding their Units (“**ILA Unit-holders**”); and
 - (c) on November 22, 2013, Justice Mesbur made an order refusing to admit the supplementary affidavit of Leon Hui sworn November 11, 2013 on behalf of Unimac (the “**Second Hui Affidavit**”), and adjourning the remaining issues in the Priority Motion to December 13, 2013.
10. On December 13, 2013, Justice Mesbur issued an Order (the “**December 13 Order**”) that, among other things:
 - (a) approved settlements between Peoples, the Receiver and Unit-holders claiming an interest in 14 non-ALU Units (comprised of 11 units with former Rose directors or those related to Rose directors - six of whom received ILA pursuant to the KRMC ILA Retainer - two units with the nursing home manager and one unit

with Mugungwha Homes, a charity related to Rose) (the “**December 13 Settlements**”);

- (b) declared that Peoples is entitled to priority over the claims of all persons claiming an interest in 17 additional Units (comprised of the Vase Units, as defined in the Third Report, and those Unit-holders who elected not to accept Peoples’ settlement offer), except for any construction lien claims found to be valid and prior; and
 - (c) declared that Peoples is entitled to priority over the claims of IWOK and Turfpro, including any assignees, claiming under four subordinate mortgages.
11. On January 9, 2014, Madam Justice Kiteley heard and denied a motion brought by Unimac for leave to appeal Justice Mesbur’s decision of November 22, 2103 refusing to admit the Second Hui Affidavit.
 12. On February 4, 2014, 2383431 Ontario Inc. (“**238**”), an assignee of the second mortgage against the Property, appealed the December 13 Settlements, alleging, among other things, that 238 never received any notice of the receivership proceedings, including the motion for approval of the December 13 Settlements (the “**238 Appeal**”).
 13. On February 6, 2014, that portion of the Priority Motion dealing with Unimac and Leon Hui was heard by Justice Brown who granted an Order declaring that Peoples’ security is entitled to priority over Unimac’s claim to six Units and over Leon Hui’s claim to one additional Unit (the “**February 6 Order**”).
 14. On February 18, 2014, Unimac appealed the February 6 Order (the “**Unimac Appeal**”).
 15. The Receiver’s Sixth Report to the Court (the “**Sixth Report**”) dated May 16, 2014 provided the Court with an update on the disposition of matters involved in the Priority Motion since December 10, 2013, including providing the Court with information with respect to 238.
 16. On July 4, 2014, the Court of Appeal (Justices Feldman, MacPherson and Cronk) heard the 238 Appeal and the Unimac Appeal. Both appeals were dismissed. Copies of the July

7, 2014 Endorsements in respect of the 238 Appeal and the Unimac Appeal are attached hereto as **Appendix “B”** and **Appendix “C”**, respectively.

17. The purpose of this Seventh Report to the Court (the “**Seventh Report**”) is to:
- a) provide the Court with a summary of the disposition of the matters involved in the Priority Motion;
 - b) provide the Court with the status of the conversion of the Nursing Home and Life Lease Units to condominiums;
 - c) provide the Court with an update on the rehabilitation work at the Rose of Sharon building;
 - d) provide the Court with an update on the Life-Lease Residence and Unit-holders;
 - e) provide the Court with an update on the Occupied Units (as defined below) and seek an order directing Unimac and John and Moon Yoon (“**Yoon**”) to provide an accounting to the Receiver for rent received in respect of the Occupied Units, to pay those funds to the Receiver and to direct the tenants of the Occupied Units to pay current and future rent to the Receiver;
 - f) provide the Court with an update on the operations of the Nursing Home;
 - g) provide the Court with an update on the action commenced by the Receiver against Trisura Guarantee Assurance Company (“**Trisura**”), the surety who issued a Performance Bond in respect of the construction of the Project, Unimac, the general contractor on the project, and other parties involved in the construction of the Property (the “**Building Action**”);
 - h) provide the court with an update on the Construction Lien Action, as defined below, and seek the Court’s approval of a settlement between Trisura, Peoples and the Receiver of the Construction Lien Action and the Building Action as it relates to Trisura;

- i) seek the Court's approval to increase the amount that the Receiver is authorized to borrow pursuant to paragraph 20 of the Appointment Order from \$2,500,000 to \$6,500,000;
- j) seek the Court's approval of the Sixth Report and this Seventh Report and the actions and activities of the Receiver from November 1, 2013 to November 30, 2014;
- k) seek the Court's approval of the Receiver's Interim Statement of Receipts and Disbursements for the period September 27, 2011 to November 30, 2014;
- l) seek the Court's approval of the Receiver's fees incurred for the period November 1, 2013 to November 30, 2014; and
- m) seek the Court's approval of the fees of Gowling Lafleur Henderson LLP ("**Gowlings**"), Blaney McMurtry LLP ("**Blanays**") and KRMC as detailed more fully herein.

TERMS OF REFERENCE

- 18. In preparing this Seventh Report, the Receiver has relied upon the books and records of Rose. In addition, the Receiver has relied upon information provided by Unit-holders, or parties claiming to have a direct or indirect financial interest in Life-Lease Units.
- 19. The Receiver has compared certain information contained in Rose's records to information that has been provided by Unit-holders. While the Receiver has reviewed certain information for reasonableness, the Receiver has not performed an audit or other verification of information that is contained in Rose's records or that has been provided to the Receiver and expresses no opinion thereon.
- 20. The Receiver has sought the advice of Gowlings, counsel to the Applicant, for general legal matters that have arisen in respect of the Rose receivership. Where the Receiver has required independent legal advice, the Receiver has sought the counsel of Blanays.

DISPOSITION OF THE PRIORITY MOTION

21. The various court appearances, orders and endorsements concerning the Priority Motion are discussed above, the net result of which is the following:
- The ALU Settlement (28 Units) and the December 13 Settlements (14 Units) (collectively, the “**Settlements**”), as approved by the ALUs Settlement Approval Order and the December 13 Order, respectively, and the proposed settlement with Mugungwha Homes for Unit #207 as discussed below, allowed for holders of Right to Occupy Agreements (“**RTOAs**”) representing 43 Units (the “**Settlement Units**”) to continue to occupy their unit pending the conversion of the building to condominiums, at which point those settling Unit-holders can elect to close the purchase of their Unit(s) by the payment of amounts as stipulated in the settlements or abandon their interest in their Units. A schedule listing the 43 Settlement Units, which includes the settlement amount owing upon closing including estimated unpaid common area maintenance fees and interest payments owing pursuant to the RTOAs assuming a December 31, 2015 closing date, is attached hereto as **Appendix “D”**; and
 - The November 14 Priority Claims Order (24 Units), the December 13 Order (17 Units) and the February 6 Order (7 Units) declared that Peoples is entitled to priority over the claims of all persons claiming an interest in 48 Units. After consideration of the proposed settlement with Mugungwha Homes for Unit #207, as discussed below, the total number of units that Peoples is declaring priority over, except for any valid construction lien claims found to be in priority, is 47 Units (the “**Peoples Priority Units**”). A schedule listing the 47 Peoples Priority Units, which includes details concerning the size, configuration and occupancy of the Units, is attached hereto as **Appendix “E”**.
22. Both Unimac and Mugungwha Homes claimed an interest in Unit #207. Prior to the December 13 Hearing, Mugungwha Homes entered into a conditional settlement agreement with Peoples and the Receiver (the “**Unit #207 Settlement**”) which agreement applied the same terms, including payment methodology, as was employed in the ALU

Settlements. Madam Justice Mesbur declined to approve the Unit #207 Settlement prior to the disposition of Unimac's claim to Unit #207.

23. Given Justice Brown's February 6 Order declaring that Peoples is entitled to priority over the claims of all other parties in the Unimac Units, and given that the Unimac Appeal was dismissed by the Court of Appeal, Peoples has advised the Receiver that it will be seeking court approval for the Unit #207 Settlement at a later date.

STATUS OF CONVERSION TO CONDOMINIUMS

24. In paragraphs 187 through 193 of the Third Report, the Receiver reported on the status of the conversion of the building to condominiums and that the deadline for submission of materials to the City of Toronto in respect of approval of the Draft Plan of Condominium was May 26, 2013. In the Fifth Report, the Receiver advised that by letter dated April 19, 2013, the City of Toronto (the "**City**") had agreed to extend the deadline for the submission of materials to April 19, 2014.
25. Prior to the expiration of the April 19, 2014 deadline, Gowlings contacted the City to seek a further extension. The City did not respond to the Receiver's request.
26. The draft approvals of the plans of condominium for the Nursing Home and the Life-Lease portions of the building have now lapsed without the architect, Sedun + Kanerva Architects Inc. ("**Sedun**"), or the engineer, Norman Lee & Associates ("**NLA**") having been able to certify the building was completed as required by the *Condominium Act* and its regulations. Gowlings has suggested that the Receiver seek to have the City accept new applications for approval of those plans of condominium without having to refile new supporting materials and has had some preliminary discussions with the City's legal staff. The Receiver intends to pursue this strategy with the City once the remediation of the building has sufficiently progressed.
27. The Receiver has engaged Sedun to finalize the Draft Plan of Condominium and certify that the easements and reciprocal rights of ways have been correctly identified in the Declaration. The Receiver has also engaged NLA to provide the certification required by the City that the Property has been completed in accordance with the *Condominium Act*.

The Receiver had previously engaged NLA to prepare a Building Audit Report (“**BAR**”), the results of which were reported in the Third Report, and to manage the commissioning of the building’s mechanical and HVAC systems.

28. NLA had advised the Receiver that in order to provide the certification required by the City (that the Property has been completed in accordance with the *Condominium Act*), substantially all of the deficiencies identified in the BAR need to be rectified.

STATUS OF THE REMEDIATION OF BUILDING DEFICIENCIES

29. As discussed in its Third Report, upon its appointment the Receiver engaged NLA to conduct an audit of the Property. Norman Lee undertook a thorough review of the building and in March 2012 delivered the BAR. As detailed in the BAR, Norman Lee identified a number of deficiencies in the building, the most significant of which involved the windows, glass sliding doors, balcony guardrails, roof and garage waterproofing, mechanical issues and exterior walls and caulking. A summary of the deficiencies identified in the BAR is set out in the attached **Appendix “F”**.
30. The Receiver authorized certain immediate repairs to the mechanical systems to ensure the HVAC system was functioning appropriately, and to certain rooftop mechanical pumps to repair leaks and bring systems into proper functioning capacity. Up to November 30, 2014, the Receiver has approved and paid for approximately \$375,000 of repairs to the premises that addressed mechanical and building envelope deficiencies identified in the BAR, including certain repairs to the laundry room, the mechanical penthouse, the underground garage and a portion of the first draw on the Remediation Contract (as defined below). In addition, since the commencement of the receivership, the Receiver has expended approximately \$542,000 for general repairs and maintenance to the property (including janitorial and custodial costs, elevator, HVAC and fire system maintenance, snow removal, etc.) and items not identified in the BAR since the Appointment Date.
31. As a result of the disposition of the Priority Motion, Peoples advised the Receiver that it was in a position to move forward with funding the balance of the building remediation in order to meet the requirements for application to the City of the plan of condominium.

At the Receiver's direction, NLA prepared tender packages for the building envelope repairs that were required to be made to obtain the certification. The general scope of building envelope work involves:

- removal of existing windows, frames, sliding doors metal panels and supply and install new aluminium framed thermal windows, insulated metal panels, insect screens, and insulated metal patio doors;
- retrofitting of existing guardrails at all balconies to meet dimensional requirements of the Ontario Building Code;
- tuckpointing of all missing or prematurely deteriorated brick mortar joints; and
- installation of new metal flashing at specified areas.

32. Three companies responded to the tender and KC Structural Ltd. ("KC") was the lowest and successful bidder. The Receiver entered into a Standard Construction Document CCDC2-2008 with KC dated July 25, 2014 (the "**Remediation Contract**"). The base amount of the Remediation Contract is \$2,375,400 plus HST. In addition, the Receiver, at Peoples's request, obtained a \$1,342,101 Performance Bond and an equivalent Labour & Material Payment Bond from Travelers Insurance Company of Canada to secure the Remediation Contract. Bonding resulted in an \$118,700 plus HST increase in the amount of the Remediation Contract to \$2,494,100 plus HST. Further, NLA is to be paid a fee equal to 10% of the contract price in respect of design, tendering and project management services resulting in a further \$249,410 plus HST that will be payable. As a result, the total cost of the Remediation Contract, including bonding costs and project management fees, is \$3,100,166 including HST.

33. The Remediation Contract is to be performed in four stages based on the elevations of the Property. Stage 1 commenced in October 2014 with the removal and replacement of the windows on the east elevation. As of the date of this Seventh Report, Stage 1 is complete. Stage 2, consisting of work on the south elevation, commenced during the week of January 26, 2015 and is to be completed by mid-March 2015. Stages 3 and 4, which

involve work on the west and north elevations, respectively, is scheduled to take place in the spring through fall with a target completion date for the entire project of mid-November 2015. Completion of the work is subject to any weather related issues and coordination with the Life-Lease Residence and Nursing Home, as residents need to be temporarily moved from their rooms in order for the windows on their floors to be replaced.

34. As of November 30, 2014, the Receiver had paid a portion of the first progress draw on the Remediation Contract totalling \$172,055, leaving approximately \$2,928,150 still to be paid as work moves toward completion.
35. In addition to the building envelope deficiencies that are being addressed through the Remediation Contract, there are mechanical and electrical deficiencies in the building that were identified in the BAR that still require rectification in order for NLA to provide the appropriate approvals. The estimated cost to correct the mechanical and electrical deficiencies is, respectively, \$275,000 and \$80,000 including HST. NLA advises that these matters will be addressed during the spring and summer of 2015.
36. Given the approximately \$3.3 million of remediation work remaining to be completed at the Property, as set out further below, the Receiver is seeking approval to increase the maximum amount it is permitted to borrow under the Appointment Order in order to fund the completion of the work.

STATUS OF LIFE-LEASE RESIDENCE AND UNIT HOLDERS

Extension of Settlement Agreements

37. The ALUs Settlement Approval Order provided that the ALU Settlements (28 Units) would be effective until 12 months after the date of court approval of the ALU Settlements (the “**ALU Outside Date**”), unless Peoples, in its sole discretion, agrees in writing to extend to a later date. The ALU Outside Date was September 10, 2014. As the work to register the Property as condominiums had not been completed by the outside date, on September 10, 2014, Gowlings on behalf of Peoples wrote to the settling ALUs giving them notice that the ALU Outside Date was extended to March 10, 2015.

Gowlings has advised the Receiver that it intends to provide a further extension of the ALU Outside Date prior to March 10, 2015.

38. The settlements with the Unit-holders claiming an interest in the non-ALU Units (14 Units), which were approved in the December 13 Order, also provided for an outside date that is twelve months after court approval (the “**Non-ALU Outside Date**”). Similar to the ALU Settlements, by letters dated December 10, 2014, Gowlings, on behalf of Peoples, extended the Non-ALU Outside Date to June 13, 2015.

Common Area Maintenance Fee Payments

39. One of the conditions of the Settlements was that the settling Unit-holders are to make monthly common area maintenance fee (“**CAM**”) payments in relation to their Units which arise after the Settlement Date, as when they become due. After the Settlement date, the Receiver identified 16 units for which the settling Unit-holder was not making their required monthly CAM payments. Accordingly, the Receiver wrote to those settling Unit-holders reminding them of the requirement to pay. As of the date of this Seventh Report, there are Unit-holders of 9 Units who continue to not remit some or all monthly CAM payments. The Receiver continues to pursue these delinquencies with the applicable Unit-holders.

Unimac Units and Yoon Units

40. Of the 42 Units which Peoples obtained orders declaring that Peoples is entitled to priority over those Units, ten Units (six Unimac Units, one Leon Hui Unit and three Yoon Units) are occupied by either a relative or third-party tenant of the former Unit-holder (the “**Occupied Units**”). For those ten Units, the former Unit-holders, the names of the occupant at July 29, 2014 and the name of the occupant at March 2, 2015, where known, are as follows:

Unit #	Names of Former Unit-holder	Names of Occupant at July 29, 2014	Name of Occupant at March 2, 2015
207	Unimac	Unknown – addressed to Current Occupant	Chris Cull
301	Unimac	Alvaro Jimenez or Current Occupant	Jonathan Yapp
303	Unimac	Ved Billorey or Current Occupant	Vacant

309	Unimac	Isac Lima & Bruna Peloso or Current Occupant	Troy Hamilton
710	Yoon	Unknown – addressed to Current Occupant	Unknown
712	Yoon	Mike Yoon or Current Occupant	Mara Silvia
1011	Yoon	Young Seob Park, Won Seong Gu & Kwon Yoon Jin or Current Occupant	Cara Andrews
1105	Leon Hui	Sakhawat Javed or Current Occupant	Sakhawat Javed
PH1	Unimac	Tal Batalion or Current Occupant	Shlomi Silbertstein
PH8	Unimac	Grace Kim or Current Occupant	Grace Kim

41. On July 29, 2014, the Receiver delivered Notices to Tenants, Demands for Particulars of Tenancy Agreement and Notices of Rental Attornment (the “**Notices**”) to each of the occupants of the Occupied Units with a copy provided to Unimac/Leon Hui or Yoon, as applicable. Attached hereto as **Appendix “G”** is an affidavit of service for delivery of the Notices to the occupants of the Occupied Units as well as copies of the Notices for each of the ten Units.
42. As of the date of this Seventh Report, none of the occupants of the Occupied Units has complied with the Notices.
43. The Receiver is therefore requesting an Order that:
 - i) Unimac, Leon Hui and Yoon each provide copies of any and all leases for the Occupied Units from July 29, 2014 onward, or to the extent no written leases were entered into, details of oral leases including start date, term, amount payable and name of tenant(s);
 - ii) Unimac, Leon Hui and Yoon each provide an accounting of all amounts each has received in respect of rent for the Occupied Units from July 29, 2014 onward;
 - iii) Unimac, Leon Hui and Yoon each pay to the Receiver, for the benefit of the estate and subject to Peoples’ first ranking security, all amounts received from tenants of Occupied Units from July 29, 2014 onward;

- iv) all tenants of Occupied Units return the information required in the Notices by March 31, 2015; and
- v) all tenants of Occupied Units commence payment of rent to the Receiver from the date of the proposed Order onward, for the benefit of the estate and subject to Peoples' first ranking security, based on the terms of their lease, and to the extent there is no lease, at market rates as determined by the Receiver.

