

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*

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**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**

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**SECOND REPORT OF THE MONITOR  
ON THE STATE OF PETITIONERS' FINANCIAL AFFAIRS  
MAY 28, 2014**

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**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. On April 11, 2014, the Petitioners filed with the Quebec Superior Court, a Motion Seeking Extension of the Initial Order. On April 15, 2014, the Honourable Martin Castonguay, J.S.C., granted the Petitioners' motion and extended the Initial Order until May 29, 2014.
4. All amounts reflected in this report are stated in Canadian currency unless otherwise noted.
5. 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;
  - Activities of the Monitor; and
  - Request for an Extension of the Stay of Proceedings to July 11, 2014.
6. 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**

7. 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.
8. 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.

9. 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.
10. 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.
11. 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 Lease-Up Program.
12. We refer you to the report issued March 18, 2014 by Richter, 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**

13. 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.
14. 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.

15. Following the issuance of the Initial Order:

- The DIP Loan Funds are held in trust by the Monitor, for the Interim Lender;
- To date, the Monitor has disbursed \$690,813 to Timbercreek Asset Management, representing interest charges on the mortgage loan as detailed below, the whole in accordance with the Initial Order:

Date	Funds Disbursed	Interest Period
02-Apr-14	\$ 327,846	March 4 to 31, 2014
01-May-14	\$ 362,967	April 1 to 30, 2014

- As of May 27, 2014, the remaining balance of DIP Loan Funds held in trust by the Monitor, for the Interim Lender, was \$1,489,171.

16. Under the terms of the Interim Financing Facility, as approved in the Initial Order, the DIP Loan Funds were to be used exclusively for payment of the Timbercreek Mortgage Interest. On May 28, 2014, the Interim Lender authorized the Petitioners to use up to \$325,000 of DIP Loan Funds for purposes of operating liquidity (see **Exhibit A**), approval of which is being sought from the Court.

#### FINANCIAL POSITION AND CASH FLOW PROJECTIONS

17. 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 covering the six (6)-month period from March 1 to August 31, 2014 (hereinafter the "Projections"). 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.

18. Details of actual cash flow results compared to the Projections for the period of March 1 to April 30, 2014 are included in **Exhibit B** entitled Comparative Cash Flow for the period March 1 to April 30, 2014.

19. As of April 30, 2014, the Petitioners' book cash balances (net of outstanding checks) amounted to \$1,244 as compared to the projected balance of \$11,159. The negative cash flow variance vs. Projections for March/April 2014 resulted from the following:

- The \$93,500 negative variance in total cash inflows was due to:
  - A. Fewer than anticipated new tenants deposits. The Company signed a total of 13 new leases (for future occupancy) during March and April 2014, while the Projections were based on collections of security deposits from 26 new tenants during this period;

- B. Shortfall in rental income receipts, attributable in part to lower than projected occupancy in April (174 actual vs. 178 forecasted tenants), but primarily to delays in rent collections from corporate tenants.
- The negative variance in cash inflows was offset by lower than projected disbursements for the two (2) months ended April 30, as follows:
    - A. Leasing commissions and tenant incentive payments were below projections, a favorable variance directly related to fewer than anticipated new lease signings in the period;
    - B. The Company experienced favorable timing variances for various operating disbursements, primarily utilities and maintenance expenditures. These timing differences arose in part as a result of the typical lag in receiving invoices for post-petition services;
    - C. The Company withheld payment of approximately \$30,000 claimed by the Syndicate of Le Parc Co-Ownership (hereinafter the "Syndicate"), representing March and April 2014 contributions to the Syndicate's contingency fund. The Syndicate is the entity which owns and manages common areas of the building complex used by Club Sommet tenants. The Company disputes the amounts owed for funding of the contingency reserve account.
20. Although the Petitioners were paying suppliers based on negotiated terms or upon receipt of invoices through the end of April, liquidity constraints in the first 2 weeks of May resulted in an inability to make certain post-filing payments in due course (as of May 16, 2014, the book cash balance held by the Company was \$4,224). Excluding disputed contingency fund contributions to the Syndicate noted above, unpaid post-filing operating costs as of May 16, 2014 amounted to approximately \$56,800, as follows:
- Monthly Syndicate contribution for operating costs, due May 1: **\$24,800**;
  - Natural gas charges for March 3 to April 14, payable to the Syndicate: **\$14,600**. Approximately \$9,000 of this amount was paid on May 26;
  - Electricity charges for the period of March 3 to 26: **\$17,400**. This amount was paid on May 26. Invoices for April service have not yet been received, but are expected imminently;
21. In addition to the above-noted operating liabilities, the Company has incurred unpaid professional fees of the Monitor (Richter) and insolvency counsel (Fasken Martineau) of approximately \$400,000 as of the date of this report. Notwithstanding the outstanding balances, all professionals have continued to perform services in the normal course relative to this matter.

