

RSM Richter Inc.

RSM Richter Inc.

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Montréal (Québec) H3Z 3C2
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www.rsmrichter.com

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTREAL
DIVISION NO.: 01-MONTRÉAL
COURT NO.: 500-11-039401-100
ESTATE NO.: 41-

SUPERIOR COURT
(Commercial Division)

IN THE MATTER OF THE RECEIVERSHIP OF:

4425529 CANADA INC., a body politic and corporate,
duly incorporated according to law and having its head
office and its principal place of business at:
5300 Côte Saint-Luc Blvd.
Montreal, Québec H3X 0A3

Debtor/Bankrupt

-and-

RSM RICHTER INC.

Receiver

INTERIM RECEIVER'S REPORT ON THE AFFAIRS OF THE DEBTOR/BANKRUPT (S.246(1))

RSM Richter Inc., in its capacity as Receiver to the assets of 4425529 Canada Inc. ("Company" or "Debtor" or "Bankrupt"), an insolvent person, hereby reports on the following:

A) Overview

1. The Company, incorporated in May 2007, is owned 80% by 6743307 Canada Inc., a bankrupt company which was part of the Groupe Melior Inc. corporate structure ("Groupe Melior"), and 20% by 9102-6484 Québec Inc.
2. The Company's principal assets comprise of a residential stand-alone apartment building for seniors, referred to as Vista, located at 5300 Côte Saint-Luc Blvd. Montreal, Quebec (the "Property").
3. The Property's construction was completed in June 2009.
4. The Property is marketed as a residence for seniors, which offers varying levels of services, depending on the mobility and health of the tenants. The Property offers housing to independent/autonomous residents, semi-independent/semi-autonomous residents, as well as long-term care dependent tenants. The Property consists of 226 units, of which 219 are currently leasable.

5. The current rent roll is summarized as follows:

Floors	Category of Accommodations	Unit Size	# Units Rented	# Units Reserved	# Units Total	# Units Vacant	Total # Available Units	# Units Not Available	Total # Units	Reason Unit Not Available
Note (1)										
Ground	Services	n/a	2				2		2	Services, meals & nuité
2nd	Long-term care	Rooms	15	0		8	23	1	24	Nurses' station
3rd to 6th	Room & board	Studio	18	1		27	46	2	48	Melior offices and Mr. Menard
		Suite	12	3		16	31	4	35	Melior offices, Dr. office & Chapel
			30	4	34	43	77	6	83	
7th to 12th	Independent living	2.5	5	0		22	27		27	3 less units (converted) (Note 2)
		3.5	42	2		17	61		61	3 less units (converted) (Note 2)
		4.5	25	1		3	29		29	additional 3 units (Note 2)
			72	3	75	42	117	0	117	
Total			119	7	126	93	219	7	226	3 less units (converted)
Occupancy/Vacancy rate (vs Available # Units)			54.3%	3.2%	57.5%	42.5%	100.0%			
Occupancy/Vacancy rate (vs Total # Units)			52.7%	3.1%	55.8%	41.2%	96.9%	3.1%	100%	

Note 1: No decision has been taken as to when the Melior offices will be converted into residential units.
Note 2: Units 1007 (2½) & 1008 (3½) and 1107 (2½) & 1108 (3½) and 1207 (2½) & 1208 (3½) were converted into large 4½ units.

6. The Property is still in the lease-up phase and is currently operating at an occupancy rate of 57.5% including 7 signed leases with future occupancy dates scheduled for June, July and August 2011.
7. In light of the Property's current occupancy rates, the rental revenues have been insufficient to sustain the operating costs and financing charges.
8. The Property was initially managed by Groupe Melior, under the direction of Mr. Jean Maynard, until March 31, 2010, when Cogir Management Corporation/Société de Gestion Cogir, s.e.n.c. ("Cogir" or "Property Manager") was retained to manage the Property.
9. The Company is financed by 1397225 Ontario Limited, the mortgage creditor, represented by Carlisle Capital Structures Corporation ("Carlisle").

B) Receivership

10. On August 3, 2010, 1397225 Ontario Limited filed a Motion for the Appointment of a Receiver to the assets of the Debtor and on August 4, 2010, the Court granted an Order appointing RSM Richter Inc. as Receiver to the assets of the Debtor (the "Receiver Order"), with the powers provided therein. (We refer you to **Exhibit "1"** for a copy of the Receiver Order).
11. On August 13, 2010, RSM Richter Inc., as Receiver, mailed its Notice and Statement of the Receiver, to all known creditors. (We refer you to **Exhibit "2"** for a copy of the Notice and Statement of the Receiver).
12. Pursuant to the appointment of RSM Richter Inc. as Receiver, Cogir's mandate to manage the Property was confirmed. Cogir's responsibilities include overseeing the Property's "in-house" management team and personnel, providing strategic assistance and guidance in the marketing of the residence as well as for maintaining its books and records.
13. The Receiver, as provided in the Receiver Order, has been monitoring the affairs of the Property, its operations and financial results, based on the information provided by Cogir. All invoices for current purchases and services provided since the Receiver's appointment have been paid as they come due, as further discussed in Section E of this Report.

C) Bankruptcy

14. On September 20, 2010, as provided for in the Receiver Order, RSM Richter Inc., as Receiver, caused to have 4425537 Canada Inc. file an assignment in bankruptcy in accordance with Article 49 of the *Bankruptcy and Insolvency Act* and RSM Richter Inc. was appointed Trustee to the Bankruptcy ("Trustee").
15. On September 23, 2010, RSM Richter Inc., as Trustee, mailed its Notice and Bankruptcy and First meeting of Creditors, to all known creditors. (We refer you to **Exhibit "3"** for a copy of the Notice and Bankruptcy and First meeting of Creditors).
16. On September 30, 2010, RSM Richter Inc., as Trustee, issued its Trustee's Report to the First Meeting of Creditors, which was posted on its website and made available to creditors at the First Meeting of Creditors. (We refer you to **Exhibit "4"** for a copy of the Trustee's Report).
17. On October 5, 2010, the First Meeting of Creditors was held and RSM Richter Inc. was confirmed as Trustee. (We refer you to **Exhibit "5"** for a copy of the Minutes of the Creditors Meeting).

D) Sale of Property

18. The Receiver is currently reviewing information and documentation to be ultimately used in a private solicitation process to receive offers for the purchase of the Property.

E) Statement of Receipts and Disbursements

19. Over the course of the Receivership mandate, the Receiver has monitored the operations of the Property, including the review and approval of all invoices and disbursements.
20. We refer you to **Exhibit "6"** for the Debtor's/Bankrupt's Statements of Receipts and Disbursements for the period from August 3, 2010 to April 30, 2011.
21. The Receiver continues to pay the outstanding obligations for goods or services received at the Property as they come due. All professional fees incurred for the administration of the Receivership and Bankruptcy matters are paid for directly by the mortgage creditor.

DATED AT MONTRÉAL, this 17th day of May 2011.

