

CANADA  
PROVINCE OF QUEBEC  
DISTRICT OF MONTREAL  
Court No: 500-11-046282-147  
500-11-046281-149  
Estate No: 41-1843846  
41-1843847

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

---

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

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

-and-

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

**Petitioners**

-and-

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

**Monitor**

---

FIRST REPORT OF THE MONITOR  
ON THE STATE OF PETITIONERS' FINANCIAL AFFAIRS  
APRIL 11, 2014

---

**INTRODUCTION**

1. On March 3, 2014, the Petitioners filed a Notice of Intention to Make a Proposal and Richter Advisory Group Inc. ("Richter") was named Trustee.

2. On March 12, 2014, the Petitioners filed with the Quebec Superior Court, a Motion for the Issuance of an Initial Order pursuant to Section 11 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, C-36, as amended (the "CCAA"). On March 21, 2014, the Honourable Martin Castonguay, J.S.C., issued an initial order (the "Initial Order"), *inter alia* appointing Richter as monitor (the "Monitor").
3. All amounts reflected in this report are stated in Canadian currency unless otherwise noted.
4. The purpose of this report is to inform the Court of the following:
  - General Corporate Information;
  - Interim Financing Facility;
  - Financial Position and Cash Flow Projections;
  - Lease-Up Program;
  - Solicitation Process;
  - Activities of the Monitor; and
  - Request for an Extension of the Stay of Proceedings to June 6, 2014.
5. The information contained in this report is based on unaudited financial information as well as discussions with representatives of the Petitioners' project and property management firm, Asta Corporation Inc. (hereinafter "Management"). The Monitor has not conducted an audit or other verification of such information and accordingly, no opinion is expressed regarding the accuracy, reliability or completeness of the information contained herein.

#### **GENERAL CORPORATE INFORMATION**

6. Casperdiny IFB Realty Inc. (hereinafter "Casperdiny") is controlled by Casperdiny IFB Capital Inc. (a Canadian corporation), which in turn is wholly owned by IFB Beteiligungen AG (a German publicly organized company) based in Düsseldorf. Les Appartements Club Sommet Inc. (hereinafter "Sommet") is a wholly-owned subsidiary of Casperdiny.
7. Together, the Petitioners own, operate and manage a 16-story, 291-unit apartment building located in downtown Montreal, on de La Montagne Street, corner Sherbrooke (hereinafter the "Property"). The Property is operated under the name Club Sommet.
8. The Petitioners have no employees involved in the management of the Property. All services relative to the operations of the Property and to tenant amenities are outsourced to third parties service providers.

9. The project management, as well as day-to-day property management and operations, are outsourced to Asta Corporation Inc. (hereinafter "Asta"), a real estate services firm with its head office located at 555 Richmond West, Suite 300, Toronto, M5V 1Y6.
10. Since the issuance of the Initial Order, the Petitioners have continued to operate the Property in the normal course of business, which involves collecting rents, maintaining existing tenant services consistent with the current business model, collecting and returning tenants deposits, and pursuing its strategic Lease-Up Program (further details are provided below).
11. We refer you to the report issued March 18, 2014 by Richter Advisory Group Inc., in its capacity as the Proposed Monitor of the Petitioners and in support of the Petition for the issuance of an Initial Order, for details pertaining to the following:
  - General corporate information;
  - Historical events leading to the CCAA filing; and
  - Financial position and operating results pre-CCAA.

#### **INTERIM FINANCING FACILITY**

12. Prior to the filing of the Motion for the Issuance of an Initial Order, IFB Beteiligungen AG (the "Interim Lender") transferred funds in the amount of \$2,177,502 (the "DIP Loan Funds") to Richter in trust, representing the maximum principle amount of the Interim Financing Facility (as this term is defined in the Initial Order) for which approval was sought from the Court.
13. On March 21, 2014, this Honourable Court issued an Initial Order approving the Interim Financing Facility, and authorizing the Petitioners to borrow from the Interim Lender in accordance with same.
14. Following the issuance of the Initial Order:
  - The DIP Loan Funds are held in trust by the Monitor, for the Interim Lender;
  - On April 2, 2014, the Monitor disbursed \$327,796 to Timbercreek Asset Management, representing interest charges on the mortgage loan for the period of March 4 to March 31, 2014, the whole in accordance with the Initial Order;
  - As of April 4, 2014, the remaining balance of DIP Loan Funds held in trust by the Monitor, for the Interim Lender, was \$1,852,138.

