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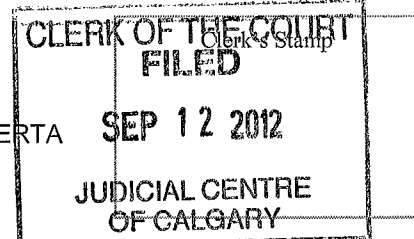
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COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY



IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, RSC 1985, 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., EGewater 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 "UBG GROUP OF COMPANIES")

DOCUMENT

FIFTH REPORT OF ERNST & YOUNG INC. AS CCAA MONITOR OF THE UBG GROUP OF COMPANIES

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INTRODUCTION

1. On May 9, 2012, the Court of Queen's Bench of Alberta ("Court") issued an order ("Initial Order") granting the UBG Group of Companies ("UBG" or the "Company") protection pursuant to the *Companies' Creditors Arrangement Act* ("CCAA") (the "CCAA Proceedings"). Ernst & Young Inc. ("EY") was appointed monitor ("Monitor") under the Initial Order.
2. On June 5, 2012, the Monitor filed its First Report to the Court (the "First Report") seeking a short extension of the initial stay from June 8 to June 15, 2012 which was duly granted.
3. On June 12, 2012 the Monitor filed its Second Report to the Court (the "Second Report") and obtained an order, inter alia, that extended the stay of proceedings under the Initial Order to September 14, 2012.
4. Since June 12, 2012, there have been two additional Court applications, one on July 10, 2012 and the other on August 20, 2012. The Monitor filed its Third Report to the Court (the "Third Report") and its Fourth Report to the Court (the "Fourth Report") in respect of the two Court applications. Court Orders were made on July 10, 2012, approving the interim financing arrangements with Alberta Treasury Branches ("ATB") (the "ATB Protocol") and Bank of Nova Scotia ("Scotiabank") (the "Scotiabank Protocols") and on August 20, 2012, approving both the interim financing arrangement with Canada ICI Ltd. ("ICI") (the "ICI Protocol") for funding of the Origins at Cranston Project (the "Origins Project") and for the sale of The Ledges Inc. (the "Ledges Project") (the "Ledges Sale Order").
5. The primary purposes of the CCAA Proceedings are to protect UBG's business and operations, to allow UBG an opportunity to realize value from its construction and development projects and to facilitate a restructuring of its credit facilities, all under a court-supervised process.
6. Capitalized terms not defined in this Fifth Report are as defined in all Reports and orders previously issued in respect of these CCAA Proceedings.

Purpose of this Report

7. The purpose of this report ("Report") is to:
 - a) Provide an update on the Company's restructuring efforts since the Initial Order;
 - b) Provide a status update on certain of the Company's development projects;
 - c) Comment on the Company's projected statement of cash flow for the period ending December 31, 2012;
 - d) Support the Company's request for an extension of the CCAA Proceedings to December 14, 2012; and

- e) Respectfully recommend that this Honourable Court make orders:
- Approving the interim financing arrangements and priority charges in respect of Greenboro Estate Homes Limited Partnership (“Greenboro Estates”) and Greenboro Luxury Homes (Currie Barracks 1A) Limited Partnership (“Greenboro Luxury”);
 - Approving the interim financing arrangements and priority charges in respect of Today’s Homes Limited Partnership (“Today’s Homes”);
 - Approving the Fee Agreement between UBG and MLC Land Company Inc. (“MLC”) and Cameron Development Corporation (“CDC”) (collectively “MLC/CDC”) in respect of Keswick Developments Ltd. (the “Keswick Agreement”); and
 - Extending the stay of proceedings under the Initial Order to December 14, 2012.

Terms of Reference

8. In developing this Report, the Monitor has relied upon unaudited financial information prepared by the Company’s management, the Company’s books and records and discussions with its management. The Monitor has not performed an audit or other verification of such information. An examination of the Company’s financial forecasts as outlined in the *Canadian Institute of Chartered Accountants Handbook* has not been performed. Future-oriented financial information relied upon in this Report is based on management’s assumptions regarding future events. Actual results achieved may vary from this information and these variations may be material, and as such the Monitor expresses no opinion or other form of assurance with respect to the accuracy of any financial information presented in this Report, or relied upon by the Monitor in preparing this Report.

Currency

9. All currency references in this Report are in Canadian dollars.

BACKGROUND

Overview

10. UBG is a real estate development group overseeing various homebuilder companies. UBG is involved in residential and commercial real estate development in Alberta and real estate investment through its investment arms, Unity Investments (2012) Inc. (“Unity Investments”), Alberta Builders Capital Inc. (“ABC Capital”) and American Builders Capital (US) Inc. (“ABC US Capital”). UBG was previously involved in residential real estate in Colorado Springs, Colorado, and San Antonio, Texas; however, all operations in the United States have been discontinued.
11. The Company’s corporate headquarters is located in Calgary, Alberta, as is the managerial and administrative staff. Additional employees are located in Edmonton and at various project sites.

12. Considerable background detail and materials were included in the Second Report and in the May 8, 2012 affidavit of Robert Friesen (the “May 8th Friesen Affidavit”) filed in these CCAA Proceedings which included, *inter alia*, details on:
- a) The Company’s corporate organization and divisional structure;
 - b) Background on single family and multi-family projects;
 - c) Further information on operations in the US;
 - d) Commercial land and building holdings; and
 - e) Investors.

COMPANY’S ACTIVITIES

13. The Company has been focused on stabilizing its operations since the date of the Initial Order as described in the First Report. Those efforts continue and include:
- f) Implementing controls, policies and procedures;
 - g) Reviewing each of the projects to assess viability, asset values, associated obligations, costs to complete (where applicable) and required resources;
 - h) Cost reduction, such as employee layoffs and reviewing all areas in respect of its administrative processes and expenses;
 - i) Continuing to market all projects (excluding UBG USA). In that regard, UBG has accepted 62 offers on existing or under-construction Residential Units since the date of the Initial Order;
 - j) Continuing to close Residential Units. UBG has closed 67 homes since the date of the Initial Order. A schedule identifying these home closings is provided as Appendix “A”;
 - k) Meeting with certain Company lenders;
 - l) Meeting with representatives of Alberta New Home Warranty Program (“ANHWP”);
 - m) Meeting with the suppliers of materials and services (“Trades”);
 - n) Holding various investor meetings and telephone conference calls related to those UBG projects where investor funds have been invested;
 - o) Working with stakeholders in various Canmore projects to facilitate an orderly withdrawal from that marketplace;
 - p) Developed and implemented protocols with ATB, ICI and Scotiabank;
 - q) Negotiated and developed protocols with The Toronto-Dominion Bank (“TD”);

- r) Continued negotiations with the Canadian Western Bank (“CWB”) to establish a protocol in respect of Valour Park;
- s) Negotiated and agreed to financing arrangements and a protocol with Sterling Bridge Mortgage Corporation (“Sterling Bridge”) in respect of certain of the Today’s Homes Projects;
- t) Negotiated the Keswick Arrangement;
- u) Negotiated and agreed on a sale of the Ledges Project;
- v) Working with stakeholders to complete the Murals at High Pointe Project;
- w) Worked with the Monitor and its legal counsel to address the claims process (discussed in more detail later in this Report);
- x) Worked closely with the Monitor to develop financial analyses and cash flows in respect of each of its various projects;
- y) Listed UBG’s head office for sale with a reputable commercial real estate firm;
- z) Worked with its advisors regarding the development of emergence strategies and meetings with various potential strategic partners; and
- aa) Advising stakeholders that the Company is continuing to operate on a business as usual basis in the context of these CCAA Proceedings.

CLAIMS PROCESS AND CREDITORS

Claims Process

14. The processes to be followed in respect of creditor claims were set out in the Claims Procedure Order and the Reverse Claims Procedure Order granted by the Court on June 15, 2012. The Monitor sent to the Affected Creditors the Notice to Creditors and the Proof of Claim form by June 22, 2012, arranged for the Notice to Affected Creditors of the Claims Procedure and the Reverse Claims Procedure to be published on two separate dates prior to June 30, 2012 in the Calgary Herald and the Edmonton Journal and also posted electronic copies of the Notice to Affected Creditors, the Proof of Claim form, the Claims Procedure Order and the Reverse Claims Procedure Order on the Monitor’s website.
15. The Claims Procedure was to ascertain the claims against the various UBG entities with the exception of those amounts owing to investors in Unity Investments, ABC Capital and ABC US Capital. Claims in respect of those three investment entities were addressed in the Reverse Claims Procedure.
16. The Claims Procedure Order and the Reverse Claims Procedure Order required that Affected Creditors submit proofs of claim to the Monitor to be received prior to the Claims Bar Date of 5 p.m. MDT on July 31, 2012.

17. The Monitor has conducted the claims process pursuant to the Claims Procedure and Reverse Claims Procedure Orders. The Monitor has received a total of 1,158 claims totalling in excess of \$630 million. The Monitor has also received 31 claims subsequent to the Claims Bar Date. These claims will be reviewed by the Monitor and UBG in due course and a recommendation in respect of acceptance or disallowance of such claims will be placed before the Court at a later date.
18. A summary of the claims received and progress in respect of the Claims Procedure and Reverse Claims Procedure is provided as Appendix "B" and summarized below.

Secured Claimants

19. Secured claims were received from 97 secured creditors. Pursuant to the Claims Procedure Order, the Monitor was provided with 30 days from receipt of a secured claim to determine its validity. In the case of secured claims in which mortgage security is claimed, the Monitor had 15 days.
20. The Monitor has reviewed the secured claims. Several have been accepted by the Monitor as filed; however, the Monitor has issued Notices of Revision or Disallowance as required. The Notices of Revision or Disallowance were issued by the Monitor for several reasons including; the quantum claimed by the creditor did not agree to UBG's books and records and could not be reconciled, claims were filed as secured but no security agreement was provided or registered pursuant to various Provincial registries, claims included amounts for services or materials provided to UBG post May 9, 2012, claims were filed against the incorrect UBG entity, and certain claims are contingent in nature and will only represent a valid claim if home building lots are not purchased or houses are not constructed and delivered to the respective customer.
21. The Monitor has received several Dispute Notices from secured creditors who dispute their claims as set out in the Notices of Revision or Disallowance. The Monitor is reviewing the Dispute Notices to determine if a resolution can be consensually arranged, failing which the Monitor or UBG will apply to the Court for a determination of the value, status and priority of such claims.
22. The Monitor received several complex claims which could not be fully reviewed or determined within the time frame allotted in the Claims Procedure. By mutual consent and pursuant to the Claims Procedure Order, UBG the Monitor and the respective Claimant have extended the time to review and evaluate such claims. There were also claims received which did not include sufficient documentation to assess the claim. The Monitor has written to those Claimants requesting they submit additional documentation in support of their claims.

Unsecured Claimants

23. Based on the information provided by UBG, approximately 570 creditors were estimated to be owed approximately \$81.5 million. The Monitor has received 587 unsecured claims totalling approximately \$122 million. UBG and the Monitor are in the process of reviewing the proofs of claim in order to assess the overall claims against UBG and the individual projects and entities.

