

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No.: 500-11-041305-117

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)

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

Homburg Invest Inc.

Debtor / Petitioner

-and-

Homco Realty Fund (88) Limited Partnership

Petitioner

-and-

Homburg Shareco Inc.

Churchill Estates Development Ltd.

CP Development Ltd.

North Calgary Land Ltd.

Homburg Management (Canada) Inc.

Debtors

-and-

Homco Realty Fund (52) Limited Partnership

Homco Realty Fund (61) Limited Partnership

Homco Realty Fund (83) Limited Partnership

Homco Realty Fund (89) Limited Partnership

Homco Realty Fund (92) Limited Partnership

Homco Realty Fund (94) Limited Partnership

Homco Realty Fund (96) Limited Partnership

Homco Realty Fund (105) Limited Partnership

Homco Realty Fund (121) Limited Partnership

Homco Realty Fund (142) Limited Partnership

Homco Realty Fund (190) Limited Partnership

Homco Realty Fund (191) Limited Partnership

Homco Realty Fund (199) Limited Partnership

Castello Development Ltd.

Mises-en-cause

-and-

The Statesman Group of Companies Ltd., a
corporation constituted under the laws of Alberta,
having its registered office at 7370 Sierra Morena
Boulevard S.W., Calgary, Alberta, T3H 4H9

Mise-en-cause

-and-

HSBC Bank Canada

Mise-en-cause

-and-

The Alberta Registrar of Land Titles, 710 – 4th
Avenue S.W., Calgary, Alberta, T2P 0K3

Mis-en-cause

-and-

C. & T. Reinforcing Steel Co. (Alberta) Ltd., 350 –
7th Avenue S.W., Suite 1000, Calgary, Alberta, T2P
3N9

Mis-en-cause

-and-

Lafarge Canada Inc., 801 – 6th Avenue S.W., Suite
2800, T2P 4A3

Mis-en-cause

-and-

NORR Architects Planners, 645 – 7th Avenue
S.W., Suite 200, Calgary, Alberta, T2P 4G8

Mis-en-cause

-and-

Giusti Group Limited Partnership, 2 Tuscany
Ravine Terrace N.W., Calgary, Alberta, T3L 2T1

Mis-en-cause

-and-

Morwest Crane & Services Ltd., 5707 – 3rd Street
S.E., Calgary, Alberta, T2H 1K1

Mis-en-cause

-and-

Curtis Engineering Associates Ltd., 1500 – 14th
Street S.W., Suite 112, Calgary, Alberta T3C 1C9

Mis-en-cause

-and-

Peter Ross AB Ltd., 715 – 5th Avenue S.W., Suite
2800, Calgary, Alberta T2P 2X6

Mis-en-cause

-and-

Dominion Protection Services Ltd., 1413 – 2nd
Street S.W., Calgary, Alberta T2R OW7

Mis-en-cause

-and-

Watts Mechanical Services Ltd., 850 – 2nd Street
S.W., Suite 1500, Calgary, Alberta T2P OR8

Mis-en-cause

-and-

Kai Construction Corporation, 999 – 8th Street
S.W., Suite 715, Calgary, Alberta, T2R 1J5

Mise-en-cause

-and-

Connaught Center Ltd. 630 – 8th Avenue S.W.,
Suite 400, Calgary, Alberta, T2P 1G4

Mise-en-cause

-and-

Samson Bélair/Deloitte & Touche Inc.

Monitor

**MOTION FOR AUTHORIZATION OF SALE AND A VESTING ORDER
(KAI TOWERS)
(Sections 11 and 36 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., Inverness Estates Development Ltd. (“**Inverness**”) and CP Development Ltd. (collectively the “**Initial Debtors**”) as appears from the Court record; Pursuant to the Initial Order, Samson Bélair/Deloitte & Touche 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;
2. On October 7, 2011, this 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 December 2, 2013 (the “**Stay Period**”), as appears from the Court record;
3. 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 88**”), Homco Realty Fund (89) Limited Partnership, Homco Realty Fund (92) Limited Partnership, Homco Realty Fund (94) Limited Partnership, Homco Realty Fund (105) Limited Partnership, Homco Realty Fund (121) Limited Partnership, Homco Realty Fund

(122) Limited Partnership, Homco Realty Fund (142) Limited Partnership and Homco Realty Fund (199) Limited Partnership (collectively the “**Initial Mises-en-cause**”);

4. 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 (“**Homco 190**”) and Homco Realty Fund (191) Limited Partnership (“**Homco 191**”) as Applicant Partnerships;
5. 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 Applicant Partnership. Finally, on July 11, 2013, this Court discontinued the stay of proceedings in respect of Homco 122 (NCLL, Homco 96, Homco 190, Homco 191, Homco 61, Castello, HMCI, Homco 83, the Initial Debtors and the Initial Mises-en-cause (excluding Inverness and Homco 122) are collectively referred to as the “**HII Group**”);
6. The HII Group respectfully requests that this Honourable Court render the orders sought herein to authorize and approve the sale, transfer and assignment of Kai Towers (as defined below) to The Statesman Group of Companies Ltd. (“**Statesman Group**”) in accordance with the terms set forth below;

II. KAI TOWERS

A. Background

7. Kai Towers is a condominium project in Calgary, Alberta, which is unfinished; only the parking structure has been developed. As of the date hereof, Kai Towers does not generate any revenue and will necessitate significant investments to be completed.
8. Kai Towers is the sole material asset of Homco 88. Shortly after the Initial Order was rendered, all or substantially all construction work on Kai Towers ceased;
9. As previously disclosed to the Court, the net realization value of the Kai Towers will not suffice to reimburse the secured creditors holding charges over Kai Towers and thus, it appears that Homco 88, and ultimately HII, and their unsecured creditors, will not receive any benefit from the realization of the Kai Towers;

B. Guarantees in favour of Homburg Mortgage Series 7 Bonds

10. As previously disclosed to the Court, pursuant to a Fifth Supplemental Indenture between Shareco and Sticking Homburg Bonds dated as of January 15, 2008 (the “**Fifth Supplemental Indenture**”), Shareco issued the Homburg Mortgage Bond 7 bonds

(“**Series 7 Bonds**”) in the principal amount of €31,230,000, with interest at the rate of 7.25% per annum, due on June 30, 2012;

11. As of the date of the Initial Order, amounts owing in connection with the Series 7 Bonds were and continue to be secured by, *inter alia*:
 - (a) a guarantee by HII in favour of SHB;
 - (b) a guarantee by Homco 88 in favour of SHB (the “**Homco 88 Guarantee**”) secured by a collateral mortgage in the principal amount of €31,230,000 in favour of SHB mortgaging Homco 88’s interest in the Kai Towers;

C. Debt to HSBC Bank Canada

12. HSBC financed the development of Kai Towers and holds security thereon. Counsel for the Monitor has delivered an opinion conforming that the said security is valid and enforceable. As of the date hereof, according to the HII Group’s records, an indebtedness between \$5.6 million and \$6 million remains outstanding on the loan secured by the Land Mortgage of HSBC over Kai Towers. HII expects a confirmation of the exact amount due prior to closing. HSBC will be repaid in full as part of the Transaction (as defined below);

D. HII Advance

13. Given the complexities resulting from the size of the bondholder group and in order to facilitate and expedite the sale process for Kai Towers, HII provided to Homco 88 such amounts as were required, as and from September 1, 2012, to fund all expenses, costs and fees (the “**HII Advance**”) incurred by Homco 88, including in the context of the sale of Kai Towers, provided that the reimbursement of the HII Advance to Homco 88 be secured by a charge on Kai Towers ranking before all current charges, except the HSBC mortgage described above;
14. On November 8, 2012, by the Order granting funding charges (Homco 52 and Homco 88), in the Court record, the Court approved the above-described arrangement, including a charge on Kai Towers ranking ahead of all creditors and claimants other than HSBC, to secure repayment of the HII Advance (the “**HII Funding Charge**”). On December 13, 2012, in connection therewith, HII filed a caveat (in essence, a notice of security) on Homco 88’s title to Kai Towers in respect of the HII Advance;

E. Builders’ liens

15. As appears from the land title certificate for Kai Towers, filed in support hereof as **Exhibit P-1**, the *mises-en-cause* C. & T. Reinforcing Steel Co. (Alberta) Ltd. (“**C. & T.**”), Lafarge Canada Inc. (“**Lafarge**”), NORR Architects Planners (“**NORR**”), Giusti Group Limited Partnership (“**Giusti Group**”), Morwest Crane & Services Ltd., Curtis Engineering Associates Ltd., Peter Ross AB Ltd. (“**Peter Ross**”), Dominion Protection Services Ltd., Watts Mechanical Services Ltd. (“**Watts Mechanical**”) and Kai Construction Corporation (“**KCC**”) (collectively, the “**Lien Claimants**”) have filed

documents alleging that they hold builders' liens in the aggregate amount of approximately \$ 4,462,234 (the "**Alleged Liens**"). In addition, certificates of *lis pendens* indicate that in connection therewith:

- (a) C. & T. filed a claim against Homburg L.P. Management Incorporated ("**HLPM**") on January 4, 2012;
- (b) Lafarge filed a claim against HLPM on March 14, 2012;
- (c) NORR filed a claim against HLPM, HII and Homco 88 on March 20, 2012;
- (d) Peter Ross filed a claim against HLPM on April 27, 2012;
- (e) Watts Mechanical filed a claim against HLPM on June 1, 2012;
- (f) KCC filed a claim against HLPM, Homco 88, HII (88) GP Inc. ("**HII (88) GP**") and 1028167 Alberta Ltd. on October 23, 2012; and
- (g) Giusti Group filed a claim against HLPM, Homco 88, HII (88) GP Inc. and 1028167 Alberta Ltd. on March 6, 2013;

(collectively, the "**Lienor Actions**");

- 16. In addition, mise-en-cause Connaught Center Ltd. (jointly with the Lien Claimants, the "**Encumbrancers**") filed a caveat in relation to an indemnity provided by HLPM (the "**Connaught Caveat**").
- 17. Some Encumbrancers have not filed a proof of claim in accordance with the Claims Process Order, in the Court record, such that they are now barred. The Monitor has filed notices of stay in respect of all Lienor Actions. As appears from the conclusions hereof, it is intended that the rights arising out of the HII Funding Charge, the Alleged Liens and the Connaught Caveat (if any as to the two latter) are to attach to the Net Proceeds (as defined in the conclusions hereto) of the Transaction;