NURSING HOME UPDATE

- 44. The Nursing Home continues to be fully occupied with an average occupancy for the year ended December 31, 2014 of 99.5%. The Nursing Home has a wait list exceeding 125 applicants.
- 45. In its report dated June 4, 2014, the Ministry of Health and Long-Term Care (the "**Ministry**") provided the results of its annual Resident Quality Inspection of the Nursing Home, which it conducted from May 15 to 28, 2014. The purpose of the Resident Quality Inspection is to ensure long-term care homes comply with the *Long Term Care Homes Act, 2007* and its regulations, which the Ministry achieves through staff interviews with residents, family members and staff, direct observations of how care is being delivered and record reviews. The Ministry's report identified thirteen areas of non-compliance for which it requested the Nursing Home prepare written plans of correction to achieve compliance. The written plans of correction were submitted to Ministry within the required timeframe and no further actions were required.
- 46. Attached hereto as **Appendix "H"** is a Summary Statement of Income for the period January 1 to December 31, 2014 for the Nursing Home. As set out in the operating statement, the Nursing Home has generated positive net operating income of \$446,878 for the 12 month period, which is approximately \$69,600 or 17% greater than budgeted operating income. The positive operating income variance is essentially due to the following:
 - revenue being approximately \$16,300 higher than budget due primarily to better than expected revenue from private accommodations;

- lower than anticipated wage costs of approximately \$21,600;
- lower than expected repairs and maintenance expense by approximately \$16,900;
- lower than expected supplies costs of approximately \$13,500 due to lower supply costs in laundry and housekeeping;
- lower than expected maintenance contract costs of approximately \$6,800; and
- higher than expected utilities expenses of \$7,000.

The balance of the variance is due to minor positive and negative variances in other expense accounts.

STATEMENT OF CLAIM AND CONSTRUCTION LIEN LITIGATION

Statement of Claim

47. As detailed in paragraphs 174 through 182 in the Third Report, given the extent of deficiencies identified in the BAR, on September 14, 2012, Rose, by its Receiver, issued and served a Statement of Claim for breach of contract and/or negligence in connection with the construction of the Property (the “**Statement of Claim**”) against i) Trisura Guarantee Insurance Company (“**Trisura**”), the surety of a \$7,420,000 Performance Bond issued in respect of the Construction Contract, as a result of the breaches by Unimac pursuant to the Performance Bond; ii) Unimac Group Ltd. operating as Mikal-Calladan Construction Inc., Unimac Group Ltd., Mikal Calladan Construction Inc. (the general contractor), iii) Victor J. Heinrichs Architect Inc., Victor J. Heinrichs Inc., (the architect), iv) York Health Care Developments Inc. (the project manager), v) Jain & Associates Limited (engineering consultant who prepared mechanical, plumbing and electrical specifications for the project and electrical consultant to the architect), and vi) M.V. Shore Associates (1993) Limited (mechanical engineers on the project and consultant to the architect) for breach of contract and/or negligence in connection with the construction of the Property.

48. In its Fifth Report, the Receiver reported that:

- pleadings in the action against the bonding company had closed;
- the Statement of Claim had been amended to add Royal Windsor Mechanical as a party defendant. Royal Windsor Mechanical failed to defend and had been noted in default; and
- the remaining parties had agreed to a timetable that required affidavits of documents to be delivered before December 31, 2013 with discoveries to be held in June, 2014. The plaintiff delivered its affidavit of documents on November 4, 2013. Only one other party, N.C.K. Engineering Ltd., the structural consultant on the Project who the architect added to the proceeding through a third-party claim, had delivered its affidavit of documents as of the date of the Fifth Report.

49. Since the update in Fifth Report, examinations for discovery have been completed, with the exception of examinations of the defendants Unimac and Mikal-Calladan Construction Inc. (“**Mikal-Calladan**”). Despite numerous requests, and contrary to a court-ordered Discovery Plan, witnesses for examinations for discovery for Unimac and Mikal-Calladan have not been produced. The Receiver is moving to strike the statements of defence of those two parties and that motion is scheduled to be heard on April 1, 2015. The Receiver is also in the process of answering its undertakings. After these two steps are complete, it is expected that this proceeding can be set down for trial, possibly in June or July 2015.

Construction Lien Action

50. As detailed in paragraphs 70 and 183 through 186 in the Third Report, on November 19, 2010, Mikal-Calladan registered a lien for \$4,166,659 against the Property (the “**Construction Lien**”). On January 30, 2012, the Construction Lien was subsequently assigned to Trisura. On December 27, 2012, the Court issued an Order lifting the stay of proceedings so that Trisura could set the Construction Lien action down for trial (the “**Construction Lien Action**”).

51. In the Fifth Report, the Receiver reported, among other things, that :

- the Construction Lien Action had been set down for trial and the first pre-trial was scheduled for February 3, 2014 before Master Wiebe.
 - an examination under s. 40 of the *Construction Lien Act* had been scheduled for January 27, 2014 to obtain the evidence required to post a lesser amount of security to bond off the lien; and
 - discovery in the Construction Lien Action was expected to be timetabled by Master Wiebe at the February 3, 2014 pre-trial.
52. Since the update in the Fifth Report, affidavits of documents and productions have been exchanged and examinations for discovery were scheduled to be completed by the end of February 2015. The Receiver had brought a motion to discharge the lien which has been scheduled for June 3, 2015. In addition, the parties entered into without prejudice discussions of a possible settlement of the Construction Lien Action.
53. On January 21, 2015, Peoples made an Offer to Settle the Construction Lien and the Construction Lien Action to Trisura. The Offer to Settle was accepted by Trisura on January 29, 2015 (the “**Offer to Settle**”) and the parties executed Minutes of Settlement made as of February 2, 2015 (the “**Lien Settlement**”). Copies of the Offer to Settle and the Lien Settlement are attached hereto as **Redacted Appendix “I”**, redacted with respect to the settlement amount. The terms of the Lien Settlement are summarized as follows:
- i) Peoples shall pay Trisura the total sum set out in Redacted Appendix “I” in full and final settlement of all of Trisura’s claims against Rose and Peoples (Trisura is requesting that the settlement amount be kept confidential);
 - ii) Trisura will obtain an order discharging the Construction Lien against title to the Property, vacating the certificate of action registered by Mikal-Calladan and dismissing the action on a without costs basis;
 - iii) The Receiver will obtain an order dismissing the Statement of Claim as against Trisura, without costs;

- iv) Trisura, Trisura as assignee of the Mikal-Calladan Lien, the Receiver on behalf of Rose, and Peoples will exchange a release in form and content agreeable to all parties, acting reasonably. The form of release will allow Trisura to continue its litigation against Mikal-Calladan and Unimac, and the Receiver to continue its litigation against the other defendants in the Statement of Claim;
 - v) Trisura will obtain an order discharging the Tremonte Manufacturing Welding & Ironworks Limited claim for lien registered as Instrument No. AT2557379; and,
 - vi) The Lien Settlement is conditional upon Court approval.
54. The Receiver is of the view that the Lien Settlement is in the best interest of Rose. The Receiver's analysis and reasons for its position are set out in Redacted Appendix "I", redacted to remove privileged communications from Gowlings to the Receiver.
55. Accordingly, the Receiver and Peoples are seeking approval of the Lien Settlement. It is an essential term of the Lien Settlement that the Court approve it and confirm that Trisura's release of lien releases all possible claims that can be made by any party under the *Construction Lien Act* against the Property, Peoples and the Receiver. This relief is required because Unimac has asserted that it is entitled to claim the lien relied upon by Trisura, despite the said lien having been assigned by Unimac to Trisura. Attached hereto as **Appendix "J"** is a copy of the absolute assignment of the Construction Lien against the Property said to arise from work done by Unimac to Trisura.

INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

56. Attached hereto as **Appendix "K"** is the Receiver's Interim Statement of Receipts and Disbursements for the period September 28, 2011 to November 30, 2014 (the "**R&D**"). The R&D indicates that as of November 30, 2014, the balance in the Receiver's bank account, including the account maintained by Sterling Karamar Property Management ("**Sterling Karamar**"), the firm engaged by the Receiver to manage the Life-Lease Residence, in respect of the Life Lease Residence but excluding the bank account

57. The R&D includes receipts and disbursements from the Life-Lease Residence and receipts from the Ministry on account of monthly funding of the Nursing Home. In accordance with the Appointment Order, this funding is transferred to the bank account established for Nursing Home operations. As of November 30, 2014, the balance in the bank account maintained by ACC is \$681,389. Any excess funds not required for operation of the Nursing Home are from time-to-time transferred back to the Receiver's bank account. Since the Appointment Date, \$850,000 in excess funds have been transferred back to the Receiver's bank account.
58. The Receiver is seeking the Court's approval of the R&D.

RECEIVER'S BORROWINGS

59. Since the commencement of the receivership, the Receiver has borrowed \$2,500,000.00 from Peoples by way of Receiver's Certificates in order to fund the receivership, substantially as a result of the cost of rectification efforts to date and to fund Receiver and legal and other professional fees in connection with the Priority Issue, the Construction Lien action and the Statement of Claim. In addition, the life-lease premises operates at a recurring cash deficit of between \$20,000 to \$30,000 per month. The Receiver's borrowings are the maximum allowed under the Amended and Restated Appointment Order.
60. As indicated above, as at November 30, 2014, the balance of funds in the Receiver's possession is \$299,001. As discussed above, the Receiver anticipates that it will incur a further \$3.3 million in costs to complete the remediation of the deficiencies at the Property in order to be in a position to convert the building to condominiums and close the transactions for the Settlement Units as well as realize on the Peoples Priority Units and the Nursing Home. In addition, further funds are required to administer the Life-Lease Residence and for Receiver and legal fees. Accordingly, the Receiver is seeking an Order increasing the Receiver's borrowing limit to \$6,500,000.00, which would allow the Receiver access to a further \$4,000,000.00. These borrowings will be received from Peoples.

STATEMENTS OF ACCOUNT OF THE RECEIVER AND ITS COUNSEL

61. The Receiver's fees for services rendered for the period November 1, 2013 to November 30, 2014 in respect of its activities as Receiver are particularized in the Affidavit of Hartley Bricks sworn March 2, 2015 and the invoices attached as exhibits thereto. The total amount of the invoices for this period is \$241,232.98, inclusive of HST ("**Receiver Fees**").
62. The fees and disbursements of Gowlings, in its capacity as counsel to the Receiver, in respect of work performed for the Receiver, for the period December 31, 2013 to December 31, 2014 will be particularized in an affidavit to be sworn. The total amount of the invoices for this period is \$269,270.83, inclusive of HST ("**Gowling Fees**").
63. The fees and disbursements of Blaneys, independent counsel to the Receiver, in respect of work performed for the period November 1, 2013 to September 30, 2014 will be particularized in an affidavit to be sworn. The total amount of the invoices for this period is \$80,267.74, inclusive of HST ("**Blaneys Fees**").
64. The fees and disbursements of KRMC, in respect of work performed for the period November 26, 2013 to March 6, 2015 with respect to the KRMC ILA Retainer in connection with the December 13 Settlements will be particularized in an affidavit to be sworn. The total amount of the invoices for this period is \$11,883.52, inclusive of HST ("**KRMC Fees**").
65. The Receiver has reviewed the invoices of Gowlings and Blaneys and finds the work performed and charges to be appropriate and reasonable.
66. The Receiver sought and received the approval of Peoples to the Receiver taking interim draws against the fees of the Receiver and Gowlings.
67. The Receiver is seeking this Honourable Court's approval of its activities to November 30, 2014 and the Receiver Fees, Gowlings Fees, Blaneys Fees and KRMC Fees.

RECEIVER'S REQUEST TO THE COURT

68. The Receiver is respectfully seeking an order:

- i) approving the Sixth Report and this Seventh Report and the actions and activities of the Receiver from November 1, 2013 to November 30, 2014;
- ii) approving the R&D;
- iii) approving the Lien Settlement as between Trisura, Peoples and the Receiver;
- iv) directing Unimac, Leon Hui and Yoon to each provide copies of any and all leases for the Occupied Units from July 29, 2014 onward, or to the extent no written leases were entered into, details of oral leases including start date, term, amount payable and name of tenant(s);
- v) directing Unimac, Leon Hui and Yoon to each provide an accounting of all amounts each has received in respect of rent for the Occupied Units from July 29, 2014 onward;
- vi) ordering Unimac, Leon Hui and Yoon each pay to the Receiver, for the benefit of the estate and subject to Peoples' first ranking security, all amounts received from tenants of Occupied Units from July 29, 2014 onward;
- vii) directing all tenants of Occupied Units to return the information required in the Notices by March 31, 2015;
- viii) directing all tenants of Occupied Units to commence payment of rent to the Receiver from the date of the proposed Order onward, for the benefit of the estate and subject to Peoples' first ranking security, based on the terms of their lease, and to the extent there is no lease, at market rates as determined by the Receiver.
- ix) increasing the maximum of the Receiver's borrowing limit to \$6,500,000.00; and
- x) approving the Receiver Fees, Gowlings Fees, Blaneys Fees and KRMC Fees.

All of which is respectfully submitted to this Honourable Court.

DATED this 3rd day of March, 2015.

Deloitte Restructuring Inc.

Receiver and Manager of the current and future
assets, undertakings and properties of
Rose of Sharon (Ontario) Retirement Community
and not in its personal capacity

Deloitte Restructuring Inc.

Adam Bryk, CPA, CA, CIRP
Senior Vice President

Hartley Bricks, MBA, CPA, CA, CIRP
Vice President

APPENDIX “A”



Court File No. CV-11-9399-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) **TUESDAY, THE 27th DAY**
)
JUSTICE C. CAMPBELL) **OF SEPTEMBER, 2011**

B E T W E E N:

PEOPLES TRUST COMPANY

Applicant

- and -

ROSE OF SHARON (ONTARIO) RETIREMENT COMMUNITY

Respondent

**APPLICATION UNDER section 243 of the *Bankruptcy and Insolvency Act*,
R.S.C. 1985, c. B-3, as amended, and under section 101 of the
Courts of Justice Act, R.S.O. 1990, c. C.43**

AMENDED AND RESTATED APPOINTMENT ORDER

THIS APPLICATION made by Peoples Trust Company (“**Peoples Trust**” or the “**Applicant**”) for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”) appointing Deloitte & Touche Inc. (“**Deloitte**”) as receiver and manager (in such capacities, the “**Receiver**”) without security, of all of the

assets, undertakings and properties of Rose of Sharon (Ontario) Retirement Community (the “Debtor”), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Michael Lombard sworn September 22, 2011, and the Exhibits thereto and on hearing the submissions of counsel for the Applicant and counsel for the Debtor no one appearing for any other party although duly served as appears from the Affidavits of Service of Alma Cano, sworn September 23 and September 26, 2011, and on reading the Consent of Deloitte to act as the Receiver,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record herein is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, Deloitte is hereby appointed Receiver, without security, of all of the Debtor’s current and future assets, undertakings and properties of every nature and kind whatsoever, wherever situate, including all proceeds thereof (the “Property”).

RECEIVER’S POWERS

3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect and maintain control of the Property, or any part or parts thereof, including, but not limited to, the changing of

locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) subject to section 110 of the *Long-Term Care Homes Act*, S.O. 2007, c. 8 (the “**LTCHA**”) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) subject to section 110 of the LTCHA, to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order, and in this regard the Receiver is specifically authorized to retain counsel for the Applicant to advise and represent it save and except on matters upon which the Receiver in its judgment determines it requires independent advice, in which case the Receiver shall retain Blaney McMurtry LLP;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) Notwithstanding anything in this Order, the Debtor is the licensee (the “**Licensee**”) of the long-term care home located at 17 Maplewood Avenue, Toronto, Ontario which forms a part of the Property (the “**Home**”). The

Home is currently licensed pursuant to the LTCHA and the regulations thereunder. Toronto Central Local Health Integration Network (“**TC LHIN**”) will continue to pay the Licensee (and the Receiver will be entitled to receive such payments) pursuant to the Service Accountability Agreement in respect of the Home between the TC LHIN and the Debtor effective March 4, 2011 (the “**SAA**”) and the Ministry of Health and Long-Term Care (~~together with the TC LHIN,~~ the “**MOH**”) will continue to pay the Licensee (which payments shall be received by the Receiver in accordance with this Order) pursuant to ~~the existing agreement-~~ agreements. Any monies received by the Debtor or the Receiver from the MOH or the TC LHIN shall be used or applied by the Receiver for the operation of the Home in accordance with the SAA, any agreement with the MOH and the LTCHA. Any payments by the TC LHIN shall be subject to TC LHIN review and reconciliation as provided for under the SAA and applicable law and written policy. Any payments by the MOH shall be subject to MOH review and reconciliation as provided for under any agreement with the Debtor or the Receiver and applicable law and written policy. For clarity, subject to the foregoing reconciliations, any surplus monies arising from the operation of the Home may be applied by the Receiver in accordance with this Order.

- (h) to settle, extend or compromise any indebtedness owing to the Debtor;
- (i) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (j) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;

- (k) to apply for such permits, licenses, approvals or permissions as may be required by any governmental authority with respect to the Property, including, without limitation, licenses under the LTCHA
- (l) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (m) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (n) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000 provided that the aggregate consideration for all such transactions does not exceed \$200,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

- (o) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (p) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (q) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (r) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (s) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (t) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (u) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order, including without limitation Mr. Charles Daley and IWOK Corporation (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver and any party the Receiver retains in accordance with subparagraph 3(d) of this Order and section 110 of the LTCHA, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the

information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver or any party the Receiver retains in accordance with sub-paragraph 3(d) of this Order and section 110 of the LTCHA (the "**Manager**") except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

9. **THIS COURT ORDERS** that all rights and remedies against the Debtor, the Receiver and the Manager, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a

security interest, or (iv) prevent the registration of a claim for lien. For clarity, this paragraph 9 shall apply to the Manager solely in its capacity as agent for the Receiver.

NO INTERFERENCE WITH THE RECEIVER

10. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

11. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver or Manager, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver, at least one of which will describe the account holder as "Deloitte & Touche Inc. as Rec. & Mgr. of Rose of Sharon (Ontario) Retirement Community" (the "**Post**

Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

13. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. Neither the Receiver nor the Manager shall be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

14. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively,

"Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the **"Environmental Legislation"**), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

16. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

17. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the **"Receiver's Charge"**) on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 81.4(4), and 81.6(2) of the BIA.

18. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

19. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

20. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. Subject to section 107 of the LTCHA, the whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections, 81.4(4), and 81.6(2) of the BIA.

21. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

22. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as **Schedule "A"** hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

23. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

GENERAL

24. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

25. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

26. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

27. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.


28. **THIS COURT ORDERS** that the Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or,

if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

~~29.~~ 28A. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order, the Receiver and Manager shall comply with the SAA, the LTCHA and the regulations thereunder as they apply to the ~~management~~ operation of the Home and ~~the~~ neither TC LHIN nor MOH shall ~~not~~ be subject to paragraphs 9 and 10 of this Order in relation to any non-compliance with the SAA, the LTCHA and the regulations thereunder by the Receiver and/or the Manager with respect to the ~~management~~ operation of the Home.

29. 30. _____

THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.



