

COURT FILE NO.	1801-13299	Clerk's Stamp
COURT	COURT OF QUEEN'S BENCH OF ALBERTA	
JUDICIAL CENTRE	CALGARY	
PLAINTIFF	ROYAL BANK OF CANADA	
DEFENDENT	NEVAS REALTY INC., ANDREW SCHNEIDER, JAMES QUILTY AND MARVIN WOYCENKO	
DOCUMENT	FIRST REPORT OF THE RECEIVER AND MANAGER IN THE MATTER OF THE RECEIVERSHIP OF NEVAS REALTY INC.	
FILED	April 29, 2019	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	<p>Counsel</p> <p>Cassels Brock &amp; Blackwell LLP Bankers Hall West Suite 3810, 888 3rd Street SW Calgary, AB T2P 5C5</p> <p>Telephone: 403-351-2921 Facsimile: 403-648-1151 Email: <a href="mailto:joliver@casselsbrock.com">joliver@casselsbrock.com</a></p> <p>Attention: Jeffrey Oliver</p> <p>Receiver</p> <p>MNP Ltd. Suite 1500, 640 5th Avenue SW Calgary, AB T2P 3G4</p> <p>Telephone: 587-702-5963 Facsimile: 403-269-8450 Email: <a href="mailto:vanessa.allen@mnp.ca">vanessa.allen@mnp.ca</a></p> <p>Attention: Vanessa Allen</p>	

**Table of Contents**

INTRODUCTION ..... 1

NOTICE TO READER ..... 1

PURPOSE OF THE REPORT ..... 2

ACTIVITIES OF THE RECEIVER ..... 2

BACKGROUND ..... 3

BOOKS AND RECORDS ..... 4

CREDITORS..... 5

*Secured Creditors*..... 5

*Unsecured Creditors*..... 5

*Potential priority creditors*..... 6

INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS ..... 6

INCREASE IN RECEIVER’S BORROWINGS ..... 7

RECOMMENDATION AND CONCLUSION ..... 7

## SCHEDULES

- |            |  |
|------------|--|
| Schedule 1 | Notice of Receiver and Receiver's Statement, dated December 7, 2018                            |
| Schedule 2 | Receiver's Interim Statement of Receipts and Disbursements for the Period Ended April 29, 2019 |

## INTRODUCTION

1. On November 27, 2018 (the "Filing Date"), the Court of Queen's Bench of Alberta granted a Consent Receivership Order (the "Receivership Order") appointing MNP Ltd. as Receiver (the "Receiver") over the following properties of Nevas Realty Inc. ("Nevas" or the "Company"):
  - 1.1. Lands municipally located at 10909 Eamon Road NW in Calgary (the "Eamon Property");
  - 1.2. Lands municipally described as 406 Cheadle Street West in Swift Current (the "Cheadle Property"); and
  - 1.3. All of the current and future assets and undertakings and properties of every nature and kind whatsoever of Nevas situated on the Eamon and Cheadle Properties including all proceeds thereof (collectively, the "Nevas Property").
2. Copies of the relevant documents relating to these proceedings are available on the Receiver's website at <https://mnpdebt.ca/en/corporate/Engagements/nevas-realty-inc.>

## NOTICE TO READER

3. In preparing this report and making comments herein, the Receiver has relied upon, certain unaudited, draft or internal financial information, including the Company's books and records, and information from other third-party sources (collectively, the "Information"). The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with generally accepted assurance standards or other standards established by the Chartered Professional Accountants of Canada (the "Standards"). Additionally, none of the Receiver's procedures were intended to disclose defalcations or other irregularities. If the Receiver were to perform additional procedures or to undertake an audit examination of the Information in accordance with the Standards, additional matters may have come to the Receiver's attention. Accordingly, the Receiver does not express an opinion, nor does it provide any other form of assurance on the financial or other information presented herein. The Receiver may refine or alter its observations as further information is obtained or brought to its attention after the date of this report.
4. The Receiver assumes no responsibility or liability for any loss or damage occasioned by any party as a result of the use of this report. Any use, which any party makes of this report, or any reliance or decision to be made based on this report, is the sole responsibility of such party.
5. All amounts included herein are in Canadian dollars unless otherwise stated.

