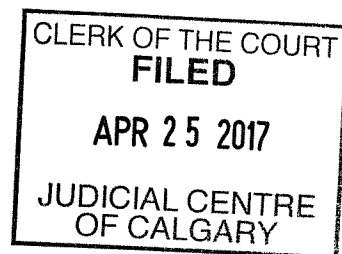


Form 49  
[Rule 13.19]



COURT FILE NUMBER 1601-08655  
COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
PLAINTIFF **STERLING BRIDGE MORTGAGE CORP.**  
DEFENDANTS **HERITAGE PLAZA DEVELOPMENTS INC., and  
ALI GHANI**  
DOCUMENT **FINAL AFFIDAVIT OF DEFAULT**  
ADDRESS FOR SERVICE AND CONTACT  
INFORMATION OF PARTY FILING THIS  
DOCUMENT Dentons Canada LLP  
Bankers Court  
15<sup>th</sup> Floor, 850 - 2<sup>nd</sup> Street S.W.  
Calgary, Alberta T2P 0R8  
  
Attention: David Mann/Afshan Naveed  
Ph. (403) 268-7097/7015 Fx. (403) 268-3100  
File No.: 177191-298

**AFFIDAVIT OF KEITH PROSSER**

**Sworn on April 24, 2017**

I, KEITH PROSSER, of the City of Calgary, in the Province of Alberta Alberta, MAKE OATH AND SAY THAT:

1. I am the President of Sterling Bridge Mortgage Corp ("**Sterling**"), the Plaintiff in the within action and, as such, I have knowledge of the matters to which I herein depose. Where that knowledge is based on information or belief, I have stated the source of that information and verily believe it to be true.
2. Sterling is an Alberta corporation in the business of financing real estate projects throughout Western Canada.
3. This Affidavit is supplemental to the ones sworn by me in these proceedings on October 11, 2016 (the "**First Prosser Affidavit**"), October 13, 2016 (the "**Second Prosser Affidavit**") and December 7, 2016 (the "**Third Prosser Affidavit**"). All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the First Prosser Affidavit or the Second Prosser Affidavit or the Third Prosser Affidavit, as the context requires.
4. This Affidavit is sworn in support of the application filed by Sterling in these proceedings for the following relief (the "**Application**");

- (a) discharging Deloitte Restructuring Inc. as the Receiver and Manager (the "Receiver");
- (b) approving the Receiver's Statement of Receipts and Disbursements;
- (c) authorizing the Receiver to forward any future refunds or other residual cash receipts to Sterling;
- (d) approving the activities of the Receiver as described in the First and Final Report of the Receiver, dated April 24, 2017 (the "Receiver's Report");
- (e) approving the professional fees and disbursements of the Receiver as described in the Receiver's Report;
- (f) extinguishing the Defendants right, title, interest and equity of redemption in the Mortgaged Lands (defined herein);
- (g) directing the Registrar of the Alberta Land Registration District to cancel the existing title covering the Mortgaged Lands and to issue a new Certificate of Title in the name of the Plaintiff, or its nominee without the necessity of a Certificate of No Appeal notwithstanding the requirements of Section 191(1) of the *Land Titles Act*.
- (h) directing that possession of the Mortgaged Lands (defined herein) be delivered up to the Plaintiff immediately, or within such time as the Court may direct and failing possession being delivered up as aforesaid, a Writ of Possession be issued without further Order of this Court;
- (i) extinguishing any and all interest of the Defendants, or anyone claiming through the Defendants, in the Mortgaged Lands;
- (j) directing that service of the Order granted may be effected upon the Defendants by email addressed to [a.ghani@theprismgroup.ca](mailto:a.ghani@theprismgroup.ca);
- (k) directing that service of the Order granted may be effected upon any tenants of the Mortgaged Lands by posting a copy of same to the front door of the specific unit or by email;
- (l) abridging the time necessary for serving this Application or supporting Affidavits;

5. As of April 17, 2017, the amount of the Indebtedness owing to Sterling, pursuant to the Mortgage is the sum of **\$8,306,067.88**, comprised as follows:

A. Mortgage

Principal Balance as at April 1, 2017	\$8,221,758.15
Interest – April 1, 2017 to April 16, 2017 inclusive @ 9%	\$32,436.53
Total at April 17, 2017:	<b>\$8,254, 194.68</b>

Per Diem interest @ 9% as of April 17, 2017	\$2,027.28
<b>C. <u>Receiver's Certificate</u></b>	
Certificate No. 1	\$50,000.00
Interest – January 5, 2017 to April 16, 2017 compounded monthly @ 12%	\$1,623.20
Discharge Admin Fee	\$250.00
Total at April 17, 2017:	<b>\$51,873.20</b>
Per Diem interest @ 12% as of April 17, 2017	\$17.13
<b>TOTAL: Mortgage &amp; Receiver's Certificate</b>	<b>\$8,306,067.88</b>

Attached and marked as **Exhibits "A" and "B"**, respectively, are copies of the Mortgage Payout Statement and the Receiver's Certificate.

