

APPEAL NUMBER:  
COURT

1301-0244AC  
COURT OF APPEAL OF ALBERTA



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

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

**DOCUMENT**

**AFFIDAVIT OF DALE ANDA**

ADDRESS FOR  
SERVICE AND  
CONTACT  
INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

Bishop & McKenzie LLP  
Barristers & Solicitors  
#1700, 530 – 8<sup>th</sup> Avenue SW  
Calgary, Alberta  
T2P 3S8  
Attention: Russell N. Avery  
Phone: (403) 237-5550  
Fax: (403) 263-3423  
File No. 101,975-003 (RNA/sla)

**AFFIDAVIT OF DALE ANDA**  
**Sworn on September 3, 2013**


I, Dale Anda, of the City of Calgary, in the Province of Alberta, MAKE OATH AND SAY THAT:

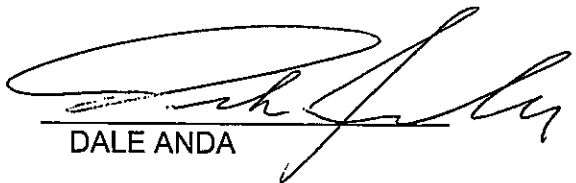
1. I am a Director of 771280 Alberta Ltd. ("771"), and as such, have personal knowledge of the matters hereinafter deposed, except where based upon information and belief, in which case I verily believe them to be true.
2. 771 initially became involved in this matter when it was contacted by Valmont at Aspen Stone Inc. ("Valmont") to consider making an offer to purchase lands that it was developing ("Valmont Lands"). An offer was made by 771 to Valmont in February 2013. We did not receive a response to our offer.
3. In June 2013, 771 was contacted by Ernst & Young Inc., the Monitor appointed in this matter, to submit a Stalking Horse Offer for the purchase of the Valmont Lands. 771 was advised by the Monitor of the workings of the Stalking Horse procedure, including that a break fee of \$200,000.00 would be payable to 771 in the event that it was not the ultimate purchaser of the Valmont Lands.
4. 771 embarked upon a due diligence phase in order to satisfy itself of the assets under consideration. It placed a Stalking Horse Offer with the Monitor in early June 2013. This process was approved by Court Order on July 10, 2013.
5. On August 30, 2013, Justice Kent granted a Vesting Order accepting the second offer of 771 for the purchase of the Valmont lands. The closing date for the transaction is set to occur, by Court Order, on September 6, 2013.
6. In order to deal with all necessary matters to allow the closing to occur on September 6, 771 has undertaken many steps. It has incurred a \$125,000.00 commitment fee in order to secure the financing for the closing. It has incurred the cost and expenses of its legal counsel in preparing and reviewing all the legal documents that will be necessary for the financing and closing of the deal. 771 has been asked by the Monitor to provide supervision services on the Valmont Lands as a result of the construction trades

apparently leaving the project site on August 30, 2013. 771 has incurred a great amount of administrative time in coordinating and dealing with all of these matters.

7. If a stay of the Vesting Order is granted on the application of Streetside Development Corporation ("Streetside"), the end result will not simply be a closing on the basis of the Vesting Order if the Streetside appeal is not ultimately granted. The Valmont Lands are now in a state of flux. Some construction work is occurring at sporadic times. Construction materials are being removed from the site due to the lack of proper supervision. With the winter season approaching, damage may be done to the site if certain preventative steps are not taken. If the steps are taken, the costs incurred by Valmont will be increased, for which an offer of higher magnitude for the purchase of the lands will likely be sought. In essence, the asset being purchased will be different than it is today, and it is likely that a whole new sale process will be required.
  
8. In addition, it is my understanding that Bank of Nova Scotia is currently providing the debtor in possession financing for the Valmont Lands. The financing expires on September 12, 2013. I understand that if this sale process to 771 is brought to an end by virtue of a stay being granted, it is the intention of Bank of Nova Scotia not to wait for an appeal to be heard and a new sale process to be initiated. Instead, they may embark upon a different insolvency proceeding, such as a receivership or bankruptcy. If that occurs, I am greatly concerned about what will happen with the break fee that 771 was awarded pursuant to the Stalking Horse Order granted by Court of Queen's Bench on July 10, 2013. It was certainly never the intention of 771 to expend the time and effort involved in performing its due diligence and making a Stalking Horse Offer if there was a chance that it would all be done on a non-compensatory basis.
  
9. I make this Affidavit in opposition to an application by Streetside for an Order staying the Vesting Order granted on August 30, 2013.

SWORN before me at the City of Calgary,  
in the Province of Alberta,  
this 3<sup>rd</sup> day of September, 2013

  
A COMMISSIONER FOR OATHS in and for the  
Province of Alberta

  
DALE ANDA