SINGLE FAMILY PROJECTS

The Toronto-Dominion Bank

24. All Greenboro Estates Projects in respect of single family homes in Calgary are financed by, and subject to TD security. Details of each of Greenboro Estates Projects are contained in the Second Report and the May 8th Friesen Affidavit. All Greenboro Luxury Projects are financed by and subject to TD security.
25. The future development lots on which the homes are to be built are either held by the developers and will have to be paid for, or have been purchased by UBG through financing obtained from ABC Capital.
26. TD is owed \$17,015,725.63 by Greenboro Estates and \$252,853.68 by Greenboro Luxury.
27. UBG has developed memorandums of understanding between Greenboro Estates and TD, and between Greenboro Luxury and TD (the "TD Protocols") which will provide for, among other things, funding from TD to complete construction at the five Greenboro Estates Projects and the Greenboro Luxury Project as described in the Second Report.
28. On May 28, 2012, TD advised the Monitor that it would continue to fund Greenboro Estates Projects and pay post May 9, 2012 amounts owed to Trades in respect of the pre-sold homes so that construction on the homes could continue, subject to obtaining a budget and margining considerations in respect of pre-sold homes and a business plan in respect of unsold product. The mechanism to provide the funding was also subject to establishing a protocol and obtaining Court approval of same.
29. The Monitor advised the Trades of TD's approval in respect of the pre-sold homes in writing on May 28, 2012. Commencing in July 2012, TD has authorized the use of funds held by the Company's legal counsel from the closing of house sales to be used to pay Trades who supplied materials and labour post May 9, 2012. Unfortunately, some trades have not continued to provide goods and services in connection with the Greenboro Estates Projects until such time as the TD funding is confirmed and approved by this Honourable Court.
30. UBG, with the assistance of its legal counsel and the Monitor have developed the TD Protocols in respect of the Greenboro Estates Projects and the Greenboro Luxury Project which will provide for, among other things, funding from TD to continue construction at Castle Keep, Currie Barracks, Sage Meadows, and Westmere. The Protocols are intended to achieve the following:

- a) TD would be provided with a charge in its favour ranking in priority to the Administration Charge and the Directors' Charge (all defined in the Initial Order) on all Greenboro Estates Projects and the Greenboro Luxury Project assets for all future advances; and
 - b) Establish a mechanism to i) distribute the sales proceeds from sales of homes that have closed; ii) fund and complete construction of homes under construction; iii) close the sales of homes that are under contract for sale; iv) market and sell, and to the extent required complete construction thereon, the remaining properties; v) pay Trades amounts owed to them for materials and services provided both prior to and subsequent to May 9, 2012 (with such prior to May 9, 2012 trade amounts claimed subject to being proved in accordance with the Claims Procedure Order); and vi) repay the secured indebtedness to TD on as timely a basis as possible.
31. The TD Protocols were executed on September 10, 2012 and are attached to the September 10, 2012 affidavit of Robert Friesen filed in these CCAA Proceedings ("The September 10, 2012 Friesen Affidavit").
32. The TD Protocol in respect of Greenboro Luxury provides that the general partner of Greenboro Luxury, Greenboro Luxury Homes Inc. (the "GP"), assigns and transfers over to TD the GP shares of proceeds and all other benefits from the Greenboro Luxury Project. The GP owns 50% of Greenboro Luxury and several investors own the other 50%.
33. The Monitor has participated in meetings and discussions with UBG and TD and is in support of the TD Protocols and respectfully recommends that this Honourable Court make an order approving the TD Protocols for the following reasons:
- a) Selling homes in the ordinary course will maximize recoveries in the Greenboro Estates Projects and in the Greenboro Luxury Project;
 - b) Trades will be confident that they will be paid for materials and services provided on an ongoing basis;
 - c) A mechanism has been established to pay amounts owed to Trades pre May 9, 2012 (subject to proven claims pursuant to the Claims Procedure Order);
 - d) Other lenders and stakeholders who have no involvement with Greenboro Estates Projects will not be prejudiced;
 - e) The GP consents to the assignment and transfer of its 50% ownership in Greenboro Luxury and such transfer does not impact the remaining 50% ownership held by several investors; and
 - f) The terms of the TD Protocols are supported by Greenboro Estates and Greenboro Luxury's key stakeholders.
34. There are a number of properties which closed prior to May 9 where certain "seasonal" work remains outstanding prior to the houses being complete. The Company estimates these costs to be approximately \$475,000 and currently there is no financing in place to address these costs.

The Monitor is advised that some amounts to cover these “seasonal” costs may be held in trust and the Monitor is in the process of confirming same.

35. UBG and the Monitor are updating Greenboro Estates financial analysis of the pre-sold properties with a focus on costs to complete. The preliminary update has shown some large variances in the costs to complete certain homes. UBG and the Monitor are working diligently to review the variances to crystallize the quantum of costs to complete for those homes under construction.

Alberta Treasury Branches

36. All of Greenboro Homes Projects in respect of single family homes in Edmonton are financed by, and are subject to security from ATB. Details of each of these Projects are contained in the Second Report and the May 8th Friesen Affidavit.
37. The future development lots on which the homes are to be built are either held by the developers and will have to be paid for, or have been purchased by UBG through financing obtained from ABC Capital.
38. The ATB Protocol was developed as detailed in the Second and Third Reports. The ATB Protocol Order, approving the terms of the protocol, was granted by the Court on July 10, 2012.
39. Recent advances by ATB pursuant to the ATB Protocol have been delayed as UBG has struggled to provide ATB with timely monthly financial statements. Financial statements were provided to ATB last week and with that information, ATB should be in a position to advance additional funds under the ATB Protocol this week. UBG has implemented steps to prepare and provide ATB with monthly financial statements on a more timely basis so that there are no further suspensions of ATB fund advances.
40. 18 Greenboro Homes’ houses have sold and closed and UBG’s legal counsel, Fraser Milner Casgrain LLP (“FMC”) is holding the proceeds from those sales in trust. The Monitor’s legal counsel reviewed ATB’s security and has, subject to customary and specific qualifications, opined that the security constitutes legal, valid, binding and enforceable security. Accordingly, FMC has made a partial distribution of the proceeds held in the amount of \$3.5 million to ATB. An additional \$460,000 is expected to be paid to ATB this week. Additional distributions to ATB from the funds held are expected to be made as proceeds become available from closings and release of holdbacks.
41. Currently there are 114 houses under construction which includes 69 pre-sold homes, 39 “spec” homes and six show homes.
42. There are several properties which closed prior to May 9 where certain “seasonal” work remains outstanding prior to the houses being complete. The Company estimates the “seasonal” costs to be approximately \$1.2 million and currently there is no financing in place to address these costs. The Monitor is reviewing the costs to confirm the amount. UBG is exploring all options to obtain financing to complete the “seasonal” work as soon as possible.
43. This issue is causing some considerable publicity as many of these closed houses are in the same subdivisions as houses currently under construction under the ATB Protocol. The most critical issue is to obtain funding for completion of driveway pours (approximately \$280,000).

44. Additionally, approximately \$1.0 million¹ is owed to Canada Lands for nine lot purchases in the Griesbach development. This amount is overdue and Canada Lands has indicated to the Company that they are not allowing Greenboro Homes to put any lots on hold until these lot payables are paid. This impacts the ability of the Company to sell homes and may impact future sales. The Company and the Monitor are in discussions with ATB to obtain funding for this payment to bring the Company back into good standing with Canada Lands

Canada ICI Capital Corporation

45. Today's Homes' single family homes ("Today's Projects") are mainly financed by ICI pursuant to conventional mortgage financing. Details of each of the Today's Projects are contained in the Second Report and the May 8th Friesen Affidavit.
46. The future development lots on which the homes are to be built are held by the developers and will have to be paid for, or have been purchased by UBG with financing from ABC Capital.
47. A summary of the five areas in which Today's Projects are ongoing was provided in the Second Report.
48. Six Today's Projects' homes have sold and the proceeds thereof are held by FMC. ICI held mortgages over four of those sold homes. Two of the secured homes were secured by ABC Capital. The Monitor's legal counsel reviewed ICI's security and has, subject to customary and specific qualifications, opined that the security constitutes legal, valid, binding and enforceable security. Accordingly, FMC has made a partial distribution of the proceeds held in the amount of \$1.4 million to ICI.
49. In order for UBG to develop the five Today's Projects areas, it requires conventional financing. The financial analysis prepared by the Monitor with input from the Company was provided to several potential alternative lenders for their review and consideration. Two lenders submitted financing term sheets to UBG. UBG selected Sterling Bridge to finance the Today's Projects.
50. UBG has entered into a lending agreement with Sterling Bridge to provide financing on the Today's Projects up to \$6.0 million. The financing is in respect of the three completed homes (currently financed by ICI), the purchase of lots currently secured to ABC Capital and for completing construction on 14 pre-sold homes. Sterling Bridge will consider financing the construction of additional homes as future sales occur.
51. UBG has developed a Protocol between Today's Homes and Sterling Bridge (the "Sterling Bridge Protocol") in connection with the Sterling Bridge financing. The Protocol is intended to achieve the following:
- a) Sterling Bridge would be provided with a charge in its favour ranking in priority to the Administration Charge and the Directors' Charge (all defined in the Initial Order) for all future advances in respect of the 17 lots/homes (three show homes and 14 pre-sold homes), and related property, being financed for completion under the Sterling Bridge Protocol;

¹ Includes lot payable (approximately \$937,000) plus security deposits (\$45,000), marketing fee (\$9,000) and an estimate of legal fees (\$5,400).

- b) The amounts owed to ICI and ABC Capital will be paid out in full commensurate with the first Sterling Bridge advance of funds pursuant to the financing and will, in turn, ensure that all lots/homes under the Sterling Bridge Protocol are available to the estate of Today's Homes for development and ultimate sale to the purchasers of these homes;
 - c) Establish a mechanism to i) fund and complete construction of homes under construction; ii) close the sales of homes that are under contract for sale; iii) market and sell, and to the extent required complete construction thereon, the remaining properties; iv) pay Trades amounts owed to them for materials and services provided both prior to and subsequent to May 9, 2012 limited to the 14 pre-sold homes (with such prior to May 9, 2012 trade amounts claimed subject to being proved in accordance with the Claims Procedure Order); and v) repay the secured indebtedness to Sterling Bridge on as timely a basis as possible; and
 - d) Six of the lots involved in the Sterling Bridge Protocol were initially acquired by UBG Land Inc. ("UBG Land") pursuant to financing provided by ABC Capital. The Sterling Bridge Protocol requires that such lands be transferred to Today's Homes concurrently with the first advance made under the Sterling Bridge Protocol (which will payout the facility provided by ABC Capital). The Monitor has reviewed the circumstances surrounding the initial acquisition and financing of these lands, believes no party is adversely affected by the conveyance required under the Sterling Bridge Protocol, and supports the transfer of these lots in accordance with the provisions of the Sterling Bridge Protocol.
52. The Sterling Bridge Protocol was executed on September 11, 2012 and is attached to The September 10, 2012 Friesen Affidavit.
53. The Monitor has participated in meetings and discussions with UBG and Sterling Bridge and is in support of the Sterling Bridge Protocol. The Monitor respectfully recommends that this Honourable Court approve the Sterling Bridge Protocol for the following reasons:
- a) Selling homes in the ordinary course will maximize recoveries in the Today's Projects;
 - b) Trades will be confident that they will be paid for materials and services provided on an ongoing basis;
 - c) A mechanism has been established to pay amounts owed to Trades on the 14 pre-sold homes pre May 9, 2012 (subject to proven claims pursuant to the Claims Procedure Order);
 - d) Amounts owed to ICI and ABC Capital will be paid out in full on a much more timely basis; and
 - e) The terms of the Sterling Bridge Protocol are supported by the Today's Projects' key stakeholders.

Mystic Ridge

54. Mystic Ridge is a single family project located in West Calgary comprising three phases. Phase 1, consisting of 38 homes is 95% complete. Phases 2 and 3, comprising approximately 13.5 acres, are currently bare land with plans to construct 39 homes on the two phases.
55. In February 2006, UBG entered into a joint venture agreement (the "Montreaux JVA") with Caleron Properties Ltd. ("Caleron") and Ronald Slater ("Slater"). UBG Land is the assignee of UBG².
56. Under the Montreaux JVA, UBG Land has an undivided interest in Mystic Ridge which is an integral component of the Company's long term land investment portfolio and house building business. The Company intends to develop Phase 2 and 3 of the Mystic Ridge Lands.
57. The respective interests of UBG Land and Caleron in the Montreaux JVA have been adjusted by Court Order (resulting from arbitration concluded between the parties prior to these CCAA Proceedings) and UBG Land is presently the beneficial owner of approximately 75% of the Montreaux JVA.
58. On July 10, 2012, Caleron purported to exercise an option to purchase UBG Land's interest in the Montreaux JVA. It is UBG's view, with which the Monitor concurs, that Caleron is stayed by virtue of the CCAA Proceedings from exercising any purported option to purchase the majority interest of UBG Land in the Montreaux JVA.
59. There are two mortgages registered against the Lands, in favour of Provident Mortgage Corp. ("Provident") and Neufeld Capital Inc. ("Neufeld") respectively. Both mortgages total approximately \$900,000. On May 25, 2012, Neufeld commenced foreclosure proceedings under its mortgage. Although the Monitor is of the view that any such foreclosure action is stayed by the CCAA Proceedings, the Monitor understands that Neufeld has indicated it will hold the foreclosure action in abeyance pending the conclusion of the CCAA Proceedings.
60. TD has expressed interest in financing the Mystic Ridge development of the Phase 2 and 3 lands as well as the construction of the 39 homes. The Monitor is advised that a draft financing term sheet between UBG and TD is in circulation which will allow for the development of the Phase 2 and 3 lands and would also provide for the payout of the Neufeld and Provident mortgages.