F. Sales Process and Offer to Purchase

- 18. On November 20, 2012, Homco 88 and the Monitor entered into an Exclusive Sale Listing Agreement (the "**Listing Agreement**") pursuant to which CBRE Limited was retained to market Kai Towers for sale. The Listing Agreement provides, *inter alia*, for payment of a commission to CBRE Limited upon completion of a sale, subject to certain terms and conditions;
- 19. On May 16, 2013, Statesman Group made and, on May 17, 2013, subject to approval of this Court, HII (88) GP, in its capacity as general partner of Homco 88 accepted an offer (the "**Offer**") to purchase Kai Towers for an aggregate price of \$30.2 million (subject to customary closing adjustments) on an "as is, where is" basis subject to the satisfaction of certain conditions precedent, including Statesman Group's satisfaction with its due diligence review and inspection of Kai Towers (the "**Homco 88 Transaction**"). The Offer is filed in support hereof as **Exhibit P-2**;

20. The Offer provided for a due diligence period of up to 78 days (the “**Due Diligence Period**”). The Due Diligence Period was extended from time to time by way of exchange of emails from the parties’ counsel to allow Statesman Group additional time to complete its due diligence investigations, which took longer than expected in part due to the recent flooding of the City of Calgary;
21. Statesman Group and HII (88) GP, in its capacity as general partner of Homco 88, entered into an Amendment and Waiver Agreement (the “**Amendment Agreement**”) dated as of October 31, 2013, pursuant to which (i) Statesman Group agreed to waive all conditions precedent in its favour set out in the Offer and (ii) the parties agreed to reduce the purchase price to \$30,000,000. The Amendment Agreement is filed in support hereof as **Exhibit P-3**;
22. As more fully appears from the Twenty-eighth Monitor’s Report, the Monitor is of the view that the terms of the Homco 88 Transaction are reasonable and favourable for the HII Group and its stakeholders given, *inter alia*:
 - (a) It is congruent with the HII Group’s restructuring plan, *i.e.* to dispose of non-core assets to the benefit of its stakeholders; and
 - (b) The \$30,000,000 purchase price falls within the range of valuations of Kai Towers obtained by the Monitor ;
 - (c) The Homco 88 Transaction will satisfy Homco 88’s debt towards HSBC, reimburse the HII Advance and allow for a substantial distribution to holders of Series 7 Bonds, resulting in a reduction of their unsecured claim against HII;
23. The conclusion of the Homco 88 Transaction is also supported by Stichting Homburg Bonds, acting for the holders of Series 7 Bonds;
24. Accordingly, the HII Group respectfully requests that this Court authorize the sale of Kai Towers, ratify the Offer to Purchase and grant a vesting order congruent with the conclusions herein;

III. CONCLUSION

25. In light of the foregoing, the Homco 88 Transaction is in the best interest of Homco 88, the HII Group and their stakeholders. As will appear from its Twenty-eighth Report to the Court, the Monitor supports the analysis of the HII Group and approves the Homco 88 Transaction;
26. HII is of the view that providing the relief requested herein is appropriate in the present circumstances. Accordingly, HII respectfully requests that this Honourable Court render the orders contained in the conclusions herein;
27. The HII Group has acted, and continues to act, in good faith and with the utmost diligence.

WHEREFORE, MAY IT PLEASE THIS HONOURABLE COURT TO :

1. **GRANT** the present Motion for authorization of sale and a vesting order (Kai Towers) (the "**Motion**");
2. **DECLARE** that the service of the Motion constitutes good and sufficient service on all persons and further **DECLARE** that the Petitioners are relieved of any other requirements for service of the Motion;
3. **DECLARE** that all capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Motion;
4. **RATIFY** the offer to purchase entered into by HII (88) GP Inc. ("**HII (88) GP**"), for and on behalf of Homco Realty Fund (88) Limited Partnership ("**Homco 88**"), and The Statesman Group of Companies Ltd. ("**Statesman Group**") in respect of Kai Towers (the "**Homco 88 Offer**");
5. **DECLARE**, for greater certainty, that Kai Towers include, without limitation, the following real property located in the Province of Alberta:

| | | | | |
|--|---------|----------|---------|--------------|
| PLAN A1 | | | | |
| BLOCK 77 | | | | |
| LOTS 1 TO 14 INCLUSIVE | | | | |
| EXCEPTING THEREOUT (AS TO SURFACE ONLY): | | | | |
| PLAN | NUMBER | HECTARES | (ACRES) | MORE OR LESS |
| ROAD | 8110937 | 0.003 | 0.01 | |
| TITLE NUMBER: 121 130 576 | | | | |

(the "**Kai Towers Lands**");

6. **AUTHORIZE** and **APPROVE** the sale, transfer and assignment of Kai Towers, including without limitation the Kai Towers Lands, to Statesman Group or its nominee (the "**Purchaser**") in accordance with the terms of the Homco 88 Offer (the "**Homco 88 Conveyance**") and **AUTHORIZE** the HII Group, including without limitation HII (88) G.P., for and behalf of Homco 88, and Samson Bélair/Deloitte & Touche Inc., in its capacity of Monitor to the Debtors and without any personal or corporate liability (the "**Monitor**") to take any and all actions necessary to proceed with the Homco 88 Conveyance to the Purchaser of the Kai Towers Lands including, without limiting the generality of the foregoing, to execute any and all documents that may be necessary or useful to the consummation of such sale of the Kai Towers Lands (the "**Homco 88 Transaction**");
7. **ORDER** and **DECLARE** that upon the delivery of a Monitor's certificate to Statesman Group confirming payment of the full purchase price contemplated by the Homco 88 Transaction and that any conditions precedents thereto have been satisfied or waived (the "**Monitor's Certificate**"), which Monitor's Certificate shall be delivered and filed in this Court record forthwith after confirmation by Homco 88 and Statesman Group of payment

of the full purchase price contemplated by the Homco 88 Transaction and the closing of the Homco 88 Transaction, all of Homco 88's rights, titles and interests in and to the Kai Towers Lands shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), mortgages, hypothecs, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise including, without limiting the generality of the foregoing, all charges, security interests or claims evidenced by registrations on any other personal property registry system or land title system (all of which are collectively referred to as "**Encumbrances**"), other than the "**Permitted Encumbrances**" listed in Schedule I of the Order to be rendered (the "**Permitted Encumbrances**"). For greater certainty, **ORDER** that all of the Encumbrances affecting or relating to the Kai Towers Lands, other than the Permitted Encumbrances, are hereby expunged and discharged as against the Kai Towers Lands;

8. **ORDER** that upon the delivery of a certified copy of this Order and of the Monitor's Certificate to the Registrar of the Alberta Land Titles Office (the "**Registrar**") and a written request from the Purchaser's counsel to do so, the Registrar shall:
 - (a) Cancel certificates of title number 121 130 576 in respect of the Kai Towers Lands (the "**Old Title**");
 - (b) Issue a new certificate of title in respect of the Kai Towers Lands in the name of the Purchaser (the "**New Title**"), which shall include only the Permitted Encumbrances listed in Schedule I to this Order; and
 - (c) Discharge any and all of the Discharged Encumbrances listed in Schedule II to this order (the "**Discharged Encumbrances**") from the New Title;
9. **ORDER** that the Registrar shall perform the steps specified in paragraph 8 of this Order:
 - (a) In the order specified in paragraph 8 of this Order; and
 - (b) Notwithstanding the requirements of section 191(1) of the *Land Titles Act*, R.S.A. 2000, c. L-4.
10. **ORDER** that, upon the Registrar completing the steps identified in paragraph 8 of this Order, the Registrar shall forthwith make available to Homco 88 and Statesman Group a certified copy of the New Title.
11. **ORDER** that, for information purposes only, a copy of the Monitor's Certificate shall be filed in this Court's record no later than the second business day after being delivered to Statesman Group;
12. **ORDER** that the proceeds from the sale of the Kai Towers Lands shall stand in the place and stead of the Kai Towers Lands, net of closings costs including real estate commissions, taxes, legal, conveyancing costs and other usual closing costs (the "**Net Proceeds**"), and that from and after the delivery of the Monitor's Certificate all Encumbrances (subject to same being finally determined pursuant to the Claims Process

Order rendered by this Court on April 30, 2012, as amended and supplemented from time to time), including without limitation the HII Funding Charge but other than the Permitted Encumbrances, shall attach to the net proceeds from the sale of the Kai Towers Lands with the same priority as they had with respect to the Kai Towers Lands immediately prior to the sale, as if the Kai Towers Lands had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale;

13. For greater certainty, **ORDER** that the Net Proceeds shall stand in the place and stead of Kai Towers and any holder of the Encumbrances (“**Encumbrancers**”) may assert their claims against the Net Proceeds with the same right and priority that the Encumbrancers had against Kai Towers immediately prior to this Order in respect of the Kai Towers, as if Kai Towers had not been sold and had remained in the possession and control of Homco 88;
14. **AUTHORIZE** HII (88) GP, for and on behalf of Homco 88, to pay the net sale proceeds arising out of the Homco 88 Transaction to HSBC Bank Canada up to the amount of its claim secured by a Land Mortgage on the Kai Towers Lands (the “**HSBC Payout**”) and to HII in respect to the HII Advance;
15. **GRANT ACT** of the fact the Net Proceeds of the Homco 88 Transaction, less the HSBC Payout, will be distributed to other creditors at a time to be determined, in accordance with creditors’ respective ranks and applicable law;
16. **DECLARE** that the Order sought constitutes the only authorization required by the HII Group to proceed with the Homco 88 Transaction and the Homco 88 Conveyance and, for greater certainty, **DECLARE** that the parties involved in the Homco 88 Transaction are exempted from requiring or obtaining any formal valuation or authorization that may have been required from any person or authority whatsoever;
17. **DECLARE** that the orders to be rendered pursuant to the present Motion shall have full force and effect in all of the provinces and territories in Canada;
18. **REQUEST** the aid and recognition of any Court or administrative body in Canada (including, without limitation, the Alberta Court of Queen’s Bench), or elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of the Order;

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

MONTREAL, November 7, 2013

Osler, Hoskin & Harcourt LLP

OSLER, HOSKIN & HARCOURT LLP

Attorneys for the Petitioners, Debtors and Homco Realty Fund (x) Limited Partnership Mises-en-cause

SCHEDULE I – PERMITTED ENCUMBRANCES

| REGISTRATION NUMBER | DATE (D/M/Y) | PARTICULARS |
|---------------------|--------------|---|
| 6073KE | 17/09/1968 | EASEMENT “EXTENDED BY, OVER THE EAST 1.5 INCHES OF LOT 6” |
| 811 009 294 | 19/01/1981 | CAVEAT CAVEATOR – THE CITY OF CALGARY |
| 5803KE | 04/09/1988 | EASEMENT “WEST 1.5 INCHES OF LOT 10, SUBJECT TO, IN FAVOR OF LOTS 7,8 & 9” |
| 111 018 397 | 24/01/2011 | CAVEAT RE: EASEMENT |

