

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

CITY OF TORONTO

Applicant

- and -

UPWOOD PARK/SALVADOR DEL MUNDO COOPERATIVE HOMES INC.

Respondent

FOURTH REPORT OF BDO CANADA LIMITED
IN ITS CAPACITY AS INTERIM RECEIVER OF UPWOOD PARK/SALVADOR DEL MUNDO
COOPERATIVE HOMES INC.

January 8, 2026

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INTRODUCTION AND BACKGROUND

Introduction

1. Upwood Park/Salvador Del Mundo Cooperative Homes Inc. (the “**Co-Op**” or “**Upwood**”) is the second largest cooperative housing project in the City of Toronto (the “**City**” or the “**Service Manager**”). It is comprised of two buildings with a total of 318 units housing over 800 people. Upwood receives an annual subsidy from the City’s Housing Stability Services program. The buildings are situated on land owned by and leased to Upwood by Colandco Co-Operative Homes Inc. (“**Colandco**”). Colandco is owned by the Co-operative Housing Federation of Toronto (“**CHFT**”). For the twelve-month period ending August 2025, Upwood received a subsidy from the City of over \$2.54 million. In total, Upwood’s annual revenue is in excess of \$6.4 million generated from rents, subsidies and ancillary revenue. The Co-Op holds significant cash balances between its operating and capital reserve accounts.
2. The Co-Op is comprised of two adjacent ten-story buildings with 318 units. The units include 54 one-bedroom units, 194 two-bedroom units, and 70 three-bedroom units. The two buildings are located in Toronto’s “Rustic” neighborhood, east of Jane Street just south of Highway 401 at 298 and 300 Queens Drive (collectively the “**Properties**”).
3. The Co-Op has approximately 486 Co-Op members (“**Members**”) and, collectively with non-member tenants and children, there are approximately 845 residents residing at the Properties. A Member is an individual who resides at the Properties, is in good standing in respect of their rent payments, is 16 years of age or older and has paid a \$25 member fee.
4. Co-Ops are typically governed by a volunteer board of directors, all of which are Members of the Co-Op and who reside at the Co-Op. The board of directors is comprised solely of residents of the Co-Op with no outside parties. A board of directors is elected by the Co-Op’s Members in accordance with the Co-Op’s organizational by-laws.
5. The Co-Op receives monthly funding from the City in the form of a subsidy, which is made up of an operating subsidy and a rent subsidy. The operating subsidy provides financial assistance to cover the operating costs in excess of the buildings’ market rent potential. The rent subsidy covers the difference between the amount that qualifying Members can pay, based upon their income, and the actual market (or benchmark) rent for the unit they live in. The Co-Op’s financial viability is dependent upon funding from the City, payment of rent from the residents of the Co-Op and fiscally responsible spending.

Background

6. On July 16, 2020, BDO Canada Limited ("**BDO**") was appointed interim receiver and manager (the "**Interim Receiver**") over Upwood by the City pursuant to section 85(6) of the *Housing Services Act, 2011* (the "**HSA**"). Pursuant to sections 95(2) and 95(3) of the HSA, the maximum period that an interim receiver may be appointed over a housing provider is 180 days. Such period may be extended by the Service Manager on application to the Ontario Superior Court of Justice (Commercial List) (the "**Court**").
7. The City brought an application, which was to be heard on March 12, 2021, for the purpose of extending the Interim Receiver's appointment and/or converting the interim receivership appointment to a full receivership appointment. In support of its application, the City filed the affidavit of Mario Mendes, the Housing Consultant responsible for Upwood, sworn March 8, 2021 (the "**Mendes Affidavit**"). The Mendes Affidavit provides a summary of the events which led the City to seek the appointment of the Interim Receiver and the reasons for the removal of Upwood's board of directors. A copy of the Mendes Affidavit is attached hereto as **Appendix "A"**.
8. On March 8, 2021, the Interim Receiver filed its first report to the Court (the "**First Report**") which detailed its findings and activities from the date of its appointment. A copy of the First Report, without appendices, is attached hereto as **Appendix "B"**.
9. Ms. Saffia Abdul-Haqq ("**Abdul-Haqq**") and Ms. Masbal Abokar ("**Abokar**"), both Members residing at Upwood, (together, the "**Opposing Members**"), appeared unrepresented at the March 12, 2021, hearing and requested an adjournment. The Opposing Members requested the adjournment to allow them time to engage legal counsel to assist them in opposing the extension of the Interim Receiver's appointment.
10. On March 12, 2021, the Honorable Justice McEwen (as he then was) issued an interim order extending the appointment of BDO as the Court-Appointed Interim Receiver of Upwood (the "**Interim Order**"). A copy of the Interim Order is attached hereto as **Appendix "C"**.
11. On March 24, 2021, the Opposing Members advised the Interim Receiver they were impecunious and requested that the Interim Receiver use the Co-Op's operating funds to pay a retainer to their legal counsel. The Interim Receiver advised the Opposing Members that the Co-Op's operating funds are to be used solely to fund the operation of the Co-Op and were not available to the Opposing Members.
12. On November 23, 2021, after engaging legal counsel, the Opposing Members filed motion materials setting out their request for \$50,000 to be provided to them from funds held by the City, on behalf of Upwood, to fund legal fees for the Opposing Members' proposed challenge to the extension of the