MULTI-FAMILY PROJECTS

Projects not under construction

61. Five of the Multi-Family Projects are either bare land or are in the planning stage as detailed in the Second Report and the May 8th Friesen Affidavit. A summary of the current status is detailed below.

² The title to the Mystic Ridge Lands is currently held by a nominee company, 1199032 Alberta Ltd. ("1199032"), as bare trustee for UBG Land, Caleron and Slater under the Montreaux JVA. UBG Land and Caleron are the owners of 1199032, each with shareholdings proportionate to their interests in the joint venture. 1199032 is not a petitioner in the CCAA.

Mountaineers II

62. Mountaineers II comprises three acres of raw land located in the Three Sisters area in Canmore, Alberta. The Monitor solicited a listing proposal from a large independent real estate firm indicating a suggested listing price of \$1.6 million. Unity Investments holds security over this project and is owed approximately \$2.9 million. UBG is unable to service interest on the debt and is of the view that due to the depressed real estate market in Canmore that developing the project is uneconomic. Based on information available to the Monitor, it appears that there is only one additional creditor on Mountaineers II which is the Town of Canmore for outstanding property taxes.
63. Discussions have been ongoing among Unity Investments, UBG and the Monitor with a view to formulating a plan to address the property. Some of the individual investors have indicated they may be prepared to purchase the property rather than place it on the market for sale. UBG and the Monitor are working with the investors to determine if such a solution proposed by some of the investors is viable.

The Ledges

64. The Ledges Project comprises 2.1 acres of raw land. Firm Capital Mortgage Fund Inc. ("Firm") is the only secured creditor and is owed approximately \$2.25 million. UBG is unable to service interest on the debt.
65. As outlined in the Fourth Report, UBG accepted an offer for the property and the Ledges Sale Order was approved by this Honourable Court on August 17, 2012. The sale is expected to close in the next few days.

The Bridges

66. The Bridges is a .75 acre site. UBG owns 25% of the project and two other parties own 75%. UBG estimates the loan required to build out the project is approximately \$40 million and will require substantial equity in order to obtain such a loan. UBG and the partners are considering courses of action with respect to this project.

Edgewater at Griesbach

67. The Edgewater at Griesbach is a 6.5 acre site. UBG has purchased one half of the site and retains an option to purchase the other half. The payment on the other half is due in March 2013; however, the required 15% deposit to retain this option has not been paid. ICI financed the purchase of the first half of the site and is owed approximately \$1.45 million. There is also a partner on this project. UBG is exploring available options to determine a go forward plan for this project

The Village at Laurels

68. The Village at Laurels is a 5 acre site comprising two parcels of land. The project is to comprise 247 units. The Company has paid total deposits of \$795,752 to date. The balance of the purchase price is \$3,180,998 with \$1.63 million due in December 2012 and \$1,550,998 due in June 2013.

The Company has long term plans to build on this site and the plans thereon are currently being developed.

Projects under Construction

Valmont

69. The project known as Valmont is a four phase condominium project located in south west Calgary comprising a total of 247 units in four buildings. It is being built under the Today's Communities brand. Buildings "A" and "B" are complete; Building "C" and "D" are currently under construction. Construction on Building "D's" parking garage has commenced as the parking garage must be completed in order to obtain an occupancy permit for Building "C". Costs to complete Building "C" are estimated at \$4.9 million. The costs to complete Building "D's" parking garage are estimated to be \$1.2 million.
70. Building "C" contains 50 units. There are 32 pre-sold units. UBG is actively marketing the remaining units. UBG is also actively seeking pre-sales on proposed units in Building "D". There are 39 pre-sales in Building "D".
71. Construction on Building "C" was expected to be completed by December 31, 2012 with closings expected to commence in November 2012. Scotiabank agreed to provide financing on Building "C" pursuant to the Scotiabank Protocols as detailed in the Third Report and approved by this Honourable Court on July 10, 2012. Scotiabank has not yet advanced any funds under the protocol for Valmont as there is uncertainty in respect of the actual costs to complete Building "C" and financing required to complete Building "D's" parking garage is not in place. UBG and the Monitor are working with Scotiabank to determine the actual costs to complete Building "C" and to find a resolution with respect to Building "D" so that construction on Valmont can resume.

South Terwillegar

72. The project known as South Terwillegar is a two phase 112 unit town home complex located in Edmonton, Alberta. Phase 1 is complete, all units are sold and closed. Phase 2 is under construction and comprises 42 units of which 36 units are pre-sold.
73. Scotiabank agreed to continue funding Phase 2 under the Scotiabank Protocols detailed in the Second and Third Reports and approved by the Court on July 10, 2012. Construction is nearing completion and sales are anticipated to start closing in October 2012.
74. The private investor has brought to the Monitor's attention some issues with respect to some cost overruns and is requesting information on how those cost overruns will be addressed. UBG and the Monitor will be meeting with the private investor later this week to discuss the issues with a view to resolving them.

Village on the Park

75. The project known as Village on the Park ("VOP") is a three phase 243 unit condominium complex comprising three buildings located in Edmonton, Alberta. Construction on all three buildings is now complete. All units in Building "A" have been sold and closed. 69 of the 82 units in Building "B" have been sold and closed and 69 units in Building "C" have been sold with

closings of those sales occurring regularly. The Company is actively marketing for sale the unsold units.

76. Scotiabank was providing the financing on this project; however, additional funding was not required post May 9, 2012. As a result of the closing of the sales sufficient funds were realized to retire Scotiabank's loan (the "VOP Scotiabank Loan"). The Monitor's legal counsel reviewed Scotiabank's security and has, subject to customary and specific qualifications, opined that the security constitutes legal, valid, binding and enforceable security. The VOP Scotiabank Loan was retired in full on July 24, 2012.
77. Construction at VOP was conducted through a third party. That third party incurred approximately \$2.1 million in construction costs post May 9, 2012 to complete Building "C". From the sales proceeds realized to date, the third party has been paid \$1.75 million and will be paid additional amounts as sales continue to close. The third party is expected to recover all amounts incurred in respect of construction of Building "C" including amounts owed prior to May 9, 2012.
78. There is a private investor that holds a 50% interest in the VOP project having made an initial contribution of approximately \$3.0 million. The private investor is currently owed approximately \$3.0 million. The profitability of the VOP Project is being reviewed to assess whether the private investor will fully recover its \$3.0 million investment in this project.

Murals

79. The project known as Murals is a three phase 59 town home unit complex located in High River, Alberta. Phase 1 is complete and all 27 units have closed. Currently, six units are pre-sold and under construction in Phase 2. 26 units have not yet been started.
80. Unity Investments is the only secured creditor and is owed approximately \$1.8 million. There is no other financing on the project.
81. The project is being built by a private investor who holds a 50% interest in the project and according to the proof of claim filed with the Monitor, the private investor is owed approximately \$350,000 in respect of Trade debt incurred and \$248,000 in respect of his investment in the project.
82. UBG advises that the project is profitable; however, construction has slowed as the private investor is currently funding completion costs. UBG is working with the investor to ensure that funds generated from closings are available to the investor and the project Trades. UBG expects the project to be completed and to generate profits from the six units currently under construction.

Origins at Cranston

83. The Origins Project is a five phase multi-family development located in south east Calgary. It comprises a total of 140 units (24 town homes and 116 condominiums). One 48 unit condominium building and the 24 town homes are currently under construction.
84. ICI agreed to continue funding the Origins Project as detailed in the Third Report. The ICI Protocol was approved by the Court on August 20, 2012.

85. ICI has advanced funds in respect of the 48 unit condominium building. No funds have been advanced in respect of the 24 town homes. Funds are expected to be advanced by ICI as soon as ANHWP confirms program registration of the 24 town home units.
86. There is a private investor that holds a 50% interest in the Origins Project having made an initial contribution of approximately \$1.75 million. The private investor is currently owed approximately \$1.75 million.

Valour Park at Currie Barracks

87. The project known as Valour Park is a two Phase 24 town home development located in the Currie Barracks area of Calgary. Phase 1 comprises nine units of which eight have been pre-sold. The nine units were under construction up to May 9, 2012.
88. Phase 2 comprises 15 town homes. UBG has pre-sold eight of the 15 units in Phase 2. Construction on this phase has not commenced.
89. CWB is providing the financing on this project and Unity Investments is a partner in this project. CWB is currently owed approximately \$6.6 million and Unity Investments \$4.5 million.
90. UBG attempted to obtain new financing from a replacement lender but was unsuccessful. A detailed review of the project was undertaken in conjunction with trying to obtain new financing which indicated that the project as planned was uneconomic. Costs were significantly underestimated such that the sales prices of the condominiums sold were less than the costs to build them.
91. UBG has developed a new budget for the project. In order to make Valour Park economic for the benefit of CWB, Unity Investments and the Trades, Valour Park will have to be built under a much different pricing structure. The pre-sales agreements in place with the current purchasers will either have to be renegotiated for a higher sales price or new purchasers located, and the existing pre-sales contracts rescinded and deposits provided refunded.
92. With respect to the deposits provided under the pre-sales contracts, a significant portion of those deposits were used by UBG. Consequently, if a purchaser is not prepared to renegotiate their contract, there are insufficient funds held to fully refund the deposit. If a pre-sales contract can be renegotiated then there is no need to return the deposit.
93. UBG's Plan for those purchasers who refuse to renegotiate their pre-sales contract, will be to re-sell the unit and use the deposit provided pursuant to the new sale to payout the previous purchasers' deposit.
94. UBG has been negotiating with CWB to obtain financing and develop a memorandum of understanding (the "CWB Valour Park Protocol") between Valour Park and CWB which will provide for, among other things, funding for construction completion of Phase 1.
95. Negotiations between UBG and CWB with the assistance of the Monitor continue and it is expected the CWB Valour Park Protocol will be finalized within the next week.

Village at the Hamptons

96. The project known as Village at the Hamptons ("Hamptons") is a seven phase, 458 unit complex located in northwest Edmonton, Alberta comprising 86 town homes and 372 condominiums.
97. Construction had just commenced prior to May 9, 2012. Approximately \$1.7 million has been spent by the Company on construction. The project has not yet been approved by ANHWP.
98. Prior to May 9, 2012 the Company had pre-sold 65 condominiums and five town homes. The Company's plan is to first construct Phase 1 (consisting of two apartment buildings of 91 and 99 units) and Phase 5 (26 town homes). Completion of Phases 2, 3 and 4 will be completed in the future.
99. The Bank of Montreal ("BMO") is providing the financing on the Hamptons project and is currently owed approximately \$6.8 million on the land facility and \$1.5 million on the construction facilities. BMO has advised it is not prepared to provide further financing on the Hamptons project.
100. Unity Investments also provided financing and is owed approximately \$3.55 million.
101. There is a private investor that holds a 50% interest who is currently owed approximately \$3.5 million.
102. UBG has entered into discussions with a mezzanine financier and strategic partner to continue construction on the project. The value of the project is being appraised by a certified appraiser which is expected to assist UBG in its discussions with those parties noted above.