RSM Richter Inc.
Receiver

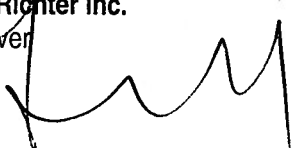

Yves Vincent, FCA, CIRP
Administrator

EXHIBIT 1

SUPERIOR COURT

CANADA

PROVINCE OF QUEBEC

DISTRICT OF MONTREAL

No: 500-11-039401-100

Date: August 4, 2010

PRESIDING: Me Pierre Pellerin, Registrar

4425529 CANADA INC.,

Debtor/Respondent

-and-

1397225 ONTARIO LIMITED

Petitioner

-and-

RSM RICHTER INC.

Receiver

ORDER

CONSIDERING the Petitioner's Motion for the Appointment of a Receiver, the Affidavit and exhibits in support thereof and the representations made by counsel for the Petitioner;

FOR THESE REASONS, THE COURT:

- [A] **GRANTS** the present *Motion for the Appointment of a Receiver* (the "**Motion**");
- [B] **SHORTENS** and **WAIVES** the delays for service, filing and presentation of the **Motion** and permit same to be made *ex parte*;

PC

- [C] **EXEMPTS 1397225 ONTARIO LIMITED** (hereinafter the "**Petitioner**") from the need to serve a Notice upon **4425529 CANADA INC.** (hereinafter the "**Debtor**" or "**Respondent**") in virtue of section 244 of the *Bankruptcy and Insolvency Act*;
- [D] **APPOINTS** RSM Richter Inc., through its representatives, Yves Vincent and Eric Rodier, to act as receiver (the "**Receiver**") to the property of the **Debtor**, pursuant to Section 243 of the *Bankruptcy and Insolvency Act*;
- [E] **AUTHORIZES** the **Receiver**, at the **Receiver's** discretion, to take possession of all of the **Debtor's** assets and exercise upon them, as well as on the **Debtor's** business, complete control and, without restricting the generality of the foregoing, **GRANTS** to the **Receiver** the following powers which, at the **Receiver's** discretion, may be utilized as follows:
 - (a) All the necessary powers to collect the accounts receivable of the **Debtor**;
 - (b) All the powers necessary for the control of the receipts and disbursements of the **Debtor**;
 - (c) All powers necessary to negotiate, enter into, terminate, or continue any agreement or contract with respect to the **Debtor's** operations, business, assets and property, with the consent of the **Petitioner**;
 - (d) All the powers necessary to operate, on behalf of the **Debtor**, its business, including without limitation, the powers to hire employees, to purchase goods and services and to lease rooms/apartments and more generally, to do anything required or useful to continue the operations of the **Debtor**;
 - (e) All the powers necessary to hire, on behalf of the **Debtor**, any qualified nurse or other professional required, in its sole opinion, to operate the **Debtor's** business;
 - (f) All of the powers to sign and issue cheques of behalf of the **Debtor**;
 - (g) All the powers necessary to protect the interests of the **Petitioner**;
 - (h) All the powers necessary to take safeguard measures in order to prevent that the **Debtor** squanders its assets and/or erodes the value of the security of the **Petitioner**;
 - (i) Any other power necessary to the taking of safeguard measures regarding all of the **Debtor's** assets and operations;
 - (j) The power to open any required bank account on behalf of the **Debtor** according to terms and conditions that it will, in its sole discretion, consider appropriate, with any Canadian chartered bank, or any other acceptable financial institution, in order to deposit any sum payable to the **Debtor**, or

to its benefit, and make any payment that, in its opinion, is necessary, to the **Petitioner** or to the fulfilling of the **Receiver's** duties;

- (k) The power to contract any loan or other form of credit on behalf of the **Debtor** up to a capital amount of \$500,000.00 in order to allow the continuation of the **Debtor's** operations and to cover any cash shortfall thereto or to pay any unpaid fees to the **Receiver** or to counsel, and the charge or hypothec on any such debt or loan (plus the additional hypothec of 20%) will be ranked in preference and priority to any other existing guarantee or security, of any nature whatsoever, and will be paid in preference and priority by the **Receiver**;
- [F] **AUTHORIZES** the **Receiver** to conduct and supervise a sale process of the **Debtor's** assets and business with the consent of the **Petitioner**;
- [G] **AUTHORIZES** the **Receiver** to solicit privately or through public call for tenders or through any other means, offers or bids regarding the **Debtor's** assets and business;
- [H] **DECLARES** that the **Receiver** has all the powers necessary, required or appropriate in order to:
 - (a) Solicit bids for the **Debtor** and, more generally, to manage the call for tender process or any other sale process;
 - (b) Determine the means to contact potential buyers, through private mailings, publication in newspapers or otherwise, and proceed accordingly;
 - (c) Determine the means of commercializing the **Vista** property, and/or, amongst others, the groups of assets or the grouping of assets of the **Debtor**;
 - (d) Allow any potential buyer or any person having demonstrated or demonstrating an interest in the **Debtor**, to proceed to a due diligence or to any other analysis of the **Debtor**;
 - (e) Conclude any agreement, of any nature whatsoever, on behalf of the **Debtor**, with any person, in furtherance of a sale of the undertaking of the **Debtor**;
 - (f) Address this Honourable Court to obtain an order to vest the assets in the **Receiver** for the purposes of a sale on terms and conditions that this Honourable Court shall determine;
- [I] **DECLARES** that:
 - (a) The **Receiver** shall be entitled to institute appropriate proceedings, as the case may be and retain the services of legal advisors for the purposes of

these proceedings or for any other need. Moreover, such **Receiver** shall be entitled to file any motion for directions within the meaning of section 34 of the *BIA* as if it were a trustee and if necessary to execute any necessary document to place the **Debtor** into bankruptcy;

- (b) The **Receiver** has the power and authority to act on behalf of the **Debtor** to place the **Debtor** in bankruptcy, by executing any necessary document or in filing an assignment in Bankruptcy pursuant to section 49 and following of the *BIA*;
- (c) Subject to its discretion, the **Receiver** shall not be liable for any debt that came into existence prior to the service of the judgment to be rendered herein;

[J] **DECLARES** that:

- (a) The **Receiver** shall not be considered the employer, for all intents and purposes, and shall not incur any liability whatsoever regarding third parties, the **Receiver** acting for and on behalf of the **Debtor**, among others, as if it were a taking of possession for purposes of administration within the meaning of articles 2773 of the *Civil Code of Québec* and seq., or a sale by the creditor within the meaning of article 2786 of the *Civil Code of Québec*;
- (b) The **Receiver** shall not be considered as operating or continuing the enterprise of the **Debtor**, for any purposes whatsoever;
- (c) The **Receiver** shall not incur any liability whatsoever regarding third parties or the **Debtor** for any act done under the judgment to be rendered herein;
- (d) All the powers, obligations and duties of the **Receiver** shall be exercised in its sole discretion and according to the judgment to be rendered herein;
- (e) The **Receiver** shall benefit from the protection of sections 14.06 of the *BIA* and more particularly the **Receiver** shall not, as a result of the judgment to be rendered herein or anything done in pursuance of the **Receiver's** duties and powers under the judgment to be rendered herein, be deemed to be in possession of any of the property of the **Debtor** within the meaning of any federal, provincial or other legislation, statute, regulation or rule of law or equity respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination and regulations thereunder;