## FINANCIAL POSITION AND CASH FLOW PROJECTIONS

15. In conjunction with the filing of the Petition for the Issuance of an Initial Order on March 21, 2014, the Petitioners submitted monthly cash flow projections (hereinafter the "Projections") covering the six (6)-month period from March 1 to August 31, 2014 (hereinafter the "Period"). The Projections were attached to the report prepared by Richter in its capacity as the Proposed Monitor in support of the Petition for the Issuance of the Initial Order.
16. Since the date of the Initial Order (March 21, 2014), there have been no material changes in the Petitioners' business and expected financial results, other than normal timing variances for certain receipts and disbursements noted below. As such, the Petitioners have not prepared revised cash flow projections. A copy of the Petitioners' original cash flow projections for the period of March 1 to August 31, 2014 is included as **Exhibit A**.
17. The Petitioners' Projections for the Period are based on financial and other information and assumptions provided by Management. The Projections were prepared using probable assumptions supported and consistent with the plans of the Company for the Period, considering the economic conditions that are considered the most probable by Management. Since the Projections are based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the Projections will be achieved.
18. Details of actual cash flow results vs. the Projections for March 2014 are included in **Exhibit B** entitled Comparative Cash Flow for the period March 1 to March 31, 2014.
19. As of March 31, 2014, the Petitioners' book cash balances (net of outstanding checks) amounted to \$6,800, as compared to the projected balance of \$1,700. The nominal positive variance for March 2014 resulted from the following:
  - The \$28,500 negative variance in total cash inflows was due mainly to fewer than anticipated new tenants deposits, as net rent collections from existing tenants were consistent with the Projections in March (\$240,000). Management expects the negative variance in new tenants deposits to reverse in future months as an increasing number of new leases are expected to be signed during the peak rental season;

- The negative variance in cash inflows was offset by favorable timing variances of various operating disbursements, primarily utilities, maintenance and rental commissions. These timing differences arose in part as a result of the typical lag in receiving invoices for post-petition services.
20. Following collections of rent payments in the first week of April, the book cash balance as of April 4, 2014 increased to \$55,000.
  21. Since the filing of the CCAA, the Petitioners are paying suppliers based on negotiated terms or upon receipt of invoices. The Petitioners advise that they have not incurred significant unpaid liabilities since the filing.

### LEASE-UP PROGRAM

22. The occupancy rate for the Property over the past two (2) years has fluctuated between 60% and 70%. Per discussions with Management, and as outlined in the report prepared by Richter in its capacity as Proposed Monitor in support of the Petition for the Issuance of an Initial Order, this was largely due to the on-going sale process for the Property.
23. In December 2013, Management developed and implemented a strategic plan to lease-up the Property (hereinafter the "Lease-Up Program"). The strategy includes the following key components:
  - a) **Engage broader rental audience for high value units:** The Petitioners are putting in place a marketing strategy targeting single parents and empty nesters while establishing corporate contacts with large corporations, embassies, consulates, universities and hospitals;
  - b) **Increase the inventory of the furnished suite operators:** The Petitioners' objective is to convince furnished-suite operators to increase their inventory by twenty (20) units;
  - c) **Branding Repositioning:** The Petitioners are in the process of implementing a broad multimedia marketing campaign to reposition the Property as a long-term rental building located in a highly desirable location providing full service and 5-star amenities;
  - d) **Leasing Team:** In order to implement the Lease-Up Program, the Petitioners have put in place a team of eight (8) professionals responsible for various aspects of the leasing strategy.

24. The current Club Sommet leasing team is comprised of the following personnel:

Club Sommet Leasing Team				
Name	Role	Employer	Location	Hire date
Joanne Simonetti	Leasing Director	Ind. Contractor	Montreal	Oct-13
Kabirra Jefri	Leasing Agent	Ind. Contractor	Montreal	Jun-13
Esther Cohen	Leasing Agent	Ind. Contractor	Montreal	Oct-13
Ting Li	Leasing Agent	Ind. Contractor	Montreal	Jan-14
Nacima Boublenza	Leasing Agent	Ind. Contractor	Montreal	Mar-14
Monika Burkhardt	Aministrative Support	Asta Corporation	Toronto	pre-2013
Marie Bourbonnière	Corporate Development	Ind. Contractor	Montreal	Oct-13
Chris Booker	Controller	Asta Corporation	Toronto	pre-2013