Completed Projects

103. Two of the Multi-Family Projects, Timberline and Wilderness are substantially complete. Both these Projects are located in Canmore, Alberta.

Timberline

104. The Timberline project is a four phase 87 unit development comprising 17 town homes and 70 condominiums. 57 units are sold and 56 of the sold units have closed.
105. Of the remaining 30 units, 26 units are complete and four units require completion. The estimated costs to complete the four units are \$350,000.
106. BMO and ICI provided financing on the units. BMO holds a first secured position on 20 units. BMO's outstanding secured debt is approximately \$8.8 million. The units subject to BMO's security have an estimated value greater than amounts owed to BMO.
107. ICI holds a first secured position on 10 units. ICI's outstanding debt is approximately \$6 million. The units subject to ICI's security have an estimated value greater than amounts owed to ICI.
108. Unity Investments holds a second secured charge over all of the 30 remaining units. Unity Investments is owed approximately \$5.75 million.

109. In addition to the costs to complete the four units, there is approximately \$340,000 owed in respect of condominium fees and taxes and approximately \$475,000 owed to Trades. There also appear to be deficiencies that require repair in many areas of the project. The condominium corporation obtained a technical audit of the project which noted significant deficiencies and unfinished work. The condominium corporation estimates the costs to make the necessary repairs and complete construction may be as high as \$675,000.
110. UBG has been exploring various alternatives including numerous meetings and communications with the investors in the project. A summary of what has been considered follows:
- a) Continue the current course of action of listing the units for sale. This course of action is preferred by the investors; however, it is not viable given the current sales absorption rates in Canmore, interest and other expenses that are accruing and costs required to rectify deficiencies, complete the units and maintain a sales program;
 - b) Undertake an immediate liquidation. UBG obtained a proposal from an auction company to explore an immediate sale of all remaining unsold units; and
 - c) Having the investors purchase the units. Two options using this scenario have been presented to the investors for their consideration in meetings on July 25, 28 and August 29, 2012. Investor appetite to proceed with this alternative has been minimal and accordingly this alternative is not viable.
111. UBG facilitated a meeting between ICI and the investors on September 4, 2012. The Monitor understands that ICI encouraged the investors to purchase the units; however, it appears the ICI meeting had little effect on the investors.
112. The foregoing options have been provided to BMO and ICI. UBG and the Monitor plan to discuss next steps with BMO and ICI in the very near future.

Wilderness

113. The Wilderness project is a six phase 45 unit condominium and town home development. 24 units have sold. 21 units have not sold. The Wilderness project was developed under the Alpine Homes brand.
114. Scotiabank provided financing on the Wilderness project and is owed approximately \$4.6 million.
115. There is a private investor that holds a 50% interest in the Wilderness project having made an initial contribution of approximately \$5.2 million. The private investor is currently owed approximately \$3.9 million.
116. UBG and the Monitor have communicated and met with Scotiabank and the private investor in respect of this project.
117. The private investor advanced a preliminary offer subject to several due diligence matters. The due diligence took longer than expected. On September 4, 2012 the private investor made an offer to UBG for the purchase of the Wilderness project. The offer provides that the private investor will assume responsibility for all amounts owed to third parties including Scotiabank, the

condominium corporation and Trades and pay UBG \$1.5 million. The Monitor and UBG are assessing the offer which appears reasonable and, subject to further review, the offer will likely be accepted by UBG and placed before the Court for approval in the near future.

KESWICK FINANCING

118. UBG (through UBG Land LP) entered into a joint venture agreement (the “JVA”) dated June 27, 2005 with MLC/CDC (the “Venturers”) (the JVA was subsequently amended on June 28, 2006 and November 1, 2006) to develop approximately 191 acres of land located in Edmonton, Alberta. UBG’s JVA percentage is 10%.
119. Keswick Developments Ltd. (“Keswick”) is the registered owner of the lands. Keswick holds the lands as bare trustee and nominee on behalf of the Venturers. Keswick is not related to any UBG entity.
120. Keswick secured financing of \$40 million which is secured by a mortgage on the lands and guarantees from each of the Venturers.
121. UBG is unable to provide its guarantee or replacement security satisfactory to the lender in respect of the mortgage due to its CCAA Proceedings. In lieu of UBG giving its guarantee or providing replacement security, both MLC and CDC have agreed to increase their guarantees for a fee of 1.5% of UBG’s gross revenues from the sale of all single and multi-family lots in connection with the JVA (the “Keswick Agreement”).
122. The cost to UBG of entering into the Keswick Agreement is estimated to be approximately \$150,000.
123. The Monitor is in support of the Keswick Agreement and respectfully recommends that this Honourable Court make an order approving the Keswick Agreement for the following reasons:
 - a) It preserves a significant portion of UBG’s investment in the JVA;
 - b) The increased guarantees provided by MLC and CDC will allow financing to be advanced and the development to continue; and
 - c) The cost to UBG in the circumstances appears reasonable.
124. A copy of the Keswick Agreement is attached to The September 10, 2012 Friesen Affidavit.

INVESTORS

125. The Company attracted investment through its Unity Investments division as described in the Second Report and more fully in the May 8th Friesen Affidavit.
126. There are approximately 200 individual investors invested through Unity Investments, ABC Capital and ABC US Capital.
127. The Company has continued holding a series of conference calls for investors to provide regular information to the investors. Since the filing, the Company has held 11 conference calls open to

all investors. These calls are now scheduled once per month. In addition, the Company has held project specific calls relating to ABC Capital, ABC US Capital, Murals, Mountaineers II, and Timberline and will be scheduling calls for Valour Park, Origins at Cranston and Village at the Hamptons over the next three weeks. The Monitor has been attending a majority of these calls.

CASH FLOW

128. UBG filed a cash flow projection for the period commencing May 7, 2012 to September 30, 2012 in respect of the June 15, 2012 court application hearing with its CCAA application materials. A comparison of the budget to actual results for the period May 7, 2012 to August 26, 2012 is provided as Appendix "C". The notes to Appendix "C" provide explanation of the operational variances.
129. An updated projected statement of cash flow to the period ending December 31, 2012 ("Projection") is provided as Appendix "D". The notes to the Projection should be read in conjunction with the Projection. The Monitor assisted UBG with the preparation of the projected cash flow. The cash flow is predicated on UBG continuing to operate in the normal course in the context of the CCAA Proceedings and entering into Protocols with the various lenders for continued financing. The Monitor has reviewed the Projection and its underlying assumptions. The Projection is based on UBG's management's assumptions regarding future events; actual results will vary from the information presented even if the forecast assumptions occur, and the variations may be material. Accordingly, the Monitor expresses no assurance as to whether the Projection will be achieved.
130. The Projection reflects that UBG requires a holdback on Net Proceeds in order to meet ongoing operational expenses. The holdback employed to date has been used to fund payroll, rent, overhead expenses and restructuring costs. Up to August 31, 2012 the holdback required was 12%. The holdback is expected to be reduced to 6% of Net Proceeds for the period September 1 to December 31, 2012 and 4% in respect of Net Proceeds thereafter.

COMPANY'S REQUEST FOR AN EXTENSION OF THE CCAA PROCEEDINGS

131. The Monitor supports the Company's request for an extension of the stay of proceedings from September 14, 2012 to December 14, 2012 for the following reasons:
 - a) The Company is acting in good faith and with due diligence in its restructuring efforts;
 - b) The Company has made significant progress in respect of its restructuring by entering into various protocols with its lenders, focusing on its reporting and projections, developing exit strategies in respect of the Canmore marketplace and meeting with various potential strategic partners in respect of emergence strategies;
 - c) The Company continues to focus its resources on sales and closings which will assist it with its finances as the Residential Units are sold and closed; and
 - d) An extension will provide:
 - i) the Company's management team, with the assistance of the Monitor, an opportunity to continue to review the Projects, make arrangements with lenders

for continued support of the Projects and develop go forward strategies on a project specific basis; and

- ii) the Company with an opportunity to monetize certain of its assets, under the supervision of this Court, which is expected to maximize recoveries for all stakeholders.

132. The Monitor anticipates that as it, the Company and key stakeholders further assess each of the Projects, the Company and the Monitor will be reporting to the Court before expiration of the proposed stay extension with respect to project-specific relief.

MONITOR'S ACTIVITIES

133. In addition to the activities referenced in this Report, the Monitor's activities since the Second Report include:

- Preparing detailed financial analyses of the Company's Projects;
- Meeting with and corresponding with the Company's lenders;
- Reviewing the Company's cash flow;
- Participating in calls and meetings with the Unity Investors;
- Preparation, review, execution and Court approval of funding protocols;
- Administration of the claims process and the reverse claims process;
- Regular communications with creditors and stakeholders;
- Posting documents filed in these proceedings on its website;
- Corresponding with FMC and Bennett Jones LLP, the Monitor's legal counsel;
- Assisting the Company in all of the activities noted above; and
- Drafting this Report.

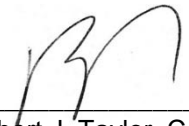
CONCLUSION AND RECOMMENDATION

134. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court make an order granting the relief detailed in Paragraph 7 e) of this Report.

* * *

All of which is respectfully submitted this 11th day of September 2012.

**ERNST & YOUNG INC.
IN ITS CAPACITY AS CCAA MONITOR OF
THE UBG GROUP OF COMPANIES
AND NOT IN ITS PERSONAL CAPACITY**

Per: 
Robert J. Taylor, CA, CIRP

UBG Builders Group

Property Closings - Post May 9, 2012

As at August 26, 2012

(\$Cdn, Unaudited)

# of Closings	UBG Entity	Address
1	Greenboro Homes	58 Dunlop Wynd
2	Greenboro Homes	82 Radcliffe Wynd
3	Greenboro Homes	80 Radcliffe Wynd
4	Greenboro Homes	5047 DeWolf Road
5	Greenboro Homes	6123 18 Avenue
6	Greenboro Homes	74 Dunlop Wynd
7	Greenboro Homes	97 Dunlop Wynd
8	Greenboro Homes	54 Dunlop Wynd
9	Greenboro Homes	6103 18 Avenue
10	Greenboro Homes	1504 - 63 Street
11	Greenboro Homes	6127 - 18 Avenue
12	Greenboro Homes	1719 - 60 Street
13	Greenboro Homes	7825 Ellesmere Link, Sherwood Park
14	Greenboro Homes	1008 Watt Promenade, Edmonton
15	Greenboro Homes	6147 - 18 Avenue Edmonton
16	Greenboro Homes	3354 21A Ave NW
17	Village on the Park	Suite 315
18	Village on the Park	Suite 113
19	Village on the Park	Suite 206
20	Village on the Park	Suite 219
21	Village on the Park	Suite 115
22	Village on the Park	Suite 412
23	Village on the Park	Suite 201
24	Village on the Park	Suite 105
25	Village on the Park	Suite 301
26	Village on the Park	Suite 407
27	Village on the Park	Suite 209
28	Village on the Park	Suite 205
29	Village on the Park	Suite 208
30	Village on the Park	Suite 210
31	Village on the Park	Suite 214
32	Village on the Park	Suite 213
33	Village on the Park	Suite 216
34	Village on the Park	Suite 406
35	Village on the Park	Suite 112
36	Village on the Park	Suite 309

UBG Builders Group
 Property Closings - Post May 9, 2012
 As at August 26, 2012
 (\$Cdn, Unaudited)