[K] **ORDERS** the **Debtor** and its representatives and employees to surrender all of those assets the **Receiver** requires to implement the order to be rendered herein, upon service of said order;

- [L] **ORDERS** the **Debtor** and its representatives and employees to fully collaborate and cooperate with the **Receiver** and help and assist the **Receiver** in the fulfilling of its duties;
- [M] **ORDERS** the **Debtor** and its representatives and employees to grant access to and to surrender to the **Receiver** all of its accounting records, books and other accounting or financial documents of any nature whatsoever, notwithstanding their medium, and fully assist and help the **Receiver** in accomplishing its duties and in analyzing such documents;
- [N] **AUTHORIZES** the **Receiver**, on behalf of the **Debtor**, to retain or to terminate the services of any person or enterprise, including nurses or doctors, in order to effectively fulfill its duties and to delegate whenever suitable to the **Receiver**, such powers to any person or enterprise and appoint any agent or other representative;
- [O] **AUTHORIZES** the **Receiver** to pay out any advance regarding its fees and disbursements, on terms and conditions agreeable to the **Petitioner**, the whole subject to taxation in conformity with the Law;
- [P] **ORDERS** that these proceedings shall have full force and effect in all of the provinces and territories in Canada;
- [Q] **ORDERS** that the judgment to be rendered herein be executory, notwithstanding appeal and without any need to give security;
- [R] **RENDERS** any other remedy appropriate in the circumstances;
- [S] **THE WHOLE** without costs, save in case of contestation.

(s) Pierre Pellerin, Registrar
ME PIERRE PELLERIN, REGISTRAR

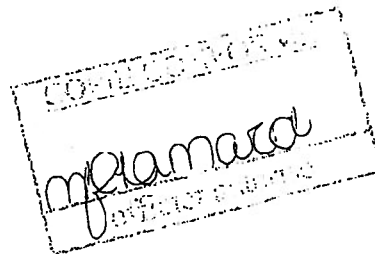


EXHIBIT 2

CANADA
Province of Quebec
District of: Quebec
Division No.: 01 - Montréal
Court No.: 500-11-039401-100
Estate No.: 41-342575

SUPERIOR COURT
In Bankruptcy and Insolvency
(Commercial Division)

In the Matter of the Receivership of
4425529 Canada Inc.

Notice and Statement of the Receiver
(Subsections 245(1) and 246(1) of the Act)

The Receiver gives notice and declares that:

1. Further to the Quebec Superior Court Order (the "Order") rendered on August 4, 2010, RSM Richter Inc. ("Richter") was appointed as Receiver to the assets of 4425529 Canada Inc. (the "Debtor");
2. The Order grants to the Receiver the power to take possession of the Debtor's assets and to supervise and oversee the operations of the Debtor;
3. The following information relates to the receivership:

(a) Address of Debtor: 5300, Ch. de la Côte Saint-Luc, Montréal, Quebec, H3X 0A3

(b) Principal line of business: Owner and operator of a retirement home for elderly people

(c) Location of the business: 5300, Ch. de la Côte Saint-Luc, Montréal, Quebec, H3X 0A3

(d) The principal asset of the Debtor is:

Property known as "Residence Vista", located at 5300, Ch. de la Côte Saint-Luc, in Montréal, Quebec, H3X 0A3, which has 227 residential units, five commercial spaces and office space.

(e) The Debtor's indebtedness to its mortgage lender, who holds security on its assets, is detailed as follows:

1397225 ONTARIO LIMITED \$41,800,000.00

(f) The other creditors of the Debtor and the amount owed to them are detailed as follows:

UNSECURED CREDITORS

9120-8231 QUEBEC INC.	\$14,109.38
ABELL PEST CONTROL INC.	95.94
AGROPUR DIVISION NATREL	348.99
ALIMENTATION TRACY INC.	267.04

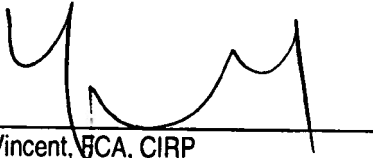
UNSECURED CREDITORS (cont'd)

BERTOLDI'S	40.02
BOULANGERIE WESTON LTEE	80.24
BRICK	157,217.95
CAREPLUS NURSING INC.	726.59
CARTE RONA/FCDQ	1,296.51
CENTRE MEDICAL LONGEVITE	460.00
CLINIQUE ACCES SANTE INC.	3,520.00
COMITE TAXE SCOLAIRE MONTREAL	120,690.08
CORPORATE EXPRESS	1,107.72
COURRIERCOM EXPRESS	12.12
DISMED INC.	328.41
DISTRIBUTIONS YUKON INC.	970.35
ENGLISH MONTREAL SCHOOL BOARD	10,000.00
ERNST & YOUNG INC.	5,614.91
FLEURISTE NOTRE-DAME-DE-GRACE INC.	180.61
GESPRA	112.88
GORDON FOOD SERVICE	3,861.42
GVAC CLIMATISATION/CHAUFFAGE	139.97
HARRIET PUBLISHING INC	2,471.96
HYDRO-QUEBEC	12,472.17
LA PRESSE LTEE	12,334.44
LABORATOIRES CHOISY LTEE	1,574.83
LABRADOR	10.82
LE GROUPE A & A MONTREAL	997.33
LEGAULT JOLY THIFFAULT SENCRL/LLP	14,468.92
LES COLLECTIONS PRESTIGE	487.62
LUMEN	234.10
MARVA TAVARES	624.00
MCCARTHY TETREAUULT SENCRL/LLP	7,275.25
MENKES SHOONER DAGENAIIS LETOURNEAUX	1,439.66
PAUL LAJOIE	1,400.00
PAYSAGISTE S. CAVALLARO	1,975.30
QUINCAILLERIE NOTRE-DAME ST-HENRI	481.70
RESOTEL	906.08
SERRURIER A. BRISSON INC.	602.75
THE CANADIAN JEWISH NEWS	2,114.25
THE GAZETTE	16,223.28
THE SUBURBAN	1,072.31
VILLE DE MONTREAL	<u>436,228.07</u>
	<u>\$,836,575.97</u>

(g) Contact person for Receiver: Ariella Yedid, CA
Tel: 514.934.3532 / Fax: 514.934.3504
E-mail: ayedid@rsmrichter.com

Dated at Montréal in the Province of Quebec, August 13, 2010.

RSM Richter Inc. - Receiver
Per:

A handwritten signature in black ink, appearing to read 'Yves Vincent', written over a horizontal line.