6. Pursuant to the terms of the consent redemption order – listing granted in this Action on December 14, 2016 by Master J.L. Mason (the "**Redemption Order**"), the lands legally described as:

PLAN 0710874  
BLOCK 7  
LOT 59  
EXCEPTING THEREOUT ALL MINES AND MINERALS  
AREA: 1.118 HECTARES (2.76 ACRES) MORE OR LESS

(the "**Mortgaged Lands**"), were listed for sale with CBRE Limited.

7. Attached and marked as **Exhibit "C"** is a copy of the Certificate of Title with respect to the Mortgaged Lands dated April 21, 2017.
8. Pursuant to the terms of the consent order for receiver and manager granted in this Action on December 14, 2016 by Master J.L. Mason (the "**Receivership Order**"), the Receiver was appointed over the Mortgaged Lands.
9. The activities of the Receiver pursuant to the Receivership Order are outlined in the Receiver's Report, to be filed concurrently with this Affidavit.
10. The Mortgaged Lands were listed for sale in accordance with the Redemption Order for a period of 90 days from January 16, 2017 to April 16, 2017. As of the date of this Affidavit, no formal offers to purchase the Mortgaged Lands were made during the listing period. A copy of the listing report from John Moss at CBRE Limited, which describes the steps taken to market the Mortgaged Lands, is attached as an exhibit to the Receiver's Report.

11. I make this Affidavit in support of the Application for the relief set out in paragraph 4 above.

SWORN BEFORE ME at Calgary, Alberta, this 24<sup>th</sup>  
day of April, 2017

\_\_\_\_\_  
(Commissioner for Oaths in and for the Province of  
Alberta) **DAVID W. MANN**  
*Barrister and Solicitor*

)  
)  
)  
\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
PRINT NAME AND EXPIRY/LAWYER  
/STUDENT-AT-LAW

\_\_\_\_\_  
KEITH PROSSER

**THIS IS EXHIBIT "A"**

**Referred to in the Affidavit of**

**KEITH PROSSER**

**Sworn before me this 24<sup>th</sup> day of April, 2017**



**A COMMISSIONER FOR OATHS  
IN AND FOR THE PROVINCE OF ALBERTA**

**DAVID W. MANN**  
*Barrister and Solicitor*



# Sterling Bridge

206, 400 Crowfoot Crescent NW  
CALGARY, AB T3G 5H6

April 13, 2017

Dentons Canada LLP  
15th Floor, Bankers Court  
850 - 2<sup>nd</sup> Street SW  
Calgary, AB  
T2P 0R8

Attention: Afshan Navced

Re: Mortgage Payout Statement  
SBMC File #14-016: Mountain Ridge/Heritage Plaza, Cochrane AB

We confirm the following as at April 17, 2017:

#### PAYOUT PARTICULARS

Mortgage Principal Balance as at April 1, 2017	\$8,221,758.15
Plus: Compound Interest - April 1, 2017 to April 16, 2017 Inclusive @ 9%	\$ 32,436.53
Less: Interest Reserve Balance	\$ (0.00)
Total:	\$8,254,194.68
Per Diem Interest effective 2 p.m. April 17, 2017 @ 9.00% p.a.	\$ 2,027.28

Upon receipt of full payout, we confirm that any and all security registered against the title in favour of Sterling Bridge Mortgage Corp. will be discharged. Please prepare and forward the required Discharge documents, which we will complete and return for final processing.

Please contact our office if you have any questions.

Sincerely,

Debbie Young  
Sr. Credit/Funding Officer, Commercial Lending

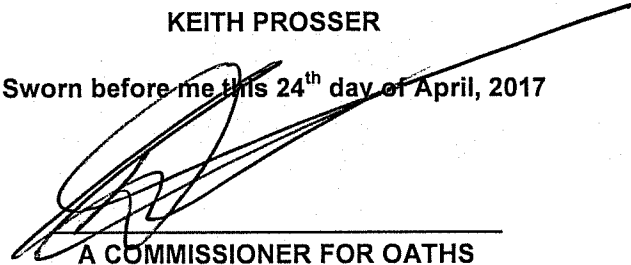
E. & O.E.

