

SUPERIOR COURT
(Commercial Division)

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

NO: 500-11-041305-117

DATE: April 11, 2012

PRESIDING: THE HONOURABLE LOUIS J. GOUIN, J.S.C.

IN THE MATTER OF THE PLAN OF COMPROMISE OR ARRANGEMENT OF:

**INVERNESS ESTATES DEVELOPMENT LTD.
HOMBURG INVEST INC.**

Debtors / Petitioners

- and -

**HOMBURG SHARECO INC.
CHURCHILL ESTATES DEVELOPMENT LTD.
CP DEVELOPMENT LTD.**

Debtors/Mis-en-cause

-and-

**HOMCO REALTY FUND (52) LIMITED PARTNERSHIP
HOMCO REALTY FUND (88) LIMITED PARTNERSHIP
HOMCO REALTY FUND (89) LIMITED PARTNERSHIP
HOMCO REALTY FUND (92) LIMITED PARTNERSHIP
HOMCO REALTY FUND (94) LIMITED PARTNERSHIP
HOMCO REALTY FUND (105) LIMITED PARTNERSHIP
HOMCO REALTY FUND (121) LIMITED PARTNERSHIP
HOMCO REALTY FUND (122) LIMITED PARTNERSHIP
HOMCO REALTY FUND (142) LIMITED PARTNERSHIP
HOMCO REALTY FUND (199) LIMITED PARTNERSHIP**

-and-

**GRANDE PRAIRIE PLACE ENTERPRISES (1996) INC.
ROMSPEN INVESTMENT CORPORATION**

Mis-en-cause

SAMSON BÉLAIR/DELOITTE & TOUCHE INC.

Monitor

**ORDER ON INVERNESS TRANSACTION, COËT INVESTMENT
AND ACCESS TO RESTRICTED CASH**

[1] The Petitioners present a *Motion for authorization to sell assets of Inverness Estates Development Ltd. and for directions* dated April 7, 2012 (the "**Motion**")

pursuant to sections 11 and 36 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 ("**CCAA**");

[2] **CONSIDERING** the Motion and affidavit in support thereof, and the representations of counsel;

[3] **CONSIDERING** the Monitor's Ninth Report dated April 10, 2012;

[4] **CONSIDERING** the provisions of the CCAA;

FOR THESE REASONS, THE COURT:

[5] **GRANTS** the *Motion for authorization to sell assets of Inverness Estates Development Ltd. and for directions* (the "**Motion**");

[6] **DECLARES** that the service of the Motion constitutes good and sufficient service on all persons and further **DECLARES** that the Petitioners are relieved of any other requirements for service of the Motion;

[7] **DECLARES** that all capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Motion;

[8] **APPROVES** and **RATIFIES** the Final Offer entered into by Inverness Estates Development Ltd. ("**Inverness**") and Grande Prairie Place Enterprises (1996) Inc. (the "**Purchaser**") on April 6, 2012, and filed as Exhibit P-2 in support of the Motion (the "**Offer**");

[9] **AUTHORIZES** and **APPROVES** the sale, transfer and assignment of the Condominium Units to the Purchaser in accordance with the terms of the Offer (the "**Conveyance**") and **AUTHORIZES** Inverness and Samson Bélair/Deloitte & Touche Inc., in its capacity of Monitor to the Debtors and without any personal or corporate liability (the "**Monitor**"), to take any and all actions necessary to proceed with the Conveyance to the Purchaser of the Condominium Units including, without limiting the generality of the foregoing, to execute any and all documents that may be necessary or useful to the consummation of such sale of the Condominium Units (the "**Inverness Transaction**");

[10] **ORDERS** and **DECLARES** that upon the filing of a Monitor's certificate in this Court record confirming payment of the full purchase price contemplated by the Inverness Transaction and the closing of the Inverness Transaction (the "**Monitor's Certificate**"), all of the Inverness' rights, title and interests in and to the Condominium Units shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), mortgages, hypothecs, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, including, without limiting the generality of the foregoing, all charges, security interests or claims evidenced by registrations on any other personal property registry system (all of which are collectively referred to as "**Encumbrances**"), other than the "Permitted

Encumbrances" listed in Schedule B to the Offer (the "**Permitted Encumbrances**"). For greater certainty, this Court **ORDERS** that all of the Encumbrances affecting or relating to the Condominium Units, other than the Permitted Encumbrances, are hereby expunged and discharged as against the Condominium Units;

[11] **ORDERS** that the net proceeds from the sale of the Condominium Units shall stand in the place and stead of the Condominium Units, and that from and after the delivery of the Monitor's Certificate, all Encumbrances, other than the Permitted Encumbrances, shall attach to the net proceeds from the sale of the Condominium Units with the same priority as they had with respect to the Condominium Units immediately prior to the sale, as if the Condominium Units had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale;

[12] **AUTHORIZES** Inverness to remit the net sale proceeds arising out of the Inverness Transaction to Romspen Investment Corporation ("**Romspen**");

[13] **EXEMPTS** Inverness and the Monitor from the requirement, if any, to seek and obtain shareholders' approval pursuant to any federal or provincial legislation with regard to the consummation of the Inverness Transaction;

[14] **DECLARES** that this Order constitutes the only authorization required by Inverness to proceed with the Inverness Transaction and the Conveyance and, for greater certainty, **DECLARES** that the parties involved in the Inverness Transaction are exempted from requiring or obtaining any formal valuation or authorization that may have been required from any person or authority whatsoever;


[15] **DIRECTS** and **AUTHORIZES** Homburg Invest Inc. ("**HII**") to proceed with the Coët Investment, up to a maximum of 973,000 Euros, and to enter into any and all agreements and execute any and all documents necessary or useful for this purpose;

[16] **ORDERS** that HII is entitled to have access to an incremental amount of up to \$6,000,000 of the Restricted Cash for the purposes of funding the liquidity requirements of the HII Group during its restructuring under the CCAA; all further funding requirements to be approved by further order of this Court;

[17] **DECLARES** that this Order has full force and effect in all of the provinces and territories in Canada;

[18] **ORDERS** the provisional execution of this Order notwithstanding any appeal therefrom and without the necessity to furnish any security.

[19] **THE WHOLE WITHOUT COSTS.**



LOUIS J. GOUIN, J.S.C.

Hearing date : April 11, 2012

Me Martin Desrosiers
Me Vitale Santoro
Me Julien Morissette
Osler, Hoskin & Harcourt LLP
Counsel to Petitioners