

Clerk's stamp:

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

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

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

(COLLECTIVELY, THE "APPLICANTS")

DOCUMENT

APPLICATION

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT

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

NOTICE TO RESPONDENT(S)

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

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

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

Date September 14, 2012
Time 2:00 p.m.
Where Court of Queen's Bench of Alberta
Calgary Courts Centre
601 – 5th Street S.W.
Calgary, AB T2P 5P7
Before Whom The Honourable Madam Justice Horner

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

Remedy claimed or sought:

1. The Applicants respectfully seek the following relief:
 - (a) two Orders approving interim financing arrangements with The Toronto-Dominion Bank ("**TD Bank**") in substantially the forms attached hereto as Schedules "**A**" and "**B**";
 - (b) an Order approving an interim financing arrangement with Sterling Bridge Mortgage Corp. ("**Sterling Bridge**") in substantially the form attached hereto as Schedule "**C**";
 - (c) an Order approving the Keswick Agreement (as defined below) and extending the Stay Period, as defined in the Initial Order, dated May 9, 2012, to and including December 14, 2012 in substantially the form attached hereto as Schedule "**D**"; and
 - (d) such further and other relief as may be sought by the Applicants and granted by this Honourable Court.

Grounds for making this application:

Interim Financing

TD Bank

1. TD Bank currently provides financing with respect to two single family estate and luxury homebuilding projects of UBG, one (referred to as the "**Greenboro Estate Project**") being developed by Greenboro Estate Homes Limited Partnership, by its general partner, Greenboro Estate Homes (2006) Ltd. (collectively "**Greenboro Estate**") and the other (referred to as the "**Greenboro Luxury Project**") developed by Greenboro Luxury Homes (Currie Barracks 1A) Limited Partnership, by its general partner, Greenboro Luxury Homes Inc. (collectively "**Greenboro Luxury**").
2. UBG has been in discussions with the Monitor and TD Bank regarding its continued funding of the Greenboro Estate Project and the Greenboro Luxury Project (collectively referred to as the "**Projects**") pursuant to protocols that would address the various aspects of continuing with the financing, development and sales respecting the Projects. These discussions have led to the execution of a protocol agreement between Greenboro Estate and TD Bank (the "**Greenboro Estate Protocol**") and a protocol agreement between Greenboro Luxury and TD Bank (the "**Greenboro Luxury Protocol**") respecting interim financing to be provided by TD Bank to Greenboro Estate and Greenboro Luxury.

3. The Greenboro Estate Protocol contemplates that TD Bank will be granted a charge over Greenboro Estate's assets and will fund the completion of homes that are pre-sold or under construction with respect to the Greenboro Estate Project. UBG will continue to market and sell homes and will distribute the sales proceeds in accordance with the Greenboro Estate Protocol.
4. The Greenboro Luxury Protocol contemplates that TD Bank will be granted a charge over Greenboro Luxury's assets and Greenboro Estate's assets and will fund the completion of homes that are pre-sold or under construction with respect to the Greenboro Luxury Project. UBG will continue to market and sell homes and will distribute the sales proceeds in accordance with the Greenboro Luxury Protocol.
5. The charges contemplated in the Greenboro Estate Protocol and the Greenboro Luxury Protocol are critical to TD Bank's decision to provide its commitment to continue to advance funds in respect of the Projects. The Greenboro Estate Protocol charge would be limited to the Greenboro Estate Project and the Greenboro Luxury Protocol charge would be limited to the Greenboro Luxury Project and the Greenboro Estate Project. These charges will not prejudice any other lenders or unrelated stakeholders of UBG.
6. The Greenboro Estate Protocol and the Greenboro Luxury Protocol will ensure that UBG's funding will continue in respect of the Projects, UBG's trade creditors will be paid, and work will continue on the Projects, all of which will contribute to the completion and sale of homes to the benefit of UBG and its creditors, lenders, customers and other stakeholders.
7. The Monitor supports the execution and approval of the Greenboro Estate Protocol and the Greenboro Luxury Protocol.

