

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

CITY OF TORONTO

Applicant

- and -

UPWOOD PARK/SALVADOR DEL MUNDO COOPERATIVE HOMES INC.

Respondents

**SUPPLEMENTARY REPORT TO THE SECOND REPORT OF BDO CANADA LIMITED
IN ITS CAPACITY AS INTERIM RECEIVER OF UPWOOD PARK/SALVADOR DEL MUNDO
COOPERATIVE HOMES INC.**

FEBRUARY 18, 2022

Table of Contents

INTRODUCTION AND PURPOSE.....	2
CO-OP'S FINANCIAL STATUS ON JANUARY 31, 2022.....	2

Appendix

Email of M. Spence, Aird & Berlis to A. Landry of Colautti Landry Partners LLP dated February 2, 2022	A
--	---

INTRODUCTION AND PURPOSE

Background and purpose

1. This supplementary report dated February 18, 2022 (the “**Supplementary Report**”) is filed by BDO Canada Limited in its capacity as the Interim Receiver and Manager (“**Interim Receiver**”) of Upwood Park/Salvador Del Mundo Cooperative Homes Inc. (“**Co-op**” or “**Upwood**”) pursuant to section 85(6) of the *Housing Services Act, 2011* (“**HSA**”) as appointed by the City of Toronto and subsequently the Interim Order of J. McEwen of the Ontario Superior Court of Justice (the “**Court**”) dated March 12, 2021.
2. This Supplementary Report has been prepared for the use of this Court and the Co-Op’s stakeholders to provide additional information in connection with the Moving Party’s Factum. Accordingly, the reader is cautioned that this Supplementary Report may not be appropriate for any other purpose.

Co-op’s Financial Status on January 31, 2022

3. At their request, the Interim Receiver provided access to the Co-op’s bank accounts to the opposing tenants legal counsel, Colautti Landry Partners Professional Corporation, (“**CLP**”) for the period beginning July 17, 2020 through December 31, 2021.
4. On February 2, 2022, following a follow-up request from CLP, the Interim Receiver’s legal counsel, Aird & Berlis LLP (“**A&B**”) wrote to CLP by email to confirm the additional upload of the January 2022 bank statements to CLP. A&B’s email to CLP cautioned that the account balance did not reflect actual funds available and included deposits under contract with the Canada-Ontario Community Housing Initiative (“**COCHI Funding**”), numerous uncashed supplier and vendor payments, and approximately \$120,000 of subsidy overpayments due on February 1, 2022. A copy of the A&B email of February 2, 2022 is attached as **Appendix “A”** to this Supplementary Report.
5. Paragraph 45 of the Moving Party’s Factum disregards Ms. Spence’s email advising that the funds in the bank accounts are earmarked for various operating issues and financial obligations.
6. A detailed calculation of amounts that should be deducted from the misrepresented amount in the Moving Party’s Factum at paragraph 45 including, COCHI Funding, issued and uncashed cheques and subsidy overpayments confirmed for 2020 and estimated for 2021, is shown below:

Upwood Park/Salvador Del Mundo - Financial position on January 31, 2022

Balance in Receiver's trust account	\$ 823,497	
Balance in Co-ops account	65,920	
Total account balances		\$ 889,417
Amount payable for 2020 subsidy overpayment	(119,244)	
Estimated amount payable for 2021 subsidy overpayment	(176,280)	
Deposit for COCHI funding - 1/3 of funds (2 roofs)	(300,000)	
Deposit for COCHI funding - 1/3 of funds (brick remediation)	(20,205)	
Deposit for COCHI funding - 1/3 of funds (garage ramp/heat tracing)	(27,000)	
Deposit for COCHI funding - 1/3 of funds (CO Monitors)	(4,500)	
Issued and uncashed cheques- vendor/supplier	(237,057)	
Total funds reserved for repayment/capital projects		(884,286)
Balance of funds available		\$ 5,131

7. Accordingly, there are no surplus funds available from the Co-Op's bank accounts.

All of which is respectfully submitted this 18th day of February 2022.

**BDO CANADA LIMITED,
in its capacity as the Court-appointed Interim Receiver of
Upwood Park/Salvador Del Mundo Cooperative Homes Inc., and
not in its personal or corporate capacity**

Per:



Anna Koroneos, CIRP, LIT
Vice President