Natasha Brown
Registrar

ENTERED AT / INSÉRÉ À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

DEC 23 2011

RECEIVED: 

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that Deloitte & Touche Inc., the receiver and manager (the "**Receiver**") of the current and future assets, undertakings and properties of Rose of Sharon (Ontario) Retirement Corporation of every nature and kind whatsoever, wherever situate (the "**Debtor**"), including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the ___ day of _____, 20__ (the "**Order**") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the head office of the Lender.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

DELOITTE & TOUCHE INC. solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____

Name: Daniel R. Weisz

Title: Senior Vice President

PEOPLES TRUST COMPANY
Applicant

v.

ROSE OF SHARON (ONTARIO) RETIREMENT COMMUNITY
Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

AMENDED AND RESTATED
APPOINTMENT ORDER

GOWLING LAFLEUR HENDERSON LLP

Barristers and solicitors
1 First Canadian Place
100 King Street West, Suite 1600
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LSUC No.: 34845K

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Facsimile: (416) 862-7661
Lawyers for the Applicant,
Peoples Trust Company

APPENDIX “B”

COURT OF APPEAL FOR ONTARIO

CITATION: Peoples Trust Company v. Rose of Sharon (Ontario) Retirement
Community, 2014 ONCA 533

DATE: 20140707

DOCKET: C58130

Feldman, MacPherson and Cronk JJ.A.

BETWEEN

Peoples Trust Company

Applicant (Respondent)

and

Rose of Sharon (Ontario) Retirement Community

Respondent (Respondents)

APPLICATION UNDER section 243 of the *Bankruptcy and Insolvency Act*,
R.S.C. 1985, c B-3, as amended and under Section 101 of the *Courts of
Justice Act*, R.S.O. 1990, c. C-43

Justin Baichoo, for the appellant 2383431 Ontario Inc.

Clifton P. Prophet and Haddon Murray, for the respondent Peoples Trust
Company

Lou Brzezinski, for the respondent Deloitte & Touche Inc. in its capacity as court-
appointed Receiver of Rose of Sharon (Ontario) Retirement Community

Heard: July 4, 2014

On appeal from the judgment of Justice Ruth E. Mesbur of the Superior Court of
Justice, dated December 13, 2013.

ENDORSEMENT

[1] The appellant 2383431 Ontario Inc. ("238") appeals from the Order of Mesbur J. of the Superior Court of Justice dated December 13, 2013. The sole basis of the appeal is 238's claim that the motion judge erred by not granting an adjournment on the hearing date to enable 238 to consider its position and file material.

[2] 238 was an assignee of a second mortgage on the property. It had assumed this position in September 2013, three months before the settlement hearing scheduled for December 13. Its predecessor in title, IWOK, had participated in the receivership proceedings.

[3] The appellant asserts that it had no notice of the December 13 hearing, that it only retained counsel a day before, and that the motion judge erred by not granting it an adjournment.

[4] We do not accept this submission. The decision to grant or refuse an adjournment is a discretionary one and is, therefore, entitled to deference on appellate review: see: *R. v. Wood*, 2005 CanLII 13779 (ONCA), at para. 7. We can see no basis for interfering with the motion judge's decision to refuse 238's request for an adjournment. Indeed, her reasoning on this issue, especially at paragraph 2, is entirely sound.

[5] The appeal is dismissed. The respondent Peoples Trust Company is entitled to its costs of the appeal fixed at \$7000, inclusive of disbursements and HST. No costs to the respondent Deloitte & Touche Inc.

K. Felder J.A.

J.B. MacPherson J.A.

S.A. Chouk J.A.

APPENDIX “C”

COURT OF APPEAL FOR ONTARIO

CITATION: Peoples Trust Company v. Rose of Sharon (Ontario) Retirement
Community, 2014 ONCA 534
DATE: 20140707
DOCKET: C58426

Feldman, MacPherson and Cronk JJ.A.

BETWEEN

Peoples Trust Company

Applicant (Respondent)

and

Rose of Sharon (Ontario) Retirement Community

Respondent (Respondents)

APPLICATION UNDER section 243 of the *Bankruptcy and Insolvency Act*,
R.S.C. 1985, c B-3, as amended and under Section 101 of the *Courts of
Justice Act*, R.S.O. 1990, c. C-43

Justin Baichoo, for the appellant Unimac Group Ltd.

Clifton P. Prophet and Haddon Murray, for the respondent Peoples Trust
Company

Lou Brzezinski, for the respondent Deloitte & Touche in its capacity as court-
appointed Receiver of Rose of Sharon (Ontario) Retirement Community

Heard: July 4, 2014

On appeal from the order of Justice David M. Brown of the Superior Court of
Justice, dated February 6, 2014.

ENDORSEMENT

[1] The appellant, Unimac Group Ltd., appeals from the Order of D.M. Brown J. of the Superior Court of Justice dated February 6, 2014, declaring that the respondent Peoples Trust Company is entitled to priority over any other interest claimed in certain “Life Lease” units in the Rose of Sharon (Ontario) Retirement Community in Toronto, except for any valid and prior construction lien claims.

[2] The appellant’s principal argument is that the motion judge erred by determining the Priority Motion, brought by the respondent, separate and apart from the Lien Reference, where the appellant will be a significant participant.

[3] We do not accept this submission, which ignores two crucial factors.

[4] First, the bifurcation of the priority of security and construction lien issues flows from a previous court order dated December 27, 2012:

7. THIS COURT ORDERS that the issues of liability, timeliness and quantum in the Construction Lien Action shall be determined in a Reference before a Master.

8. THIS COURT ORDERS that the issue of the priorities of the construction lien vis-à-vis any other encumbrance shall be determined by a Judge of the Commercial List in these receivership proceedings.

No party appealed this order.

[5] In a subsequent component of the priority of security proceedings, the appellant made submissions about its lien and the construction lien component of the proceedings. In her endorsement, Mesbur J. said:

The construction lien in relation to UNIMAC and its assignee is being dealt with in a construction lien action, #CV-11-9399-OOCL. Once the quantum of the lien is determined, the issue of priority will be decided in this overall receivership application on a date to be fixed.

The appellant did not appeal Mesbur J.'s decision.

[6] Second, the motion judge's Order specifically preserves the construction lien issues and recognizes that, at a later time in both proceedings, the two streams will merge. The Order granted the respondent's motion on the priority issue "save and except for any construction lien claims found to be valid and prior by a judge presiding over the Superior Court of Justice (Commercial List)."

[7] The appellant also submits that the motion judge erred by not giving effect to its 'security' and 'equity' interests at the priority hearing.

[8] We disagree and say simply that we agree with the motion judge's succinct rejection of these claims at paragraphs 3 and 4 of his endorsement.

[9] Finally, in oral argument the appellant expressed the concern that it might not receive any money in the receivership proceedings because the receiver would distribute funds to Peoples Trust Company in accordance with its priority.

[10] This concern is misplaced. The receiver is collecting assets in accordance with the relevant court orders. There can be no distribution until all claims, including the appellant's, are dealt with by the court.

[11] The appeal is dismissed. The respondent is entitled to its costs of the appeal fixed at \$7400, inclusive of disbursements and HST.

K. Feldman J.A.

J. B. MacPherson J.A.

E. A. Coule J.A.

APPENDIX “D”

Rose of Sharon (Ontario) Retirement Community
 Schedule of Settlement Units
 As at January 27, 2015

APPENDIX "D"

Unit #	Old Unit #	Unit Size (sq. ft.)	Bathrooms	Bedroom/Studio	Terrace	Parking	Name of Life Lease Unit Holder	Occupancy Status (1)	Date of Right to Occupy Agreement (RTOA)	Date of Court Approval of Settlement	Original Life Lease Selling Price	Settlement Amount Owning (2)	Unpaid CAM Costs Due on Closing (3)	Estimated Life-Lease Interest Payable on Closing (4)	Total Due on Closing
203	LM3	542	1	1	x	x	Robert Berg (ACC)	O	8-Nov-03	13-Dec-13	\$ 168,000	\$ 50,400	\$ -	\$ -	\$ 50,400
205	LM4	393	1	studio		x	Mugungwha Homes	V	12-Dec-10	13-Dec-13	210,430	74,369	12,829	-	87,197
207	LM11	794	1	1	x		Mugungwha Homes	T	1-Dec-10		224,912	120,242	-	-	120,242
304	UM5	393	1	studio			Mary Chon	R	24-Aug-05	11-Sep-13	137,685	33,044	-	-	33,044
306	UM6	559	1	1			Mary Chon	T	10-May-05	11-Sep-13	189,610	45,506	-	-	45,506
308	UM8	555	1	1			Youngsook Cha	T	18-Aug-06	11-Sep-13	182,240	165,838	5,478	26,092	197,409
706	507	470	1	1	x		Sung-Sun Yoon/Mi-Kyung Yoon	T	22-Sep-03	11-Sep-13	111,195	38,223	-	-	38,223
707	506	734	1	1	x		Soon Sup Lee / Hyung Good Lee	O	6-Aug-09	11-Sep-13	177,645	29,624	-	-	29,624
708	508	486	1	1	x		Kyung Yurl Lee/Jung Ja Lee	O	6-Nov-09	11-Sep-13	196,000	23,520	-	-	23,520
709	512	643	2	1	x		Young Jeon	O	26-Oct-96	11-Sep-13	132,407	67,528	-	-	67,528
711	511	604	1	1	x		Young Jeon	R	26-Oct-96	11-Sep-13	114,439	58,364	-	-	58,364
801	601	568	1	1			Steven Yu	T	26-Apr-05	13-Dec-13	201,825	48,438	-	-	48,438
802	603	417	1	studio			Jane Kim	T	30-Mar-09	13-Dec-13	145,000	62,400	3,905	-	66,305
803	602	636	1	1	x	x	Bog Shim Shin (now Eugene Jung) (son)	T	30-Dec-99	11-Sep-13	143,000	109,060	1,291	3,720	114,072
804	604	476	1	1		x	Klara Kim	T	28-Apr-05	13-Dec-13	157,950	37,908	10,655	-	48,563
805	605	823	2	2		x	Han Hyeong Lee/Hae Jeong Kang	T	31-Dec-03	11-Sep-13	195,000	58,500	-	-	58,500
806	607	471	1	1		x	Eunkyung Yim	O	13-May-05	11-Sep-13	182,838	162,726	-	(8,727)	153,999
807	606	638	1	1	x		Jong Ran Kim	T	10-Dec-07	11-Sep-13	214,500	38,610	-	-	38,610
809	612	402	1	studio		x	Sang-Hyun An/Chang Y An	R	31-Dec-03	13-Dec-13	117,100	110,602	5,962	13,346	129,910
810	609	455	1	1		x	Sun Hwa Lee	T	5-Sep-03	11-Sep-13	100,000	30,000	-	-	30,000
811	611	607	1	1			Sang-Hyun An/Chang Y An	R	31-Dec-03	13-Dec-13	153,200	144,698	7,541	16,625	168,865
812	610	705	1	1		x	Sun Hwa Lee	R	5-Sep-03	11-Sep-13	197,000	59,100	-	-	59,100
903	702	632	1	1	x	x	Assured Care Consulting Inc.	O	8-Nov-03	13-Dec-13	207,358	78,949	-	3,438	82,388
906	707	471	1	1			Woo Sam Park	T	6-Apr-06	11-Sep-13	163,000	107,030	-	(10,418)	96,612
907	706	638	1	1			Myung Hee Kim/Jun Do Sung	V	27-Nov-04	11-Sep-13	221,000	192,270	11,692	27,232	231,193
908	708	486	1	1			Han Hyeong Lee/Hae Jeong Kang	R	22-Sep-03	11-Sep-13	107,600	32,280	-	-	32,280
909	712	402	1	studio			Mansoo Chun	R	21-Jul-08	11-Sep-13	150,000	148,100	-	(6,722)	141,378
911	711	607	1	1		x	Hyang Ok Hong/John Bai	R	23-Dec-02	11-Sep-13	182,600	158,598	-	(5,275)	153,323
912	710	705	1	1		x	Chang Joon Kim/Soon Ja Kim/Sang Hyon Kim	O	9-Nov-10	11-Sep-13	217,980	23,718	-	-	23,718
1001	801	572	1	1		x	Albert Yoon	T	1-Nov-00	13-Dec-13	93,877	90,764	-	(9,555)	81,209
1002	803	1001	2	2			Brenda (Chun Ja) Ha	T	31-Oct-96	11-Sep-13	159,319	137,020	-	(2,944)	134,075
1003	802	632	1	1	x		Albert Yoon	O	1-Nov-00	13-Dec-13	93,123	83,509	-	-	83,509
1005	804	823	2	2			Young Sohn	V	30-May-07	11-Sep-13	320,900	282,392	5,094	26,237	313,723
1007	806	638	1	1			Lawrence (Myung Kyou) Kim	T	31-Oct-96	13-Dec-13	108,202	79,224	13,909	-	93,133
1008	LP7	453	1	1			Mai Hwa Kim/Ellen Kim	R	30-May-07	11-Sep-13	150,000	152,000	5,385	17,155	174,540
1009	810	402	1	studio		x	Morgiana Lee	T	14-Jun-11	11-Sep-13	155,000	99,300	-	(4,677)	94,623
1010	808	705	1	1			Gye-Soon Kim/Joon Kie Kim	R	12-Mar-10	11-Sep-13	227,000	49,230	599	(488)	49,342
1107	LP6	638	1	1			Olivia Yoon	O	4-Nov-00	13-Dec-13	103,693	40,440	-	-	40,440
1108	LP5	965	2	2			Jae Won Byun	T	27-Sep-04	11-Sep-13	329,810	100,376	-	2,326	102,702
1109	LP10	404	1	studio		x	Lawrence (Myung Kyou) Kim	V	14-Jul-08	13-Dec-13	170,000	79,224	9,270	-	88,494
1111	LP9	606	1	1			Sang-Hyun An/Chang Y An	T	12-Oct-96	13-Dec-13	114,580	75,623	7,530	2,944	86,097
1112	LP8	704	1	1		x	Hee Jun Park/Na Rae Choi	T	29-Mar-00	11-Sep-13	209,600	197,024	1,796	12,140	210,960
PH6	UP5	963	2	2		x	Jong Rye Lee/Chang Hun Shin	T	29-May-07	11-Sep-13	441,000	388,280	17,108	68,471	473,859
Units = 43											\$ 7,577,618	\$ 4,164,052	\$ 120,046	\$ 170,921	\$ 4,455,019

Notes:

1. Current occupancy status of units are as follows:

O = Owner Occupied; R = Relative; T= Tenant; V = Vacant

2. Settlement Amounts as per Schedule "A" attached to the Orders of Justice Mesber dated September 10, 2013 and December 13, 2013.

3. Pursuant to the paragraph 4(b) of the Order of Justice Mesber dated September 10, 2013 and paragraph 2(A) of the Order of Justice Mesbur dated December 13, 2013, settling unitholders must pay upon the purchase of their unit(s) "any unpaid sums for common area maintenance fees due and owing on the date this settlement is approved by the Court". Amounts are based on unpaid CAM costs from November 2011 to either September 11, 2013 or December 13, 2013

APPENDIX “E”

APPENDIX "E"

**Rose of Sharon (Ontario) Retirement Community
Schedule of Peoples Priority Units
As at January 27, 2015**

Unit #	Old Unit #	Unit Size (sq. ft.)	Bath-rooms	Bedroom/Studio	Terrace	Parking	Occupancy Status (1)
Units Granted Priority to Peoples							
201	LM2	501	1	1			V
202	LM1	394	1	studio			V
204	LM5	610	1	2	x		V
206	LM6	559	1	1			V
208	LM7	541	1	1			V
209	LM8	555	1	1			V
210	LM9	912	1	2			V
211	LM10	426	1	studio			V
212	LM12	491	1	studio			V
213	LM13	453	1	studio			V
214	LM14	538	1	1			V
301	UM2	691	1	2			T
302	UM1	454	1	studio			V
303	UM3	616	1	1	x		T
305	UM4	610	1	2	x		V
307	UM7	541	1	1			V
309	UM9	914	1	2			T
310	UM10	427	1	studio			V
311	UM12	491	1	studio			V
312	UM13	453	1	studio			V
313	UM11	446	1	studio	x		V
314	UM14	539	1	1			V
701	501	551	1	1			V
702	503	418	1	studio	x		V
703	502	588	1	1	x		V
704	504	379	1	studio	x		V
705	505	823	2	2			V
710	509	460	1	1	x		T
712	510	702	1	1	x		R
808	608	486	1	1			V
901	701	572	1	1			V
902	703	417	1	studio			V
904	704	475	1	1			V
905	705	823	2	2			V
910	709	455	1	1			V
1006	805	673	1	1			V
1008	807	630	1	1			V
1011	809	607	1	1			T
1101	LP1	572	1	1			V
1102	LP3	884	2	1			V
1103	LP2	632	1	1	x		V
1105	LP12	823	2	2			T
PH1	UP3	884	2	1			T
PH3	UP4	875	2	1	x		V
PH5	UP6	638	1	1			V
PH7	UP8	1,009	2	2			V
PH8	UP7	1,182	2	2			T
Units = 47							

Notes:

1. Current occupancy status of units are as follows:

O = Owner Occupied; R = Relative; T= Tenant; V = Vacant

APPENDIX “F”

APPENDIX “F”

Summary of Deficiencies Identified in the Building Audit Report Prepared by Norman Lee & Associates Inc. Delivered March 2012

- (a) The windows installed in the Project failed to meet the criteria set out in the Contract specifications for air tightness, water tightness and insect screen strength and must be replaced;
- (b) Sliders on all sliding glass doors do not meet *Ontario Building Code* requirements and must be replaced;
- (c) Many sliding glass doors do not operate effectively. Occupants of two units were required to use object to block exterior air from entering their units;
- (d) The sills at two units were left incomplete exposing the wall below to water penetration;
- (e) Numerous sections of uncaulked joints require completion;
- (f) All balcony guardrails do not meet *Ontario Building Code* requirements in that they are not 42 inches from the bottom track of the sliding door to the top of the rail and in many instances the balcony guardrail openings exceeded the maximum four inch *Ontario Building Code* requirements. All balcony guardrails will have to be retrofitted to meet *Ontario Building Code* requirements;

- (g) At the balconies for five units, the joint between the underside of the cantilevered balcony slab and the top of the brick was left uncaulked leaving a large continuous gap which allows direct water penetration into the wall;
- (h) Many balconies that are accessed by multiple units do not have a divider installed as specified in the Contract;
- (i) At the balcony at one unit, the membrane became debonded from the substrate and had to be repaired;
- (j) Numerous balconies did not drain and trap standing water due to inadequately sloped slabs;
- (k) Three balconies lack a drain of any kind;
- (l) Occupancy sensors for lighting control were never installed despite being including in the Contract specifications;
- (m) Numerous deficiencies with respect to the Electrical Safety Code were observed including:
 - (i) receptacles were located at wall directly behind kitchen sinks;
 - (ii) receptacles were located within one meter of kitchen sinks and not protected by ground fault circuit interrupters;
 - (iii) adjacent receptacles in kitchens were connected to the same branch circuit;