Sterling Bridge

8. As a part of its restructuring efforts, Today's Homes Limited Partnership, by its general partner Today's Homes (2006) Inc. (collectively, "**Today's Homes**") has negotiated a commitment letter with Sterling Bridge whereby Sterling Bridge has agreed to provide financing to Today's Homes for the continued development, completion and sale of certain homes (the "**Today's Homes Commitment Letter**").
9. Today's Homes has been in discussions with the Monitor, Sterling Bridge and other lenders regarding the continued funding of Today's Homes pursuant to a protocol that would address the various aspects of continued financing. These discussions have led to the execution of a protocol agreement between Today's Homes and Sterling Bridge (the "**Today's Homes Protocol**") respecting the interim financing to be provided by Sterling Bridge to Today's Homes further to the Today's Homes Commitment Letter.
10. The Today's Homes Protocol contemplates that Sterling Bridge will be granted a charge over Today's Homes' assets and will fund the completion of certain single family homes that are pre-sold (as set out in Schedule A to the Today's Homes Protocol) or that may be sold and thereafter financed under the Today's Homes Protocol. UBG will continue to market and sell homes and distribute the sales proceeds in accordance with the Today's Homes Protocol.
11. The charge contemplated in the Today's Homes Protocol is critical to Sterling Bridge's decision to provide its commitment to advance funds in respect of Today's Homes operations. The

Today's Homes Protocol charge would be limited to Today's Homes and will not prejudice any other lenders or unrelated stakeholders of UBG.

12. The Today's Homes Protocol will ensure that UBG's funding will continue in respect of Today's Homes, trade creditors will be paid and work will continue. This will benefit UBG and its creditors, customers and other stakeholders.
13. The Monitor supports the execution and approval of the Today's Homes Protocol.

The Keswick Agreement

14. UBG (through UBG Land Limited Partnership) entered into a joint venture agreement (the "JVA") with MLC Land Company Inc. ("MLC") and Cameron Development Corporation ("CDC") to develop certain lands. UBG's JVA percentage is 10%.
15. Keswick Developments Ltd. ("Keswick") is the registered owner of the lands. Keswick holds the lands as bare trustee and nominee on behalf of the joint venture. Keswick is not related to any UBG entity.
16. The lands are financed and UBG is unable to provide its guarantee or replacement security satisfactory to the lender. As a result, 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").
17. The cost to UBG of entering into the Keswick Agreement is estimated at \$150,000. UBG and the Monitor believe the cost is reasonable in the circumstances and support the Keswick Agreement as it preserves a significant portion of UBG's investment in the JVA.

Extension of the Stay Period

18. UBG continues to take significant steps to stabilize its core business, reduce costs and streamline its operations. UBG continues to work closely with the Monitor in furtherance of the activities relating to the relief sought herein and as outlined in the Monitor's Fifth Report.
19. Among other things, UBG continues to:
 - (a) develop controls, policies and procedures including for cost reduction and to promote business efficiency;
 - (b) market and sell homes in all its active projects;
 - (c) communicate regularly with various lenders and investor groups;
 - (d) communicate with other stakeholders including the Alberta New Home Warranty Program, various project partners, existing purchasers and trades and suppliers;
 - (e) work closely with the Monitor to develop financial analyses and cash flows in respect of each of its various projects;

- (f) work closely with the Monitor and its legal counsel through the implementation of the claims procedures established in these proceedings; and
 - (g) promote communication and keep operations as close to a “business as usual” fashion as possible.
20. UBG is working in good faith and with due diligence in these proceedings and believes it is in the best interests of UBG and all stakeholders to continue in these proceedings.

Material or evidence to be relied on:

- 21. The Monitor’s Fifth Report dated September 11, 2012 and the pleadings and materials filed in these proceedings.
- 22. The Affidavit of Robert Friesen, dated September 11, 2012.
- 23. Such further and other materials as counsel for the Petitioners may advise and this Honourable Court may deem necessary.

Applicable Rules:

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

Applicable Acts and regulations:

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

How the application is proposed to be heard or considered:

- 27. In person before the Honourable Madam Justice K.M. Horner in Chambers.