**THIS IS EXHIBIT "B"**

**Referred to in the Affidavit of**

**KEITH PROSSER**

**Sworn before me this 24<sup>th</sup> day of April, 2017**

A handwritten signature in black ink, appearing to read 'D. Mann', is written over a horizontal line. The signature is stylized and somewhat cursive.

**A COMMISSIONER FOR OATHS  
IN AND FOR THE PROVINCE OF ALBERTA**

**DAVID W. MANN**  
*Barrister and Solicitor*

RECEIVER CERTIFICATE

CERTIFICATE NO. 1

AMOUNT: \$50,000

1. THIS IS TO CERTIFY that Deloitte Restructuring Inc., the receiver and manager (the "Receiver") of all of the assets, undertakings and properties of Heritage Plaza Developments Inc. situated on or relating to the lands and premises legally described as: Plan 0710874, Block 7, Lot 59 (the "Mortgaged Lands"), appointed by Order of the Court of Queen's Bench of Alberta dated the 14<sup>th</sup> day of December, 2016 (the "Order") made in action number 1601-08655 (the "Action"), has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$50,000, being part of the total principal sum of \$50,000 which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded monthly not in advance after the date hereof at a notional rate per annum equal to the rate of 12% per cent.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Mortgage Property, bearing the same priority as the Plaintiff in the Action, but in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order, and the right of the Receiver to indemnify itself out of the Mortgaged Lands in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at 25 Sheppard Ave West, Suite 710, Toronto, Ontario, M2N 6S6.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Mortgaged Lands as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the 5<sup>th</sup> day of January, 2017

Deloitte Restructuring Inc., solely in its capacity as Receiver of the Mortgaged Lands (as defined in the Order), and not in its personal capacity

Per: \_\_\_\_\_  
Name: Robert Taylor  
Title: Partner

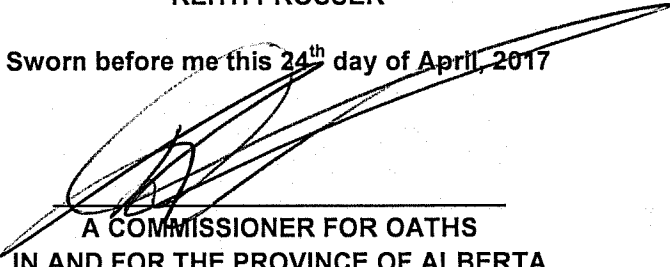


**THIS IS EXHIBIT "C"**

**Referred to in the Affidavit of**

**KEITH PROSSER**

**Sworn before me this 24<sup>th</sup> day of April, 2017**

A handwritten signature in black ink, appearing to read 'D. Mann', is written over a horizontal line. The signature is stylized and extends above and below the line.

**A COMMISSIONER FOR OATHS  
IN AND FOR THE PROVINCE OF ALBERTA**

**DAVID W. MANN**  
*Barrister and Solicitor*



LAND TITLE CERTIFICATE

S  
LINC                                      SHORT LEGAL                                      TITLE NUMBER  
0032 266 975                              0710874;7;59                                      071 133 107

LEGAL DESCRIPTION  
PLAN 0710874  
BLOCK 7  
LOT 59  
EXCEPTING THEREOUT ALL MINES AND MINERALS  
AREA: 1.118 HECTARES (2.76 ACRES) MORE OR LESS

ESTATE: FEE SIMPLE  
ATS REFERENCE: 5;4;26;8;NE  
ATS REFERENCE: 5;4;26;9;NW

MUNICIPALITY: TOWN OF COCHRANE

REFERENCE NUMBER: 071 088 121

---

REGISTERED OWNER(S)				
REGISTRATION	DATE (DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
071 133 107	19/03/2007	TRANSFER OF LAND	\$1,656,000	\$1,442,185

OWNERS

HERITAGE PLAZA DEVELOPMENTS INC.  
OF 228, 1935-32 AVE NE  
CALGARY  
ALBERTA T2E 7C8

(DATA UPDATED BY: CHANGE OF NAME 111244620)

---

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION	DATE (D/M/Y)	PARTICULARS
071 088 126	22/02/2007	UTILITY RIGHT OF WAY GRANTEE - THE TOWN OF COCHRANE. 101 RANCHEHOUSE ROAD COCHRANE ALBERTA T4C2K8 GRANTEE - FORTISALBERTA INC. 320-17 AVE SW

( CONTINUED )

