



Clerk's stamp:

COURT FILE NUMBER 1201-05843
COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

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

**AND IN THE MATTER OF UBG BUILDERS INC., ALBERTA BUILDERS
CAPITAL INC., ALPINE HOMES (2006) INC., AMERICAN BUILDERS CAPITAL
(US) INC., EDGEWATER AT GRIESBACH INC., ELITE HOMES (2006) LTD
BANK., EVOLUTION BY GREENBORO INC., GREENBORO COMMUNITIES
(2006) INC., GREENBORO ESTATE HOMES (2006) LTD BANK.,
GREENBORO HOMES (2006) LTD BANK., GREENBORO LUXURY HOMES
INC., HIGH POINTE INC., MOUNTAINEERS VILLAGE (2006) INC.,
MOUNTAINEERS VILLAGE II INC., ORIGINS AT CRANSTON INC., SOUTH
TERWILLEGAR VILLAGE INC., THE BRIDGES MANAGEMENT INC., THE
LEDGES INC., TIMBERLINE LODGES (2006) INC., TODAY'S COMMUNITIES
(2006) INC., TODAY'S HOMES (2006) INC., TUSCANY DEVELOPMENTS
(2006) INC., UBG ALBERTA BUILDERS (2006) INC., UBG ALPINE HOMES
(2006) LTD BANK., UBG BRIDGES INC., UBG BUILDERS (USA) INC., UBG
COMMERCIAL INC., UBG LAND INC., UBG LOT DEPOSIT CORP., UBG 4500
CALGARY INC., UBG 75 CANMORE INC., UBG 808 CALGARY INC., UNITY
INVESTMENTS (2012) INC., VALMONT AT ASPEN STONE INC., VALOUR
PARK AT CURRIE INC., VILLAGE AT THE HAMPTONS INC., VILLAGE ON
THE PARK INC., WILDERNESS HOMES BY RIVERDALE INC., WILDERNESS
RIDGE AT STEWART CREEK INC.**

(COLLECTIVELY, THE "APPLICANTS")

DOCUMENT

APPLICATION

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT

DENTONS CANADA LLP
Bankers Court
15th Floor, 850 - 2nd Street S.W.
Calgary, Alberta T2P 0R8
Attention: David W. Mann / Derek M. Pontin
Ph. (403) 268-7097/6301 Fx. (403) 268-3100
File No.: 549362-1

NOTICE TO RESPONDENT(S)

This application is made on behalf of the Applicants in the above noted proceedings. You are a respondent.

You have the right to state your side of this matter before the judge.

To do so, you must be in Court when the application is heard as shown below:

Date	June 23, 2014
Time	4:00 p.m.
Where	Court of Queen's Bench of Alberta Calgary Courts Centre 601 – 5th Street S.W. Calgary, AB T2P 5P7
Before Whom	The Honourable Justice Streckf

Go to the end of this document to see what you can do and when you must do it.

Remedy claimed or sought:

1. The Applicants ("**UBG**") respectfully seek the following relief:
 - (a) an Order, in substantially the form attached hereto as Schedule "A", approving the sale of UBG's multi-family project known as Origins at Cranston (the "**Cranston Project**") by Origins at Cranston Limited Partnership, by its general partner Origins at Cranston Inc. (collectively, "**Cranston**"), by way of a stalking horse bid process; and
 - (b) such other relief as may be sought by the Applicants and granted by this Honourable Court.