Yves Vincent, B.A., C.I.R.P.
2 Place Alexis Nihon, Suite 1820
Montréal QC H3Z 3C2
Phone: (514) 934-3497 Fax: (514) 934-3504

EXHIBIT 3

RSM Richter Inc.

RSM Richter Inc.
2, Place Alexis Nihon, Suite 1820
Montréal (Québec) H3Z 3C2
Téléphone / Telephone : 514.934.3497
Télocopieur / Facsimile : 514.934.3504
www.rsmrichter.com

CANADA
Province of Québec
District of: Québec
Division No.: 01 - Montréal
Court No.: 500-11-039401-100
Estate No.: 41-1407343

SUPERIOR COURT
In Bankruptcy and Insolvency
(Commercial Division)

Notice of Bankruptcy and First Meeting of Creditors (Subsection 102(1) of the Act)

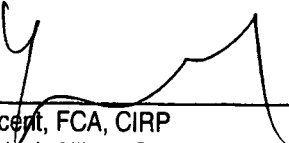
In the matter of the bankruptcy of
4425529 Canada Inc.
Of the City of Montreal
In the Province of Quebec

Take notice that:

1. 4425529 Canada Inc. filed an assignment on September 20, 2010, and the undersigned, RSM Richter Inc., was appointed as trustee of the estate of the bankrupt by the official receiver, subject to affirmation by the creditors of the trustee's appointment or substitution of another trustee by the creditors.
2. The first meeting of creditors of the bankrupt will be held on October 5, 2010, at 2:00 P.M., at the Office of the Superintendent of Bankruptcy, at 5 Place Ville Marie, 8th Floor, Montréal, Quebec.
3. To be entitled to vote at the meeting, a creditor must lodge with the trustee, before the meeting, a proof of claim and, where necessary, a proxy.
4. Enclosed with this notice is a proof of claim form, proxy form, and list of creditors with claims amounting to \$25 or more showing the amounts of their claims.
5. Creditors must prove their claims against the estate of the bankrupt in order to share in any distribution of the proceeds realized from the estate.

Dated at Montréal in the Province of Quebec, September 23, 2010.

RSM Richter Inc. - Trustee
Per:


Yves Vincent, FCA, CIRP
2 Place Alexis Nihon, Suite 1820
Montréal QC H3Z 3C2
Phone: (514) 934-3497 Fax: (514) 934-3504

(français – au recto)

District of: Quebec
 Court No. 01 - Montréal
 Court No. 500-11-039401-100
 Estate No. 41-1407343

Original Amended

- FORM 78 -
 Statement of Affairs (Business Bankruptcy) made by an entity
 (Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

In the matter of the bankruptcy of
 4425529 Canada Inc.
 Of the City of Montreal
 In the Province of Quebec

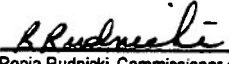
To the bankrupt

You are required to carefully and accurately complete this Form and the applicable attachments, showing the state of your affairs on the date of your bankruptcy, on the 20th day of September 2010. When completed, this Form and the applicable attached lists will constitute the Statement of Affairs and must be verified by oath or solemn declaration.


LIABILITIES (As stated and estimated by the officer)		ASSETS (As stated and estimated by the officer)	
1. Unsecured creditors as per list "A"	455,916.73	1. Inventory	0 00
Balance of claims unsecured as per list "A" ..	1,230,540.72	2. Trade fixtures, etc.	0.00
Total unsecured creditors.	1,686,457.45	3. Accounts receivable and other receivables, as per List "E"	
		Good	0.00
		Doubtful	0.00
		Bad	400,132.00
		Estimated to produce	0 00
2. Secured creditors value of security as per list "B"	41,126,288.98	4. Bills of exchange, promissory note, etc., as per List "F" ..	0.00
		5. Deposits in Financial Institutions	110,588.98
3. Preferred creditors as per list "C"	0.00	6. Cash	0 00
		7. Livestock	0 00
4. Contingent, trust claims or other liabilities as per list "D"	0.00	8. Machinery, equipment and plant	0.00
estimated to be reclaimable for		9. Real property or immovable as per List "G"	41,015,700.00
Total liabilities.	42,812,746.43	10. Furniture	0 00
Surplus.	NIL	11. RRSPs, RRIFs, Life insurance, etc.	0 00
		12. Securities (Shares, Bonds, Debentures, etc.)	0.00
		13. Interests under wills	0.00
		14. Vehicles	0 00
		15. Other property, as per List "H"	0.00
		If bankrupt is a corporation, add:	
		Amount of subscribed capital	2,193,459.00
		Amount paid on capital	2,193,459.00
		Balance subscribed and unpaid	0 00
		Estimated to produce	0.00
		Total assets	41,126,288.98
		Deficiency	1,686,457.45

I, Yves Vincent, es qualifiés Receiver to assets of 4425529 Canada Inc., of the City of Montréal in the Province of Quebec, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge a full, true and complete statement of my affairs on the 21st day of September 2010 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act

SWORN (or SOLEMNLY DECLARED)
 before me at the City of Montréal in the Province of Quebec,
 on this 21st day of September 2010.


 Renia Rudnicki, Commissioner of Oaths
 For the Province of Quebec
 Expires Feb. 12, 2011




 Yves Vincent, es qualifiés Receiver to
 assets of 4425529 Canada Inc.

District of Quebec
 Division No. 01 - Montréal
 Court No. 500-11-039401-100
 Estate No. 41-1407343