22. In view of reported variances in leasing activity, timing differences experienced for certain receipts and disbursements, and unpaid post-filing operating costs, Management has prepared revised cash flow projections (the "Revised Projections") for the period of May 17 to August 31, 2014 (the "Period") . A copy of the Petitioners' Revised Projections is included as **Exhibit C**.
23. The Revised Projections reflect the following:
- Upon receiving authorization from this Honorable Court, \$300,000 of DIP Loan Funds currently held in trust by the Monitor will be transferred to the Petitioners to provide operating liquidity for:
    - a) The immediate payment of unpaid post-filing obligations noted above, including the disputed Syndicate contingency reserve funding;
    - b) \$150,000 of accrued and unpaid professional fees; and
    - c) Funding the on-going operations of the Petitioners through August 1, 2014, the anticipated closing date for the accepted purchase offer as detailed in our Report of the Monitor on the Solicitation and Sale Process.
  - Forecasted professional fees of \$75,000/ month, for June and July are expected to be sufficient for ongoing work relative to this matter. The professionals have accepted to defer payment of the balance of accrued and unpaid fees until the closing of the proposed transaction on August 1, 2014 (which amounts are secured by the Administrative Charge up to \$250,000);
  - \$1,088,901 of interest payments due on the secured mortgage loan from Timbercreek between June 1 and August 1, 2014 are forecasted to be fully funded by the DIP loan provided to the Company by the Interim Lender. As noted above, the Monitor is currently holding \$1,489,171 of DIP Loan Funds in trust, sufficient to cover the interest payments as well as the \$300,000 required to fund operations and professional fees.
24. The Petitioners' Revised Projections 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.

## LEASE-UP PROGRAM

25. The occupancy rate for the Property over the past two (2) years has fluctuated between 60% and 70%. Since the issuance of the Initial Order (March 21, 2014) and the granting of the extension to the Initial Order (April 15, 2014), the occupancy rate has remained relatively consistent at approximately 60%.
26. In December 2013, Management developed and implemented a strategic plan to lease-up the Property (hereinafter the "Lease-Up Program"). The strategy focused on the following key components:
  - A. Engage a broader rental audience for high value units;
  - B. Increase the inventory of the furnished suite operators;
  - C. Branding repositioning;
  - D. Maintain a high quality leasing team.
27. Since the granting of the 1st extension to the Initial Order (April 15, 2014), Management has continued to pursue these key components of its leasing strategy, and has maintained the various marketing and promotional efforts detailed in our First Report of the Monitor, dated April 11, 2014.
28. Club Sommet's leasing team, as detailed in our First Report of the Monitor, has remained largely unchanged, with the exception of the replacement of the leasing director on May 5, 2014. We refer you to the First Report of the Monitor for a listing of all leasing employees and their respective roles.

29. Management continues to track and report its marketing efforts and associated results on a weekly basis. The following table outlines the number of inquiries, visits, lease applications and signed leases from each major source of traffic between December 1 and May 16, 2014.