WARNING

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

Schedule "A"

Clerk's stamp:

COURT FILE NUMBER 1201-05843

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

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

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

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ORDER

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

DRAFT

DATE ON WHICH ORDER WAS PRONOUNCED

September 14, 2012

NAME OF JUSTICE WHO MADE THIS ORDER

The Honourable Madam Justice K.M. Horner

ORDER

(re: TD Bank / Greenboro Estate Protocol)

UPON the application of the Applicants in these proceedings (collectively, "**UBG**"); **AND UPON** having read the Application of the Applicants, dated September 11, 2012, the Affidavit of Robert Friesen, dated September 11, 2012 (the "**Friesen Affidavit**"), the Fifth Report of the Monitor, dated September 11, 2012, the Affidavit of Dawn Roy, dated September _____, 2012 (the "**Service Affidavit**"), and such other material in the pleadings and proceedings as deemed necessary; **AND UPON** hearing counsel for UBG, counsel for Toronto-Dominion Bank ("**TD**"), counsel for the Monitor, and other interested parties; **IT IS HEREBY ORDERED AND DECLARED THAT:**

Service

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

Approval of the TD Interim Financing Agreement

3. The loan agreement among Greenboro Estate Homes Limited Partnership, by its general partner, Greenboro Estate Homes (2006) Inc. (the "**Borrower**") and TD, dated September 4, 2012, providing for the funding, completion, sale of and distribution of proceeds from certain homes and lots attached as Exhibit "A" to the Friesen Affidavit (the "**TD (Estate) Interim Financing Agreement**") is hereby approved.
4. UBG and the Monitor are hereby authorized and directed to do all things reasonably necessary to implement, and perform all of their respective obligations under the TD (Estate) Interim Financing Agreement.

Approval of the TD Charges

5. As security for monies advanced by TD to UBG pursuant to the TD (Estate) Interim Financing Agreement, a charge is hereby granted on the undertaking, property, and assets of the Borrower in favour of TD (the "**TD Estate Charge**"), which charge shall rank in priority to all claims against the Borrower, including the Administration Charge and the Directors' Charge, but shall be subject to the distribution scheme set forth in the TD (Estate) Interim Financing Agreement.
6. The proceeds from the sale of the Homes (as defined in the TD (Estate) Interim Financing Agreement) shall be distributed:
 - (a) to The Toronto-Dominion Bank as set forth in the TD (Estate) Interim Financing Agreement; and
 - (b) to any other party as set forth in the TD (Estate) Interim Financing Agreement, subject to the consent of the Monitor and compliance with any applicable claims procedures established in these proceedings.

Miscellaneous

7. The TD (Estate) Interim Financing Agreement and the TD Estate Charge shall be valid and enforceable and the rights and remedies of the parties thereto shall not otherwise be limited or impaired in any way by: (i) the pendency of these proceedings and the declaration of insolvency made herein; (ii) any Bankruptcy Order sought or issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "BIA") in respect of any of the Applicants or any assignment in bankruptcy made or deemed to be made in respect of any of the Applicants; or (iii) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of encumbrances, contained in any existing agreement, lease, sub-lease, offer to lease or other arrangement which binds any of the Applicants (a "Third Party Agreement"), and notwithstanding any provision to the contrary in any Third Party Agreement:
 - (a) neither the creation of the TD (Estate) Interim Financing Agreement, the creation of the TD Estate Charge, nor the execution, delivery or performance of the TD (Estate) Interim Financing Agreement shall create or be deemed to constitute a breach by any of the Applicants of any Third Party Agreement to which it is a party; and
 - (b) the parties to the TD (Estate) Interim Financing Agreement shall not have liability to any person whatsoever as a result of any breach of any Third Party Agreement caused by or resulting from the creation of the TD Estate Charge or the execution, delivery or performance of the TD (Estate) Interim Financing Agreement.
8. Notwithstanding the pendency of these proceedings and the declaration of insolvency made in these proceedings, the TD (Estate) Interim Financing Agreement and the TD Estate Charge shall constitute legal, valid and binding obligations of the Applicants enforceable against them in accordance with the terms thereof, and the payments made by the parties pursuant to this Order, the TD (Estate) Interim Financing Agreement, or the TD Estate Charge do not and will not constitute settlements, fraudulent preferences, fraudulent conveyances or other challengeable or reviewable transactions or conduct meriting an oppression remedy under any applicable law, and shall not constitute advances under the *Builders' Lien Act* (Alberta) nor be subject to any builder's lien registered at the date of this Order or thereafter.
9. Except as specifically set forth in this Order, the rights and remedies of the parties under the TD (Estate) Interim Financing Agreement shall be subject to the terms of this Order, the Initial Order, including the stay of proceedings, and all other Orders made in these proceedings.
10. No action or proceeding may be commenced against a party to the TD (Estate) Interim Financing Agreement by reason of any such party having entered into the TD (Estate) Interim Financing Agreement or having performed the obligations thereunder without leave of this Court having been obtained on seven days' notice to the Applicants, TD, and the Monitor.
11. The Applicants, TD and the Monitor are at liberty to apply for such further advice, assistance and direction as may be necessary to give full force and effect to the terms of this Order.
12. The Applicants shall serve, by courier, facsimile transmission, e-mail transmission, or ordinary post, a copy of this Order on all parties present at this application and on all parties who received notice of this application or who are presently on the service list established in these