Interim Receiver's appointment. The Opposing Members relied on an affidavit sworn by Abdul-Haqq dated November 22, 2021 (the "**Abdul-Haqq Affidavit**").

13. On December 10, 2021 the Interim Receiver filed its Second Report (the "**Second Report**") which provided the Court with updates including:
 - a) information regarding the activities of the Interim Receiver since filing of its First Report; and
 - b) clarifications of factual inaccuracies and/or mischaracterizations contained in the Abdul-Haqq Affidavit, including those relating to the events leading to the appointment of the Interim Receiver.
14. On February 18, 2022 the Interim Receiver filed a Supplementary Report to the Second Report (the "**Supplementary Report**") which provided additional information in response to the Opposing Members' Factum. A copy of the Second Report and the Supplementary Report are attached hereto as **Appendix "D"** and **Appendix "E"**, respectively.
15. On February 22, 2022, the Opposing Members' funding request was heard before the Honourable Justice Penny (as he then was). On March 3, 2022, Justice Penny issued an endorsement denying the Opposing Members' request for funding. A copy of the Endorsement of Justice Penny is attached hereto as **Appendix "F"**.
16. On September 20, 2022, the Interim Receiver was advised by its counsel that the Opposing Members were in the process of retaining new legal counsel. However, the Opposing Members did not take any further substantive steps until November 5, 2024, when the Opposing Members' new counsel reached out to the Interim Receiver's counsel to schedule a court date for the purpose of having the Interim Receiver discharged.
17. On November 18, 2024, Ms. Fatema Tokhy of Rutherford LLP confirmed that she had been retained by Abdul-Haqq, Abokar and Ms. Keshia Benjamin ("**Benjamin**" and collectively, the "**Three Opposing Members**") for the purposes of pursuing the discharge of the Interim Receiver and having the Co-Op returned to the Members for self-governance. The hearing was initially scheduled for April 28, 2025, and subsequently adjourned, on consent, to June 5, 2025 to provide time for the Co-Op to elect a new board prior to the discharge motion. A copy of the Court's endorsement dated April 16, 2025, addressing the adjournment is attached hereto as **Appendix "G"**.
18. The City, CHFT and the Interim Receiver (the "**Stakeholders**") met bi-weekly during the period of time leading up to the June 5, 2025 court appearance to consider whether the Co-Op was ready to be self-governed. The Stakeholders collectively formulated a transition plan focused on setting up the Co-Op for success should the court direct the Interim Receiver to proceed to transition the Co-Op back to

self-governance. The transition plan included: i) updating the Co-Op by-laws; ii) holding an election to elect a new board of directors; iii) developing a training curriculum for the new board of directors to attend which will educate them on their roles and responsibilities as board members; and iv) a shadowing period where the newly elected board will shadow the Interim Receiver in order to expose the new board members to the various decisions they will face in their role (the “**Transition Plan**”).