- (iv) receptacles in bedroom of some units were not protected by an arc-fault circuit interrupter;
 - (v) the distance between some receptacles is greater than twelve feet;
 - (vi) more than twelve outlets were connected to a single branch circuit; and
 - (vii) cover plates for some receptacles were missing;
- (n) The dryer exhaust vent and the fresh air intake for the gas-fired dryers in the Second Basement floor room 2B121 were not properly installed and were installed with poor workmanship and must be corrected;
- (o) Laundry machines have never been connected and were not operational;
- (p) With respect to the HVAC system, two AirWise fresh air units were not operable for long periods of time due to system control problems causing fluctuations of supply air temperature. The control system problems also caused the domestic booster pump to be constantly out of order;
- (q) No air and water balancing were performed to the air and hydronic systems;
- (r) Single-stage instead of two-stage thermostats were installed in some units to control fan coil units such that the auxiliary heater could not be turned on. In addition, no control

valves were installed at the hydronic coils of the fan coil units contrary to the Contract specification;

- (s) Hot water instead of glycol has been used in the kitchen makeup unit, contrary to the Contract specification, which subjects the unit to possible freezing;
- (t) The heat exchanger and its hydronic coil were installed contrary to the Contract specification;
- (u) Fire dampers were not installed at some wall openings with fire rating;
- (v) Filters of the horizontal heat pump units were not installed;
- (w) Some fire alarm speakers, smoke detectors and pull stations were missing;
- (x) Some of the kitchen range hoods specified in the Contract were never installed;
- (y) The hot water boilers were standard efficient type rather than the high efficient type required by the Contract;
- (z) Some of the kitchen sinks were single compartment type rather than the double compartment type set out in the Contract specifications;

- (aa) Numerous pieces of construction items were observed resting on the roof membrane including two large heavy metal bins, spare drain bodies, unused metal decking, timbers, metal barricades, screws and a swingstage which were required to be removed;
- (bb) Many spun aluminum metal flashings were damaged and dented at the roof penetrations, and must be replaced;
- (cc) The mechanical penthouse roof leaked during rain events due to the lack of a waterproofing membrane and had to be waterproofed;
- (dd) The leaks in the mechanical penthouse roof has caused damage to a unit that had to be repaired;
- (ee) Numerous areas of stucco deterioration on exterior walls were observed and recommended to be retrofitted with a metal flashing;
- (ff) Mortar joints were cracked in numerous locations and require repair;
- (gg) The brick masonry termination at the southeast corner was left incomplete, exposing the wall to direct water penetration;
- (hh) The concrete in the parking garage is leaking. Testing showed that the Chloride Ion content exceeded the maximum allowed. This was the result of the failure to install a waterproofing membrane;

- (ii) The drywall is cracked at many door frames, which could be caused by improper site assembly of the door frame and/or inadequate metal stud framing around the door opening. The drywall cracks must be filled, sanded and painted;
- (jj) Paint in some units was so thin it does not fully cover the drywall;
- (kk) The double door from the Party Room to the terrace does not meet the minimum headroom requirement;
- (ll) The headroom at the deck of the hot tub did not meet minimum requirements;
- (mm) In one unit, the kitchen counter interferes with the operation of the folding laundry door;
- (nn) In one unit, the washroom door swing impacts the ceiling mounted light fixture;
- (oo) In one unit, a metal access hatch door is located in the unit's hallway, providing direct entry into the elevator shaft; and
- (pp) One unit was not constructed as specified in the Contract. Instead it is a bachelor apartment separated from the next unit by an intermediate wall with a door in it that does not open. This unit is heated only by a portable heating unit which requires a pipe which vents out a permanently open slider window to the exterior, causing heavy condensation build-up around the window;

APPENDIX “G”

SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE COURT APPOINTED RECEIVERSHIP OF
ROSE OF SHARON (ONTARIO) RETIREMENT COMMUNITY

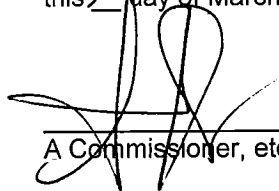
AFFIDAVIT
of **GYUNG GUEN KIM**

I, Gyung Guen Kim, of the City of Toronto, in the Province of Ontario, make oath and say:


1. THAT on July 29, 2014 I received letters addressed to certain tenants of Rose of Sharon prepared by the Receiver, Deloitte Restructuring Inc.
2. Upon receiving the aforementioned letters I hand delivered each letter to the individual addressee noted and attached in Exhibit "A" to this my affidavit.
3. Attached is Exhibit "A" is a copy of the letters hand delivered.

Dated at Toronto, Ontario this 31st day of March, 2015.

Sworn before me at the City of
Toronto, in the Province of Ontario
this 31st day of March, 2015.


A Commissioner, etc.

Anna Koroneos, a Commissioner, etc.,
Province of Ontario
for Deloitte Restructuring Inc.,
Trustee in Bankruptcy,
Expires July 10, 2016.

)
)
) 
Gyung Guen Kim

Deloitte.

This is Exhibit "A" referred to
in the Affidavit of Raymond Guenkin
Sworn before me this 3rd day of
March 2015
A Commissioner, etc.

Anna Koroneos, a Commissioner, etc.,
Province of Ontario
for Deloitte Restructuring Inc.,
Trustee in Bankruptcy,
July 10, 2016.

Deloitte Restructuring Inc.
181 Bay St., Suite 1400
Brookfield Place
Toronto ON M5J 2V1
Canada

Tel: 416-775-7326
Fax: 416-601-6690
www.deloitte.ca

NOTICE TO TENANTS

To: Occupant
15 Maplewood Ave., Unit #207,
Toronto, ON, M6C 4B4

As you know, Deloitte Restructuring Inc. is the receiver and manager (the "Receiver") of Rose of Sharon (Ontario) Retirement Community located at 15 & 17 Maplewood Ave, Toronto, ON. On February 6, 2014, Justice Brown of the Ontario Superior Court of Justice issued an order (the "Priority Order") declaring that Peoples Trust Company ("Peoples Trust") is entitled to priority over the claims of all persons in Unit #207, including the claims of Unimac Group Ltd. ("Unimac") and Leon Hui. On July 4, 2014, the Court of Appeal for Ontario dismissed Unimac's appeal of the Priority Order. Please find enclosed copies of the Priority Order and the Endorsement of the Court of Appeal.

The attached Notice of Rental Attornment and Demand for Particulars of Tenancy Agreement is being served on you by the Receiver on behalf of Peoples Trust by virtue of the Priority Order declaring that Peoples Trust has priority over your unit. Peoples Trust has the right to require you to pay your rents and other amounts payable by you under your lease (collectively, the "Rents") to it at the address and telephone number which appears in the Notice of Rental Attornment.

Peoples Trust has directed the Receiver to collect the rent from your unit. Any Rents now owing and due by you to the landlord must be paid to the Receiver now, and all future Rents must be paid by you to the Receiver in accordance with the terms of your lease, tenancy or other occupation agreement with the landlord or any person acting under the landlord's behalf until further written notice from the Receiver, Peoples Trust or Sterling Karamar Property Management.

Commencing immediately, all outstanding, current and future rent payments are to be made payable to "Deloitte Restructuring Inc." and forwarded to the Receiver's property manager, Sterling Karamar Property Management, as follows:

Sterling Karamar Property Management
53 The Links Road,
Toronto, ON M2P 1T7

Attention: Joyce Yee, Property Accountant

Any payment of rent to parties other than the Receiver or Sterling Karamar will not absolve you of your rent obligations.

Further, we request that you please immediately forward a copy of your lease for you unit to the undersigned by e-mail, fax or mail as follows:

Deloitte Restructuring Inc.
181 Bay Street, Suite 1400
Toronto, ON M5J 2V1

Attention: Hartley Bricks

Audit. Tax. Consulting. Financial Advisory.

Membre de / Member of Deloitte Touche Tohmatsu

Fax: 416-601-6690
E-mail: hbricks@deloitte.ca

Should you have any questions, please contact the undersigned or Pat Crisolago of Sterling Karamar at 416-856-5443.

DATED at Toronto, Ontario, the 29th day of July, 2014.

DELOITTE RESTRUCTURING INC.
in its capacity as Receiver and Manager of the
assets, undertakings and properties of
Rose of Sharon (Ontario) Retirement Community
and not in its personal capacity

Per:



Hartley Bricks, MBA, CPA, CA, CIRP
Vice President

cc: Unimac Group Inc. c/o Leon Hui
Justin Baichoo, BPL Litigation Lawyers

NOTICE OF RENTAL ATTORNMENT

To: Occupant
15 Maplewood Ave., Unit #207,
Toronto, ON, M6C 4B4

TAKE NOTICE that Peoples Trust Company ("Peoples Trust") is the Mortgagee in relation to the first mortgage granted by Rose of Sharon (Ontario) Retirement Community ("Rose of Sharon") over the property municipally known 15-17 Maplewood Avenue, Toronto, Ontario (the "Property") by a Charge/Mortgage of Land made in favour of Peoples Trust as Chargee by Rose of Sharon, registered on title to the Property in the Land Registry Office for the District of Toronto (No. 66) on or about May 18, 2007 as Instrument No. AT1450426 (the "Mortgage").

AND TAKE NOTICE THAT on February 6, 2014, Justice Brown of the Ontario Superior Court of Justice issued an order (the "Priority Order") declaring that Peoples Trust is entitled to priority over the claims of all persons in your unit, including the claims of Unimac Group Ltd. ("Unimac") and Leon Hui.

AND TAKE NOTICE THAT the Mortgagee has directed Deloitte Restructuring Inc., in its capacity as Receiver and Manager of Rose of Sharon and not in its personal capacity (the "Receiver"), to act on its behalf in respect of its entitlement to priority over your unit.

THEREFORE TAKE NOTICE that the Mortgagee hereby requires you to:

1. attorn to the Receiver all rents due and payable by you now and in the future;
2. pay the said rents, until otherwise directed in writing by the Receiver, directly to the Receiver's property manager, at the address set out below; and,
3. make no further payments for rents now due or in the future payable to Unimac Group Inc., Leon Hui, its respective successors, agents, assigns **OR ANY OTHER PERSONS OR CORPORATIONS WHATSOEVER.**

AND TAKE FURTHER NOTICE THAT THE MORTGAGEE SHALL HOLD YOU RESPONSIBLE FOR ANY NON-COMPLIANCE WITH THE PROVISIONS AND REQUIREMENTS OF THIS NOTICE.

Please make all cheques payable to "Deloitte Restructuring Inc." and forward to Sterling Karamar Property Management at 53 The Links Road, Toronto, ON M2P 1T7, Attention: Joyce Lee.

DATED at Toronto, Ontario, the 29th day of July, 2014

DELOITTE RESTRUCTURING INC.

in its capacity as court appointed receiver and manager of Rose of Sharon (Ontario) Retirement Community and not in its personal capacity

Per: 

Hartley Bricks, Vice President

DEMAND FOR PARTICULARS OF TENANCY AGREEMENT

To: Occupant
15 Maplewood Ave., Unit #207,
Toronto, ON, M6C 4B4

UNDER section 50(2) of **THE MORTGAGES ACT**, the Tenants and the Owner are each required to produce a copy of any written tenancy agreement for the Mortgaged Property or any part of the Mortgaged Property forthwith to the Mortgagee at the address set out below. Whether or not a written tenancy agreement exists, the Tenants and Owner are each hereby required to provide to the Mortgagee at the address provided below, particulars of every tenancy agreement including the following:

1. The date that you became a tenant;
2. How much you pay for rent each month;
3. The due date for each rent payment;
4. Details of any prepaid rent, including last month's rent;

DATED at Toronto, Ontario, the 29th day of July, 2014.

DELOITTE RESTRUCTURING INC.

in its capacity as court appointed receiver and manager of
Rose of Sharon (Ontario) Retirement Community
and not in its personal capacity

Per:



Hartley Bricks, Vice President
181 Bay Street, Suite 1400
Toronto, ON M5J 2V1

Tel: 416-775-7326
Fax: 416-601-6690
e-mail: hbricks@deloitte.ca



Deloitte Restructuring Inc.
181 Bay St., Suite 1400
Brookfield Place
Toronto ON M5J 2V1
Canada

Tel: 416-775-7326
Fax: 416-601-6690
www.deloitte.ca

NOTICE TO TENANTS

To: Alvaro Jimenez or Current Occupant
15 Maplewood Ave., Unit# 301,
Toronto, ON, M6C 4B4

As you know, Deloitte Restructuring Inc. is the receiver and manager (the "Receiver") of Rose of Sharon (Ontario) Retirement Community located at 15 & 17 Maplewood Ave, Toronto, ON. On February 6, 2014, Justice Brown of the Ontario Superior Court of Justice issued an order (the "Priority Order") declaring that Peoples Trust Company ("Peoples Trust") is entitled to priority over the claims of all persons in Unit #207, including the claims of Unimac Group Ltd. ("Unimac") and Leon Hui. On July 4, 2014, the Court of Appeal for Ontario dismissed Unimac's appeal of the Priority Order. Please find enclosed copies of the Priority Order and the Endorsement of the Court of Appeal.

The attached Notice of Rental Attornment and Demand for Particulars of Tenancy Agreement is being served on you by the Receiver on behalf of Peoples Trust by virtue of the Priority Order declaring that Peoples Trust has priority over your unit. Peoples Trust has the right to require you to pay your rents and other amounts payable by you under your lease (collectively, the "Rents") to it at the address and telephone number which appears in the Notice of Rental Attornment.

Peoples Trust has directed the Receiver to collect the rent from your unit. Any Rents now owing and due by you to the landlord must be paid to the Receiver now, and all future Rents must be paid by you to the Receiver in accordance with the terms of your lease, tenancy or other occupation agreement with the landlord or any person acting under the landlord's behalf until further written notice from the Receiver, Peoples Trust or Sterling Karamar Property Management.

Commencing immediately, all outstanding, current and future rent payments are to be made payable to "Deloitte Restructuring Inc." and forwarded to the Receiver's property manager, Sterling Karamar Property Management, as follows:

Sterling Karamar Property Management
53 The Links Road,
Toronto, ON M2P 1T7

Attention: Joyce Yee, Property Accountant

Any payment of rent to parties other than the Receiver or Sterling Karamar will not absolve you of your rent obligations.

Further, we request that you please immediately forward a copy of your lease for your unit to the undersigned by e-mail, fax or mail as follows:

Deloitte Restructuring Inc.
181 Bay Street, Suite 1400
Toronto, ON M5J 2V1

Attention: Hartley Bricks

Audit. Tax. Consulting. Financial Advisory.

Membre de / Member of Deloitte Touche Tohmatsu

Fax: 416-601-6690
E-mail: hbricks@deloitte.ca

Should you have any questions, please contact the undersigned or Pat Crisolago of Sterling Karamar at 416-856-5443.

DATED at Toronto, Ontario, the 29th day of July, 2014.

DELOITTE RESTRUCTURING INC.
in its capacity as Receiver and Manager of the
assets, undertakings and properties of
Rose of Sharon (Ontario) Retirement Community
and not in its personal capacity

Per:



Hartley Bricks, MBA, CPA, CA, CIRP
Vice President

cc: Unimac Group Inc. c/o Leon Hui
Justin Baichoo, BPL Litigation Lawyers

NOTICE OF RENTAL ATTORNMENT

To: Alvaro Jimenez or Current Occupant
15 Maplewood Ave., Unit# 301,
Toronto, ON, M6C 4B4

TAKE NOTICE that Peoples Trust Company ("Peoples Trust") is the Mortgagee in relation to the first mortgage granted by Rose of Sharon (Ontario) Retirement Community ("Rose of Sharon") over the property municipally known 15-17 Maplewood Avenue, Toronto, Ontario (the "Property") by a Charge/Mortgage of Land made in favour of Peoples Trust as Chargee by Rose of Sharon, registered on title to the Property in the Land Registry Office for the District of Toronto (No. 66) on or about May 18, 2007 as Instrument No. AT1450426 (the "Mortgage").

AND TAKE NOTICE THAT on February 6, 2014, Justice Brown of the Ontario Superior Court of Justice issued an order (the "Priority Order") declaring that Peoples Trust is entitled to priority over the claims of all persons in your unit, including the claims of Unimac Group Ltd. ("Unimac") and Leon Hui.

AND TAKE NOTICE THAT the Mortgagee has directed Deloitte Restructuring Inc., in its capacity as Receiver and Manager of Rose of Sharon and not in its personal capacity (the "Receiver"), to act on its behalf in respect of its entitlement to priority over your unit.

THEREFORE TAKE NOTICE that the Mortgagee hereby requires you to:

1. attorn to the Receiver all rents due and payable by you now and in the future;
2. pay the said rents, until otherwise directed in writing by the Receiver, directly to the Receiver's property manager, at the address set out below; and,
3. make no further payments for rents now due or in the future payable to Unimac Group Inc., Leon Hui, its respective successors, agents, assigns **OR ANY OTHER PERSONS OR CORPORATIONS WHATSOEVER.**

AND TAKE FURTHER NOTICE THAT THE MORTGAGEE SHALL HOLD YOU RESPONSIBLE FOR ANY NON-COMPLIANCE WITH THE PROVISIONS AND REQUIREMENTS OF THIS NOTICE.

Please make all cheques payable to "Deloitte Restructuring Inc." and forward to Sterling Karamar Property Management at 53 The Links Road, Toronto, ON M2P 1T7, Attention: Joyce Lee.

DATED at Toronto, Ontario, the 29th day of July, 2014

DELOITTE RESTRUCTURING INC.

in its capacity as court appointed receiver and manager of Rose of Sharon (Ontario) Retirement Community and not in its personal capacity

Per: 

Hartley Bricks, Vice President

DEMAND FOR PARTICULARS OF TENANCY AGREEMENT

To: Alvaro Jimenez or Occupant
15 Maplewood Ave., Unit #301,
Toronto, ON, M6C 4B4

UNDER section 50(2) of **THE MORTGAGES ACT**, the Tenants and the Owner are each required to produce a copy of any written tenancy agreement for the Mortgaged Property or any part of the Mortgaged Property forthwith to the Mortgagee at the address set out below. Whether or not a written tenancy agreement exists, the Tenants and Owner are each hereby required to provide to the Mortgagee at the address provided below, particulars of every tenancy agreement including the following:

1. The date that you became a tenant;
2. How much you pay for rent each month;
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DATED at Toronto, Ontario, the 29th day of July, 2014.

