Richter Groupe Conseil Inc.
Richter Advisory Group Inc.
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CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL
Court No: 500-11-046282-147
500-11-046281-149
Estate No: 41-1843846
41-1843847

SUPERIOR COURT
(Commercial Division)
The Companies' Creditors Arrangement Act

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. (1985), c. C-36 WITH RESPECT TO:

CASPERDINY IFB REALTY INC. , a legal person duly incorporated under the laws of Canada, having its principal place of business at 3475 Mountain Street, Montreal, Quebec, H3G 2A4
-and-
LES APPARTEMENTS CLUB SOMMET INC., a legal person duly incorporated under the laws of Canada, having its principal place of business at 3475 Mountain Street, Montreal, Quebec, H3G 2A4

Petitioners

-and-

RICHTER ADVISORY GROUP INC., a duly incorporated legal person having its principal place of business at 1981 McGill College Avenue, in the city and district of Montreal, Quebec, H3A 0G6

Proposed Monitor

REPORT OF RICHTER ADVISORY GROUP INC.
In its capacity as Proposed Monitor, submitted in conjunction with the CCAA Petition filed on March 12, 2014 under the provisions of the *Companies' Creditors Arrangement Act*, R.S.C. (1985), c. 36, Sections 4 and 11, 11.2 and 11.6 (hereinafter "CCAA Petition")

INTRODUCTION

1. Richter Advisory Group Inc. ("Richter" or "Proposed Monitor") understands that Casperdiny IFB Realty Inc. (hereinafter "Casperdiny") and Les Appartements Club Sommet Inc. (hereinafter "Sommet"),

(hereinafter collectively referred to as "Petitioners" or "Company") are filing a CCAA Petition before this Honourable Court seeking:

a) Authorization to continue the NOI proceedings under the CCAA;

b) Issuance of an initial order pursuant to the CCAA in favour of the Petitioners, in accordance with the Draft Order (as defined in the CCAA Petition);

c) Granting the Administration Charge (as defined in the CCAA Petition);

d) Approving the Interim Financing Facility (as defined hereinafter) and authorizing the Petitioners to borrow in accordance with same and execute any and all documents necessary or useful with a view to implement the Interim Financing Facility; and

e) Grant the Interim Lender's Charge (as defined in the CCAA Petition).

2. The Proposed Monitor, Richter Advisory Group Inc. (hereinafter "Richter"), was appointed Trustee to the notice of intention to make a proposal filed by the Petitioners in accordance with the *Bankruptcy and Insolvency Act*, R.S.C. (1985) ch. B-3 (hereinafter the "NOI") and is the Proposed Monitor by the Petitioners to participate in their restructuring process under the CCAA.

3. Benoit Gingues, CPA, CA, CIRP of Richter, the individual with the primary responsibility for this matter, as well as Richter, are trustees within the meaning of subsection 2(1) of *the Bankruptcy and Insolvency Act* (Canada). Neither Richter or any of its representatives have been at any time in the two preceding years:

- The auditor of the Petitioners;
- A director, an officer or an employee of the Petitioners;
- Related to the Petitioners or to any director or officer of the Petitioners.

4. Richter has consented to act as Monitor should this Honourable Court grant the Petitioners' request to commence the CCAA Proceedings.

5. All amounts reflected in this report are stated in Canadian currency unless otherwise noted.

6. The purpose of this report is to inform the Court of the following:

- General corporate information;
- Historical events leading to the CCAA filing;
- Operating results and financial position;

- Lease-up Program;
- Solicitation Process;
- Cash flow Projections;
- Interim Financing Facility;
- Proposed Administration Charge;
- Conclusions and Recommendations.

7. The information contained in this report is based on unaudited financial information as well as discussions with representatives of the Petitioners' project and property management firm: Asta Corporation Inc. (hereinafter "Management"). The Proposed Monitor has not conducted an audit or other verification of such information and accordingly, no opinion is expressed regarding the accuracy, reliability or completeness of the information contained herein.

GENERAL CORPORATE INFORMATION

8. Casperdiny is controlled by Casperdiny IFB Capital Inc. (a Canadian corporation), which in turn is wholly owned by IFB Beteiligungen AG (a German publicly organized company) based in Düsseldorf. Sommet is a wholly-owned subsidiary of Casperdiny. A complete corporate ownership chart is included in **Exhibit A**.

9. Together, the Petitioners own, operate and manage a 16-story, 291-unit apartment building located in downtown Montreal, on Sherbrooke Street, corner de La Montagne (hereinafter the "Property").

10. The Property was purchased by Casperdiny in 2006 with the intention of converting the building to a co-op legal structure and selling luxury apartment units.

11. On June 20, 2007, Casperdiny sold the land, building, moveables, appliances and co-ownership rights of the Property to Sommet, a wholly owned subsidiary of Casperdiny. At the time of the sale, a proprietary lease for each and all of the apartments units, interior parking space units, locker units and balcony units (collectively "Units") was issued by Sommet, providing Casperdiny with a right to enjoy all of the Units and collect the rents from the tenants as well as any other revenue payable under or generated from leases of dwellings.

12. While a conversion to a co-op structure was completed in 2008, the apartment units were not ultimately sold, and as such, the Property is currently operated as a luxury/rental apartment building.

13. The Petitioners have no employees involved in the management of the Property. All services relative to the operations of the Property and to tenant amenities are outsourced to third parties service providers.

14. The project management, as well as day-to-day property management, are outsourced to Asta Corporation Inc. (hereinafter "Asta"), a real estate services firm with head offices located at 555 Richmond West, Suite 300, Toronto, M5V 1Y6.

HISTORICAL EVENTS LEADING TO THE CCAA FILING

15. As explained by Management, subsequent to the purchase of the Property by Casperdiny in 2006, the project experienced technical delays allegedly caused by legal advisors and a surveyor who improperly registered the plan of subdivision without approval of the Ministry of Cultural Affairs. There is a pending claim against professionals involved in the registration, for losses and costs resulting from the original project delays.

16. Due to these delays, the conversion of the Property to a co-op structure was only completed in 2008. While the Offering Memorandum was ready and initial sales efforts were reasonably successful despite difficult market conditions, the project was derailed by the 2008 financial downturn; the project lender at the time requested immediate repayment of the project loan or a conversion of the Property back to a rental apartment operation. As the existing lender was the only source of funding available to Casperdiny, the Company unwound unit sales made to date and proceeded with the conversion to a luxury rental apartment building.

17. In the spring of 2012, the Petitioners engaged BMO Capital Markets (hereinafter "BMO") to implement and conduct a formal sale process for the Property (hereinafter the "BMO Process"). Potential buyers and investors were invited to submit a bid on the Property on an "as is-where is" basis at the latest by June 2012.

18. The Petitioners had received eight (8) bids in respect to the Property and, after analysis of the bids with the assistance of BMO, Petitioners accepted the bid of Timbercreek Asset Management Inc. (hereinafter the "Timbercreek Purchaser"), an entity part of the same group as Timbercreek Senior Mortgage Investment Corporation (hereinafter "Timbercreek"), for a purchase price of $75,000,000.

19. The investors supporting the bid backed out in the fall of 2012, and Timbercreek then offered to refinance the Property which led to the issuance in November 2012 of a $65 million mortgage loan from Timbercreek to Casperdiny, secured by the Property. The principal balance of the loan was increased to $67 million in August 2014.

20. The Timbercreek Purchaser maintained on-going discussions and negotiations with the Petitioners for the potential purchase of the Property throughout 2013, first in relation to an option to purchase (with a right of first refusal) the shares of Sommet for $78,000,000 which expired April 30, 2013, and subsequently pursuant to an Agreement of Purchase and Sale executed between the Timbercreek Purchaser and the Petitioners on or about July 17, 2013, to purchase the Property for $77,250,000.

21. The revised Timbercreek bid for $77,250,000 was made subject to due diligence, and the due diligence deadline was extended at the request of the Timbercreek Purchaser until September 19, 2013. Negotiations between the Timbercreek Purchaser and the Petitioners on the contemplated transaction extended well beyond the due diligence deadline into late December 2013.

22. In late December 2013, Timbercreek Purchaser abruptly reduced the purchase price offered for the Property to $68 million, sufficient to cover only the outstanding secured debt owed to Timbercreek, plus transaction fees.

23. Current operating profits are insufficient to fund $362,917 of monthly interest expense on the mortgage loan held by Timbercreek.

24. The Company's parent, Casperdiny IFB Capital Inc., funded monthly cash flow deficits throughout 2012 and 2013, to support the project during the initial BMO sale process and subsequent negotiations with the Timbercreek Purchaser, with a view to finalizing the proposed sale of the Property for proceeds well above the outstanding mortgage loan balance. The Petitioners' shareholders in fact made advances to the Company amounting to $4,659,866 in 2012 and $2,878,631 in 2013.

25. Based on Timbercreek Purchaser's final offer of $68 million, it was determined by the shareholders of the parent company that any further advances to Casperdiny would not be recovered upon closing of the proposed transaction at the revised sale price.

26. Given the above circumstances, no additional funding was available to the Company from its parent, or from any other financing source, rendering the Petitioners unable to fund their secured mortgage interest payments as they became due. Consequently, Casperdiny is in default of making the monthly interest payment for the months of January and February 2014.

27. Furthermore, on December 24, 2013, the Syndicate had served Sommet with a 60-day prior notice to exercise its hypothecary rights against the Property. Subsequently, on March 3, 2014, the Syndicate served Sommet with a Motion for forced surrender of the Property.

OPERATING RESULTS AND FINANCIAL POSITION

Operating results

28. The following summarizes the operating results of the Petitioners for the past 3 years ended December 31, 2011, 2012 and 2013. We caution that the information pertaining to 2013 is preliminary, subject to review by the Company's accountants and may require year-end adjustments, which may be material.

29. Sommet is a wholly owned subsidiary of Casperdiny, which has no revenues other than fees charged to Casperdiny to cover its expenses. As such, the summary is presented on a combined basis for both entities. More detailed financial statements for each of Casperdiny and Sommet are included as **Exhibit B**.

Combined Statement of Operating Income
For the year ended December 31, 2013

	2013 Unaudited	**2012** Audited	**2011** Audited
Revenues	$ 3,733,269	$ 4,023,226	$ 3,230,968
Operating Expenses	2,268,440	2,186,463	2,599,536
Income from operations	$ 1,464,829	$ 1,836,763	$ 631,432

30. The Company generated $3.7 million of revenues and $1.5 million of operating income in 2013, a slight decline relative to 2012 financial results. Reported income from operations excludes interest expense, project management fees and accrued project costs unrelated to the day-to-day operations of the Property, all of which are capitalized to the Casperdiny "Investment in Subsidiary" account as discussed further in paragraph 35.

31. The Property currently generates approximately $300,000 per month in rental revenue, and has averaged $120,000 in monthly net operating profit over the past year (before project management fees, accrued project costs and mortgage interest, as noted above).

Financial Position

32. The following summarizes the respective preliminary unaudited balance sheets of Casperdiny and Sommet as of December 31, 2013.

Balance Sheet
As at December 31, 2013
(Unaudited)

		Casperdiny IFB Realty Inc. [1]		Les Appartements Club Sommet Inc.	
ASSETS					
Cash	$	3,972	$	1,618	
Land and building under development		-		37,216,518	
Prepaid Expenses		-		41,315	
Accounts receivable		65,641			
Accounts receivable from parent company		-		188,876	
Loans receivable - Shareholders		77,645		-	
Investment in a subsidiary		89,665,523		-	
	$	89,812,781	$	37,448,327	
LIABILITIES					
Accounts payable and accrued liabilities	$	218,463	$	231,809	(2)
Tenants' deposits		177,183		-	
Accounts payable to Club Sommet		188,876		-	
Secured Loans payable - Shareholders		22,575,446		-	(2)
Accrued interest - Secured Shareholder Loans		3,933,502		-	(2)
Unsecured Shareholder Project Loan / Advances		5,477,920		-	
Mortgage payable		67,000,000		-	(2)
Accrued interest - Mortgage loan		362,917		-	(2)
		99,934,307		231,809	
SHAREHOLDERS' DEFICIENCY					
Share capital		2,000,000		36,667,998	
Contributed Surplus		-		548,520	
Deficit		(12,121,526)		-	
	$	89,812,781	$	37,448,327	

[1] The Casperdiny balance sheet assets do not reflect contingent proceeds from pending litigation claims.

[2] Excludes contingent liabilities, particularly garantees given by Sommet on the secured debt of Casperdiny.