-----  
 ENCUMBRANCES, LIENS & INTERESTS

PAGE 2  
 # 071 133 107

REGISTRATION

NUMBER            DATE (D/M/Y)            PARTICULARS

-----

CALGARY  
 ALBERTA T2S2V1  
 GRANTEE - SHAW CABLESYSTEMS LIMITED.  
 SUITE 900,6300-3RD AVENUE S.W.  
 CALGARY  
 ALBERTA T2P4L4  
 GRANTEE - TELUS COMMUNICATIONS INC.  
 1ST FLOOR,15079-64 AVENUE  
 SURRY  
 BRITISH COLUMBIA V3S1X9  
 GRANTEE - ATCO GAS AND PIPELINES LTD.  
 909-11TH AVENU S.W.  
 CALGARY  
 ALBERTA T2R1L8  
 GRANTEE - 1073112 ALBERTA LTD.  
 C/O #505 100 - 4TH AVENUE S.W.  
 CALGARY  
 ALBERTA T2P3N2  
 AS TO PORTION OR PLAN:0710875

071 088 128    22/02/2007 AGREEMENT  
 RE: EASEMENT AND RESTRICTIVE COVENANT.

071 088 129    22/02/2007 CAVEAT  
 RE : SEE CAVEAT  
 CAVEATOR - THE TOWN OF COCHRANE.  
 101 RANCHEHOUSE ROAD  
 COCHRANE  
 ALBERTA T4C2K8

071 572 949    23/11/2007 UTILITY RIGHT OF WAY  
 GRANTEE - FORTISALBERTA INC.  
 700, 801 - 7 AVE SW  
 CALGARY  
 ALBERTA T2P3P7  
 AS TO PORTION OR PLAN:0715741

151 069 171    11/03/2015 MORTGAGE  
 MORTGAGEE - STERLING BRIDGE MORTGAGE CORP.  
 206, 400 CROWFOOT CRESCENT NW  
 CALGARY  
 ALBERTA T3G5H6  
 ORIGINAL PRINCIPAL AMOUNT: \$8,500,000

151 069 172    11/03/2015 CAVEAT  
 RE : ASSIGNMENT OF RENTS AND LEASES  
 CAVEATOR - STERLING BRIDGE MORTGAGE CORP.  
 206, 400 CROWFOOT CRESCENT NW  
 CALGARY

( CONTINUED )

-----  
ENCUMBRANCES, LIENS & INTERESTS

PAGE 3  
# 071 133 107

REGISTRATION  
NUMBER            DATE (D/M/Y)            PARTICULARS  
-----

ALBERTA T3G5H6  
AGENT - LYLE B ZULAK

151 069 173    11/03/2015 CAVEAT  
RE : SEE CAVEAT  
CAVEATOR - STERLING BRIDGE MORTGAGE CORP.  
206, 400 CROWFOOT CRESCENT NW  
CALGARY  
ALBERTA T3G5H6  
AGENT - LYLE B ZULAK

161 165 974    18/07/2016 BUILDER'S LIEN  
LIENOR - PRIMETIME ELECTRIC LIMITED.  
C/O RITZEN OLIVIERI LLP  
302-7 ST. ANNE ST  
ST. ALBERT  
ALBERTA T8N2X4  
AMOUNT: \$43,223

161 166 317    19/07/2016 BUILDER'S LIEN  
LIENOR - 715942 ALBERTA LTD.  
C/O RITZEN OLIVIERI LLP  
302-7 ST ANNE STREET  
ST ALBERT  
ALBERTA T8N2X4  
AGENT - FRANCOIS VANI  
AMOUNT: \$180,066

161 169 802    21/07/2016 MORTGAGE  
MORTGAGEE - HARBOUREDGE COMMERCIAL FINANCE  
CORPORATION.  
300, 40 HURON STREET  
COLLINGWOOD  
ONTARIO L9Y4R3  
ORIGINAL PRINCIPAL AMOUNT: \$187,100

161 301 209    22/12/2016 CERTIFICATE OF LIS PENDENS  
AFFECTS INSTRUMENT:    161166317

161 301 210    22/12/2016 CERTIFICATE OF LIS PENDENS  
AFFECTS INSTRUMENT:    161165974

171 058 610    14/03/2017 CERTIFICATE OF LIS PENDENS  
AFFECTS INSTRUMENT:    151069171

TOTAL INSTRUMENTS: 013

( CONTINUED )

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN  
ACCURATE REPRODUCTION OF THE CERTIFICATE OF  
TITLE REPRESENTED HEREIN THIS 21 DAY OF APRIL,  
2017 AT 02:31 P.M.

ORDER NUMBER: 32745462

CUSTOMER FILE NUMBER:



\*END OF CERTIFICATE\*

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