SCHEDULE II – DISCHARGED ENCUMBRANCES

| REGISTRATION NUMBER | DATE (D/M/Y) | PARTICULARS |
|----------------------------|---------------------|---|
| 081 075 643 | 28/02/2008 | MORTGAGE MORTGAGEE – 1028167 ALBERTA LTD. ORIGINAL PRINCIPAL AMOUNT: \$45,000,000 |
| 081 298 559 | 14/08/2008 | CAVEAT RE: AGREEMENT CHARGING LAND CAVEATOR – CONNAUGHT CENTER LTD. |
| 101 367 967 | 20/12/2010 | MORTGAGE MORTGAGEE – HSBC BANK CANADA ORIGINAL PRINCIPAL AMOUNT : \$15,000.000 |
| 101 367 968 | 20/12/2010 | CAVEAT RE: ASSIGNMENT OF RENTS AND LEASES CAVEATOR – HSBC BANK CANADA |
| 101 367 969 | 20/12/2010 | POSTPONEMENT OF MORT 081075643 TO MORT 101367967 CAVE 101367968 |
| 101 367 970 | 20/12/2010 | POSTPONEMENT OF CAVE 081298559 TO MORT 101367967 CAVE 101367968 |
| 111 230 196 | 08/09/2011 | BUILDER'S LIEN LIENOR – C. & T. REINFORCING STEEL CO. (ALBERTA) LTD. AMOUNT: \$1,072,888 |
| 111 242 915 | 21/09/2011 | BUILDER'S LIEN LIENOR – LAFARGE CANADA INC. AMOUNT: \$425,564 |
| 111 245 527 | 23/09/2011 | BUILDER'S LIEN LIENOR – NORR ARCHITECTS PLANNERS AMOUNT: \$176, 741 |
| 111 251 174 | 29/09/2011 | BUILDER'S LIEN LIENOR – GIUSTI GROUP LIMITED PARTNERSHIP AMOUNT: \$904,023 |
| 111 258 833 | 07/10/2011 | BUILDER'S LIEN LIENOR – MORWEST CRANE & SERVICES LTD. AMOUNT: \$112,944 |

| REGISTRATION NUMBER | DATE (D/M/Y) | PARTICULARS |
|----------------------------|---------------------|---|
| 111 259 163 | 07/10/2011 | BUILDER'S LIEN LIENOR – CURTIS ENGINEERING ASSOCIATES LTD. AMOUNT: \$19,084 |
| 111 282 444 | 31/10/2011 | BUILDER'S LIEN LIENOR – PETER ROSS AB LTD. AMOUNT: \$117,136 |
| 111 289 658 | 07/11/2011 | BUILDER'S LIEN LIENOR – DOMINION PROTECTION SERVICES LTD. AMOUNT: \$73,413 |
| 111 318 037 | 06/12/2011 | BUILDER'S LIEN LIENOR – WATTS MECHANICAL SERVICES LTD. AMOUNT: \$58,388 |
| 121 002 776 | 04/01/2012 | CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 111230196 |
| 121 061 638 | 14/03/2012 | CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 111242915 |
| 121 066 218 | 20/03/2012 | CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 111245527 |
| 121 099 245 | 27/04/2012 | CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 111282444 |
| 121 111 382 | 09/05/2012 | BUILDER'S LIEN LIENOR – KAI CONSTRUCTION CORPORATION. AMOUNT: \$1,502,053 |
| 121 134 266 | 01/06/2012 | CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 111318037 |
| 121 277 460 | 23/10/2012 | CERTIFICATE OF LIS PENDENS AFFECTS INSTRUMENT: 121111382 |
| 121 326 962 | 13/12/2012 | CAVEAT RE : AGREEMENT CHARGING LAND CAVEATOR – HOMBURG INVEST INC. |

AFFIDAVIT

I the undersigned, Jan Schöningh, domiciled and residing at 597 Roslyn Avenue, Westmount, Quebec, H3Y 2V1, solemnly declare the following:

1. I am the President and Chief Executive Officer of Homburg Invest Inc. and duly authorized representative of the Petitioners for the purpose hereof;
2. I have taken cognizance of the attached *Motion for authorization of sale and a vesting order (Kai Towers)*;
3. All of the facts alleged in the said motion are true.

AND I HAVE SIGNED:

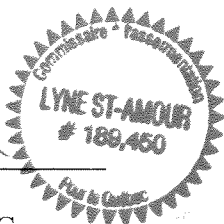


Jan Schöningh

SOLEMNLY DECLARED BEFORE ME
IN MONTRÉAL, QUÉBEC ON THE
7TH DAY OF NOVEMBER 2013.



COMMISSIONER FOR OATHS
FOR THE PROVINCE OF QUÉBEC



NOTICE OF PRESENTATION

- TO :** **McCARTHY TÉTRAULT LLP** **Attorneys for the Monitor**
1000 De La Gauchetière Street West, Suite 2500
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Me Mason Poplaw
Me Jocelyn Perreault
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- TO :** **BENNETT JONES LLP** **Attorneys for Penn West**
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- TO :** **BENNETT JONES LLP** **Attorneys for Statoil Canada Limited**
4500 Bankers Hall East
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- TO :** **LANGLOIS KRONSTRÖM DESJARDINS LLP** **Attorneys for Statoil Canada Limited**
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Montréal QC H3A 3L6
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Me Dimitri Maniatis
Me Stefan Chripounoff
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dimitri.maniatis@lkd.ca
stefan.chripounoff@lkd.ca
- TO :** **HOMBURG CANADA INC.**
600-1741 Brunswick Street
Halifax NS B3J 3X8
Me Michael J. O'Hara
General Counsel
email: mohara@homburg.com

- TO :** **ARCAN RESOURCES LTD.**
Suite 2200, 500 – 4th Avenue S.W.
Calgary, Alberta T2P 2V6
Mr. Graeme Ryder,
Vice-President, Finance and CFO
email : gryder@arcanres.com
- TO :** **BORDEN LADNER GERVAIS LLP**
1000 De La Gauchetière Street West, Suite 900
Montréal QC H3B 5H4
Me Josef G. A. Krüger
Me Matti Lemmens
Me Mathieu Lévesque
email : jkruger@blg.com
mlemmens@blg.com
malevesque@blg.com
- TO :** **FIELD LAW**
400 – 604 1st SW
Calgary AB T2P 1M7
Me Douglas S. Nishimura
email : dnishimura@fieldlaw.com
- TO :** **DAVIES WARD PHILLIPS & VINEBERG LLP**
1501 McGill College Avenue, 26th floor
Montréal QC H3A 3N9
Me Denis Ferland
Me Christian Lachance
email : dferland@dwpv.com
clachance@dwpv.com
- TO :** **DAVIES WARD PHILLIPS & VINEBERG LLP**
1501 McGill College Avenue, 26th floor
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Me Louis-Martin O’Neill
email : lmoneill@dwpv.com
- Attorneys for BOS Solutions Ltd., Canadian Tabular Services Inc., Premier Petroleum Corp, Moe Hannah McNeill LLP**
- Attorneys for Keywest Projects Ltd., MHI Fund Management Inc., STP Group Canada Ltd. (formely Neotechnology Consultants Ltd.), Logan Completion Systems Inc., CE Franklin Ltd.**
- Attorneys for HSBC Bank Canada**
- Attorneys for Cominar REIT**

- TO :** **DICKINSON WRIGHT LLP**
222 Bay St., 18th Floor, PO Box 124
Toronto ON M5K 1H1
Me David P. Preger
email : dpreger@dickinsonwright.com
- Attorneys for Romspen
Investment Corporation**

joint appearance with De
Granpré
- TO:** **DE GRANPRÉ JOLI-CŒUR LLP**
2000 McGill College Avenue, Suite 1600
Montréal QC H3A 3H3
Me Anne Lefebvre
email: a.lefebvre@djclegal.com
- Attorneys for Romspen
Investment Corporation**

joint appearance with Dickinson
Wright
- TO :** **FASKEN MARTINEAU DUMOULIN LLP**
Tour de la Bourse
800 Place Victoria, PO Box 242, Suite 3700
Montréal QC H4Z 1E9
- Attorneys for Canmarc REIT
(formerly Homburg Canada
REIT), Homburg Canada
REIT Limited Partnership
and Homburg Canada REIT
GP Inc. and, in their capacity
a trustees of Canmarc REIT
(formerly Homburg Canada
REIT), Karen A. Prentice,
Frank W. Matheson, James F.
Miles, Wayne Heuff, John
Levitt and Gérard A. Limoges**
- Me Luc Morin**
Me Robert Paré
Me Edmond Lamek
Me Alain Riendeau
email : lmorin@fasken.com
rpare@fasken.com
elamek@fasken.com
ariendeau@fasken.com
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email : mmeland@ffmp.ca
- Attorneys for Cadillac
Fairview Corporation Limited**
- TO :** **FISHMAN FLANZ MELAND PAQUIN LLP**
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email : rauclair@ffmp.ca
- Attorneys for Stichting
Homburg Capital Securities**

TO : **STIKEMAN ELLIOTT**
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Montréal QC H3B 3V2

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Homburg Bonds**

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Me Charles Nadeau
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Me Stephanie Campbell
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nplourde@heenan.ca

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Royal Trust Tower
77 King Street West, Suite 4320
POBox 212
Toronto ON M5K 1J3

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Zach Michaud
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zmichaud@catcapital.com
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Toronto ON M5J 2T3

Me Andrew J.F. Kent
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Me Marc-André Morin
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Europe CDO II PLC,
Taberna Preferred Funding
VIII, Ltd and Taberna
Preferred Funding VI, Ltd.**
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Me Arnold Cohen
Me Philippe Giraldeau
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Architects Planners**
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Corporate Trust Services
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MAC: N2702-011
Columbia, Maryland 21045
- Wells Fargo Bank N.A.**
- William Fay**
**Default & Restructuring Account
Manager**
email : bill.fay@wellsfargo.com

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email : kim.sheppard@justice.gc.ca
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GOODFELLOW, Q.C.** **Attorneys for Centron
Construction Corp.**
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pbiggar@goodfellowqc.com
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jysimard@lavery.ca
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Estate B.V.**
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Montréal QC H3A 3M8
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jyfortin@davis.ca
blenis@davis.ca

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Me Karim Renno
email : pkalichman@imk.ca
krenno@imk.ca
Attorneys for Lafarge Canada Inc. and Kai Construction Corp.
- TO : MORGAN F. TINGLE PROFESSIONAL CORPORATION**
7370 Sierra Morena Blvd.S.W.
Calgary AB T3H 4H9
Me Morgan F. Tingle
email : office@mftpc.ca
Attorneys for The Statesman Group of Companies Ltd.
- TO : THE ALBERTA REGISTRAR OF LAND TITLES**
710 – 4th Avenue S.W.
Calgary AB T2P 0K3
- TO : MCLENNAN ROSS LLP**
Suite 1000
350 – 7th Avenue S.W.
Calgary AB T2P 3N9
Attorneys for C. & T. Reinforcing Steel Co. (Alberta) Ltd.
- TO : STEINBERG INGIMUNDSON**
Suite 760
1015– 4th Street S.W.
Calgary AB T2R 1J4
Attorneys for Giusti Group Limited Partnership
- TO : MORWEST CRANE & SERVICES LTD.**
5707 – 3rd Street S.E.
Calgary AB T2H 1K1
- TO : CURTIS ENGINEERING ASSOCIATES LTD.**
c/o Bluemoon
#112, 1500 – 14th Street S.W.
Calgary AB T3C 1C9
- TO : SHEA NERLAND CALNAN LLP**
Suite 2800
715 – 5th Avenue S.W.
Calgary AB T2P 2X6
Attorneys for Peter Ross AB Ltd.