proceedings, and service on any or all other parties is hereby dispensed with. Service effected as aforesaid shall be good and sufficient service.

DRAFT

Justice of the Court of Queen's Bench of Alberta

Schedule "B"

Clerk's stamp:

COURT FILE NUMBER 1201-05843

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

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

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

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Calgary, Alberta T2P 0R8
Attention: David W. Mann / Derek M. Pontin
Ph. (403) 268-7097/6301 Fx. (403) 268-3100
File No.: 549362-1

DRAFT

DATE ON WHICH ORDER WAS PRONOUNCED

September 14, 2012

NAME OF JUSTICE WHO MADE THIS ORDER

The Honourable Madam Justice K.M. Horner

ORDER

(re: TD Bank / Greenboro Luxury Protocol)

UPON the application of the Applicants in these proceedings (collectively, "**UBG**"); **AND UPON** having read the Application of the Applicants, dated September 11, 2012, the Affidavit of Robert Friesen, dated September 11, 2012 (the "**Friesen Affidavit**"), the Fifth Report of the Monitor, dated September 11, 2012, the Affidavit of Dawn Roy, dated September _____, 2012 (the "**Service Affidavit**"), and such other material in the pleadings and proceedings as deemed necessary; **AND UPON** hearing counsel for UBG, counsel for Toronto-Dominion Bank ("**TD**"), counsel for the Monitor, and other interested parties; **IT IS HEREBY ORDERED AND DECLARED THAT:**

Service

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

Approval of the TD Interim Financing Agreement

3. The loan agreement among Greenboro Luxury Homes (Currie Bararcks 1A) Limited Partnership, by its general partner, Greenboro Luxury Homes Inc. (the "**Borrower**") and TD, dated September 4, 2012, providing for the funding, completion, sale of and distribution of proceeds from certain homes and lots attached as Exhibit "B" to the Friesen Affidavit (the "**TD Interim Financing Agreement**") is hereby approved.
4. UBG and the Monitor are hereby authorized and directed to do all things reasonably necessary to implement, and perform all of their respective obligations under the TD Interim Financing Agreement.

Approval of the TD Charges

5. As security for monies advanced by TD to UBG pursuant to the TD Interim Financing Agreement, a charge is hereby granted on the undertaking, property, and assets of the Borrower in favour of TD (the "**TD Luxury Charge**"), which charge shall rank in priority to all claims against the Borrower, including the Administration Charge and the Directors' Charge, but shall be subject to the distribution scheme set forth in the TD Interim Financing Agreement.
6. As further security monies advanced by TD to UBG pursuant to the TD Interim Financing Agreement, a charge is hereby granted on the undertaking, property, and assets of the Greenboro Estate Homes Limited Partnership, by its general partner, Greenboro Estate Homes (2006) Ltd. ("**Greenboro Estate**") in favour of TD (the "**TD Luxury (Estate) Charge**"), which charge shall rank in priority to all claims against Greenboro Estate, excluding the charge granted by Greenboro Estate to TD by way of an Interim Financing Agreement between Greenboro Estate and TD and approved by an Order of the Court granted on September 14, 2012, and including the Administration Charge and the Directors' Charge, but shall be subject to the distribution scheme set forth in the TD Interim Financing Agreement. The TD Luxury Charge and the TD Estate Charge shall be collectively referred to as the "**TD Charges**".

