

NATIONAL ASSEMBLY

FIFTH SESSION

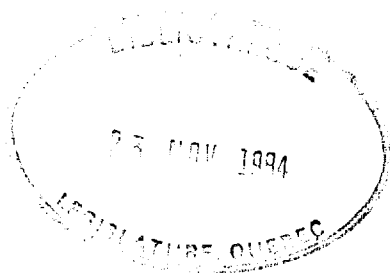
THIRTY-SECOND LEGISLATURE

Bill 233
(Private)

**An Act respecting the immovables
situated at numbers 3470 and 3480
Simpson Street in Montréal**

Introduction

**Introduced by
Mr Harry Blank
Member for Saint-Louis**



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Bill 233

(Private)

An Act respecting the immovables situated at numbers 3470 and 3480 Simpson Street in Montréal

WHEREAS Place 3470 Simpson Inc., in its capacity as the owner of the immovables situated at numbers 3470 and 3480 Simpson Street in Montréal, sold, in the course of the years 1982 and 1983, to 85 persons a total of 96 usufructs on dwellings in the immovables situated at numbers 3470 and 3480 Simpson Street in Montréal;

Whereas the sales of usufructs were made on the reliance of representations to the effect that the rights granted to the usufructuaries were similar to the rights of a co-proprietor in divided ownership; whereas the investment made by the usufructuaries did not present any risks and the loans that were to be contracted by the usufructuaries were to be repaid out of the revenues produced by the immovables and compensated by tax shields derived from the investment of the revenues;

Whereas, on the reliance of these representations, the usufructuaries made financial commitments, by contracting personal loans greatly in excess of their power to repay;

Whereas the claims secured by hypothecs affecting the immovables were due on 1 November 1983 and whereas by reason of the number of real rights registered on the immovables and owing to the nature of the right of usufruct, no financial institution has agreed to lend to the owners and usufructuaries the necessary sum to repay the hypothecary claims now outstanding;

Whereas following the exercise by the creditors of their rights under a clause of assignment of rents included in the deed of hypothecary

claim, from 1 November 1983, the rents collected by the hypothecary creditors and their mandataries have been insufficient to cover the payment of accounts payable and the hypothecary claims as and when they became due and whereas a considerable deficit has accumulated since 1 November 1983, the usufructuaries having remained powerless in that respect;

Whereas by reason of the considerable amount of financing already encumbering the immovables and owing to the operating deficit accumulated during the management of the hypothecary creditors or their mandataries, it is now impossible to obtain refunding for the debt on the immovables;

Whereas the hypothecary creditors have already instituted proceedings in view of exercising their rights under the resolatory clause and being declared the irrevocable owners of the immovables and have applied for the extinction and cancellation of the rights of the usufructuaries;

Whereas, in the event that the creditors are declared to be the owners of the immovables, the usufructuaries would lose all their rights and would have to assume, out of their personal property, the loans contracted for the purchase of usufruct on the immovables and would thereby find themselves in serious financial difficulties for several years;

Whereas it is expedient, for those reasons, to allow the registration of a declaration of co-ownership in respect of the immovables situated at numbers 3470 and 3480 Simpson Street, in Montréal, notwithstanding sections 51 to 54 of the Act respecting the Régie du logement (R.S.Q., chapter R-8.1), on the condition, however, that the rights of the lessees of these immovables not be affected by the registration;

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

1. Notwithstanding sections 51 to 54 of the Act respecting the Régie du logement (R.S.Q., chapter R-8.1), the owners and usufructuaries of the immovables situated at numbers 3470 and 3480 Simpson Street, in Montréal, are authorized to register a declaration of co-ownership contemplated in articles 441*b* to 442*p* of the Civil Code in respect of the immovables the cadastral designation of which is the following:

DESIGNATION

1. An immovable situated in the city of Montréal and consisting of:

(a) lot number TWO of the official subdivision of original lot number ONE THOUSAND SEVEN HUNDRED AND THIRTY-ONE (1731-2) on the official cadastre of Saint-Ambroise Ward, in the registration division of Montréal,

(b) lot number THREE of the official redivision of lot U of the official subdivision of original lot number ONE THOUSAND SEVEN HUNDRED AND TWENTY-SIX (1726-U-3) on the same cadastre,

with buildings, circumstances and dependencies erected thereon, in particular, a multiple-dwelling building situated at number 3470 Simpson Street, and a swimming pool.

2. An immovable situated in the city of Montréal and consisting of:

(a) lot number ONE of the official subdivision of original lot number ONE THOUSAND SEVEN HUNDRED AND THIRTY-ONE (1731-1) on the official cadastre of Saint-Antoine Ward, in the registration division of Montréal,

(b) lot number TWO of the official redivision of lot U of the official subdivision of original lot number ONE THOUSAND SEVEN HUNDRED AND TWENTY-SIX (1726-U-2) on the same cadastre,

(c) lot number TWO of the official redivision of lot I of the official subdivision of original lot number ONE THOUSAND SEVEN HUNDRED AND TWENTY-SIX (1726-I-2) on the same cadastre,

with buildings, circumstances and dependencies erected thereon, in particular, a multiple-dwelling building situated at number 3480 Simpson Street.

2. The rights of the present lessees of the immovables situated at numbers 3470 and 3480 Simpson Street, in Montréal, shall not be affected by the authorization contemplated in section 1 of this Act, except that these rights shall be exercisable against the owner of the dwelling for which a lessee holds a lease, from the sale of the dwelling.

3. The authorization contemplated in section 1 shall cease to exist and become void for all legal purposes if the declaration of co-ownership contemplated in articles 441 *b* to 442 *p* of the Civil Code is not registered in respect of the immovables situated at numbers 3470 and 3480 Simpson Street, in Montréal, before 31 December 1985.

4. This Act comes into force on (*insert here the date of assent to this Act*).