

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF
COMPROMISE OR ARRANGEMENT OF
LAURENTIAN UNIVERSITY OF SUDBURY

SUPPLEMENTARY FIFTH REPORT OF THE MONITOR
July 5, 2021

INTRODUCTION

1. On February 1, 2021, Laurentian University of Sudbury (“LU” or the “**Applicant**”) brought an application (the “**CCAA Application**”) before this Court seeking an initial order pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) to, among other things, obtain a stay of proceedings to allow the Applicant an opportunity to financially and operationally restructure itself.
2. On February 1, 2021, the Court granted the CCAA Application and issued an initial order (the “**Initial Order**”) that, among other things, appointed Ernst & Young Inc. as monitor of the Applicant in these CCAA proceedings (in such capacity, the “**Monitor**”), and approved a stay of proceedings for the initial 10-day period (the “**Stay Period**”) and certain Court ordered super-priority charges.
3. On February 10, 2021, the Court held a comeback hearing, which resulted in the issuance of an amended and restated initial order (the “**Amended and Restated Initial Order**”) that, among other things, approved a debtor-in-possession interim financing arrangement in the amount of \$25 million (the “**DIP Facility**”) and extended the stay of proceedings to April 30, 2021.
4. On March 17, 2021, the Court granted an order setting the transfer ratio for certain commuted value transfer requests and confirming that the PBGF Assessment Payment and the Incremental PBGF Assessment Payment are stayed pursuant to the Amended and Restated Initial Order.

5. On April 29, 2021, the Court granted a brief extension of the Stay Period until May 2, 2021, in order to permit the Court to consider the motions heard on April 29 and 30, 2021. On May 2, 2021, the Court granted an order (the “**Stay Extension Order**”) which, among other things, approved an increase in the DIP Facility to a maximum principal amount of \$35 million (the “**Amended DIP Facility**”) and extended the stay of proceedings to August 31, 2021.
6. On May 2, 2021, the Court dismissed separate motions brought by Thorneloe University and the University of Sudbury opposing the notices of disclaimer delivered by LU. On June 23, 2021, the Court of Appeal for Ontario dismissed the motion brought by Thorneloe University seeking leave to appeal the Court’s decision.
7. On May 31, 2021 the Court granted an order approving a process to call for and determine claims of creditors as well as an order appointing Mr. Louis (Lou) P. Pagnutti as the Chief Redevelopment Officer of LU.
8. On July 5, 2021, the Court heard the Applicant’s motion for an order authorizing and directing the Applicant to retain Cushman & Wakefield (“**C&W**”) as a real estate advisor to perform a review of the Applicant’s real estate portfolio, and the Applicant’s request for a sealing order with respect to Confidential Appendix “E” (described below).
9. In support of the July 5 motion, the Monitor filed its Fifth Report, including the Monitor’s recommendations with respect to the motion. Attached as Confidential Appendix “E” to the Fifth Report was a copy of the financial terms of C&W’s proposal (the “**Financial Terms**”), which C&W had advised the Applicant are commercially sensitive.

PURPOSE

10. Further to direction from the Court at the July 5th motion, the purpose of this report is to provide a redacted copy of the Financial Terms. The redacted Financial Terms are attached at Appendix “A” to this report.

All of which is respectfully submitted this 5th day of July, 2021.

**ERNST & YOUNG INC., in its capacity as
Monitor of the Applicant, and not in
its corporate or personal capacity**

Per:



**Sharon S. Hamilton, CPA, CA, CIRP, LIT
Senior Vice President**

APPENDIX “A”

CUSHMAN & WAKEFIELD FINANCIAL TERMS (REDACTED)

SCHEDULE C
PRICING AND BUDGET

SCHEDULE "C"
PRICING AND PROPOSED BUDGET

[Supplier to provide sufficient particulars with respect to pricing, including hourly rates, additional fees and expenses, and a proposed budget.]