Grounds for making this application:

Sale of the Origins Project

2. UBG, in consultation with the Monitor, has determined it would be in the best interest of UBG and its stakeholders to sell UBG's project known as Origins Project. The basis for this decision is outlined in the Monitor's Report in Respect of the Origins Project (the "**Report**").
3. UBG has received an offer from Crystal Creek Homes (Edmonton) Limited Partnership, by its general partner Crystal Creek Homes 2013 Ltd. ("**Crystal Creek**") to purchase the Cranston Project (the "**Cranston Offer**"). The Cranston Offer is described in the Report. Crystal Creek has agreed to allow the Cranston Offer to stand as a stalking horse bid in a sales process, in consideration of a break fee of \$50,000. The proposed break fee is equivalent to approximately 4.1% of the stalking horse bid.
4. The Cranston Offer includes an aggregate purchase price of \$1,200,000. This is in keeping with the appraised value of the Cranston Project. If a higher offer results from the stalking horse process, it must exceed the Cranston Offer by at least \$50,000, being the amount of the break fee, plus \$25,000.
5. UBG, with the assistance of the Monitor, will market the Cranston Project in accordance with the Stalking Horse Bid Procedure outlined in the proposed form of Order.
6. The Cranston Offer and the Stalking Horse Bid Procedure are, in the view of UBG and its advisors, fair, reasonable and necessary for UBG to maximize value for its stakeholders in the Cranston Project.

7. The Monitor has been involved with and supports the Cranston Offer and UBG's application to have the Cranston Offer and Stalking Horse Bid Procedure approved and implemented.

Material or evidence to be relied on:

8. The Report of Ernst & Young Inc. as CCAA Monitor of the UBG Group of Companies in Respect of the Origins Project.
9. Such further and other materials as counsel for the Applicants may advise and this Honourable Court may deem necessary.

Applicable Rules:

10. The *Alberta Rules of Court*, AR 124/2010.

Applicable Acts and regulations:

11. *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended, and the regulations thereunder.
12. Such further and other acts and regulations as counsel for the Applicants may advise and this Honourable Court may deem necessary.

How the application is proposed to be heard or considered:

13. In person before the Honourable Justice Streckf in Chambers.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

SCHEDULE "A"

Clerk's stamp:

COURT FILE NUMBER 1201-05843

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

**IN THE MATTER OF THE COMPANIES CREDITORS
ARRANGEMENT ACT, RSC, 1985, c C-36, AS AMENDED;**

**AND IN THE MATTER OF UBG BUILDERS INC., ALBERTA
BUILDERS CAPITAL INC., ALPINE HOMES (2006) INC.,
AMERICAN BUILDERS CAPITAL (US) INC., EDGEWATER AT
GRIESBACH INC., ELITE HOMES (2006) LTD., EVOLUTION BY
GREENBORO INC., GREENBORO COMMUNITIES (2006) INC.,
GREENBORO ESTATE HOMES (2006) LTD., GREENBORO
HOMES (2006) LTD., GREENBORO LUXURY HOMES INC.,
HIGH POINTE INC., MOUNTAINEERS VILLAGE (2006) INC.,
MOUNTAINEERS VILLAGE II INC., ORIGINS AT CRANSTON
INC., SOUTH TERWILLEGAR VILLAGE INC., THE BRIDGES
MANAGEMENT INC., THE LEDGES INC., TIMBERLINE
LODGES (2006) INC., TODAY'S COMMUNITIES (2006) INC.,
TODAY'S HOMES (2006) INC., TUSCANY DEVELOPMENTS
(2006) INC., UBG ALBERTA BUILDERS (2006) INC., UBG
ALPINE HOMES (2006) LTD., UBG BRIDGES INC., UBG
BUILDERS (USA) INC., UBG COMMERCIAL INC., UBG LAND
INC., UBG LOT DEPOSIT CORP., UBG 4500 CALGARY INC.,
UBG 75 CANMORE INC., UBG 808 CALGARY INC., UNITY
INVESTMENTS (2012) INC., VALMONT AT ASPEN STONE
INC., VALOUR PARK AT CURRIE INC., VILLAGE AT THE
HAMPTONS INC., VILLAGE ON THE PARK INC., WILDERNESS
HOMES BY RIVERDALE INC., WILDERNESS RIDGE AT
STEWART CREEK INC.**

(COLLECTIVELY, THE "APPLICANTS")

DOCUMENT

ORDER
(Origins Stalking Horse)