19. The initial steps in the Transition Plan involved updating the Co-Op by-laws followed by an election to vote in a board of directors. In order to accomplish this, the Stakeholders developed the following schedule:

Member Meetings and Key Dates		
Date	Event	Details
February 7, 2025	Notice to Members	Communication to membership regarding the intent to transition the Co-Op back to the Members and the requirement to elect a Board of Directors
February 12, 2025	Information Session	In person Member information session on the proposed amendments to the Occupancy By-Law (a By-Law detailing the rights and obligations of the Co-Op and the Members) and the Organizational By-Law (a By-Law detailing the Co-Op's governance protocols) in order to comply with legislation under the <i>Co-operative Corporations Act</i> , the <i>Residential Tenancies Act</i> , the <i>Ontario Human Rights Code</i> and the <i>Housing Services Act</i> (“ Amended By-Laws ”).
February 19, 2025	Special Members' Meeting	In person meeting held to approve the Amended By-Laws. By-Laws are found at: https://www.upwoodcoop.ca/bylaws .
March 21, 2025	Call for Election Committee	Notification to Members asking for volunteers to participate on the Election Committee: <ul style="list-style-type: none"> a) Six (6) volunteers applied; b) An in person live draw was held to select two (2) Members from each building; c) Once elected after some discussion regarding potential conflicts or miscommunication on the role, only two volunteers remained.
April 2, 2025	Information Session	In person Member information session to discuss the roles and requirements of the Board.
April 2 to April 11, 2025	Call for Board Candidates	Board of Director candidate nominations open.
April 14, 2025	Candidate vetting	Nominees were vetting against the minimum criteria to be eligible (Member, no arrears, not bankrupt, etc.). No nominated candidates were excluded.
April 17, 2025	Notice of Candidates	The list of candidates and their bios were distributed to the Members.
April 22, 2025	Meet the Candidates	Onsite Meet the candidates held at the Co-Op; questions were put forth by CHFT and Members to all candidates.
April 23, 2025	Election Materials	Distribution of the Election Materials to Members.
April 29, 2025	Advanced Voting (Day 1)	Held in Upwood's library between 1 and 4 p.m.

April 30, 2025	Proposed Advanced Voting (Day 2)	Cancelled due to advanced voting day 1 incident.
May 7, 2025	Proposed: Election Meeting	Cancelled due to advanced voting day 1 incident.

20. The Stakeholders' intention in formulating the foregoing schedule was to have all of the transition steps, including a Members' meeting to elect a new board of directors (the "**Election Meeting**"), completed prior to the June 5, 2025, court appearance. Despite the parties' efforts, however, the election was cancelled due to an incident that occurred during the first advanced voting sessions, as detailed in the Interim Receiver's Third Report dated June 3, 2025 (the "**Third Report**"). A copy of the Third Report is attached hereto as **Appendix "H"**. By June 5, 2025, all but voting had been completed.
21. On June 5, 2025 the Honourable Justice Kimmel issued an order which approved the Transition Plan which is appended thereto (the "**June 5 Order**"). A copy of the June 5 Order is attached hereto as **Appendix "I"**. The June 5 Order ordered, amongst other things:
- a. the scheduling of the Election Meeting;
 - b. a transition period of six (6) months commencing the date following the Election Meeting wherein the new board will undertake and complete the board curriculum prepared and offered by CHFT (the "**Transition Period**");
 - c. that on or before January 16, 2026, the Interim Receiver will prepare a report to the Court detailing the steps taken by all interested parties to guide the new board along a pathway to self-governance, and setting out its recommendation as to whether it should be discharged or the Transition Period extended, to be implemented by way of a motion for directions; and
 - d. that the order of Justice McEwen dated March 21, 2021, appointing the Interim Receiver, will remain in force during the Transition Period.
22. On July 29, 2025, between 1:00 p.m. and 5:00 p.m. and on July 30, 2025, between 4:00 p.m. and 8:00 p.m., advanced voting sessions were held at the Co-Op pursuant to the Organizational by-law (the "**Advanced Voting Sessions**").
23. On August 6, 2025 at 6:00 p.m. the Election Meeting took place, and a new board was elected. A copy of the minutes of the Election Meeting is attached hereto as **Appendix "J"**. To address concerns of various Members regarding the integrity of the vote count, the Election Committee (comprised of representatives of all the stakeholders) decided to engage the services of Grant Thornton LLP, a third party accounting firm experienced with ballot counting, to act as scrutineer (the "**Scrutineer**"). The Interim Receiver took immediate steps to implement this decision and engage the Scrutineer.
24. The Scrutineer attended both Advanced Voting Sessions and retained custody of the ballot box and the keys to the ballot box. Specifically, the Scrutineer ensured the ballot box was empty before the