A budget summary and the individual budget spreadsheets for C&W and each of its sub-contract partners follows this page. An hourly rate sheet is also provided.

Laurentian University Real Estate Review
Budget Summary

		Cushman & Wakefield		Urban Strategies		ECS		SCION		Total	
		Hours	Fee	Hours	Fee	Hours	Fee	Hours	Fee	Hours	Fee
PHASE I - PROJECT MOBILIZATION, BACKGROUND REVIEW AND SITE INSPECTION											
1.1	Project Mobilization										
	Sub-total	9.0		0.0		0.0	\$0	0.0	\$0	9.0	\$1,918
1.2	Facility Documentation Procurement/Review										
	Sub-total	45.0		31.0		0.0	\$0	0.0	\$0	76.0	\$14,230
1.3	Site and Neighbourhood Inspection and Assessment										
	Sub-total	69.7		0.0		0.0	\$0	0.0	\$0	69.7	\$15,427
1.4	Urban Planning Context										
	Sub-total	2.0		119.0		0.0	\$0	0.0	\$0	121.0	\$25,569
Phase I Sub-Total		125.7		150.0		0.0	\$0	0.0	\$0	275.7	\$57,144
PHASE II - HIGH LEVEL SPACE UTILIZATION EFFICIENCY ENHANCEMENT AND CONSOLIDATION ASSESSMENT											
2.1	High Level Program Review										
	Sub-total	23.0		20.0		52.1		0.0	\$0	95.1	\$11,064
2.2	Campus Space Requirements										
	Sub-total	23.0		20.0		156.4		0.0	\$0	199.4	\$24,339
Phase II Sub-Total		46.0		40.0		208.5		0.0	\$0	294.5	\$35,402
PHASE III - INITIAL CAMPUS LAND/BUILDING MONETIZATION FEASIBILITY											
3.1	Market Assessment										
	Sub-total	67.0		0.0	\$0	0.0	\$0	0.0	\$0	67.0	\$11,718
3.2	Tiered Monetization Priority Assessment										
	Sub-total	156.5		70.0		0.0	\$0	0.0	\$0	226.5	\$48,290
3.3	Review and Analysis of Third Party Leases										
	Sub-total	72.0		0.0	\$0	0.0	\$0	0.0	\$0	72.0	\$15,336
3.4	Campus Residence Monetization Strategy										
	Sub-total	2.0		0.0	\$0	0.0	\$0	120.0		122.0	\$32,794
Phase III Sub-Total		297.5		70.0		0.0	\$0	120.0		487.5	\$108,138
PHASE IV - CONSOLIDATION SCENARIO DEVELOPMENT AND EVALUATION											
3.8	Consolidation Scenario Development										
	Sub-total	36.8		16.0		0.0	\$0	0.0	\$0	52.8	\$8,716
3.9	Consolidation Scenario Analysis and Prioritization										
	Sub-total	42.0		0.0	\$0	70.0		0.0	\$0	112.0	\$19,598
3.10	Asset Monetization Implementation Strategy										
	Sub-total	30.0		0.0	\$0	0.0	\$0	0.0	\$0	30.0	\$8,460
3.15	Overall Reporting										
	Sub-total	48.0		0.0	\$0	0.0	\$0	0.0	\$0	48.0	\$10,224
Phase III Sub-Total		156.8		16.0	\$0	70.0		0.0	\$0	242.8	\$46,998
Meetings and Project Management											
Meetings Sub-total		# of Meetings									
		18.0		4.0	\$0	0.0	\$0	0.0	\$0	22.0	\$4,250
Project Management		24.0		0.0	\$0	0.0	\$0	0.0	\$0	24.0	\$6,768
Disbursements and Travel Expenses		0.0		0.0	\$6,125	0.0	\$0	0.0	\$3,500	0.0	\$14,625
Total Budget		667.9		280.0		278.5		120.0		1346.4	\$273,324
Check		667.9		280.0		278.5		120.0		1346.4	\$273,324