DELOITTE RESTRUCTURING INC.
in its capacity as court appointed receiver and manager of
Rose of Sharon (Ontario) Retirement Community
and not in its personal capacity

Per:



Hartley Bricks, Vice President
181 Bay Street, Suite 1400
Toronto, ON M5J 2V1

Tel: 416-775-7326
Fax: 416-601-6690
e-mail: hbricks@deloitte.ca



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Toronto ON M5J 2V1
Canada

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Fax: 416-601-6690
www.deloitte.ca

NOTICE TO TENANTS

To: Ved Billorey or Current Occupant
15 Maplewood Ave., Unit #303,
Toronto, ON, M6C 4B4

As you know, Deloitte Restructuring Inc. is the receiver and manager (the "Receiver") of Rose of Sharon (Ontario) Retirement Community located at 15 & 17 Maplewood Ave, Toronto, ON. On February 6, 2014, Justice Brown of the Ontario Superior Court of Justice issued an order (the "Priority Order") declaring that Peoples Trust Company ("Peoples Trust") is entitled to priority over the claims of all persons in Unit #207, including the claims of Unimac Group Ltd. ("Unimac") and Leon Hui. On July 4, 2014, the Court of Appeal for Ontario dismissed Unimac's appeal of the Priority Order. Please find enclosed copies of the Priority Order and the Endorsement of the Court of Appeal.

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Peoples Trust has directed the Receiver to collect the rent from your unit. Any Rents now owing and due by you to the landlord must be paid to the Receiver now, and all future Rents must be paid by you to the Receiver in accordance with the terms of your lease, tenancy or other occupation agreement with the landlord or any person acting under the landlord's behalf until further written notice from the Receiver, Peoples Trust or Sterling Karamar Property Management.

Commencing immediately, all outstanding, current and future rent payments are to be made payable to "Deloitte Restructuring Inc." and forwarded to the Receiver's property manager, Sterling Karamar Property Management, as follows:

Sterling Karamar Property Management
53 The Links Road,
Toronto, ON M2P 1T7

Attention: Joyce Yee, Property Accountant

Any payment of rent to parties other than the Receiver or Sterling Karamar will not absolve you of your rent obligations.

Further, we request that you please immediately forward a copy of your lease for you unit to the undersigned by e-mail, fax or mail as follows:

Deloitte Restructuring Inc.
181 Bay Street, Suite 1400
Toronto, ON M5J 2V1

Attention: Hartley Bricks

Fax: 416-601-6690
E-mail: hbricks@deloitte.ca

Should you have any questions, please contact the undersigned or Pat Crisolago of Sterling Karamar at 416-856-5443.

DATED at Toronto, Ontario, the 29th day of July, 2014.

DELOITTE RESTRUCTURING INC.
in its capacity as Receiver and Manager of the
assets, undertakings and properties of
Rose of Sharon (Ontario) Retirement Community
and not in its personal capacity

Per:



Hartley Bricks, MBA, CPA, CA, CIRP
Vice President

cc: Unimac Group Inc. c/o Leon Hui
Justin Baichoo, BPL Litigation Lawyers

NOTICE OF RENTAL ATTORNMENT

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15 Maplewood Ave., Unit #303,
Toronto, ON, M6C 4B4

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2. pay the said rents, until otherwise directed in writing by the Receiver, directly to the Receiver's property manager, at the address set out below; and,
3. make no further payments for rents now due or in the future payable to Unimac Group Inc., Leon Hui, its respective successors, agents, assigns **OR ANY OTHER PERSONS OR CORPORATIONS WHATSOEVER.**

AND TAKE FURTHER NOTICE THAT THE MORTGAGEE SHALL HOLD YOU RESPONSIBLE FOR ANY NON-COMPLIANCE WITH THE PROVISIONS AND REQUIREMENTS OF THIS NOTICE.

Please make all cheques payable to "Deloitte Restructuring Inc." and forward to Sterling Karamar Property Management at 53 The Links Road, Toronto, ON M2P 1T7, Attention: Joyce Lee.

DATED at Toronto, Ontario, the 29th day of July, 2014

DELOITTE RESTRUCTURING INC.

in its capacity as court appointed receiver and manager of Rose of Sharon (Ontario) Retirement Community and not in its personal capacity

Per:



Hartley Bricks, Vice President

DEMAND FOR PARTICULARS OF TENANCY AGREEMENT

To: Ved Billorey or Occupant
15 Maplewood Ave., Unit# 303,
Toronto, ON, M6C 4B4

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1. The date that you became a tenant;
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DATED at Toronto, Ontario, the 29th day of July, 2014.

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Per:



Hartley Bricks, Vice President
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www.deloitte.ca

NOTICE TO TENANTS

To: Isac Lima & Bruna Peloso or Current Occupant
15 Maplewood Ave., Unit #309,
Toronto, ON, M6C 4B4

As you know, Deloitte Restructuring Inc. is the receiver and manager (the "Receiver") of Rose of Sharon (Ontario) Retirement Community located at 15 & 17 Maplewood Ave, Toronto, ON. On February 6, 2014, Justice Brown of the Ontario Superior Court of Justice issued an order (the "Priority Order") declaring that Peoples Trust Company ("Peoples Trust") is entitled to priority over the claims of all persons in Unit #207, including the claims of Unimac Group Ltd. ("Unimac") and Leon Hui. On July 4, 2014, the Court of Appeal for Ontario dismissed Unimac's appeal of the Priority Order. Please find enclosed copies of the Priority Order and the Endorsement of the Court of Appeal.

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Sterling Karamar Property Management
53 The Links Road,
Toronto, ON M2P 1T7

Attention: Joyce Yee, Property Accountant

Any payment of rent to parties other than the Receiver or Sterling Karamar will not absolve you of your rent obligations.

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Attention: Hartley Bricks

Fax: 416-601-6690
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Per: 

Hartley Bricks, MBA, CPA, CA, CIRP
Vice President

cc: Unimac Group Inc. c/o Leon Hui
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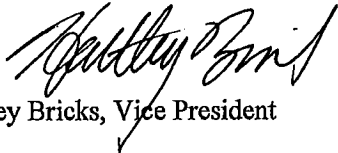
Please make all cheques payable to "Deloitte Restructuring Inc." and forward to Sterling Karamar Property Management at 53 The Links Road, Toronto, ON M2P 1T7, Attention: Joyce Lee.

DATED at Toronto, Ontario, the 29th day of July, 2014

DELOITTE RESTRUCTURING INC.

in its capacity as court appointed receiver and manager of Rose of Sharon (Ontario) Retirement Community and not in its personal capacity

Per:


Hartley Bricks, Vice President

DEMAND FOR PARTICULARS OF TENANCY AGREEMENT

To: Isac Lima & Bruna Peloso or Occupant
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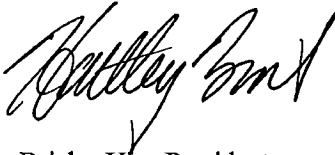
1. The date that you became a tenant;
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3. The due date for each rent payment;
4. Details of any prepaid rent, including last month's rent;

DATED at Toronto, Ontario, the 29th day of July, 2014.

DELOITTE RESTRUCTURING INC.

in its capacity as court appointed receiver and manager of
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Per:



Hartley Bricks, Vice President
181 Bay Street, Suite 1400
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Canada

Tel: 416-775-7326
Fax: 416-601-6690
www.deloitte.ca

NOTICE TO TENANTS

To: Current Occupant
15 Maplewood Ave., Unit #710,
Toronto, ON, M6C 4B4

As you know, Deloitte Restructuring Inc. is the receiver and manager (the "Receiver") of Rose of Sharon (Ontario) Retirement Community located at 15 & 17 Maplewood Ave, Toronto, ON. On November 14, 2013, Justice Mesbur of the Ontario Superior Court of Justice issued an order (the "Priority Order") declaring that Peoples Trust Company ("Peoples Trust") is entitled to priority over the claims of all persons in Unit #712. Please find enclosed a copy of the Priority Order.

The attached Notice of Rental Attornment and Demand for Particulars of Tenancy Agreement is being served on you by the Receiver on behalf of Peoples Trust by virtue of the Priority Order declaring that Peoples Trust has priority over your unit. Peoples Trust has the right to require you to pay your rents and other amounts payable by you under your lease (collectively, the "Rents") to it at the address and telephone number which appears in the Notice of Rental Attornment.

Peoples Trust has directed the Receiver to collect the rent from your unit. Any Rents now owing and due by you to the landlord must be paid to the Receiver now, and all future Rents must be paid by you to the Receiver in accordance with the terms of your lease, tenancy or other occupation agreement with the landlord or any person acting under the landlord's behalf until further written notice from the Receiver, Peoples Trust or Sterling Karamar Property Management.

Commencing immediately, all outstanding, current and future rent payments are to be made payable to "Deloitte Restructuring Inc." and forwarded to the Receiver's property manager, Sterling Karamar Property Management, as follows:

Sterling Karamar Property Management
53 The Links Road,
Toronto, ON M2P 1T7

Attention: Joyce Yee, Property Accountant

Any payment of rent to parties other than the Receiver or Sterling Karamar will not absolve you of your rent obligations.

Further, we request that you please immediately forward a copy of your lease for you unit to the undersigned by e-mail, fax or mail as follows:

Deloitte Restructuring Inc.
181 Bay Street, Suite 1400
Toronto, ON M5J 2V1

Attention: Hartley Bricks
Fax: 416-601-6690
E-mail: hbricks@deloitte.ca

Should you have any questions, please contact the undersigned or Pat Crisolago of Sterling Karamar at 416-856-5443.

DATED at Toronto, Ontario, the 29th day of July, 2014.

DELOITTE RESTRUCTURING INC.
in its capacity as Receiver and Manager of the
assets, undertakings and properties of
Rose of Sharon (Ontario) Retirement Community
and not in its personal capacity

Per:



Hartley Bricks, MBA, CPA, CA, CIRP
Vice President

cc: John Yoon & Moon Yoon

NOTICE OF RENTAL ATTORNMENT

To: Current Occupant
15 Maplewood Ave., Unit #710,
Toronto, ON, M6C 4B4

TAKE NOTICE that Peoples Trust Company ("Peoples Trust") is the Mortgagee in relation to the first mortgage granted by Rose of Sharon (Ontario) Retirement Community ("Rose of Sharon") over the property municipally known 15-17 Maplewood Avenue, Toronto, Ontario (the "Property") by a Charge/Mortgage of Land made in favour of Peoples Trust as Chargee by Rose of Sharon, registered on title to the Property in the Land Registry Office for the District of Toronto (No. 66) on or about May 18, 2007 as Instrument No. AT1450426 (the "Mortgage").

AND TAKE NOTICE THAT on November 14, 2013, Justice Mesbur of the Ontario Superior Court of Justice issued an order (the "Priority Order") declaring that Peoples Trust is entitled to priority over the claims of all persons in your unit.

AND TAKE NOTICE THAT the Mortgagee has directed Deloitte Restructuring Inc., in its capacity as Receiver and Manager of Rose of Sharon and not in its personal capacity (the "Receiver"), to act on its behalf in respect of its entitlement to priority over your unit.

THEREFORE TAKE NOTICE that the Mortgagee hereby requires you to:

1. attorn to the Receiver all rents due and payable by you now and in the future;
2. pay the said rents, until otherwise directed in writing by the Receiver, directly to the Receiver's property manager, at the address set out below; and,
3. make no further payments for rents now due or in the future payable to Unimac Group Inc., Leon Hui, its respective successors, agents, assigns **OR ANY OTHER PERSONS OR CORPORATIONS WHATSOEVER**.

AND TAKE FURTHER NOTICE THAT THE MORTGAGEE SHALL HOLD YOU RESPONSIBLE FOR ANY NON-COMPLIANCE WITH THE PROVISIONS AND REQUIREMENTS OF THIS NOTICE.

Please make all cheques payable to "Deloitte Restructuring Inc." and forward to Sterling Karamar Property Management at 53 The Links Road, Toronto, ON M2P 1T7, Attention: Joyce Lee.

DATED at Toronto, Ontario, the 29th day of July, 2014

DELOITTE RESTRUCTURING INC.

in its capacity as court appointed receiver and manager of Rose of Sharon (Ontario) Retirement Community and not in its personal capacity

Per:



Hartley Bricks, Vice President

DEMAND FOR PARTICULARS OF TENANCY AGREEMENT

To: Current Occupant
15 Maplewood Ave., Unit# 710,
Toronto, ON, M6C 4B4

UNDER section 50(2) of **THE MORTGAGES ACT**, the Tenants and the Owner are each required to produce a copy of any written tenancy agreement for the Mortgaged Property or any part of the Mortgaged Property forthwith to the Mortgagee at the address set out below. Whether or not a written tenancy agreement exists, the Tenants and Owner are each hereby required to provide to the Mortgagee at the address provided below, particulars of every tenancy agreement including the following:

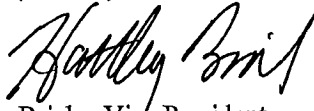
1. The date that you became a tenant;
2. How much you pay for rent each month;
3. The due date for each rent payment;
4. Details of any prepaid rent, including last month's rent;

DATED at Toronto, Ontario, the 29th day of July, 2014.

DELOITTE RESTRUCTURING INC.

in its capacity as court appointed receiver and manager of Rose of Sharon (Ontario) Retirement Community and not in its personal capacity

Per:



Hartley Bricks, Vice President
181 Bay Street, Suite 1400
Toronto, ON M5J 2V1

Tel: 416-775-7326

Fax: 416-601-6690

e-mail: hbricks@deloitte.ca



Deloitte Restructuring Inc.
181 Bay St., Suite 1400
Brookfield Place
Toronto ON M5J 2V1
Canada

Tel: 416-775-7326
Fax: 416-601-6690
www.deloitte.ca

NOTICE TO TENANTS

To: Mike Yoon or Current Occupant
15 Maplewood Ave., Unit #712,
Toronto, ON, M6C 4B4

As you know, Deloitte Restructuring Inc. is the receiver and manager (the "Receiver") of Rose of Sharon (Ontario) Retirement Community located at 15 & 17 Maplewood Ave, Toronto, ON. On November 14, 2013, Justice Mesbur of the Ontario Superior Court of Justice issued an order (the "Priority Order") declaring that Peoples Trust Company ("Peoples Trust") is entitled to priority over the claims of all persons in Unit #712. Please find enclosed a copy of the Priority Order.

The attached Notice of Rental Attornment and Demand for Particulars of Tenancy Agreement is being served on you by the Receiver on behalf of Peoples Trust by virtue of the Priority Order declaring that Peoples Trust has priority over your unit. Peoples Trust has the right to require you to pay your rents and other amounts payable by you under your lease (collectively, the "Rents") to it at the address and telephone number which appears in the Notice of Rental Attornment.

Peoples Trust has directed the Receiver to collect the rent from your unit. Any Rents now owing and due by you to the landlord must be paid to the Receiver now, and all future Rents must be paid by you to the Receiver in accordance with the terms of your lease, tenancy or other occupation agreement with the landlord or any person acting under the landlord's behalf until further written notice from the Receiver, Peoples Trust or Sterling Karamar Property Management.

Commencing immediately, all outstanding, current and future rent payments are to be made payable to "Deloitte Restructuring Inc." and forwarded to the Receiver's property manager, Sterling Karamar Property Management, as follows:

Sterling Karamar Property Management
53 The Links Road,
Toronto, ON M2P 1T7

Attention: Joyce Yee, Property Accountant

Any payment of rent to parties other than the Receiver or Sterling Karamar will not absolve you of your rent obligations.

Further, we request that you please immediately forward a copy of your lease for you unit to the undersigned by e-mail, fax or mail as follows:

Deloitte Restructuring Inc.
181 Bay Street, Suite 1400
Toronto, ON M5J 2V1

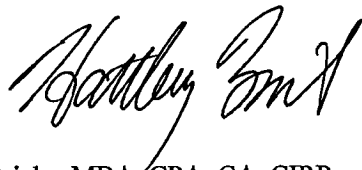
Attention: Hartley Bricks
Fax: 416-601-6690
E-mail: hbricks@deloitte.ca

Should you have any questions, please contact the undersigned or Pat Crisolago of Sterling Karamar at 416-856-5443.

DATED at Toronto, Ontario, the 29th day of July, 2014.

DELOITTE RESTRUCTURING INC.
in its capacity as Receiver and Manager of the
assets, undertakings and properties of
Rose of Sharon (Ontario) Retirement Community
and not in its personal capacity

Per:

A handwritten signature in black ink, appearing to read "Hartley Bricks". The signature is written in a cursive, flowing style.

Hartley Bricks, MBA, CPA, CA, CIRP
Vice President

cc: John Yoon & Moon Yoon

NOTICE OF RENTAL ATTORNMENT

To: Mike Yoon or Current Occupant
15 Maplewood Ave., Unit #712,
Toronto, ON, M6C 4B4

TAKE NOTICE that Peoples Trust Company ("Peoples Trust") is the Mortgagee in relation to the first mortgage granted by Rose of Sharon (Ontario) Retirement Community ("Rose of Sharon") over the property municipally known 15-17 Maplewood Avenue, Toronto, Ontario (the "Property") by a Charge/Mortgage of Land made in favour of Peoples Trust as Chargee by Rose of Sharon, registered on title to the Property in the Land Registry Office for the District of Toronto (No. 66) on or about May 18, 2007 as Instrument No. AT1450426 (the "Mortgage").

AND TAKE NOTICE THAT on November 14, 2013, Justice Mesbur of the Ontario Superior Court of Justice issued an order (the "Priority Order") declaring that Peoples Trust is entitled to priority over the claims of all persons in your unit.

AND TAKE NOTICE THAT the Mortgagee has directed Deloitte Restructuring Inc., in its capacity as Receiver and Manager of Rose of Sharon and not in its personal capacity (the "Receiver"), to act on its behalf in respect of its entitlement to priority over your unit.

THEREFORE TAKE NOTICE that the Mortgagee hereby requires you to:

1. attorn to the Receiver all rents due and payable by you now and in the future;
2. pay the said rents, until otherwise directed in writing by the Receiver, directly to the Receiver's property manager, at the address set out below; and,
3. make no further payments for rents now due or in the future payable to Unimac Group Inc., Leon Hui, its respective successors, agents, assigns **OR ANY OTHER PERSONS OR CORPORATIONS WHATSOEVER.**

AND TAKE FURTHER NOTICE THAT THE MORTGAGEE SHALL HOLD YOU RESPONSIBLE FOR ANY NON-COMPLIANCE WITH THE PROVISIONS AND REQUIREMENTS OF THIS NOTICE.

Please make all cheques payable to "Deloitte Restructuring Inc." and forward to Sterling Karamar Property Management at 53 The Links Road, Toronto, ON M2P 1T7, Attention: Joyce Lee.

DATED at Toronto, Ontario, the 29th day of July, 2014

DELOITTE RESTRUCTURING INC.

in its capacity as court appointed receiver and manager of Rose of Sharon (Ontario) Retirement Community and not in its personal capacity

Per:



Hartley Bricks, Vice President

DEMAND FOR PARTICULARS OF TENANCY AGREEMENT

To: Mike Yoon or Occupant
15 Maplewood Ave., Unit# 712,
Toronto, ON, M6C 4B4

UNDER section 50(2) of **THE MORTGAGES ACT**, the Tenants and the Owner are each required to produce a copy of any written tenancy agreement for the Mortgaged Property or any part of the Mortgaged Property forthwith to the Mortgagee at the address set out below. Whether or not a written tenancy agreement exists, the Tenants and Owner are each hereby required to provide to the Mortgagee at the address provided below, particulars of every tenancy agreement including the following:

1. The date that you became a tenant;
2. How much you pay for rent each month;
3. The due date for each rent payment;
4. Details of any prepaid rent, including last month's rent;

DATED at Toronto, Ontario, the 29th day of July, 2014.