first vote was cast on July 29, 2025, and subsequently removed the ballot box from the Co-Op premises at the end of each Advanced Voting Session. On August 6, 2025, the Scrutineer attended the Election Meeting and supervised the voting process. At the end of the voting period, the Scrutineer opened the ballot box and counted the votes. The votes were counted in front of the membership live with the votes tallied on a spreadsheet which was displayed on an overhead screen so the Members could see the count as it was updated. The Scrutineer consisted of a team of three (3) individuals; one Scrutineer pulled the vote from the box and placed it in front of a camera which video recorded the ballot, a second Scrutineer recorded the ballot selections on a spreadsheet, and a third Scrutineer confirmed that the recording of the ballot selections on the spreadsheet was correct.

25. At the end of the Election Meeting, the Scrutineers announced the results of the Member Election. Subsequent to the Member Election, on August 13, 2025, the elected board met and decided on the positions each elected board member would hold. The Members elected to the board and their positions are as follows (the “**Board**”):

- | | | |
|------|--------------------------|---------------------|
| i. | Saffia Abdul-Haqq | President |
| ii. | Rosemarie McFarlane | Vice President |
| iii. | Kesha Benjamin | Treasurer |
| iv. | Esmeralda Sibrian-Videla | Corporate Secretary |
| v. | Amina Salah | Director |
| vi. | Isman Ismael | Director |
| vii. | Isaiah Ferguson | Director |

26. The first meeting of the Board was held on August 13, 2025, in person and via zoom. The Board was advised that they are “in training” and do not have the ability to make decisions in respect of the Co-Op until the Interim Receiver is discharged pursuant to an order of this Court.

PURPOSE

27. The purpose of this fourth report of the Interim Receiver (the “**Fourth Report**”) is to:

- a. Provide this Court with certain information pertaining to the Interim Receivership including:
 - i. the activities of the Interim Receiver since filing its Third Report;
 - ii. an update on the Transition Plan;
 - iii. the steps taken by the Stakeholders to guide the Board along a pathway to self-governance and the Stakeholders’ findings as to the Board’s readiness to govern the Co-Op;

- iv. the Interim Receiver's recommendation relating to its discharge or extension of the Transition Period;
 - v. the fees and disbursements of the Interim Receiver and its counsel; and
 - vi. the interim receipts and disbursements of the Interim Receiver (the "**Interim R&D**");
- b. Request an Order of this Court:
- i. approving the Second Report, Supplementary Report, Third Report and Fourth Report and the activities of the Interim Receiver set out therein;
 - ii. approving the professional fees and disbursements of the Interim Receiver and its counsel;
 - iii. approving the Interim R&D; and
 - iv. implementing the Interim Receiver's recommendation (detailed below) that the Interim Receivership continue until the completion of the Transition Plan.

DISCLAIMER AND TERMS OF REFERENCE

28. In preparing this Fourth Report the Interim Receiver has relied upon unaudited financial information, books and records and other documents, as well as on information and reports provided by the various stakeholders including the City of Toronto, CHFT and the Co-Op's property manager, (the "**Information**"). The Interim Receiver has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Interim Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants Canada Handbook, and accordingly, the Interim Receiver expresses no opinion or other form of assurance contemplated under CASs in respect of the Information
29. This Fourth Report has been prepared for the purposes described below and to assist the Court in making a determination of whether to approve the relief sought. Accordingly, the reader is cautioned that this Fourth Report may not be appropriate for any other purpose. The Interim Receiver will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this Fourth Report different than the provisions of this paragraph.
30. BDO assumes no responsibility or liability for loss or damage occasioned by any party as a result of the circulation, publication, re-production or use of this Fourth Report. Any use which any party, other than the Court, makes of this Fourth Report or any reliance on or a decision made based upon it is the responsibility of such party.