## PURPOSE OF THE REPORT

6. This report constitutes the first report of the Receiver (the "First Report"). The First Report is being filed in support of the Receiver's application to this Honourable Court returnable on May 8, 2019 (the "May 8 Hearing") requesting the following relief:
  - 6.1. Approving the reported actions of the Receiver to date in administering these receivership proceedings provided that only the Receiver, in its personal capacity and with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approvals;
  - 6.2. Approving an increase in the amount that the Receiver is empowered to borrow, as set out in paragraph 20 of the Receivership Order, by way of a revolving credit or otherwise from \$200,000 to \$300,000; and
  - 6.3. Directing Mr. Kevin Woycenko ("K. Woycenko") to produce all books, records or other documents of Nevas (the "Records"), including the Nevas CMG Records (as subsequently defined) by May 20, 2019 or such later date as the Receiver may agree to in writing.

## ACTIVITIES OF THE RECEIVER

7. Following the Receivership Order being granted, the Receiver took possession of the Nevas Property. The Receiver's additional activities are summarized below:
  - 7.1. Established a trust account and collected rent pursuant to leases with three tenants who occupy units in the Cheadle Property. The Receiver notes that a fourth tenant, Body Fit Swift Current Inc. ("Body Fit") occupies approximately 10,000 square feet on the main floor of the Cheadle Property (the "Body Fit Unit") but does not have a lease and is not paying occupation rent;
  - 7.2. Entered into an Exclusive Seller Representation Agreement with REMAX Realty Professionals ("REMAX") in respect of the Eamon Property that is currently listed at \$1.45 million;
  - 7.3. Issued a Request for Proposals and entered into an Exclusive Listing Agreement – For Sale with ICR Commercial Real Estate Regina ("ICR") in respect of the Cheadle Property that is currently listed for \$1.5 million;
  - 7.4. Arranged for adequate insurance coverage for the Property (the "Insurance") as no insurance was in place at the Filing Date;
  - 7.5. Arranged for regular security checks on the Eamon and Cheadle Properties consistent with the requirements of the Insurance;
  - 7.6. Attempted to take possession of the Records;
  - 7.7. Corresponded with tenants of the Cheadle Property and responded to various creditor inquiries;

- 7.8. Requested that the Receiver's legal counsel, Cassels Brock & Blackwell LLP ("Cassels") complete a review of the security held by Royal Bank of Canada ("RBC") and by Bennington Financial Corp., formerly known as Equirex Leasing Corp. and Equirex Vehicle Leasing (2004) Inc. ("Bennington"), who leased fitness equipment to Nevas (collectively the "Equipment");
- 7.9. Collaborated with ICR and REMAX to negotiate with potential purchasers of the Eamon and Cheadle Properties;
- 7.10. Negotiated with parties interested in leasing the Body Fit Unit, purchasing the Equipment and taking over the fitness facility currently operated by Body Fit;
- 7.11. Issued a Demand for Possession and Notice to Tenant of Intention to Apply for a Writ of Possession (the "Notice") to Body Fit and negotiated with Body Fit with respect to the timing to vacate the Body Fit Unit;
- 7.12. Prepared and issued all statutory reporting as required pursuant to subsections 245(1) and 246(1) of the *Bankruptcy and Insolvency Act* ("BIA"); and
- 7.13. Setup and maintained the Receiver's website for the proceedings.