- FORM 78 - Continued -

List "A"
 Unsecured Creditors

4425529 Canada Inc.

No.	Name of creditor	Address	Unsecured Claim	Balance of Claim Un	Total Claim
1	1397225 ONTARIO LIMITED	5650 YONGE ST. #300 TORONTO QC M2M 4H5	0.00	673,711.02	673,711.02
2	141517 CANADA LTEE (CLERMONT)	1155, BOULFORD CHATEAUGUAY QC J6J 4Z2	0.00	0.00	0.00
3	9120-8231 QUEBEC INC.	554 VICTORIA AVENUE WESTMOUNT QC H3Y 2R6	14,109.39	0.00	14,109.39
4	AGENCE DU REVENU DU CDA (ASSESSMENT)	CENTRE D'ARRIVAGE REGIONAL EN INSOLVABILITE 25, RUE DES FORGES, PIECE 111 TROIS-RIVIERES QC G9A 2G4	0.00	0.00	0.00
5	BOIVIN & ASSOCIÉS S.E.N.C.	A/S ME NATACHA BOIVIN 7333, PLACE DES ROSERAIES, BUR.400 ANJOU QC H1M 2X6	0.00	0.00	0.00
6	COMITE GESTION TAXE SCOLAIRE MONTREAL	CP 11071 SUCC. CENTRE-VILLE MONTREAL QC H3C 5A9	0.00	120,690.08	120,690.08
7	ENGLISH MONTREAL SCHOOL BOARD	6000 FIELDING AVENUE MONTREAL QC H3X 1T4	10,000.00	0.00	10,000.00
8	ERNST & YOUNG INC.	800 RENE-LEVESQUE BLVD.#1900 MONTREAL QC H3B 1X9	5,614.91	0.00	5,614.91
9	GROUPE E.I.C.	300 RUE METIVIER #104 QUEBEC QC G1M 3Y9	0.00	0.00	0.00
10	LEGAULT JOLY THIFFAULT SENCRL/LLP	380 ST-ANTOINE ST. W.#700 MONTREAL QC J4Z 0C7	14,730.84	0.00	14,730.84
11	MCCARTHY TETREAULT SENCRL/LLP	1000 DE LA GAUCHETIERE W. #2500 MONTREAL QC H3B 0A2	7,275.25	0.00	7,275.25
12	MENKES SHOONER DAGENAIS LETOURNEAUX	1134 STE-CATHERINE W. MONTREAL QC H3B 1H4	1,439.66	0.00	1,439.66
13	MERCADANTE, DI PACE	A/S ME GRACE DI PACE 5450, RUE JARRY EST, BUR.202 SAINT-LEONARD QC H1P 1T9	0.00	0.00	0.00
14	MINISTERE DU REVENU DU QUEBEC	A/S CENTRE DE PERCEPTION FISCALE 3800 RUE DE MARLY, SECT.5-4-1 SAINTE-FOY QC G1X 4A5	175,000.00	0.00	175,000.00
15	MINISTERE DU REVENU DU QUEBEC (ASSESSMENT)	A/S CENTRE DE PERCEPTION 3800 RUE DE MARLY, SECT 5-4-1 STE-FOY QC G1X 4A5	0.00	0.00	0.00
16	RAYMOND CHABOT GRANT THORNTON	A/S PATRICK IFERGAN (9157-7437 QC INC.) 600 DE LA GAUCHETIERE W.#2000 MONTREAL QC H3B 4L8	25,916.10	0.00	25,916.10
17	SERVICES FINANCIER CIT LTEE	PO BOX 5060 5035 SOUTH SERVICE RD BURLINGTON ON L7R 4C8	41,439.94	0.00	41,439.94
18	SOCIETE DE GESTION COGIR	7250 TASCHEREAU BLVD.#200 BROSSARD QC J4W 1M9	0.00	0.00	0.00
19	THE BRICK	ATT: COMMERCIAL CREDIT 137 CHRISLEA RD VAUGHAN QC L4L 8N6	157,217.95	0.00	157,217.95
20	VIDEOTRON	CP 11078 SUCC. CENTRE-VILLE MONTREAL QC H3C 5B7	3,172.69	0.00	3,172.69

21-Sep-2010

Date


 Yves Vincent, es qualités Receiver to assets of
 4425529 Canada Inc.

District of Quebec
Division No. 01 - Montréal
Court No. 500-11-039401-100
Estate No. 41-1407343

- FORM 78 - Continued -

List "A"
Unsecured Creditors
4425529 Canada Inc.

No.	Name of creditor	Address	Unsecured Claim	Balance of Claim Un	Total Claim
21	VILLE DE MONTREAL	C.P. 11043 SUCC. CENTRE-VILLE MONTREAL QC H3C 4X8	0.00	436,139.62	436,139.62
Total:			455,916.73	1,230,540.72	1,686,457.45

21-Sep-2010

Date



Yves Vincent, es qualités Receiver to assets of
4425529 Canada Inc.

District of Quebec
 Division No. 01 - Montréal
 Court No. 500-11-039401-100
 Estate No. 41-1407343

- FORM 78 - Continued -


List "B"
 Secured Creditors

4425529 Canada Inc.

No.	Name of creditor	Address	Amount of Claim	Particulars of Security	When given	Estimated value of security	Estimated surplus from security	Balance of claim unsecured
1	1397225 ONTARIO LIMITED	5650 YONGE ST. #300 TORONTO QC M2M 4H5	41,800,000.00	Cash on Hand - Chequing - 0271620 - BNC Real Property or Immovable - Building and Land - Montréal - 5300 Cote Saint Luc, bureau 503 Debts Due - Business - Accounts Receivable	25-Oct-2007 25-Oct-2007 25-Oct-2007	110,588.98 41,015,700.00 0.00		673,711.02
2	COMITE GESTION TAXE SCOLAIRE MONTREAL	CP 11071 SUCC. CENTRE-VILLE MONTREAL QC H3C 5A9	120,690.08	Real Property or Immovable - Building and Land - Montréal - 5300 Cote Saint Luc, bureau 503		0.00		120,690.08
3	VILLE DE MONTREAL	C.P.11043 SUCC. CENTRE-VILLE MONTREAL QC H3C 4X8	436,139.62	Real Property or Immovable - Building and Land - Montréal - 5300 Cote Saint Luc, bureau 503		0.00		436,139.62
Total:			42,356,829.70			41,126,288.98	0.00	1,230,540.72

21-Sep-2010

Date


 Yves Vincent, es qualifiés Receiver to assets of
 4425529 Canada Inc.

THIS INFORMATION SHEET IS SUPPLIED IN ORDER TO ASSIST YOU IN COMPLETING THE PROOF OF CLAIM FORM

- The proof of claim must be signed by the individual completing the form.
- The signature of the claimant must be witnessed.
- Give the complete address (including postal code) where all notices and correspondence are to be forwarded.
- The amount on the statement of account must agree with the amount claimed on the proof of claim.

PARAGRAPH 1 OF THE PROOF OF CLAIM

- If the individual completing the proof of claim is not the creditor himself, he must state his position or title.
- The creditor must state the full and complete legal name of the Company or the claimant.

PARAGRAPH 3 OF THE PROOF OF CLAIM

- A detailed statement of account must be attached to the proof of claim and must show the date, the invoice number and the dollar amount of all the invoices or charges, together with the date, the number and the amount of all credits or payments. A statement of account is not complete if it begins with an amount brought forward. In addition, a creditor must indicate his/her address, phone number, fax number and E-mail address.

PARAGRAPH 4 OF THE PROOF OF CLAIM

- An unsecured creditor (subparagraph (A)) must check and state whether or not a priority rank is claimed under Section 136 of the Bankruptcy and Insolvency Act.
- A claim of landlord (subparagraph (B)) for disclaim of lease must be completed with full particulars and calculations.
- A secured creditor must complete subparagraph (C) and attach a copy of the security documents.
- A farmer, fisherman or aquaculturist must complete subparagraph (D).
- A wage earner must complete subparagraph (E), if applicable.
- Section F must be completed with regard to a pension plan.
- A claim against director(s) (subparagraph (G)), in a proposal which compromises a creditor's claim, must contain full particulars and calculations.
- A customer of a bankrupt securities firm must complete subparagraph (H).

PARAGRAPH 5 OF THE PROOF OF CLAIM

- The claimant must indicate whether he/she is or is **not related** to the debtor, as defined in the Bankruptcy and Insolvency Act, by striking out that which is not applicable.

