Clerk's Stamp

COURT FILE NUMBER 1901-

COURT Court of Queen's Bench Of Alberta

JUDICIAL CENTRE Calgary

IN THE MATTER OF SECTION 47 OF THE BANKRUPTCY

AND INSOLVENCY ACT, RSC 1985 C B-3

AND IN THE MATTER OF SECTION 13(2) OF THE

JUDICATURE ACT, RSA 2000, C J-2

AND IN THE MATTER OF SECTION 49 OF THE LAW OF

PROPERTY ACT, RSA 2000, CL-7

APPLICANT(S) FIERA PROPERTIES DEBT STRATEGIES LTD. AND

THOSE OTHER APPLICANTS SET OUT IN THE

ATTACHED SCHEDULE "A-1"

RESPONDENTS CENTER STREET LIMITED PARTNERSHIP BY ITS

GENERAL PARTNER, CENTER STREET GP LTD., AND

THOSE OTHER RESPONDENTS SET OUT IN THE

**ATTACHED SCHEDULE "A-2"** 

DOCUMENT AFFIDAVIT OF PETER DIMAKARAKOS

CONTACT Fasken Martineau DuMoulin LLP

INFORMATION OF PARTY FILING THIS 3

DOCUMENT:

Barristers and Solicitors 3400 First Canadian Centre

350 – 7 Avenue SW

Calgary, Alberta T2P 3N9

Travis Lysak

tlysak@fasken.com Tel: 403.261.5501 Fax: 403.261.5351 File Number:

### AFFIDAVIT OF PETER DIMAKARAKOS

#### Sworn on December 18, 2019

# I, Peter Dimakarakos of the City of Toronto, in the Province of Ontario, SWEAR AND SAY THAT:

1. I am the Managing Director and Head of Debt Strategies at Fiera Properties Debt Strategies Ltd., as representative for and on behalf of Fiera Properties CORE Mortgage Fund, as lender ("**Fiera**") and have personal knowledge of the matters herein deposed to except where otherwise stated.

# **Mission 17 and Center Street Entities**

- 2. Pursuant to a Mortgage Loan Commitment dated May 2, 2018 between Fiera and Center Street GP Ltd., as general partner for Center Street Limited Partnership (collectively, the "Center Street Entities"), Fiera provided a three year \$11,500,000 loan to the Center Street Entities (the "Center Street Loan") with respect to a property municipally described as 1716 Center Street SE, Calgary, AB and 103 17<sup>th</sup> Avenue SW, Calgary, AB ("Mission 17"). A copy of the Mortgage Loan Commitment is marked as Exhibit "A", but not attached hereto.
- 3. As security for the repayment of the Center Street Loan, Fiera was granted, amongst other security, the following:
  - (a) First Lien Land Mortgage dated May 22, 2018 in the principal amount of \$11,500,000 (the "Mortgage");
  - (b) General Assignment of Rents and Certain Lease Rights dated May 22, 2018 (the "Assignment of Rents"); and
  - (c) General Security Agreement dated May 22, 2018 (the "GSA").
  - the Mortgage, Assignment of Rents, and GSA are marked as Exhibits "B", "C" and "D", but not attached hereto.
- 4. Both the Mortgage (at Section 33) and the GSA (at Article G(1)(b)) permit Fiera to appoint a receiver over the security granted to Fiera by the Center Street Entities upon the occurrence of an Event of Default under each agreement.

#### **Default and Indebtedness**

- 5. As per paragraphs 171 and 172 of the First Affidavit of Riaz Mamdani (the "First Mamdani Affidavit") filed in Court of Queen's Bench Action No. 1901-17453 (the "CCAA Proceedings"), the Center Street Entities are in default under the above mentioned security.
- 6. The Center Street Entities defaulted on an interest payment under the Mortgage Loan Commitment due and payable on December 1, 2019.
- 7. As of December 20, 2019, the sum of \$12,158,374.66 is owed to Fiera in respect of the Center Street Loan.

# CCAA Proceedings and Receivership

- 8. Fiera does not support the extension of the CCAA Proceedings beyond Thursday, December 19, 2019.
- 9. Fiera has lost faith in the ability of the Strategic Group (as referred to in the First Mamdani Affidavit), including the Center Street Entities, to manage Mission 17 and does not agree with any plan or strategy that is being put forward by the Strategic Group.

- 10. Fiera will suffer significant prejudice if the CCAA Proceedings are extended beyond December 19, 2019. Such prejudice will include, but is not limited to:
  - (a) the staying of Fiera's rights that it is entitled to exercise upon an Event of Default under its security, and the inhibiting of Fiera to manage its risk and exposure related to Mission 17 on its own terms and in the manner it believes to be most appropriate; and
  - (b) the erosion of Fiera's security that will occur in the CCAA Proceedings with respect to the funding and management of the CCAA Proceedings, as well as the depletion of Fiera's security for the benefit of other entities in the Strategic Group, and to no benefit of Fiera.
- 11. Based on the foregoing, Fiera supports the Originating Application filed in these proceedings to appoint Alverez & Marsal Inc. ("A&M") as receiver over, amongst other properties, Mission 17.
- 12. In the event the CCAA Proceedings are terminated and the Originating Application is not granted, Fiera anticipates that it will be immediately issuing a demand letter and Section 244 Notice of Intention to Enforce Security on the Center Street Entities.
- 13. I swear this affidavit in support of the termination of the CCAA Proceedings and the granting of the Originating Application filed by various secured lenders in these proceedings.

SWORN BEFORE ME at Toronto, Ontario,
this 18<sup>th</sup> day of December, 2019.

PETER DIMAKARAKOS

A Notary Public in and for the Province of
Ontario

Ontario

SCHEDULE "A.1" – The Applicants	SCHEDULE "A.2" – The Respondents
ACM Advisors Ltd.	Sundance Place II Ltd. and Sundance     Place II 1000 Limited Partnership by its     general partner Sundance Place II Ltd.
ATB Financial	Bonavista Square Ltd. and Bonavista     Square Limited Partnership by its general     partner Bonavista Square Ltd.
	Stony Plain Capital Corp. and Stony Plain Limited Partnership by its general partner, Stony Plain Capital Corp.
	Airdrie Gateway Block 3 Capital Corp. and Airdrie Gateway Block 3 Limited Partnership by its general partner, Airdrie Gateway Block 3 Capital Corp.
Bank of Montreal	Aura Capital Corp. and Aura Limited     Partnership by its general partner Aura     Capital Corp.
	Avenida Village Ltd. and Avenida Village Limited Partnership by its general partner Avenida Village Ltd.
	One Six Capital Corp. and One Six     Limited Partnership by its general partner     One Six Capital Corp.
CMLS Financial Ltd.	Aura Capital Corp. and Aura Limited     Partnership by its general partner Aura     Capital Corp.
Fiera Properties Debt Strategies Ltd.	Center Street Limited Partnership by its general partner, Center Street GP Ltd.
Industrial Alliance Insurance and Financial Services	Inglewood 9 <sup>th</sup> Avenue GP Ltd. and Inglewood 9 <sup>th</sup> Avenue Limited     Partnership by its general partner Inglewood 9 <sup>th</sup> Avenue GP Ltd.
Sun Life Assurance Company of Canada	Sundance Place II Ltd. and Sundance Place II 1000 Limited Partnership by its general partner Sundance Place II Ltd.