## **BACKGROUND**

8. Nevas was incorporated under the *Alberta Business Corporations Act* on October 21, 2016 and operated as a property management company. The Eamon Property was listed as the registered head office for Nevas.
9. Following its appointment, the Receiver took possession and control of the Nevas Property as follows:
  - 9.1. The Eamon Property consists of a single-family home that was being converted into a health and wellness facility.
  - 9.2. The Cheadle Property consists of a two-story commercial property that currently houses four tenants, one of whom is Body Fit. The Receiver notes as follows with respect to the Body Fit Unit:
    - 9.2.1. As noted above, Body Fit does not have a lease with respect to the Body Fit Unit and has not been paying occupation rent. The Receiver issued the Notice to Body Fit pursuant to which they were to vacate the Body Fit Unit effective February 28, 2019 (the "Deadline"). The Deadline has now been extended to May 15, 2019.
    - 9.2.2. The Receiver is currently negotiating with parties interested in entering into a lease and purchasing the Equipment for the purpose of operating a fitness facility in the Body Fit Unit. These parties would wish to see Body Fit continue to operate until such time as a

transaction is finalized. Securing a new tenant for the Body Fit Unit is anticipated to enhance the sale-ability of the Cheadle Property.

9.2.3. Pursuant to the Receivership Order, the Receiver is empowered and authorized to sell, transfer, lease or assign the Nevas Property or any part or parts thereof out of the ordinary course of business without the approval of this Court in respect of any transaction not exceeding \$50,000, provided the aggregate for such transaction does not exceed \$200,000. The Receiver anticipates that the proceeds from the sale of the Equipment will be below this threshold and will not require Court approval.

10. The Receivership Order was granted pursuant to an application by RBC who, at the Filing Date, was owed approximately \$5.7 million pursuant to various loan agreements in accordance with which RBC made available to Nevas two mortgage facilities and a vehicle loan facility (the "RBC Loans").

## **BOOKS AND RECORDS**

11. Despite its efforts, the Receiver has been unable to take possession of the books and records of Nevas (defined above as the Records). The Receiver notes as follows with respect to its efforts in this regard:
  - 11.1. A search of the Alberta Corporate Registry indicates that Nevas has four directors, being Mr. James Quilty, Mr. Andy Schneider, Mr. Kevin Woycenko (defined above as K. Woycenko) and Mr. Marvin Woycenko ("M. Woycenko"). The Receiver understands that until the summer of 2018, K. Woycenko was solely responsible for the Company's day to day operations. In the summer of 2018, the other three directors (the "Other Directors") retained an Interim CFO (the "CFO"), whose role was limited to reviewing options with respect to the sale of the Eamon and Cheadle Properties. The Receiver understands that the CFO did not take possession of the Records.
  - 11.2. Despite having reportedly been relieved of his responsibilities in terms of the Company's day to day operations in the summer of 2018, K. Woycenko indicated that he continued to collect rent and pay utilities for the Cheadle Property up to the Filing Date. All receipts and disbursements were processed through a company named Nevas CMG-CZ Inc. ("Nevas CMG"), of which K. Woycenko is also a director. Despite the Receiver's requests, K. Woycenko has not provided an accounting of any of the amounts collected and paid on behalf of the Company by Nevas CMG (the "Nevas CMG Records").
  - 11.3. In addition to discussions with M. Woycenko and K. Woycenko, the Receiver reached out to the CFO and another individual who K. Woycenko indicated may have relevant information. Neither one had any information on the location of the Records.

12. K. Woycenko appears to have been the party, who was largely responsible for the Company's day to day operations and, at a minimum, he is in possession of the Nevas-CMG Records. Numerous requests for the Records have been made to K. Woycenko by the Receiver via telephone and in writing including, but not limited to, correspondence via email on December 13, 2018, January 11, 2019, January 16, 2019 and February 15, 2019. Despite these requests, K. Woycenko has yet to produce the Records. As such, at the May 8 Hearing, the Receiver is seeking an Order compelling K. Woycenko to produce forthwith any Records in his possession and, in particular, the Nevas CMG Records.