PARAGRAPH 6 OF THE PROOF OF CLAIM

- The claimant must attach a detailed list of all payments received and/or credits granted, as follows:
 - a) within the **three months** preceding the initial bankruptcy event, in the case where the claimant and the debtor are **not related**;
 - b) within the **twelve months** preceding the initial bankruptcy event, in the case where the claimant and the debtor are **related**.
- PROXY**
 - a) A creditor may vote either in person or by proxy;
 - b) A debtor may not be appointed as proxy to vote at any meeting of the creditors;
 - c) The Trustee may be appointed as a proxy for any creditor;
 - d) In order for a duly authorized person to have a right to vote he must himself be a creditor or be the holder of a properly executed proxy. The name of the creditor must appear in the proxy.

PROOF OF CLAIM

(Section 50.1, Subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 81.5, 81.6, 102(2), 124(2), 128(1),
and Paragraphs 51(1)(e) and 66.14(b) of the Act)

All notices or correspondence regarding this claim must be forwarded to the following address:

In the matter of the bankruptcy of **4425529 Canada Inc.** of the City of Montréal, Province of Quebec, and the claim of _____, creditor.

I, _____ (name of creditor or representative of the creditor), of _____ (city and province), do hereby certify:

1. That I am a creditor of the above-named debtor (or that I am _____ (state position or title) of _____ (name of creditor or representative of the creditor)).
2. That I have knowledge of all of the circumstances connected with the claim referred to below.
3. That the debtor was, at the date of the bankruptcy, namely September 20, 2010, and still is, indebted to the creditor in the sum of \$ _____ as specified in the statement of account (or affidavit) attached and marked Schedule "A," after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)
4. Check and complete appropriate category

A. UNSECURED CLAIM OF \$ _____
(Other than as a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and
(Check appropriate description)

- Regarding the amount of \$ _____, I do not claim a right to a priority.
(Ordinary Creditor)
- Regarding the amount of \$ _____, I claim a right to a priority under section 136 of the Act.
(Preferred Creditor)
(Set out on an attached sheet details to support priority claim)

B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ _____

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based)

C. SECURED CLAIM OF \$ _____

That in respect of this debt, I hold assets of the debtor valued at \$ _____ as security, particulars of which are as follows:
(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ _____

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ _____
(Attach a copy of sales agreement and delivery receipts).

FORM 31 (Continued)

- E. CLAIM BY WAGE EARNER OF \$ _____
 - That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ _____
 - That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ _____
- F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ _____
 - That I hereby make a claim under subsection 81.5 of the Act in the amount of \$ _____
 - That I hereby make a claim under subsection 81.6 of the Act in the amount of \$ _____

G. CLAIM AGAINST DIRECTOR \$ _____
 (To be completed when a proposal provides for the compromise of claims against directors.)

That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:
 (Give full particulars of the claim, including the calculations upon which the claim is based.)

H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ _____
 That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:
 (Give full particulars of the claim, including the calculations upon which the claim is based.)

5. That, to the best of my knowledge, I am (or the above-named creditor is) (or am not or is not) related to the debtor within the meaning of section 4 of the Act, and have (or has) (or have not or has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of subsection 2(1) of the Act: (provide details of payments, credits and transfers at undervalue)

Dated at _____, this _____ day of _____

 Creditor _____
 Witness
 Telephone number: _____ Fax number: _____
 E-mail address: _____

NOTES: If an affidavit is attached, it must have been made before a person qualified to take affidavits.
 WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.
 Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

PROXY
 (Subsection 102(2) and paragraphs 51(1)e) and 66.15(3)b) of the Act)

In the matter of the bankruptcy of **4425529 Canada Inc.**

I, _____, of _____
(name of creditor) (name of town or city)

a creditor in the above matter, hereby appoint _____ of _____
 to be my proxyholder in the above matter, except as to the receipt of dividends, with (or without) power to appoint another proxyholder in his or her place.

Dated at _____, this _____ day of _____

 Creditor
 Per: _____
Name and Title of Signing Officer _____
 Witness

EXHIBIT 4

RSM Richter Inc.

2, Place Alexis Nihon, bureau 1820
Montréal (Québec) H3Z 3C2
Téléphone / Telephone : 514.934.3497
Télécopieur / Facsimile : 514.934.3504
www.rsmrichter.com

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF QUÉBEC
DIVISION NO.: 01-MONTREAL
COURT NO.: 500-11-039401-100
ESTATE NO.: 41-1407343

SUPERIOR COURT
(In Bankruptcy and Insolvency)

IN THE MATTER OF THE BANKRUPTCY OF:

4425529 Canada Inc.

a body politic and corporate, duly incorporated according to law and having its head office and its principal place of business at :
5300 Côte Saint-Luc Blvd.
Montreal (Québec) H3X 0A3

Company/Bankrupt

TRUSTEE'S REPORT TO THE FIRST MEETING OF CREDITORS

I. INTRODUCTION

a) Receivership

On August 3, 2010, 1397225 Ontario Limited, the Mortgage Lender (the "Mortgage Lender"), represented by Carlisle Capital Structures Corporation ("Carlisle"), filed a Motion for the Appointment of a Receiver to the assets of 4425529 Canada Inc. ("Company or Bankrupt") and on August 4, 2010, the Court granted an Order appointing RSM Richter Inc. ("Richter") as Receiver with the powers provided therein ("Receiver Order").

b) Bankruptcy

On September 20, 2010, as provided for in the Receiver Order, Richter, as Receiver, caused to have 4425529 Canada Inc. file an assignment in bankruptcy in accordance with Article 49 of the *Bankruptcy and Insolvency Act* and RSM Richter Inc. was appointed Trustee to the Bankruptcy (the "Trustee").

II. OVERVIEW

The Company, incorporated in May 2007, is owned 80% by 6743307 Canada Inc., a bankrupt company which was part of the Groupe Melior Inc. corporate structure ("Groupe Melior"), and 20% by 9102-6484 Quebec Inc.

The Company's principal asset is an ultra modern residential complex for seniors, referred to as Residence Vista, located at 5300 Côte St-Luc Road, Montreal, Quebec ("Property"). The construction of the Property was completed in June 2009.

The Property was initially managed by Groupe Melior, under the direction of Mr. Jean Maynard, until April 1, 2010 when Cogir Management Corporation/Société de Gestion Cogir, s.e.n.c. ("Cogir" or "Property Manager") was retained to manage the Property.

The Property consists of one stand-alone building, marketed as a residence for seniors, which offers varying levels of services, depending on the mobility and health of the tenant and, accordingly, the floors they occupy in the building, are summarized as follows:

Floors	Category	Tenant	Make Up	Services Included	Dinnings/Entertainment Options	Room Includes
Ground	Services					
2nd	Long-term care	Care-Dependent		Care & meals	Eat in rooms or 2nd floor dining/activity room	Furnished with TV
3rd to 6th	Room & board	Semi-Autonomous		Meals & housekeeping	3rd Floor dining room and activity room	Not furnished, efficiency kitchen
7th to 12th	Independent living	Autonomous		Option for meals and other services	1st Floor dining room and activity rooms	Not furnished, full kitchen and washer/dryer

The ground floor offers a range of services which are primarily accessible to the autonomous tenants occupying floors 7 to 12. These services include an "à la carte" dining room, activity room, theater, sports bar, pharmacy & convenience store, pool, fitness center, spa, therapist, hair dresser and financial adviser.