# of Closings	UBG Entity	Address
37	Village on the Park	Suite 114
38	Village on the Park	Suite 319
39	Village on the Park	Suite 102
40	Village on the Park	Suite 306
41	Village on the Park	Suite 218
42	Village on the Park	Suite 202
43	Village on the Park	Suite 310
44	Village on the Park	Suite 305
45	Village on the Park	Suite 106
46	Village on the Park	Suite 404
47	Village on the Park	Suite 117
48	Village on the Park	Suite 419
49	Village on the Park	Suite 215
50	Village on the Park	Suite 101
51	Village on the Park	Suite 108
52	Village on the Park	Suite 109
53	Greenboro Estate Homes	9336 - 14 Avenue SW, Calgary
54	Greenboro Estate Homes	1405 Montrose Terrace, High River
55	Greenboro Estate Homes	5 Ascot Park SW, Calgary
56	Greenboro Estate Homes	3816 Sarcee Road SW, Calgary
57	Greenboro Estate Homes	176 Stonemere Close, Chestermere
58	Greenboro Estate Homes	92 Sage Meadows Circle NW, Calgary
59	Greenboro Estate Homes	9348 14 Avenue SW, Calgary
60	High Point	44, 351 Monteith Dr SE, High River
61	Today's Homes	Unit 60, 185 Muirfield Blvd
62	Today's Homes	36 Cimarron Springs Road
63	Today's Homes	Unit 108, 4 Muirfield Close
64	Today's Homes	39 Cimarron Springs Way, Okotoks
65	Today's Homes	166 Sage Valley Road NW, Calgary
66	Today's Homes	89 Evergreen Mount
67	Today's Homes	162 Sage Valley Road NW, Calgary

UBG Builders Group
 Claims Procedure Summary
 As at September 11, 2012
 (\$Cdn, Unaudited)

	Filed - Amount (\$)
Secured Claims Filed	
A. Clark Roofing & Siding Ltd	59,572.70
Access Plumbing & Heating Ltd.	139,270.92
Alberta Furniture Co Ltd. (Jacques Home Furnishings)	20,943.25
Alberta Treasury Branches	8,352,283.66
Angell, Angela	10,000.00
Awada, Nasser & Sanaa	10,000.00
Bank of Montreal	19,725,020.23
Batting, Robert & Erin	100,000.00
Bhachu, Tarlok & Brown, Julie	1,000.00
Borgstadt, Joshua & Melanie	4,280.00
Brar, Bhupinder	60,400.00
Builder Services Group (Allied Insulation)	6,790.70
Builder Services Group (Masco Cabinetry)	23,719.00
Burnco Rock Products Ltd.	268,880.90
Business Development Bank of Canada	1,875,442.47
C & T Plumbing, LLC	87,470.00
Canada ICI Capital Corporation	29,347,740.49
Canadian Western Bank	6,590,032.75
Christiansen, Paul	181,558.00
Chow, Jason	82,736.00
Coast Wholesale Appliances Inc.	30,245.04
Concept Electric Ltd.	897,448.42
Condominium Corporation No 0810854	295,074.04
Condominium Corporation 0822612	100,000.00
Condominium Corporation No 0910404	79,919.02
Contempa Carpet Co. Ltd.	9,704.36
Dickson, David & 703543 Alberta Ltd.	77,513.60
Double R Building Products Ltd.	279,579.00
Downar, Eve	7,090.08
Dundee Castle Keep Limited Partnership	4,064,256.00
Eisenberg, Jennifer, Clifford and Stanley	69,687.20
Elms Weeping Tile Ltd.	5,679.00
Firm Capital Mortgage Fund Inc.	2,125,473.60
Fisher, Paul & Jane	116,000.00
Fuentes, Hermes	25,000.00

UBG Builders Group
Claims Procedure Summary
As at September 11, 2012
(\$Cdn, Unaudited)

Garon, Leonard	178,258.67
Genstar Development Partnership	1,044,836.24
Glenda Bourk Interior Design	10,598.93
Harris, Gary	300,000.00
Herdman, Wayne & Elizabeth	12,450.00
Herrera, Leilani K.	1,500.00
Highfield Stock Farm	5,369,788.00
Home Solutions Corporation	32,207.16
Hoover Mechanical Plumbing & Heating Ltd.	581,668.00
Horizon Drywall, Incorporated	56,661.25
Huntwood Custom Cabinets Ltd.	145,126.50
Hynes, Scott & Stephen	1,000.00
Inland Concrete	3,119.55
JEG Alberta Ltd.	100,000.00
Jertyne Interior Services Ltd.	307,153.38
Jetco Mechanical Limited	10,805.56
Joan Majeski Professional Corporation	102,876.71
K & J's Custom Granite Inc.	22,535.37
Kalia, Sushil & Sukriti	1,500.00
Kratzmann, Christopher	2,500.00
Kumar, Ramneek	3,000.00
L. Perras Construction Ltd.	34,800.00
Lai Siew Fong, Rose	11,229.75
Land, John & Phyllis	135,439.50
Lechelt, Loretta	7,538.00
Lenbeth Weeping Tile (Calgary)	44,767.13
Lopez, Catherine & Mchowell	45,000.00
MT Land Inc.	103,096.00
Metco Landscape, Inc.	44,717.07
Metz, Paul	21,500.00
National Leasing Group Inc.	46,150.88
Onyx Holdings Inc.	473,312.09
Orton, Kevin & Jennifer	210,000.00
Randall, Albert	77,909.59
Reginato, Ivan & Svea	34,924.80
Robert Friesen Investments Inc.	32,731,000.00
Rona Revy Inc.	203,934.28

UBG Builders Group
Claims Procedure Summary
As at September 11, 2012
(\$Cdn, Unaudited)

Royal Bank of Canada	215,000.00
Royal LePage Benchmark	22,425.51
Schmidt, Wade, Craig and Shelley	12,279.95
Shan Fong Investments Ltd	6,692.03
Sheth, Divyang H	1,500.00
Steel T Heating Inc	23,228.87
Talite, Niove	1,500.00
Teets, Alan W. & Davis, Sandy	1,500.00
The Alberta New Home Warranty Program	284,024,532.52
The Bank of Nova Scotia	17,721,031.70
The City of Calgary (Property Taxes)	250,167.23
The Residential Electrical Contractor Corporation (Trecc Electric)	229,751.40
The Toronto-Dominion Bank	17,220,822.24
The Town of Canmore	1,079,180.19
United Protection Services Inc.	19,371.90
Valiant Trust Company	31,361,000.00
Viking Fire Protection Inc.	28,565.80
Voogd, Barry and Cynthia	126,576.03
Wachtler, Anthony	151,558.53
Weiss, Jordan & Candace	45,000.00
Westway Plumbing Ltd.	25,000.00
WM Schmidt Mechanical Contractors Ltd.	105,124.74
Xerox Canada Ltd	47,920.00
Xibit	55,533.99
Zamora, Joshua	1,500.00
Total Secured Claims Filed	470,419,477.47

Unsecured Claims Filed

1012199 Alberta Ltd. (TDK Decking)	42,950.96
1080338 AB Ltd. (Chores Cleaning)	2,678.08
1082948 AB. Ltd. (Enlightened Organizing)	11,109.00
1142327 Alberta Ltd. (Triumph Developments)	44,476.90
1157725 Alberta Inc.(Precision Coatings)	34,569.63
1180421 Alberta Ltd. (Precision Colour)	14,800.53
1261310 Alberta Ltd.	23,093.11
1266867 AB Ltd. (Heywood Photographs)	4,481.40
1302269 Alberta Ltd. (RePerrott Services)	6,883.81

UBG Builders Group
Claims Procedure Summary
As at September 11, 2012
(\$Cdn, Unaudited)

1494564 Alberta Ltd.	23,625.00
15 Kilo Coffee Roasters	500.49
1556175 Alberta Ltd (ComCast Contracting)	334,983.60
1612813 Alberta Ltd.	27,467.20
397996 Alberta Ltd. (Duffy Exteriors)	30,541.94
540795 Alberta Ltd. (Clean Sweep Waste Removal)	3,822.00
573616 Alberta Ltd. (Kindlein Construction)	24,000.00
644183 Alberta Ltd.	38,880.77
650775 Alberta Ltd. (Sign Source)	2,623.69
707719 Alberta Ltd. (Coronet Equipment Rentals)	147,795.66
849105 Alberta Ltd (JMB Waste Management)	3,980.21
901880 Alberta Ltd.	30,135.00
950053 Alberta Ltd.	17,000,000.00
988318 Alberta Ltd.	19,146.75
A. Clark Roofing & Siding Ltd	19,166.18
A+ Quality Repair Ltd.	1,643.25
A-1 Concrete Cutting & Coring Ltd.	262.50
A-1 Septic & Rentals	525.00
Accent Coatings	20,910.14
Access Plumbing & Heating Ltd.	244,071.30
Acheson, Kenneth	10,000.00
Acrosstown & Country Movers Limited	4,483.50
Action Door Services (1997) Ltd.	34,019.00
Active Safety & Training Ltd	7,198.50
Acuity Engineering & Consulting Services	2,835.00
Advance Concrete, Inc.	51,143.39
Advanced Engineering Concepts, Inc.	4,810.00
Alberta Finance	1,678,057.48
Alberta Furnace Cleaning	417.85
Alberta Furniture Co Ltd. (Jacques Home Furnishings)	3,351.60
Alberta Traffic Supply Ltd.	5,434.06
All Screwed Pilings Ltd.	18,186.00
All Star Landscaping Services Ltd.	8,974.88
Allan, Gary	10,000.00
Allmar Inc	1,559.25
Al-Terra Engineering Ltd	3,675.00
Amelco Electric (Calgary) Ltd.	3,373.53
AMP Electric Ltd.	5,289.01

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Ankmar - Div of DH Pace Inc.	5,848.00
Anvy Digital Imaging Inc.	451.50
Apache Superior Printing Ltd.	651.00
Arasaratnam, Pramalathan	1,500.00
Arnason, Stephen & Lindsey	19,718.80
Arora, Baljeet & Rupinder	1,500.00
Arrow Engineering Inc.	1,134.00
Artistic Stairs Inc.	6,504.75
Arzumendi, Elizabeth	1,398.60
Asghari, Koorosh & Rezaei, Azita	33,904.50
Asian Times	420.00
Aster-X Stucco and Masonry Ltd.	18,547.00
Atco Structures & Logistics Ltd	2,368.80
Athikesavan, Kannan & Kannan, Rekna	19,500.00
Attainable Homes Calgary Corporation	844,400.00
Aurora, Baljeet & Rupinder	1,500.00
Avenues Access Systems	14,175.00
Avera Systems Inc.	78.72
Avison Young Real Estate Alberta Inc	37,296.00
Ayala, Jose	15,000.00
B & J Surveying, Inc.	8,625.00
Bach Investments Ltd.	100,000.00
BalloonBiz, Inc.	215.80
Banff Mountain Movers	504.00
Bantle, Maureen	1,500.00
Baobab Properties Ltd.	19,950.00
Barry, David Corbett	58,245.00
Batting, Robert & Erin	55,000.00
BBC Masonry Ltd.	161,065.67
Bell, Candace & Whitmore, Johnathan	12,299.60
Benedict, Christy	2,500.00
Berenos, Heather	2,333.24
Best Plumbing & Heating Supplies Ltd.	64.56
Bhaskar, Jyoti	21,750.00
BHD Electrical Limited	149,009.91
Bhullar, Gurnam & Kuldeep	6,000.00
Bhusley, Narjit Singh, Anjuk and Neetanjit	20,350.00

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Bigfoot Building Products Inc.	188,140.95
Bighorn Sheet Metal Ltd	609.00
Birch, Abbey & Ryan	21,550.00
Birkby, Philip & Daphne	270,000.00
Black Stone Contracting Ltd.	6,252.75
BMC Building Materials and Construction Services	12,921.84
Bodner, Anita Johanna	9,230.80
Bohaychuk, Steven	448.60
Borovko, Roman	33,484.50
Boustany, Harry	1,000.00
Bow Valley Builders and Developers Association	2,867.50
Bow Valley Kitchens Ltd	6,103.16
Bradley, Ryan Jonathan	10,560.27
Brown Developments Inc.	13,912.93
Brulotte, Darren	1,000.00
BTY Group	21,336.69
Buchan, Walter & Linda	58,000.00
Builder Services Group (Allied Insulation)	22,414.56
Builder Services Group (Masco Cabinetry)	22,463.00
Builders Custom Counter, Inc	15,051.00
Building Envelope Engineering Inc	971.25
Burgos, Lucia & Ruiz, Fernando	17,319.75
C.W. Eavestroughing Inc.	17,227.35
Calgary Fence Rentals Ltd.	1,815.44
Calgary Herald	2,704.27
Cam Interior Contracting	5,187.00
Campagne, Jaye	17,569.91
Can Sign Inc	386.00
Canada Revenue Agency	3,861,065.46
Canada Revenue Agency -GST	340,295.05
Canmore Glass & Screen 1988 Ltd.	31,879.38
Capital Color Press	200.34
Carignan Mechanical Ltd	117,979.71
Carpet Supermarket Sales Ltd.	192,812.39
Cascade Engineering Group	19,668.13
Castejon, Madonna & Raymund, Mitchell	11,229.75
CF Construction Services Ltd.	147,401.04