- TO :** **WARREN TETTENSOR AMANTEA LLP** **Attorneys for Dominion Protection Services Ltd.**
1413 – 2nd Street S.W.
Calgary AB T2R 0W7
- TO :** **DENTONS CANADA LLP** **Attorneys for Watts Mechanical Services Ltd.**
Suite 1500
850 – 2nd Street S.W.
Calgary AB T2P 0R8
- TO :** **CONNAUGHT CENTER LTD.**
Suite 400
630 – 8th Avenue S.W.
Calgary, Alberta, T2P 1G4

TAKE NOTICE that the *Motion for authorization of sale and vesting order (Kai Towers)* will be presented for hearing and allowance in the Superior Court, commercial division, in room 1.27 of the **Longueuil Courthouse**, 1111 Jacques Cartier East Boulevard, Longueuil, Québec, J4M 2J6 on November 11, 2013, at 9 a.m., or so soon thereafter as counsel may be heard.

PLEASE ACT ACCORDINGLY.

MONTREAL, November 7, 2013

Osler, Hoskin & Harcourt LLP

OSLER, HOSKIN & HARCOURT LLP
Attorneys for the Petitioners, Debtors and
Homco Realty Fund (x) Limited Partnership
Mises-en-cause

**CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL**

No.: 500-11-041305-117

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)

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

Homburg Invest Inc.

Debtor / Petitioner

-and-

Homco Realty Fund (88) Limited Partnership

Petitioner

-and-

Homburg Shareco Inc.

Churchill Estates Development Ltd.

CP Development Ltd.

North Calgary Land Ltd.

Homburg Management (Canada) Inc.

Debtors

-and-

Homco Realty Fund (52) Limited Partnership

Homco Realty Fund (61) Limited Partnership

Homco Realty Fund (83) Limited Partnership

Homco Realty Fund (89) Limited Partnership

Homco Realty Fund (92) Limited Partnership

Homco Realty Fund (94) Limited Partnership

Homco Realty Fund (96) Limited Partnership

Homco Realty Fund (105) Limited Partnership

Homco Realty Fund (121) Limited Partnership

Homco Realty Fund (142) Limited Partnership

Homco Realty Fund (190) Limited Partnership

Homco Realty Fund (191) Limited Partnership

Homco Realty Fund (199) Limited Partnership

Castello Development Ltd.

Mises-en-cause

-and-

The Statesman Group of Companies Ltd.,

Mise-en-cause

-and-

HSBC Bank Canada

Mise-en-cause

-and-

| | |
|--|---------------------|
| The Alberta Registrar of Land Titles, | Mis-en-cause |
| -and- | |
| C. & T. Reinforcing Steel Co. (Alberta) Ltd., | Mis-en-cause |
| -and- | |
| Lafarge Canada Inc., | Mis-en-cause |
| -and- | |
| NORR Architects Planners, | Mis-en-cause |
| -and- | |
| Giusti Group Limited Partnership, | Mis-en-cause |
| -and- | |
| Morwest Crane & Services Ltd., | Mis-en-cause |
| -and- | |
| Curtis Engineering Associates Ltd., | Mis-en-cause |
| -and- | |
| Peter Ross AB Ltd., | Mis-en-cause |
| -and- | |
| Dominion Protection Services Ltd., | Mis-en-cause |
| -and- | |
| Watts Mechanical Services Ltd., | Mis-en-cause |
| -and- | |
| Kai Construction Corporation, | Mis-en-cause |
| -and- | |
| Connaught Center Ltd., | Mis-en-cause |
| -and- | |
| Samson Bélair/Deloitte & Touche Inc. | Monitor |

LIST OF EXHIBITS

- P-1 Land title certificate for Kai Towers
- P-2 Offer to Purchase Kai Towers
- P-3 Amendment and Waiver Agreement

MONTREAL, November 7, 2013

Osler, Hoskin & Harcourt LLP

OSLER, HOSKIN & HARCOURT LLP

Attorneys for the Petitioners, Debtors and Homco Realty
Fund (x) Limited Partnership Mises-en-cause

Exhibit P-1

Land Title Certificate for Kai Towers



LAND TITLE CERTIFICATE

B
LINC SHORT LEGAL TITLE NUMBER
0032 358 955 SA1;77;1-14 121 130 576

LEGAL DESCRIPTION

PLAN A1
BLOCK 77
LOTS 1 TO 14 INCLUSIVE
EXCEPTING THEREOUT (AS TO SURFACE ONLY):

| PLAN | NUMBER | HECTARES | (ACRES) | MORE OR LESS |
|------|---------|----------|---------|--------------|
| ROAD | 8110937 | 0.003 | 0.01 | |

ATS REFERENCE: 5;1;24;16
ESTATE: FEE SIMPLE

MUNICIPALITY: CITY OF CALGARY

REFERENCE NUMBER: 071 575 878

| REGISTERED OWNER(S) | | | | |
|---------------------|------------|------------------|--------------|----------------|
| REGISTRATION | DATE (DMY) | DOCUMENT TYPE | VALUE | CONSIDERATION |
| 121 130 576 | 30/05/2012 | TRANSFER OF LAND | \$39,790,000 | SEE INSTRUMENT |

OWNERS

HII (88) GP INC.
OF 600, 1741 BRUNSWICK STREET
HALIFAX
NOVA SCOTIA B3J 3X8

ENCUMBRANCES, LIENS & INTERESTS

| REGISTRATION | NUMBER | DATE (D/M/Y) | PARTICULARS |
|--------------|-------------|--------------|--|
| | 6073KE | 17/09/1968 | EASEMENT "EXTENDED BY, OVER THE EAST 1.5 INCHES OF LOT 6" |
| | 811 009 294 | 19/01/1981 | CAVEAT CAVEATOR - THE CITY OF CALGARY. |
| | 5803KE | 04/09/1988 | EASEMENT |

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 2

121 130 576

REGISTRATION

| NUMBER | DATE (D/M/Y) | PARTICULARS |
|-------------|--------------|---|
| | | "WEST 1.5 INCHES OF LOT 10, SUBJECT TO, IN FAVOR OF LOTS 7, 8 & 9" |
| 081 075 643 | 28/02/2008 | MORTGAGE MORTGAGEE - 1028167 ALBERTA LTD. 3700, 400-3 AVE SW CALGARY ALBERTA T2P4H2 ORIGINAL PRINCIPAL AMOUNT: \$45,000,000 |
| 081 298 559 | 14/08/2008 | CAVEAT RE : AGREEMENT CHARGING LAND CAVEATOR - CONNAUGHT CENTER LTD. ATTN: GREG PLEWES, SENIOR DIRECTOR-CONSTRUCTION C/O STRATEGIC GROUP SUITE 400, 630 - 8 AVENUE SW CALGARY ALBERTA T2P1G4 AGENT - CRAIG R MEYERS |
| 101 367 967 | 20/12/2010 | MORTGAGE MORTGAGEE - HSBC BANK CANADA. 2001 MCGILL COLLEGE, SUITE 300 MONTREAL QUEBEC T3A1G1 ORIGINAL PRINCIPAL AMOUNT: \$15,000,000 |
| 101 367 968 | 20/12/2010 | CAVEAT RE : ASSIGNMENT OF RENTS AND LEASES CAVEATOR - HSBC BANK CANADA. 2001 MCGILL COLLEGE, SUITE 300 MONTREAL QUEBEC H3A1G1 AGENT - ALLAN NEILSEN |
| 101 367 969 | 20/12/2010 | POSTPONEMENT OF MORT 081075643 TO MORT 101367967 CAVE 101367968 |
| 101 367 970 | 20/12/2010 | POSTPONEMENT OF CAVE 081298559 TO MORT 101367967 CAVE 101367968 |
| 111 018 397 | 24/01/2011 | CAVEAT RE : EASEMENT |
| 111 230 196 | 08/09/2011 | BUILDER'S LIEN LIENOR - C. & T. REINFORCING STEEL CO. (ALBERTA) LTD. C/O MCLENNAN ROSS LLP |

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTSPAGE 3
121 130 576

REGISTRATION

| NUMBER | DATE (D/M/Y) | PARTICULARS |
|-------------|--------------|--|
| | | 1600, 300-5 AVENUE SW ATTN JAMES P FLANAGAN CALGARY ALBERTA T2P3C4 AGENT - JAMES P FLANAGAN AMOUNT: \$1,072,888 |
| 111 242 915 | 21/09/2011 | BUILDER'S LIEN LIENOR - LAFARGE CANADA INC. C/O WALSH WILKINS CREIGHTON LLP 2800, 801 - 6TH AVE SW CALGARY ALBERTA T2P4A3 AGENT - COLLEEN WALKER AMOUNT: \$425,564 |
| 111 245 527 | 23/09/2011 | BUILDER'S LIEN LIENOR - NORR ARCHITECTS PLANNERS. C/O STONES CARBERT WAITE WELLS 2000,645-7 AVENUE SW CALGARY ALBERTA T2P4G8 AGENT - ROXANNE M DAVIS AMOUNT: \$176,741 |
| 111 251 174 | 29/09/2011 | BUILDER'S LIEN LIENOR - GIUSTI GROUP LIMITED PARTNERSHIP. C/O STEINBERG INGIMUNDSON 2 TUSCANY RAVINE TERRACE NW CALARY ALBERTA T3L2T1 AGENT - JASON R INGIMUNDSON AMOUNT: \$904,023 |
| 111 258 833 | 07/10/2011 | BUILDER'S LIEN LIENOR - MORWEST CRANE & SERVICES LTD. 5707-3RD STREET SE CALGARY ALBERTA T2H1K1 AGENT - JASON TALMAN AMOUNT: \$112,944 |
| 111 259 163 | 07/10/2011 | BUILDER'S LIEN LIENOR - CURTIS ENGINEERING ASSOCIATES LTD. C/O BLUEMOON #112, 1500-14TH STREET SW CALGARY ALBERTA T3C1C9 AGENT - KEITH MACLEAN |