33. The Petitioners' primary asset is the income producing Property owned by Sommet. As outlined in the CCAA Petition, various Property Valuation Indications over the past 2 years support an estimated fair market value for the Property ranging from $75 million to $93 million.

34. For financial reporting purposes, the book value of the Property reflected on Sommet's December 31, 2013 unaudited balance sheet is $37.2 million, representing the purchase price paid by Sommet to Casperdiny on June 20, 2007, plus mutation taxes related to the acquisition.

35. At December 31, 2012, Casperdiny's auditors established the book value of its investment in subsidiary at $82,728,496, established as the lesser of:

   a) The purchase price paid by Sommet to acquire the Property, plus capitalized interest and project development costs, net of operating income, since the inception of the project; and

   b) The estimated fair value of the Property determined to be $82.7 million by the auditors based on an appraisal report prepared by CB Richard Ellis.

   As of December 31, 2013, the book value of the investment in subsidiary is reflected at $89,665,523, prior to any year-end adjustment to be made by Casperdiny's auditors to reflect the fair value of the Property as of the year-end date.

36. The other assets of the Petitioners at December 31, 2013 consisted of a $78K loan receivable from Casperdiny shareholders, which was subsequently collected in February, 2014, and $112K of current working capital assets, comprised of nominal cash on hand, $41K of prepaid operating expenses and $66K of rental payments receivable.

37. $100 million of total Company liabilities as of December 31, 2013 consisted of the following:

   - $67 million mortgage payable, held by Timbercreek Senior Mortgage Investment Corporation, secured by the land, building, moveables, and appliances, present and future rents of the Property owned by Sommet. Additional details of the mortgage loan are as follows:

     a) The borrower is Casperdiny IFB Realty Inc.

     b) The mortgage loan bears interest at the rate of 6.5%, payable on a monthly basis. There are no monthly principle amortization payments, with the balance due at the end of the 36-month term, in November 2015.

c) As of December 31, 2013, 1 month of interest was accrued and unpaid ($362,917 interest balance for December 2013). The December interest was paid in January 2014, however the monthly interest charges for January and February 2014 have not been paid. As such the balance owing on the Timbercreek mortgage, including 2 months of accrued interest, was $67,725,834 as of March 1, 2014.

- $22.6 million of secured loans from Casperdiny's majority shareholder (Casperdiny IFB Capital Inc.), and $3.9 million of accrued interest thereon;
- $5.5 million balance on an unsecured project loan from Casperdiny IFB Capital Inc.;
- $450K of combined operating accounts payable. The Company had been paying its trade vendors in the normal course of operations leading up to the NOI filing date, with the exception of $283K due to the Syndicate of Le Parc Co-Ownership, which is subject to dispute and litigation.

38. **Exhibit C** reflects the list of creditors for both Casperdiny and Sommet as of March 4, 2014, submitted by the Petitioners in conjunction with the NOI filing. The amounts reflected therein do not differ materially from the December 31, 2013 balances outlined above, with the exception of the inclusion of contingent liabilities not recorded on the Petitioners' balance sheet.

LEASE-UP PROGRAM

39. The occupancy rate for the Property over the past 2 years has fluctuated between 60% and 70%. Per discussions with Management, this has largely been due to the on-going sale process for the Property.

- During BMO's initial sale process in 2012, active leasing efforts were essentially put on hold in view of the uncertainty as to the leasing strategy and target tenant population sought by the eventual purchaser of the building.
- Throughout the protracted negotiations with Timbercreek Purchaser related to the proposed purchase of the Property, which extended from its initial bid in June 2012 to its final bid received in December 2013, Management advises that the implementation of an active leasing program was delayed as Timbercreek Purchaser had indicated to the Petitioners that:

a) It would prefer implementing its own lease up measures; and

b) The purchase price offered by Timbercreek Purchaser pursuant to both its initial bid in June 2012 and its revised bid in July 2013 was taking into account the costs of the lease up measures it was to implement following the acquisition of the Property.

40. The delays in the implementation of a lease-up program deprived the Petitioners from significant revenues as the occupancy rate of the Property stagnated during that period at approximately 60% to 70% and little efforts were made to increase this occupancy rate.

41. In view of the stalled negotiations with Timbercreek Purchaser, Management developed and implemented in December 2013 an aggressive plan to lease-up the Property (hereinafter the "Lease-Up Program"). The strategy includes the following key components:

   a) **Engage broader rental audience for high value units**: the Petitioners intend to put in place a marketing strategy targeting single parents and empty nesters while establishing corporate contacts with large corporations, embassies, consulates, universities and hospitals;

   b) **Increase the inventory of the furnished suite operators**: the Petitioners' objective is to convinced furnished-suite operators to increase their inventory by twenty (20) units;

   c) **Branding Repositioning**: the Petitioners intend to implement a broad multimedia marketing campaign to reposition the Property as a long-term rental building located in a highly desirable location providing full service and 5-star amenities;

   d) **Leasing Team**: in order to implement the Lease-Up Program, the Petitioners have hired a leasing manager and retained the services of 2 full time in-house agents dedicated to servicing the leasing office of the Property, as well as to help 3 off-site leasing agents.

42. Based upon the foregoing leasing strategies, the Company is projecting occupancy to increase from 58% in March 2014 to 75% in August 2014. This increase in occupancy is expected to facilitate the sale or alternatively the refinancing of the Property over this period.

SOLICITATION PROCESS

43. In parallel to the implementation of the Lease-Up Program, the Petitioners, with the assistance of the Proposed Monitor, intend to implement a solicitation process to attract potential investors and purchasers in respect of the Property, either to sell the Property or refinance it (hereinafter the "Solicitation Process").

44. Richter has significant experience in implementing and conducting an extensive solicitation process and we believe that this Solicitation Process, with the participation of Management, is the optimal method to generate interest in the Property and to maximize the realization value of the Property.

CASH FLOW PROJECTIONS

45. The Petitioners' cash flow projections (hereinafter the "Projections") for the 6-month period from March 1 to August 31, 2014 (hereinafter the "Period") are submitted as **Exhibit D**.

46. The basic assumptions underlying the Projections are that the Company will continue to operate the rental Property in the normal course, which involves collecting rents, maintaining existing tenant services consistent with the current business model, collecting and returning tenant deposits, and pursuing the strategic Lease-Up Program previously outlined, and initiating the Solicitation Process. The Projections reflect a 17% increase in occupancy over 6 months, in line with Management's expected results relative to its new leasing strategy.

47. The Projections assume that the Interim Financing Facility, as described in the following section of this report, is approved by this Court, and that the DIP Advances (hereinafter defined) are available to the Petitioners to fund monthly interest payments on the Timbercreek mortgage during the Period.

48. The Projections reflect the following:

- $2.2 million of rental revenues and other cash inflows from operations during the 6 months ending August 31, 2014 ("Period"), resulting in $900,000 of projected net cash flow from operations;
- $900,000 of net cash flow from operations of the Property is sufficient to fund projected non-operating disbursements in the period related to: (i) restructuring and Solicitation Process professional fees ($525,000), and (ii) project management fees ($237,000); and
- $2,177,502 of interest payments due on the secured mortgage loan from Timbercreek between March 1 and August 31, 2014 are forecasted to be fully funded by a DIP loan of the same amount provided to the Company by IFB Beteiligungen AG i.L., the parent of its majority shareholder, as further discussed in the following section.

49 The Petitioners' Projections for the Period are based on information and assumptions provided by Management based on financial and other information available as of March 11, 2014. The Projections have been prepared using probable assumptions supported and consistent with the plans of the Company for the Period, considering the economic conditions that are considered the most probable by Management. Since the Projections are based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material Accordingly, we express no assurance as to whether the Projections will be achieved.

50. Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by Management. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Projections. We have also reviewed the support provided by Management for the probable assumptions and preparation and presentation of the Projections.

51. Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

    a) the hypothetical assumptions are not consistent with the purpose of the Projections;

    b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the Company or do not provide a reasonable basis for the Projections, given the hypothetical assumptions; or

    c) the Projections do not reflect the probable and hypothetical assumptions.

INTERIM FINANCING FACILITY

52. On March 10, 2014, IFB Beteiligungen AG i.L. and the Petitioners entered into an Interim Financing Facility agreement pursuant to which:

    a) IFB Beteiligungen AG i.L. agreed to advance funds to Casperdiny for up to $2,177,502 (hereinafter the "DIP Advances") under certain conditions. Interest is set at prime rate plus 1.25% payable at loan maturity;

    b) Casperdiny agreed to repay the DIP Advances upon the earlier of (i) thirty (30) days after the issuance of an order by this Honourable Court authorizing the Petitioners to sell substantially all of their assets outside the normal course of business, (ii) the appointment of a receiver pursuant to Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. against any of the Petitioners, (iii) the bankruptcy of any of the Petitioners, (iv) such earlier date upon which repayment is required due to the occurrence of an event of default, and (v) the effective date of the plan of arrangement that may be submitted by the Petitioners to their creditors;

c) The DIP Advances are conditional and subject to the issuance of an order from this Honourable Court granting a first-ranking charge in favour of IFB Beteiligungen AG i.L. for an amount of $2,721,878 (amount of the DIP Advances + 25%) over the universality of each of the Petitioners' property, movable and immovable, corporeal and incorporeal, present and future wherever situated, and ahead of and senior to all other secured and unsecured creditors, interest holders, lien holders, and claimants of any kind whatsoever;

d) The DIP Advances are to be used solely for the purpose of making interest payments on the Timbercreek mortgage loan during the 6-month period ending August 31, 2014.

53. The objective of the Interim Financing Facility is strictly to allow for Casperdiny to make the monthly interest payments to Timbercreek during the restructuring process of the Petitioners.

54. The full amount of DIP Advances under the Interim Financing Facility ($2,177,502) has been transferred to Richter and is currently being held in trust by the Proposed Monitor.

55. Notwithstanding its prior ranking security over the Timbercreek mortgage loan, the issuance of the DIP loan does not prejudice the secured lender's position as:

- The DIP loan is set at an amount equal to, and will be used to fund interest payments on the Timbercreek secured debt during the Period;
- The Projections reflect sufficient cash flow during the Period to support on-going operations of the Property during the Solicitation Process and fund all other expenditures (other than the mortgage interest), including project management costs and professional fees related to the CCAA process and Solicitation Process; and
- A solicitation and sale process of the Property will need to be conducted in any event, and any such process will require a 4 to 6 month timeframe. Richter believes that Management is best positioned to execute the Lease up Program and implement the Solicitation Process with the assistance of the Proposed Monitor.

56. The following analysis outlines the position of the secured lender assuming a sale of the Property on September 1, 2014, in the case where a DIP loan is provided to fund current interest payments, and in the scenario where no DIP loan is provided and interest on the Timbercreek mortgage interest accrues during the solicitation and sale process:

Analysis of Secured Lender Position
As at August 31, 2014

	DIP Loan Scenario	No DIP Loan Scenario
DIP loan outstanding	$ 2,177,502	$ -
Accrued DIP loan interest	46,272	
Total Priority Ranking DIP Loan	**2,223,774**	**-**
Secured Lender (Timbercreek) balance owing		
Principal balance of mortgage loan	67,000,000	67,000,000
Accrued interest on principal balance - Jan/Feb 2014	725,834	725,834
Accrued interest on principal balance - Mar to Aug 2014	-	2,177,502
Accrued interest on unpaid interest charges	23,590	64,871
Total balance due to Timbercreek	**67,749,424**	**69,968,207**
Net proceeds required for full repayment of Mortgage Loan	**$ 69,973,198**	**$ 69,968,207**

PROPOSED ADMINISTRATION CHARGE

57. Richter has agreed to act as Court appointed Monitor to the Petitioners, which acceptance is conditional upon the granting by this Honourable Court of a charge in the amount of $250,000, on the Petitioners' Property in order to guarantee the payment of the Proposed Monitor's fees, the Proposed Monitor's legal fees, the Petitioners' legal fees and the fees of certain other advisers, including the professional fees and disbursements incurred both before and after the issuance of the Initial Order being sought herein (hereinafter the "Administration Charge").

58. Although the Projections reflect the payment of all professional fees related to the restructuring and Solicitation Process, the first funds generated by the Property will be used for operational expenditures. As such, in the event there are shortfalls/delays in cash inflows, or higher than projected operating disbursements, there may be a shortfall in available funds to cover such professional fees.

59. In addition, the Projections do not provide for professional fees related to completing a sale transaction, which fees are typically paid upon closing of the transaction.