- The leasing agents are responsible for: (i) promoting apartments through their network of industry contacts, social media, free advertising sites (Craig's list, etc.) and other promotional tools (ii) interacting with potential tenants and arranging apartment visits, and (iii) inciting potential tenants to submit lease applications. Club Sommet currently employs four (4) leasing agents, two (2) of which work on-site on a full-time basis. The other two (2) agents are considered "off-site", and were engaged to focus on specific cultural communities (Asian and Arabic). Nonetheless, they are generally present at the Property twice a week;
- The leasing director, who works on-site at the Property on a part-time basis, is responsible for determining the overall marketing plan and advertising campaigns for the building in consultation with the Asta Management team in Toronto, which ultimately has final approval on the marketing plan and budget. She is supported in these functions by an administrative support person in Toronto. On a day-to-day basis, the leasing director is also charged with supervising and coordinating the efforts of the leasing agents, and negotiating lease terms with potential tenants;
- In addition to the leasing agents who are responsible for marketing to the general public, Club Sommet also employs a director of corporate development whose role is to promote the building with universities, corporate clients, embassies, relocation service firms, etc.; and
- Club Sommet's controller, an Asta employee located in Toronto, is responsible for reviewing and approving all lease applications.

25. In order to implement its Lease-Up Program, broadly outlined in paragraph 23, Club Sommet has engaged in a significant number of specific marketing efforts since December 2013, which efforts have continued following the issuance of the Initial Order on March 21, 2014. Per discussions with various members of the leasing team and our review of available information, these specific promotional strategies include the following:
- a) **Web Presence:** The Club Sommet website has been a significant driver of initial tenant enquiries. Since Nov. / Dec. 2013, the Company has been working with MOON Media, a digital advertising solutions provider, to increase the number of website visits. In particular, MOON Media has assisted with search engine optimization, website design improvements, social media advertising, and other lead generation strategies.
  - b) **Classified Ads:** Ads are posted and updated on a daily basis on various free websites, the most notable of which are: i) Kijiji (local Montreal market) and ii) Craigslist (local and international market). The leasing agents are responsible for the extensive day-to-day management required to maintain and refresh these postings.
  - c) **Outdoor Signage:** Given the central location and visibility of the Property, professionally designed signs placed outside the building result in a strong number of walk-in inquiries. The targeted clientele is the local rental market on which Club Sommet had previously placed less focus.
  - d) **Apartment Rental Websites:** The leasing director is responsible for planning and posting (supported by the administrative employee in Toronto), on a monthly basis, ads on multiple apartment rental websites. These fee-based websites have primarily been successful in attracting international customers.
  - e) **Social Networks:** The Company has been active on social medias, primarily with Facebook where the corporate Club Sommet site has over 3,000 likes. Each leasing agent also uses their personal social networks (Facebook and LinkedIn) to promote and publicize the apartments to their network of contacts. As noted above, the company also engaged MOON Media to develop lead generation strategies using social media platforms.
  - f) **Newspapers:** In an effort to engage a broader local audience, Club Sommet has advertised in Montreal's leading English language newspaper, The Gazette. As of April 1, 2014, the ad frequency was increased from 3 times/week to daily.
  - g) **Referrals:** The Company has implemented a referral program to encourage existing tenants to refer new clients. The inducement of \$500 per tenant referral resulting in a signed lease was increased to \$1,000 in March 2014.

- h) **Universities:** On a regular basis, the director of corporate development posts promotional materials at the housing assistance offices of Concordia and McGill universities. Club Sommet also advertised on the "McGill Housing" website.
- i) **Radio:** Since November 2013, Club Sommet has purchased radio advertising on CJAD Montreal (approximately 20 per day). These commercials are intended to target an older and/or retired clientele, looking to rent following the sale of their primary residence.

26. Management has developed extensive tracking and reporting procedures relative to its marketing efforts and associated results. The following table outlines the number of inquiries, visits, lease applications and signed leases from each major source of traffic between December 1 and March 31, 2014.