7. The proceeds from the sale of the Homes (as defined in the TD Interim Financing Agreement) shall be distributed:
 - (a) to The Toronto-Dominion Bank as set forth in the TD Interim Financing Agreement; and
 - (b) to any other party as set forth in the TD Interim Financing Agreement, subject to the consent of the Monitor and compliance with any applicable claims procedures established in these proceedings.

Miscellaneous

8. The TD Interim Financing Agreement and the TD Charges shall be valid and enforceable and the rights and remedies of the parties thereto shall not otherwise be limited or impaired in any way by: (i) the pendency of these proceedings and the declaration of insolvency made herein; (ii) any Bankruptcy Order sought or issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "BIA") in respect of any of the Applicants or any assignment in bankruptcy made or deemed to be made in respect of any of the Applicants; or (iii) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of encumbrances, contained in any existing agreement, lease, sub-lease, offer to lease or other arrangement which binds any of the Applicants (a "Third Party Agreement"), and notwithstanding any provision to the contrary in any Third Party Agreement:
 - (a) neither the creation of the TD Interim Financing Agreement, the creation of the TD Charges, nor the execution, delivery or performance of the TD Interim Financing Agreement shall create or be deemed to constitute a breach by any of the Applicants of any Third Party Agreement to which it is a party; and
 - (b) the parties to the TD Interim Financing Agreement shall not have liability to any person whatsoever as a result of any breach of any Third Party Agreement caused by or resulting from the creation of the TD Charges or the execution, delivery or performance of the TD Interim Financing Agreement.
9. Notwithstanding the pendency of these proceedings and the declaration of insolvency made in these proceedings, the TD Interim Financing Agreement and the TD Charges shall constitute legal, valid and binding obligations of the Applicants enforceable against them in accordance with the terms thereof, and the payments made by the parties pursuant to this Order, the TD Interim Financing Agreement, or the TD Charges do not and will not constitute settlements, fraudulent preferences, fraudulent conveyances or other challengeable or reviewable transactions or conduct meriting an oppression remedy under any applicable law, and shall not constitute advances under the *Builders' Lien Act* (Alberta) nor be subject to any builder's lien registered at the date of this Order or thereafter.
10. Except as specifically set forth in this Order, the rights and remedies of the parties under the TD Interim Financing Agreement shall be subject to the terms of this Order, the Initial Order, including the stay of proceedings, and all other Orders made in these proceedings.
11. No action or proceeding may be commenced against a party to the TD Interim Financing Agreement by reason of any such party having entered into the TD Interim Financing Agreement

or having performed the obligations thereunder without leave of this Court having been obtained on seven days' notice to the Applicants, TD, and the Monitor.

12. The Applicants, TD and the Monitor are at liberty to apply for such further advice, assistance and direction as may be necessary to give full force and effect to the terms of this Order.
13. The Applicants shall serve, by courier, facsimile transmission, e-mail transmission, or ordinary post, a copy of this Order on all parties present at this application and on all parties who received notice of this application or who are presently on the service list established in these proceedings, and service on any or all other parties is hereby dispensed with. Service effected as aforesaid shall be good and sufficient service.

DRAFT

Justice of the Court of Queen's Bench of Alberta

Schedule "C"

Clerk's stamp:

COURT FILE NUMBER 1201-05843

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**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
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(COLLECTIVELY, THE "APPLICANTS")**

DOCUMENT

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

ORDER

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

DRAFT

DATE ON WHICH ORDER WAS
PRONOUNCED

September 14, 2012

NAME OF JUSTICE WHO MADE
THIS ORDER

The Honourable Madam Justice K.M. Horner

ORDER
(re: SBMC Protocol)

UPON the application of the Applicants in these proceedings (collectively, "**UBG**"); **AND UPON** having read the Application of the Applicants, dated September 11, 2012, the Affidavit of Robert Friesen, dated September 11, 2012 (the "**Friesen Affidavit**"), the Fifth Report of the Monitor, dated September 11, 2012, the Affidavit of Dawn Roy, dated September _____, 2012 (the "**Service Affidavit**"), and such other material in the pleadings and proceedings as deemed necessary; **AND UPON** hearing counsel for UBG, counsel for Sterling Bridge Mortgage Corp. ("**SBMC**"), counsel for the Monitor, and other interested parties; **IT IS HEREBY ORDERED AND DECLARED THAT:**