CONCLUSIONS AND RECOMMENDATIONS

60. The Proposed Monitor believes that the Petitioners should be granted the benefit of protection normally accorded by the CCAA, in order to permit them to maintain their operations and provide them with sufficient time to implement the Lease-Up Program and to initiate the Solicitation Process, as outlined in the CCAA Petition, which we believe is the optimal solution to maximize the realization value of the Property for the benefit of all stakeholders, including Timbercreek.

61. Given the Property Valuation Indications outlined in the CCAA Petition, which support a valuation of the building between \$75 and \$93 million, the potential proceeds in excess of the Timbercreek mortgage loan and resulting recovery to other stakeholders cannot be disregarded.

62. The Proposed Monitor believes the Interim Financing Facility agreement entered into by the Petitioners is reasonable and necessary, and supports the proposed order sought for the approval of the DIP loan financing in the amount of \$2,177,502 and the granting of a first-ranking charge in favour of the DIP lender for an amount of \$2,721,878, based upon the following:

- The interim financing will allow the Company the time to implement the Lease-Up Program and the Solicitation Process, both of which are aimed at maximizing the realization value for the Property for the benefit of all its stakeholders;
- Without the Interim Financing Facility, the Petitioners will be unable to continue their operations and will likely be forced to surrender the Property to Timbercreek, which would deprive the other creditors and stakeholders of any equity in the Property in excess of the Timbercreek mortgage;
- The Interim Financing Facility will provide time to maximize the value of the Property, thus enhancing the prospect of a viable compromise or arrangement being submitted to the Petitioners' creditors;
- No creditor will be materially prejudiced as a result of the interim Lender's Charge, including Timbercreek as the proceeds of the DIP loan are earmarked specifically for the funding of mortgage loan interest payments during the period;
- The Proposed Monitor has reviewed the terms of the proposed Interim Financing Facility and has determined that the terms are reasonable in the circumstances; and
- The benefits of authorizing the Interim Financing Facility and granting the interim Lender's Charge outweigh the inconveniences, if any, suffered by the Petitioners' creditors, as the value of the Property and related assets would significantly be lower in a bankruptcy context.

63. The Proposed Monitor respectfully submits to this Honourable Court that it is both appropriate and necessary that the Administration Charge be granted in accordance with the Draft Order presented by the Petitioners.

64. The Proposed Monitor believes that the relief requested in the Proposed Initial Order is necessary and reasonable in the circumstances and will provide the Company with the opportunity to successfully complete a sale or refinancing of the Property for the benefit of all its stakeholders.

Respectfully submitted at Montreal, this 18th day of March, 2014.

Richter Advisory Group Inc.
Proposed Monitor

Benoit Gingues, CPA, CA, CIRP

EXHIBIT A

OWNERSHIP CHART

48% IFB KG CONTROLLED BY WEST LB AG (GERMAN COMMERCIAL BANK)
15% A MAJOR CANADIAN DIVERSIFIED INVESTMENT GROUP WITH SUBSTANTIAL NORTH AMERICAN REAL ESTATE DEVELOPMENT EXPERTISE HEADED BY J. CAMERON ALLARD (EDMONTON BASED)
17% WIDELY HELD (PRIVATE AND INSTITUTIONAL INVESTORS)
10% REUTLINGEN SPARKASSE (GERMAN BANK)
10% MANAGEMENT

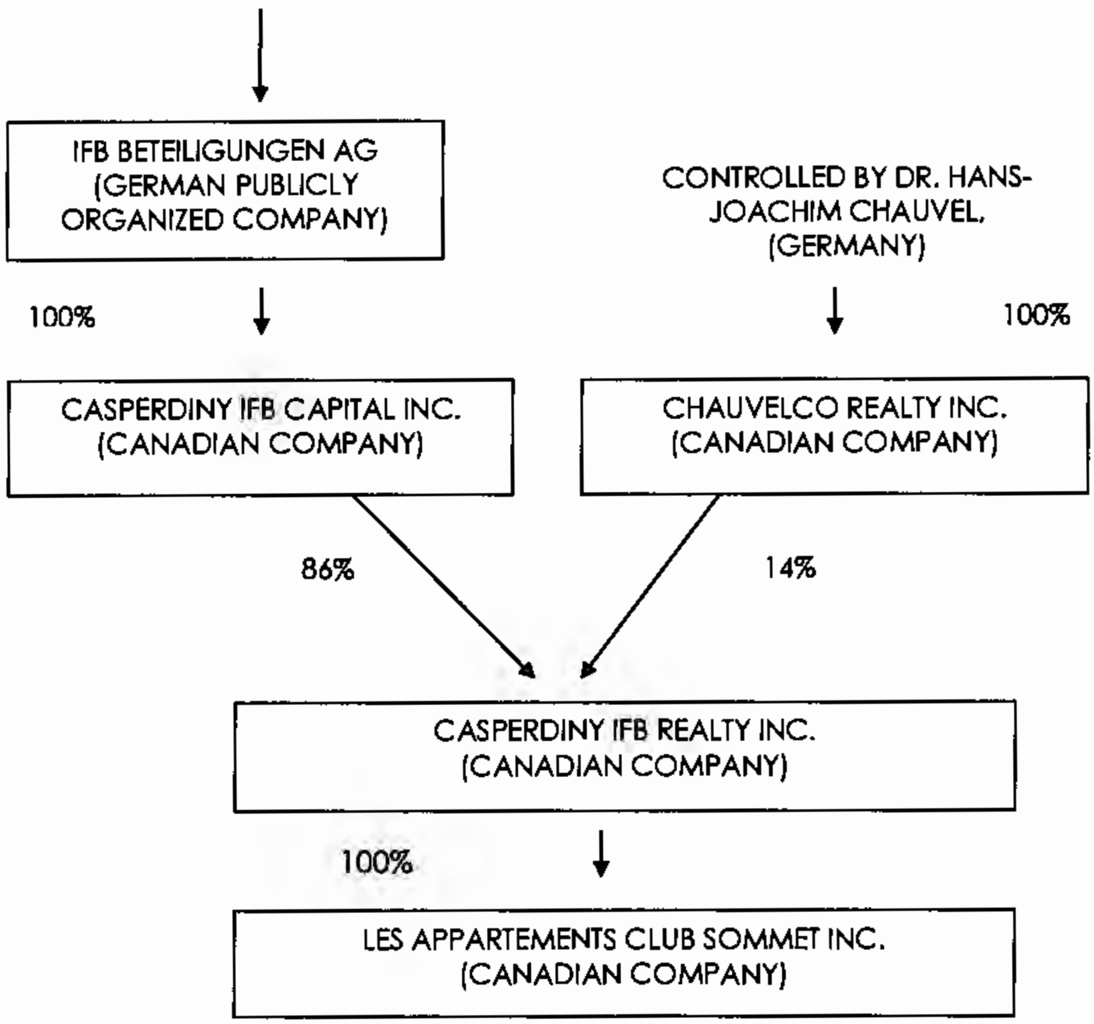

EXHIBIT B

EXHIBIT B1

CASPERDINY IFB REALTY INC.

NON-CONSOLIDATED ANNUAL FINANCIAL REPORT

DECEMBER 31, 2012

CASPERDINY IFB REALTY INC.

NON-CONSOLIDATED ANNUAL FINANCIAL REPORT

DECEMBER 31, 2012

SUMMARY

BOURGEOIS
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Partnership of chartered professional accountants

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Casperdiny IFB Realty Inc.

We have audited the accompanying non-consolidated financial statements of Casperdiny IFB Realty Inc., which comprise the non-consolidated balance sheet as at December 31, 2012, and the non-consolidated statements of income and deficit and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Non-Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these non-consolidated financial statements in accordance with Canadian accounting standards for private enterprises, and for such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these non-consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the non-consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the non-consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the non-consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the non-consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

[redacted]

BOURGEOIS
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CPA, S.E.N.C.R.L.
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Basis for Qualified Opinion

During the year ended December 31, 2006, the Company transferred its land and building to a wholly-owned subsidiary in exchange for 18,564,722 Class B shares of its subsidiary. The transaction was done at the book value of the land and building. However this book value included a purchase price for the land and building acquired in 2005 from the shareholders of the Company that was based on fair market value, which was $ 3,000,000 higher than the carrying value at the time of sale. Canadian accountings standards for private entreprises require that capital assets acquired from a related party be recorded at the carrying cost of the vendor. If the acquisition of land and building in 2005 had been acquired at cost in accordance with Canadian generally accepted accounting principles, the investment in a subsidiary would be decreased by $ 3,000,000 and the deficit would be increased by $ 3,000,000.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the non-consolidated financial statements present fairly, in all material respects, the financial position of Casperdiny IFB Realty Inc. as at December 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

Bourgeois Marsolais, CPA, LLP. [1]

Montreal, Canada
June 3, 2013

[1] CPA auditor, CA, public accountancy permit No. A106635

[redacted]

	2012	2011
Revenues	$ 4,023,226	$ 3,230,968
Expenses	2,186,463	2,599,536
Income from operations	1,836,763	631,432
Capitalization of the net operating income	(1,836,763)	(631,432)
Write-down of the investment in a subsidiary	(2,900,000)	(2,000,000)
Net loss	(2,900,000)	(2,000,000)
Deficit, beginning of year	(9,221,526)	(7,221,526)
Deficit, end of year	$ (12,121,526)	$ (9,221,526)

The accompanying notes are an integral part of these non-consolidated financial statements.

CASPERDINY IFB REALTY INC.
Non-consolidated Balance Sheet
December 31, 2012

	2012	2011
Assets		
Cash	$ 195,452	$ 169,663
Term deposit	-	10,588
Restricted cash - Deposits on sale of units	39,105	88,559
Restricted cash - Other	5,080	5,080
Restricted cash - Interest Reserve	1,000,000	-
Accounts receivable	70,098	51,769
Prepaid expenses	-	83,453
Loan receivable - (Note 3)	77,645	77,645
Investment in a subsidiary - (Note 4)	82,728,496	73,943,955
	$ 84,115,876	$ 74,430,712
Liabilities		
Accounts payable and accrued liabilities - (Note 5)	$ 9,332,725	$ 10,413,972
Tenants' deposits	166,504	190,754
Deferred revenue - (Note 6)	39,105	88,559
Loans payable - (Note 7)	19,699,068	31,974,084
Mortgage payable - (Note 8)	65,000,000	38,984,869
	94,237,402	81,652,238
Shareholders' deficiency		
Share capital - (Note 9)	2,000,000	2,000,000
Deficit	(12,121,526)	(9,221,526)
	(10,121,526)	(7,221,526)
	$ 84,115,876	$ 74,430,712

Commitments - (Note 11)

Contingencies - (Note 12)

ON BEHALF OF THE BOARD:

____________________, Director

____________________, Director

The accompanying notes are an integral part of these non-consolidated financial statements.

CASPERDINY IFB REALTY INC.
Non-consolidated Statement of Cash Flows
For the year ended December 31, 2012

	2012	2011
Operating activities		
Net loss	$ (2,900,000)	$ (2,000,000)
Non-cash items:		
Earnings before capitalization of the net operating income	1,836,763	631,432
Write-down of the investment in a subsidiary	2,900,000	2,000,000
	1,836,763	631,432
Net change in non-cash items related to operations - (Note 10)	(1,040,373)	2,990,904
	796,390	3,622,336
Investing activities		
Interest reserve	(1,000,000)	-
Development costs	(8,921,062)	(5,107,237)
Capitalized interest	(4,600,242)	(5,885,812)
	(14,521,304)	(10,993,049)
Financing activities		
Mortgage payable	65,000,000	2,135,554
Repayment of mortgage payable	(38,984,869)	-
Demand loan payable to a corporate shareholder	(12,275,016)	1,717,395
	13,740,115	3,852,949
Increase (decrease) in cash and cash equivalents	15,201	(3,517,764)
Cash and cash equivalents, beginning of year	180,251	3,698,015
Cash and cash equivalents, end of year	$ 195,452	$ 180,251
Cash and cash equivalents		
Cash	$ 195,452	$ 169,663
Term deposit	-	10,588
	$ 195,452	$ 180,251

The accompanying notes are an integral part of these non-consolidated financial statements.

1. Statutes and nature of activities

The Company was incorporated on May 3, 2005 under the Canada Business Corporations Act.

The Company is a real estate development company and owns all the shares of Les Appartements Club Sommet Inc., its wholly-owned subsidiary. The subsidiary owns an income-producing property (an apartment building) located at 3475 Mountain Street in the City of Montreal in the Province of Quebec ("Mountain Street Tower") acquired from the Company (see note 4).

2. Significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for private entreprises and include the following significant accounting policies :

Use of estimates

The preparation of these non-consolidated financial statements in conformity with Canadian accounting standards for private enterprises requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the non-consolidated financial statements and the reported amounts of revenues and expenses during the reported period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

Revenue recognition

The sales of the Class B shares of the subsidiary will be recognized at the time of the closing of the transactions.

Financial Instruments

Measurement of financial instruments

The Company initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

The Company subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net earnings.

Financial assets measured at amortized cost include casb, term deposit, restricted cash, accounts receivable and loan receivable.

Financial liabilities measured at amortized cost include the accounts payable and accrued liabilities, loans payable and mortgage payable.

2. Significant accounting policies - (continued)

Financial Instruments - (continued)

Impairment

Financial assets measured at cost are tested for impairment when there are indications of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

Transaction costs

The Company recognizes its transaction costs in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

Cash and cash equivalents

The Company's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and term deposits with a maturity period of three months or less from the date of acquisition. Term deposits that the entity cannot use for current transactions because they are pledged as security are also excluded from cash and cash equivalents.

Investment in subsidiary

The Company issued only non-consolidated financial statements and its investment in the subsidiary is accounted for using the equity method.

Capitalization of carrying costs

The Company capitalizes all of its direct costs related to the conversion of the apartment building into a cooperative by shares. The Company also capitalizes all indirect costs such as specific interest expenses, property taxes and general and administrative expenses. It is anticipated by management that income will be recognized when the Company starts to deliver shares of its wholly-owned subsidiary "Les Appartements Club Sommet Inc." to end users or investors. Until that date, the carrying costs are capitalized to the investment in a subsidiary account and the net income is capitalized and reduces the cost of the investment in the subsidiary.

During the year ended December 31, 2009, the Company modified its approach towards the project concerning the sales of Units of its subsidiary "Les Appartements Club Sommet Inc." mainly because it was doubtful at that time that a minimum sales requirement of $ 39,000,000 contained in the Offering Memorandum would be achieved prior to June 30, 2010. Therefore in 2009, the Company started renting remodelled apartments. The Company will cease to capitalize the net income when an occupancy rate of 90 % is achieved.

2. Significant accounting policies - (continued)

Capitalization of carrying costs - (continued)

If events or circumstances indicate that the carrying value of the investment in a subsidiary may be impaired, a recoverability analysis is performed based upon estimated undiscounted cash flows generated from the income-producing property of its wholly-owned subsidiary "Les Appartements Club Sommet Inc.". If the analysis indicates that the carrying value is not recoverable from future cash flows, the investment in the subsidiary is written down to the estimated fair value and a write-down of the investment is recognized. A write-down of 2,900,000 $ (2011 - $ 2,000,000) has been recognized in the year ended December 31, 2012 (see note 4).

3. Loan receivable

	2012	2011
Loan receivable from a Director without interest and terms of repayment	$ 77,645	$ 77,645

4. Investment in a subsidiary

Les Appartements Club Sommet Inc. (18,564,722 Class B shares)

	2012	2011
Carrying value of land and building disposed of in exchange for the Class B shares on December 28, 2006	$ 36,667,998	$ 36,667,998
Mutation tax	548,520	548,520
Development costs - other	23,164,324	16,587,971
Capitalized interest	26,033,969	21,433,727
Capitalized carrying costs-operations and other	10,512,752	8,326,289
Property revenue	(12,627,609)	(8,604,384)
Development costs - Units	9,328,542	6,983,834
Write-down of carrying costs	(10,900,000)	(8,000,000)
	$ 82,728,496	$ 73,943,955

On December 28, 2006, the Company sold the land, building, moveables, appliances and co-ownership rights of the Mountain Street Tower to Les Appartements Club Sommet Inc. for a selling price of $ 36,667,998. In exchange, the Company received 18,564,722 Class B shares of the capital stock of Les Appartements Club Sommet Inc. representing all the outstanding shares of the subsidiary. At the time of issuance of the Class B shares, Les Appartements Club Sommet Inc. redeemed its Class C share held by the Company. Along with the issuance of the Class B shares, a proprietary lease for each and all of the apartments units, interior parking space units, locker units and balcony units (the "Units") has been issued by Les Appartements Club Sommet Inc., providing the Company with a right to enjoy all of the Units and collect the rents from the tenants as well as any other revenue payable under or generated from leases of dwellings.

The project has experienced several delays resulting from adverse events, situations and litigations (see contingencies - note 12). As a result, the carrying costs are significantly in excess of the amount initially expected for the completion of the project. This situation indicates that the carrying value of the investment in the subsidiary may be impaired as it is not certain that the carrying value will be recovered from future cash flows. Therefore, the carrying value of the investment in the subsidiary has been written down by $2,900,000 (2011 - $2,000,000) to the estimated fair value of $82,728,496 (2011 - $73,943,955) based on an independent appraisal of the income-producing property of the subsidiary dated December 1st, 2012.

5. Accounts payable and accrued liabilities

	2012	2011
Accounts payable - operations	$ 669,414	$ 1,033,341
Accrued interest on the 8 % per annum promissory notes payable to the shareholders	-	1,837,124
Accrued interest on project loans payable to a shareholder	8,496,846	7,377,042
Dividend payable	166,465	166,465
	$ 9,332,725	$ 10,413,972

6. Deferred revenue

The deferred revenue represented cash deposits received with Offers to Purchase of Units of Les Appartements Club Sommet Inc. in 2010. The deposits are refundable and are kept "In Trust" by a legal professional until the closing of the sales.

7. Loans payable

	2012	2011
Demand promissory notes payable to the corporate shareholders, bearing interest at a rate of 8 % per annum	$ -	$ 5,000,000
Demand loan payable to a corporate shareholder, bearing interest at a rate of 3 % (2011 - 9 %) per annum	-	11,466,364
Demand loan payable to a corporate shareholder, bearing interest at a rate of 11 % per annum	2,253	20,466
Demand loan payable to a corporate shareholder bearing interest at a rate of 3 % (2011- 11 %) per annum, secured by second rank immovable and movable principal hypothecs in the amount of $ 14,000,000	14,000,000	14,000,000
Demand loan payable to a corporate shareholder, bearing interest at a rate of 3 % (2011 - 11 %) per annum, secured by third rank immovable and movable principal hypothecs in the amount of $ 6,000,000	5,696,815	1,487,254
	$ 19,699,068	$ 31,974,084

8. Mortgage payable

Mortgage loan of an original amount of $65,000,000 maturing on January 1, 2016 and secured by the land, building, moveables, appliances, present and future rents of the property and co-ownership rights of the Mountain Street Tower, a property owned by Les Appartements Club Sommet Inc., the wholly-owned subsidiary of the Company. The mortgage loan bears interest at the rate of 6.5 %. The Company pays only monthly interest.

An interest reserve of $1,000,000 has been deducted from the initial disbursement of the loan and is held "In Trust" by a legal professionnal.

Les Appartements Club Sommet Inc., the wholly-owned subsidiary, also guarantees the mortgage loan. The mortgage loan is also secured by the Class B shares of Les Appartements Club Sommet Inc. owned by the Company. Under an escrow agreement, those shares are held "In Trust" by a law firm acting as an escrow agent.

9. Share capital

Issued share capital:

Class "C", non voting, monthly 0.8 % non-cumulative dividend calculated at the redemption value, redeemable and retractable at the fair market value of the consideration received

Class "B", non voting, annual 8 % non-cumulative dividend, redeemable and retractable at the paid-in value

Class "A", voting and participating

	2012	2011
Issued and paid:		
2,000,000 Class "A" shares	$ 2,000,000	$ 2,000,000

10. Net change in non-cash items related to operations

	2012	2011
Accounts receivable	$ (18,329)	$ (25,626)
Prepaid expenses	83,453	119,007
Restricted cash - Other	-	(5,080)
Tenants' deposits	(24,250)	83,481
Accounts payable and accrued liabilities	(1,081,247)	2,819,122
	$ (1,040,373)	$ 2,990,904

11. Commitments

a) Capital Improvement Program

Pursuant to the Purchase and Sale Agreement of the Mountain Street Tower dated May 3, 2005, the Company agreed to participate in a Capital Improvement Program with a budget limit of $3,000,000. The cost of the Capital Improvement Program is shared with Immoparc Holdings Two Canadian Properties, L.P. and 35 % of the costs is supported by the Company. However, according to the Notice of Changes and Amendments to the Offering Memorandum dated July 24, 2009, Immoparc Holdings Two Canadian Properties L.P. and the Company have agreed to participate in a reduced Capital Improvement Program with a maximum budget of $ 1,763,477 of which the Company's share is 35 % or $ 617,217, which has been fully expended during the year 2011.

b) Project and Property Management Agreements - Conversion into a co-operative by shares structure

On April 11, 2005, the Company entered into an agreement for the management of the conversion of the Mountain Street Tower into a co-operative. The agreement provided for a monthly management fee of $ 50,000 plus applicable sales tax commencing on July 1, 2005 and a lump sum payment of $ 321,000 covering services rendered prior to July 1, 2005. This agreement which terminated on December 31, 2009 was extended until June 30, 2010 with monthly management fees of $ 35,000 plus applicable tax for January, February and March 2010 and $ 25,000 plus applicable tax for April, May and June 2010. Under new prolongation agreements of the project management agreement, starting July 1st, 2010 and maturing December 31, 2011, a monthly project management fee of $ 35,000 plus applicable taxes is provided for. Effective January 1, 2012, the project management agreement is extended on a month-to-month basis, subject to a sixty days written notice by either party.

The project manager is also acting as the property manager since October 2010 for a monthly property management fee of the greater of $ 10,000 or 3% of the gross rent collection plus applicable taxes. Also, under this property management agreement, the Company agrees to reimburse the total cost of building services and construction incurred by the property manager for the benefit of the Company. The property management agreement which terminated on June 30, 2011 is presently extended on a month-to-month basis, subject to a sixty days written notice by either party.

During the year, the project manager has also charged marketing and selling fees to the Company for a total amount of $150,000 (2011 - $102,500 for financing services) plus applicable tax. This amount has been capitalized to the investment in a subsidiary account.

The Company is related to the project manager as one employee of the project manager is also acting as a Director of the Company.

11. Commitments - (continued)

These transaction were made in the normal course of business and are measured at the exchange amount, which is the consideration established and agreed to by the related parties.

c) Joint Venture Agreement - conversion into a co-operative by shares structure

On May 3, 2005, the Company entered into a Joint Venture agreement with Drummond Mountain Limited Partnership for the purpose of converting the Property into a co-operative and then selling the co-op shares with proprietary leases for individual dwelling units to end users and investors.

The joint venture agreement was terminated on May 28, 2010 following a decision of the Company to modify its approach towards the project concerning the sale of Units of its subsidiary "Les Appartements Club Sommet Inc." and start the renting of remodelled appartments. Under the termination agreement signed on May 28, 2010, the Company paid $ 620,000 in 2010 and expensed the amount in the books of the Company. The amount paid to Drummond Mountain Limited Partnership represents project costs of $ 468,000 previously funded by Drummond Mountain Limited Partnership plus interest calculated at 11 %.

The Company also agreed to pay a fee equal to 5 % of the difference between the ultimate selling price of the Mountain Street Tower and the sum of all secured debts of the Company plus the outstanding accounts payable at the time of the sale. In the event that the Mountain Street Tower is not sold by December 31, 2013, the fee is to be calculated based on an independant appraisal and payable immediately.

12. Contingencies

a) The Company is a plaintiff in a claim against defendants Robert Katz and T.T. Katz Counsel Group Inc. for damages resulting from their negligence in failing to obtain an authorization required under the Cultural Property Act R.S.Q.c.B-4. The amount of this claim is $1,728,245 plus interest and additional indemnity.

The Company, under an agreement with its ultimate parent company, IFB Beteiligungen AG i.L. (IFB AG), has committed to making a payment of approximately 210,000 Euros to IFB AG out of proceeds from this claim. In the opinion of management, the claim will result in sufficient proceeds to make this payment to IFB AG.

b) The Company is committed to reimburse income tax assessments paid by its parent company for the taxation year 2005 for an amount of approximately $62,000 following a settlement reached by the parent company with the taxation authorities.

c) The Syndicate of Le Parc Co-ownership has registered a legal hypothec for an amount of $898,174 against the income-producing property owned by the subsidiary Les Appartements Club Sommet Inc. in order to secure the obligation towards the share in the common area expenses of the Le Parc co-ownership up to December 31, 2012. As at December 31, 2012, the subsidiary has fulfilled its current obligations regarding the common area expenses of the Le Parc co-ownership.

d) Compensation for guarantee

Under the purchase and sale agreement of the Mountain Street Tower dated May 3, 2005, the Company and its subsidiary are committed to reimburse to the vendors an amount of approximately $47,000 per year as compensation for additional review and monitoring fees resulting from the vendors' sale of the Mountain Street Tower. This commitment terminates in 2019, unless otherwise negotiated between the Company and the vendors.