Club Sommet - Leasing Activity Statistics				
December 1, 2013 to May 16, 2014				
	Inquiries	Visits by qualified prospects	Applications	Leases signed
Web site	408	78	12	8
Classified adds	260	116	10	7
Signage / Walk In	121	105	13	7
Apartment rental websites	46	6	-	-
Social networks	54	8	-	-
The Gazette	37	4	-	-
Referrals	58	36	7	5
Universities	24	16	2	1
Radio	23	9	-	-
Other	9	-	-	-
Total - Individual tenants <sup>1</sup>	<u>1,040</u>	<u>378</u>	<u>44</u>	28
Total - Corporate tenants <sup>2</sup>				<u>5</u>
<b>Total leases</b>				<b><u>33</u></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.

30. The rental activity statistics indicate a total of 33 signed leases since December 2013, including 13 from April 1 to mid-May 2014, 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
April 2014	269	91	12	9	-	9
May 2014 <sup>3</sup>	75	16	3	4	-	4
	<u>1040</u>	<u>378</u>	<u>44</u>	<u>28</u>	<u>5</u>	<u>33</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.  
 Note 3: Results represent the first two (2) weeks of May.



31. Since the issuance of the Initial Order, the Company has not met its targets for signing new leases. For March and April, the Projections assumed 26 new leases signed, compared to a reported total of 13. For the first two (2) weeks of May 2014, four (4) new leases were executed, in relation to a target for the full month of 16.
32. As outlined below, leases signed from December 1, 2013 through May 16, 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:

Club Sommet							
New leases signed - December 1, 2013 to May 16, 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
<b>Signed in April 2014</b>							
201	LG 1 BD	679	1,800	1,540	30-Apr-14	1-May-14	12
203	LG 1 BD	858	2,280	2,290	30-Apr-14	1-May-14	6
421	2 BD	858	2,400	2,340	22-Apr-14	1-Aug-14	9
503	STUDIO	429	1,275	1,290	17-Apr-14	1-Jul-14	6
517	STUDIO	450	1,425	1,150	25-Apr-14	1-Jul-14	12
705	2 BD	885	2,475	2,560	29-Apr-14	1-May-14	12
723	STUDIO	429	1,325	1,340	28-Apr-14	1-May-14	8
1410	1 BD	581	1,725	1,790	30-Apr-14	1-Jun-14	11
1503	STUDIO	429	1,284	1,430	28-Apr-14	1-May-14	8
<b>Signed in May 2014<sup>2</sup></b>							
506	3 BD	1,277	3,200	3,140	8-May-14	1-Sep-14	9
1523	STUDIO	429	1,325	1,430	9-May-14	1-Aug-14	12
1721	STUDIO	429	1,400	1,430	7-May-14	1-Sep-14	9
1716	LG 1 BD	679	1,900	1,710	15-May-14	1-Jun-14	12
			<b>\$ 56,331</b>	<b>\$ 55,577</b>			

Note 1: Results do not include tenant lease renewals or changes of unit within the building.  
 Note 2: Results represent the first two (2) weeks of May.

33. As of May 16, 2014, the Company reported a total of 174 leases in effect, resulting in an occupancy rate of 60%. The following summary outlines the monthly roll-forward of Club Sommet leases between December 1, 2013 and May 1, 2014.

Club Sommet							
Lease roll forward							
December 1, 2013 to May 16, 2014							
	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Total
Member tenants - previous month	154	158	155	157	146	149	154
Leases added	7	4	3	3	6	7	30
Departures	(3)	(7)	(1)	(14)	(3)	(7)	(35)
<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>	<b>149</b>
Legacy tenants	25	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>	<b>174</b>
Occupancy rate	63%	62%	63%	59%	60%	60%	60%

- The total of 174 leases in effect as of May 1, 2014 is below the occupancy level of 186 tenants reflected in the Projections.

#### ACTIVITIES OF THE MONITOR

34. The Monitor's activities since the issuance of the Initial Order (March 21, 2014) and the subsequent granting of the extension to the Initial Order (April 15, 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.
35. The Monitor has been at the Property on several occasions, and communicated regularly with the Petitioners' Management personnel in Toronto and representatives of CBRE, 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 and Sale 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.
36. The Monitor has responded to queries from the Petitioners' unsecured creditors.
37. The Monitor reviewed the Petitioners' financial affairs and results.