DELOITTE RESTRUCTURING INC.

in its capacity as court appointed receiver and manager of Rose of
Sharon (Ontario) Retirement Community and not in its personal capacity

Per:



Hartley Bricks, Vice President
181 Bay Street, Suite 1400
Toronto, ON M5J 2V1

Tel: 416-775-7326
Fax: 416-601-6690
e-mail: hbricks@deloitte.ca



Deloitte Restructuring Inc.
181 Bay St., Suite 1400
Brookfield Place
Toronto ON M5J 2V1
Canada

Tel: 416-775-7326
Fax: 416-601-6690
www.deloitte.ca

NOTICE TO TENANTS

To: Young Seob Park, Won Seong Gu & Kwon Yoon Jin or Current Occupant
15 Maplewood Ave., Unit #1011,
Toronto, ON, M6C 4B4

As you know, Deloitte Restructuring Inc. is the receiver and manager (the "Receiver") of Rose of Sharon (Ontario) Retirement Community located at 15 & 17 Maplewood Ave, Toronto, ON. On November 14, 2013, Justice Mesbur of the Ontario Superior Court of Justice issued an order (the "Priority Order") declaring that Peoples Trust Company ("Peoples Trust") is entitled to priority over the claims of all persons in Unit #712. Please find enclosed a copy of the Priority Order.

The attached Notice of Rental Attornment and Demand for Particulars of Tenancy Agreement is being served on you by the Receiver on behalf of Peoples Trust by virtue of the Priority Order declaring that Peoples Trust has priority over your unit. Peoples Trust has the right to require you to pay your rents and other amounts payable by you under your lease (collectively, the "Rents") to it at the address and telephone number which appears in the Notice of Rental Attornment.

Peoples Trust has directed the Receiver to collect the rent from your unit. Any Rents now owing and due by you to the landlord must be paid to the Receiver now, and all future Rents must be paid by you to the Receiver in accordance with the terms of your lease, tenancy or other occupation agreement with the landlord or any person acting under the landlord's behalf until further written notice from the Receiver, Peoples Trust or Sterling Karamar Property Management.

Commencing immediately, all outstanding, current and future rent payments are to be made payable to "Deloitte Restructuring Inc." and forwarded to the Receiver's property manager, Sterling Karamar Property Management, as follows:

Sterling Karamar Property Management
53 The Links Road,
Toronto, ON M2P 1T7

Attention: Joyce Yee, Property Accountant

Any payment of rent to parties other than the Receiver or Sterling Karamar will not absolve you of your rent obligations.

Further, we request that you please immediately forward a copy of your lease for you unit to the undersigned by e-mail, fax or mail as follows:

Deloitte Restructuring Inc.
181 Bay Street, Suite 1400
Toronto, ON M5J 2V1

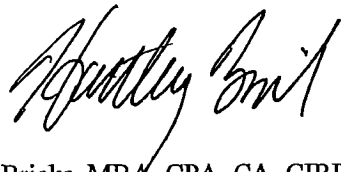
Attention: Hartley Bricks
Fax: 416-601-6690
E-mail: hbricks@deloitte.ca

Should you have any questions, please contact the undersigned or Pat Crisolago of Sterling Karamar at 416-856-5443.

DATED at Toronto, Ontario, the 29th day of July, 2014.

DELOITTE RESTRUCTURING INC.
in its capacity as Receiver and Manager of the
assets, undertakings and properties of
Rose of Sharon (Ontario) Retirement Community
and not in its personal capacity

Per:



Hartley Bricks, MBA, CPA, CA, CIRP
Vice President

cc: John Yoon & Moon Yoon

NOTICE OF RENTAL ATTORNMENT

To: Young Seob Park, Won Seong Gu & Kwon Yoon Jin or Current Occupant
15 Maplewood Ave., Unit #1011,
Toronto, ON, M6C 4B4

TAKE NOTICE that Peoples Trust Company ("Peoples Trust") is the Mortgagee in relation to the first mortgage granted by Rose of Sharon (Ontario) Retirement Community ("Rose of Sharon") over the property municipally known 15-17 Maplewood Avenue, Toronto, Ontario (the "Property") by a Charge/Mortgage of Land made in favour of Peoples Trust as Chargee by Rose of Sharon, registered on title to the Property in the Land Registry Office for the District of Toronto (No. 66) on or about May 18, 2007 as Instrument No. AT1450426 (the "Mortgage").

AND TAKE NOTICE THAT on November 14, 2013, Justice Mesbur of the Ontario Superior Court of Justice issued an order (the "Priority Order") declaring that Peoples Trust is entitled to priority over the claims of all persons in your unit.

AND TAKE NOTICE THAT the Mortgagee has directed Deloitte Restructuring Inc., in its capacity as Receiver and Manager of Rose of Sharon and not in its personal capacity (the "Receiver"), to act on its behalf in respect of its entitlement to priority over your unit.

THEREFORE TAKE NOTICE that the Mortgagee hereby requires you to:

1. attorn to the Receiver all rents due and payable by you now and in the future;
2. pay the said rents, until otherwise directed in writing by the Receiver, directly to the Receiver's property manager, at the address set out below; and,
3. make no further payments for rents now due or in the future payable to Unimac Group Inc., Leon Hui, its respective successors, agents, assigns **OR ANY OTHER PERSONS OR CORPORATIONS WHATSOEVER.**

AND TAKE FURTHER NOTICE THAT THE MORTGAGEE SHALL HOLD YOU RESPONSIBLE FOR ANY NON-COMPLIANCE WITH THE PROVISIONS AND REQUIREMENTS OF THIS NOTICE.

Please make all cheques payable to "Deloitte Restructuring Inc." and forward to Sterling Karamar Property Management at 53 The Links Road, Toronto, ON M2P 1T7, Attention: Joyce Lee.

DATED at Toronto, Ontario, the 29th day of July, 2014

DELOITTE RESTRUCTURING INC.

in its capacity as court appointed receiver and manager of Rose of Sharon (Ontario) Retirement Community and not in its personal capacity

Per:



Hartley Bricks, Vice President

DEMAND FOR PARTICULARS OF TENANCY AGREEMENT

To: Young Seob Park, Won Seong Gu & Kwon Yoon Jin or Occupant
15 Maplewood Ave., Unit# 1011,
Toronto, ON, M6C 4B4

UNDER section 50(2) of **THE MORTGAGES ACT**, the Tenants and the Owner are each required to produce a copy of any written tenancy agreement for the Mortgaged Property or any part of the Mortgaged Property forthwith to the Mortgagee at the address set out below. Whether or not a written tenancy agreement exists, the Tenants and Owner are each hereby required to provide to the Mortgagee at the address provided below, particulars of every tenancy agreement including the following:

1. The date that you became a tenant;
2. How much you pay for rent each month;
3. The due date for each rent payment;
4. Details of any prepaid rent, including last month's rent;

DATED at Toronto, Ontario, the 29th day of July, 2014.

DELOITTE RESTRUCTURING INC.

in its capacity as court appointed receiver and manager of Rose of
Sharon (Ontario) Retirement Community and not in its personal capacity

Per: 

Hartley Bricks, Vice President
181 Bay Street, Suite 1400
Toronto, ON M5J 2V1

Tel: 416-775-7326
Fax: 416-601-6690
e-mail: hbricks@deloitte.ca



Deloitte Restructuring Inc.
181 Bay St., Suite 1400
Brookfield Place
Toronto ON M5J 2V1
Canada

Tel: 416-775-7326
Fax: 416-601-6690
www.deloitte.ca

NOTICE TO TENANTS

To: Sakhawat Javed or Current Occupant
15 Maplewood Ave., Unit #1105,
Toronto, ON, M6C 4B4

As you know, Deloitte Restructuring Inc. is the receiver and manager (the "Receiver") of Rose of Sharon (Ontario) Retirement Community located at 15 & 17 Maplewood Ave, Toronto, ON. On February 6, 2014, Justice Brown of the Ontario Superior Court of Justice issued an order (the "Priority Order") declaring that Peoples Trust Company ("Peoples Trust") is entitled to priority over the claims of all persons in Unit #207, including the claims of Unimac Group Ltd. ("Unimac") and Leon Hui. On July 4, 2014, the Court of Appeal for Ontario dismissed Unimac's appeal of the Priority Order. Please find enclosed copies of the Priority Order and the Endorsement of the Court of Appeal.

The attached Notice of Rental Attornment and Demand for Particulars of Tenancy Agreement is being served on you by the Receiver on behalf of Peoples Trust by virtue of the Priority Order declaring that Peoples Trust has priority over your unit. Peoples Trust has the right to require you to pay your rents and other amounts payable by you under your lease (collectively, the "Rents") to it at the address and telephone number which appears in the Notice of Rental Attornment.

Peoples Trust has directed the Receiver to collect the rent from your unit. Any Rents now owing and due by you to the landlord must be paid to the Receiver now, and all future Rents must be paid by you to the Receiver in accordance with the terms of your lease, tenancy or other occupation agreement with the landlord or any person acting under the landlord's behalf until further written notice from the Receiver, Peoples Trust or Sterling Karamar Property Management.

Commencing immediately, all outstanding, current and future rent payments are to be made payable to "Deloitte Restructuring Inc." and forwarded to the Receiver's property manager, Sterling Karamar Property Management, as follows:

Sterling Karamar Property Management
53 The Links Road,
Toronto, ON M2P 1T7

Attention: Joyce Yee, Property Accountant

Any payment of rent to parties other than the Receiver or Sterling Karamar will not absolve you of your rent obligations.

Further, we request that you please immediately forward a copy of your lease for your unit to the undersigned by e-mail, fax or mail as follows:

Deloitte Restructuring Inc.
181 Bay Street, Suite 1400
Toronto, ON M5J 2V1

Attention: Hartley Bricks

Fax: 416-601-6690
E-mail: hbricks@deloitte.ca

Should you have any questions, please contact the undersigned or Pat Crisolago of Sterling Karamar at 416-856-5443.

DATED at Toronto, Ontario, the 29th day of July, 2014.

DELOITTE RESTRUCTURING INC.
in its capacity as Receiver and Manager of the
assets, undertakings and properties of
Rose of Sharon (Ontario) Retirement Community
and not in its personal capacity

Per:



Hartley Bricks, MBA, CPA, CA, CIRP
Vice President

cc: Unimac Group Inc. c/o Leon Hui
Justin Baichoo, BPL Litigation Lawyers

NOTICE OF RENTAL ATTORNMENT

To: Sakhawat Javed or Current Occupant
15 Maplewood Ave., Unit #1105,
Toronto, ON, M6C 4B4

TAKE NOTICE that Peoples Trust Company ("Peoples Trust") is the Mortgagee in relation to the first mortgage granted by Rose of Sharon (Ontario) Retirement Community ("Rose of Sharon") over the property municipally known 15-17 Maplewood Avenue, Toronto, Ontario (the "Property") by a Charge/Mortgage of Land made in favour of Peoples Trust as Chargee by Rose of Sharon, registered on title to the Property in the Land Registry Office for the District of Toronto (No. 66) on or about May 18, 2007 as Instrument No. AT1450426 (the "Mortgage").

AND TAKE NOTICE THAT on February 6, 2014, Justice Brown of the Ontario Superior Court of Justice issued an order (the "Priority Order") declaring that Peoples Trust is entitled to priority over the claims of all persons in your unit, including the claims of Unimac Group Ltd. ("Unimac") and Leon Hui.

AND TAKE NOTICE THAT the Mortgagee has directed Deloitte Restructuring Inc., in its capacity as Receiver and Manager of Rose of Sharon and not in its personal capacity (the "Receiver"), to act on its behalf in respect of its entitlement to priority over your unit.

THEREFORE TAKE NOTICE that the Mortgagee hereby requires you to:

1. attorn to the Receiver all rents due and payable by you now and in the future;
2. pay the said rents, until otherwise directed in writing by the Receiver, directly to the Receiver's property manager, at the address set out below; and,
3. make no further payments for rents now due or in the future payable to Unimac Group Inc., Leon Hui, its respective successors, agents, assigns **OR ANY OTHER PERSONS OR CORPORATIONS WHATSOEVER.**

AND TAKE FURTHER NOTICE THAT THE MORTGAGEE SHALL HOLD YOU RESPONSIBLE FOR ANY NON-COMPLIANCE WITH THE PROVISIONS AND REQUIREMENTS OF THIS NOTICE.

Please make all cheques payable to "Deloitte Restructuring Inc." and forward to Sterling Karamar Property Management at 53 The Links Road, Toronto, ON M2P 1T7, Attention: Joyce Lee.

DATED at Toronto, Ontario, the 29th day of July, 2014

DELOITTE RESTRUCTURING INC.

in its capacity as court appointed receiver and manager of Rose of Sharon (Ontario) Retirement Community and not in its personal capacity

Per: 

Hartley Bricks, Vice President

DEMAND FOR PARTICULARS OF TENANCY AGREEMENT

To: Sakhawat Javed or Occupant
15 Maplewood Ave., Unit #1105,
Toronto, ON, M6C 4B4

UNDER section 50(2) of **THE MORTGAGES ACT**, the Tenants and the Owner are each required to produce a copy of any written tenancy agreement for the Mortgaged Property or any part of the Mortgaged Property forthwith to the Mortgagee at the address set out below. Whether or not a written tenancy agreement exists, the Tenants and Owner are each hereby required to provide to the Mortgagee at the address provided below, particulars of every tenancy agreement including the following:

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3. The due date for each rent payment;
4. Details of any prepaid rent, including last month's rent;

DATED at Toronto, Ontario, the 29th day of July, 2014.

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in its capacity as court appointed receiver and manager of Rose of Sharon (Ontario) Retirement Community and not in its personal capacity

Per:



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Brookfield Place
Toronto ON M5J 2V1
Canada

Tel: 416-775-7326
Fax: 416-601-6690
www.deloitte.ca

NOTICE TO TENANTS

To: Tal Batalion or Current Occupant
15 Maplewood Ave., Unit #PH1,
Toronto, ON, M6C 4B4

As you know, Deloitte Restructuring Inc. is the receiver and manager (the "Receiver") of Rose of Sharon (Ontario) Retirement Community located at 15 & 17 Maplewood Ave, Toronto, ON. On February 6, 2014, Justice Brown of the Ontario Superior Court of Justice issued an order (the "Priority Order") declaring that Peoples Trust Company ("Peoples Trust") is entitled to priority over the claims of all persons in Unit #207, including the claims of Unimac Group Ltd. ("Unimac") and Leon Hui. On July 4, 2014, the Court of Appeal for Ontario dismissed Unimac's appeal of the Priority Order. Please find enclosed copies of the Priority Order and the Endorsement of the Court of Appeal.

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Peoples Trust has directed the Receiver to collect the rent from your unit. Any Rents now owing and due by you to the landlord must be paid to the Receiver now, and all future Rents must be paid by you to the Receiver in accordance with the terms of your lease, tenancy or other occupation agreement with the landlord or any person acting under the landlord's behalf until further written notice from the Receiver, Peoples Trust or Sterling Karamar Property Management.

Commencing immediately, all outstanding, current and future rent payments are to be made payable to "Deloitte Restructuring Inc." and forwarded to the Receiver's property manager, Sterling Karamar Property Management, as follows:

Sterling Karamar Property Management
53 The Links Road,
Toronto, ON M2P 1T7

Attention: Joyce Yee, Property Accountant

Any payment of rent to parties other than the Receiver or Sterling Karamar will not absolve you of your rent obligations.

Further, we request that you please immediately forward a copy of your lease for your unit to the undersigned by e-mail, fax or mail as follows:

Deloitte Restructuring Inc.
181 Bay Street, Suite 1400
Toronto, ON M5J 2V1

Attention: Hartley Bricks

Fax: 416-601-6690
E-mail: hbricks@deloitte.ca

Should you have any questions, please contact the undersigned or Pat Crisolago of Sterling Karamar at 416-856-5443.

DATED at Toronto, Ontario, the 29th day of July, 2014.

DELOITTE RESTRUCTURING INC.
in its capacity as Receiver and Manager of the
assets, undertakings and properties of
Rose of Sharon (Ontario) Retirement Community
and not in its personal capacity

Per:



Hartley Bricks, MBA, CPA, CA, CIRP
Vice President

cc: Unimac Group Inc. c/o Leon Hui
Justin Baichoo, BPL Litigation Lawyers

NOTICE OF RENTAL ATTORNMENT

To: Tal Batalion or Current Occupant
15 Maplewood Ave., Unit# PH1,
Toronto, ON, M6C 4B4

TAKE NOTICE that Peoples Trust Company ("Peoples Trust") is the Mortgagee in relation to the first mortgage granted by Rose of Sharon (Ontario) Retirement Community ("Rose of Sharon") over the property municipally known 15-17 Maplewood Avenue, Toronto, Ontario (the "Property") by a Charge/Mortgage of Land made in favour of Peoples Trust as Chargee by Rose of Sharon, registered on title to the Property in the Land Registry Office for the District of Toronto (No. 66) on or about May 18, 2007 as Instrument No. AT1450426 (the "Mortgage").

AND TAKE NOTICE THAT on February 6, 2014, Justice Brown of the Ontario Superior Court of Justice issued an order (the "Priority Order") declaring that Peoples Trust is entitled to priority over the claims of all persons in your unit, including the claims of Unimac Group Ltd. ("Unimac") and Leon Hui.

AND TAKE NOTICE THAT the Mortgagee has directed Deloitte Restructuring Inc., in its capacity as Receiver and Manager of Rose of Sharon and not in its personal capacity (the "Receiver"), to act on its behalf in respect of its entitlement to priority over your unit.

THEREFORE TAKE NOTICE that the Mortgagee hereby requires you to:

1. attorn to the Receiver all rents due and payable by you now and in the future;
2. pay the said rents, until otherwise directed in writing by the Receiver, directly to the Receiver's property manager, at the address set out below; and,
3. make no further payments for rents now due or in the future payable to Unimac Group Inc., Leon Hui, its respective successors, agents, assigns **OR ANY OTHER PERSONS OR CORPORATIONS WHATSOEVER.**

AND TAKE FURTHER NOTICE THAT THE MORTGAGEE SHALL HOLD YOU RESPONSIBLE FOR ANY NON-COMPLIANCE WITH THE PROVISIONS AND REQUIREMENTS OF THIS NOTICE.

Please make all cheques payable to "Deloitte Restructuring Inc." and forward to Sterling Karamar Property Management at 53 The Links Road, Toronto, ON M2P 1T7, Attention: Joyce Lee.