ADDRESS FOR SERVICE AND CONTACT
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DENTONS CANADA LLP
Bankers Court
15th Floor, 850 - 2nd Street S.W.
Calgary, Alberta T2P 0R8
Attention: David W. Mann / Derek Pontin
Ph. (403) 268-7097/6301 Fx. (403) 268-3100
File No.: 549362-1

DATE ON WHICH ORDER WAS PRONOUNCED: JUNE 23, 2014

LOCATION WHERE ORDER WAS PRONOUNCED: CALGARY

NAME OF JUDGE WHO MADE THIS ORDER: JUSTICE STREKAF

ORDER
(ORIGINS STALKING HORSE)

UPON the application of the Petitioners in these proceedings (collectively, “**UBG**”); **AND UPON** having read the Application of the Petitioners, dated June __, 2014, the Report of the Monitor in respect of the Origins Project (the “**Report**”), the Affidavit of Rosie Cooney, sworn June __, 2014 (the “**Service Affidavit**”), all filed, and such other material in the pleadings and proceedings as deemed necessary; **AND UPON** hearing counsel for UBG, counsel for the Monitor, and other interested parties;

IT IS HEREBY ORDERED THAT:

Service

1. The time for service of notice of this application is abridged to the time actually given and service of the Application and supporting material as described in the Service Affidavit is good and sufficient, and this hearing is properly returnable before this Honourable Court today and further service thereof is hereby dispensed with.
2. All capitalized terms not otherwise defined in this Order shall have the meaning ascribed to them in the Initial Order granted in these proceedings on May 9, 2012 (the “**Initial Order**”).

Approval of the Sale Procedure and Solicitation Process

3. The Asset Purchase Agreement among Origins at Cranston Limited Partnership, by its general partner, Origins at Cranston Inc., and Crystal Creek Homes (Edmonton) Limited Partnership, by its general partner Crystal Creek Homes 2013 Ltd., dated June 16, 2014 (the “**Offer**”) including the break fee discussed in paragraph 3.5 of the Offer, to sell the lands legally defined as Condominium Plan 1310351, Unit 25, and 4236 undivided one ten thousandth shares in the common property, excepting thereout all mines and minerals, and all appurtenances thereto (the “**Lands**”), be and is hereby approved, and the Offer shall form the Stalking Horse Bid.
4. UBG and the Monitor are hereby authorized and directed to accept the Offer and proceed with the procedure outlined in the Sale Procedure attached hereto as Schedule “A” (the “**Sale Procedure**”) and do all such things as are reasonably necessary to carry out their respective obligations thereunder and give full effect to the Sale Procedure.

Miscellaneous

5. The Sale Procedure may be altered or amended by the Monitor in any non-substantive manner to give full or better effect to the Sale Procedure approved hereby.
6. UBG shall serve, by courier, facsimile transmission, e-mail transmission, or ordinary post, a copy of this Order on all parties present at this application and on all parties who received notice of this application or who are presently on the service list established in these proceedings, and service on any or all other parties is hereby dispensed with. Service effected as aforesaid shall be good and sufficient service.

Justice of the Court of Queen’s Bench of Alberta

SCHEDULE "A"

SCHEDULE "A"
TO THE ORIGINS STALKING HORSE ORDER

Unity Builders Group – Sale Procedure

Origins at Cranston Limited Partnership, by its general partner, Origins at Cranston Inc. (the "Vendor")

Overview of contemplated bidding procedure (the "Sale Procedure") for the lands legally described as:

CONDOMINIUM PLAN 1310351
UNIT 25
AND 4236 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY
EXCEPTING THEREOUT ALL MINES AND MINERALS

and all appurtenances thereto (the "Lands").

