

FORM 87**NOTICE AND STATEMENT OF RECEIVER**

Subsection 245(1) and 246(1) of the *Bankruptcy and Insolvency Act*

**IN THE MATTER OF THE RECEIVERSHIP OF
1759255 ALBERTA LTD. O/A AKAI APARTMENTS**
of the Town of Canmore, in the Province of Alberta

THE RECEIVER GIVES NOTICE AND DECLARES THAT:

On March 4, 2020, the Court of Queen's Bench of Alberta granted an Order (the "Receivership Order") appointing MNP Ltd. as Receiver (the "Receiver") over the following property of 1759255 Alberta Ltd. O/a the Akai Apartments ("1759255"):

1. Lands municipally located at 1717 Mountain Ave in Canmore Alberta (the "Akai Property"); and
2. All of the current and future assets and undertakings and properties of every nature and kind whatsoever of the Akai Property including all proceeds thereof (collectively, the "Property").

The Receivership Order was granted following an application by MCAP Financial Limited Partnership, who holds a first-ranking mortgage against the Property, a general security agreement against 1759255 and a general assignment of rents and leases.

Pursuant to a further Order, also granted on March 4, 2020, the Receivership Order was stayed (the "Stay Order"). The Stay Order allowed for the filing of the Receivership Order upon the occurrence of specific events or upon further Order of the Court. One of these events was if legal counsel to MCAP did not receive a payment of approximately \$614,900 by March 11, 2020 (the "March 11 Event"). The March 11 Event did not occur and so the stay was lifted, and the Receivership Order was filed on March 12, 2020.

A copy of the Receivership Order and other information regarding these proceedings can be found on the Receiver's website at <https://mnpdebt.ca/akai>

BACKGROUND

1759255 was incorporated under the laws of Alberta on July 8, 2013 with its sole business being as the owner and operator of the Property. The Property was originally operated as a motel and was converted at some point to its current function of being a short-term month to month apartment complex. The Property was originally built in the 1970's and has maintained operations in various forms since that time.

ASSETS

Following the filing of the Receivership Order, the Receiver took possession and control of the Property. The Receiver notes as follows with respect to the Property:

1. All of the Property is subject to registered security interests. The Receiver has not yet obtained a legal opinion as to the validity and enforceability of these security agreements.
2. The Property consists of two one-story buildings that currently operate as a short-term apartment complex with 21 of 45 units occupied by short term tenants. There is also a 36-stall parking lot for the tenants.
3. Three of the 45 units were utilized by 1759255 to act as an office and two storage rooms.

CREDITORS

The Receivership Order was granted pursuant to an application by MCAP, who is owed approximately \$2.4 million pursuant to the MCAP Mortgage. In addition to MCAP, the following creditors have registered interests that appear in searches of the Alberta personal property registry or on title for the Property:

1. 1028198 Alberta Ltd.
2. ATB Financial, and
3. Olympia Trust Company.

In addition to MCAP, the books and records of 1759255 suggest that they have unsecured creditors with claims of approximately \$22,800. A listing of known creditors is attached.

PLAN OF ACTION

The Receiver is continuing to follow up with management to take possession of all books and records for 1759255.

The Receiver has issued a request for proposal ("RFP") to several commercial real estate brokers to list and market the Property for sale. The RFP has a deadline of March 25, 2020 with the marketing process to begin immediately thereafter. Any corresponding sale(s) will be subject to Court approval.

The contact person for the Receiver is as follows:

MNP Ltd.
1500, 640 – 5th Avenue SW
Calgary, AB T2P 3G4
Rick.anderson@mnp.ca

Attention: Rick Anderson

This Notice is provided for information purposes only. The Receiver has not yet implemented a process to deal with creditors' claims and, as such, no further action is required by creditors at this time. Further information with respect to the receivership proceedings will be posted to the Receiver's Website as it becomes available.

Dated at Calgary, Alberta this 19th day of March 2020.

MNP Ltd. in its capacity as the Receiver and Manager
for 1759255 Alberta Ltd. o/a Akai Apartments and not in
its personal capacity



Vanessa Allen, B. Comm, CIRP, LIT
Senior Vice President

- Creditor Mailing List -

Creditor Type	Name	Attention	Address	Claim \$
Preferred	Jay Choi		21-241 Benchlands Tern Canmore AB T1W 2G1	1.00
Secured	1028198 Alberta Ltd.		700 - 2 Street SW Calgary AB T2P 2W1	
	ATB Financial		3699 63rd Avenue NE Calgary AB T3J 0G7	
	MCAP Financial Corporation		200 King Street West - Suite 400 Toronto ON M5H 3T4	
	Olympia Trust Company		125 - 9 Avenue SE Calgary AB T2G 0P6	
Unsecured	Alberta Hotel & Lodging Association		2707 Ellwood Drive SW Edmonton AB T6X 0P7 accounting@ahla.ca	1.00
	Bow Valley 24/7 Plumbing and Heating Ltd.		AKAI-1107 105-85 Dyrkas Gate Canmore AB T1W 3L1 payments@bowvalley247.com	582.70
	Caron & Partners LLP	Jarold Switzer	Fifth Avenue Place - West Tower 2120, 237 - 4th Avenue SW Calgary AB T2P 4K3 Fax: (403) 237-0111 dgilborn@caronpartners.com	1.00
	CRA - Canada Revenue Agency		PO Box 3800 Stn A Sudbury ON P3A 0C3	1.00
	Direct Energy Regulated Services	Credit & Collections Centre	760010511441 PO Box 1520 639-5 Avenue SW Calgary AB T2P 5R6 Fax: (866) 374-6199 ders_inquiries@directenergy.com	2,808.01
	EPCOR Energy Alberta GP Inc. c/o General Credit Services Inc.		33390493 PO Box 3780, VMPO Vancouver BC V6B 3Z1 Fax: (604) 688-6017 insolvency@generalcsi.com	1,703.23
	Leef Living Ltd.		204, 2635 - 37 Ave NE Calgary AB T1Y 5Z6 ben.li@leeliving.com	1.00
	Miles Davison LLP		Terry Czechowskyj 900 - 517 - 10th Ave SW Calgary AB T2R 0A8 Fax: (403) 263-6840 thefirm@milesdavison.com	1.00
	MLT Aikins LLP	Ryan Zahara	2100 Livingston Place, 222 - 3 Ave SW Calgary AB T2P 0B4 rzahara@mltaikins.com	1.00

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Creditor Type	Name	Attention	Address	Claim \$
Unsecured	Shaw Cable Systems G.P.		031-4594-0198 Po Box 2468 Stn Main Calgary AB T2P 4Y2	3,447.26
	Shaw Communications Inc. - Calgary	Payment Solutions	031-6362-0958 200-3671 Uptown Blvd Victoria BC V8Z 0B9 Fax: (604) 629-4066 mbxPaymentSolutionsBankruptcyNational@sjrb.ca	728.37
	Shaw Telecom G.P.		20049 Po Box 1607, Stn M. Calgary AB T2P 2L7	3,708.81
	Song Song Li		7107 - 26 Ave SW Cagary AB T1Y 3X2	1.00
	Town of Canmore		11422 902 7th Avenue Canmore AB T1W 3K1 Fax: (403) 678-1524 taxes@canmore.ca	8,728.79
	Waste Connections of Canada Inc.		7400-003600-0000 285122 Bluegrass Drive Rocky View AB T1X 0P5	1,097.32
	WCB Workers Compensation Board of Alberta		PO Box 2415 Edmonton AB T5J 2S5 Fax: (780) 498-7999 employer.account.services@wcb.ab.ca	1.00