<b>Club Sommet - Leasing Activity Statistics</b>				
<b>December 1, 2013 to March 31, 2014</b>				
	<b>Inquiries</b>	<b>Visits by qualified prospects</b>	<b>Applications</b>	<b>Leases signed</b>
Web site	263	55	8	5
Classified adds	174	81	3	1
Signage / Walk In	83	78	13	6
Apartment rental websites	31	5	-	-
Social networks	43	7	-	-
The Gazette	33	4	-	-
Referrals	32	21	4	3
Universities	15	12	1	-
Radio	20	8	-	-
Other	2	-	-	-
<b>Total - Individual tenants<sup>1</sup></b>	<b>696</b>	<b>271</b>	<b>29</b>	<b>15</b>
<b>Total - Corporate tenants<sup>2</sup></b>				<b>5</b>
<b>Total leases</b>				<b>20</b>

Note 1: Results do not include tenant lease renewals or changes of unit within the building.  
 Note 2: Includes furnished suite operators, private companies, embassies, etc., for which leasing activity statistics are not kept.



27. The rental activity statistics reflect an increase in the number of inquiries and prospect visits since December 2013, as outlined below:

Club Sommet - Leasing Activity Statistics						
	Inquiries	Visits by qualified prospects	Applications	Leases signed Individual tenants <sup>1</sup>	Leases signed Corporate tenants <sup>2</sup>	Total leases signed
December 2013	99	29	4	4	-	4
January 2014	135	60	8	5	-	5
February 2014	253	112	10	2	5	7
March 2014	209	70	7	4	-	4
	<u>696</u>	<u>271</u>	<u>29</u>	<u>15</u>	<u>5</u>	<u>20</u>

Note 1: Results do not include tenant lease renewals or changes of unit within the building.  
 Note 2: Includes furnished suite operators, private companies, embassies, etc., for which leasing activity statistics are not kept.

28. The Company signed 20 new leases from December 1 to March 31, 2014, including two (2) new leases in the 10-day period subsequent to the issuance of the Initial Order (March 21 to 31, 2014). Five (5) of these new leases, which were signed with a furnished suites operator (CAM Executive Suites), replaced similar leases which expired in March and April 2014.

Club Sommet							
New leases signed - December 1, 2013 to March 31, 2014							
Unit #	Description	Square footage	Monthly rent	Monthly rent as per CBRE rent roll	Date signed	Starting date	Nb of months
<b>Signed in December 2013</b>							
210	1 BD	581	\$ 1,400	\$ 1,400	18-Dec-13	1-Jan-14	12
117	LG 2 BD	905	2,600	2,600	28-Dec-13	1-Jan-14	12
217	STUDIO	450	1,284	1,284	30-Dec-13	1-Jan-14	6
1003	STUDIO	429	1,284	1,284	30-Dec-13	1-Jan-14	12
<b>Signed in January 2014</b>							
225	LG 1 BD	679	1,663	1,663	7-Jan-14	1-Feb-14	11
409	STUDIO	450	1,275	1,275	8-Jan-14	1-Feb-14	3
1608	STUDIO	486	2,001	2,001	17-Jan-14	1-May-14	24
1403	STUDIO	429	1,500	1,500	28-Jan-14	1-Feb-14	6
406	LG 1 BD	799	1,725	1,725	31-Jan-14	1-Mar-14	12
<b>Signed in February 2014</b>							
501	LG 1 BD	679	1,625	1,625	20-Feb-14	1-Apr-14	12
1014	LG 1 BD	815	1,850	1,850	20-Feb-14	1-Apr-14	12
1404	3 BD	815	1,850	1,850	20-Feb-14	1-Apr-14	12
1614	LG 1 BD	815	1,850	1,850	20-Feb-14	1-Apr-14	12
1707	STUDIO	456	1,585	1,370	27-Feb-14	1-Mar-14	7
1714	LG 1 BD	815	1,850	1,850	20-Feb-14	1-Mar-14	13
1719	STUDIO	456	1,500	1,430	27-Feb-14	1-Mar-14	12
<b>Signed in March 2014</b>							
209	STUDIO	450	1,425	1,430	7-Mar-14	1-Sep-14	12
503	STUDIO	429	1,275	1,290	13-Mar-14	1-Apr-14	3
1607	STUDIO	456	1,500	1,430	24-Mar-14	1-May-14	12
1717	STUDIO	450	1,475	1,430	24-Mar-14	1-Sep-14	8
			<u>\$ 32,517</u>	<u>\$ 32,137</u>			

Note 1: Results do not include tenant lease renewals or changes of unit within the building.