## **CREDITORS**

### **Secured Creditors**

13. As noted above, approximately \$5.7 million was outstanding pursuant to the RBC Loans at the Filing Date. The RBC Loans were secured by various mortgages (the "RBC Mortgages"), assignment of rents and leases and site-specific security agreements over both the Eamon and Cheadle Properties (collectively, the "RBC Security"). Cassels completed a review of the RBC Security and determined that it was valid and enforceable as against the Nevas Property. In particular, Cassels noted that the mortgages on the Eamon and Cheadle Properties created respective first priority financial charges in favour of RBC. Cassels did note that RBC's registration in relation to the site-specific security agreement in Saskatchewan was not sufficient to fully perfect RBC's security and, in particular, was not validly registered against collateral used in relation to the Cheadle Property but not physically present at the Cheadle Property. The Receiver is not aware of any assets owned by Nevas in Saskatchewan outside of those located at the Cheadle Property.
14. Also as at the Filing Date, Nevas was indebted to Bennington in the amount of approximately \$746,700 pursuant to two lease agreements (the "Bennington Leases") for various fitness equipment (the "Equipment"). The amount due to Bennington was secured by two general security agreements appended to the leases as well as a mortgage on the Cheadle Property (the "Bennington Security"). Cassels completed a review of the Bennington Security and determined that it was valid and enforceable. Cassels further determined that the Bennington Security ranked in priority to the RBC Security with respect to the fitness equipment that was specifically identifiable as being part of the Bennington Leases. On February 4, 2019, the Receiver released their interest in selected pieces of Equipment that were specifically identifiable in the Bennington Leases.
15. In addition to the above, both Ryan Mortgage Income Fund ("Ryan") and TD Auto Finance registered security interests in the Alberta personal property registry.

### **Unsecured Creditors**

16. As previously noted, the Receiver has been unable to take possession of the Records. As such, it does not have information from the Company to allow it to identify Nevas' creditors or other parties



with potential claims in the receivership proceedings. Attached as "Schedule 1" is Notice and Statement of Receiver, dated December 7, 2018. Attached thereto is a list of creditors for Nevas (the "Creditor Listing"), which was prepared based on those parties who had registered interests in the Alberta and Saskatchewan personal property registries or on the title for the Eamon Property or the Cheadle Property. The Creditor Listing includes other known potential creditors of Nevas (such as utility providers).

### **Potential Priority Creditors**

17. As at the Filing Date, Nevas did not have any employees and there was no Canada Revenue Agency payroll account. The Company was an annual filer for goods and services tax ("GST") and returns for 2017 and 2018 were outstanding. The Receiver has filed NIL GST returns for 2017 and 2018. Should the Receiver obtain access to Nevas' books and records, amended GST returns may need to be filed. Based on the available information regarding the Company's operations, the Receiver does not anticipate that GST will be payable for the pre-receivership period.
18. Following the Filing Date, a builders' lien was filed against the Eamon Property in the amount of approximately \$223,400 (the "Lien"). The Receiver has not reviewed the underlying documents in detail but notes that the Lien was registered subsequent to the RBC Security. There is currently expected to be a significant shortfall in repaying the RBC Loans. As such it is anticipated that no funds will be available for distribution to the subsequent secured or unsecured creditors.

### **INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS**

19. Attached as "Schedule 2" is an Interim Statement of Receipts and Disbursements for the period ended April 29, 2019 (the "Interim R&D"). As reflected in the Interim R&D, as at April 29, 2019, approximately \$5,500 was being held in trust by the Receiver.
20. The Interim R&D reflects total receipts of approximately \$214,100. The Receiver highlights the following with respect to these receipts:
  - 20.1. Pursuant to the Receivership Order, the Receiver has issued Receiver's certificates for borrowings of \$200,000 with \$180,000 of those borrowings having been advanced as at April 29, 2019; and
  - 20.2. Monthly rental income of approximately \$34,000 was collected from three tenants at the Cheadle Property. As noted above, Body Fit has not paid any rent with respect to the Body Fit Unit.
21. The Interim R&D reflects total disbursements of approximately \$208,600. The Receiver highlights the following with respect to these disbursements:
  - 21.1. Property taxes of approximately \$29,100 have been paid for the Eamon and Cheadle Properties for 2018;