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 4

121 130 576

REGISTRATION

NUMBER DATE (D/M/Y) PARTICULARS

AMOUNT: \$19,084
WAGES

111 282 444 31/10/2011 BUILDER'S LIEN
LIENOR - PETER ROSS AB LTD.
C/O SHEA NERLAND CALNAN LLP
ATTN: RODERICK ONOFERYCHUK
2800, 715-5 AVE SW
CALGARY
ALBERTA T2P2X6
AGENT - RODERICK ONOFERYCHUK
AMOUNT: \$117,136

111 289 658 07/11/2011 BUILDER'S LIEN
LIENOR - DOMINION PROTECTION SERVICES LTD.
C/O WARREN TETTENSOR AMANTEA LLP
ATTN. CHRISTOPHER D.C. RUTTKAY
1413 - 2 STREET SW
CALGARY
ALBERTA T2R0W7
AGENT - IHSAN ISMAIL
AMOUNT: \$73,413

111 318 037 06/12/2011 BUILDER'S LIEN
LIENOR - WATTS MECHANICAL SERVICES LTD.
C/O FRASER MILNER CASGRAIN LLP
ATTN: JOSHUA D FRAESE
1500, 850-2 STREET SW
CALGARY
ALBERTA T2P0R8
AGENT - ANDREW WATTS
AMOUNT: \$58,388

121 002 776 04/01/2012 CERTIFICATE OF LIS PENDENS
AFFECTS INSTRUMENT: 111230196

121 061 638 14/03/2012 CERTIFICATE OF LIS PENDENS
AFFECTS INSTRUMENT: 111242915

121 066 218 20/03/2012 CERTIFICATE OF LIS PENDENS
AFFECTS INSTRUMENT: 111245527

121 099 245 27/04/2012 CERTIFICATE OF LIS PENDENS
AFFECTS INSTRUMENT: 111282444

121 111 382 09/05/2012 BUILDER'S LIEN
LIENOR - KAI CONSTRUCTION CORPORATION.
ATTENTION: W. DONALD GOODFELLOW
SUITE 715, 999-8TH STREET SW
CALGARY

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 5

121 130 576

REGISTRATION

NUMBER DATE (D/M/Y) PARTICULARS

ALBERTA T2R1J5
AGENT - RICHARD HEINE
AMOUNT: \$1,502,053

121 134 266 01/06/2012 CERTIFICATE OF LIS PENDENS
AFFECTS INSTRUMENT: 111318037

121 277 460 23/10/2012 CERTIFICATE OF LIS PENDENS
AFFECTS INSTRUMENT: 121111382

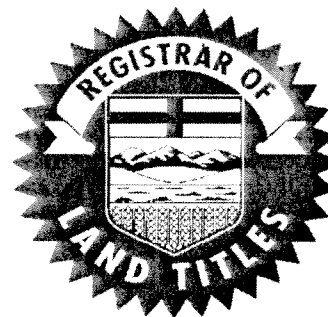
121 326 962 13/12/2012 CAVEAT
RE : AGREEMENT CHARGING LAND
CAVEATOR - HOMBURG INVEST INC.
C/O OSLER HOSKIN & HARCOURT LLP
1000 DE LA GAUCHETIERE ST WEST
STE 2100
MONTREAL
QUEBEC H3B4W5
AGENT - CRAIG FAHLMAN

TOTAL INSTRUMENTS: 027

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN
ACCURATE REPRODUCTION OF THE CERTIFICATE OF
TITLE REPRESENTED HEREIN THIS 1 DAY OF
NOVEMBER, 2013 AT 11:19 A.M.

ORDER NUMBER: 24715100

CUSTOMER FILE NUMBER: 2436 1131787



END OF CERTIFICATE

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED
FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER,
SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM
INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION,
APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS
PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING
OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

Exhibit P-2

Offer to Purchase Kai Towers

FORM OF IRREVOCABLE OFFER TO PURCHASE

THIS IRREVOCABLE OFFER TO PURCHASE made this 16th day of May, 2013

BETWEEN:

HII (88) GP INC. IN ITS CAPACITY AS GENERAL PARTNER OF
HOMCO REALTY FUND (88) LIMITED PARTNERSHIP ("**Vendor**")

- and -

THE STATESMAN GROUP OF COMPANIES LTD., or
Affiliated nominee corporation ("**Offeror**")

WHEREAS by virtue of an order of the Superior Court of Quebec (Commercial Division) (the "**Court**") supervising the restructuring proceedings under the *Companies' Creditors Arrangement Act* (the "**CCAA**") of Homburg Invest Inc. and related entities dated September 9, 2011, as amended and supplemented from time to time, (the "**CCAA Order**"), Vendor is under court protection pursuant to the CCAA and Samson Bélair/Deloitte & Touche Inc. (the "**Monitor**") is the court-appointed monitor to Vendor as per the CCAA and the CCAA Order;

WHEREAS Vendor is the registered owner of the lands more fully described in Schedule 1 hereto (the "**Lands**");

WHEREAS if this Offer is accepted by the Responsible Parties (as defined hereunder), Vendor will petition the Court to authorize the sale of the Lands in accordance with the terms set out herein and the CCAA and to grant the Vesting Order (as defined hereunder);

AND WHEREAS Offeror hereby submits this irrevocable offer to purchase all of Vendor's right, title and interest in the Lands, on and subject to the terms set out hereinafter below.

1. Irrevocable Offer to Purchase

Offeror hereby irrevocably offers to purchase from Vendor all of Vendor's right, title and interest in and to the Lands at the purchase price of \$30,200,000.00, plus all applicable taxes and subject to the Adjustments (as defined below) (the "**Purchase Price**"), upon and subject to the terms hereof.

This Offer shall remain open for acceptance for 10 Business Days (as defined hereunder) from the date hereof.

2. Definitions

In this Offer, the following terms have the following meanings:

"**Acceptance Date**" means the date upon which this Offer is executed and delivered by the Responsible Parties.

"**Adjustments**" means the adjustments to the Purchase Price as of the Closing Date, which shall include all items normally adjusted between a vendor and purchaser in respect of the sale of lands similar to the Lands in the municipality in which the Lands are located.

"**Affiliate**" means, with respect to any person, any other person that controls or is controlled by or is under common control with the referent person.

"**Business Day**" means a day other than Saturday, Sunday or a statutory holiday in Quebec or Alberta.

"**CCAA**" has the meaning ascribed thereto in the Preamble.

"**CCAA Order**" has the meaning ascribed thereto in the Preamble.

"**Closing**" or "**Closing Date**" has the meaning ascribed thereto in Section 12.

"**Court**" has the meaning ascribed thereto in the Preamble.

"**Deposit**" means collectively, the First Deposit and the Second Deposit.

"**Environmental Laws**" means all applicable federal, provincial, municipal and local laws, statutes, ordinances, by-laws and regulations and all orders, directives and decisions rendered by, and policies, standards, guidelines and similar guidance of, any Governmental Authority, ministry, department or administrative or regulatory agency or court having jurisdiction over the Lands (which, for further certainty, in each case shall be deemed to have the force of law), including any obligations or requirements arising at law, relating to the protection of the environment, human and other animal health and safety or the release, manufacture, processing, distribution, use, treatment, storage, presence, disposal, packaging, labelling, recycling, transport, handling, containment, clean-up or other remediation or corrective action of or in respect of any Hazardous Substances.

"**First Deposit**" means the sum of \$100,000 payable to the Monitor, in trust by certified cheque, bank draft, or wire transfer.

"**GST**" has the meaning ascribed thereto in Section 10.

"**Governmental Authority**" means any government, parliament, legislature, or any governmental, quasi-governmental or regulatory authority, agency, commission, department or board, or any political subdivision thereof, or any court or any other law, regulation or rule-making entity, having jurisdiction in the relevant circumstances, or any person acting under the authority of any of the foregoing (including any court or any arbitrator with the authority to bind the Parties at law) or any other authority charged with the administration or enforcement of legal requirements.

"**Hazardous Substances**" means any contaminant, pollutant, dangerous substance, potentially dangerous substances, noxious substance, toxic substance, hazardous waste, flammable material, explosive material, radioactive material, urea-formaldehyde foam insulation, asbestos, PCBs radiation and any other substance, material, effect, or thing declared or defined to be hazardous, toxic, a contaminant, or pollutant, in or pursuant to any Environmental Laws.

"**Lands**" has the meaning ascribed thereto in the Preamble.

"**Monitor**" has the meaning ascribed thereto in the Preamble.

“**Offer**” means this Irrevocable Offer to Purchase.

“**Offeror**” has the meaning ascribed thereto in the Preamble.

“**Parties**” means collectively, Vendor and Offeror.

“**Permitted Encumbrances**” means with respect to the Lands those encumbrances described in Schedule 3 attached hereto.

“**Purchase Price**” has the meaning ascribed thereto in Section 1.

“**Related Entity**” means an entity that is or has been an Affiliate of Vendor or Homburg Invest Inc.

“**Related Person**” means a person who (a) is or has been a director or officer of Vendor or a Related Entity, (b) is or has had direct or indirect control in fact, of Vendor or a Related Entity, or (c) is related to a person described in paragraph (a) or (b).

“**Responsible Parties**” means collectively, the Monitor and Vendor.

“**Second Deposit**” means the sum equal to ten percent (10%) of the Purchase Price payable to the Monitor, in trust by certified cheque, bank draft, or wire transfer.

“**Transfer of Land**” means the transfer of land in registrable form substantially in accordance with the form set out in Schedule 2 together with all applicable conveyancing documents normally expected in a commercial transaction of this nature.

“**Vendor**” has the meaning ascribed thereto in the Preamble.

“**Vesting Order**” means a final and executory order of the Court, or, as the case may be, of an appellate Court, approving the transaction sought by this Offer.