29. Leases signed during the 4-month period ended March 31, 2014 were priced consistently with the lease rates utilized by CBRE Valuation and Advisory Services in its Property valuation analysis, as outlined in their report dated March 10, 2014.
30. As of April 1, 2014, the Company reported a total of 174 leases in effect, a net increase of three (3) leases over March 2014, resulting in an occupancy rate of 60%. The following summary outlines the monthly roll-forward of Club Sommet leases between December 1, 2013 and April 1, 2014.

Club Sommet						
Lease roll forward						
December 1, 2013 to April 1, 2014						
	Dec-14	Jan-14	Feb-14	Mar-14	Apr-14	Total
Member tenants - previous month	154	158	155	157	146	154
Leases added	7	4	3	3	6	23
Departures	(3)	(7)	(1)	(14)	(3)	(28)
<b>Total member tenants - current month</b>	<b>158</b>	<b>155</b>	<b>157</b>	<b>146</b>	<b>149</b>	<b>149</b>
Legacy tenants	25	25	25	25	25	25
<b>Total tenants</b>	<b>183</b>	<b>180</b>	<b>182</b>	<b>171</b>	<b>174</b>	<b>174</b>
Occupancy rate	63%	62%	63%	59%	60%	60%

- The total of 174 leases in effect as of April 1, 2014 is slightly below the occupancy level of 178 tenants reflected in the Projections.

## SOLICITATION PROCESS

31. In parallel to the implementation of the Lease-Up Program, the Petitioners intend to implement a solicitation process to attract potential investors and purchasers in respect of the Property, either to sell the Property or refinance it (hereinafter the "Solicitation Process").
32. Since the issuance of the Initial Order, the Petitioners have worked with CBRE Capital Markets - National Apartment Group (hereinafter "CBRE") to establish the best approach for the Solicitation Process to be implemented in respect to the Property.
33. On April 10, 2014, CBRE submitted to the Petitioners and the Monitor a "Proposal for Marketing Representation", which outlines a proposed Solicitation Process to be conducted over a period of approximately four (4) months, with a bid deadline set for May 30, 2014, and a closing deadline set for August 20, 2014.

34. CBRE has extensive experience in the marketing and the selling of comparable real estate and the Monitor believes that the CBRE proposal outlines the optimal method to conduct the Solicitation Process, generate interest in the Property, and maximize proceeds from the sale or refinancing of the Property.
35. A teaser has been prepared by CBRE, which it intends to forward to potential bidders upon issuance of the orders sought in the Motion Seeking the Extension of the Initial Order.

#### **ACTIVITIES OF THE MONITOR**

36. The Monitor's activities since the issuance of the Initial Order (March 21, 2014) have included the following:
  - In accordance with the Initial Order, a copy of the Initial Order and a list of creditors were posted on the Monitor's website on March 25<sup>th</sup> and 28<sup>th</sup>, 2014, respectively;
  - On March 28, 2014, the Monitor sent to all of the Petitioners' known creditors, a notice advising them of the granting of the Initial Order and referring them to the Monitor's website; and
  - In accordance with the Initial Order, notices of the CCAA filing were published in La Presse and The Globe and Mail newspapers on April 2<sup>nd</sup> and 9<sup>th</sup>, 2014.
37. The Monitor has been at the Property on several occasions, and communicated regularly with the Petitioners' Management personnel in Toronto, to carry out its duties including the requirement to monitor: i) the Petitioners' cash flow, ii) the status of the Lease-Up Program, and iii) the development and progress of the Solicitation Process. As well, the Monitor has had numerous meetings and held frequent conference calls with Management and legal counsel with a view to keeping all parties apprised of material developments.
38. The Monitor has responded to queries from the Petitioners' unsecured creditors.
39. The Monitor reviewed the Petitioners' financial affairs and results.
40. The Monitor drafted this Report and reviewed material to be filed by the Petitioners herewith.
41. The Monitor has attended to other administrative and statutory matters relating to the Monitor's administration of this mandate.