- 21.2. Property and general liability insurance of approximately \$28,700 have been paid for the period ended December 21, 2019;
- 21.3. Professional fees and disbursements of approximately \$72,600 for the Receiver and approximately \$29,800 for the Receiver's legal counsel have been paid for the period ended February 28, 2019;
- 21.4. Repairs and maintenance of approximately \$18,600 include the repair of the furnace at the Eamon Property and of the inspection and repair of the elevator and electrical and fire systems at the Cheadle Property as well as snow removal, garbage removal and other sundry costs. The Receiver notes that additional repairs of approximately \$15,300 are anticipated to be required should a new tenant be secured for the Body Fit Unit; and
- 21.5. Utilities of approximately \$15,300 have been paid for the Eamon and Cheadle Properties.

#### **INCREASE IN RECEIVER'S BORROWINGS**

22. The Interim R&D reflects Receiver's Borrowings of \$180,000. At the time that this report was being prepared, the Receiver had requested and was awaiting the advance of an additional \$20,000 (the "Advance"), which will bring the total Receiver's Borrowings to \$200,000, the maximum allowed pursuant to paragraph 20 of the Receivership Order. The Advance will be used to fund utilities for the Eamon and Cheadle Properties and required repairs at the Cheadle Property.
23. The Receiver is requesting an increase in the Receiver's Borrowings from \$200,000 to \$300,000 in order to fund the ongoing costs of the Receivership and, in particular, utilities, repairs and maintenance, property taxes and professional fees and disbursements. As noted above, the Receiver is currently negotiating with various parties to procure a new tenant for the Body Fit Unit, which will impact the amount required under the Receiver's Borrowings. The Receiver understands that RBC is supportive of the requested increase in the Receiver's Borrowings.

#### **RECOMMENDATION AND CONCLUSION**


24. The First Report has been prepared to provide the Court with information on the following relief sought by the Receiver at the May 8 Hearing:
  - 24.1. Approving the reported actions of the Receiver to date in administering these receivership proceedings provided that only the Receiver, in its personal capacity and with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approvals;
  - 24.2. Approving an increase in the amount that the Receiver is empowered to borrow, as set out in paragraph 20 of the Receivership Order, by way of a revolving credit or otherwise from \$200,000 to \$300,000; and

24.3. Directing K. Woycenko to produce the Records, including the Nevas CMG Records by May 20, 2019 or such later date as the Receiver may agree to in writing.

All of which is respectfully submitted this 29<sup>th</sup> day of April, 2019.

**MNP Ltd.**, in its capacity as Receiver and Manager of Nevas Realty Inc. and not in its personal or corporate capacity

Per: \_\_\_\_\_

  
Vanessa Allen, B. Comm, CIRP, LIT  
Senior Vice President

## Schedules

**Schedule 1**

**FORM 87**

**NOTICE AND STATEMENT OF RECEIVER**

Subsection 245(1) and 246(1) of the *Bankruptcy and Insolvency Act*

**IN THE MATTER OF THE RECEIVERSHIP OF  
NEVAS REALTY INC.**

of the City of Calgary, in the Province of Alberta

**THE RECEIVER GIVES NOTICE AND DECLARES THAT:**

On November 27, 2018, the Court of Queen's Bench of Alberta granted an Order (the "Receivership Order") appointing MNP Ltd. as Receiver (the "Receiver") over the following property of Nevas Realty Inc. ("Nevas"):

1. Lands municipally located at 10909 Eamon Road NW in Calgary (the "Eamon Property");
2. Lands municipally described as 406 Cheadle Street West in Swift Current (the "SC Property");  
and
3. All of the current and future assets and undertakings and properties of every nature and kind whatsoever of Nevas situated on the Eamon Property and the SC Property including all proceeds thereof (collectively, the "Property").