During the year 2011, the vendors have instituted proceedings in the amount of $100,795 representing unpaid compensation for additional review and monitoring fees for the years 2009, 2010 and 2011. The management of the Company is contesting this claim principally because the vendors have failed to comply with their obligation to cooperate with the Company for the reduction or the mitigation of the additional review and monitoring fees. Neither the possible outcome nor the amount of possible settlement can be determined at the present time.

13. Financial instruments

Risks and concentrations

The Company is exposed to various risks through its financial instruments. The following analysis provides a measure of the Company's risk exposure and concentrations at the balance sheet date:

13. Financial instruments - (continued)

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company is exposed to this risk mainly in respect of its accounts payable, loans payable and mortgage payable.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's main credit risks arises from the possibility that tenants may experience financial difficulty and be unable to fulfill their lease commitments. The Company mitigates the risk of credit losses by performing credit assessments for all new tenants and by accepting rental and security deposits.

Market risk

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk : currency risk, interest rate risk and other price risk. The Company is mainly exposed to interest rate risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company is exposed to interest rate risk on its fixed-interest and variable-interest financial instruments. Fixed-interest instruments submit the Company to a fair value risk while the variable-interest instruments submit it to a cash flow risk. The Company is exposed to a fair value risk and to a cash flow risk.

14. Loss carryforwards

The Company can carry forward losses totalling $31,939,014 for income tax purposes. The expiration dates for using these losses to reduce income taxes are as follows:

2027	$ 4,731,769
2028	4,961,781
2029	5,899,443
2030	4,975,915
2031	4,664,377
2032	6,705,729
	$ 31,939,014

No future income tax asset regarding these tax losses has been accounted for in the financial statements.

EXHIBIT B2

LES APPARTEMENTS CLUB SOMMET INC.

ANNUAL FINANCIAL REPORT

DECEMBER 31, 2012

LES APPARTEMENTS CLUB SOMMET INC.

ANNUAL FINANCIAL REPORT

DECEMBER 31, 2012

SUMMARY

BOURGEOIS
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INDEPENDENT AUDITOR'S REPORT

To the Shareholder of
Les Appartements Club Sommet Inc.

We have audited the accompanying financial statements of Les Appartements Club Sommet Inc., which comprise the balance sheet as at December 31, 2012, and the statements of earnings and retained earnings and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for private enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

[redacted]

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Basis for Qualified Opinion

During the year ended December 31, 2006, the Company acquired land and building from its shareholder in exchange for 18,564,722 Class B shares. The transaction was done at the book value of the land and building. However this book value included an original purchase price for the land and building that was based on fair market value, which was $ 3,000,000 higher than the carrying value at the time of the purchase of the land and building by the shareholder. Canadian accounting standards for private enterprises require that capital assets acquired from a related party be recorded at the carrying cost of the vendor. If the acquisition of land and building by the shareholder in 2005 had been recorded at cost in accordance with Canadian generally accepted accounting principles, the land and building account and the share capital of the Company would be decreased by $ 3,000,000.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Les Appartements Club Sommet Inc. as at December 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

Bourgeois Marsolais, CPA, LLP. [1]

Montreal, Canada
June 3, 2013

[1] CPA auditor, CA, public accountancy permit No. A106635

[redacted]

LES APPARTEMENTS CLUB SOMMET INC.
Statement of Earnings and Retained Earnings
For the year ended December 31, 2012

	2012	2011
Revenues	$ 1,925,665	$ 2,111,749
Expenses		
Contribution to syndicate - common areas	542,707	524,566
Maintenance	263,265	434,454
Property and school taxes	389,491	376,578
Wages	173,488	295,939
Utilities	270,071	225,029
Property management fees - (Note 6)	163,266	135,600
Repairs	92,750	100,094
Interest and bank charges	24,119	19,489
Professional fees	6,508	-
	1,925,665	2,111,749
Net earnings	-	-
Retained earnings, beginning of year	-	-
Retained earnings, end of year	$ -	$ -

LES APPARTEMENTS CLUB SOMMET INC.
Balance Sheet
December 31, 2012

	2012	2011
Assets		
Land and building under development - (Note 3)	$ 37,216,518	$ 37,216,518
Cash	51,566	-
Account receivable from parent company	18,697	-
Prepaids	33,339	-
	$ 37,320,120	$ 37,216,518
Liability		
Accounts payable	$ 103,602	$ -
Shareholder's equity		
Share capital - (Note 4)	36,667,998	36,667,998
Contributed surplus - (Note 5)	548,520	548,520
	37,216,518	37,216,518
	$ 37,320,120	$ 37,216,518

Contingencies - (Note 8)

ON BEHALF OF THE BOARD:

[signature], Director

D. Mason-Stefanovic, Director

The accompanying notes are an integral part of these financial statements.

LES APPARTEMENTS CLUB SOMMET INC.
Statement of Cash Flows
For the year ended December 31, 2012

	2012	2011
Operating activities		
Net earnings	$ -	$ -
Net change in non-cash items related to operations		
Account receivable from parent company	(18,697)	-
Prepaids	(33,339)	-
Accounts payable	103,602	-
Increase in cash and cash equivalents	51,566	-
Cash and cash equivalents, beginning of year	-	-
Cash and cash equivalents, end of year	$ 51,566	$ -

Cash and cash equivalents consist of cash.

1. Statutes and nature of activities

The Company was incorporated on November 16, 2006 under the Canada Business Corporations Act.

The purpose of the Company is to own the immoveable property bearing civic number 3475 Mountain Street, Montreal, Quebec, to manage the building located thereon, to provide to its shareholders the occupancy of apartments, garages and parking units located therein by means of long-term leases referred to as "proprietary leases" and to dispose of said immoveable property subject to the provisions of the Articles of Incorporation.

The Company has granted proprietary leases for all apartments, balconies, lockers and interior parking spaces of the building. These leases require each lessee to pay by way of monthly contributions, an amount equal to their proportionate share of the aggregate amount of the cash requirements of the Company as defined in each lease.

Each proprietary lease requires the ownership by the lessee of a certain number of common shares of the Company. All the common shares of the Company are attached in this manner to the proprietary leases which have been granted.

For income tax and tax on capital purposes, the Company is treated as a not-for-profit organization and is therefore exempt.

2. Significant accounting policies

The Company applies the Canadian accounting standards for private enterprises.

Financial instruments

Measurement of financial instruments

The Company initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

The Company subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net earnings.

Financial assets measured at amortized cost include cash and accounts receivable from parent company.

Financial liabilities measured at amortized cost include accounts payable.

2. Significant accounting policies - (continued)

Financial instruments - (continued)

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of possible impairment. The Company determines whether a significant adverse change has occurred in the expected timing or amount of future cash flows from the financial asset. If this is the case, the carrying amount of the asset is reduced directly to the higher of the present value of the cash flows expected to be generated by holding the asset, and the amount that could be realized by selling the asset at the balance sheet date. The amount of the write-down is recognized in net earnings. The previously recognized impairment loss may be reversed to the extent of the improvement, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net earnings.

Transaction costs

The Company recognizes its transaction costs in net earnings in the period incurred. However, transaction costs related to financial instruments subsequently measured at amortized cost reduce the carrying amount of the financial asset or liability and are accounted for in the statement of earnings using the effective interest method.

Cash and cash equivalents

The Company's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and term deposits with a maturity period of three months or less from the date of acquisition. Term deposits that the Company cannot use for current transactions because they are pledged as security are also excluded from cash and cash equivalents.

Land and building under development

The land and building are accounted for at the lower of cost and estimated net realizable value.

Impairment of these assets is assessed by comparing the carrying amount of an asset with its expected future net undiscounted cash flows from use together with its residual value (net recoverable value). If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value.

The building will be depreciated at the earlier of 90 % occupancy or six months after substantial completion of the re-development.

3. Land and building under development

	2012			2011
	Cost	Accumulated amortization	Net value	Net value
Land and building under development	$ 37,216,518	$ -	$ 37,216,518	$ 37,216,518

On December 28, 2006, the Company bought the land, building, moveables, appliances and co-ownership rights of the Mountain Street Tower from its shareholder, Casperdiny IFB Realty Inc. for a purchase price of $ 36,667,998. In exchange the Company issued 18,564,722 Class B shares representing all of its outstanding shares. At the time of issuance of the Class B shares, the Company redeemed its Class C share held by Casperdiny IFB Realty Inc. Along with issuance of the Class B shares, a proprietary lease for each and all of the apartment units, interior parking space units, locker units and balcony units (the "Units") has been issued by the Company, providing Casperdiny IFB Realty Inc. with the right to enjoy all of the Units and collect rents from the tenants as well as any other revenue from leases of dwellings.

4. Share capital

Authorized:

18,564,722 voting and participating Class B shares without par value, convertible in Class A shares upon the sale, transfer or alienation of the shares.

18,564,722 voting and participating Class A shares without par value.

1 voting and participating Class C share without par value, redeemable for the price of $ 1 upon issuance of Class B shares.

	2012	2011
Issued and paid:		
18,564,722 Class B shares	$ 36,667,998	$ 36,667,998

5. Contributed surplus

The contributed surplus corresponds to a capital contribution that was deposited in the Trust account of a legal professional and was used for the payment of the mutation tax on the acquisition of the property.

6. Related party transaction

The Company is committed to pay a monthly property management fee of the greater of $10,000 or 3 % of the gross rent collection plus applicable taxes. In addition, the project management fees include an amount of $27,666 paid by the project manager to Casperdiny IFB Realty Inc. for the use of two appartement units used in connexion of the project. The Company is related to the property manager as one employee of the property manager is also acting as a Director of the Company.

7. Non monetary transaction

The Company is providing a unit to the superintendant for its personnal use. The value of this transaction is $15,632 estimated at current market price and has been recorded in the maintenance expense.

8. Contingencies

a) Credit facilities

The land and building of the Company are securing a term credit facility of a maximum amount of $65,000,000 available to the parent company. As at December 31, 2012 an amount of $65,000,000 has been disbursed under this credit facility and the principal is due on January 1st, 2016.

Second rank immovable and movable hypothecs in the amount of $14,000,000 are also securing a demand loan of $14,000,000 incurred by the parent company as at December 31, 2012.

Third rank immovable and movable hypothecs in the amount of $6,000,000 are also securing a demand loan of $5,696,815 incurred by the parent company as at December 31, 2012.

b) Building modifications

The Company has to make certain building modifications to correct deficiencies to the National Building Code. Based on a code conformity study made by an independent engineering firm on May 2, 2012, the estimated capital expenditure budget to correct the code deficiencies amounts to $507,000 and the work would be done over the next eight years and funded by the shareholder of the Company.

8. Contingencies - (continued)

c) Share of common area expenses of Le Parc co-ownwership

The Syndicate of Le Parc co-ownership has registered a legal hypothec for an amount of \$898,174 against the building under development of the Company in order to secure the obligation towards the share of the Company in the common area expenses of the Le Parc co-ownership up to December 31, 2012. As at December 31, 2012, the Company has fulfilled all of its current obligations regarding the common area expenses of the Le Parc co-ownership.

The Company has issued a claim against the Syndicate of Le Parc co-ownership for what it believes to be wrongful allocation of Syndicate resources and is seeking damages in the amount of \$ 856,303. As part of this claim, the Company is requesting the Syndicate to render an account, to replace the Syndicate Manager and certain Directors and to modify the designation of certain portions of the immovable property which is subject to the Syndicate. In November 2012, the Syndicate of Le Parc co-ownership amended their defence to institute a cross-demand against the Company for alleged defamation in the amount of \$ 300,000 and the amount of \$ 142,687 for alleged syndicate contributions. Neither the possible outcome nor the amount of possible settlement can be determined at the present time.

d) Compensation for guarantee

Under the purchase and sale agreement of the Mountain Street Tower dated May 3, 2005, the Company and its parent Company are committed to reimburse to the vendors an amount of approximately \$47,000 per year as compensation for additional review and monitoring fees resulting from the vendors' sale of the Mountain Street Tower. This commitment terminates in 2019, unless otherwise negotiated between the Company and the vendors.

