



March 26, 2019

**Notice of Further Hearing on Thursday, April 4, 2019**

Pursuant to the Order of the Honourable Mr. Justice Hainey of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated March 21, 2019 (the “**Order**”) Miller Thomson LLP (“**Representative Counsel**”) was appointed to represent all individuals and/or entities (“**Investors**”) that hold an interest in a syndicated mortgage (“**SMI**”), administered by Hi-Rise Capital Ltd. (“**Hi-Rise**”), in respect of the property municipally known as 263 Adelaide Street West, Toronto, Ontario (the “**Property**”) and the proposed development known as the “Adelaide Street Lofts” (the “**Project**”), in connection with the negotiation and implementation of a settlement with respect to such investments. A copy of the Order can be found on the ‘Documents’ section of Representative Counsel’s website (the “**Website**”), available at <https://www.millerthomson.com/en/hirise/>.

Pursuant to the Order, Representative Counsel represents the interest of all Investors, except Investors who do not wish to be represented by Representative Counsel and have completed and delivered an Opt-Out Notice.

Please note that Representative Counsel’s mandate as prescribed in the Order does not include initiating proceedings or providing advice with respect to the commencement of litigation. Investors who wish to obtain advice with respect to litigation-related matters (including any applicable limitation periods) should contact alternative counsel at their earliest convenience.

Further to the package delivered to all Investors dated March 22, 2019, the purpose of this communication is to provide you with additional details regarding the upcoming Court hearing scheduled for Thursday, April 4, 2019 at 10:00am at 330 University Avenue, 8<sup>th</sup> floor (the “**April Hearing**”). On this date, the Court will hear an application brought by Hi-Rise that deals with following three issues:

1. whether Hi-Rise has the power to discharge the syndicated mortgage registered against the Property despite the fact that the proceeds received from the Property may be insufficient to pay in full amounts owing to investors under the syndicated mortgage (the “**Mortgage**”);
2. whether a charge should be granted against the Property in priority to the Mortgage to secure the fees of Miller Thomson LLP incurred prior to the date of the Order (*i.e.* prior to March 21, 2019); and
3. whether a charge should be granted against the Property in priority to the Mortgage to secure the fees of counsel for Hi-Rise in connection with the court application.

Hi-Rise’s court materials in this regard are posted on the ‘Communications’ section of the Website.

Representative Counsel will attend at the April Hearing on behalf of all Investors (except those that have delivered an Opt-Out Notice). Accordingly, your attendance at the April Hearing is not required. Representative Counsel will post another update after the April Hearing takes place.

If you have delivered an Opt-Out Notice to Representative Counsel, please be advised that you must serve and file with the Court a Notice of Appearance in order to receive notice of subsequent steps in the Court proceeding.

Yours Truly,

MILLER THOMSON LLP,  
solely in its capacity as  
Representative Counsel