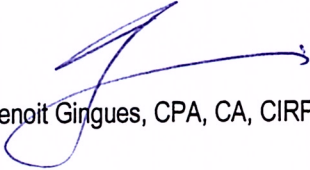
## REQUEST FOR EXTENSION

42. At the present time, it is premature for the Petitioners to devise a Plan of Arrangement and present same to its creditors. The Petitioners are seeking an extension to June 6, 2014 ("Additional Period") in order to continue the implementation of the Lease-Up Program and initiate the Solicitation and Sale Process as outlined in previous sections of this report.
43. The Petitioners have been paying in due course for all goods and services received subsequent to the date of filing of the CCAA.
44. Considering the Petitioners' cash flow projections for the period between March 1, 2014 and August 31, 2014, the reported cash flow results to date and current financial position, as well as the availability of the Interim Financing, the Petitioners are in a position to continue their operations on a going concern basis during the Additional Period.
45. The Petitioners' Management has, and continues to act in good faith, with due diligence and has been cooperating with all stakeholders involved in this process, including but not limited to the Monitor and the Company's creditors.
46. The Solicitation Process proposed by CBRE suggests an anticipated bid deadline by the end of May 2014.
47. The Monitor is supporting the extension of the Initial Order until June 6, 2014, for the above noted reasons.
48. The Court should grant this extension as:
  - The Petitioners have and continue to act in good faith and with diligence;
  - The Petitioners need additional time in order to continue the implementation of the Lease-Up Program and Solicitation Process;
  - The Petitioners have not prejudiced their creditors as they have paid for post-filing liabilities incurred since the date of filing and the Projections indicate that they will continue to do so;

- The extension sought will not materially prejudice any of the secured creditors. To the contrary, it will allow for the Petitioners to have a market value indication of the Property for the benefit of all the Petitioners' creditors and stakeholders.

Respectfully submitted at Montreal, this 11<sup>th</sup> day of April, 2014.

**Richter Advisory Group Inc.**  
Monitor



Benoit Girgues, CPA, CA, CIRP

**EXHIBIT A**

CANADA  
Province of Quebec  
District of: Montréal  
Court No.: 500-11-046282-147

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

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

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

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

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

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


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

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

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

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

Richter Advisory Group Inc. – Proposed Monitor  
Per:

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

CANADA  
Province of Quebec  
District of: Montréal  
Court No.: 500-11-046282-147

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

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

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

**Purpose:**

Casperdiny IFB Realty Inc. is filing a Petition for the Issuance of an Initial Order pursuant to the Companies' Creditors Arrangement Act on March 18, 2014.

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

**Projection Notes:**

The Statement of Projected Cash-Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period March 1, 2014 to August 31, 2014, considering the economic conditions that are considered the most probable by Management.

As the cash-flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

**Assumptions:**

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

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

Richter Advisory Group Inc. – Proposed Monitor  
Per:

  
Benoit Gingues, CPA, CA, CIRP



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

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

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

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

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

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

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


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

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

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

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

Richter Advisory Group Inc. – Proposed Monitor  
Per:

  
\_\_\_\_\_  
Benoit Gingues, CPA, CA, CIRP  
1981 McGill College Avenue, 12th Floor  
Montréal QC H3A 0G6  
Telephone: 514.934.3440 Facsimile: 514 934.3504

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

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

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

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

**Purpose:**

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

**Projection Notes:**

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

**Assumptions:**

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

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

Richter Advisory Group Inc. – Proposed Monitor  
Per:

  
Benoit Gingues, CPA, CA, CIRP

CANADA  
Province of Quebec  
District of: Montréal  
Court No.: 500-11-046282-147

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

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

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

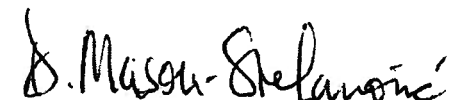
Representatives of Asta Corporation Inc. (hereinafter "Management"), a real estate services firm engaged to manage the day-to-day operations of Casperdiny IFB Realty Inc., has developed the assumptions and prepared the attached statement of projected cash flow of the debtor company, as of the 11<sup>th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

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

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

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

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

  
\_\_\_\_\_  
Casperdiny IFB Realty Inc.  
Debtor

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

CANADA  
Province of Quebec  
District of: Quebec  
Court No.: 500-11-046282-147

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

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

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

**Purpose:**

Casperdiny IFB Realty Inc. is filing a Petition for the Issuance of an Initial Order pursuant to the *Companies' Creditors Arrangement Act* on March 18, 2014.