Service

1. The time for service of notice of this application is abridged to the time actually given and service of the Application and supporting material as described in the Service Affidavit is good and sufficient, and this hearing is properly returnable before this Honourable Court today and further service thereof is hereby dispensed with.
2. All capitalized terms not otherwise defined in this Order shall have the meaning ascribed to them in the Initial Order granted in these proceedings on May 9, 2012 (the "**Initial Order**"), and the term "**Net Proceeds**" shall mean the proceeds from the sale of the Lots described in paragraphs 4 and 5 hereof, less amounts required to pay all reasonable and ordinary closing costs, including without limitation goods and services and other applicable sales taxes, property taxes, commissions, applicable condominium fees and legal fees and disbursements, calculated in a manner consistent with the calculation of 'Net Proceeds' described in the Order granted by this Honourable Court in these proceedings on June 15, 2012, and including, without limitation, a deduction in favour of the Applicants of 5% for their business and operational purposes.

Approval of the Sterling Bridge Interim Financing Agreement

3. The commitment letter ("**Commitment Letter**") and protocol agreement ("**Protocol Agreement**") among Today's Homes Limited Partnership, by its general partner, Today's Homes (2006) Inc. (the "**Borrower**") and SBMC, dated September 10, 2012, attached respectively as Exhibits "C" and "D" to the Friesen Affidavit (collectively, the "**SBMC Interim Financing Agreement**") providing for the funding, completion, sale of and distribution of proceeds from the construction and sale of Homes (as defined in the SBMC Interim Financing Agreement) are hereby approved.
4. The Borrower is hereby authorized to purchase, and UBG Land Inc. to sell to the Borrower, the lots related to those Homes listed in Part 2 of Schedule A of the Protocol Agreement (the "**Lots**").
5. UBG Land Inc. is hereby authorized and directed to distribute any Net Proceeds from the sale of the Lots to the Borrower in accordance with the valid and enforceable charges against such Lots in accordance with their lawful priority and upon the approval of the Monitor.
6. UBG and the Monitor are hereby authorized and directed to take all steps as may be reasonably necessary or desirable to ensure the enforceability and priority of the Borrower's entitlement to the Homes.

7. UBG and the Monitor are hereby authorized and directed to do all things reasonably necessary to implement and perform all of their respective obligations under the SBMC Interim Financing Agreement.

Approval of the SBMC Charge

8. As security for monies advanced by SBMC to the Borrower pursuant to the SBMC Interim Financing Agreement, a charge is hereby granted on the undertaking, property, and assets of the Borrower in favour of SBMC (the "**SBMC Charge**"), which charge shall rank in priority to all claims against the Borrower, including the Administration Charge and the Directors' Charge, but shall be subject to the distribution scheme set forth in the SBMC Interim Financing Agreement.
9. The proceeds from the sale of the Homes (as defined in the SBMC Interim Financing Agreement) shall, subject to the consent of the Monitor and compliance with any applicable claims procedures established in these proceedings, be distributed as set forth in the SBMC Interim Financing Agreement.

Miscellaneous

10. The SBMC Interim Financing Agreement and the SBMC Charge shall be valid and enforceable and the rights and remedies of the parties thereto shall not otherwise be limited or impaired in any way by: (i) the pendency of these proceedings and the declaration of insolvency made herein; (ii) any Bankruptcy Order sought or issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") in respect of any of the Applicants or any assignment in bankruptcy made or deemed to be made in respect of any of the Applicants; or (iii) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of encumbrances, contained in any existing agreement, lease, sub-lease, offer to lease or other arrangement which binds any of the Applicants (a "**Third Party Agreement**"), and notwithstanding any provision to the contrary in any Third Party Agreement:
 - (a) neither the creation of the SBMC Interim Financing Agreement, the creation of the SBMC Charge, nor the execution, delivery or performance of the SBMC Interim Financing Agreement shall create or be deemed to constitute a breach by any of the Applicants of any Third Party Agreement to which it is a party; and
 - (b) the parties to the SBMC Interim Financing Agreement shall not have liability to any person whatsoever as a result of any breach of any Third Party Agreement caused by or resulting from the creation of the SBMC Charge or the execution, delivery or performance of the SBMC Interim Financing Agreement.
11. Notwithstanding the pendency of these proceedings and the declaration of insolvency made in these proceedings, the SBMC Interim Financing Agreement and the SBMC Charge shall constitute legal, valid and binding obligations of the Applicants enforceable against them in accordance with the terms thereof, and the payments made by the parties pursuant to this Order, the SBMC Interim Financing Agreement, or the SBMC Charge do not and will not constitute settlements, fraudulent preferences, fraudulent conveyances or other challengeable or reviewable transactions or conduct meriting an oppression remedy under any applicable law, and shall not constitute advances under the *Builders' Lien Act* (Alberta) nor be subject to any builder's lien registered at the date of this Order or thereafter.