31. Capitalized terms not defined in this report are as defined in the First Report, Second Report, Supplementary Report and Third Report.
32. Unless otherwise stated, all monetary amounts contained in this Report are expressed in Canadian dollars.
33. All information regarding the Interim Receivership Proceedings can be accessed on the Interim Receiver's website at [Upwood Park / Salvador Del Mundo Co-operative Homes Inc. – Receivership | BDO Canada](#).

TRANSITION PLAN

34. There are a number of essential components of the Transition Plan. These components include the Board's participation in a series of workshops which would introduce the Board to relevant topics associated with managing the Co-Op (i.e. ethics, budgeting, what makes a good board member, etc.) (the "**Workshops**"). Six (6) of these workshops relate to core competencies and seven (7) are strongly recommended by the Stakeholders. These Workshops are also intended to provide exposure to day-to-day issues and decisions that need to be made and the decision-making process that the Board should follow so they are prepared to be good stewards of the Co-Op property and serve the Co-op Members. The Workshops were developed and are delivered by CHFT. In addition to the Workshops, the Transition Plan contemplates the Board undertaking job shadowing exercises - attending monthly board meetings which are chaired by the Pro Edge, the property manager (the "**Board Meetings**" and, together with the Workshops, the "**Training**"). The intention of the Training is to educate the Board on various issues and topics critical to their future role as Board members and to assist them in working through various issues they will encounter and will have to make decisions regarding.
35. In addition to providing for the Training, the Transition Plan also provides for the development of procurement plans, maintenance plans, and operational plans and policies that are to be in place before the Board can assume responsibility of the Co-Op's day-to-day operations.
36. Of the seven (7) elected Board members, two (2) were members of the Board at the time of the Interim Receiver's appointment. The other five (5) members do not have any prior Co-Op board experience.
37. Below is a summary of the Training schedule developed by CHFT and approved by the City. The Training includes all six (6) key and all seven (7) strongly recommended Workshops (one of the Workshops has two parts, and so there are fourteen (14) total Workshop sessions) and fourteen (14) Board Meetings. As of the date of this Fourth Report, five (5) Workshops and four (4) Board Meetings have been completed.

	Purpose of Meeting	Meeting Topics	Proposed Date
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1.	Board Meeting	<ul style="list-style-type: none"> • Review Director Duties • Election of Officers 	Completed – August 13, 2025
2.	Ethical Conduct Agreement Workshop	<ul style="list-style-type: none"> • Points 1 to 17 of Ethical Conduct Agreement 	Completed – August 18, 2025
3.	Ethical Conduct Agreement Workshop (continued)	<ul style="list-style-type: none"> • Points 18 to 21 of Ethical Conduct Agreement • Confidentiality/Conflict of Interest Agreement 	Completed – September 10, 2025
4.	Board Meeting / What Makes a Good Board workshop	<ul style="list-style-type: none"> • Governance vs. Management • Board Responsibilities 	Completed – September 23, 2025
5.	Board Meeting		Completed – October 23, 2025
6.	What Makes a Good Board workshop (continued)	<ul style="list-style-type: none"> • Board’s relationship with staff, members and committees • Good meeting tips 	Completed – November 13, 2025
7.	What Makes a Good Board workshop (continued)	<ul style="list-style-type: none"> • Director’s Legal Responsibilities • Conflict of Interest • Holding directors accountable 	Completed – November 20, 2025
8.	Board Meeting		Completed – November 27, 2025
9.	Board Meeting		TBD
10.	Understanding Audited Financial Statements workshop	<ul style="list-style-type: none"> • Understanding Audited Financial Statements 	January 15, 2026
11.	Board Meeting		January 29, 2026
12.	Succession Planning Workshop	<ul style="list-style-type: none"> • Board succession planning and leadership renewal 	February 12, 2026
13.	Board Meeting		February 26, 2026
14.	Strategic Planning and Oversight workshop	<ul style="list-style-type: none"> • How to set goals and plan for the Co-Op’s future 	March 12, 2026
15.	Board Meeting		March 26, 2026
16.	Asset Management workshop	<ul style="list-style-type: none"> • Investment Oversight • Asset Protection and Preservation • Capital Reserve Fund Allocation 	April 9, 2026

