

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

SUPERIOR COURT
(Commercial Division)

(sitting as a court designated pursuant to the
Companies' Creditors Arrangement Act, R.S.C.
1985, c. C-36, as amended)

No.: 500-11-041305-117

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

**1810040 Alberta Ltd. (formerly known as
Homburg Invest Inc. and Homburg Shareco Inc.)
Homburg Management (Canada) Inc.**

Debtors / Petitioners

-and-

**Homco Realty Fund (52) Limited Partnership
Homco Realty Fund (61) Limited Partnership
Homco Realty Fund (94) Limited Partnership
Homco Realty Fund (96) Limited Partnership**

Mises-en-cause

-and-

**Deloitte Restructuring Inc. (formerly known as
Samson Bélair/Deloitte & Touche Inc.)**

Monitor

APPLICATION FOR EXTENSION OF THE STAY PERIOD

(Sections 11 and 11.02 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36)

**TO THE HONOURABLE JUSTICE LOUIS J. GOUIN OR TO ONE OF THE
HONOURABLE JUDGES OF THE SUPERIOR COURT, SITTING IN COMMERCIAL
DIVISION IN AND FOR THE JUDICIAL DISTRICT OF MONTRÉAL, THE
PETITIONERS RESPECTFULLY SUBMIT AS FOLLOWS:**

I. INTRODUCTION

1. On September 9, 2011, the Honourable Louis J. Gouin, J.S.C. issued an order (the "**Initial Order**") pursuant to the *Companies Creditors' Arrangement Act*, R.S.C. 1985, c. C-36 (the "**CCAA**") in respect of Homburg Invest Inc. ("**HII**"), Homburg Shareco Inc. ("**Shareco**"), Churchill Estates Development Ltd. ("**Churchill**"), Inverness Estates Development Ltd. ("**Inverness**") and CP Development Ltd. ("**CP**") (collectively the "**Initial Debtors**") as appears from the Court record;
2. Pursuant to the Initial Order, Samson Bélair/Deloitte & Touche Inc. (now known as Deloitte Restructuring Inc., the "**Monitor**") was appointed as Monitor of the Initial Debtors and a stay of proceedings (the "**Stay of Proceedings**") was issued from the date of the Initial Order until October 7, 2011;

3. On October 7, 2011, this Honourable Court issued an order (the “**First Extension Order**”) extending the Stay of Proceedings. Since then, this Court has further extended the Stay of Proceedings, most recently until October 2, 2017 (the “**Stay Period**”), as appears from the Court record;
4. As appears from the Initial Order and the First Extension Order, the Stay of Proceedings was initially extended in favour of the following limited partnerships: Homco Realty Fund (52) Limited Partnership, Homco Realty Fund (88) Limited Partnership, Homco Realty Fund (89) Limited Partnership (“**Homco 89**”), Homco Realty Fund (92) Limited Partnership, Homco Realty Fund (94) Limited Partnership (“**Homco 94**”), Homco Realty Fund (105) Limited Partnership (“**Homco 105**”), Homco Realty Fund (121) Limited Partnership (“**Homco 121**”), Homco Realty Fund (122) Limited Partnership (“**Homco 122**”), Homco Realty Fund (142) Limited Partnership (“**Homco 142**”) and Homco Realty Fund (199) Limited Partnership (collectively the “**Initial Mises-en-cause**”);
5. On May 31, 2012, this Court issued an order amending the Initial Order to add North Calgary Land Ltd. (“**NCLL**”) as a Petitioner and Homco Realty Fund (96) Limited Partnership (“**Homco 96**”) as an Applicant Partnership thereunder. On December 14, 2012, this Court issued a further order amending the Initial Order to add Homco Realty Fund (190) Limited Partnership and Homco Realty Fund (191) Limited Partnership as Applicant Partnerships;
6. By Order of the Court made on February 6, 2013, the Initial Order was further amended to add Homco Realty Fund (61) Limited Partnership (“**Homco 61**”) as an additional Applicant Partnership and Castello Development Ltd. (“**Castello**”) as a mise-en-cause. On March 14, 2013, the Initial Order was further amended to add Homburg Management (Canada) Inc. (“**HMCI**”) as an additional Petitioner. On April 26, 2013, this Court issued a further order amending the Initial Order to add Homco Realty Fund (83) Limited Partnership (“**Homco 83**”) as an Applicant Partnership. By subsequent Order of the Court, the stay of proceeding was discontinued in respect of Homco 122, Inverness, Homco 83, Churchill, CP, Homco 105, Homco 121, Homco 89 and Homco 142. (Homco 61, HMCI, the Initial Debtors and the Initial Mises-en-cause (excluding Homco 122, Inverness, Castello, Homco 83, CP, Homco 105, Homco 121, Homco 89 and Homco 142) are collectively referred to as the “**HII Group**”);
7. The HII Group respectfully requests that this Honourable Court render the orders sought herein to extend the Stay Period until January 31, 2018;