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

**Projection Notes:**

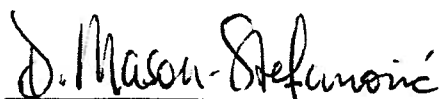
The Statement of Projected Cash-Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period March 1, 2014 to August 31, 2014, considering the economic conditions that are considered the most probable by Management.

As the cash-flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

**Assumptions:**

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

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



Casperdiny IFB Realty Inc.  
Debtor

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

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

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

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

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

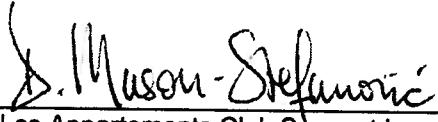
Representatives of Asta Corporation Inc. (hereinafter "Management"), a real estate services firm engaged to manage the day-to-day operations of Les Appartements Club Sommet Inc., has developed the assumptions and prepared the attached statement of projected cash flow of the debtor company, as of the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

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

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

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

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

  
\_\_\_\_\_  
Les Appartements Club Sommet Inc.  
Debtor

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

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

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

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

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

**Purpose:**

Les Appartements Club Sommet Inc. is filing a Petition for the Issuance of an Initial Order pursuant to the *Companies' Creditors Arrangement Act* on March 18, 2014.

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

**Projection Notes:**

The Statement of Projected Cash Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period March 1 to August 31, 2014, considering the economic conditions that are considered the most probable by Management.

As the cash flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

**Assumptions:**

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

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

  
Les Appartements Club Sommet Inc.  
Debtor

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

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

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

*D. Mason Stefani*

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

	March 2014	April 2014	May 2014	June 2014	July 2014	August 2014	TOTAL
<b>Projected Occupancy Roll-Forward</b>							
Total # units occupied - end of previous month	168	170	178	186	197	206	168
New leases taking occupancy	3	9	12	14	16	20	74
Leases lost to non-renewal	(1)	(1)	(4)	(3)	(7)	(8)	(24)
Net leases added	2	8	8	11	9	12	50
Total # units involved for the month	170	178	186	197	206	218	218
Overall Occupancy Rate	58%	61%	64%	68%	71%	75%	75%
March 1 # of vacant units	121						
Total rent on vacant units per rent roll	232,302						
Average rental per vacant unit	1,920						
Discount assumed in forecast	6%						
Avg. assumed rental for new leases	\$ 1,800						

*D. Mason-Stefanovic*



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

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

*J. Mason-Stefanone*

**EXHIBIT B**

Casperdiny IFB Realty Inc.  
Comparative Cash Flow for the period March 1 to 31, 2014

	March 1 to 31, 2014 Actual	March 1 to 31, 2014 Projections	Actual vs. Budget Variance	April 1 to 4, 2014 Actual
<b>Cash Inflows</b>				
Rent Revenue	\$ 280,859	\$ 278,762	\$ 2,097	\$ 154,919
Parking	16,278	17,911	(1,633)	1,184
Other Income	687	2,000	(1,313)	-
Total Rent Collected	297,824	298,673	(849)	156,103
Deposits Collected from New Leases	14,025	43,200	(29,175)	-
Deposits Applied against Rent	(58,134)	(59,663)	1,529	(16,868)
<b>Total Cash Inflow from Operations</b>	<b>253,715</b>	<b>282,210</b>	<b>(28,495)</b>	<b>139,235</b>
<b>Cash Outflows</b>				
<b>Leasing and Marketing</b>				
Leasing Salaries	15,835	14,000	(1,835)	-
Leasing Commissions	925	8,100	7,175	-
Tenant incentives/Tenant improvements	5,557	3,000	(2,557)	-
Marketing Expenses	16,369	12,500	(3,869)	-
	38,686	37,600	(1,086)	-
<b>Lifestyle</b>				
Lifestyle Salaries	3,000	3,000	-	-
Lifestyle Expenses (net of related revenues)	6,256	3,667	(2,590)	1,638
	9,256	6,667	(2,590)	1,638
<b>Concierge</b>				
Concierge Expenses	2,800	2,850	50	2,850
	2,800	2,850	50	2,850
<b>Other Expenses</b>				
Club Sommet Monthly Charge	87,498	133,102	45,604	20,947
Corporate	4,240	4,000	(240)	4,125
Administration Salaries	7,038	7,028	(10)	-
Laundry Expenses	-	-	-	-
Interest/Bank Charges	64	300	236	216
Merchant Fees	887	1,000	113	1,076
	99,727	145,430	45,702	26,364
Total Cash Outflow from Operations	150,469	192,546	42,077	30,852
<b>Net Cash Flow from Operations</b>	<b>103,246</b>	<b>89,664</b>	<b>13,582</b>	<b>108,383</b>
<b>Project Expenses</b>				
Professional Fees - CCAA	38,475	30,000	(8,475)	20,782
Professional Fees - Transaction Advisory	-	-	-	-
Contingency	-	-	-	-
Project management	39,550	39,550	-	39,550
	78,025	69,550	(8,475)	60,332
<b>Net Cash Flow excluding Interest</b>	<b>25,221</b>	<b>20,114</b>	<b>5,108</b>	<b>48,051</b>
<b>Opening Cash Balance</b>	<b>(18,445)</b>	<b>(18,445)</b>	<b>-</b>	<b>6,776</b>
<b>Ending Cash Balance</b>	<b>\$ 6,776</b>	<b>\$ 1,669</b>	<b>\$ 5,108</b>	<b>54,827</b>
<b>Mortgage Interest Funding</b>				
Opening Balance - Monitor Trust Account	2,177,502	2,177,502	-	2,178,133
Mortgage Interest Paid	-	(362,917)	362,917	(327,846)
Interest Earned on Funds	631	-	631	1,852
<b>Ending Balance - Monitor Trust Account</b>	<b>2,178,133</b>	<b>1,814,585</b>	<b>363,548</b>	<b>1,852,138</b>

