



March 11, 2013

Madison Avenue Development Corporation
170 Victoria St S, Unit A,
Kitchener, ON
N2G 2B9

John Stevenson
Secretary, Ontario Securities Commission
20 Queen Street West
19th floor, Box 55
Toronto, Ontario M5H 3S8

Attn: John Stevenson

RE: OSC Staff Consultation Paper 45-710

Dear Mr. Stevenson,

I am the President of Madison Avenue Development Corporation based in Kitchener, Ontario. We are a private firm specializing in real estate development - building and renovating multi-unit residential real estate properties throughout Southwestern Ontario. The Exempt Market Review is particularly important to us as we move try to attract capital as we continue to grow our business. It is particularly difficult to find an adequate number of Accredited Investors within Ontario who qualify to invest in limited partnership real estate ventures with us due to the heavy restrictions surrounding the current qualification.

We believe that an Offering Memorandum exemption should be adopted in Ontario so that businesses like ours can effectively and efficiently raise capital without the high costs of a prospectus and regulatory fees. The Ontario small and medium business community is starving for capital due to the fact that traditional financial institutions are mainly being interested in existing large businesses with steady cash flows.

Our existing investors have been very successful with us and through word of mouth other investors are interested in investing with us, but without an OM exemption we limit our pool of potential investors by 95%+. This limits the amount of positive development that we can accomplish to grow our communities despite the fact that there is money waiting to be invested, but no simple investment structure for it to be connected to our business that is eager to grow.

Regarding the monetary limits being considered, I would like to strongly emphasize that a \$2500 limit per investment is not feasible or scalable at all for our business. Dealing with an individual client for a \$2500 investment is cost prohibitive and does not scale with our investment options. The \$1.5M cap on investments as well is a major issue, as often times the investment required

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on a single property we develop will exceed this cap. At the same time, having to find 600 investment subscribers to reach the \$1.5M cap is not scalable whatsoever given the costs involved. Additionally, many knowledgeable investors won't be interested in investing for a maximum of \$2500 since it just won't be worth their time.

I would also like to stress that any monetary limits should be strictly separate from any potential crowdfunding exemption. An OM exemption has been utilized successfully in many other Canadian jurisdictions for years and shouldn't be restrained by monetary caps.

I appreciate your consideration of these matters. Please do not hesitate to contact me with any questions or comments.

Sincerely,

A handwritten signature in black ink, appearing to be 'Stephen Litt', written in a cursive style.

Stephen Litt
President, Madison Avenue Development Corporation
519-498-2141