

COURT FILE NUMBER
COURT OF QUEEN'S BENCH OF
ALBERTA
JUDICIAL CENTRE

1201-05843

CALGARY

Clerk's stamp:

CLERK OF THE COURT FILED AUG 20 2012 JUDICIAL CENTRE OF CALGARY

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT
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")**

I hereby certify this to be a true copy of
the original Order
Dated this 20 day of Aug, 2012
[Signature]
for Clerk of the Court

DOCUMENT

ORDER
(SALE OF LEDGES LANDS)

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT

FRASER MILNER CASGRAIN LLP
Bankers Court
15th Floor, 850 - 2nd Street S.W.
Calgary, Alberta T2P 0R8
Attention: David W. Mann / Travis Lysak
Ph. (403) 268-7097/7063 Fx. (403) 268-3100
File No.: 549362-1

DATE ON WHICH ORDER WAS PRONOUNCED: August 20, 2012

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUDGE WHO MADE THIS ORDER: Justice A.D. Macleod

ORDER
(Approval and Vesting Order re: Ledges Lands)

UPON the application of the Applicants in these proceedings (collectively, "**UBG**"); **AND UPON** having read the Application of the Applicants, dated August 16, 2012, the Affidavit of Robert Friesen dated August 16, 2012 (the "**Friesen Affidavit**"), and the Affidavit of Dawn Roy dated August 20, 2012 (the "**Service Affidavit**"), the Fourth Report of RSM Richter Inc. the Court appointed monitor (the "**Monitor**"), dated August 17, 2012 (the "**Fourth Report**"), all filed, and such other material in the pleadings and proceedings as are deemed necessary; **AND UPON** hearing counsel for UBG, the Monitor, and other interested parties;

IT IS HEREBY ORDERED AND DECLARED 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.

Defined Terms

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**"), and the following terms shall have the following meaning:

- (a) "**Lands**" means the lands legally described as:

PLAN 0714123
BLOCK 18
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 1.03 HECTARES (2.55 ACRES) MORE OR LESS;

- (b) "**Net Proceeds**" means the proceeds from the sale of the Property, less amounts required to pay all reasonable and ordinary closing costs, including without limitation goods and services and other applicable sales taxes, property taxes, commissions, applicable condominium fees and legal fees and disbursements, calculated in a manner consistent with the calculation of 'Net Proceeds' described in the Order granted by this Honourable Court in these proceedings on date June 15, 2012, and including, without limitation, a deduction in favour of the Applicants of 3% for their business and operational purposes;
- (c) "**Property**" means all of the Vendor's right, title and interest in and to the Lands;
- (d) "**Purchase and Sale Agreement**" means the agreement in writing respecting the purchase and sale of the Property from the Vendor to the Purchaser dated July 23, 2012 as amended August 8, 2012, a copy of which is attached to the Friesen Affidavit as Exhibits "C", respectively; and

- (e) "Purchaser" means 1686395 Alberta Ltd., or its nominee;
- (f) "Vendor" means The Ledges Inc.

Approval of Sale and Vesting of the Property

3. The sale and conveyance of the Property to the Purchaser, in accordance with the terms and conditions of the Purchase and Sale Agreement, be and is hereby authorized and approved.
4. UBG and the Monitor are hereby authorized and directed to execute all deeds, documents, and agreements, and to do all things reasonably necessary to complete the sale and conveyance of the Property and carry out the terms of this Order.
5. Upon the Monitor delivering a certificate (the "**Monitor's Certificate**") certifying that the sale of the Property has closed substantially in accordance with the terms of the Purchase and Sale Agreement and all purchase monies due and owing in respect of such sale have been tendered to UBG then:
 - (a) the Property shall be vested in the name of the Purchaser free of all estate, right, title, interest, royalty, rental, and equity of redemption of UBG and all persons who claim by, through or under UBG in respect of the Property subject only to the permitted encumbrances outlined in Schedule "A" of this Order (the "**Permitted Encumbrances**");
 - (b) UBG and all persons who claim by, through or under UBG in respect of the Property, save and except the Permitted Encumbrances, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental, and equity of redemption of the Property and, to the extent that any such person remains in possession or control of any of the Property, they shall forthwith deliver possession of same to the Purchaser or their nominee;
 - (c) the Purchaser shall be entitled to enter into and upon, hold and enjoy the Property for its own use and benefit without any interference of or by UBG, or any person claiming by or through or against UBG; and
 - (d) the Registrar of the Land Titles Office of Alberta shall discharge all encumbrances in respect of the Lands, save and except the Permitted Encumbrances, and shall register the Property in the name of the Purchaser, notwithstanding the requirements in section 191 of the *Land Titles Act* (Alberta).
6. UBG is authorized and empowered, in respect of the Property, to execute and deliver: (a) such additional, related and ancillary documents and assurances governing or giving effect to the conveyance of the Property, which, in UBG's discretion are reasonably necessary or advisable to conclude the transactions contemplated in or in furtherance of the transfer of the Property and/or this Order; and (b) any and all instruments and documents in respect of the Property as may be required by the Registrar of the Land Titles Office of Alberta or deemed necessary by UBG, and the Registrar is hereby directed, notwithstanding section 191(1) of the *Land Titles Act* (Alberta) to effect registration of any such instrument or document so executed by UBG or its solicitors.

