







**TDB Restructuring Limited**  
Licensed Insolvency Trustee

11 King St. W., Suite 700   
Toronto, ON M5H 4C7

info@tdbadvisory.ca   
416-575-4440   
416-915-6228 

[tdbadvisory.ca](http://tdbadvisory.ca)

Court File No. CV-22-00688248-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

BETWEEN:

**CITY OF TORONTO**

Applicant

-and-

**HARRY SHERMAN CROWE HOUSING CO-OPERATIVE INC.**

Respondent

**SIXTH QUARTERLY REPORT OF THE RECEIVER**

**December 18, 2024**

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## INTRODUCTION

1. By Order of the Ontario Superior Court of Justice (the “**Court**”) dated March 14, 2023 (the “**Appointment Order**”), RSM Canada Limited (“**RCL**”) was appointed receiver and manager (the “**Receiver**”), without security, of all of the assets, undertakings and properties of Harry Sherman Housing Co-operative Inc. (“**HSC**” or the “**Co-op**”) acquired for, or used in relation to a business carried on by HSC, including all proceeds thereof (the “**Property**”). A copy of the Appointment Order can be found on the Receiver’s website located at <http://www.rsmcanada.com/harry-sherman-crowe-housing-co-op>.
2. The Appointment Order authorizes the Receiver to, among other things:
  - (a) take possession and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of, or from, the Property;
  - (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
  - (c) manage, operate, and carry on the business of the Co-op, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Co-op;
  - (d) engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver’s powers and duties, including without limitation those conferred by the Appointment Order; and
  - (e) receive and collect all monies and accounts now owed or hereafter owing to HSC and to exercise all remedies of HSC in collecting such monies, including, without limitation, to enforce any security held by the HSC.
3. Paragraphs 12 and 13 of Appointment Order require the Receiver to:
  - (a) provide quarterly updates to the Applicant Service Manager, which reports shall be shared with the Respondent and its members, to update the Service Manager and, through it, the Housing Provider and its membership, of the actions taken and decisions made by the

Receiver in respect of the Property, provided that the information included in such reports shall be in the sole discretion of the Receiver; and

- (b) provide an annual report to the Court, the purpose of which is to advise the Court of the actions taken and decisions made by the Receiver under its appointment.
- 4. The quarterly reports, the annual report to the Court and the Appointment Order, together with other Court documents related to the receivership proceeding, have been posted on the Receiver's website, which can be found at <https://tdbadvisory.ca/insolvency-case/harry-sherman-crowe-housing-co-operative-inc/>.
- 5. On March 1, 2024, the Court granted an order (the "**Omnibus Order**") substituting the name TDB Restructuring Limited in place of RCL. A copy of the Omnibus Order is attached hereto as **Appendix "A"**.

## **PURPOSE OF THE SIXTH REPORT**

- 6. The purpose of this sixth quarterly report of the Receiver (the "**Sixth Quarterly Report**") is to update the Service Manager and, through it, the Housing Provider and its membership, of the actions taken and decisions made by the Receiver in respect of the Property since the Receiver's last quarterly report.

## **TERMS OF REFERENCE**

- 7. In preparing this Sixth Quarterly Report and making the comments herein, the Receiver has relied upon information from third-party sources (collectively, the "**Information**"). Certain of the information contained in the Sixth Quarterly Report may refer to, or is based on, the Information. As the Information has been provided by other parties or obtained from documents filed with the Court in this matter, the Receiver has relied on the Information and, to the extent possible, reviewed the Information for reasonableness. However, the 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 pursuant to the *Chartered Professional Accountants Canada Handbook* and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.
- 8. Unless otherwise stated, all dollar amounts contained in the Sixth Quarterly Report are expressed in Canadian dollars.

## BACKGROUND

9. The background leading up to the appointment of the Receiver can be found in the City of Toronto's application record dated November 10, 2022, which is posted on the Receiver's website at <https://tdbadvisory.ca/insolvency-case/harry-sherman-crowe-housing-co-operative-inc/>.