17.	Board Meeting		April 30, 2026
18.	Financial Training Workshop	<ul style="list-style-type: none"> • Financial Oversight and Accountability • Budgeting and forecasting • Approving/Monitoring Expenditures 	May 14, 2026
19.	Board Meeting		May 28, 2026
20.	Understanding Board's Legal Obligations workshop	<ul style="list-style-type: none"> • Regulatory Compliance • Legal Risk Management 	June 11, 2026
21.	Board Meeting		June 25, 2026
22.	AODA Refresher workshop	<ul style="list-style-type: none"> • Co-Op's responsibilities under the <i>Accessibility for Ontarians with Disabilities Act</i> 	July 9, 2026
23.	Board Meeting		July 30, 2026
24.	Organizational Bylaw Overview work	<ul style="list-style-type: none"> • Co-Op's rules about how governance decisions are made in the Co-Op 	August 13, 2026
25.	Board Meeting		August 27, 2026
26.	End of Mortgage workshop	<ul style="list-style-type: none"> • Issues for board to consider for the Co-Op's future planning 	September 17, 2026
27.	Board Meeting		October 1, 2026

38. As of the date of this Fourth Report, certain critical Workshop topics have not yet been delivered to the Board including:

- Financial Oversight and Accountability
- Budgeting and Forecasting
- Asset Protection and Preservation
- Capital Reserve Fund Allocation
- Approving and Monitoring Expenditures

39. In addition, and critically, as of the date of this Fourth Report, the procurement plans, the maintenance plans, and operational policies and practices to be developed during the Transition Period still have to be drafted, refined and put in place.

ASSESSMENT OF THE BOARD'S READINESS

40. As part of a process implemented to help assess the Board's readiness to self-govern and make decisions on behalf of the Co-Op, the Stakeholders developed a survey to allow the Board to self-evaluate their skills and readiness to take on their Board positions (the "**Survey**"). In addition, CHFT and the Interim Receiver held one-on-one interviews (the "**Interviews**") with each Board member and asked them five (5) open ended questions (the "**Interview Questions**"). The responses to the Interview Questions together with CHFT's and the Interim Receiver's observations during the Workshops and Board Meetings have helped the Stakeholders to evaluate the Board's readiness.

The Survey

41. The Survey consisted of the following eight (8) questions which each Board member was asked to answer:
- i. **Completion of Required Training:** I have finished the training given by CHFT so far, I understand it, and I know how to use what I learned.
 - ii. **Competency to Fulfill Governance Duties:** I have the skills and knowledge I need to do the legal, financial, and leadership duties of a Co-op Director.
 - iii. **Understanding of Operational Controls:** I understand the Co-op's rules and procedures (like rules for collecting arrears, spending money, and filling vacant units) that the Board will have to follow when day-to-day work moves from the Interim Receiver back to the Board.
 - iv. **Ability to Provide Oversight:** I can read, understand, and ask questions about the monthly reports from Property Management, including information on finances, capital plans, rent-geared-to-income (RGI) administration, and maintenance.
 - v. **Understanding of Risk Management:** I understand the different risks the Co-op faces (financial, operational, legal/compliance, and reputational) and how the Board needs to watch and manage these risks.
 - vi. **Engagement During Transition Activities:** I have taken part in the monthly Board Transition meetings and feel confident that I can help oversee these responsibilities with the other Directors without needing help from the Interim Receiver or CHFT.
 - vii. **Readiness for Return to Full Self-Governance:** Based on what I know, what I've learned, and my experience so far, I believe the Board is ready to follow good governance practices, make fair and informed decisions, and take full responsibility for running the Co-op without the Interim Receiver.
 - viii. **Additional Support:** I think it would help the Board to have a little more time in the Transition Period to finish the remaining training in the Transition Plan so that we are fully ready to run the Co-op.

42. The Board was requested to respond to the questions using the following rating scale:

- 1 = Strongly Disagree — I do not show this at all
- 2 = Disagree — I need a lot of improvement
- 3 = Neutral — I am partway there but not ready yet
- 4 = Agree — I am doing this well most of the time
- 5 = Strongly Agree — I am doing this very well and can show it consistently

43. By December 17, 2025, the City received, on an anonymous basis, the responses to the Survey which are summarized in the table below:

44.

