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Frequently Asked Questions (FAQ)
Carriage Hills Vacation Owners Association & Carriage Ridge Owners Association
March 23, 2021

BDO Canada Limited (“**BDO**”) was appointed as Administrator over Carriage Hills Vacation Owners Association (the “**Carriage Hills Resort**”) and Carriage Ridge Owners Association (the “**Carriage Ridge Resort**”) and together with Carriage Hills, the “**Resorts**”) pursuant to Court orders granted May 15, 2020. Subsequently, pursuant to Amended and Restated Appointment Orders dated December 11, 2020, BDO was appointed as Receiver, with an effective date of January 6, 2021, over all of the assets, undertakings and properties of the Resorts (the “**Property**”), together with the lands and premises on which the Resorts operate (the “**Lands**” and collectively with the Property, the “**Resort Assets**”).

Pursuant to the Amended and Restated Appointment Orders the Receiver is empowered and authorized to market the Resort Assets for sale (the “**Sales Process**”). The Receiver is empowered and authorized to sell the Resort Assets, subject to Court approval.

The Receiver understands that many owners have questions with respect to the Sales Process and certain other matters with respect to the Resorts. To assist owners, below is a list of Frequently Asked Questions received by the Receiver designed to be responsive to such questions or concerns.

1. What is the Sales Process for the Resort Assets?

The Sales Process as detailed in the Receiver’s Transition Report to the Court dated December 22, 2020, includes:

- a) A six-month listing agreement with a commercial realtor;
- b) A marketing period of four to eight weeks;
- c) Listing the Resorts unpriced;
- d) Marketing the Resorts on both a separate and combined basis;
- e) An offer bid date to be established by the agent in consultation with the Receiver;
- f) An offer acceptance date to be set a minimum of 30 days after the Resort Assets are exposed to the market or any other date determined by the agent in consultation with the Receiver;
- g) Marketing to a multitude of prospective purchasers from a broad range of industries and potential target markets; and
- h) A robust marketing plan including:
 - i. Brochures and flyers;
 - ii. Videography;
 - iii. A confidential information memorandum (“**CIM**”) which provides details related to the Resorts;
 - iv. Email and direct mailing campaigns;
 - v. Online advertising;
 - vi. National newspaper advertising;
 - vii. Listing the Resorts on MLS;
 - viii. Virtual and on-site tours;



- ix. A secured online data room to facilitate information exchange;
- x. Direct meetings with potential buyers; and
- xi. Bi-weekly reporting to the Receiver.

2. What is the status and timeline associated with the Sales Process?

The Receiver engaged Colliers Macaulay Nicolls Inc (“**Colliers**”) as the real estate brokerage to list the Resort Assets for sale. The listing agreement between the Receiver and Colliers commenced on January 20, 2021. After finalizing the marketing materials and strategy, Colliers brought the Resort Assets to market on February 1, 2021. Summarized in the table below are the key dates associated with the Sales Process. The Receiver reserves its rights to adjust the timelines below as necessary.

Item	Date	Status
Engage realtor	January 20	Complete
Soft marketing period	January 20	Complete
List on MLS	January 20	Complete
Marketing and data room launch	February 1	Complete
Mailing campaigns	February 1 (weekly)	Complete
CIM	February 1	Complete
Reporting to Receiver	February 5 (weekly)	Complete
Globe & Mail Ad	February 9	Complete
Virtual video tour	February 12	Complete
Non-binding letter of intent (LOI) submission deadline	March 16	Complete
End of marketing period	March 16	Complete
LOI presentation to Receiver	March 17	Complete
Agreement of purchase and sale (APS) submission deadline	March 26	In progress
APS presentation to Receiver	March 29	Incomplete
APS execution date	TBD	Incomplete
Purchaser due diligence	TBD	Incomplete



Item	Date	Status
Court approval of sale transaction(s)	TBD	Incomplete
Closing of sale transaction(s)	TBD	Incomplete

3. Why has the Receiver not provided the owners with detailed updates with respect to the Sales Process?

In order to preserve the integrity and efficacy of the court-supervised Sales Process, as well as to maximize recoveries for owners, it is imperative that the Receiver keep confidential all information regarding, but not limited to, appraisals, valuations, confidentiality agreements executed, market interest, letters of intent and offers received (the “**Confidential Information**”).

4. When will the Receiver disclose the Confidential Information?

At the appropriate time, the Receiver will bring a motion before the Court to approve the sale of the Resort Assets. The Receiver will present the Confidential Information to the Court at that time. All owners are welcome to view the proceedings in this respect. In order to maintain the integrity and efficacy of the Sales Process, the Receiver will not provide the Confidential Information to owners, as doing so may negatively affect the closing of the Resort Assets’ sales transaction(s).

For clarity, the Receiver will not be releasing the Confidential Information to owners until such time that the Receiver may be ordered by the Court to make public the Confidential Information. Generally, the Court will maintain the confidentiality of information until the closing of a transaction or further Court order. This is typical of Court supervised sales.

5. How will the proceeds from the sale of the Resort Assets and the recoveries from the Receiver’s Collection Plan be distributed to owners?

The Receiver is currently in the process of developing a distribution process (the “**Distribution Process**”). The Receiver will seek Court approval for the Distribution Process before implementing same to ensure owners receive the distributions to which they are entitled.

6. I would like to pay my arrears. To whom do I make payment?

Owners who are not already in litigation or in a payment arrangement with the Resorts’ collection agent and would like to pay their arrears should make payment to the Receiver by mailing a cheque to the following address and payees.

For arrears related to the Carriage Ridge Resort:
BDO Canada Limited, Receiver of Carriage Ridge Owners Association
20 Wellington St. E. Suite 500
Toronto, Ontario
M5E 1C5

For arrears related to the Carriage Hills Resort:
BDO Canada Limited, Receiver of Carriage Hills Vacation Owners Association
20 Wellington St. E. Suite 500
Toronto, Ontario
M5E 1C5



For matters related to payment plans, owners should contact the collection agent, being:

Canadian ICR Ltd.
Derek Beaudoin
65 Cedar Pointe Dr. Suite 480
Barrie, Ont., L4N 9R3
T: 416-848-7465 Ext. 9162 F:416-981-8948 E: dbeaudoin@canadianicr.ca

7. I would like to receive information on what is happening with the Resorts.

All information related to the Resorts can be found at the following link to BDO's case website <https://www.bdo.ca/en-ca/extranets/carriage/>. In addition, dedicated email addresses have been created to receive questions any stakeholders may have. The email addresses are:

For Carriage Hill Resort inquiries: BDOCarriageHills@bdo.ca
For Carriage Ridge Resort inquiries: BDOCarriageRidge@bdo.ca

8. How will delinquent owners be treated for distribution purposes? Will they receive any proceeds from the sale?

As noted in FAQ # 5 above, the Receiver is currently developing the Distribution Process. However, it is anticipated that amounts due from delinquent owners will be deducted from any distribution to be made to those owners for their respective share. It is also anticipated that collection efforts will continue in an attempt to collect the outstanding amounts where the arrears exceeds a delinquent owner's distribution entitlement.

9. Why was there a problem with the last YouTube link provided to owners?

Aird & Berlis LLP has indicated that they inadvertently provided an incorrect link to BDO for the hearing on March 10, 2021. Aird & Berlis LLP will be advising the Court to correct the record in that respect. It will also voluntarily to reduce its fees in the sum of \$10,000, which exceeds the fees incurred for both the March 8, 2021 and March 10, 2021 attendances.

10. When is the next Court attendance?

The Receiver anticipates the next Court attendance will be in May 2021, subject to Court availability.