Les Appartements Club Sommet Inc.  
Comparative Cash Flow for the period March 1 to 31, 2014

	March 1 to 31, 2014 Actual	March 1 to 31, 2014 Projections	Actual vs. Budget Variance	April 1 to 4, 2014 Actual
<b>Cash Inflows</b>				
Casperdiny Monthly Charge	\$ 87,498	\$ 133,102	\$ (45,604)	\$ 20,947
<b>Total Revenues</b>	<u>87,498</u>	<u>133,102</u>	<u>(45,604)</u>	<u>20,947</u>
<b>Cash Outflows</b>				
<b>Property Management</b>				
Management Fees	11,300	11,300	-	11,300
Management Offices	3,074	3,074	-	3,074
	<u>14,374</u>	<u>14,374</u>	<u>-</u>	<u>14,374</u>
<b>Utilities</b>				
Telephone	-	800	800	818
Cable Expenses	-	5,580	5,580	-
Internet Expenses	100	800	700	285
Cellphone Expenses	100	400	300	516
Wifi Monitoring	1,725	1,776	51	1,879
Electricity	-	10,000	10,000	-
Heat/Hot Water Tank Expense	-	-	-	-
Gaz Metro	1,445	16,279	14,834	-
	<u>3,370</u>	<u>35,635</u>	<u>32,265</u>	<u>3,498</u>
<b>Salaries</b>				
Security Staff	17,007	15,000	(2,007)	-
Superintendant	6,132	7,036	904	-
Cleaning Staff	4,215	4,209	(6)	-
Maintenance Staff	7,684	7,946	262	-
	<u>35,038</u>	<u>34,191</u>	<u>(847)</u>	<u>-</u>
<b>Maintenance &amp; Repairs</b>				
General maintenance & repairs	10,950	12,000	1,050	906
	<u>10,950</u>	<u>12,000</u>	<u>1,050</u>	<u>906</u>
<b>Other Expenses</b>				
Major Expenditures	-	10,000	10,000	-
Office Expenses	-	650	650	141
Interest/Bank Charges	-	500	500	74
Security Expenses	-	-	-	-
Superintendant Unit	1,954	1,954	-	1,954
	<u>1,954</u>	<u>13,104</u>	<u>11,150</u>	<u>2,169</u>
<b>Syndicate Fees</b>				
Contribution to Syndicate	21,812	23,798	1,986	-
Contingency Funds	-	-	-	-
	<u>21,812</u>	<u>23,798</u>	<u>1,986</u>	<u>-</u>
<b>Total Cash Outflows</b>	<u>87,498</u>	<u>133,102</u>	<u>45,604</u>	<u>20,947</u>
<b>Net Cash Flow</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>