38. The Monitor drafted this Report and reviewed material to be filed by the Petitioners herewith.
39. The Monitor has attended to other administrative and statutory matters relating to the Monitor's administration of this mandate.

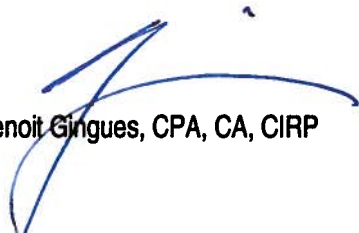
#### REQUEST FOR EXTENSION

40. 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 July 11, 2014 ("Additional Period") in order to:
  - Allow the Retained Bidder (as defined in our Report of the Monitor on the Solicitation and Sale Process) to complete its 30-day due diligence period, in accordance with its executed accepted offer to purchase the Property; and
  - Work towards completion of a sale transaction by August 1, 2014.
41. Considering the Petitioners' Revised Projections for the period between May 17, 2014 and August 1, 2014, the reported cash flow results to date and current financial position, as well as the availability of the Interim Financing to fund both the Timbercreek interest and operational liquidity requirements (premised on Court approval), the Petitioners are in a position to continue their operations on a going concern basis during the Additional Period.
42. 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.
43. The Monitor is supporting the extension of the Initial Order until July 11, 2014, for the above noted reasons.
44. 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 complete a 30-day due diligence period in accordance with an executed accepted offer to purchase the Property, with a view to concluding a sale transaction by August 1, 2014;
  - The Petitioners have not prejudiced their creditors as the Projections indicate that they have sufficient liquidity to pay for all post-filing liabilities incurred since the date of filing and projected through the Additional Period;

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- The extension sought will not materially prejudice any of the secured creditors. To the contrary, it will allow for the Petitioners to finalize a sale of the Property for the benefit of all the Petitioners' creditors and stakeholders.
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Respectfully submitted at Montreal, this 27<sup>th</sup> day of May, 2014.

**Richter Advisory Group Inc.**  
Monitor

  
Benoit Gingues, CPA, CA, CIRP

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**EXHIBIT A**

1. CERTIFICATE OF INTERIM FINANCING ADVANCES

**WHEREAS** on March 21, 2014, the Court issued the Initial Order providing for the DIP Charge;

**WHEREAS** the proceeds of the DIP Loan are held *in trust* by the Monitor for the benefit of the DIP Lender;

**WHEREAS** the Conditions have been met to the entire satisfaction of the DIP Lender;

**WHEREAS** the Initial Order stipulates that the Monthly Interest Payment must be disbursed by the Monitor, from the DIP Loan;

**WHEREAS** the DIP Borrower must use the DIP Loan exclusively with a view to allow for the payment of the Monthly Interest Payment;

**WHEREAS** on May 28, 2014, the DIP Borrower accepted an offer from *Les Placements Rakotta Inc.*, subject to the Court's approval, as appears from a copy of such accepted offer attached hereto as **SCHEDULE "A"** (hereinafter the "**Retained Bid**");

**WHEREAS** the anticipated closing date for the transaction contemplated pursuant to the Retained Bid is scheduled for **August 1, 2014** (hereinafter the "**Anticipated Closing Date**");

**WHEREAS** the anticipated operational deficit of the DIP Borrower and the DIP Real Guarantor until the Anticipated Closing Date is estimated at **\$325,000**, as appears from a copy of the revised cash flow attached hereto as **SCHEDULE "B"** (hereinafter the "**Revised Cashflow**");

**NOW THEREFORE:**

1. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the DIP Loan;
2. The DIP Lender authorizes the DIP Borrower and the DIP Real Guarantor, and hereby directs and authorizes the Monitor to use an amount of ~~\$325,000~~ **up to** from the DIP Loan to allow for the payment of the operational deficit as anticipated and in accordance with the Revised Cashflow:

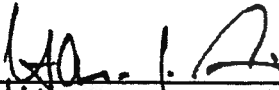
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**IFB BETEILIGUNGEN AG i.L., as DIP Lender**

By:   
Name: HANS-JOACHIM CHAUVEL  
Title: LIQUIDATOR

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**EXHIBIT B**



Casperding IFB Realty Inc.  
Comparative Cash Flow for the period March 1 to April 30, 2014