1. The Offer to Purchase the Lands (the "Offer") by Crystal Creek Homes (Edmonton) Limited Partnership, by its general partner Crystal Creek Homes 2013 Ltd. (the "Stalking Horse Bidder"), is a "Stalking Horse" bid and the Offer may be utilized by the Vendor in conjunction with it continuing to seek to sell the Lands on terms and conditions that are (a) no less favourable, (b) no more burdensome or conditional, and (c) except for purchase consideration greater than the Purchase Price (as defined in the Offer), substantially similar to the Offer.
2. The Vendor and/or the Monitor will:
 - (a) send out an introduction letter to potential purchasers as identified by UBG, its counsel and the Monitor, as soon as reasonably practical;
 - (b) place an advertisement in local, national, or international publications as appropriate; and
 - (c) provide any potential purchasers who execute an acceptable confidentiality agreement:
 - (i) access to the Lands and available management team; and (ii) access to an electronic data room to be maintained by the Monitor.
3. The Offer will be made available to all potential purchasers.
4. A potential purchaser ("Competing Bidder") who wishes to acquire the Lands shall submit its offer – in the form of an executed purchase and sale agreement in substance substantially similar to the Offer – to the Monitor no later than 5:00 p.m., Calgary time, July 25, 2014, which offer shall provide:
 - (a) a deposit payable by certified cheque, bank draft or wire transfer of not less than 10% of the competing bid's total consideration,
 - (b) a closing time of not later than 30 days following the vesting Order contemplated in paragraph 11 hereof,

- (c) that the competing bid shall remain open for acceptance and be irrevocable until the Monitor has determined the Successful Bidder (as defined below), and
- (d) a purchase price in excess of the current purchase price of \$1,200,000 by an amount equal to at least the sum of the Purchase Price, plus an additional \$50,000 in respect of the Break Fee (as defined in the Offer), plus a further \$25,000 Canadian dollars;

(a “**Competing Bid**”).

- 5. The Competing Bid must be accompanied by a blacklined copy of the Competing Bid as against the Offer, showing any and all variations between the Competing Bid and the Offer.
- 6. The Competing Bid must not contain any contingency relating to due diligence or financing or any other material conditions precedent to the Competing Bidder’s obligation to close that are not otherwise contained in the Offer.
- 7. The Competing Bid must be made by one or more bidders who can demonstrate, in the aggregate, that in the event that the Competing Bid is made by more than one bidder, the financial ability to consummate the transactions contemplated by the Competing Bid on the terms specified therein can be completed by only one of such bidders.
- 8. If the Monitor receives one or more Competing Bids then:
 - (a) the Stalking Horse Bidder shall not be entitled to overbid any additional consideration to the Purchase Price;
 - (b) there shall be no auction in respect of this procedure, all Competing Bids are final and binding on the competing bidders; and
 - (c) in the event that two or more Superior Bids are for the same purchase price and are otherwise materially comparable, in the Monitor’s discretion, then those Competing Bidders will be directed to provide revised bids, not less than the Superior Bids, in accordance with the Monitor’s direction; and
 - (d) the most favourable bid as between the Offer and the Competing Bids shall be selected by the Monitor as the successful bidder (the “**Superior Bid**”).
- 9. The Monitor is authorized, in its sole and unfettered discretion, to disallow any Competing Bids that do not meet the terms of this Sale Procedure.
- 10. UBG and the Monitor shall seek a vesting Order as soon as reasonably practicable after:
 - (a) a Superior Bid is selected by the Monitor, or
 - (b) there is no Competing Bidder by July 25, 2014.
- 11. The sale of the Lands will be on an “as is, where is” basis and without surviving representations or warranties of any kind, nature, or description by the Monitor, UBG or any of their agents, estates, advisors, professionals or otherwise.

12. The Stalking Horse Bidder shall be entitled to a fee (the "**Break Fee**") payable out of and secured against the purchase consideration paid by the Successful Bidder to the Vendor, in accordance with section 3.5 of the Offer, in an amount equal to \$50,000, which is fair and reasonable compensation to the Stalking Horse Bidder for its costs and providing the Offer.
13. In the event of any conflict between this Sales Procedure and the Offer, this Sales Procedure shall prevail.