

SYMPHONY CONDOMINIUM LTD. – IN RECEIVERSHIP

ESTATE NO. 24-116220

THIRD INTERIM REPORT OF THE RECEIVER AS AT OCTOBER 7, 2023

Subsection 246(2) of the *Bankruptcy and Insolvency Act*

BACKGROUND:

On April 7, 2022 (the “**Filing Date**”), the Court of King’s Bench of Alberta, known as the Court of Queen’s Bench of Alberta at the time (the “**Court**”) granted an Order (the “**Receivership Order**”) appointing MNP Ltd. as Receiver (the “**Receiver**”) over all of the assets, undertakings and property (the “**Property**”), as further described below, of Symphony Condominium Ltd. (“**Symphony**” or the “**Company**”). The Receivership Order was granted following an application by Timbercreek Mortgage Servicing Inc. and 2292912 Ontario Inc. A copy of the Receivership Order can be found on the Receiver’s website at:

<https://mnpdebt.ca/en/corporate/corporate-engagements/symphony-condominium-ltd>

Symphony operated as a real estate developer and was incorporated in the Province of Alberta for the purpose of constructing and selling the Symphony Tower (as described below).

ASSETS

At the Filing Date, the Property included the following:

- 1) 34 residential units (the “**Condos**”), 53 parking stalls and 6 storage units in the Symphony Tower, which is a 27-storey residential high-rise condominium complex located at 9704 – 106 Street NW in Edmonton, Alberta;
- 2) A 3-storey multi-residential building comprising 12 rental units located at 10612 97 Avenue NW in Edmonton, Alberta (the “**Parkview Apartments**”); and
- 3) A single dwelling residence located at the base of the Symphony Tower (the “**Foote Residence**”).

On May 18, 2022, the Court granted an Order (Approval of Marketing Process, Sale Approval Process, Activities, Timbercreek Distribution and Sealing) which, among other relief approved a marketing process for the Condos and the Foote Residence through Sotheby's International Realty Canada ("**Sotheby's**") as well as a corresponding sale approval process (the "**Marketing and Sale Order**"). On April 24, 2023, and then subsequently on September 14, 2023, the Court granted Orders approving amendments to the process set out in the Marketing and Sale Order to revise the range that the purchase price for each of the Condos must fall within or exceed.

Sotheby's marketing efforts are ongoing and, as of the date of this report, the following sales had been completed:

- 1) Nine of the Condos, together with the accompanying parking stalls;
- 2) The Parkview Apartments (approved pursuant to two Orders granted by the Court on May 18, 2022, and June 23, 2022, respectively); and
- 3) The Foote Residence (approved pursuant to an Order granted by the Court on September 14, 2023).

Also on September 14, 2023, the Court approved a Settlement and Mutual Release Agreement dated September 6, 2023 between the Receiver and Condominium Corporation No. 192 0542, being the condominium corporation established for the Symphony Tower.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

The Receiver's Interim Statement of Receipts and Disbursements for the period ended September 30, 2023, is attached hereto.

NEXT STEPS

The Receiver is continuing to work with Sotheby's to market the remaining Property as approved in the Marketing and Sale Order and will only seek its discharge once all of the Property has been realized.

Prepared as at October 7, 2023. Dated at Calgary, Alberta this 25th day of January 2024.

MNP Ltd., in its capacity as the Receiver for Symphony Condominium Ltd. and not in its personal or corporate capacity



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

Symphony Condominium Ltd. - in Receivership ("Symphony")
Interim Statement of Receipts and Disbursements
for the period from April 7, 2022 to September 30, 2023

Notes

Receipts:

Net sale proceeds	\$ 7,849,486	1
Return of term deposit	627,995	2
GST collected	349,399	
Refund of common area holdback	166,986	3
Cash held in financial institutions	150,027	4
GST refunds	116,042	
Miscellaneous refunds	63,126	
Rent receipts	22,787	5
Interest	15,278	
Total receipts:	<u>9,361,125</u>	

Disbursements:

Distribution to secured lender	5,900,018	6
Receiver's fees and disbursements	484,199	7
Condominium fees	451,346	8
Property taxes	428,169	9
GST Paid/ Remitted	370,447	
Legal fees and disbursements	228,665	10
Construction services	227,471	11
Consulting services	99,568	
Utilities	75,515	
Repairs and maintenance	56,549	
Miscellaneous	52,099	
Commission	32,713	12
Appraisals	18,750	
Insurance	6,554	
Total disbursements:	<u>8,432,062</u>	
Excess of receipts over disbursements:	<u>\$ 929,063</u>	13

Notes - general:

1. On April 7, 2022, the Court of King's Bench of Alberta (the "Court"), as it is currently known, granted a Consent Receivership Order (the "Receivership Order") appointing MNP Ltd. as Receiver and Manager (the "Receiver") over all of the assets, undertakings and property of Symphony.

Notes - specific:

1. Represents net pre-receivership sale proceeds that were being held by Sharek Logan & van Leenan LLP at the date of receivership as well as the net sale proceeds from the sale of the property known as the Parkview Apartments (the "Parkview Sale") and units 507, 707, 806, 1106, 1206, 1606, 1805, 2504 and 2701 within the Symphony Tower (the "Unit Sales"). The Parkview Sale and the Unit Sales were approved by the Court pursuant to Orders granted on May 18, 2022 and June 23, 2022. No GST was payable on the Parkview Sale.

2. Represents the return of a term deposit held by HSBC pursuant to a letter of credit (the "LOC") held by Alberta Infrastructure related to a pedway construction agreement. The LOC has now been returned.

**Symphony Condominium Ltd. - in Receivership ("Symphony")
Interim Statement of Receipts and Disbursements
for the period from April 7, 2022 to September 30, 2023**

3. Represents the refund of a portion of the common area holdback for the Symphony Tower based on an updated report prepared by Turner & Townsend, dated July 13, 2022.
4. Represents amounts held in Symphony's bank account at the date of receivership.
5. Consists of rent from tenants of the Parkview Apartments and parking tenants of the Symphony Tower.
6. Represents distributions to Timbercreek Mortgage Servicing Inc. issued pursuant to the Order granted by the Court on May 18, 2022.
7. Represents professional fees and disbursements payable to the Receiver for the period ended August 31, 2023.
8. Represents condominium fees payable for the units within the Symphony Tower that are subject to the Receivership Order and the Foote Residence for April 2022 through August 2023.
9. Represents 2022/ 2023 property taxes payable for the units within the Symphony Tower that are subject to the Receivership Order and the Foote Residence.
10. Represents professional fees and disbursements payable to the Receiver's legal counsel for the period ended August 31, 2023.
11. Represents amounts payable pursuant to various contracts with Teknicon Construction Services to complete work on the units within the Symphony Tower and make various repairs to the pedway that connects the Symphony Tower to the Alberta Legislature.
12. Represents commission payable to 2% Realty Pro on the Parkview Sale and commission payable to Sotheby's on the sale of unit 1606. Commission payable on the other Unit Sales was paid directly from closing funds with the net sale proceeds being paid to the Receiver.
13. The following additional deposits are currently being held in trust:
 - a. Deposits totalling approximately \$135,300 related to two matters that are the subject of ongoing litigation.
 - b. A deposit of approximately \$35,750 related to common property holdbacks on the pre-receivership sale of various condominium units, of which \$13,000 will be releasable to the Receiver.
 - c. Various deposits pursuant to contracts between Symphony and the City of Edmonton and Symphony and Her Majesty the Queen in right of Alberta, represented by the Minister of Infrastructure.