A copy of the Receivership Order can be found on the Receiver's website at

<https://mnpdebt.ca/en/corporate/Engagements/nevas-realty-inc.>

**BACKGROUND**

Nevas was incorporated under the *Alberta Business Corporations Act* on October 21, 2016 and operated as a property management company. The Eamon Property was listed as the registered head office for Nevas.

**ASSETS**

Following its appointment, the Receiver took possession and control of the Property. The Receiver notes as follows with respect to the Property:

1. All of the Property is subject to registered security interests. The Receiver has not yet obtained a legal opinion as to the validity and enforceability of these security agreements.
2. The Eamon Property consists of a single family home that was being converted into a health and wellness facility. At the time that the Receiver took possession of the Eamon Property it was vacant and was listed with RE/MAX Realty Professionals for \$2.25 million.
3. The SC Property is a two story commercial property that is currently leased to four tenants.

4. The additional assets located at the Eamon Property and the SC Property comprised mainly fitness equipment.

### **CREDITORS**

The Receivership Order was granted pursuant to an application by the Royal Bank of Canada, who is owed approximately \$5.7 million pursuant to various loan agreements in accordance with which RBC made available to Nevas two mortgage facilities and a vehicle loan facility. In addition to RBC, the following creditors have registered interests that appear in searches of the Alberta and Saskatchewan personal property registries or on title for the Eamon Property or the Swift Current Property:

1. Equirex Leasing Corp.,
2. Equirex Vehicle Leasing (2004) Inc.,
3. Ryan Mortgage Income Fund, and
4. TD Auto Finance.

To date, the Receiver has not been able to take possession of any of the books and records of Nevas. As such, it does not have information as to the identity of Nevas' creditors or the outstanding claims against Nevas. The attached list of creditors, includes those creditors who the Receiver believes may have claims against Nevas although, in most cases, the quantum of those claims is unknown.

### **PLAN OF ACTION**

The Receiver is currently making arrangements to liquidate the Property. Any corresponding sales will be subject to Court approval.

The contact person for the Receiver is as follows:

MNP Ltd.  
1500, 640 – 5<sup>th</sup> Avenue SW  
Calgary, AB T2P 3G4  
shelly.gamma@mnp.ca

**Attention: Shelly Gamma**

This Notice is provided for information purposes only. The Receiver has not yet implemented a process to deal with creditors' claims and, as such, no further action is required by creditors at this time. Further information with respect to the receivership proceedings will be posted to the Receiver's Website as it becomes available.

Dated at Calgary, Alberta this 7<sup>th</sup> day of December, 2018.

MNP Ltd. in their capacity as the Receiver and Manager  
for Nevas Realty Inc. and not in its personal or corporate  
capacity