II. DISTRIBUTIONS UNDER THE PLANS OF ARRANGEMENT

8. As appears from the Court record, the Plan of Compromise and Reorganization of HII and Shareco, as amended and restated from time to time (the “**HII/Shareco Plan**”) and the restated Plan of Compromise of Homco 61 (collectively the “**Plans**”) have been approved and sanctioned by this Honourable Court and implemented. Unless otherwise defined herein, all capitalized terms are as defined in the HII/Shareco Plan;
9. Since the last extension of the Stay Period, the Monitor has not proceeded with any additional distributions to the Affected Creditors nor the Homco 61 Affected Creditors,

other than distributions to creditors who had not received their entitlement to past distributions due to missing or erroneous coordinates. As will appear from the Forty-Seventh Report of the Monitor to be served and filed on or about the date hereof (the “**Monitor’s Forty-Seventh Report**”), the current intention of the Monitor is that the next distribution of the Asset Realization Cash Pool be the final distribution under the terms of the Plans;

III. WINDING-UP EFFORTS

10. Since the last extension of the Stay Period, the HII Group has continued to make progress in connection with the disposition of the remaining non-core properties and realization of other remaining assets, with a view of finalizing the process in the near future. Highlights of the most significant activities of the HII Group are provided below;

A. *Dispositions of non-core properties*

11. As of the date hereof, all non-core properties in Canada have been disposed of by the HII Group;

12. The last such property was Points North (NCLL), for which the secured lender was HSBC Bank Canada (“**HSBC**”). As previously disclosed to the Court, the HII Group and Monitor concluded that Points North would not generate any equity for HII nor the Affected Creditors.

13. On May 23, 2017, at the request of HSBC, this Court lifted the Stay of Proceedings with respect to NCLL and appointed PricewaterhouseCoopers Inc. as receiver of NCLL, pursuant to section 243 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3;

14. There have been some developments with respect to European non-core properties since the last extension of the Stay Period;

15. As previously disclosed to the Court, HII determined that the property held by Homco Realty Fund (123) Limited Partnership (“**Homco 123**”) in the Netherlands could potentially generate material value for the Affected Creditors under the HII/Shareco Plan. However, as of the date hereof, environmental and safety permits which could allow for sale of Homco 123’s property have yet to be issued.

16. As further detailed in the Monitor’s Forty-Seventh Report, the HII Group and the Monitor are working together to monetize any value in the near future, either by way of an agreement with the secured lender or a sale of the property;

17. Regarding the property held in the Netherlands by Homco Realty Fund (119) Limited Partnership, the HII Group and the Monitor were awaiting an offer which failed to materialize. Accordingly, it is no longer anticipated that this property will generate equity for Affected Creditors;

B. Other Matters

18. On September 6, 2017, this Honourable Court authorized the Monitor to tender some or all of the Newco Common Shares it held in the Disputed Claims (Newco Shares) Reserve in connection with the offer of Frasers Property Investments Holland B.V. As appears more fully from the Monitor's Forty-Seventh Report, the Monitor subsequently tendered nearly all such Newco Common Shares, resulting in monetization thereof to the benefit of the relevant Affected Creditors;
19. The HII Group continues to address all post-plan implementation matters, including the bankruptcies or dissolution of the various entities included in the HII Group, as appropriate, the whole with the support and assistance of the Monitor and Canadian and Dutch counsel, and with the approval of the LAC, as required under the Plans and the Sanction Orders. Notably, five HII Group Entities (with their respective general partners, where applicable) made assignments in bankruptcy since February 2017;

IV. CONCLUSION

20. HII is of the view that providing the relief requested herein is appropriate in the present circumstances in order for the HII Group to finalize its affairs, deal with the few remaining European non-core properties and properly wind-down the few remaining entities. The HII Group and the Monitor aim to wrap up all outstanding matters, including the final distribution to Affected Creditors, prior to the expiry of the extension of the Stay Period sought herein. Accordingly, HII respectfully requests that this Honourable Court grant the extension of the Stay Period sought in the present Application;
21. As will appear from the Monitor's Forty-Seventh Report, the Monitor supports the present Application;
22. The HII Group has acted, and continues to act, in good faith and with due diligence;
23. The present Application is well founded in fact and law.