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Chahal, Amritpal & Sukhjeet	1,000.00
Chan, Tony	1,500.00
Chan, Wai Shun Wilson & Kam Fai Melody	20,899.50
CHBA - Calgary Region	1,469.39
Chen, Yanling & Luo, Weiqiang	30,660.00
Cheng, Li	1,000.00
Chhaniyara, Manishkumar	1,000.00
Chisholm, Thomas	13,554.45
Chisholm, Thomas	44,181.62
Chisholm, Thomas	800,000.00
Choucair, Tina	13,965.00
Choucair, Zoul	7,192.50
Chow, Cheryl	11,439.75
Chow, Lorie	10,552.50
CISN-FM	3,669.75
City of Calgary (Bldg Regs)	1,146.68
City of Fort Saskatchewan	3,171.12
Classic Moving & Storage Ltd. (Premiere Van Lines)	546.00
Claycomb, David & Alicia	1,000.00
Cleary, Jeremeas & Kimberlee	1,500.00
Clegg, Caroline	2,500.00
CMN Electrical Systems Ltd.	7,446.11
Coleman, Lisa and Hardy, William	17,669.93
Commercial Linocraft (2004) Inc.	131,067.12
Complete Exterior Maintenance	9,555.00
Computrim 2000 Inc.	46,040.31
Concept Electric Ltd.	60,000.00
Condominium Corporation 0822612	50,600.00
Condominium Corporation No 0513341	1,256,564.59
Condominium Corporation No 0729676	1,989,657.53
Condominium Corporation No 0810854	673,773.08
Condominium Corporation No 0910404	524,425.00
Consumer Strategies Group (Alberta) Inc.	50,590.12
Contempa Carpet Co. Ltd.	257,708.11
Cook, Robert A	50,000.00
Cordell's Window & Interior Design Ltd	24,756.37
Cornwell, Verne & Wendy	98,000.00

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Cota, Rebecca	1,549.70
CrackMaster Concrete	882.00
Croston, Colin	19,999.98
CTR Engineering, Inc.	9,787.50
Curtis West Building Products (Edmonton) Inc	218,434.81
D.A. Watt Consulting Ltd.	18,296.08
Danico Painting Inc.	77,701.91
Darragh, E Anne	49,339.50
Darvishi, Amir	33,484.50
Dave, Sanatkumar	1,500.00
Davies, Bryn Robert	16,862.58
Dayluxe Gallery Inc.	14,857.50
Deer Bridge Plumbing & Heating Ltd.	261,422.41
Delakshan, Inparajah	1,500.00
Deloitte Tax Law LLP	13,804.88
Der, Bok	1,500.00
Derevyansky, Vladimir	31,384.50
Desa Glass Div of Desa Holdings Ltd.	15,711.15
Dionisio, Daniel	6,000.00
Direct Energy Regulated Services	9,129.69
Diversified Staffing Services Ltd.	3,235.68
Diversified Staffing Services Ltd.	10,270.39
Divine Hardwood Flooring (Cal) Ltd.	105,504.02
Divine Hardwood Flooring(Edm) Ltd	51,530.63
DMS X-1 Inc. (DMS Custom Counter)	5,601.80
Docherty, Sean	10,967.25
Dorris, James & Sheri	1,500.00
Double R Building Products Ltd.	21,208.57
Douglas, Janie and James	200,000.00
DT Mountainview Construction Ltd	187,750.73
DTJ Design, Inc	3,581.00
Duggal, Vick Raj	1,750.00
DumpRunner Waste Systems Inc.	14,280.91
Dundee Castle Keep LP	4,702.01
Dundee Developments	26,599.31
Durwest Construction Systems (Alberta) Ltd.	16,275.00
Dyand Mechanical Systems Inc.	53,539.01

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E & A Stairs Ltd.	20,056.60
E.F. Gooch Architects Inc.	239,225.07
Economy Heating (Residential) Ltd.	100,997.72
Eden Cleaning Service	1,065.75
Edmonton Journal (Postmedia Network Inc)	4,273.77
Elevation Stairs & Woodwork	2,076.33
Emma Painting & Contracting Ltd.	54,691.16
Empire Drywall Ltd.	144,528.30
Enervision - Healthy Housing Choices	346.50
Eng-Con Holdings Ltd.	664,789.72
ENMAX Envision Inc.	1,519.11
ENMAX Power Services Corporation	189,898.67
Entuitive Corporation	91,602.00
Environmental Construction Organization ECO Group	9,161.25
Evergreen Painting, LLC	21,294.15
Evolution Video & Sound Inc.	4,515.00
Executive Mat Service Ltd.	2,642.57
Fabris, Cathy A	20,000.00
Fang, Lin	19,218.57
Far West Advertising Ltd.	4,147.21
Fast Rite Cribbing Inc.	60,923.10
Fei, Fan	14,805.00
Fei, Zhang Yin	17,850.00
Fibre Craft	966.00
Fin-Wall Site Services	653.17
Fischer, Travis	10,568.25
Focus Corporation	14,613.82
Footprint Developments Inc	516,000.00
Fountain Tire Ltd.	791.77
Fradette, Gillian	8,400.15
Freitas de Amorim, Leonardo	16,532.25
Friesen, Kyle	449,150.00
Full Bearing Framing Inc.	15,709.68
Furnaceman/Don's Power Vac	2,987.25
G & M Stone Masonry 1993 Ltd.	108,907.54
G.R. Plaster Ltd	2,467.50
Galigo, Rey Gilbert	1,500.00

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Gallant Developments Corp	17,000,000.00
Geddes, Erin	11,597.25
General Electric Company	36,441.24
General Paint Corp.	91.24
Genitti, Alyssa	17,188.50
Getz, Mandy	10,967.25
Giebelhaus, Bill	100,000.00
Gienow Windows and Doors	415,994.19
Gill, Raminder Singh & Charanjit Singh	58,000.00
Giroux, Kalum & Rick	7,201.00
Glenda Bourk Interior Design	11,380.75
Global Eco-Safe Recycling Inc.	9,646.96
Golder Associates Ltd.	5,002.22
Gowling Lafleur Henderson LLP	10,429.36
Green, Jennifer & Czapp, Reynold	1,000.00
Groenevelt, Teresa	875.00
Gunnar Office Furnishings	6,558.30
Gypsum Drywall(Southern) Ltd.	308,711.82
H & H Huxted Ent. Ltd.	2,009.13
H & H Norwest Ltd.	484,470.75
Habberjam Mechanical Inc.	17,588.62
Hags with Rags	10,601.68
Hallson, Geoff & Audrey	104,000.00
Harding, Kaitlin Anne	23,499.32
Harland, Sheila Joan	22,984.50
Hawes, George & Marie	33,400.00
Hayer, Jasmeet	1,000.00
Haymour, Samir	348,869.00
Head To Toe Safety Ltd.	1,564.10
Headrick, Lisa & Blaine	1,000.00
Helsel, Robin	1,500.00
Hergenhein, Debbie	34,000.00
Hess, Arnold & Barbara	5,000.00
High Pressure Power Washing	1,890.00
Highfield Stock Farm	5,178,623.00
Highmark Home Systems Ltd.	16,671.90
Hipp, Bryce	182,700.00

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Hoffarth, Lenard & Lisa	12,305.00
Home Solutions Corporation	8,933.40
Horizon Drywall, Incorporated	28,918.00
Hoy, Robert	6,400.00
Hua, Phong	14,754.29
Hungerland, Christina	788.50
Hunter Douglas Canada LP	14,589.58
Huntwood Custom Cabinets Ltd.	10,949.38
Huskins, Ian	1,000.00
Hutchinson, Jennifer & Mark	14,000.00
I.H.A.D. Services	2,532.36
IBI Group Inc./IBI Geomatics	101,391.63
Igloo Building Supplies Group Ltd	557,417.59
Innes, Jean Louise	60,000.00
Installation Services Org Ltd. (Canwest Flooring & ISO)	142,319.83
Intangible Construction Inc.	7,990.92
Integrity Construction, LLC	51,091.83
International Painting & Drywall Ltd.	43,390.73
Iron Mountain Canada Corp	3,452.49
Jackiewicz, Angelika	23,641.38
Jade Stone Ltd.	46,216.19
Jaques, Carol	8,000.00
Jason P. Schlotter PC	35,196.00
Jayson Global Roofing	31,923.21
Jenkins Architecture Ltd.	16,987.66
Jertyne Interior Services Ltd.	98,389.63
Jespersen, Catherine	123,275.00
Jetco Mechanical Limited	4,271.09
Jha, Kaushlendra	1,500.00
Jha, Swati	1,500.00
Jobst, Rob	2,961.53
Jones Geomatics Ltd.	10,218.75
Joseph, Mathew	1,000.00
JRK Investments Inc.	500,000.00
Juan, Aurora	204,000.00
K & J's Custom Granite Inc.	9,971.32
Kahlon, Gurpreet S & Gurinder	127,000.00

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Karjohn Contracting Ltd,	334,520.81
Karniej, Therese	11,506.58
Kary, Richard & Stewart, Charis	63,709.80
Kavanagh, Jamie	1,000.00
Kazmi, Ali	1,000.00
Kelmar Ltd	35,988.76
KevTech Industries Inc	3,015.50
Key Concrete Products Ltd.	18,479.73
Keystone Excavating (Calgary) Ltd.	414,924.12
Keystone Excavating (Edmonton) Ltd.	29,165.31
Kim, Inkon	30,334.50
Knudtsen, Jason & Elizabeth	150,000.00
Koenig, Richard W.	2,600.00
Kondraciuk, Joanna & Dariusz	10,652.25
Kornell Capital Corporation	40,472.77
Kratzmann, Christopher	15,200.00
Krebes, Donna & Andrew	110,000.00
Krishnan, Kumar	10,000.00
Kumar, Ramneek	1,000.00
La Monaca, Claude & Cynthia	62,340.02
Lacampuenga, Mary Grace	9,577.20
Lam, Steven Chung Wai	17,645.88
Lampow, Anne Marie	16,269.75
Lane, Brian & Tracy	105,200.00
Lau, Samson	10,000.00
Lear Construction Managment Ltd.	23,742,526.07
Leavitt Machinery	4,200.00
LeBlanc, Kevin	8,821.75
Lenbeth Weeping Tile (Calgary)	16,559.90
Lenci, Mark & Samantha	31,535.57
Leonard, Timothy & Donna	13,965.00
Li, Chi & Yuen, Lai Heunh	30,660.00
Li, Jennifer & Li, Jacqueline	23,824.50
Lingaiah, Sekar	19,562.55
Lionsafe Ltd	462.00
Little, Karyn Leanne	33,651.14
Little, Lisa	128,500.00