DATED at Toronto, Ontario, the 29th day of July, 2014

DELOITTE RESTRUCTURING INC.

in its capacity as court appointed receiver and manager of Rose of Sharon (Ontario) Retirement Community and not in its personal capacity

Per:



Hartley Bricks, Vice President

DEMAND FOR PARTICULARS OF TENANCY AGREEMENT

To: Tal Batalion or Occupant
15 Maplewood Ave., Unit# PH1,
Toronto, ON, M6C 4B4

UNDER section 50(2) of **THE MORTGAGES ACT**, the Tenants and the Owner are each required to produce a copy of any written tenancy agreement for the Mortgaged Property or any part of the Mortgaged Property forthwith to the Mortgagee at the address set out below. Whether or not a written tenancy agreement exists, the Tenants and Owner are each hereby required to provide to the Mortgagee at the address provided below, particulars of every tenancy agreement including the following:

1. The date that you became a tenant;
2. How much you pay for rent each month;
3. The due date for each rent payment;
4. Details of any prepaid rent, including last month's rent;

DATED at Toronto, Ontario, the 29th day of July, 2014.

DELOITTE RESTRUCTURING INC.

in its capacity as court appointed receiver and manager of
Rose of Sharon (Ontario) Retirement Community
and not in its personal capacity

Per:



Hartley Bricks, Vice President
181 Bay Street, Suite 1400
Toronto, ON M5J 2V1

Tel: 416-775-7326

Fax: 416-601-6690

e-mail: hbricks@deloitte.ca



Deloitte Restructuring Inc.
181 Bay St., Suite 1400
Brookfield Place
Toronto ON M5J 2V1
Canada

Tel: 416-775-7326
Fax: 416-601-6690
www.deloitte.ca

NOTICE TO TENANTS

To: Grace Kim or Current Occupant
15 Maplewood Ave., Unit# PH8,
Toronto, ON, M6C 4B4

As you know, Deloitte Restructuring Inc. is the receiver and manager (the "Receiver") of Rose of Sharon (Ontario) Retirement Community located at 15 & 17 Maplewood Ave, Toronto, ON. On February 6, 2014, Justice Brown of the Ontario Superior Court of Justice issued an order (the "Priority Order") declaring that Peoples Trust Company ("Peoples Trust") is entitled to priority over the claims of all persons in Unit #207, including the claims of Unimac Group Ltd. ("Unimac") and Leon Hui. On July 4, 2014, the Court of Appeal for Ontario dismissed Unimac's appeal of the Priority Order. Please find enclosed copies of the Priority Order and the Endorsement of the Court of Appeal.

The attached Notice of Rental Attornment and Demand for Particulars of Tenancy Agreement is being served on you by the Receiver on behalf of Peoples Trust by virtue of the Priority Order declaring that Peoples Trust has priority over your unit. Peoples Trust has the right to require you to pay your rents and other amounts payable by you under your lease (collectively, the "Rents") to it at the address and telephone number which appears in the Notice of Rental Attornment.

Peoples Trust has directed the Receiver to collect the rent from your unit. Any Rents now owing and due by you to the landlord must be paid to the Receiver now, and all future Rents must be paid by you to the Receiver in accordance with the terms of your lease, tenancy or other occupation agreement with the landlord or any person acting under the landlord's behalf until further written notice from the Receiver, Peoples Trust or Sterling Karamar Property Management.

Commencing immediately, all outstanding, current and future rent payments are to be made payable to "Deloitte Restructuring Inc." and forwarded to the Receiver's property manager, Sterling Karamar Property Management, as follows:

Sterling Karamar Property Management
53 The Links Road,
Toronto, ON M2P 1T7

Attention: Joyce Yee, Property Accountant

Any payment of rent to parties other than the Receiver or Sterling Karamar will not absolve you of your rent obligations.

Further, we request that you please immediately forward a copy of your lease for your unit to the undersigned by e-mail, fax or mail as follows:

Deloitte Restructuring Inc.
181 Bay Street, Suite 1400
Toronto, ON M5J 2V1


Attention: Hartley Bricks

Fax: 416-601-6690
E-mail: hbricks@deloitte.ca

Should you have any questions, please contact the undersigned or Pat Crisolago of Sterling Karamar at 416-856-5443.

DATED at Toronto, Ontario, the 29th day of July, 2014.

DELOITTE RESTRUCTURING INC.
in its capacity as Receiver and Manager of the
assets, undertakings and properties of
Rose of Sharon (Ontario) Retirement Community
and not in its personal capacity

Per: 

Hartley Bricks, MBA, CPA, CA, CIRP
Vice President

cc: Unimac Group Inc. c/o Leon Hui
Justin Baichoo, BPL Litigation Lawyers

NOTICE OF RENTAL ATTORNMENT

To: Grace Kim or Current Occupant
15 Maplewood Ave., Unit #PH8,
Toronto, ON, M6C 4B4

TAKE NOTICE that Peoples Trust Company ("Peoples Trust") is the Mortgagee in relation to the first mortgage granted by Rose of Sharon (Ontario) Retirement Community ("Rose of Sharon") over the property municipally known 15-17 Maplewood Avenue, Toronto, Ontario (the "Property") by a Charge/Mortgage of Land made in favour of Peoples Trust as Chargee by Rose of Sharon, registered on title to the Property in the Land Registry Office for the District of Toronto (No. 66) on or about May 18, 2007 as Instrument No. AT1450426 (the "Mortgage").

AND TAKE NOTICE THAT on February 6, 2014, Justice Brown of the Ontario Superior Court of Justice issued an order (the "Priority Order") declaring that Peoples Trust is entitled to priority over the claims of all persons in your unit, including the claims of Unimac Group Ltd. ("Unimac") and Leon Hui.

AND TAKE NOTICE THAT the Mortgagee has directed Deloitte Restructuring Inc., in its capacity as Receiver and Manager of Rose of Sharon and not in its personal capacity (the "Receiver"), to act on its behalf in respect of its entitlement to priority over your unit.

THEREFORE TAKE NOTICE that the Mortgagee hereby requires you to:

1. attorn to the Receiver all rents due and payable by you now and in the future;
2. pay the said rents, until otherwise directed in writing by the Receiver, directly to the Receiver's property manager, at the address set out below; and,
3. make no further payments for rents now due or in the future payable to Unimac Group Inc., Leon Hui, its respective successors, agents, assigns **OR ANY OTHER PERSONS OR CORPORATIONS WHATSOEVER.**

AND TAKE FURTHER NOTICE THAT THE MORTGAGEE SHALL HOLD YOU RESPONSIBLE FOR ANY NON-COMPLIANCE WITH THE PROVISIONS AND REQUIREMENTS OF THIS NOTICE.

Please make all cheques payable to "Deloitte Restructuring Inc." and forward to Sterling Karamar Property Management at 53 The Links Road, Toronto, ON M2P 1T7, Attention: Joyce Lee.

DATED at Toronto, Ontario, the 29th day of July, 2014

DELOITTE RESTRUCTURING INC.

in its capacity as court appointed receiver and manager of Rose of Sharon (Ontario) Retirement Community and not in its personal capacity

Per:



Hartley Bricks, Vice President

DEMAND FOR PARTICULARS OF TENANCY AGREEMENT

To: Grace Kim or Occupant
15 Maplewood Ave., Unit# PH8,
Toronto, ON, M6C 4B4

UNDER section 50(2) of **THE MORTGAGES ACT**, the Tenants and the Owner are each required to produce a copy of any written tenancy agreement for the Mortgaged Property or any part of the Mortgaged Property forthwith to the Mortgagee at the address set out below. Whether or not a written tenancy agreement exists, the Tenants and Owner are each hereby required to provide to the Mortgagee at the address provided below, particulars of every tenancy agreement including the following:

1. The date that you became a tenant;
2. How much you pay for rent each month;
3. The due date for each rent payment;
4. Details of any prepaid rent, including last month's rent;

DATED at Toronto, Ontario, the 29th day of July, 2014.

DELOITTE RESTRUCTURING INC.
in its capacity as court appointed receiver and manager of
Rose of Sharon (Ontario) Retirement Community
and not in its personal capacity

Per:



Hartley Bricks, Vice President
181 Bay Street, Suite 1400
Toronto, ON M5J 2V1

Tel: 416-775-7326
Fax: 416-601-6690
e-mail: hbricks@deloitte.ca

SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE RECEIVERSHIP OF
ROSE OF SHARON (ONTARIO) RETIREMENT
COMMUNITY

A F F I D A V I T
O F G Y U N G G U E N K I M

APPENDIX ‘H’

Date: Feb 11, 2015
 Time: 18:11:19 ET
 User: Susan Sirju

Rose of Sharon Korean Long Term Care
Summary Statement of Income
 12/1/2014 to 12/31/2014

Include Adjustment Periods: NO Include Closing Periods: NO

	CURRENT PERIOD						YEAR TO DATE					
	Actual\$	P.R.D.	Budget\$	P.R.D.	Var\$	P.R.D.	Actual\$	P.R.D.	Budget\$	P.R.D.	Var\$	P.R.D.
Resident Days	1,857		1,860		(3)		21,789		21,900		(111)	
Envelope Revenue	176,126	94.84	176,125	94.69	1	0.15	2,094,341	96.12	2,093,352	95.59	989	0.53
MOH - Nursing	16,759	9.02	16,760	9.01	(1)	0.01	200,122	9.18	200,133	9.14	(11)	0.05
MOH - Programming	14,581	7.85	14,454	7.77	127	0.08	174,209	8.00	173,448	7.92	761	0.08
	207,466	111.72	207,339	111.47	127	0.25	2,468,672	113.30	2,466,933	112.65	1,739	0.65
Envelope Expenses												
Nursing Envelope	176,125	94.84	212,522	114.44	0	(94.84)	2,073,209	95.15	2,093,953	95.61	0	94.66
Nurs Env Over(Under)	38,734			0.00	0		20,744	0.95				
Program Envelope	16,760	9.03	18,450	9.92	0	9.92	198,169	9.09	200,078	9.14	0	9.01
Prog Env Over(Under) Spent	2,567						2,787	0.13				
Raw Food Envelope	14,581	7.85	14,731	7.92	(310)	7.92	173,828	7.98	173,448	7.92	354	7.95
Food Env Over(Under) Spent	(546)						(594)	(0.03)				
	248,221	111.72	245,703	132.10	(2,518)	20.38	2,468,143	113.27	2,467,479	112.67	(664)	(0.60)
Envelope Net Income	(40,755)	(21.95)	(38,364)	(20.63)	(2,391)	(1.32)	529	0.02	(546)	(0.02)	1,075	0.05
Other Revenue												
MOH - Accomodation	96,942	52.20	97,252	52.29	(310)	(0.08)	1,159,364	53.21	1,161,222	53.02	(1,858)	0.18
MOH - Realty Tax Allowance	4,909	2.64	4,874	2.62	35	0.02	58,921	2.70	58,488	2.67	433	0.03
MOH - Pay Equity	1,510	0.81	1,510	0.81	0	0.00	18,120	0.83	18,120	0.83	0	0.00
Moh Structural Comp	4,562	2.46	4,562	2.45	0	0.00	54,744	2.51	54,744	2.50	0	0.01
Residents' Basic Revenue	88,510	47.66	91,208	49.04	(2,698)	(1.37)	1,070,973	49.15	1,094,496	49.98	(23,523)	(0.82)
MOH - Estimate Basic Rev	(89,934)	(48.43)	(88,985)	(47.84)	(949)	(0.59)	(1,068,201)	(49.02)	(1,067,820)	(48.76)	(381)	(0.27)
MOH - Basic Revenue Adjust	(1,452)	(0.78)	(2,223)	(1.20)	771	0.41	(9,947)	(0.46)	(26,676)	(1.22)	16,729	0.76
Preferred Revenue	23,835	12.84	18,615	10.01	5,220	2.83	245,965	11.29	223,380	10.20	22,585	1.09
Residents' Basic Revenue	1,675	0.90	1,500	0.81	175	0.10	20,315	0.93	18,000	0.82	2,315	0.11
TOTAL Other Revenue	130,557	70.31	128,313	68.99	2,244	1.32	1,550,254	71.15	1,533,954	70.04	16,300	1.10
Other Expense												
Wages and Benefits	55,273	29.76	55,053	29.60	(220)	(0.17)	639,299	29.34	660,868	30.18	21,569	0.84
Supplies	10,037	5.40	3,394	1.82	(6,643)	(3.58)	30,939	1.42	44,471	2.03	13,532	0.61
Repairs and Maintenance	3,436	1.85	4,016	2.16	580	0.31	31,181	1.43	48,120	2.20	16,939	0.77
Maintenance Contracts	2,087	1.12	2,155	1.16	68	0.03	19,055	0.87	25,860	1.18	6,805	0.31
Leased and Rented Equipment	0	0.00	50	0.03	50	0.03	7,277	0.33	6,591	0.30	(686)	(0.03)
Office and General	1,715	0.92	2,760	1.48	1,045	0.56	28,224	1.30	33,120	1.51	4,896	0.22
Utilities	12,562	6.76	10,700	5.75	(1,862)	(1.01)	132,101	6.06	125,056	5.71	(7,045)	(0.35)
Realty Tax	5,777	3.11	5,734	3.08	(43)	(0.03)	69,318	3.18	68,808	3.14	(510)	(0.04)
Insurance	3,757	2.02	1,050	0.56	(2,707)	(1.46)	12,419	0.57	12,600	0.58	181	0.01
Professional Fees	1,083	0.58	1,083	0.58	0	(0.00)	12,996	0.60	13,000	0.59	4	(0.00)
Management Fees	11,099	5.98	13,405	7.21	2,306	1.23	157,977	7.25	159,768	7.30	1,791	0.05
TOTAL Other Expense	106,826	57.53	99,400	53.44	(7,426)	(4.09)	1,140,786	52.36	1,198,262	54.72	57,476	2.36
Net Operating Income	(17,024)	(9.17)	(9,451)	(5.08)	(7,573)	(4.09)	409,997	18.82	335,146	15.30	74,851	3.51
Moh Construct Funding	(3,148)	(1.70)	(3,148)	(1.70)	-	-	(37,776)	(1.73)	(37,776)	(1.73)	-	-
Net Income	(3,148)	(1.70)	(3,148)	(1.69)	0	0.00	(37,776)	(1.73)	(37,776)	(1.72)	0	0.01
Net Cash Flow	(8,816)	(5)	(6,303)	(3)	2,512	1	446,878	21	377,322	17	(69,556)	(3)

APPENDIX “I”

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:

TRISURA GUARANTEE INSURANCE COMPANY

Plaintiff

- and -

**ROSE OF SHARON (ONTARIO) RETIREMENT COMMUNITY,
PEOPLES TRUST COMPANY and IWOK CORPORATION**

Defendants

OFFER TO SETTLE

THE DEFENDANT, PEOPLES TRUST COMPANY (“PEOPLES”),

offers to settle the action on the following terms:

1. Peoples shall pay the Plaintiff, Trisura Guarantee Insurance Company (“**Trisura**”) the total sum of [REDACTED] in full and final settlement of all of Trisura’s claims against the defendants, Rose of Sharon (Ontario) Retirement Community (“**Rose of Sharon**”) and Peoples Trust Company (“**Peoples**”).
2. Trisura will obtain an order discharging the claim for lien registered by Mikal-Calladan Construction Inc. (“**Mikal-Calladan**”) as Instrument No. AT2556511 (the “**Mikal-Calladan Lien**”) against title to the real property of Rose of Sharon, vacating the certificate of action registered by Mikal-Calladan as

Instrument No. AT2589975 and dismissing the within action on a without costs basis.

3. Deloitte Restructuring Inc. in its capacity as receiver and manager of Rose of Sharon (the "**Receiver**") will obtain an order dismissing the action identified in the files of the Ontario Superior Court of Justice as Court File No. CV-12-463472 (the "**Receiver's Claim**") as against Trisura, without costs.

4. Trisura, Trisura as assignee of the Mikal-Calladan Lien, the Receiver on behalf of Rose of Sharon and Peoples will exchange a release in form and content agreeable to all parties, acting reasonably. The form of release will allow Trisura to continue its litigation against Mikal-Calladan and Unimac Group Ltd. and the Receiver to continue its litigation against the other defendants in the Receiver's Claim; and,

5. Trisura will obtain an order discharging the Tremonte Manufacturing Welding & Ironworks Limited claim for lien registered as Instrument No. AT2557379.

6. This offer to settle is conditional upon approval by a Judge of the Ontario Superior Court of Justice (Commercial List) presiding over the matter identified as Court File No. CV-11-9399-00CL, to be sought by the Receiver as soon as practicable after acceptance.

This Offer to Settle shall remain open for acceptance until one minute after the commencement of the trial in this action unless earlier withdrawn in accordance with the *Rules of Civil Procedure*.

Date: January 21, 2015

GOWLING LAFLEUR HENDERSON LLP
Barristers and Solicitors
Suite 1600, 1 First Canadian Place
100 King Street West
Toronto, Ontario M5X 1G5

Clifton P. Prophet (LSUC #34845K)
Tel: 416-862-3509
Fax: 416-862-7661

Christopher Stanek (LSUC #45127K)
Tel: 416-862-4369
Fax: 416-862-7661

Lawyers for Peoples Trust Company
and Deloitte Restructuring Inc. in its
capacity as court appointed receiver and
manager of Rose of Sharon (Ontario)
Retirement Community

TO: **BORDEN LADNER GERVAIS LLP**
Barristers & Solicitors
Scotia Plaza, 40 King Street West
Toronto, Ontario
M5H 3Y4

James W. MacLellan (LSUC # 37197G)
Tel: 416-367-6000
Fax: 416-367-6479

Lawyers for the plaintiff

**Minutes of Settlement made as of this 2nd day of February, 2015
("Minutes of Settlement")**

AMONG:

**ROSE OF SHARON (ONTARIO) RETIREMENT
COMMUNITY by DELOITTE & TOUCHE INC. solely in its
capacity as court-appointed Receiver and Manager and not in its
personal capacity**

(hereinafter referred to as the "Receiver")

- and -

**PEOPLES TRUST COMPANY
(hereinafter referred to as the "Peoples")**

-and-

**TRISURA GUARANTEE INSURANCE COMPANY
(hereinafter referred to as the "Trisura")**

WHEREAS the Rose of Sharon entered into an Agreement with Unimac Group Limited, Operating as Mikal-Calladan Construction Inc. ("Unimac") dated November 15, 2005 (the "Contract") for the performance of work described therein as Rose of Sharon (Ontario) Retirement Community (the "Project");

AND WHEREAS Trisura Guarantee Insurance Company, ("Trisura") issued Performance Bond No. TCS0211026 dated March 29, 2007. ("Performance Bond");

AND WHEREAS Mikal-Calladan Construction Company Inc. ("Mikal-Calladan"), registered a Claim for Lien against title to the Project as Instrument No. AT2556511 in respect of claims alleged for work under the Contract (the "Lien") on November 19, 2010;

AND WHEREAS Mikal-Calladan commenced a lien action to perfect the Lien as Court File No. CV-10-417426 (the "Lien Action");

AND WHEREAS Mikal-Calladan assigned its interest in the Lien to Trisura by Assignment dated January 30, 2012 (the "Assignment");

AND WHEREAS Tremonte Manufacturing Welding & Ironworks Limited registered a claim for Lien on November 22, 2010 against title to the Project as Instrument No. AT2557379. (the "Tremonte Lien")

AND WHEREAS the Receiver commenced an Action against Trisura, among others, as Court File No. CV-12-463472 (the "Civil Action"); and

AND WHEREAS the Receiver, Peoples and Trisura have agreed to settle the issues between them with respect to the Lien, the Performance Bond, the Lien Action, the Civil Action and the Project on the terms described in these Minutes of Settlement;

NOW THEREFORE IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HEREIN AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY WHEREOF IS HEREBY ACKNOWLEDGED, THE PARTIES HERETO AGREE AS FOLLOWS:

1. The recitals as stated above form an integral part of these Minutes of Settlement.
2. Peoples shall pay to Trisura the all-inclusive amount (inclusive of principal, taxes, interest and costs) sum of [REDACTED] in full and final settlement of the Lien, the Assignment, the Lien Action and Civil Action.
3. Peoples and the Receiver agree to execute a release in favour of Trisura in the form attached as hereto as Schedule "A".
4. Trisura agrees to execute a Release in favour of the Receiver in the form attached hereto as Schedule "B".
5. The Receiver agrees to dismiss the Civil Action in its entirety against Trisura on a without costs basis.
6. The parties agree to consent to an Order for the discharge of the Lien, the related Certificate of Action and the Assignment and for the dismissal of the Lien Action including any counterclaim on a without costs basis. Trisura is to obtain and register the Order.
7. The parties agree to consent to an Order discharging the Tremonte Lien. Trisura is to obtain and register the Order.