	March 1 to 31, 2014 Actual	March 1 to 31, 2014 Projections	Actual vs. Projections Variance	April 1 to 30, 2014 Actual	April 1 to 30, 2014 Projections	Actual vs. Projections Variance	Total Variance March 1 to April 30, 2014	May 1 to 16, 2014 Actual
<b>Cash Inflows</b>								
Rent Revenue	\$ 280,859	\$ 278,762	\$ 2,097	\$ 235,822	\$ 293,162	\$ (57,340)	\$ (55,243)	\$ 180,644
A/R Collections								
Parking	16,278	17,911	(1,633)	23,574	22,811	763	(870)	2,247
Other Income	687	2,000	(1,313)	-	2,000	(2,000)	(3,313)	-
Total Rent Collected	297,824	298,673	(849)	259,396	317,973	(58,577)	(59,426)	182,891
Deposits Collected from New Leases	14,025	43,200	(29,175)	39,110	50,400	(11,290)	(40,465)	11,800
Deposits Applied against Rent	(58,134)	(59,663)	1,529	(16,868)	(21,708)	4,840	8,369	(14,502)
<b>Total Cash Inflow from Operations</b>	<b>253,715</b>	<b>282,210</b>	<b>(28,495)</b>	<b>281,638</b>	<b>346,665</b>	<b>(65,027)</b>	<b>(93,522)</b>	<b>180,189</b>
<b>Cash Outflows</b>								
<b>Leasing and Marketing</b>								
Leasing Salaries	15,835	14,000	(1,835)	17,304	14,000	(3,304)	(5,139)	8,122
Leasing Commissions	925	8,100	7,175	2,724	10,800	8,076	15,251	3,191
Tenant Incentives/Tenant Improvements	5,557	3,000	(2,557)	-	9,000	9,000	6,443	2,100
Marketing Expenses	16,369	12,500	(3,869)	13,179	15,000	1,821	(2,048)	2,637
	38,686	37,600	(1,086)	33,207	48,800	15,593	14,507	16,051
<b>Lifestyle</b>								
Lifestyle Salaries	3,000	3,000	-	3,141	3,000	(141)	(141)	1,500
Lifestyle Expenses (net of related revenues)	6,256	3,667	(2,589)	2,615	3,667	1,051	(1,538)	2,121
	9,256	6,667	(2,589)	5,756	6,667	910	(1,678)	3,621
<b>Concierge</b>								
Concierge Expenses	2,800	2,850	50	2,850	2,850	-	50	2,702
	2,800	2,850	50	2,850	2,850	-	50	2,702
<b>Other Expenses</b>								
Club Sommet Monthly Charge	87,498	133,102	45,604	115,656	150,380	34,724	80,328	53,354
Corporate	4,240	4,000	(240)	5,038	4,000	(1,038)	(1,278)	4,088
Administration Salaries	7,038	7,028	(10)	7,038	7,028	(10)	(21)	3,519
Laundry Expenses				1,000	1,600	600	600	-
Interest/Bank Charges	64	300	236	216	300	84	320	133
Merchant Fees	887	1,000	113	1,076	1,000	(76)	37	1,323
	99,727	145,430	45,702	130,024	164,308	34,283	79,886	62,417
<b>Total Cash Outflow from Operations</b>	<b>150,469</b>	<b>192,546</b>	<b>42,077</b>	<b>171,838</b>	<b>222,624</b>	<b>50,786</b>	<b>92,863</b>	<b>84,790</b>
<b>Net Cash Flow from Operations</b>	<b>103,246</b>	<b>89,664</b>	<b>13,582</b>	<b>109,800</b>	<b>124,041</b>	<b>(14,241)</b>	<b>(669)</b>	<b>95,399</b>
<b>Project Expenses</b>								
Professional Fees - CCAA	38,475	30,000	(8,475)	75,782	75,000	(782)	(9,256)	52,869
Professional Fees - Transaction Advisory	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-
Project management	39,550	39,550	-	39,550	39,550	-	-	39,550
	78,025	69,550	(8,475)	115,332	114,550	(782)	(9,256)	92,419
<b>Net Cash Flow excluding Interest</b>	<b>25,221</b>	<b>20,114</b>	<b>5,108</b>	<b>(6,532)</b>	<b>9,491</b>	<b>(15,022)</b>	<b>(9,916)</b>	<b>2,980</b>
Opening Cash Balance	(18,445)	(18,445)	-	6,776	1,669	5,107	-	1,244
<b>Ending Cash Balance</b>	<b>\$ 6,776</b>	<b>\$ 1,669</b>	<b>\$ 5,108</b>	<b>\$ 1,244</b>	<b>\$ 11,169</b>	<b>\$ (9,916)</b>	<b>\$ (9,916)</b>	<b>\$ 4,224</b>