WHEREFORE, MAY IT PLEASE THIS HONOURABLE COURT TO:

1. **GRANT** the present *Application for extension of the stay period*;
2. **EXTEND** the Stay Period (as defined in the Initial Order rendered by the Court on September 9, 2011 and as extended from time to time) to and including January 31, 2018;

THE WHOLE WITHOUT COSTS, save in the event of contestation.

MONTREAL, September 28, 2017.

Osler, Hoskin & Harcourt LLP

OSLER, HOSKIN & HARCOURT LLP

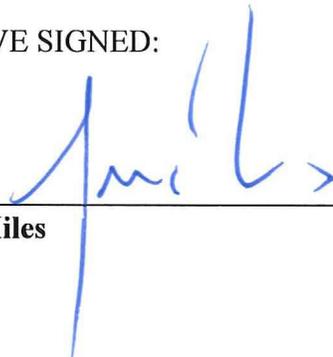
Attorneys for the Debtors and Mises-en-cause

AFFIDAVIT

I the undersigned, James F. Miles, domiciled and residing at 29 Coventry Lane, Dartmouth, Nova Scotia, B2V 2K2, solemnly declare the following:

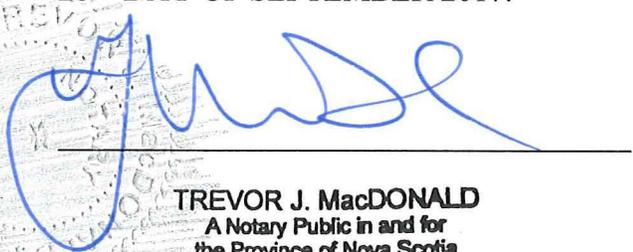
1. I am the President of 1810040 Alberta Ltd. and duly authorized representative of the Petitioners for the purpose hereof;
2. I have taken cognizance of the attached *Application for extension of the stay period*;
3. All of the facts alleged in the said application are true.

AND I HAVE SIGNED:

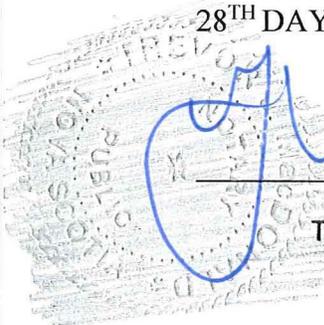


James F. Miles

SOLEMNLY DECLARED BEFORE ME
IN HALIFAX, NOVA SCOTIA ON THE
28TH DAY OF SEPTEMBER 2017.



TREVOR J. MacDONALD
A Notary Public in and for
the Province of Nova Scotia



NOTICE OF PRESENTATION

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TAKE NOTICE that the *Application for extension of the stay period* will be presented for hearing and allowance in the Superior Court, Commercial Division, in room 16.12 of the Montréal Courthouse, 1 Notre-Dame Street East, Montréal, on October 2, 2017, at 8:45 a.m., or so soon thereafter as counsel may be heard.

PLEASE ACT ACCORDINGLY.

MONTRÉAL, September 28, 2017

Osler, Hoskin & Harcourt LLP

OSLER, HOSKIN & HARCOURT LLP
Attorneys for the Debtors and Mises-en-cause

No: 500-11-041305-117

**SUPERIOR COURT
(Commercial Division)**

DISTRICT OF MONTRÉAL

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

1810040 ALBERTA LTD. ET AL.

Debtors/Petitioners

-and-

**HOMCO REALTY FUND (52) LIMITED
PARTNERSHIP ET AL.**

Mises-en-cause

-and-

DELOITTE RESTRUCTURING INC.

Monitor

**APPLICATION FOR EXTENSION OF THE STAY
PERIOD (Sections 11 and 11.02 of the *Companies'*
Creditors Arrangement Act, R.S.C. 1985, c. C-36),
AFFIDAVIT, NOTICE OF PRESENTATION**

ORIGINAL

Code : BO 0323

o/f: 1131787

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