3. Schedules

The Schedules to this Offer are as follows:

| | |
|------------|--------------------------------|
| Schedule 1 | Legal Description of the Lands |
| Schedule 2 | Form of Transfer of Land |
| Schedule 3 | Permitted Encumbrances |

All Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Offer as if set out in full herein.

4. Deposit

This Offer is presented along with the First Deposit. The Second Deposit shall be paid and satisfied by Offeror to the Monitor, in trust on or prior to 5:00 pm (Calgary time) on the third Business Day next following the Acceptance Date. The Deposit may be invested by the Monitor in an interest bearing account or term deposit or guaranteed investment certificate with one of the six largest Canadian banks. The Deposit shall be credited against the Purchase Price on Closing. If the transaction contemplated by this Offer is not completed for any reason other than the default of

Offeror, the Deposit together with any interest accrued thereon shall be returned to Offeror forthwith. If the transaction is not completed by reason of a default by Offeror, the Deposit together with any interest accrued thereon, will be forfeited to Vendor, without prejudice to any right or remedy which Vendor may have against Offeror in the circumstances.

5. Payment of Purchase Price and Adjustments

If this Offer is accepted, the balance of the Purchase Price shall be payable by Offeror to Vendor, in consideration for the sale, assignment, conveyance and transfer of the Lands, at Closing by certified cheque, bank draft, or wire transfer payable to the Monitor, in trust.

Vendor and Offeror shall adjust the Purchase Price as of the Closing Date in respect of property taxes and any rents actually received by Vendor for the month in which the Closing Date occurs (including GST, where applicable), insofar as such items are applicable to the Lands, with the intent that Vendor shall be responsible for all expenses and entitled to all revenues derived from the Land for the period prior to the Closing Date and Offeror shall be responsible for all expenses and shall be entitled to all revenues in respect of the Land as of and after the Closing Date. Vendor shall provide Offeror with a draft statement of Adjustments two (2) Business Days prior to the Closing Date.

6. Conditions Precedent

Vendor and Offeror hereby agree to the following:

- (a) the Offer and the transactions contemplated herein are subject to and conditional upon the approval of the Monitor on or before the Closing Date;
- (b) the Offer and the transactions contemplated herein are subject to and conditional upon the approval by the Offeror within forty-eight (48) days of the Acceptance Date (extendable to seventy-eight (78) days if the Offeror, acting reasonably, requires additional time to complete its investigations and demonstrates its progress and diligence in attempting to complete same) (the "**Due Diligence Period**"), in its sole and unfettered discretion, of a due diligence review and inspection of the Lands and any and all information with respect thereto in the possession of the Responsible Parties, including, without limitation, a physical review of the existing improvements to the Lands by third party consultants upon at least forty-eight (48) hours prior written notice to the Vendor and at the Offeror's sole risk and expense;
- (c) Upon Offeror's written request to obtain specific documents that are within the control of the Vendor, the Vendor shall use commercially reasonable efforts to obtain same during the Due Diligence Period at Offeror's cost and expense; and
- (d) the Offer and the transactions contemplated herein is subject to and conditional upon the Responsible Parties obtaining the Vesting Order. Vendor shall use commercially reasonable efforts to timely file and properly serve a motion, which shall seek the Vesting Order. In the event leave to appeal is sought, an appeal is taken or a stay pending appeal is requested with respect to the Vesting Order, Vendor shall promptly notify Offeror of such leave to appeal, appeal or stay request and shall promptly provide a copy of the related notice(s) or order(s). Vendor shall also provide Offeror with written notice of any motion or application filed in connection with any leave to appeal or appeal from such orders.

If any of the above conditions are not satisfied, this Offer shall automatically be terminated and be of no force and effect and the Deposit shall be returned forthwith to the Offeror and the Vendor shall be released from all covenants and obligations under this Offer.

7. Offeror's Acknowledgements and Covenants

Offeror hereby acknowledges, covenants and agrees to the following:

- (a) Vendor makes no representation or warranty of any kind that the present use or future intended use by Offeror of the Lands is or will be lawful or permitted;
- (b) subject to Section 6(b), it is satisfied with the Lands and all matters and things connected therewith or in any way related thereto;
- (c) it is offering to purchase the Lands on an "as is, where is" basis and without recourse whatsoever, including, without limitation, defaults under outstanding work orders, deficiency notices, compliance, requests, development fees, imposts, lot levies, sewer charges, zoning and building code violations and any outstanding requirements which have been or may be issued by any Governmental Authority having jurisdiction over the Lands;
- (d) Vendor makes no representations, warranties or conditions with respect to or in any way related to the Lands, including without limitation, the following: (i) the title, quality, quantity, marketability, zoning, fitness for any purpose, state, condition, encumbrances, description, present or future use, value, location or any other matter or thing whatsoever related to the Lands, either stated or implied; and (ii) the environmental state of the Lands, the existence, nature, kind, state or identity of any Hazardous Substances on, under, or about the Lands, the existence, state, nature, kind, identity, extent and effect of any administrative order, control order, stop order, compliance order or any other orders, proceedings or actions under the *Environmental Protection and Enhancement Act* (Alberta), or any other statute, regulation, rule or provision of law now in force, the existence, state, nature, kind, identity, extent and effect of any liability to fulfill any obligation to compensate any third party for any costs incurred in connection with or damages suffered as a result of any discharge of any Hazardous Substances whether on, under or about the Lands or elsewhere;
- (e) it relies entirely on its own judgment, inspection and investigation of Lands and any documentation relating to the Lands obtained from Vendor has been prepared or collected solely for the convenience of prospective purchasers and is not warranted to be complete or accurate and is not part of this Offer;
- (f) it has provided Vendor with all requisite information and materials requested by Vendor, including proof respecting source of funds, concurrently with this Offer so that Vendor may determine the creditworthiness of Offeror and agrees to forthwith provide any other information and materials Vendor requests in respect of the creditworthiness of Offeror;
- (g) it shall indemnify Vendor for all losses, damages and costs caused by Offeror or for those it is in law responsible during any inspections of the Lands, which shall be subject to Vendor's approval; and

- (h) no broker, finder or investment banker is entitled to any brokerage, finder's or similar fee or commission in connection with the transaction contemplated by this Offer.

8. Title to the Lands

The Vesting Order shall provide that title to the Lands will be subject only to the Permitted Encumbrances.

9. Authorizations

Offeror shall assume, at its cost, complete responsibility for compliance with all municipal, provincial and federal laws insofar as the same apply to the Lands and the use thereof by Offeror. Except for obtaining the Vesting Order and providing the Transfer of Land and effecting the transfer of the Lands in accordance with the terms hereof, which are the sole responsibility of the Vendor, it shall be Offeror's sole responsibility to obtain and pay the cost of obtaining any other consents, permits, licenses or other authorizations necessary or desirable for the transfer to Offeror of Vendor's right, title and interest in the Lands.

10. Goods and Services Tax

Offeror hereby represents and warrants to Vendor that it is or will become registered for the purposes of Part IX of the *Excise Tax Act* (Canada) in accordance with the requirements of Subdivision (d) of Division V thereof and it will continue to be so registered as of the Closing Date. Offeror covenants to deliver to Vendor drafts not less than five (5) days before the Closing Date and originals upon Closing of: (i) a true copy of the certificate evidencing its registration for purposes of the goods and services tax ("GST"), including the registration number assigned to it; and (ii) a declaration and indemnity of Offeror confirming the accuracy, as at Closing, of the representations and warranties set out herein and agreeing to indemnify Vendor for any amounts for which Vendor may become liable as a result of any failure by Offeror to pay the GST payable in respect of the sale of the Lands under Part IX of the *Excise Tax Act* (Canada) and that Offeror is buying for its own account and not as trustee or agent for any other party. Provided that Offeror delivers a true copy of the certificate and the declaration and indemnity as set out above, in a form satisfactory to Vendor, Offeror shall not be required to pay to Vendor, nor shall Vendor be required to collect from Offeror, the GST in respect of the Lands. In the event that Offeror shall fail to deliver the true copy of the certificate and the declaration and indemnity as set out above, then Offeror shall pay to Vendor, in addition to the Purchase Price, in pursuance of Offeror's obligation to pay and Vendor's obligation to collect GST under the provisions of the *Excise Tax Act* (Canada), an amount equal to five (5%) percent of the Purchase Price, or such other rate due and owing at the time of Closing.

11. Transfer Taxes

The Parties agree that the Purchase Price is exclusive of any transfer taxes. Offeror shall promptly pay directly to the appropriate tax authority all applicable transfer taxes that are properly payable by Offeror under applicable law in connection with this Offer and all other transactions contemplated herein.

12. Closing

If this Offer to Purchase is accepted by the Responsible Parties,

- (a) Closing shall take place at the offices of the solicitors for Vendor in Calgary, Alberta at 11:00 a.m. (Calgary time) within thirty (30) days following the date of the Vesting Order and all appeal periods having expired or such other date as the Parties may agree upon in writing (the "**Closing Date**" or "**Closing**"). The Parties agree that Closing shall take place in accordance with such usual and customary trust conditions agreed to between the solicitors for the Responsible Parties and the solicitors for Offeror as are applicable to similar transactions in Calgary, Alberta; and
- (b) Vendor shall be responsible for registration fees payable in connection with the registration of discharges of any mortgages, liens, charges, encumbrances, restrictions, or other claims or interests which Vendor is required to discharge hereunder. Offeror shall be responsible for all registration fees and costs payable in connection with registration of the Vesting Order. Subject to the foregoing, each party shall pay its own legal costs with respect to the transactions contemplated by this Offer.

13. Termination

This Offer may be terminated without penalty at any time prior to Closing:

- (a) by unanimous written consent of Vendor, Offeror and the Monitor;
- (b) if Vendor is restrained or enjoined from completing the transaction contemplated herein by a court of competent jurisdiction or the registration of any document preventing Vendor from giving title to Offeror; or
- (c) upon the entry of a final and executory order of the Court, or as the case may be, of an appellate Court that prevents, for any reason whatsoever, the sale of the Lands in accordance with the terms set out herein including, without limitation, the dismissal of a motion seeking to obtain the Vesting Order.

Thereafter, (i) the Offer shall be of no force and effect, (ii) the Deposit shall be returned to Offeror, and (iii) Vendor shall be released from all covenants and obligations under this Offer.