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**EXHIBIT C**

Casperdiny IFB Realty Inc.  
Cash Flow Projections - May 17 to August 1, 2014

	May 1 to 16, 2014 Actual	May 17-31 Projected	Total May 2014 Projected	June 2014 Projected	July 2014 Projected
<b>Cash Inflows</b>					
Rent Revenue	\$ 180,644	\$ 18,026	\$ 198,670	\$ 228,244	\$ 240,844
A/R Collections		22,500	22,500	20,000	20,000
Parking	2,247	18,372	20,619	22,811	22,811
Other Income	-	-	-	2,300	2,400
<b>Total Rent Collected</b>	<b>182,891</b>	<b>58,898</b>	<b>241,789</b>	<b>273,355</b>	<b>286,055</b>
Deposits Collected from New Leases	11,800	12,900	24,700	21,600	36,000
Deposits Applied against Rent	(14,502)	-	(14,502)	(17,114)	(28,364)
<b>Total Cash Inflow from Operations</b>	<b>180,189</b>	<b>71,798</b>	<b>251,987</b>	<b>277,841</b>	<b>293,681</b>
<b>Cash Outflows</b>					
<b>Leasing and Marketing</b>					
Leasing Salaries	8,122	8,122	16,244	14,000	14,000
Leasing Commissions	3,191	1,000	4,191	9,000	13,500
Tenant Incentives/Tenant Improvements	2,100	-	2,100	3,000	3,000
Marketing Expenses	2,637	5,000	7,637	10,000	10,000
	16,051	14,122	30,173	36,000	40,500
<b>Lifestyle</b>					
Lifestyle Salaries	1,500	1,500	3,000	4,167	4,167
Lifestyle Expenses (net of related revenues)	2,121	940	3,061	3,167	2,667
	3,621	2,440	6,061	7,334	6,834
<b>Concierge</b>					
Concierge Expenses	2,702	-	2,702	2,850	2,850
	2,702	-	2,702	2,850	2,850
<b>Other Expenses</b>					
Club Sommet Monthly Charge	53,354	117,853	171,208	149,373	123,488
Corporate	4,088	-	4,088	4,000	4,000
Administration Salaries	3,519	3,514	7,033	7,300	7,300
Laundry Expenses	-	-	-	300	300
Interest/Bank Charges	133	-	133	300	300
Merchant Fees	1,323	-	1,323	900	900
	62,417	121,367	183,784	162,173	136,288
<b>Total Cash Outflow from Operations</b>	<b>84,790</b>	<b>137,929</b>	<b>222,720</b>	<b>208,357</b>	<b>186,470</b>
<b>Net Cash Flow from Operations</b>	<b>95,399</b>	<b>(66,131)</b>	<b>29,267</b>	<b>69,484</b>	<b>107,221</b>
<b>Project Expenses</b>					
Professional Fees - CCAA	52,869	150,000	202,869	75,000	75,000
Project management	39,550	-	39,550	39,550	39,550
	92,419	150,000	242,419	114,550	114,550
<b>Net Cash Flow excluding Interest</b>	<b>2,980</b>	<b>(216,131)</b>	<b>(213,152)</b>	<b>(45,066)</b>	<b>(7,329)</b>
Opening Cash Balance	1,244	4,224	1,244	88,092	43,027
DIP Loan Funding	-	300,000	300,000	-	-
<b>Ending Cash Balance</b>	<b>\$ 4,224</b>	<b>\$ 88,092</b>	<b>\$ 88,092</b>	<b>\$ 43,027</b>	<b>\$ 35,698</b>
<b>DIP Loan Funding</b>					
Opening Balance - Monitor Trust Account	1,852,138	1,489,171	1,852,138	1,189,171	826,204
Mortgage Interest Paid	(362,967)	-	(362,967)	(362,967)	(725,934) <sup>(1)</sup>
Funding of Operations	-	(300,000)	(300,000)	-	-
<b>Ending Balance - Monitor Trust Account</b>	<b>1,489,171</b>	<b>1,189,171</b>	<b>1,189,171</b>	<b>826,204</b>	<b>100,270</b>