During 2011, the vendors have instituted proceedings in the amount of \$100,795 representing unpaid compensation for additional review and monitoring fees for the years 2009, 2010 and 2011. The management of the Company is contesting this claim principally because the vendors have failed to comply with their obligation to cooperate with the Company for the reduction or the mitigation of the additional review and monitoring fees. Neither the possible outcome nor the amount of possible settlement can be determined at the present time.

9. Financial instruments

Risks and concentrations

The Company is exposed to various risks through its financial instruments. The following analysis provides a measure of the Company's risk exposure and concentrations at the balance sheet date:

9. Financial instruments - (continued)

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company is exposed to this risk mainly in respect of its accounts payable. Prudent liquidity risk management implies maintaining sufficient cash and an adequate amount of committed credit facilities to run its business and pay obligations as they come due. The Company manages its cash resources based on financial forecasts and cash flows.

10. Comparative figures

Certain figures for 2011 have been reclassified to make their presentation identical to that adopted in 2012.

EXHIBIT B3

CASPERDINY IFB REALTY INC.
Balance Sheet
As at December 31, 2013
(Unaudited)

	2013	2012
ASSETS		
Cash	$ 3,972	$ 195,452
Restricted cash - Deposits on sale of units	-	39,105
Restricted cash - Other	-	5,080
Restricted cash - Interest Reserve	-	1,000,000
Accounts receivable	65,641	70,098
Loans receivable	77,645	77,645
Investment in a subsidiary	89,665,523	82,728,496
	$ 89,812,781	$ 84,115,876
LIABILITIES		
Accounts payable and accrued liabilities	$ 10,181,678	$ 9,332,725
Tenants' deposits	177,183	166,504
Deferred revenue	-	39,105
Loans payable	22,575,446	19,699,068
Mortgage payable	67,000,000	65,000,000
	99,934,307	94,237,402
SHAREHOLDERS' DEFICIENCY		
Share capital	2,000,000	2,000,000
Deficit	(12,121,526)	(12,121,526)
	$ 89,812,781	$ 84,115,876

CASPERDINY IFB REALTY INC.
Non-consolidated Statement of Income and Deficit
For the year ended December 31, 2013
(Unaudited)

	2013	2012
Revenues	$ 3,733,269	$ 4,023,226
Expenses	2,268,440	2,186,463
Income from operations	1,464,829	1,836,763
Capitalization of the net operating income	(1,464,829)	(1,836,763)
Write-down of the investment in a subsidiary	-	(2,900,000)
Net loss	-	(2,900,000)
Deficit, beginning of year	(12,121,526)	(9,221,526)
Deficit, end of year	**$ (12,121,526)**	**$ (12,121,526)**

CASPERDINY IFB REALTY INC.
Investment in a Subsidiary
December 31, 2013
(Unaudited)

		2013	2012
Carrying value of land and building disposed of in exchange for the Class B shares on December 28, 2006	$	36,667,998	$ 36,667,998
Mutation tax		548,520	548,520
Development costs - other		26,554,905	23,164,324
Capitalized interest		31,045,244	26,033,969
Capitalized carrying costs - operations		12,781,192	10,512,752
Property revenue		(16,360,878)	(12,627,609)
Development costs - Units		9,328,542	9,328,542
Write-down of carrying costs		(10,900,000)	(10,900,000)
	$	89,665,523	$ 82,728,496

EXHIBIT B4

LES APPARTEMENTS CLUB SOMMET INC.
Balance Sheet
December 31, 2013
(Unaudited)

	2013	2012
ASSETS		
Land and building under development	$ 37,216,518	$ 37,216,518
Cash	1,618	51,566
Accounts receivable from parent company	188,876	18,697
Prepaids	41,315	33,339
	$ 37,448,327	$ 37,320,120
LIABILITIES		
Accounts payable	$ 231,809	$ 103,602
SHAREHOLDERS' EQUITY		
Share capital	36,667,998	36,667,998
Contributed surplus	548,520	548,520
	$ 37,448,327	$ 37,320,120

LES APPARTEMENTS CLUB SOMMET INC.
Interim Statement of Earnings and Retained Earnings
For the year ended December 31, 2013
(Unaudited)

	2013	2012
Revenues	$ 1,966,306	$ 1,925,665
Expenses		
Contribution to syndicate - common areas	536,359	542,707
Maintenance and repairs	352,766	356,015
Property and school taxes	462,239	389,491
Wages	185,979	173,488
Utilities	233,942	270,071
Property management fees	172,488	163,266
Interest and bank charges	8,363	24,119
Professional fees	14,170	6,508
	1,966,306	1,925,665
Net earnings	-	-
Deficit, beginning of year	-	-
Deficit, end of year	$ -	$ -

EXHIBIT C

EXHIBIT C1

CASPERDINY IFB REALTY INC.
Accounts payable summary
February 28, 2014

Creditor name	Street	City	Province	Postal Code	Country	Unsecured amount	Secured amount
Rhino Media Group	4036 Edouard Montpetit	Montreal	QC	H3T 1L2	Canada	$5,518.75	
Vortex Solutions	40 Jean Talon Est	Montreal	QC	H2R 1S3	Canada	$442.65	
Café Des Ameriques	472 Mousseau-Vermette, Suite C3	Dorval	QC	H9S 0A9	Canada	$1,229.52	
Casperdiny IFB Capital Inc.	555 Richmond Street W, Suite 504	Toronto	ON	M5V 3B1	Canada	$5,477,920.00	
Casperdiny IFB Capital inc. (second mortgage)	555 Richmond Street W, Suite 504	Toronto	ON	M5V 3B1	Canada		$17,599,475.00
Casperdiny IFB Capital Inc. (third mortgage)	555 Richmond Street W, Suite 504	Toronto	ON	M5V 3B1	Canada		$9,065,484.00
Casperdiny IFB Capital Inc. (other)	555 Richmond Street W, Suite 504	Toronto	ON	M5V 3B1	Canada		$403,277.00
ChauvelCo Realty Inc.	555 Richmond Street W, Suite 504	Toronto	ON	M5V 3B1	Canada	$25,884.00	
ConceptPlus.ca	5653 Pare, Suite 202	Mount-Royal	QC	H4P 1S1	Canada	$2,920.37	
CSST	CP 8025 succursale Desjardins	Montreal	QC	H5B 0AB	Canada	$602.03	
Daniel Cooper	6600 Trans Canadienne Suite 150	Point-Claire	QC	H9R 4S2	Canada	$2,393.21	
Drummond Mountain LP	701 Evans Ave Suite 712	Toronto	ON	M9C 1A3	Canada	$521,798.00	
Fasken Martineau DuMoulin LLP	800 Place Victoria Suite 3700	Montreal	QC	H4Z 1E9	Canada	$84,905.04	
Immoparc Holdings Two Canadian Properties	3450 Drummond Suite 146	Montreal	QC	H3G 1Y2	Canada	$218,791.00	
Imprimerie Express Art	815, Rue Ontario Est	Montreal	QC	H2L 1P1	Canada	$339.18	
Integra Investigation Services Ltd.	240 Galaxy Blvd	Toronto	ON	M9W 5R8	Canada	$79.10	
Irving Mitchell Kalichman	3500, boulevard De Maisonneuve Ouest	Montreal	QC	H3Z 3C1	Canada	$9,609.61	
LaFlamme Nadeau	3410 Peel Street, Suite 304	Montreal	QC	H3A 1H3	Canada	$620.87	
Les Appartements Club Sommet inc.	555 Richmond Street W, Suite 504	Toronto	ON	M5V 3B1	Canada	$226,677.77	
Lettrage DRG inc.	1949B Boul Des Laurentides	Laval	QC	H7M 2R2	Canada	$1,026.17	
Millowitz Hodes Bergeron	999 De Maisonneuve Boulevard West	Montreal	QC	H3A 3L4	Canada	$7,579.43	
Navigant Consulting LI Inc.	1 Place Ville Marie, Suite 2821	Montreal	QC	H3B 4R4	Canada	$32,559.36	
NEBS Business Products Limited	330 Cranston Cresent	Midland	ON	L4R 4V9	Canada	$363.67	
Poste Destination	4575, rue Hickmore	St-Laurent	QC	H4T 1S5	Canada	$45.44	
Premier Canada Maid Service Inc.	Unit 36C-601 Bowman Ave.	Winnipeg	MB	R2K 1P7	Canada	$87.38	
Rammal	1625 Chabanel West #487	Montreal	QC	H4N 2S7	Canada	$1,163.54	
Spiegel Sohmer	1255 Peel Street Suite 1000	Montreal	QC	H3B 2T9	Canada	$13,779.92	
Timbercreek Mortgage Investment Corporation	1000 Yonge Street, Suite 500	Toronto	ON	M4W 2K2	Canada		$67,725,834.00
Vertuose Inc.	5431, Saint-Laurent	Montreal	QC	H2T 1S5	Canada	$126.48	
						$6,636,462.49	$94,794,070.00

D Mason-Stefanovic
DIANA MASON-STEFANOVIC

EXHIBIT C2

LES APPARTEMENTS CLUB SOMMET INC.
Accounts payable summary
February 28, 2014

Creditor name	Street	City	Province	Postal Code	Country	Unsecured amount	Secured amount
A.P. Pacific Inc.	4910 Souvenir	Laval	QC	H7W 4L7	Canada	$275.94	
ADT Security Services Canada	615 - 18th Street S.E.	Calgary	AB	T2E 6J5	Canada	$302.05	
M.A. Bauine Inc.	1850, 32e Avenue	Lachine	QC	H8T 3J7	Canada	$5,073.85	
Bell Canada	Case Postale 8712	Succ Centre-Ville	QC	H3C 3P6	Canada	$690.10	
Bell Canada	CP 11490 Station Centre Ville	Montreal	QC	H3C 5R7	Canada	$173.14	
Bertrand Durand Inc.	48, avenue Wolseley Nord	Montreal	QC	H4X 1V5	Canada	$10,364.18	
Casperdiny IFB Capital inc. (second mortgage)	555 Richmond Street W, Suite 504	Toronto	ON	M5V 3B1	Canada		$17,599,475.00
Casperdiny IFB Capital Inc. (third mortgage)	555 Richmond Street W, Suite 504	Toronto	ON	M5V 3B1	Canada		$9,065,484.00
Chubb Edwards	2740 Matheson Blvd. E. Unit 1	Mississauga	ON	L4W 4X3	Canada	$4,705.93	
Cogeco Data Services Inc.	413 Horner Avenue	Toronto	ON	M8W 4W3	Canada	$1,724.63	
Debsel Inc.	4225 boul Poirier	Ville St-Laurent	QC	H4R 2A4	Canada	$535.78	
Desjardins Card Services	PO Box 8601 Stn Centre-Ville	Montreal	QC	H3C 3V2	Canada	$463.88	
Fasken Martineau DuMoulin LLP	800 Place Victoria Suite 3700	Montreal	QC	H4Z 1E9	Canada	$2,571.17	
Gaz Metro Plus	250-1250 Nobel	Boucherville	QC	J4B 5H1	Canada	$491.81	
Gilles Cayouette	1210 Cure Poirier Est apt 507	Longeuil	QC	J4J 5J2	Canada	$477.36	
Hydro Quebec	C.P. 11022, succ. Centre-ville	Montreal	QC	H3C 4V6	Canada	$15,442.33	
Independent Elevator	5705 de Maisonneuve Ouest	Montreal	QC	H4A 3T3	Canada	$6,360.71	
Jowatel Telecommunications Inc.	2421, rue Guenette	St-Laurent	QC	H4R 2E9	Canada	$66.12	
Labrador	9021 Blvd Metropolitain East	Anjou	QC	H1J 3C4	Canada	$56.37	
La Chaine D'Extermination	c.p. 93	Ville Ste-Catherine	QC	J5C 1A1	Canada	$574.87	
Larochelle Electrique	330, St-Francois Xavier #108	Delson	QC	J5B 1Y1	Canada	$699.23	
McCopier	4490 rue Garand	St-Laurent	QC	H4R 2A2	Canada	$235.96	
Portes De Garage Superieur Inc.	1081 Rue Begin	St-Laurent	QC	H4R 1V8	Canada	$436.90	
Protection incentie MCI	5415, rue Armand-Frappier	St-Hubert	QC	J3Z 1J4	Canada	$2,644.65	
Nasa Technologies	5536 Hutchison	Montreal	QC	H2V 4B3	Canada	$1,322.16	
Serrurier Lacroix	696, Notre-Dame	Lachine	QC	H8S 2B3	Canada	$786.09	
Serrurier Lionel Locksmith	5462 Sherbrooke Ouest	Montreal	qc	H4A1V9	Canada	$516.82	
Syndicate of Le Parc Co-Ownership	3450 Drummond, Box 154	Montreal	QC	H3G 1Y2	Canada		$283,255.78
Timbercreek Mortgage Investment Corporation	1000 Yonge Street, Suite 500	Toronto	ON	M4W 2K2	Canada		$67,725,834.00
TTi Environnement	9990, boul. Metropolitain Est, local 100	Montreal	QC	H1B 1A2	Canada	$906.39	
Videotron	CP 11078 Succ Centre-Ville	Montreal	QC	H3C 5B7	Canada	$13,570.78	
						$71,469.20	$94,674,048.78

D. Mason-Stefanovic
DIANA MASON-STEFANOVIC

EXHIBIT D

CANADA Province of Quebec District of: Montréal Court No.: 500-11-046282-147	SUPERIOR COURT (Commercial Division) *Companies' Creditors Arrangement Act* RSC 1985, c C-36, as amended

Proposed Monitor's Report on Cash-Flow Statement
(Paragraph 10(2)*b*) of the Act)

In the matter of the Petition for the Issuance of an Initial Order
(Articles 4, 5 and 11 of the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 ("CCAA")
with respect to
Casperdiny IFB Realty Inc.
Of the City of Montréal in the Province of Quebec

The attached statement of projected cash flow of Casperdiny IFB Realty Inc., as of the 11th day of March 2014, consisting of the period from March 1, 2014 to August 31, 2014 has been prepared by representatives of Asta Corporation Inc. (hereinafter "Management"), a real estate services firm engaged to manage the day-to-day operations of the insolvent person for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by Management of the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by management for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

(a) the hypothetical assumptions are not consistent with the purpose of the projection;
(b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
(c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Montréal, in the Province of Québec, this 18th day of March 2014.

