

Stephen Avenue Place – in Receivership

Answers to Frequently Asked Questions

1. What type of proceedings are underway?

MNP Ltd. was appointed as the Receiver (the “Receiver”) of selected property (the “Property”) of SCREO I 700 2nd Inc., 58508 Alberta Ltd., and SCREO I 700 2nd L.P., by its general partner SCREO I 700 2nd GP Inc. (collectively, the “Debtors”) pursuant to a Receivership Order (the “Order”) pronounced by the Court of King’s Bench of Alberta on October 5, 2023 (the “Filing Date”). The Property includes the commercial building known as Stephen Avenue Place located at 225 7th Avenue SW in Calgary, Alberta and all personal property located on or used in conjunction with Stephen Avenue Place.

2. What is the impact of the receivership on the Company’s creditors?

Upon the Filing Date, a stay of proceedings is implemented and service to the Company cannot be discontinued. Amounts due for the period prior to the Filing Date will represent claims in the receivership proceedings. Approved goods and services provided following the filing date will be paid by the Receiver in the ordinary course.

3. What was the reason for the Receivership?

The receivership proceedings were initiated upon the application of Timbercreek Mortgage Servicing Inc., and Computershare Trust Company of Canada, solely in its capacity as bare trustee for Timbercreek Mortgage Servicing Inc. (the “Lenders”), following the Debtors defaulting on various loans granted in respect of the Property, which were secured by, among other things, mortgages granted by certain of the Debtors on the Property. As at September 15, 2023, the Debtors were indebted to Timbercreek in the amount of approximately \$134.9 million.

4. What is the Receiver’s Intended Course of Action?

The Receiver is currently working to stabilize and optimize the operations of the Property. As such, the Property will continue to operate in the ordinary course, subject to the Order. Colliers Macaulay Nicolls Inc. is continuing to provide property management services at this time.

There is no sale process contemplated for the Property at this time.

5. How can I obtain additional information regarding the receivership?

A formal Notice and Statement of Receiver issued pursuant to subsections 245(1) and 246(1) of the *Bankruptcy and Insolvency Act* will be provided to creditors for information purposes within ten days of the Filing Date. If you have other questions about the proceedings, please contact Julie Kennedy (1-587-702-5922/ julie.kennedy@mp.ca) or Temitope Muraina (1-403-537-8393/ temitope.muraina@mp.ca), both from the Receiver's office.

6. How do I make sure my claim is recognized in the receivership proceedings?

The Notice and Statement of Receiver includes a listing of the Property's creditors. If a creditor is not reflected in that listing, they should contact the Receiver. Otherwise, at this time, a process to deal with creditors' claims has not been implemented and, as such, no further action is required.

7. Will my claim be paid?

Given the quantum due to the Lenders, the Receiver currently view it as unlikely that any funds will be available to unsecured creditors in the receivership proceedings.