<sup>(1)</sup> Includes August 1 payment of July mortgage interest

*J. Mary Stefanski*

**Les Appartements Club Sommet Inc.**  
**Cash Flow Projections - May 17 to August 1, 2014**

	May 1 to 16, 2014 Actual	May 17-31 Projected	Total May 2014 Projected	June 2014 Projected	July 2014 Projected
<b>Cash Inflows</b>					
Casperdiny Monthly Charge	\$ 53,354	\$ 117,853	\$ 171,208	\$ 149,373	\$ 123,486
<b>Total Revenues</b>	<u>53,354</u>	<u>117,853</u>	<u>171,208</u>	<u>149,373</u>	<u>123,486</u>
<b>Cash Outflows</b>					
<b>Property Management</b>					
Management Fees	11,300	-	11,300	11,300	11,300
Management Offices	3,074	-	3,074	3,074	3,074
	<u>14,374</u>	<u>-</u>	<u>14,374</u>	<u>14,374</u>	<u>14,374</u>
<b>Utilities</b>					
Telephone	1,233	660	1,893	800	800
Cable Expenses	-	5,945	5,945	6,000	6,000
Internet Expenses	903	204	1,107	800	800
Cellphone Expenses	200	-	200	400	400
Wifi Monitoring	1,725	-	1,725	1,776	1,776
Electricity	-	17,408	17,408	25,700	10,000
Heat/Hot Water Tank Expense	-	-	-	5,055	-
Gaz Metro	-	14,625	14,625	6,855	1,723
	<u>4,061</u>	<u>38,842</u>	<u>42,903</u>	<u>47,386</u>	<u>21,499</u>
<b>Salaries</b>					
Security Staff	8,557	8,557	17,114	16,000	16,000
Superintendent	3,066	3,066	6,132	7,036	7,036
Cleaning Staff	2,108	3,864	5,972	7,729	7,729
Maintenance Staff	3,961	3,961	7,922	7,946	7,946
	<u>17,692</u>	<u>19,448</u>	<u>37,140</u>	<u>38,711</u>	<u>38,711</u>
<b>Maintenance &amp; Repairs</b>					
General maintenance & repairs	9,137	5,198	14,335	12,000	12,000
	<u>9,137</u>	<u>5,198</u>	<u>14,335</u>	<u>12,000</u>	<u>12,000</u>
<b>Other Expenses</b>					
Major Expenditures	5,600	-	5,600	10,000	10,000
Office Expenses	504	568	1,072	650	650
Interest/Bank Charges	32	-	32	500	500
Superintendent Unit	1,954	-	1,954	1,954	1,954
	<u>8,090</u>	<u>568</u>	<u>8,658</u>	<u>13,104</u>	<u>13,104</u>
<b>Syndicate Fees</b>					
Contribution to Syndicate	-	23,798	23,798	23,798	23,798
Contingency Funds	-	30,000	30,000	-	-
	<u>-</u>	<u>53,798</u>	<u>53,798</u>	<u>23,798</u>	<u>23,798</u>
<b>Total Cash Outflows</b>	<u>53,354</u>	<u>117,853</u>	<u>171,208</u>	<u>149,373</u>	<u>123,486</u>
<b>Net Cash Flow</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

*J. Mason-Defarone*