Richter Advisory Group Inc. – Proposed Monitor
Per:

Benoit Gingues, CPA, CA, CIRP
1981 McGill College Avenue, 12th Floor
Montréal QC H3A 0G6
Telephone: 514.934.3440 Facsimile: 514.934.3504

CANADA Province of Quebec District of: Montréal Court No.: 500-11-046282-147	SUPERIOR COURT (Commercial Division) *Companies' Creditors Arrangement Act* RSC 1985, c C-36, as amended

Proposed Monitor's Report on Cash-Flow Statement - Attachment
(Paragraph 10(2)*b*) of the Act)

In the matter of the Petition for the Issuance of an Initial Order
(Articles 4, 5 and 11 of the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 ("CCAA")
with respect to
Casperdiny IFB Realty Inc.

Purpose:
Casperdiny IFB Realty Inc. is filing a Petition for the Issuance of an Initial Order pursuant to the Companies' Creditors Arrangement Act on March 18, 2014.
The purpose of this Statement of Projected Cash Flow is to present the estimated cash receipts and disbursements of the Company for the period from March 1, 2014 to August 31, 2014 relating to the filing of a Petition for the Issuance of an Initial Order under the *Companies' Creditors Arrangement Act* on March 18, 2014. This Statement of Projected Cash Flow has been prepared, on March 11, 2014, by representatives of Asta Corporation Inc. (hereinafter "Management"), a real estate services firm engaged to manage the day-to-day operations of the Company, based on available financial information at that date in accordance with Section 10(2)*b*) of the *Companies' Creditors Arrangement Act*. Readers are cautioned that this information may not be appropriate for other purposes.

Projection Notes:
The Statement of Projected Cash-Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period March 1, 2014 to August 31, 2014, considering the economic conditions that are considered the most probable by Management.
As the cash-flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

Assumptions:
a) **Interim Financing Facility**: On March 10, 2014 the Company entered into an agreement with its majority shareholder to provide $2.2 million of priority ranking Interim Financing ("DIP Loan"), as outlined in a forthcoming petition to the court seeking an initial order pursuant to the Companies' Creditors Arrangement Act, and approval of the proposed DIP Loan. The Cash Flow Projection assumes that the DIP Loan will be approved and funded to the Company in March 2014.
b) **Projected Cash Receipts**: The projected cash receipts are estimated by Management, based upon the current rent roll and collection experience of the Company, reflecting a 17% increase in occupancy over 6 months in line with Management's expected results relative to its new leasing strategy
c) **Projected Cash Disbursements**: The projected cash disbursements are based upon historical data adjusted to reflect the current level of activity and best estimates of the Company, as well as costs related to the restructuring process, lease-up program and solicitation process for sale of the property. The cash disbursements do not provide for the payment of arrears to unsecured creditors.

Dated at the City of Montréal, in the Province of Quebec, this 18th day of March 2014.

Richter Advisory Group Inc. – Proposed Monitor
Per:

Benoit Gingues, CPA, CA, CIRP

CANADA Province of Quebec District of: Montréal Court No.: 500-11-046281-149	SUPERIOR COURT (Commercial Division) *Companies' Creditors Arrangement Act* RSC 1985, c C-36, as amended

Proposed Monitor's Report on Cash-Flow Statement
(Paragraph 10(2)*b*) of the Act)

In the matter of the Petition for the Issuance of an Initial Order
(Articles 4, 5 and 11 of the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 ("CCAA")
with respect to
Les Appartements Club Sommet Inc.
Of the City of Montréal
In the Province of Quebec

The attached statement of projected cash flow of Les Appartements Club Sommet Inc., as of the 11th day of March 2014, consisting of the period from March 1 to August 31, 2014, has been prepared by representatives of Asta Corporation Inc. (hereinafter "Management"), a real estate services firm engaged to manage the day-to-day operations of the insolvent person for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by Management of the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by Management for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

(a) the hypothetical assumptions are not consistent with the purpose of the projection;
(b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
(c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Montréal in the Province of Quebec, this 18th day of March 2014.

Richter Advisory Group Inc. – Proposed Monitor
Per:

Benoit Gingues, CPA, CA, CIRP
1981 McGill College Avenue, 12th Floor
Montréal QC H3A 0G6
Telephone: 514.934.3440 Facsimile: 514.934.3504

CANADA Province of Quebec District of: Montréal Court No.: 500-11-046281-149	SUPERIOR COURT (Commercial Division) *Companies' Creditors Arrangement Act* RSC 1985, c C-36, as amended

Proposed Monitor's Report on Cash-Flow Statement - Attachment
(Paragraph 10(2)*b*) of the Act)

In the matter of the Petition for the Issuance of an Initial Order
(Articles 4, 5 and 11 of the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 ("CCAA")
with respect to
Les Appartements Club Sommet Inc.

Purpose:
Les Appartements Club Sommet Inc. ("Club Sommet" or the "Company") is filing a Petition for the Issuance of an Initial Order pursuant to the *Companies' Creditors Arrangement Act* on March 18, 2014. The purpose of this Statement of Projected Cash Flow is to present the estimated cash receipts and disbursements of Les Appartements Club Sommet Inc. (the "Company"), for the period March 1 to August 31, 2014, relating to the filing of a Petition of a Petition for the issuance of an Initial Order under the *Companies' Creditors Arrangement Act* on March 18, 2014. This Statement of Projected Cash Flow has been prepared by representatives of Asta Corporation Inc. (hereinafter "Management"), a real estate services firm engaged to manage the day-to-day operations of the Company, on March 11, 2014 based on available financial information at that date in accordance with Section 10(2)*b*) of the *Companies' Creditors Arrangement Act*. Readers are cautioned that this information may not be appropriate for other purposes.

Projection Notes:
The Statement of Projected Cash Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period March 1 to August 31, 2014, considering the economic conditions that are considered the most probable by Management.
As the cash flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

Assumptions:
a) **Interim Financing Facility**: On March 10, 2014 the Company's parent, Casperdiny IFB Realty Inc., entered into an agreement with its majority shareholder to provide $2.2 million of priority ranking Interim Financing ("DIP Loan"), as outlined in a forthcoming petition to the court seeking an initial order pursuant to the Companies' Creditors Arrangement Act, and approval of the proposed DIP Loan. The Cash Flow Projection assumes that Casperdiny will continue to fund the operating expenditures the DIP Loan will be approved and funded to the Company's parent in March 2014.
b) **Projected Cash Receipts**: Les Appartements Club Sommet Inc. is a wholly owned subsidiary of Casperdiny IFB Realty Inc., and has no revenues other than fees charged to its parent company to cover its expenses. The Cash Flow Projections assume that Casperdiny will continue to fund all operating expenses of the Company during the period.
c) **Projected Cash Disbursements**: The projected cash disbursements are based upon historical data adjusted to reflect the current level of activity and best estimates of the Company, and reflect the impact of the lease-up program for the building implemented by Management. The cash disbursements do not provide for the payment of arrears to unsecured creditors.

Dated at the City of Montréal in the Province of Quebec, this 18th day of March 2014.

Richter Advisory Group Inc. – Proposed Monitor
Per:

Benoit Gingues, CPA, CA, CIRP

CANADA	SUPERIOR COURT
Province of Quebec	(Commercial Division)
District of: Montréal	*Companies' Creditors Arrangement Act*
Court No.: 500-11-046282-147	RSC 1985, c C-36, as amended

Report on Cash-Flow Statement by the Debtor Company
(Paragraph 10(2)*b*) of the Act)

In the matter of the Petition for the Issuance of an Initial Order
(Articles 4, 5 and 11 of the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 ("CCAA")
with respect to
Casperdiny IFB Realty Inc.
Of the City of Montréal
In the Province of Quebec

Representatives of Asta Corporation Inc. (hereinafter "Management"), a real estate services firm engaged to manage the day-to-day operations of Casperdiny IFB Realty Inc., has developed the assumptions and prepared the attached statement of projected cash flow of the debtor company, as of the 11th day of March 2014, consisting of the period from March 1, 2014 to August 31, 2014.

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Toronto, in the Province of Ontario, this 18th day of March 2014.

D. Mason-Stefanovic

Casperdiny IFB Realty Inc.
Debtor

Diana Mason-Stefanovic, Secretary Vice-President
Name and Title of signing officer

C A N A D A	S U P E R I O R C O U R T
Province of Quebec	(Commercial Division)
District of: Quebec	*Companies' Creditors Arrangement Act*
Court No.: 500-11-046282-147	RSC 1985, c C-36, as amended

Report on Cash-Flow Statement by the Debtor Company - Attachment
(Paragraph 10(2)*b*) of the Act)

In the matter of the Petition for the Issuance of an Initial Order
(Articles 4, 5 and 11 of the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 ("CCAA")
with respect to
Casperdiny IFB Realty Inc.

Purpose:
Casperdiny IFB Realty Inc. is filing a Petition for the Issuance of an Initial Order pursuant to the *Companies' Creditors Arrangement Act* on March 18, 2014.
The purpose of this Statement of Projected Cash Flow is to present the estimated cash receipts and disbursements of IFB Realty Inc. (the "Company"), for the period March 1 to August 31, 2014, relating to the filing of a Petition for the Issuance of an Initial Order under the *Companies' Creditors Arrangement Act* on March 18, 2014. This Statement of Projected Cash Flow has been prepared, on March 11, 2014, by representatives of Asta Corporation Inc. (hereinafter "Management"), a real estate services firm engaged to manage the day-to-day operations of the Company, based on available financial information at that date in accordance with Section 10(2)*b*) of the *Companies' Creditors Arrangement Act*. Readers are cautioned that this information may not be appropriate for other purposes.

Projection Notes:
The Statement of Projected Cash-Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period March 1, 2014 to August 31, 2014, considering the economic conditions that are considered the most probable by Management.
As the cash-flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

Assumptions:
a) **Interim Financing Facility**: On March 10, 2014 the Company entered into an agreement with its majority shareholder to provide $2.2 million of priority ranking Interim Financing ("DIP Loan"), as outlined in a forthcoming petition to the court seeking an initial order pursuant to the Companies' Creditors Arrangement Act, and approval of the proposed DIP Loan. The Cash Flow Projection assumes that the DIP Loan will be approved and funded to the Company in March 2014.
b) **Projected Cash Receipts**: The projected cash receipts are estimated by Management, based upon the current rent roll and collection experience of the Company, reflecting a 17% increase in occupancy over 6 months in line with Management's expected results relative to its new leasing strategy.
c) **Projected Cash Disbursements**: The projected cash disbursements are based upon historical data adjusted to reflect the current level of activity and best estimates of the Company, as well as costs related to the restructuring process, lease-up program and solicitation process for sale of the property. The cash disbursements do not provide for the payment of arrears to unsecured creditors.