Board Responses	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8
Board Member #1	5	5	5	5	4	4	5	3
Board Member #2	3	2	2	2	1	3	3	5
Board Member #3	5	5	5	5	5	5	5	5
Board Member #4	5	5	5	5	5	5	5	5
Board Member #5	5	NR	4	4	5	5	5	2
Board Member #6	4	3	4	4	4	4	3	4
Board Member #7	5	5	4	4	5	5	5	1

45. The Interim Receiver’s Observations from the responses include:

- a. Question 2 - four (4) individuals responded “Strongly Agree” to having the skills and knowledge needed to perform the legal, financial, and leadership duties of a Co-op Director. At the date of the Survey the legal and financial Workshop sessions had not yet been delivered.
- b. Question 3 - three (3) individuals responded “Strongly Agree” and three (3) individuals responded “Agree” to understanding the Co-op’s rules and procedures for collecting arrears, spending money, and filling vacant units that the Board will have to follow when day-to-day work moves from the Interim Receiver back to the Board. At the date of the Survey, the Board had been provided with the written procedures for filling vacancies and how arrears are collected. The session on approving and monitoring expenses has not yet been delivered.
- c. Question 4 - three (3) individuals responded “Strongly Agree” and three (3) individuals responded “Agree” to their ability read, understand, and ask questions about the monthly reports from Property Management, including information on finances, capital plans, rent-geared-to-income (RGI) administration, and maintenance. During the various Workshops

and Board Meetings, the Interim Receiver observed the Board members asking questions regarding these topics.

- d. Question 6 – four (4) individuals responded, “Strongly Agree” and three (3) individuals responded “Agree” to feeling confident that individual Board members can perform their responsibilities with the other Directors without needing help from the Interim Receiver or CHFT. The Interim Receiver has concerns regarding the responses given that less than half of the Workshops sessions have been delivered, and the majority of the Board do not have prior experience as Board members or dealing with the Co-Op’s business and affairs, all of which impact over 800 residents of the Properties. While two (2) members were previously on the Board, they have not held those positions nor been involved in making decisions for the Co-Op for over 5 years.
- e. Question 7 – five (5) individuals responded “Strongly Agree” and two (2) individuals responded “Neutral” to the belief that the Board is ready to follow good governance practices, make fair and informed decisions, and take full responsibility for running the Co-Op without the Interim Receiver.
- f. Question 8 – three (3) individuals answered “Strongly Agree” and the balance of the individuals responded: “Agree” (1), “Neutral” (1), “Disagree” (1) and “Strongly Disagree” (1) to the question of whether it would help the Board to have a little more time in the Transition Period to finish the remaining training in the Transition Plan so that they are fully ready to run the Co-Op. Given that only a portion of the Workshops have been delivered, the responses are consistent with the expectation that the Board needs additional training to be prepared to self-govern and deal with the Co-Op’s business and affairs.

The Interview Questions

46. Prior to the Interviews, the Board was provided with the following five (5) questions and asked to prepare responses to be delivered during the in-person Interviews. All Board members except one attended the Interviews.
 - a. What skills or knowledge have you acquired from your board experience since August 2025?
 - b. Here is a list of the workshop sessions conducted to date.
 - i. Which training sessions were most useful to you and why?
 - ii. Which training sessions were most challenging and why?
 - iii. Which workshop topics would you like more information on?
 - c. These actions have come up in past meetings. Please rank them in order of importance and briefly explain why?
 - i. Building Condition Assessment

