



May 6, 2022

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 communication dated March 30, 2022 (Update and Summary of Details on Final Distribution) (the “**Last Update**”), a copy of which is posted on the Website, and to provide Investors with the following update:

1. Representative Counsel’s motion to the Court proceeded on April 7, 2022 and was continued on April 28, 2022.
2. On April 28, 2022, the Honourable Mr. Justice McEwen granted Representative Counsel’s motion, and granted the following two Orders:
 - (a) An Order (re: Approval of Final Distribution) (the “**Final Distribution Order**”), among other things, approving an Honourarium to the Official Committee and a further and final Distribution to Investors listed on the court-approved Final Claim Index (the “**Final Distribution**”); and
 - (b) An Order (re: Ancillary Relief) (the “**Ancillary Order**”), among other things, approving Representative Counsel’s fees and disbursements in this proceeding.

Copies of both the Final Distribution Order and the Ancillary Order, as well as the Endorsements of Justice McEwen, are posted on under the ‘Documents’ section of the Website.

Final Distribution

3. As set out in the Final Distribution Order, only the Remaining Investors set out in the Final Claim Index will be eligible to receive a Final Distribution in this proceedings in accordance with the Final Claim Index.
4. In other words, **this means that Non-Registered Investors (with the exception of certain Non-Registered Investors that are expressly exempt) will receive a further and Final Distribution.**

5. The Distribution Agent and Representative Counsel are in the process of preparing and finalizing the Final Distribution.
6. If you are a Remaining Investor (*i.e.*, an eligible Non-Registered Investor), you can expect to receive the following documents in the coming weeks by regular mail delivered to the address we have recorded on file for you:
 - (a) A Final Distribution Notice, which will summarize the following details:
 - (i) Your Investor Claim Notice initially issued to you in these proceedings;
 - (ii) Your Initial Distribution already received by you in these proceedings;
 - (iii) The amount of your Final Distribution which you are now receiving; and
 - (iv) A summary of the total Distribution received by you in these proceedings.
 - (b) A Final Distribution cheque, which we ask you to cash/deposit immediately upon receipt.
7. Please note that the Final Distribution represents the **FINAL and LAST** Distribution that the Remaining Investors will receive in these proceedings, in full and final satisfaction of claims in this proceeding. **All amounts are full and final and are not open to any objection.**
8. **In the meantime, there is nothing for you to do.** We will deliver a further communication once the Final Distribution has been sent by mail.

Address Change Procedure

9. Representative Counsel has previously requested that any Investor who has changed his or her address immediately notify Representative Counsel.
10. 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