## RECEIVER'S ACTIVITIES TO DATE

10. The Receiver's First Quarterly Report dated June 13, 2023, Second Quarterly Report dated September 18, 2023, Third Quarterly Report dated December 14, 2023, First Report to the Court dated March 19, 2024 and Supplement to the Receiver's First Report to the Court dated April 22, 2024, Fourth Quarterly Report dated July 4, 2024, Fifth Quarterly Report dated October 1, 2024 (posted on the Receiver's website) sets out the Receiver's activities from the date of its appointment to October 1, 2024. Such activities are not repeated herein. Since October 1, 2024, the Receiver's activities include the following:
- (a) reviewing and responding to the City of Toronto's (the "**City**") Canada-Ontario Community Housing Initiative ("**COCHI**") team with respect to project updates and potential COCHI timeline extension;
  - (b) working with the Co-op's auditor to finalize and issue the audited financial statements for the year ended June 30, 2024;
  - (c) reviewing quotes and attending to various common area and mechanical systems repairs and maintenance, including elevators, boiler maintenance, HVAC maintenance, pipe corrosion, garage doors, parking garage retrofit lighting and landscaping maintenance;
  - (d) review of budget prepared by CFDI team for 2024-2025;
  - (e) reviewing quotes and attending to various resident-related maintenance problems, including issues related to bathrooms, plumbing, appliances, hot water, water leaks and pest control;
  - (f) reviewing assessment reports for mold remediation and plumbing issues;
  - (g) monitoring elevator modernization project progress and dealing with various urgent calls regarding elevator breakdowns;
  - (h) attending a meeting with City of Toronto representatives and WeirFoulds LLP ("**WeirFoulds**") to discuss status of receivership and outstanding issues in relation to a potential transition plan for the Co-op;

- (i) continue to engage with the Co-op's paralegal on various eviction proceedings in respect of residents not in compliance with payment of housing charges and other matters;
- (j) reviewing a roofing project report and roofing contract prepared by Brown & Beattie, including issues relating to compliance under the *Occupational Health and Safety Act*;
- (k) continuing to review and approve accounts payable and attending to making payments to, among others, various trades, professionals and suppliers, and monthly mortgage payments to MCAP;
- (l) monitoring the Co-op's operating bank account (the "**Operating Account**") to which residents make payments for monthly housing and parking charges by debit machine or electronic funds transfers; follow up of tenants returned items from the bank reports, periodically sweep the Operating Account and transfer funds to the Receiver's trust account;
- (m) responding to various enquiries and status update requests from the City of Toronto;
- (n) monitoring progress with respect to capital projects approved by the City of Toronto pursuant to the COCHI;
- (o) facilitating attendance to urgent maintenance and repairs in various units and maintenance of common area machinery and equipment;
- (p) reviewing with its counsel the status of various pending Landlord-Tenant Board proceedings;
- (q) facilitating the installation of TenantPay as an alternative method for residents to pay housing and parking charges;
- (r) attending to payment of membership dues to the Co-operative Housing Federation of Canada and Co-operative Housing Federation of Toronto;
- (s) working with WeirFoulds to review the Co-op's by-laws and policies, including a review of Board of Director minutes and member meeting minutes in relation to identified governance issues; and

- (t) attending to all other administrative matters with respect to the receivership administration, including supervision, all meetings, telephone and virtual attendances and written and verbal correspondence to facilitate the forgoing.

All of which is respectfully submitted this 18<sup>th</sup> day of December, 2024.

**TDB RESTRUCTURING LIMITED**

solely in its capacity as Receiver of Harry Sherman  
Crowe Housing Cooperative Inc. and not in its personal  
or corporate capacity

Per: 

Arif Dhanani, CPA, CA, CIRP, LIT  
Managing Director