



August 17, 2021

### **Update on Final Distribution Payment**

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., in respect of the property municipally known as 263 Adelaide Street West, Toronto, Ontario, owned by Adelaide Street Lofts Inc. 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/hi-rise>.

Representative Counsel writes this update further to its communications dated June 11, 2021 (Update on Municipal Tax Motion), a copy of which is posted on the Website, and to provide Investors with the following update:

1. Since the delivery of the Initial Distribution cheques, Representative Counsel has received, and continues to receive, numerous inquiries regarding the timing of the Final Distribution. We take this opportunity to respond.
2. Pursuant to section 8 of the Order of Justice Hainey dated November 23, 2020 (the “**Distribution Plan Approval Order**”), Representative Counsel is authorized to settle the claim of any Objecting Investor on such terms as are reasonable and appropriate, as determined by Representative Counsel and approved by the Official Committee. A copy of the Distribution Plan Approval Order can be found in the ‘Documents’ section of the Website.
3. In accordance with such authority, Representative Counsel has been working with Objecting Investors in arriving at a resolution/settlement of each of their Notices of Objection.
4. Representative Counsel is still in the process of undertaking these resolution discussions.
5. To the extent that Representative Counsel is unable to settle certain objections, it will seek advice and direction from the Court with respect to the steps for Court resolution of same.
6. Once **ALL** Notices of Objection have been resolved, either through resolution discussions or through Court direction/order, Representative Counsel will be in a position to finalize the final distribution amounts to be delivered to Non-Registered Investors.

7. You will receive an update from Representative Counsel once the resolution process is near completion. Thereafter, Representative Counsel, with the assistance of its Distribution Agent, will prepare the final distribution amounts and corresponding cheques.
8. Please understand that the resolution process is a document-intensive and time-consuming process. There are many aspects to the resolution process that are outside of Representative Counsel's control, but we are working diligently to complete this process in a timely manner. At this time, we are unable to anticipate when the resolution process will conclude.
9. **In the meantime, there is nothing further for you to do.** Please be advised that Representative Counsel will not be responding directly to further inquiries regarding the timing of the final distribution cheques, as all up-to-date information is contained in this communication.

### **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](mailto: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](mailto: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