8. The Settlement of this matter shall be made subject to the approval of the Court which the Receiver shall obtain before the end of February, 2015 or as soon thereafter as Court time can be secured.
9. Upon receipt of Court approval, Peoples shall deliver the settlement amount and the releases executed by Peoples and the Receiver, to Borden Ladner Gervais LLP ("BLG"), the lawyers for Trisura, to be held in escrow in accordance with these Minutes. Trisura shall then obtain the Lien Action Order and the Civil Action Order. Upon delivery to the Peoples and the Receiver of the:
 - Issued and entered Civil Action Order
 - Issued and entered Lien Order including evidence of registration of the Order on title to the Project
 - Issued and entered Tremonte Lien Order including evidence of registration of the Order on title to the Project
 - Trisura Release

BLG can release the settlement amount and the Peoples and Receiver Release to Trisura

10. Nothing in these Minutes of Settlement shall operate so as to, in any way, prevent or limit Trisura's right to commence any legal proceedings and obtain recovery from Unimac or any other Unimac related company or person or subcontractor of Unimac with respect to any losses or expenses which Trisura may have sustained or incurred, or which it may hereafter sustain or incur, in respect of surety bonds issued to Unimac or Unimac related company;
11. Nothing in these Minutes of Settlement shall operate so as to, in any way, prevent or limit the Receiver's right to continue the Civil Action against all remaining parties or to seek recovery from Unimac in the Civil Action or other proceedings.
12. In the event that any other corporation or individual hereafter commences proceedings against the Receiver, Peoples or Trisura with respect to the Project, the Receiver or Peoples

and Trisura agree that neither shall seek contribution or indemnity with respect to any such proceedings from the other.

- 13. The Parties shall execute and deliver any documents and do such further and other things from time to time which are necessary to give effect to this settlement;
- 14. The Parties acknowledge that these Minutes of Settlement represent the full and final agreement between the Parties, without reference to any other oral communication or written document, with respect to settlement and any and all claims related to the Project.
- 15. These Minutes of Settlement may be executed in counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute one and the same document.

IN WITNESS WHEREOF, the Parties hereto have executed these Minutes of Settlement by the hand of their proper signing officers duly authorized in that regard for corporations, as of the date first written above.

DELOITTE RESTRUCTURING INC., FORMERLY KNOWN AS *AB.*

ROSE OF SHARON (ONTARIO) RETIREMENT COMMUNITY by DELOITTE & TOUCHE INC., solely in its capacity as court-appointed Receiver and Manager and not in its personal capacity

Per: *[Signature]*
Name: HARTLEY BOLCKS
Title: VICE PRESIDENT

I/We have the authority to bind the Corporation

PEOPLES TRUST COMPANY

Per: _____
Name: _____
Title: _____

I/We have the authority to bind the Corporation

and Trisura agree that neither shall seek contribution or indemnity with respect to any such proceedings from the other.

- 13. The Parties shall execute and deliver any documents and do such further and other things from time to time which are necessary to give effect to this settlement;
- 14. The Parties acknowledge that these Minutes of Settlement represent the full and final agreement between the Parties, without reference to any other oral communication or written document, with respect to settlement and any and all claims related to the Project.
- 15. These Minutes of Settlement may be executed in counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute one and the same document.

IN WITNESS WHEREOF, the Parties hereto have executed these Minutes of Settlement by the hand of their proper signing officers duly authorized in that regard for corporations, as of the date first written above.

**ROSE OF SHARON (ONTARIO)
RETIREMENT COMMUNITY by DELOITTE &
TOUCHE INC. solely in its capacity as court-
appointed Receiver and Manager and not in its
personal capacity**

Per: _____

Name: _____

Title: _____

I/We have the authority to bind the Corporation

PEOPLES TRUST COMPANY


Per: 

Name: William Moffatt
President and

Title: Chief Operations Officer

I/We have the authority to bind the Corporation


PEOPLES TRUST COMPANY

Per: 

Name: Derek Peddesden
Chief Executive Officer

Title: _____

TRISURA GUARANTEE INSURANCE
COMPANY

Per: 

Name: Shant. M. P. Aky

Title: AVP Claims

I/We have the authority to bind the Corporation

TRISURA GUARANTEE INSURANCE
COMPANY

Per: 

Name: VICTOR BANDIERA

Title: VP CONSTRUCTION SERVICES.

I/We have the authority to bind the Corporation

Schedule "A"

Release

KNOW ALL MEN BY THESE PRESENTS that **PEOPLES TRUST COMPANY** and **ROSE OF SHARON (ONTARIO) RETIREMENT COMMUNITY** by **DELOITTE & TOUCHE INC.** solely in its capacity as court-appointed **Receiver and Manager** and not in its personal capacity (the "Releasors"), including their administrators, successors, officers, directors, employees, officials, affiliates, board members, representatives and assigns, in consideration of the payment of TEN (\$10.00) DOLLARS by the Releasors to **Trisura Guarantee Insurance Company** (the "Releasee") (the receipt and adequacy of which is hereby acknowledged), and for other good and valuable consideration including all matters referred to in the Minutes of Settlement dated February 2nd, 2015, the Releasors do hereby remise, release and forever discharge the Releasee, including its administrators, successors, officers, directors, employees, officials, affiliates, board members, representatives, agents and assigns from any and all manner of actions, causes of action, suits, debts, duties, accounts, bonds, covenants, contracts, claims and demands whatsoever which the Releasors had, now have or hereinafter may have, for or by reason of, or in consequence of or relating to:

1. Performance Bond No. TCS0211026;
2. The Claim for Lien registered by Mikal-Calladan dated November 19, 2010 ad Instrument No.: AT2556511;
3. The Project – Rose of Sharon (Ontario) Retirement Community (the "Project");
4. The Civil Action Court File No.: CV-12-463472 (the "Civil Action"); and
5. The Lien Action Court File No.: CV-10-417426.

AND IT IS EXPRESSLY UNDERSTOOD AND AGREED that notwithstanding any of the foregoing, this Release does not relieve the Releasee from its continuing obligations under the Minutes of Settlement dated February 2nd 2015.

THIS RELEASE shall be binding upon and inure to the benefit of the Releasee and its administrators, successors, officers, directors, employees, officials, affiliates, board members, representatives, agents and assigns.

THIS RELEASE shall not affect or interfere with any rights the Releasors may, can or shall have against any other party with respect to the Project and/or the Civil Action

AND IT IS HEREBY DECLARED that the terms of this Release are fully understood and that the Release is given voluntarily for the purpose of making a settlement of all claims.

AND IT IS FURTHER UNDERSTOOD AND AGREED that the Releasors agree to keep the terms and conditions of this Release confidential, except to the extent disclosure is required by law.

IN WITNESS WHEREOF THE RELEASORS have executed this Release by its duly authorized officers, this _____ day of February, 2015.

DELOITTE RESTRUCTURING INC., FORMERLY KNOWN AS

ROSE OF SHARON (ONTARIO) RETIREMENT COMMUNITY by DELOITTE & TOUCHE INC. solely in its capacity as court-appointed Receiver and Manager and not in its personal capacity

HS

By: Hartley Bricks

I have authority to bind the corporation

Name: HARTLEY BRICKS

Title: VICE PRESIDENT

PEOPLES TRUST COMPANY

By: _____

I have authority to bind the corporation

Name:


Title:

IN WITNESS WHEREOF THE RELEASORS have executed this Release by its duly authorized officers, this 26th day of February, 2015.

**ROSE OF SHARON (ONTARIO)
RETIREMENT COMMUNITY by
DELOITTE & TOUCHE INC. solely in its
capacity as court-appointed Receiver and
Manager and not in its personal capacity**

By: _____
I have authority to bind the corporation
Name:
Title:

PEOPLES TRUST COMPANY

By: 
I have authority to bind the corporation
Name: **William Moffatt**
Title: **President and
Chief Operations Officer**

PEOPLES TRUST COMPANY

By: 
I have authority to bind the corporation
Name:
Title: **Derek Peddlesden
Chief Executive Officer**

Schedule "B"

Release

KNOW ALL MEN BY THESE PRESENTS that Trisura Guarantee Insurance Company (the "Releasor"), including its administrators, successors, officers, directors, employees, officials, affiliates, board members, representatives and assigns, in consideration of the payment of TEN (\$10.00) DOLLARS by the Releasor to ROSE OF SHARON (ONTARIO) RETIREMENT COMMUNITY by DELOITTE & TOUCHE INC. solely in its capacity as court-appointed Receiver and Manager and not in its personal capacity and PEOPLES TRUST COMPANY (the "Releasee") (the receipt and adequacy of which is hereby acknowledged), and for other good and valuable consideration including all matters referred to in the Minutes of Settlement dated February 2nd, 2015, the Releasor does hereby remise, release and forever discharge the Releasee, including its administrators, successors, officers, directors, employees, officials, affiliates, board members, representatives, agents and assigns from any and all manner of actions, causes of action, suits, debts, duties, accounts, bonds, covenants, contracts, claims and demands whatsoever which the Releasor had, now has or hereinafter may have pursuant to:

1. Performance Bond No. TCS0211026;
2. The Claim for Lien registered by Mikal-Calladan dated November 19, 2010 as Instrument Number AT2556511;
3. The Project - Rose of Sharon (Ontario) Retirement Community;
4. The Civil Action Court File No.: CV-12-463472; and
5. The Lien Action Court File No.: CV-12-417426.

AND IT IS EXPRESSLY UNDERSTOOD AND AGREED that notwithstanding any of the foregoing, this Release does not relieve the Releasee from its continuing obligations under the Minutes of Settlement dated February 2nd 2015.

THIS RELEASE shall be binding upon and inure to the benefit of the Releasee and its administrators, successors, officers, directors, employees, officials, affiliates, board members, representatives, agents and assigns.

AND IT IS HEREBY DECLARED that the terms of this Release are fully understood and that the Release is given voluntarily for the purpose of making a settlement of all claims described herein.

IN WITNESS WHEREOF THE RELEASOR has executed this Release by its duly authorized officers, this 27th day of February, 2015.

Trisura Guarantee Insurance Company
 By: [Signature]
 I have authority to bind the corporation.
 Name: VICOR BANDIERA
 Title: V.P. CONSTRUCTION SERVICES

Trisura Guarantee Insurance Company
 By: [Signature]
 I have authority to bind the corporation.
 Name: Shirley M. D. Doherty
 Title: AVP Claims

CONFIDENTIAL APPENDIX "I"

Receiver's Analysis of Lien Settlement

1. The construction holdback amount on the original construction contract, less holdback releases, totaled \$1,278,585 plus GST. Gowlings has advised the Receiver that [REDACTED]

[REDACTED]

2. While the Receiver and Peoples had taken the position that the cost of remediating the construction deficiencies at the Property, estimated at \$3.5 million, should have the effect of reducing the ultimate amount of the construction contract, and therefore the amount of applicable construction holdback, Gowlings advised that [REDACTED]

[REDACTED]

APPENDIX “J”

Properties

PIN 10468 - 0554 LT
Description LOTS 25, 26 AND PART OF LOT 24, BLOCK F, PLAN 875 DESIGNATED AS PARTS 1 AND 2 ON PLAN 66R-22215. CITY OF TORONTO (FORMERLY CITY OF YORK). S/T A RIGHT OF WAY OVER PART 2 ON PL 66R-22215 AS IN TB374581 IN FAVOUR OF PT LTS 23 AND 24 BLOCK F PL 875. S/T A RIGHT AS IN CA439308 OVER PART 2 PL 66R-22215 IN FAVOUR OF PT LTS 23 AND 24 BLOCK F, PL 875.
Address 15 - 17 MAPLEWOOD AVENUE
TORONTO

Consideration

Consideration \$10.00

Applicant(s)

The notice is based on or affects a valid and existing estate, right, interest or equity in land

Name TRISURA GUARANTEE INSURANCE COMPANY
Address for Service 333 Bay Street
Suite 1610, Box 22
Toronto, Ontario
M5H 2R2

I, Rebekah Alberga, Vice President, Claims & Corporate Counsel, have the authority to bind the corporation.
This document is not authorized under Power of Attorney by this party.

Party To(s) *Capacity* *Share*

Name MIKAL-CALLADAN CONSTRUCTION INC.
Address for Service 27 Landmark Court
Markham, ON

I, Leon Hill, President, have the authority to bind the corporation
This document is not authorized under Power of Attorney by this party.

Statements

This notice is pursuant to Section 71 of the Land Titles Act.
This notice may be deleted by the Land Registrar when the registered instrument, AT2556511 registered on 2010/11/19 to which this notice relates is deleted
Schedule: See Schedules
This document relates to registration no.(s)AT2556511

Signed By

Elizabeth Oishi 40 King St. W. acting for Signed 2012 04 10
Toronto Applicant(s)
M5H 3Y4

Tel 4163676000
Fax 4163676749

I have the authority to sign and register the document on behalf of the Applicant(s).

Submitted By

Borden Ladner Gervais LLP 40 King St. W. 2012 04 10
Toronto
M5H 3Y4

Tel 4163676000
Fax 4163676749

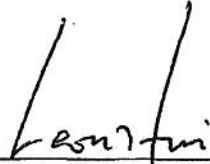
Fees/Taxes/Payment

Statutory Registration Fee	\$60.00
Total Paid	\$60.00

File Number

Applicant Client File Number : 019110-000064

IN WITNESS WHEREOF the Assignor has executed this Assignment by its proper signing officers the date above written.



MIKAL-CALLADAN CONSTRUCTION INC.

Name: LEON HUI

Title: President

I have authority to bind the corporation

TOR01: 4836858: v1

THIS ASSIGNMENT made in duplicate this 30th day of January, 2012.

BETWEEN: MIKAL-CALLADAN CONSTRUCTION INC., a corporation incorporated pursuant to the laws of the Province of Ontario, hereinafter called the Assignor.

- and -

TRISURA GUARANTEE INSURANCE COMPANY, a corporation incorporated pursuant to the laws of Canada, hereinafter called the Assignee.

WITNESSETH that, in consideration of the payment of the sum of Ten Dollars (\$10.00) of lawful money of Canada by the Assignee to the Assignor, the receipt of which is hereby acknowledged by the Assignor, the Assignor hereby irrevocably assigns and releases to the Assignee all its right, title and interest in and to a certain claim for lien under the *Construction Lien Act*, R.S.O. 1990, c. C.30, as amended (the "*Act*") which was registered on the 19th day of November, 2010 in the Land Titles Office for the Land Registry Office No. 80 as Instrument No. AT2556511 in the amount of \$4,166,659.11 (the "Lien").

There is presently owing upon the Lien the sum of \$4,166,659.11.

In addition, the Assignee hereby irrevocably assigns and releases to the Assignee all its right, title and interest in and to the proceeds and any amount recovered in Toronto Court File No. CV-10-417426 (the "Action") and the judgment obtained in the action against Rose of Sharon (Ontario) Retirement Community including, without limiting the generality of the foregoing, all judgments, claims, settlements and recoveries relating thereto, and the proceeds thereof.

This Assignment shall be binding on the assigns or successors of assigns, as the case may be, of all the parties to this Assignment.

This Assignment is made pursuant to Section 73 of the *Act*.

The Assignee shall have absolute carriage and control of the Action and the Lien. The Assignee shall have the sole right to settle or compromise the Lien or the Action, without any prior obligation to notify the Assignor. Any such settlement or compromise shall be binding upon the Assignor.

All amounts recovered pursuant to the Lien or the Action shall be applied first to any loss suffered by the Assignor under the Indemnity Agreement dated December 18, 2009 executed by the Assignor.

APPENDIX “K”

**IN THE MATTER OF THE RECEIVERSHIP OF
ROSE OF SHARON (ONTARIO) RETIREMENT COMMUNITY**

**Receiver's Interim Statement of Receipts and Disbursements
for the period September 27, 2011 to November 30, 2014**

Receipts

1. Ministry of Health funding	\$ 9,078,424
2. Receipts from preferred accommodation re: nursing home residents	4,008,208
3. Receiver borrowings	2,500,000
4. Receipts from life lease tenants (Life lease payments and common area maintenance payments)	969,827
5. Cash in bank (note 1)	404,887
6. Property tax refund	139,700
7. Other	45,046
8. Total receipts	<u>\$ 17,146,091</u>

Disbursements

9. Funding of nursing home (note 2)	12,149,893
10. Receiver fees (note 3)	1,256,284
11. Repairs & maintenance	916,450
12. Legal fees (note 4)	1,152,071
13. Utilities	411,499
14. HST	329,572
15. Property management fees (note 5)	242,596
16. Buyout of kitchen equipment lease (note 6)	60,913
17. Property taxes (note 7)	57,894
18. Cable TV, internet & telephone	118,071
19. Building Condition Assessment	41,270
20. Insurance	42,980
21. Appraisal fees	17,505
22. PST	1,618
22. Consulting fees	5,600
23. Accounting services	34,700
24. Ministry of Health & Long-Term Care fees	3,750
25. Other (Bank charges, filing fees)	4,414
26. Total disbursements	<u>\$ 16,847,082</u>
27. Excess of receipts over disbursements	<u>\$ 299,009</u>