Dated at the City of Toronto, in the Province of Ontario, this 18th day of March 2014.

D. Mason-Stefanović

Casperdiny IFB Realty Inc.	Diana Mason-Stefanovic, Secretary Vice-President
Debtor	Name and Title of signing officer

CANADA Province of Quebec District of: Montréal Court No.: 500-11-046281-149	SUPERIOR COURT (Commercial Division) *Companies' Creditors Arrangement Act* RSC 1985, c C-36, as amended

Report on Cash-Flow Statement by the Debtor Company
(Paragraph 10(2)*b*) of the Act)

In the matter of the Petition for the Issuance of an Initial Order
(Articles 4, 5 and 11 of the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 ("CCAA")
with respect to
Les Appartements Club Sommet Inc.
Of the City of Montréal
In the Province of Quebec

Representatives of Asta Corporation Inc. (hereinafter "Management"), a real estate services firm engaged to manage the day-to-day operations of Les Appartements Club Sommet Inc., has developed the assumptions and prepared the attached statement of projected cash flow of the debtor company, as of the 11th day of March 2014, consisting of the period from March 1 to August 31, 2014.

The hypothetical assumptions are reasonable and consistent with the purpose of the projections described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the debtor company and provide a reasonable basis for the projections. All such assumptions are disclosed in the notes attached.

Since the projections are based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Toronto, in the Province of Ontario, this 18th day of March 2014.

D. Mason-Stefanovic
Les Appartements Club Sommet Inc.
Debtor

Diana Mason-Stefanovic, Secretary Vice-President
Name and Title of signing officer

CANADA
Province of Quebec
District of: Quebec
Court No.: 500-11-046281-149

SUPERIOR COURT
(Commercial Division)
Companies' Creditors Arrangement Act
RSC 1985, c C-36, as amended

Report on Cash-Flow Statement by the Debtor Company - Attachment
(Paragraph 10(2)*b*) of the Act)

In the matter of the Petition for the Issuance of an Initial Order
(Articles 4, 5 and 11 of the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 ("CCAA")
with respect to
Les Appartements Club Sommet Inc.

Purpose:
Les Appartements Club Sommet Inc. is filing a Petition for the Issuance of an Initial Order pursuant to the *Companies' Creditors Arrangement Act* on March 18, 2014.
The purpose of this Statement of Projected Cash Flow is to present the estimated cash receipts and disbursements of Les Appartements Club Sommet Inc. (the "Company"), for the period March 1 to August 31, 2014, relating to the filing of a Petition for the Issuance of an Initial Order under the *Companies' Creditors Arrangement Act* on March 18, 2014. This Statement of Projected Cash Flow has been prepared, on March 11, 2014, by representatives of Asta Corporation Inc. (hereinafter "Management"), a real estate services firm engaged to manage the day-to-day operations of the Company, based on available financial information at that date in accordance with Section 10(2)*b*) of the *Companies' Creditors Arrangement Act*. Readers are cautioned that this information may not be appropriate for other purposes.

Projection Notes:
The Statement of Projected Cash Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period March 1 to August 31, 2014, considering the economic conditions that are considered the most probable by Management.
As the cash flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

Assumptions:

a) **Interim Financing Facility**: On March 10, 2014 the Company's parent, Casperdiny IFB Realty Inc., entered into an agreement with its majority shareholder to provide $2.2 million of priority ranking Interim Financing ("DIP Loan"), as outlined in a forthcoming petition to the court seeking an initial order pursuant to the Companies' Creditors Arrangement Act, and approval of the proposed DIP Loan. The Cash Flow Projection assumes that Casperdiny will continue to fund the operating expenditures the DIP Loan will be approved and funded to the Company's parent in March 2014.
b) **Projected Cash Receipts**: Les Appartements Club Sommet Inc. is a wholly owned subsidiary of Casperdiny IFB Realty Inc., and has no revenues other than fees charged to its parent company to cover its expenses. The Cash Flow Projections assume that Casperdiny will continue to fund all operating expenses of the Company during the period.
c) **Projected Cash Disbursements**: The projected cash disbursements are based upon historical data adjusted to reflect the current level of activity and best estimates of the Company, and reflect the impact of the lease-up program for the building implemented by Management. The cash disbursements do not provide for the payment of arrears to unsecured creditors.

Dated at the City of Toronto, in the Province of Ontario, this 18th day of March 2014.

D. Mason-Stefanovic
Les Appartements Club Sommet Inc.
Debtor

Diana Mason-Stefanovic, Secretary Vice-President
Name and Title of signing officer

Casperdiny IFB Realty Inc.
Cash Flow Projections
March 1 to August 31 2014

	March 2014	April 2014	May 2014	June 2014	July 2014	August 2014	TOTAL
Cash Inflows							
Gross Potential Rent	$ 511,064	$ 511,064	$ 511,064	$ 511,064	$ 511,064	$ 511,064	$ 3,066,385
Vacancy	(232,302)	(217,902)	(203,502)	(183,702)	(167,502)	(145,902)	(1,150,812)
Parking	17,911	22,811	22,811	22,811	22,811	22,811	131,966
Other Income	2,000	2,000	2,200	2,300	2,400	2,500	13,400
Monthly Rental Revenue	298,673	317,973	332,573	352,473	368,773	390,473	2,060,939
Deposits Collected from New Leases	43,200	50,400	57,600	72,000	64,800	50,400	338,400
Deposits Applied against Rent	(59,663)	(21,708)	(37,297)	(26,700)	(32,850)	(55,678)	(233,896)
Total Cash Inflow from Operations	282,210	346,665	352,876	397,773	400,723	385,195	2,165,443
Cash Outflows							
Leasing and Marketing							
Leasing Salaries	14,000	14,000	14,000	14,000	14,000	14,000	84,000
Leasing Commissions	8,100	10,800	12,600	14,400	18,000	19,800	83,700
Tenant incentives/Tenant improvements	3,000	9,000	12,000	14,000	16,000	20,000	74,000
Marketing Expenses	12,500	15,000	15,000	15,000	15,000	15,000	87,500
	37,600	48,800	53,600	57,400	63,000	68,800	329,200
Lifestyle							
Lifestyle Salaries	3,000	3,000	3,000	3,000	3,000	3,000	18,000
Lifestyle Expenses (net of related revenues)	3,667	3,667	3,167	3,167	2,667	2,667	19,002
	6,667	6,667	6,167	6,167	5,667	5,667	37,002
Concierge							
Concierge Expenses	2,850	2,850	2,850	2,850	2,850	2,850	17,100
	2,850	2,850	2,850	2,850	2,850	2,850	17,100
Other Expenses							
Club Sommet Monthly Charge	133,102	150,380	143,343	129,063	119,493	121,692	797,073
Corporate/ Travel	4,000	4,000	4,000	4,000	4,000	4,000	24,000
Administration Salaries	7,028	7,028	7,028	7,028	7,028	7,028	42,166
Laundry Expenses		1,600		1,600		1,600	4,800
Interest/Bank Charges	300	300	300	300	300	300	1,800
Merchant Fees	1,000	1,000	1,000	900	900	750	5,550
	145,430	164,308	155,671	142,891	131,720	135,370	875,389
Total Cash Outflow from Operations	192,546	222,625	218,288	209,308	203,237	212,687	1,258,690
Net Cash Flow from Operations	**89,664**	**124,041**	**134,589**	**188,466**	**197,486**	**172,509**	**906,753**
Non-Operating Expenses							
Professional Fees - CCAA	30,000	75,000	75,000	75,000	75,000	75,000	405,000
Professional Fees - Transaction Advisory	-	-	30,000	30,000	30,000	30,000	120,000
Project management	39,550	39,550	39,550	39,550	39,550	39,550	237,300
	69,550	114,550	144,550	144,550	144,550	144,550	762,300
Net Cash Flow excluding Interest	**20,114**	**9,491**	**(9,961)**	**43,916**	**52,936**	**27,959**	**144,453**
Opening Cash Balance	(18,445)	1,669	11,159	1,198	45,113	98,049	(18,445)
Ending Cash Balance	**$ 1,669**	**$ 11,159**	**$ 1,198**	**$ 45,113**	**$ 98,049**	**$ 126,008**	**$ 126,008**
<u>Mortgage Interest Funding</u>							
Opening Available for Mortgage Funding	$ -	$ 1,814,585	$ 1,451,668	$ 1,088,751	$ 725,834	$ 362,917	$ -
DIP Loan Funding	2,177,502	-	-	-	-	-	2,177,502
Mortgage Interest	(362,917)	(362,917)	(362,917)	(362,917)	(362,917)	(362,917)	(2,177,502)
Ending Available for Mortgage Funding	**$ 1,814,585**	**$ 1,451,668**	**$ 1,088,751**	**$ 725,834**	**$ 362,917**	**$ -**	**$ -**

D. Mason-Stefanovic

Casperdiny IFB Realty Inc.
Cash Flow Projections
March 1 to August 31 2014

Projected Occupancy Roll-Forward

	March 2014	April 2014	May 2014	June 2014	July 2014	August 2014	TOTAL
Total # units occupied - end of previous month	168	170	178	186	197	206	168
New leases taking occupancy	3	9	12	14	16	20	74
Leases lost to non-renewal	(1)	(1)	(4)	(3)	(7)	(8)	(24)
Net leases added	2	8	8	11	9	12	50
Total # units invoiced for the month	**170**	**178**	**186**	**197**	**206**	**218**	**218**
Overall Occupancy Rate	58%	61%	64%	68%	71%	75%	75%

March 1 # of vacant units	121
Total rent on vacant units per rent roll	232,302
Average rental per vacant unit	1,920
Discount assumed in forecast	*6%*
Avg. assumed rental for new leases	**$ 1,800**

D. Mason-Stefanovic

Les Appartements Club Sommet
Cash Flow Projections
March 1 to August 31 2014

	March 2014	April 2014	May 2014	June 2014	July 2014	August 2014	TOTAL
Revenues:							
Casperdiny Monthly Charge	$ 133,102	$ 150,380	$ 143,343	$ 129,063	$ 119,493	$ 121,692	$ 797,073
Total Revenues	133,102	150,380	143,343	129,063	119,493	121,692	797,073
Expenses:							
Property Management							
Management Fees	11,300	11,300	11,300	11,300	11,647	12,379	69,226
Management Offices	3,074	3,074	3,074	3,074	3,074	3,074	18,444
	14,374	14,374	14,374	14,374	14,721	15,453	87,670
Utilities							
Telephone	800	800	800	800	800	800	4,800
Cable Expenses	5,580	5,340	5,580	5,910	6,180	6,540	35,130
Internet Expenses	800	800	800	800	800	800	4,800
Cellphone Expenses	400	400	400	400	400	400	2,400
Wifi Monitoring	1,776	1,776	1,776	1,776	1,776	1,776	10,656
Electricity	10,000	10,000	10,000	10,000	10,000	10,000	60,000
Heat/Hot Water Tank Expense	-	-	-	5,055	-	-	5,055
Gaz Metro	16,279	15,952	12,360	6,855	1,723	2,830	55,999
	35,635	35,068	31,716	31,596	21,679	23,146	178,840
Salaries							
Security Staff	15,000	15,000	15,000	15,000	15,000	15,000	90,000
Superintendant	7,036	7,036	7,036	7,036	7,036	7,036	42,216
Cleaning Staff	4,209	4,209	4,209	4,209	4,209	4,209	25,254
Maintenance Staff	7,946	7,946	7,946	7,946	7,946	7,946	47,676
	34,191	34,191	34,191	34,191	34,191	34,191	205,146
Maintenance & Repairs							
General maintenance & repairs	12,000	12,000	12,000	12,000	12,000	12,000	72,000
	12,000	12,000	12,000	12,000	12,000	12,000	72,000
Other Expenses							
Major Expenditures	10,000	10,000	10,000	10,000	10,000	10,000	60,000
Office Expenses	650	650	650	650	650	650	3,900
Interest/Bank Charges	500	500	500	500	500	500	3,000
Superintendant Unit	1,954	1,954	1,954	1,954	1,954	1,954	11,724
	13,104	13,104	13,104	13,104	13,104	13,104	78,624
Syndicate Fees							
Contribution to Syndicate	23,798	23,798	23,798	23,798	23,798	23,798	142,788
Contingency Funds	-	17,845	14,160	-	-	-	32,005
	23,798	41,643	37,958	23,798	23,798	23,798	174,793
Total Expenses	133,102	150,380	143,343	129,063	119,493	121,692	797,073
Net Income	$ -	$ -	$ -	$ -	$ -	$ -	$ -

D. Mason-Stefanovic