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LN Painting Ltd.	15,801.45
Lo, Kit Fai	15,300.00
Lock Surgeon Ltd.	1,015.88
Loeppky Homes Ltd.	29,965.84
Long View Systems Corporation	1,386.00
LOUD design Inc.	53,785.17
Low, Lawrence	11,492.25
Lowe, Tommy M and Gloria J	33,926.76
LSCI dba 30 dps	3,324.10
Lumacang, Juanito & Asuncion	1,000.00
Luna, Garry & Sandra	125,000.00
M & B Exteriors Ltd.	184,747.71
Ma, Cynthia	31,185.00
Ma, Kevin	1,500.00
MAC Land Works & Consulting Ltd.	29,981.86
Machula, Darren	1,500.00
Macri Photography Ltd.	1,998.15
Maling, Noel	19,750.00
Mangat, Lovegeet	16,479.75
Manly, Adam	1,000.00
Maranda Reprographics & Printing Inc.	2,275.09
Marshall Tittlemore Architects	2,656.50
Marshall Tittlemore Architects	107,955.00
Marzecka, Jadwiga Ewa & Szubierajsko, Wanda	16,427.25
Mason, Eric & Althia	9,660.00
Mason, Eric, Althia & Deseray	9,077.50
Mayson, Stephanie	16,532.25
McCarthy Tetrault LLP	227,462.73
McCord, Linda	300.00
McElhanney Consulting Services Ltd.	938.38
McElhanney Consulting Services Ltd.	13,938.75
McKay, Kelsey & Priddle, Shaun	1,500.00
McLean Contracting (2004)	7,264.96
McLeod & Company LLP	213,250.60
Meerkat Roofing Ltd.	100,731.80
Meriam Contracting Ltd.	24,880.00
MG Custom Woodwork Inc	42,210.00

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MGA Management Ltd	216,720.00
Michals, Brenton	1,500.00
Midcraft Interiors Inc.	31,596.66
Milne, David	23,747.85
Mincheva, Detelina	17,319.75
Mirzahi, Sayed Fardin	1,500.00
Mirzaie, Ahmad	1,500.00
MJ Services, Inc	8,113.68
MLP Receivership LLC,- Recfor Heritage Homes	21,500.00
MMP Structural Engineering Ltd.	10,443.98
Monster Worldwide Canada	1,312.50
Montuffar, Svetlana & Gerardo Olguin	16,555.72
Morgan, William & Ingrid	4,000.00
MP Fiberglass Repairs Ltd.	4,310.00
Neon Sales & Service	4,054.05
New Era Carpentry Ltd.	20,687.94
Norstair Precast Step Systems Inc.	3,981.60
Northern Alberta Institute of Technology	24,383.00
Northstar Concrete Ltd.	227,229.28
Novasys LLC	1,400.00
Nunweiler, Scott & Shelly	18,550.00
Oko, Shari	1,500.00
Okotoks Rentals Ltd.	22,506.60
OnX Enterprise Solutions Ltd.	165,252.15
Oostendorp, Michael & Kelly-Dawn	1,000.00
Oprecio, Mark & Abat, Ann	32,000.00
Over & Above Renos & Contracting Ltd.	27,892.41
P. Machibroda Engineering Ltd.	20,713.88
Page, Jason	15,482.25
Paladin Security Systems Ltd.	20,462.40
Pals Geomatics Corp.	28,502.25
Pandya, Bhavesh	1,500.00
Pandya, Nilesh	1,500.00
Papa, Randy & Sacla-Papa, Jemima	1,500.00
Parlee McLaws LLP	39,451.81
Patel, Bharatkumar	1,000.00
Paterson, Kristin & Smith, Sandra	16,269.75

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Paula's On Site Cleaning Ltd.	46,083.04
Paulovich Agri-Ventures Ltd.	50,000.00
Pena, Charles & Cynthia	1,500.00
Performance Mobile Services Inc.	5,942.32
Periyasamy, Annadurai	10,000.00
Perry, Brian K	4,500.00
Perth Construction Ltd.	66,649.38
Phillips, Deana	7,800.00
Philpott, Vanessa & Rocky	250,000.00
Piattelli, Frank	15,000.00
Pierry Consulting, Inc	4,495.47
Pinnacle Travel Ltd.	405,130.40
PLG Residential Services Inc.	293,927.39
PNC Bank, NA	3,579,895.56
Polson, Chris & Natalia	48,000.00
Popov, Stanislav	32,845.05
Popovic, Goran	11,912.25
Posteraro, Andy	13,755.00
Posteraro, Selene	13,965.00
Prepes, Sheldon	3,688.00
Prestige Railings & Stairs Ltd.	41,646.64
PrinterWorks West Inc.	346.50
Priority Printing Ltd.	327.60
ProBuild Company LLC	216,303.43
Prokopishin, Carmen	1,500.00
Propp, Tricia	7,514.79
Provincial Safety Consulting Services	4,620.00
PTL Concrete, Inc.	63,325.45
Quach, Lenny & Tran, Linda	1,500.00
R.I. Barrigan Management Ltd.	Unknown
Ramos, Luzviminda	1,500.00
Ramos, Mark	9,627.71
Rawlco Radio Ltd. (CKNO-FM)	5,355.00
RCI Coatings 2012 Inc.	5,250.00
Re/Max Real Estate	12,352.20
Realty Executives Polaris	8,854.94
Realty Executives-Devonshire Realty Inc.	203,279.57

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Regmi, Prabodh Raj & Bindu	6,000.00
Reliant Comfort Systems Ltd.	5,966.52
Remo's Masonry & Concrete Ltd.	12,012.00
Rhino Print Solutions	519.75
Riley, Sandra Lynn	31,727.33
Rocky Mountain Computer Products Ltd.	1,583.06
Rocky Mountain Concierge Inc.	23,220.24
Rocky Mountain Landscaping	12,942.56
Rollock, Cristina & Carlton	19,419.75
Romano, Robyn	22,774.50
Rona Revy Inc.	860.49
Ronmor Holdings Inc.	4,572.76
Ross, Alasdair and Dean, Amber	24,351.00
Ross, Deborah Ann & Richard	250,000.00
Royal LePage Solutions	1,575.00
Rutherford, Scott & Jessica	17,100.00
S.A.C Construction Ltd.	29,126.03
Sacobie, Karen	1,200.00
Sage, Ashley	140,036.40
Samaska, Ashlee	16,479.75
Sanchez, Rodrigo	1,000.00
Savitzski, Kazemer	3,726.93
Savova, Daniela	15,744.75
Scammell, Lawrence	33,955.00
Schaan, Todd	16,250.00
Scope Projects Inc	77,508.81
Sharpe, Raymond & Bernadette	31,121.00
Sheedy, Kathi/Gourmet Baskets	2,520.00
Shegelman, Ilya & Zina	96,000.00
Shen, Kitty	10,000.00
Shtil, Igor	32,959.50
Signet Design Inc	819.00
Simkin, Marina	31,384.50
Simser, Jay	1,000.00
Singh, Meenuka	15,000.00
Singh, Sima	1,000.00
Skeich, Jean	40,000.00

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Skyline Roofing Ltd.	54,203.62
SMAC Construction Ltd.	15,065.82
Sothinathan, Sumughan	1,000.00
Source Media Group	6,390.56
South Terwillegar Townhomes Inc.	5,074,415.83
Spindle Factory	22,183.76
Split Rail Fence Company	13,247.40
Square Foot Real Estate Corporation	132,809.42
Stantec Geomatics Ltd.	6,735.75
Starlight Lighting Centre	11,166.87
Steel T Heating Inc	18,336.09
Stordor Investments Ltd. (Overhead Door)	45,174.70
Stuart, John	100,000.00
Sturgess Architecture	223,188.73
Sun Media Corporaton	28,530.79
Sun, Jianxiu	19,110.00
Super Save Disposal (Alberta) Ltd.	5,046.71
Super Save Fence Rentals Inc.	1,436.06
Super Save Toilet Rentals Inc.	2,665.34
Superior Millwork Ltd.	344.27
Superior Trenching Ltd.	195,120.30
Swan, Barry & Maura	10,000.00
Tang, Anli & Mei Xing	32,539.50
Tang, Jin Yu John	21,304.50
Tang, Timothy & Linda	105,490.00
Taranto, Andrew	23,719.50
Tcaciuc, Iaroslav & Galina	7,350.00
Tcaciuc, Vladimir	8,071.87
Thanupillai, Moni	19,600.00
The Bolt Supply House Ltd.	3,215.42
The Co-Operators	12,051.00
The Elite Fleet Courier Ltd.	1,432.61
The Great Canadian Roofing Corporation	10,419.15
The Lighting Connection, Inc.	8,016.32
The Residential Electrical Contractor Corporation (Trecc Electric)	15,843.71
Theberge, Tyler Marshall	10,000.00
Thiele, Shelley & Wilhelm	33,484.50

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Thind, Sital Singh	1,000.00
Ti Studios Inc.	10,500.00
Timbertown Building Centre Ltd	8,495.87
Timberwolf Hearth Products (1979) Ltd.	21,609.32
Titheridge, Trevor	120,000.00
TNN Maintenance & Cleaning	5,328.75
Toll, Craig & Shannon	25,343.00
Top Shelf Closets & Glass Inc	22,048.31
Traa, Michael & Michele	10,652.25
Tri - Star Woodworks Inc.	272,867.71
Trim Masters Trask Ltd.	19,061.69
Trivedi, Parthiv	11,000.00
Tsasa, Lusala	37,472.50
Turnbull, Joel	20,989.50
Udwadia, Kaushik	18,424.00
Ulsifer, Steve	71,942.31
United Communities LP	6,523,595.54
Urban Impact	1,643.07
Valadao, Carol D	1,107.69
Valdriz, Arthur & Claudette	34,000.00
Valley Drywall Ltd	28,056.40
Valley Home Building Centre	382.70
Van Houtte Coffee Services Inc.	283.27
Vaynshteyn, Boris	18,585.00
Venture Engineering Consultants Ltd.	1,200.00
Vidon, Rochelly	1,500.00
Vij, Vikas	1,500.00
Viking Fire Protection Inc.	11,225.42
Villarroel, Claudio	36,850.00
Virji, Arif, Seema, Moez and Nazlin	6,982.50
Virk, Kapur S and Chitcharan	65,000.00
Visitew, Jenny/Kejin Excavating Ltd	35,312.87
Volvo Rents	2,100.00
Wall2Wall Media Inc	13,143.90
Wan, Maggie	23,625.00
Wan, Maggie & Tong, Jenny Shun Hing	23,625.00
Wang, Zhaoxiong	17,745.00

UBG Builders Group
Claims Procedure Summary
As at September 11, 2012
(\$Cdn, Unaudited)

Warren, William John	189,209.25
Way, Amy	23,204.80
West Gallant Developments Ltd	4,940,000.00
Western Health & Safety	525.00
Western Shelter & Charitable Foundation	3,435,000.00
Westridge Cabinets (1993) Ltd.	218,139.34
Wilson, Meghan and Miles, Donna	6,930.00
WM Schmidt Mechanical Contractors Ltd.	9,177.84
Wong, Benjamin	1,552.00
Worker's Compensation Board	41,228.66
Workforce Temporary Services Ltd.	14,556.42
Wu, Gui Chuan	31,290.00
Xerox Canada Ltd	2,449.20
Xiang, Kuikvi	88,000.00
Xing, Li	19,110.00
Yoon, Jungsik (Peter)	23,089.50
You've Been Framed Construction Inc	25,842.39
Yu, Duncan	11,912.25
Zander, Tammy M.	1,500.00
Zenuk, Landon	12,235.00
Zhang, Catherine	17,220.00
Zoutsos, Vasilias	11,906.05
	<hr/>
Total Unsecured Claims Filed	121,971,004.59
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Total Reverse Claims	39,295,565.16
	<hr/>
Late Claims Filed	
1191939 Alberta Ltd. (Griffith Estate)	83,336.13
AltaGas Utilities Inc.	377.14
Beaudry, Sharon	10,290.03
BIE Engineering Corp.	15,807.75
Brydon Construction Ltd.	12,724.76
Christman, Ernest	506,369.86
Conasys Consumer Assurance Systems	18,509.96
Consolidated Gypsum	819.00
Creative Touch Interiors Inc	84,479.50
Epcor	2,469.96
Lescure, David and Iris	33,694.50

UBG Builders Group
Claims Procedure Summary
As at September 11, 2012
(\$Cdn, Unaudited)

