



February 16, 2021

Update on Delivery of Investor Claim Notices

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, administered by Hi-Rise Capital Ltd. (“**Hi-Rise**”), in respect of the property municipally known as 263 Adelaide Street West, Toronto, Ontario (the “**Property**”) owned by Adelaide Street Lofts Inc. (“**Adelaide**”) and the proposed development known as the “Adelaide Street Lofts”, 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/>.

Representative Counsel writes this update further to its communication dated February 3, 2021 (the “**Last Update**”), a copy of which is posted on the Website, and to provide Investors with the following update.

Delivery of Investor Claim Notices

Representative Counsel has received numerous inquiries from Investors regarding the status of their Investor Claim Notice. Please be advised that:

For Non-Registered Investors:

1. The Investor Claim Notices for **all Non-registered Investors** has been mailed out to the addresses for non-registered Investors that we have in our records. This means that **if you are a non-registered Investor, your Investor Claim Notice is in the mail and in the process of being delivered to you.**
2. Please exercise patience, as it may take sometime for Canada Post to physically deliver the Investor Claim Notice to you.

For Registered Investors:

3. The Investor Claim Notice for **most Registered Investors** has been mailed out to the addresses for Registered Investors that we have in our records.
4. Please exercise patience, as it may take sometime for Canada Post to physically deliver the Investor Claim Notice to you.
5. **If you are a Registered Investor and you have not received your Investor Claim Notice, it may mean that it has not yet been mailed out to you.** Representative Counsel and its Distribution Agent are still in the process of completing the Investor Claim Notices for certain Registered Investors.

6. If this is the case, there is nothing for you to do. Representative Counsel will deliver another Communication to advise when remaining Investor Claim Notices for Registered Investors have been delivered.

Next Steps

7. Please consult the Last Update on the Website for full details with respect to your Investor Claim Notice. As a reminder:
 - (a) Upon receipt of your Investor Claim Notice please review it thoroughly to confirm its accuracy. **If you agree with the information contained in your Investor Claim Notice then there is nothing further for you to do.**
 - (b) **However, if you disagree with any of the information contained in your Investor Claim Notice, then you must notify Representative Counsel of your objection within 14 days of the date of your Investor Claim Notice, using the form of Notice of Objection included with your Investor Claim Notice.**

Distribution Cheques

Representative Counsel has received numerous inquiries regarding the Distribution calculation and the timing of Distribution Cheques.

Before Representative Counsel and its Distribution Agent can calculate the amounts that will be paid to each Investor and before it can deliver a Distribution cheque to each Investor, it must first conclude the process under the Investor Claim Notice.

This means that:

- First, Investor Claim Notices must be delivered to all Investors;
- Second, Notices of Objections (if any) must be received by objecting Investors and must be resolved in order to determine the total amount of Investor claims (ie, the total amount owing to Investors); and,
- Third and lastly, once the total amount of Investor claims is finalized, then Representative Counsel and its Distribution Agent can commence the Distribution calculations and seek Court approval of same.

Accordingly, the Distribution calculations are not available at this time. When such calculations are available, Representative Counsel will deliver another Communication to advise Investors of same.



Address Change Procedure

1. Representative Counsel has previously requested that any Investor who has changed his or her address immediately notify Representative Counsel.
2. If you have moved and your address has changed since you made your investment, please notify Representative Counsel immediately by following the Court-approved Address Change Procedure and:
 - (a) Email Representative Counsel at HiRiseCapital@millerthomson.com to advise of your new address; and
 - (b) Provide proof of your new address. For example, you may email a copy of a utility bill (or any similar mailed document) with your name and new address on it.

IMPORTANT Note to Investors Regarding Communications & Investor Inquiries

Representative Counsel continues to receive inquiries that have been addressed in our Communications. The Communications we deliver to Investors are intended to provide Investors with updates on new developments and new information. Accordingly, Representative Counsel will not be repeating the same information in each of its Communications. Please consult the Website and the Communications, as it is likely that the information you are seeking has already been provided to Investors by Representative Counsel. To the extent you require further information or clarification after you have reviewed the Website and previous Communications, please feel free to contact Representative Counsel.

Representative Counsel continues to receive inquiries directly to this email, as well as to the personal emails and telephone numbers of the lawyers involved. As set out in previous communications and in order to ensure that all inquiries are managed efficiently and cost-effectively, please do not email Representative Counsel's individual lawyers directly. **As a reminder, Representative Counsel will not be communicating with Investors through their personal emails.**

In order to manage the volume of inquiries and to effectively respond, Investors should submit inquiries to Representative Counsel through the dedicated email account at HiRiseCapital@millerthomson.com. Representative Counsel reviews all emails received through this email address on a daily basis, and will respond to **new** inquiries through further communications to Investors (which will be emailed to all Investors and posted on the Website).

It is crucial at this time that all Investors respect this request. Thank you all for your patience.

Yours Truly,

Miller Thomson LLP,
solely in its capacity as
Representative Counsel