In addition, the 3rd floor has a separate dining room area and activity room which offers 3 meals a day and activities to the semi-autonomous tenants occupying floors 3 to 6. These tenants' rentals include a meal plan.

Care dependent tenants residing on the second floor are confined to this floor and are provided 3 meals a day in the dining room, located on the 2nd floor and/or in their rooms.

As at August 31, 2010, the building had 221 units available for rent, of which 98 are rented, representing an occupancy rate of 44%. The current rental revenues are insufficient to sustain the operating costs and financing charges.

III. CURRENT OPERATIONS

Pursuant to the appointment of Richter as Receiver, Cogir's mandate to manage the Property was confirmed. Cogir's responsibilities include overseeing the Property's "in-house" management teams and personnel, providing strategic assistance and guidance in the marketing of the residence. They are also responsible for maintaining the books and records of the Property. Cogir is currently developing a business plan and a financial forecast relating to the anticipated / projected performance of the Property.

The Receiver, as provided in the Receiver Order, is monitoring the affairs of the Property, its operations and financial results. Based on the information provided by Cogir, all invoices for current purchases and services provided are being paid as they come due.

The Receiver has obtained confirmation from the Mortgage Lender that, if required, interim financing could be provided by them to support the current operations of the Property.

IV. FINANCIAL INFORMATION

The information contained in this Report has been prepared from the available books and records of the Company. These books and records have not been reviewed or otherwise audited by the Trustee. Consequently, the Trustee expresses no opinion whatsoever with respect to the validity, the exactness or the reliability of the information contained herein.

a) **Historical Financial Results**

The Company's operating results for the twelve (12) months ended July 31, 2010, based on its internal financial statements, are summarized as follows:

422529 (Canada) Inc. - Residence West Statement of Operations For the 12 months ended July 31, 2010			
	5 months ended Dec.31, 2009	7 months ended July 31, 2010	12 months ended July 31, 2010
Revenues			
Rental revenues	\$ 595,915	\$ 1,413,953	\$ 2,009,868
Other revenues	52,200	131,751	183,951
Total Revenues	648,115	1,545,704	2,193,819
Operating Expenses			
Salaries & Benefits	557,842	871,063	1,428,905
Management Fees	29,262	69,956	99,218
Food	38,965	62,502	101,467
Realty Taxes	228,844	148,290	377,134
Utilities	164,210	120,758	284,968
Insurance	8,352	10,616	18,968
Marketing & Commissions	124,431	95,197	219,628
Administration	43,758	63,412	107,170
Consultant & Professional Fees	102,986	106,659	209,645
Repairs, Maintenance & Supplies	41,974	100,022	141,996
Total Operating Expenses	1,340,624	1,648,475	2,989,099
EBITDA	(692,509)	(102,771)	(795,280)
Interest	624,549	785,331	1,409,880
Depreciation	429,032	559,996	989,028
Net Income Before Taxes	(1,746,090)	(1,448,098)	(3,194,188)
Provision for Tax on Capital	48,234	43,658	91,892
Net Income	\$ (1,794,324)	\$ (1,491,756)	\$ (3,286,080)

As reflected in the monthly operating results, the monthly revenues have been increasing as the occupancy rate increases. We note that the Property was operating at 41% occupancy rate as of July 31, 2010 and is now at a 44% occupancy rate. Given the current occupancy level, the Property's operating results are not sufficient to cover the financing costs.

b) Statement of Affairs

The Statement of Affairs as at September 20, 2010 (Bankruptcy date), based on the books and records of the Company and information provided by the Property Manager, is summarized as follows:

423529 Canada Inc. - Residence Vista Statement of Affairs As of September 20, 2010	
Liabilities	
Secured creditors	\$ 42,356,830
Preferred creditors	
Unsecured creditors	455,917
	<u>42,812,747</u>
Assets	
Current assets	110,589
Long-term assets ⁽¹⁾	41,015,700
	<u>41,126,289</u>
Deficit	<u>\$ (1,686,458)</u>

Note ⁽¹⁾: It is important to note that the Company's accounting records are not necessarily up-to-date or complete and accordingly the values as reflected in the books of the Company may not be accurate.

i) Assets

All the assets are pledged in favor of the Mortgage Lender.

a) Current (\$110,589)

The current assets consist of the bank account balance and the accounts receivable.

The available cash in the Company's bank account has remained under the control of Cogir, the Property Manager. It is being used to fund the operations of the Property.

The accounts receivable consist of minimal amounts of rent or service revenues which are collectible. In addition, certain amounts are due from bankrupt related companies, which are most likely not recoverable.

b) Fixed Assets (\$41,015,700)

The long term assets consist of the land and building, machinery and equipment, furniture and fixtures (i.e. the Property). The value declared in the statement of affairs reflects the construction costs that the Company recorded in its books. The Trustee will be obtaining an evaluation of the Property.

ii) Liabilities

a) Secured creditors (\$42,356,830)

The amounts owing to the secured creditors are detailed as follows:

- 1397225 Ontario Limited (mortgage financing of \$41,800,000);
- Ville de Montreal (municipal taxes of \$436,139);
- Comite de Gestion de Taxes Scolaires de Montreal (school taxes of \$120,690);

A legal opinion on the validity of the security held by the Mortgage Lender has been requested from the Trustee's legal counsel. Upon receipt of the legal opinion the Trustee will submit it to the Inspectors of the Estate.

Subject to the validity of their security and their ranking, the secured creditors will receive the proceeds from the ultimate realization of the Property up to the amount of their claim.

It is too early to evaluate if the secured creditors will be repaid in full.

b) Preferred creditors

The books and records of the Company do not indicate any preferred creditors.

c) Ordinary creditors (\$455,917)

According to the Statement of Affairs, the amount due to the unsecured creditors totals \$455,917. In addition, we have been informed that substantial amounts may be owing to the Tax Authorities for outstanding GST/QST claims. As at the date of the preparation of this Report, the Trustee has not received sufficient proofs of claim to validate the amount of ordinary claims.

V. SUMMARY OF THE PRELIMINARY ADMINISTRATION OF THE TRUSTEE

a) Books and Records

As at the Bankruptcy date, the books and records of the Company were not necessarily complete and up-to-date. The Trustee has requested that Cogir bring them to date.