- ii. Bike rack installation
 - iii. Arrears management
 - iv. Procurement of property management services
 - v. Review of the internal transfer policy
 - d. Do you feel ready to make business decisions and governance decisions on behalf of the co-op, as a whole? If yes or no, why?
 - e. If two or more governing documents conflict with each other, which one takes priority?
 - i. Board of directors resolution
 - ii. Co-op by-laws
 - iii. The *Provincial Co-operative Act*
 - iv. Co-Op Policies
47. Each of the Board members who attended the Interviews was prepared and their responses were well articulated. Each Board member responded that they feel ready to make decisions on behalf of the Co-Op.
48. The Interim Receiver notes that, based on the feedback received, the degree to which the Board members felt comfortable and ready to make decisions on behalf of the Co-Op was based, in part, on the degree to which responsibility for the day-to-day operations of the Co-Op falls to the property management company and the degree to which CHFT is a resource they could rely on. The Interim Receiver notes that, although property managers are involved in the day-to-day management of housing co-ops such as Upwood, elements of the Training that the Board has yet to complete (such as the several outstanding financial courses that form part of the curriculum) are designed to give the Board tools so that they can, moving forward, assess whether the property management company (current or future) is able to fulfill its role and serve the interests of the Co-op and members.

INTERIM RECEIVER'S RECOMMENDATION ON TRANSITION

49. The Interim Receiver continues to support the Transition Plan. A significant amount of planning has gone into the transition framework, which will assist individual Board members in gaining the knowledge, skills and experience necessary to understand a board's roles and responsibilities.
50. Though there are some members of the Board that have not finished the Training courses that CHFT has provided to date, the elected Board have taken positive steps to comply with the Transition Plan and complete the Training. However, there remain steps in the Transition Plan that have yet to be completed.
51. As of the date of this Fourth Report, the Board has not completed the full curriculum designed to train the Board, nor has the Board been exposed to various critical issues/topics which are fundamental to

the operation of the Co-Op. The Interim Receiver believes that the Board members will benefit from further education and experience, as contemplated by the remainder of the Transition Plan, prior to resuming authority over the Co-Op.

52. In addition, the Board and the Interim Receiver still have to develop and finalize the procurement plans, maintenance plans, and operational plans and policies that are to be in place before the Board can assume responsibility for the management of the Co-Op moving forward.
53. In the circumstances, the Interim Receiver recommends that the Transition Plan, including the full Training curriculum, be completed prior to the Interim Receiver's discharge. The Interim Receiver therefore recommends that it return to Court on or before June 30, 2026, to provide a further report on the Board's progress towards self-governance, along with its recommendation as to whether the Interim Receiver should be discharged at that time.

PROFESSIONAL FEES OF INTERIM RECEIVER AND ITS COUNSEL

54. Pursuant to the Interim Order, the Interim Receiver has provided services and incurred disbursements that are more particularly described in the Affidavit of Josie Parisi, sworn January 7, 2026 and detailed invoices attached hereto as **Appendix "K"**.
55. The detailed time descriptions contained in the invoices provide a fair and accurate description of the services provided and the amounts charged by BDO as Interim Receiver. Included with the invoices is a summary of the time charges of partners and staff, whose services are reflected in the invoices, including the total fees and hours billed.
56. BDO requests that the Court approve its accounts for the period from July 16, 2020, to November 30, 2025 in the amount of \$1,409,083.57 for fees and disbursements, inclusive of HST of \$162,091.79.
57. The fees of the Interim Receiver's counsel, Aird & Berlis LLP, for the period of July 17, 2020, to November 30, 2025 were \$49,899.00 plus disbursements of \$65.00 and HST of \$6,492.24 for an aggregate amount of \$56,456.24 as set out in the affidavit of Kyle Plunkett sworn January 7, 2026, a copy of which is attached hereto as **Appendix "L"**.
58. The Interim Receiver respectfully submits that the fees and disbursements incurred by the Interim Receiver and its independent legal counsel are reasonable in the circumstances and have been validly incurred in accordance with the provisions of the Interim Order.

RECEIPTS AND DISBURSEMENTS

59. Appended hereto as **Appendix "M"**, is the Interim Receiver's Statement of Receipts and Disbursements for the period July 16, 2020 to November 30, 2025 (the "**R&D Statement**"). The R&D

Statement reports net receipts over disbursements of \$459,491.79 for the period. The R&D Statement excludes the Co-Op's capital reserve fund.

SUMMARY AND RECOMMENDATIONS

60. The Interim Receiver respectfully requests that the Court grant the relief detailed in paragraph 27.b.

All of which is respectfully submitted this 8th day of January 2026.

**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:



Name: Josie Parisi, CPA, CA, CBV, CIRP, LIT
Title: Senior Vice President

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