14. Vendor's Closing Deliveries

If the present offer is accepted by the Responsible Parties and the Vesting Order has been granted, Vendor shall execute and deliver or cause to be executed and delivered to Offeror on the Closing Date, against payment of the Purchase Price, the following:

- (a) the Transfer of Land;
- (b) a copy of the Vesting Order;
- (c) a statement of Adjustments;
- (d) a direction for the payment of the balance of the Purchase Price due on Closing;
- (e) an undertaking by Vendor to readjust all items on the statement of Adjustments within one (1) year of the Closing Date;

- (f) a bill of sale for chattels, if any;
- (g) assignment of contracts and warranties, if any, to the extent assignable without consent;
- (h) a certificate of Vendor to the effect that it is not at the Closing Date a non-resident of Canada within the meaning of Section 116 of the *Income Tax Act* (Canada); and
- (i) any other documents relative to the completion of this Offer as may reasonably be required by Offeror or its solicitors,

provided that none of such documents shall contain covenants, representations or warranties, which are in addition to or more onerous upon either Vendor or Offeror than those expressly set forth in this Offer.

15. Offeror's Closing Deliveries

If the present Offer is accepted by the Responsible Parties, Offeror shall execute and deliver to Vendor on the Closing Date the following:

- (a) certified cheque, bank draft or wire transfer for the balance of the Purchase Price and any other monies required to be paid by Offeror pursuant to this Offer including all applicable federal and provincial taxes, duties and registration fees unless the applicable exemption certificates in a form acceptable to Vendor are presented to Vendor on or before the Closing Date to exempt Offeror therefrom;
- (b) an undertaking by Offeror to readjust all items on the statement of Adjustments within one (1) year of the Closing Date;
- (c) an assumption of those Permitted Encumbrances which, by their terms, are required in connection with the transfer of the Lands or in connection with providing a release of Vendor;
- (d) assumption agreements or other agreements, notices, undertakings or other instruments required to be delivered by Offeror in favour of any other person with an interest in the Lands;
- (e) assignment of contracts and warranties, if any, to the extent assignable without consent;
- (f) a true copy of its GST registration and GST certificate and indemnity as required pursuant to this Offer; and
- (g) any other documents relative to the completion of this Offer as may reasonably be required by Vendor or its solicitors,

provided that none of such documents shall contain covenants, representations or warranties, which are in addition to or more onerous upon either Vendor or Offeror than those expressly set forth in this Offer.

16. Offeror's Representations and Warranties

Offeror hereby represents and warrants to and in favour of Vendor that as of the Closing Date:

- (a) Offeror is not a Related Person;
- (b) Offeror is an entity duly existing and governed by the laws of its jurisdiction and has the necessary corporate authority, power and capacity to own the Lands and to carry out the transactions contemplated by this Offer in the manner contemplated by this Offer;
- (c) the obligations of Offeror hereunder and the documents and transactions contemplated herein shall be duly and validly authorized by all requisite corporate proceedings on or before the Closing Date;
- (d) neither the execution of this Offer nor its performance by Offeror will result in a breach of any term or provision or constitute a default under any of the constating documents or by-laws of Offeror or any other agreement to which Offeror is a party;
- (e) Offeror:
 - (i) is not an insolvent person within the meaning of the *Bankruptcy and Insolvency Act* (Canada) or the *Winding-up and Restructuring Act* (Canada);
 - (ii) has not made an assignment in favour of its creditors or a proposal in bankruptcy to its creditors or any class thereof;
 - (iii) has not had any petition or receiving order presented in respect of it; or
 - (iv) has not initiated proceedings with respect to a compromise or arrangement with its creditors or for its winding-up, liquidation or dissolution;
- (f) this Offer has been validly executed and delivered by Offeror and is a valid and legally binding obligation of Offeror, enforceable against Offeror in accordance with its terms, subject to the limitations with respect to enforcement imposed by applicable laws in connection with bankruptcy, insolvency, liquidation, reorganization or other similar laws affecting the enforcement of creditors rights generally and subject to the availability of equitable remedies such as specific performance and injunction which are only available in the discretion of the court from which they are sought;
- (g) Offeror is not a non-Canadian within the meaning of the *Investment Canada Act* (Canada);
- (h) Offeror has not retained the services of any broker, agent, finder or investment banker in connection with the transactions contemplated herein; and
- (i) Offeror is or will be on the Closing Date a GST registrant under the *Excise Tax Act* (Canada).

17. Release

Offeror agrees to release and discharge the Responsible Parties together with their officers, employees, agents and representatives from every claim of any kind that Offeror may make, suffer, sustain or incur in regard to any Hazardous Substance relating to the Lands. Offeror further agrees that it will not, directly or indirectly, attempt to compel Vendor to clean up or remove or pay for the cleanup or removal of any Hazardous Substance, remediate any condition or matter in, on, under or in the vicinity of the Lands or seek an abatement in the Purchase Price or damages in connection with any Hazardous Substance.

18. Non-Registration

Offeror hereby covenants and agrees not to register this Offer or notice of this Offer or a caution, certificate of pending litigation, or any other document providing evidence of this Offer against title to the Lands.

19. Notices

Any notice or communications required to be given by the Parties shall be given by courier, facsimile or email, or if mailed, by registered letter, prepaid to the Parties as follows:

(a) in the case of Vendor:

3500 Blvd de Maisonneuve West
Suite 970
Westmount, QC H3Z 3C1

Attention: Jan Schöningh
Facsimile: 514-841-9618
Email: jschoningh@hinvest.ca

with copies to:

Samson Bélair/Deloitte & Touche Inc. in its capacity as court-appointed
monitor of HII (88) GP Inc. in its capacity as general partner of Homco
Realty Fund (88) Limited Partnership:
1 Place Ville-Marie
Suite 3000
Montreal, Quebec H3B 4T9

Attention: Mr. Jean-François Nadon and Mr. Liam Brunner
Facsimile: 514-390-4103 and 587-774-5398
Email: jnadon@deloitte.ca and lbrunner@deloitte.ca

- and -

Osler, Hoskin & Harcourt LLP
1000 De La Gauchetière Street West
Suite 2100
Montreal, Quebec H3B 4W5

Attention: Sandra Abitan and Ryan Nielsen
Facsimile: 514-904-8101 and 416-862-6666
Email: sabitan@osler.com and rnielsen@osler.com

- and -

McCarthy Tétrault LLP
1000 De La Gauchetière Street West
Suite 2500
Montreal, Quebec H3B 0A2

Attention: Jocelyn T. Perreault and Charles Flicker
Facsimile: 514-875-6246
Email: jperreault@mccarthy.ca and cflicker@mccarthy.ca

(b) in the case of Offeror:

The Statesman Group of Companies Ltd.
7370 Sierra Morena Blvd. S.W.
Calgary, Alberta T3H 4H9

Attention: Garth Mann
Facsimile: 403-256-6100
Email: garthm@statesmangroup.com

with a copy to Offeror's counsel:

Morgan F. Tingle Professional Corporation
7370 Sierra Morena Blvd. S.W.
Calgary, Alberta T3H 4H9

Attention: Morgan F. Tingle
Facsimile: 403-592-9124
Email: office@mftpc.ca

or such other address as may be furnished from time to time by either Party. Any notice, if delivered by courier or facsimile, shall be deemed to have been given or made on the date delivered or transmitted or the date that a confirmation of receipt of the facsimile was recorded by the sender and if mailed correctly, shall be deemed to have been received on the third Business Day after mailing. In the event of actual or imminent disruption of postal service, any notice shall be delivered, by courier or facsimile.

20. Time of Essence

Time shall be of the essence in this Offer in all respects and any waiver of any time provision shall not be effective unless in writing and signed by both Parties.

21. Governing Law

This Offer shall be construed and enforced in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein and the Parties shall attorn to the exclusive jurisdiction of the courts of Quebec, located in the judicial district of Montreal.

22. Gender, Interpretive Matters

This Offer shall be read with all changes of gender or number required by the context. The titles to provisions do not form part of this Offer and are inserted for reference purposes only. Preparation and submission of the form of this Offer or any other material by Vendor shall not constitute an offer to sell.

23. Entire Offer

It is agreed that there is no representation, warranty, collateral agreement or condition affecting this Offer, or the Land other than as expressly provided herein in writing. This Offer embodies and constitutes the entire understanding between the parties with respect to the transaction contemplated herein, and all prior or contemporaneous agreements, understandings, representations, warranties and statements, oral or written, whether made by Vendor, Offeror or any agent of either party, are merged into this Offer. Neither this Offer nor any provision hereof may be waived, modified, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modifications, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument.

24. Survival

The representations and warranties of Offeror pursuant to this Offer shall survive Closing.

25. Severability

Any provision of this Offer which is determined to be void, prohibited or unenforceable shall be severable to the extent of such avoidance, prohibition or unenforceability without invalidating or otherwise limiting or impairing the other provisions of this Offer.

26. Assignment

Except as set out herein, Offeror shall not assign, convey or transfer its rights under this Offer or direct title to the Lands to any other person without obtaining the consent of Vendor, which may be arbitrarily and unreasonably withheld by Vendor.

27. Further Assurances

Each of the Parties shall from time to time hereafter and upon any reasonable request and at the cost of the other Party, make or cause to be made all such further acts, deeds, assurances and

things as may be required or necessary to more effectually implement and carry out the true intent and meaning of this Offer.

28. Counterparts

This Offer may be executed in any number of counterparts and delivered via facsimile or email in PDF format, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, provided that a Party delivering this Offer via facsimile or email in PDF format shall deliver an originally executed copy of this Offer forthwith thereafter to the other Party.

29. The Monitor

Samson Bélair/Deloitte & Touche Inc. is acting solely in its capacity as Monitor and shall have no personal or corporate liability hereunder or from any agreement contemplated hereby or as a result of any contemplated sale.

30. Solicitors as Agents

Any notice, approval, waiver, agreement, instrument, document or communication permitted, required or contemplated by this Offer may be given or delivered and accepted or received by Offeror's solicitors on behalf of Offeror and by Vendor's solicitors on behalf of Vendor and any tender of closing documents and the balance of the Purchase Price and/or any other payment hereunder may be made upon Offeror's solicitors and Vendor's solicitors, as the case may be.

31. Currency

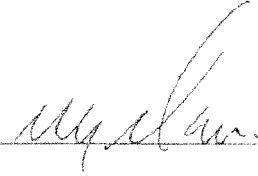
All references to currency shall be Canadian currency.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK –
SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF Offeror has executed this Offer as of the date first above written.

OFFEROR

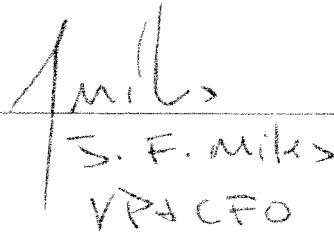
Per: _____



Subject to the approval of the Court, Vendor has accepted this Offer as of this _____ day of _____, 2013.