The physical and electronic books and records of the Company, since the commencement of operations of the Property (July 1, 2009), are in the possession of Cogir and will be maintained by them on behalf of the Trustee. As of the date of this Report, the Trustee has been unable to locate the financial information and records concerning the construction costs, and the pre-operation expenses (from May 2007 to June 2009) of the Company.

b) Protective Measures

Since September 20, 2010, the Trustee has undertaken various security and protective measures such as:

- Opening of a trust bank account;
- Assign the responsibility of safeguarding the physical and electronic books and records, on behalf of the Trustee to Cogir, the Property Manager;
- Adding the Trustee's name to the insurance policies in force covering the assets of the Company;
- Making arrangements with utilities companies and certain suppliers of goods and services to continue servicing the Property;

c) Realization Process

The Trustee will be discussing with the representative of the Mortgage Lender the various realization alternatives that could be considered in this matter and report to the Inspectors of the Estate.

d) Property of Others

To date, the Trustee has not received any property claims.

e) Reviewable Transactions and Preferential Payments

The Trustee will perform a review of the Company's books and records to determine any potential preferential payments or any reviewable transactions and will submit a report to the Inspectors of the Estate.

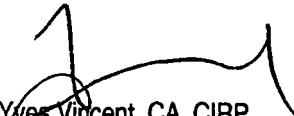
VI. ANTICIPATED REALIZATION AND PROJECTED DISTRIBUTION

It is too early to estimate the anticipated realization results and the possible distribution, if any, to the unsecured creditors.

Dated at Montréal, this 30nd day of September 2010.

RSM Richter Inc.

Trustee



Yves Vincent, CA, CIRP
Administrator of the Estate

EXHIBIT 5

CANADA
Province of Quebec
District of Quebec
Division No.:01-Montréal
Court No.: 500-11-039401-100
Estate No.: 41-1407343

SUPERIOR COURT
In Bankruptcy and Insolvency
(Commercial Division)

In the matter of the bankruptcy of
4425529 Canada Inc.
Debtor
-and-
RSM Richter Inc.
Trustee

**Minutes of the First Meeting of Creditors held by virtue of section 102(1)
of the Bankruptcy and Insolvency Act**

On: October 5, 2010 at 2:00 P.M.
At: Office of the Superintendent of Bankruptcy
5 Place Ville Marie, 8th Floor
Montréal, Quebec
Chaired by: Yves Vincent, FCA, CIRP

ATTENDANCE

Yves Vincent, FCA, CIRP, RSM Richter Inc., Trustee's office
Ariella Yedid, CA, RSM Richter Inc., Trustee's office

Jean Maynard, representative of the Debtor
Alain Tardif, McCarthy Tétraut, Attorney representing the Debtor

Creditors and Observers: As per the attached attendance list.

QUORUM

At the request of the Office of the Superintendent of Bankruptcy, Yves Vincent acted as chairman.

The Chairman confirms the following:

- Notice of Bankruptcy and First Meeting of Creditors was sent to all known creditors within the prescribed delay;
- Newspaper notice was published;
- Mr. Maynard, director of the Debtor, is in attendance;
- Quorum is met.

The Chairman confirms that the meeting is validly convened and can proceed.

The Chairman tables the Mail affidavit and the Trustee's Report to the creditors.

TRUSTEE'S REPORT AND QUESTION PERIOD

In summary, the Trustee's Report and the significant facts concerning the affairs of the Debtor were discussed as follows:

- RSM Richter Inc. ("Richter") was appointed Receiver on April 4, 2010 ("Receiver Order");
- Pursuant to Receiver Order, the Receiver caused the Debtor to file an assignment in bankruptcy on September 20, 2010;
- The principal asset of the Debtor is a residence for the elderly operating under the name Residence Vista ("Property");
- Since April 1, 2010, Société de gestion Cogir SENC ("Cogir") has been managing the Property. Richter and the mortgage lender, 1397225 Ontario Limited, have agreed to continue Cogir's management contract;
- The valuation of Property has not yet been obtained;
- Richter confirms that they have received the construction books and records from Mr. Maynard on October 4, 2010.

The creditors are also briefed on the Trustee's administration to date.

The Trustee advises the creditors that they have received confirmation that the mortgage security held by the mortgage lender is valid.

No questions are asked.

CONFIRMATION OF TRUSTEE APPOINTMENT

The appointment of RSM Richter Inc., as trustee of this bankruptcy, is unanimously confirmed by the creditors in attendance.

APPOINTMENT OF INSPECTORS

The creditors confirmed the appointment of five persons as inspectors:

Inspector	Gregory M. Colford, Carlisle Capital Structures Corporation
Inspector	Roderick Dougherty, Carlisle Capital Structures Corporation
Inspector	Jean-Paul David, 9157-7437 Québec Inc.
Inspector	Joanne Robert, Revenu Québec
Inspector	Serge Vallières, Revenu Québec

INSTRUCTIONS TO THE TRUSTEE

The creditors gave the following directions to the Trustee:

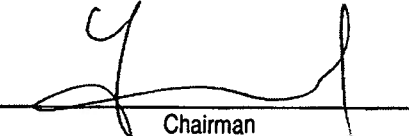
- Approved the nomination of Neil Stein of Stein & Stein as attorney to the Trustee.
- Non applicable

BOND

There is to be no bond requested in this file.

ADJOURNMENT OF MEETING

- The Trustee was deemed affirmed pursuant to section 106(2) of the Bankruptcy and Insolvency Act.
- The Trustee will continue to act pursuant to section 14.06(1) of the Bankruptcy and Insolvency Act.
- The meeting was adjourned at the offices of _____ on _____ day of _____ 20__ at _____.
- The debtor or the officer of the debtor company was _____ required to attend at the adjournment of the first meeting of creditors.
- There being no further items to discuss, the meeting was ended.


Chairman

- Appendices :
- Proof of calling for meeting
 - Attendance list
 - Trustee's report to the first meeting of creditors

EXHIBIT 6

RSM RICHTER INC. - RECEIVER

Residence Vista	
Statement of Receipts and Disbursements	
For the period from August 4, 2010 to April 30, 2011	
	<u>Total</u>
Cash Receipts	
Rental Revenues	\$ 2,274,098
Other Revenues	192,662
Collection of Insurance Proceeds	302,540
Interest	1,657
	<u>2,770,957</u>
Cash Disbursements	
Wages & Levies	1,172,287
Management Fees	106,117
Food	115,480
Realty Taxes	473,202
Utilities	214,962
Insurance	22,623
Marketing & Commissions	97,478
Administration	153,945
Repairs & Maintenance	133,077
Service Fees/Referral Fees	62,838
Professional Fees	Note 1 -
Professional Fees	Note 1 -
CapEx	87,567
	<u>2,639,576</u>
Net Cash Flow from Operations	<u>131,382</u>
Mortgage/Interest Payment	-
Net cash flow	<u>131,382</u>
Opening Cash Position	229,226
Closing Cash Position	<u>\$ 360,608</u>
Note 1: The above statement of receipts and disbursements is before consideration of professional fees for services rendered by RSM Richter Inc., as Receiver, and De Grandpré Chait, as legal counsel to Carlisle and 1397225 Ontario Limited.	
Note 2: The trade payables, as of April 30, 2011, relating to the operations of the Property are estimated to be approximately \$50,000.	