Luna Taniguchi Nicoll Schmidt (LTNS)	48,510.00
Madrid, James & Renae	1,500.00
Mand, Tejinder Pal Singh & Harpreet Kaur	15,000.00
Mandaliya, Rohit J.	1,500.00
McKiernan, Martin	1,000.00
Murtaza, Ghulam	Unknown
Nguyen, Michael Q.	1,500.00
Nicolas, Rizaldy, Veneranda & Mary Jane	10,000.00
Oberoi, Manvider & Raminder	1,500.00
Patel, Nilesh Kumar & Nuhanbhen	15,500.00
Patel, Kalpesh & Shital	15,500.00
Raval, Nikunj Kumar	1,500.00
Richards, Samuel	10,463.25
Rogers Media Inc.	2,205.00
Rose Bud Gas Co-op Ltd	635.65
Shaw Cable Systems GP	484.84
Singh, Trath & Kaur, Palwinder	10,000.00
Suncor Energy Products Partnership	6,137.01
Thind, Paramjit & Amrit Pac Singh	1,500.00
Trail Appliances Ltd.	188,415.64
Total Late Claims Filed	1,101,729.98
Total Claims Filed	632,787,777.20

UBG Builders Group
Cash Flow Variance Analysis
For the 16 week period - May 7 to August 26, 2012
(\$Cdn, Unaudited)

	Notes	Projected	Actual	Variance
Cash inflows				
Actual mortgage advances	1	8,048,224	3,131,318	(4,916,906)
Actual advances				
ATB	1	10,295,789	2,241,055	(8,054,734)
TD Bank	1	3,601,880	561,000	(3,040,880)
Closings				
Firm		16,582,601	16,582,601	-
Pending	2	14,418,274	2,163,375	(12,254,900)
A/R collection		22,357	22,357	-
GST	3	211,554	1,821,076	1,609,521
Other	4	549,570	1,404,804	855,235
Subtotal - inflows		53,730,250	27,927,586	(25,802,664)
Cash outflows				
Mortgage payment	2	26,844,271	4,050,714	(22,793,556)
Wages, salaries and commissions	5	2,031,025	2,200,981	169,956
Rent		276,000	307,158	31,158
GST	6	341,314	242,908	(98,406)
Insurance	6	192,288	183,584	(8,704)
Property tax	7	887,384	23,220	(864,164)
Payables				
Overheads	6	584,585	359,430	(225,155)
Legal/Accounting	6	99,850	28,720	(71,130)
Trades	1	15,393,467	7,733,594	(7,659,873)
Restructuring costs	6	1,211,538	-	(1,211,538)
Lot purchases				
Lot deposits	6	445,670	102,997	(342,673)
Developer	6	3,158,581	-	(3,158,581)
ABC		-	-	-
Interest	8			
Construction mortgage		254,143	373,809	119,665
Other mortgage		204,592	69,677	(134,915)
Bank fees		46,501	218,255	171,754
Investor financing		-	748	748
Other		96,549	148,142	51,593
Contingency		92,308	-	(92,308)
Subtotal outflows		52,160,066	16,043,937	(36,116,128)
Net cash flow				
Period only		1,570,184	11,883,649	10,313,465
Opening available cash		740,000	740,000	-
Closing cash balance	9	2,310,184	12,623,649	10,313,465

This schedule should be read in conjunction with the accompanying notes.

UBG Builders Group
Notes to Cash Flow Variance Analysis
For the 16 week period - May 7 to August 26, 2012

1. Actual advances from lenders and payments to trades are lower than projected due to the timing of establishing the funding agreements ("Protocols"). Greenboro Estates in Calgary is financed by The Toronto-Dominion Bank ("TD"). In addition to the \$561,000 advanced directly to Greenboro Estates, TD has also released approximately \$1.6 million from sales proceeds held in trust by UBG's legal counsel to Greenboro Estates to pay Trades for post May 9, 2012 materials and services provided to UBG.
2. Actual closings are lower than projected due principally to construction delays related to the timing of the Protocols. Approximately \$7.4 million is currently held in trust with various lawyers in respect of closing funds. A framework for the distribution of sales proceeds is in place, and funds are being distributed accordingly.
3. GST includes both GST refunds and GST received from sales closings. Projected GST inflows were understated in respect of the GST refunds. The GST from closings are paid to Canada Revenue Agency. GST refunds will be paid to lenders or used for general corporate purposes as the case may be.
4. Comprises rental income, revenues from joint venture partnerships, sales of lots to third parties, and miscellaneous refunds. The variance is due to the sale of three lots totalling approximately \$710,000. It is anticipated that these funds will be used to pay the secured claims of Alberta Builders Capital Inc.
5. Wages, salaries and commissions are greater than projected as commissions paid to sales employees and realtors were understated in the original projections.
6. Timing difference.
7. Property taxes represent funds paid directly by UBG. The initial projections assumed lenders would advance lump-sum amounts to pay the property taxes. Currently, property taxes are paid from a combination of funds from UBG and sales proceeds as units or houses are sold.
8. Actual interest payments are greater than projected mainly due to commitment fees commensurate with establishing the Protocols and an increase in bank fees related to overdrawn bank accounts.

9. The closing cash balance is higher than projected as funds are currently held in trust with UBG's legal counsel. These funds are now being distributed (see note 2).

	<u>Amount</u> <u>(\$)</u>
Net proceeds	7,400,000
GST refunds	1,400,000
Closing costs (including commissions, deficiencies and liens)	<u>1,700,000</u>
	<u>10,200,000</u>

These notes should be read in conjunction with Appendix "C".

UBG Builders Group
 Projected Statement of Cash Flow to December 31, 2012
 As at September 11, 2012
 (\$Cdn, Unaudited)

	Notes	Cumulative May 7 - Aug 26	Aug 27 - Sept 2	Sept 3 - 9	Week ending Sept 10 - 16	Sept 17 - 23	Sept 24 - 30	October	Month ending November	December	Total
Inflows											
Mortgage advances	1	3,131,318	582,000	2,310,000	656,000	34,745	1,705,000	2,093,543	1,532,267	1,532,621	13,577,494
Operating line advances		-	-	-	-	-	-	-	-	-	-
ATB	2	2,241,055	75,641	1,257,912	478,196	-	2,092,753	3,990,528	6,993,947	3,526,141	20,656,173
TD Bank	2	561,000	1,932,511	-	84,188	-	4,073,424	3,914,368	3,824,282	4,172,283	18,562,054
Closings	3	-	-	-	-	-	-	-	-	-	-
Firm		18,745,976	3,374,999	-	-	2,320,000	1,963,856	-	-	4,493,534	30,898,365
Pending		-	-	-	-	-	3,319,670	11,146,740	11,822,978	13,526,176	39,815,564
A/R Collection		22,357	-	-	-	-	-	-	-	-	22,357
GST	4	1,821,076	-	-	-	690	-	292,638	492,964	671,731	3,279,098
Other	5	1,404,804	41,643	25,000	-	-	103,285	83,285	83,285	33,285	1,774,587
Subtotal - inflows		27,927,586	6,006,794	3,592,912	1,218,383	2,355,435	13,257,988	21,521,101	24,749,723	27,955,770	128,585,692
Outflows											
Mortgage payments	6	4,050,714	6,335	3,500,000	1,875,539	2,221,713	12,670	15,686,013	7,878,956	15,242,660	50,474,600
Wages, salaries and commissions		2,200,981	-	-	223,746	-	320,001	711,815	598,369	593,450	4,648,361
Rent		307,158	14,000	-	-	-	10,000	175,600	10,000	92,800	609,558
GST		242,908	37,360	-	-	8,525	20,657	236,251	-	-	545,702
Insurance		183,584	7,351	43,787	-	-	1,076	99,733	63,643	5,020	404,194
Property Tax		23,220	-	-	-	34,745	-	27,000	-	-	84,965
Payables		-	-	-	-	-	-	-	-	-	-
Overheads	7	359,430	139,427	8,000	162,940	74,084	26,892	340,356	293,243	273,333	1,677,706
Legal/Accounting		28,720	-	-	17,535	28,357	-	34,259	31,308	31,308	171,489
Trades		7,733,594	2,087,152	3,517,912	640,000	26,000	5,850,521	13,731,732	13,990,747	9,623,259	57,200,917
Restructuring costs	8	-	-	-	800,000	-	-	800,000	150,000	150,000	1,900,000
Lot purchases		-	-	-	-	-	-	-	-	-	-
Lot deposits (initial)	9	102,997	-	-	321,950	-	-	-	-	-	424,947
Developer	9	-	-	-	-	-	1,348,425	946,276	1,159,554	1,958,187	5,412,442
ABC		-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-
Construction mortgage		373,809	477,591	-	16,000	10,000	357,785	284,138	197,098	180,311	1,896,731
Other mortgage		69,677	8,200	-	-	-	8,200	8,200	8,200	716,377	818,853
Bank fees		218,255	6,210	878	3,360	1,092	3,026	14,256	10,445	7,019	264,541
Investor financing		748	-	-	-	-	-	-	-	-	748
Other		148,142	-	-	-	-	2,713	2,713	2,713	2,713	158,994
Contingency		-	7,693	7,693	7,693	7,693	7,473	36,925	29,013	29,013	133,195
Subtotal outflows		16,043,938	2,791,318	7,078,269	4,068,763	2,412,209	7,969,439	33,135,267	24,423,290	28,905,449	126,827,943
Net cash flow											
Period only		11,883,649	3,215,476	(3,485,357)	(2,850,380)	(56,774)	5,288,549	(11,614,166)	326,433	(949,680)	1,757,750
Opening available cash		740,000	12,623,649	15,839,124	12,353,767	9,503,388	9,446,613	14,735,162	3,120,996	3,447,429	740,000
Closing cash balance		12,623,649	15,839,124	12,353,767	9,503,388	9,446,613	14,735,162	3,120,996	3,447,429	2,497,750	2,497,750

UBG Builders Group
Notes to Projected Statement of Cash Flow to December 31, 2012
As at September 11, 2012

1. Protocols have been established with lenders on several projects (excluding Greenboro Homes and Greenboro Estates discussed in note 2 below) and it is assumed that lenders will continue to provide the necessary advances, pursuant to the credit facilities in place for each respective project.
2. Alberta Treasury Branches (“ATB”) finances Greenboro Homes in Edmonton and The Toronto-Dominion Bank (“TD”) finances Greenboro Estates in Calgary. The ATB Protocol for funding has been in place since July 2012. TD’s Protocol for funding is expected to be in place effective September 14, 2012.
3. During the period of the Cash Flow, UBG expects to close The Ledges Inc. (“Ledges”) property sale for \$2.32 million, the enbloc sale of Wilderness Ridge at Stewart Creek (“Wilderness”) for \$1.5 million, and sales on 180 units totalling approximately \$48 million as noted below:

	# of Units	Amount (\$)
Greenboro Homes	67	18,614,741
Greenboro Estate Homes	31	9,552,073
Today's Homes LP	12	3,222,399
Village on the Park	27	5,938,189
High Pointe LP	5	1,099,486
South Terwillegar Village LP	19	5,227,531
Origins at Cranston	19	4,493,534
Ledges and Wilderness		3,820,000
	180	51,967,953

4. Consists of GST refunds and GST received on sales closings which are paid to Canada Revenue Agency (“CRA”). Projected GST excludes GST received on sales closings as receipts are expected to be equal to disbursements and have been offset for purposes of the cash flow.
5. Comprises rental income from tenants occupying UBG commercial buildings and miscellaneous refunds.
6. Represents payments of mortgages in connection with sales closings as in note 3 above. The amount is net of certain holdbacks and restructuring costs.
7. Overheads comprise general expenses including utilities, licenses, office supplies, advertising, and telephones.
8. Estimated restructuring costs to be paid over the cash flow period presented.
9. It is assumed for purposes of the Cash Flow that lot deposits and payments to developers for lot purchases in respect of the single family developments will be financed by ATB and TD.

These notes should be read in conjunction with the Appendix “D”.