VENDOR

Per: _____



INTERVENTION OF THE MONITOR

The Monitor hereby intervenes in the present Offer solely for the purpose of awareness as to its contents. By intervening in the present Offer, the Monitor assumes no obligations hereunder to any of the Parties.

SAMSON BÉLAIR/DELOITTE & TOUCHE INC.,
in its capacity as court-appointed monitor to
Vendor

Per: _____

Jean-François Nadon

IN WITNESS WHEREOF Offeror has executed this Offer as of the date first above written.

OFFEROR

Per: _____

Subject to the approval of the Court, Vendor has accepted this Offer as of this _____ day of _____, 2013.

VENDOR

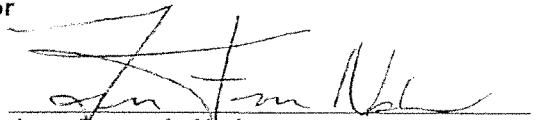
Per: _____

INTERVENTION OF THE MONITOR

The Monitor hereby intervenes in the present Offer solely for the purpose of awareness as to its contents. By intervening in the present Offer, the Monitor assumes no obligations hereunder to any of the Parties.

**SAMSON BÉLAIR/DELOITTE & TOUCHE INC.,
in its capacity as court-appointed monitor to
Vendor**

Per:



Jean-François Nadon

SCHEDULE 1

LEGAL DESCRIPTION OF THE LANDS

PLAN A1
BLOCK 77
LOTS 1 TO 14 INCLUSIVE
EXCEPTING THEREOUT (AS TO SURFACE ONLY):

| PLAN | NUMBER | HECTARES | (ACRES) | MORE OR LESS |
|------|---------|----------|---------|--------------|
| ROAD | 8110937 | 0.003 | 0.01 | |

ATS REFERENCE: 5; 1; 24; 16
ESTATE: FEE SIMPLE

MUNICIPALITY: CITY OF CALGARY

REFERENCE NUMBER: 071 184 582

SCHEDULE 2

FORM OF TRANSFER OF LAND

FORM 8

Land Titles Act
(Section 64)

TRANSFER

VENDOR., being the registered owner of an estate in fee simple, subject to registered encumbrances, liens and interests, if any, in the parcel of land legally described in the attached Schedule "A" does hereby, in consideration of the sum of • (\$•) DOLLARS, transfer to:

•

all of its estate and interest in that piece of land.

IN WITNESS WHEREOF the transferor has affixed its corporate seal attested to by its duly authorized officer(s) in that behalf this _____ day of _____, 2013.

VENDOR

Per: _____
Name:
Title:

Schedule 2 (Cont'd)

- 2 -

SCHEDULE "A"

THE LANDS

FORM 32

LAND TITLES ACT
(Section 164)

AFFIDAVIT RE VALUE OF LAND

I, _____, of _____ make oath and say:

I am the transferee (or agent of the transferee) named in the within or annexed transfer and I know the land therein described;

I know the circumstances of the transfer and true consideration paid by the transferee is as follows:

(Give full details: cash, assumption of mortgage, exchange or other consideration with cash value of same.)

The current value* of the land**, in my opinion is \$_____

* "value" means the dollar amount that the land might be expected to realize if it were sold on the open market by a willing seller to a willing buyer.

** "land" includes buildings and all other improvements affixed to the land.

SWORN BEFORE ME at the City of _____)
_____, in the Province of _____)
Alberta, this ____ day of _____, 2012.)

A COMMISSIONER FOR OATHS)
in and for the Province of Alberta)

(Signature)

[VENDOR]

TO

[*]

TRANSFER OF LAND

SCHEDULE 3

PERMITTED ENCUMBRANCES

General Encumbrances:

1. the exceptions and qualifications contained in Section 61(1) of the *Land Titles Act* (Alberta);
2. any subsisting reservations, limitations, provisos, conditions or exceptions, including royalties, contained in the original grant from the Crown of any land or interests therein;
3. minor encroachments onto or from neighbouring lands which do not materially impact the marketability of the Land;
4. encumbrances for real property taxes (which term includes charges, rates and assessments, and other governmental charges or levies) or charges for electricity, power, gas, water and other services and utilities in connection with the Lands;
5. registered easements, rights-of-way, restrictive covenants and servitudes and other similar rights in land granted to, reserved or taken by any Governmental Authority or public utility; or any registered subdivision, development, servicing, site plan or other similar agreement with any Governmental Authority or public utility;
6. facility sharing, cost sharing, tunnel, pedway, servicing, parking, reciprocal and other similar agreements with neighbouring landowners and/or Governmental Authorities;
7. restrictive covenants, private deed restrictions, and other similar land use controls or agreements;
8. any rights of expropriation, access, use or any other right conferred or reserved by or in any statute of Canada or the Province of Alberta;
9. the provisions of applicable laws, including by-laws, regulations, ordinances and similar instruments relating to development and zoning; and
10. any title defects, irregularities, easements, reservations, servitudes, encroachments, rights-of-way or other discrepancies in title or possession relating to the Lands.

Specific Registrations:

Instrument number 6073KE – Easement

Instrument number 811 009 294 – Caveat

Instrument number 5803KE – Easement

Instrument Number 111 018 397 - Easement

Exhibit P-3

Amendment and Waiver Agreement

AMENDMENT AND WAIVER AGREEMENT

THIS AGREEMENT made as of October 31, 2013 between:

HII (88) GP INC. IN ITS CAPACITY AS GENERAL PARTNER OF HOMCO REALTY
FUND (88) LIMITED PARTNERSHIP
(the "Vendor")

of the first part,

- and -

THE STATESMAN GROUP OF COMPANIES LTD.
(the "Offeror")

of the second part

WHEREAS the parties entered into an agreement of purchase and sale made as of May 16, 2013 (the "APS") to set forth the terms whereby Vendor agreed to sell, and Offeror agreed to purchase, the Lands;

WHEREAS Offeror has agreed to waive all conditions in its favour set out in the APS;

WHEREAS the parties have agreed to amend certain of the terms of the APS;

NOW THEREFORE in consideration of the premises and other good and valuable consideration now paid by each of the parties to the other (the receipt and sufficiency of which are hereby acknowledged) and of the mutual covenants and agreements contained in this agreement, the parties hereto covenant, agree and declare as follows:

1. In this agreement, unless there is something in the subject matter or context to indicate otherwise, all capitalized terms not defined herein shall have the meanings ascribed to them in the APS.
2. The number "30,200,000.00" is hereby deleted from Section 1 and replaced with "30,000,000.00".
3. Vendor and Offeror hereby acknowledge and agree that (i) Offeror is satisfied with the results of its due diligence investigations, (ii) the Due Diligence Period has lapsed, and (iii) Offeror has waived all conditions precedent in its favour under the APS.
4. All dates in the APS shall be amended accordingly, to take into account the amendments contained herein.
5. The parties hereby confirm that all other terms of the APS remain in full force and effect, without novation. This agreement and the APS shall hereafter be read together and shall collectively constitute one agreement.



6. Time shall in all respects remain of the essence.
7. Each of the parties shall execute and deliver all such further documents and do such other things as the other party may reasonably request to give full effect to this agreement.
8. This agreement may be executed by the parties hereto in any number of separate counterparts and all of the said counterparts taken together shall be deemed to constitute one and the same instrument.

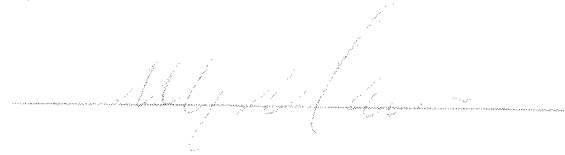
[SIGNATURE PAGE FOLLOWS]

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the bottom.

IN WITNESS WHEREOF Offeror has executed this Offer as of the date first above written.

OFFEROR

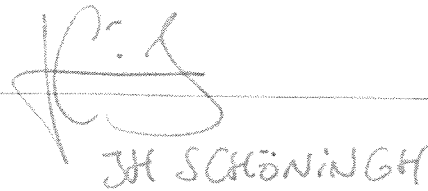
Per: _____



Subject to the approval of the Court, Vendor has accepted this Offer as of the date first above written.

VENDOR

Per: _____



JH SCHÖNINGH

INTERVENTION OF THE MONITOR

The Monitor hereby intervenes solely for the purpose of awareness as to its contents. By intervening in the present Amendment and Waiver Agreement, the Monitor assumes no obligations hereunder to any of the parties.

SAMSON BÉLAIR/DELOITTE & TOUCHE INC.,
in its capacity as court-appointed monitor to
Vendor

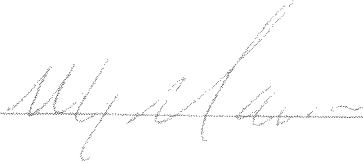
Per: _____

Jean-François Nadon

IN WITNESS WHEREOF Offeror has executed this Offer as of the date first above written.

OFFEROR

Per:



Subject to the approval of the Court, Vendor has accepted this Offer as of the date first above written.

VENDOR

Per: _____

INTERVENTION OF THE MONITOR

The Monitor hereby intervenes solely for the purpose of awareness as to its contents. By intervening in the present Amendment and Waiver Agreement, the Monitor assumes no obligations hereunder to any of the parties.

SAMSON BÉLAIR/DELOITTE & TOUCHE INC.,
in its capacity as court-appointed monitor to
Vendor

Per:



Jean-François Nadon

No: 500-11-041305-117

SUPERIOR COURT
(Commercial Division)

DISTRICT OF MONTRÉAL

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

HOMBURG INVEST INC.

Debtor/Petitioner

-and-
**HOMCO REALTY FUND (88) LIMITED
PARTNERSHIP**

Petitioner

-and-
HOMBURG SHARECO INC. ET AL.

Debtors

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

Mises-en-cause

-and-
SAMSON BÉLAIR/DELOITTE & TOUCHE INC.

Monitor

**MOTION FOR AUTHORIZATION OF SALE AND
VESTING ORDER (KAI TOWERS) (Sections 11 and 36 of
the Companies' Creditors Arrangement Act, R.S.C., 1985, c. C-
36), AFFIDAVIT, NOTICE OF PRESENTATION, LIST OF
EXHIBITS, EXHIBITS P-1 AND P-3**

ORIGINAL

Mtre. Martin Desrosiers
Mtre. Sandra Abitan

Osler, Hoskin & Harcourt LLP

1000 De La Gauchetière Street West, Suite 2100

Montréal, Québec H3B 4W5

Tel: 514.904.8100 Fax: 514.904.8101

Code : BO 0323 o/f: 1131787