12. Except as specifically set forth in this Order, the rights and remedies of the parties under the SBMC Interim Financing Agreement shall be subject to the terms of this Order, the Initial Order, including the stay of proceedings, and all other Orders made in these proceedings.
13. No action or proceeding may be commenced against a party to the SBMC Interim Financing Agreement by reason of any such party having entered into the SBMC Interim Financing Agreement or having performed the obligations thereunder without leave of this Court having been obtained on seven days' notice to the Applicants, SBMC, and the Monitor.
14. The Applicants, SBMC and the Monitor or any party to the SBMC Interim Financing Agreement are at liberty to apply for such further advice, assistance and direction as may be necessary to give full force and effect to the terms of this Order.
15. The Applicants shall serve, by courier, facsimile transmission, e-mail transmission, or ordinary post, a copy of this Order on all parties present at this application and on all parties who received notice of this application or who are presently on the service list established in these proceedings, and service on any or all other parties is hereby dispensed with. Service effected as aforesaid shall be good and sufficient service.

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Justice of the Court of Queen's Bench of Alberta

Schedule "D"

Clerk's stamp:

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

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

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

(COLLECTIVELY, THE "APPLICANTS")

DOCUMENT

ORDER

DRAFT

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT

FRASER MILNER CASGRAIN LLP
Bankers Court
15th Floor, 850 - 2nd Street S.W.
Calgary, Alberta T2P 0R8
Attention: David W. Mann / Derek M. Pontin
Ph. (403) 268-7097/6301 Fx. (403) 268-3100
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September 14, 2012

NAME OF JUSTICE WHO MADE THIS
ORDER

The Honourable Madam Justice K.M. Horner

ORDER

(Keswick Agreement / Stay Extension)

UPON the application of the Applicants in these proceedings (collectively, "UBG"); AND UPON having read the Application of the Applicants, dated September 11, 2012, the Affidavit of Robert Friesen, dated September 11, 2012 (the "Friesen Affidavit"), the Fifth Report of the Monitor, dated September 11, 2012, and the Affidavit of Dawn Roy, dated September _____, 2012 (the "Service Affidavit"), filed, and such other material in the pleadings and proceedings as are deemed necessary; AND UPON hearing counsel for the Applicants, counsel for the Monitor, and other interested parties;

IT IS HEREBY ORDERED AND DECLARED THAT:

Service

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

Keswick Agreement

3. The Agreement between UBG Land Limited Partnership, by its general partner UBG Land Inc., and MLC Land Company Inc. and Cameron Development Corporation, as attached as Exhibit "F" to the Friesen Affidavit and described in the Monitor's Fifth Report (the "Keswick Agreement"), be and is hereby approved.
4. The Applicants and the Monitor are hereby authorized to take all necessary steps to promptly carry out and perform the terms of the Keswick Agreement.

Extension of Stay

5. The stay of proceedings currently in place in these CCAA Proceedings (the "Stay") is hereby confirmed and extended up to and including December 14, 2012.

Miscellaneous

6. The Applicants shall serve, by courier, facsimile transmission, e-mail transmission, or ordinary post, a copy of this Order on all parties present at this application and on all parties who received notice of this application or who are presently on the service list established in these proceedings, and service on any or all other parties is hereby dispensed with. Service effected as aforesaid shall be good and sufficient service.

DRAFT

Justice of the Court of Queen's Bench of Alberta