Vanessa Allen, B. Comm, CIRP, LIT  
Senior Vice President



**- Creditor Mailing List -**

Creditor Type	Name	Attention	Address	Claim \$
Secured	Equirex Leasing Corp.		Fax: (866) 405-4869 customerservice@equirex.com	
	Equirex Vehicle Leasing (2004) Inc.			
	Royal Bank of Canada (formerly Ally Credit Canada Limited)	c/o Bankruptcy Highway.c om	Fax: (416) 253-3610 bankruptcydocuments@asset.net	
	Ryan Mortgage Income Fund Inc TD Auto Finance - VFC Bankruptcies c/o Bankruptcy Highway	Lephie Rotundo	Fax: (416) 253-3610 bankruptcydocuments@asset.net	
Unsecured	Alpine Credits			1.00
	Alternative Bailiff Services Ltd		Fax: (866) 643-0901	1.00
	Andy Schneider			1.00
	Bennington Financial Services Corp.		Fax: (866) 406-4869 customerservice@equirex.com	1.00
	City of Swift Current	Kathy Hopfner	Fax: (306) 778-2194 admin@swiftcurrent.ca	1.00
	Colliers International Realty Advisors Inc.			3,947.00
	CRA - Tax - Prairies		Fax: (866) 219-0311 cra-arc_tax-fisc_ins_t-f_g@cra-arc.gc.ca	1.00
	Direct Energy	Bankruptcy & Receivership Dept.	Fax: (866) 374-6199	1.00
	Enmax	Dina Di Rado	Fax: (403) 385-1850 bankruptcy@enmax.com	1.00
	Hong Nguyen			1.00
	Intact Insurance Company			15,029.74
	James Quilty			1.00
	Kevin Woycenko			1.00
	Marvin Woycenko			1.00
	Miles Davison LLP		Fax: (403) 263-6840 thefirm@milesdavison.com	1.00
	Nevas-CMG-CZ Inc.			1.00
	Peace Hills General Insurance Company			1,017.50
	Raenne Woycenko			1.00
	Saskatchewan Workers' Compensation Board	Manager- Administrative Services	Fax: (306) 787-4205 collections@wcbask.com	1.00
	SaskPower	Legal Desk	Fax: (306) 566-2430 specialtycareteam@saskpower.com	1.00
	The City of Calgary - Property Taxes	Coordinator, Credit & Collections #8060	Fax: (403) 268-2311 creditandcollections@calgary.ca	
	WCB Workers Compensation Board of Alberta	Collection Department	Fax: (780) 498-7999 employer.account.services@wcb.ab.ca	1.00

---

**- Creditor Mailing List -**

---

Creditor Type	Name	Attention	Address	Claim \$
Unsecured	Western Civil Enforcement Agency Inc.	Irene Peden	Fax: (403) 236-2275 accounting@civilenforcement.com	1.00

---

**Schedule 2**

**Nevas Realty Inc. - In Receivership**  
**Interim Statement of Receipts and Disbursements**  
**For the Period November 27, 2018 to April 29, 2019**

		<b>Notes</b>
<b>Receipts:</b>		
Receiver's Certificate	\$ 180,000	1
Rental income	34,020	2
Interest	51	
<b>Total receipts:</b>	214,071	
<b>Disbursements:</b>		
Receiver's fees	72,594	3
Property taxes	29,084	4
Insurance	28,654	5
Utilities	15,296	
Repairs and maintenance	18,577	6
Receiver's legal counsel	29,758	3
Consulting services	4,550	
GST paid	7,009	
PST paid	1,985	
Miscellaneous disbursements	1,070	
<b>Total disbursements:</b>	208,576	
<b>Excess receipts over disbursements:</b>	\$ 5,496	

**General Notes:**

1. Pursuant to a Consent Receivership Order granted on November 27, 2018 (the "Receivership Order"), MNP LTD. was appointed as the Court-appointed Receiver-Manager (the "Receiver") of certain lands and properties of Nevas Realty Inc.

**Specific Notes:**

1. Pursuant to the Receivership Order, borrowings of \$180,000 have been advanced.
2. Receipts reflect monthly rent for December through April from two tenants and for December through May from one tenant of a property at 406 Cheadle Street SW in Swift Current, Saskatchewan
3. Includes professional fees and disbursements for the period ended February 28, 2019.
4. Includes property tax arrears for the Cheadle Property and a property at 10909 Eamon Road NW in Calgary, Alberta .
5. Includes insurance coverage for the post receivership period ended December 20, 2018 through AON insurance and property and commercial insurance coverage through LloydSadd Insurance Brokers for the period from December 21, 2018 to December 21, 2019.
6. Includes required repairs, snow removal, garbage removal and other sundry costs.