7. Upon the filing of the Monitor's Certificate, the Monitor may discharge, or authorize the discharge of, any security registration or registrations in the Personal Property Registry of the Province where the Property is located as may be required to properly convey clear title of the Property to the Purchaser.
8. Net Proceeds shall be remitted:
 - (a) firstly, to Firm Capital Mortgage Fund Inc. in respect of its mortgage and caveat registered as instrument numbers 081 183 958 and 081 183 959 on title to the Lands;
and
 - (b) secondly, to UBG for its general corporate purposes.

Miscellaneous

9. Any conveyance or transfer of Property made pursuant to the provisions of this Order shall be valid and enforceable and not be rendered invalid or unenforceable and the rights and remedies of the parties thereto shall not otherwise be limited or impaired in any way by: (i) the pendency of these proceedings and the declaration of insolvency made herein; (ii) any Bankruptcy Order sought or issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) ("**BIA**") in respect of any of the Petitioners; or (iii) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of encumbrances, contained in any existing agreement, lease, sub-lease, offer to lease or other arrangement which binds any of the Petitioners (a "**Third Party Agreement**"), and notwithstanding any provision to the contrary in any Third Party Agreement:
 - (a) the transaction contemplated hereby shall not create or be deemed to constitute a breach by any of the Petitioners of any Third Party Agreement to which they are a party;
and
 - (b) the Purchaser shall not have liability to any person whatsoever as a result of any breach of any Third Party Agreement caused by or resulting from the creation, execution, delivery or performance of any transaction contemplated hereby. Notwithstanding (i) the pendency of these proceedings and the declaration of insolvency made herein, (ii) any Bankruptcy Order sought or issued pursuant to the BIA in respect of any of the Petitioners, and (iii) the provisions under the BIA, or any other applicable federal or provincial legislation or common law, the Purchase and transaction contemplated hereby shall constitute legal, valid and binding obligations of the Petitioners enforceable against them in accordance with the terms thereof, and no transaction contemplated herein will be void or voidable at the instance of creditors and claimants and do not constitute nor shall they be deemed to constitute settlements, fraudulent preferences, assignments, fraudulent conveyances, oppressive conduct, or other reviewable transactions under the BIA, or any other applicable federal or provincial legislation or common law.

10. UBG, the Monitor, the Purchaser, or any interested party may apply to this Court for advice and direction on notice to any party likely to be affected by the Order sought or on such notice as this Court directs.
11. 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 affected as aforesaid shall be good and sufficient service.

"A.D. Macleod"

Justice of the Court of Queen's Bench of Alberta

SCHEDULE "A"
PERMITTED ENCUMBRANCES

Permitted Encumbrances for lands legally described as:

PLAN 0714123
BLOCK 18
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 1.03 HECTARES (2.55 ACRES) MORE OR LESS;

<u>Registration Number</u>	<u>Registration</u>
061 089 800	UTILITY RIGHT OF WAY GRANTEE – FORTISALBERTA INC. AS TO PORTION OR PLAN: 0610543
061 091 400	UTILITY RIGHT OF WAY GRANTEE – ALTALINK MANAGEMENT LTD. AS TO PORTION OR PLAN: 0610485
071 412 913	CAVEAT RE: DEVELOPMENT AGREEMENT PURSUANT TO MUNICIPAL GOVERNMENT ACT CAVEATOR: THE TOWN OF CANMORE
071 412 916	UTILITY RIGHT OF WAY GRANTEE – THE TOWN OF CANMORE AS TO PORTION OR PLAN: 0714124
071 412 918	UTILITY RIGHT OF WAY GRANTEE – THE TOWN OF CANMORE PORTION DESCRIBED
071 412 919	RESTRICTIVE COVENANT