



April 20, 2021

Update on Final Distribution

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 March 31, 2021 (Update on Distribution for Registered Investors) and April 12, 2021 (Update on Distribution for Non-Registered Investors), copies of which are posted on the Website, and to provide Investors with the following update:

Initial Distribution & Final Distribution

Please be advised that pursuant to the Initial Distribution Motion, the Court has approved the distribution of the initial payment to Investors on account of their claims (the “**Initial Distribution**”), which accounts only for a portion of the amount payable to Non-Registered Investors.

As detailed in our previous communications, in accordance with the Initial Distribution Order:

- Representative Counsel has transferred the portion of the amount payable on account of the Initial Distribution to Registered Investors directly to Community Trust Company (“**CTC**”); and
- The Distribution Agent (Alvarez & Marsal Canada Inc.) has prepared and sent the Initial Distribution cheques to Non-Registered Investors by mail to the mailing addresses that Representative Counsel has on file.

Representative Counsel has received many inquiries from Non-Registered Investors regarding when they will receive their next Distribution cheque, if any.

As set out in the Seventh Report of Representative Counsel dated March 10, 2021, a copy of which is available on the Website, Representative Counsel has held back funds while it resolves certain matters, including the Notices of Objections delivered by certain Investors and the outcome of the Municipal Tax Motion. This is why you have only received a portion of the funds that have been distributed, and there may be additional funds available for distribution once all contingencies are resolved (the “**Final Distribution**”).

Representative Counsel will advise all Investors promptly once the contingencies are resolved, and advise as to the date and amount of the Final Distribution. **In the meantime, there is nothing else for you to do. We thank you for your patience as we resolve all ongoing issues.**

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

