

Clerk's stamp: **CLERK OF THE COURT  
FILED  
AUG 30 2013  
JUDICIAL CENTRE  
OF CALGARY**

COURT FILE NUMBER 1201-05843

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

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

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

I hereby certify this to be a true copy of  
the original order  
Dated this 30 day of Aug 2013  
for Clerk of the Court

DOCUMENT

Order  
(re: Valmont Vesting)

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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

DATE ON WHICH ORDER WAS PRONOUNCED

August 30, 2013

LOCATION WHERE ORDER WAS PRONOUNCED

Calgary Courts Centre, Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER

The Honourable Madam Justice C.A. Kent

**ORDER**  
(re: Valmont Vesting)

UPON the application of the Applicants in these proceedings (collectively, "UBG"); AND UPON having read the Application of the Applicants, dated August 23, 2013, the Affidavit of Robert Friesen, dated August 22, 2013 (the "Friesen Affidavit"), the Report of the Monitor respecting the Valmont Project, dated August 22, 2013, the Affidavit of Anna Collister, dated August 29, 2013 (the "Service Affidavit"), and such other material in the pleadings and proceedings as deemed necessary; AND UPON hearing counsel for UBG, counsel for the Monitor, and other interested parties; IT IS HEREBY ORDERED AND DECLARED THAT:

**Service**

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

(a) "Closing Adjustments" means the ordinary and specific closing adjustments described at clause 3.2 of the Purchase and Sale Agreement (as defined herein);

(b) "Lands" means the lands legally described as:

Firstly: Plan 0813651  
Unit 2  
And 1695 Undivided One Ten Thousandths shares in the  
Common Property  
Excepting thereout all mines and minerals

Secondly: Plan 0813651  
Unit 3  
And 2765 Undivided One Ten Thousandths shares in the  
Common Property  
Excepting thereout all mines and minerals

Thirdly: Plan 0813651  
Unit 4  
And 2768 Undivided One Ten Thousandths shares in the  
Common Property  
Excepting thereout all mines and minerals;

(c) "Net Proceeds" means the proceeds from the sale of the Property, less amounts required to pay the Closing Adjustments and all other reasonable and ordinary closing costs, including without limitation goods and services and other applicable sales taxes, property taxes, commissions, applicable condominium fees and legal fees and

disbursements, calculated in a manner consistent with the calculation of 'Net Proceeds' described in the Order granted by this Honourable Court in these proceedings on date June 15, 2012, and including, without limitation, a deduction in favour of the Applicants of \$675,450 for their business and operational purposes;

(d) **"Property"** means all of the Vendor's right, title and interest in and to the Lands and:

Any and all supplies, equipment, chattels and personal property located on the Lands owned by the Vendor and used in the management, operation, maintenance or repair of the Lands and Improvements.

All site improvements in place, all working drawings and right to use same, licenses, development permits, environmental reports, geotechnical investigation, and all transmittal letters as required, to provide the Purchaser the benefit thereof.

Any and all deposits prepaid by the Vendor to the City of Calgary or any utility supplier or contractor and outstanding as at the Date of Closing.

Any and all purchase contracts respecting the sale of units to customers.

Any and all contracts with trades in relation to the Lands and Improvements.

(all capitalized terms in this subparagraph 2(d) shall take the meaning ascribed to them in the Purchase and Sale Agreement);

(e) **"Purchase and Sale Agreement"** means the Asset Purchase Agreement dated August 12, 2013 respecting the sale of the Property from the Vendor to the Purchaser, as amended by an Amending Agreement between the Vendor and the Purchaser dated August 21, 2013;

(f) **"Purchaser"** means 771280 Alberta Ltd.; and

(g) **"Vendor"** means Valmont at Aspen Stone Limited Partnership.

#### ***Approval of Sale and Vesting of the Property***

3. The sale and conveyance of the Property to the Purchaser be and is hereby authorized and approved.
4. UBG and the Monitor are hereby authorized and directed to execute all deeds, documents, and agreements, and to do all things reasonably necessary to complete the conveyance of the Property pursuant to the terms of the Purchase and Sale Agreement and carry out the terms of this Order.
5. Upon the Monitor delivering a certificate (the **"Monitor's Certificate"**) certifying that the sale of the Property has closed in accordance with the terms of the Purchase and Sale Agreement and all purchase monies due and owing in respect of such sale have been tendered to UBG's solicitors, then:

- (a) the Property shall be vested in the name of the Purchaser free of all estate, right, title, interest, royalty, rental, and equity of redemption of UBG and all persons who claim by, through or under UBG in respect of the Property whose interests are subordinate to those of the Purchaser by virtue of its security on the Property, subject only to the permitted encumbrances outlined in Schedule "A" of this Order (the "Permitted Encumbrances");
- (b) UBG and all persons who claim by, through or under UBG in respect of the Property, save and except the Permitted Encumbrances, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental, and equity of redemption of the Property and, to the extent that any such person remains in possession or control of any of the Property, they shall forthwith deliver possession of same to the Purchaser or its nominee;
- (c) the Purchaser shall be entitled to enter into and upon, hold and enjoy the Property for its own use and benefit without any interference of or by UBG, or any person claiming by or through or against UBG; and
- (d) the Registrar of the Land Titles Office of Alberta shall:
  - (i) discharge all encumbrances in respect of the Lands, save and except the Permitted Encumbrances, and shall register the Property in the name of the Purchaser, and
  - (ii) upon this Order being submitted for registration, register this Order against Condominium Plan No. 0813651 and any redivision thereof (on the Condominium Additional Plan Sheet) and, upon registration, this Order shall operate as and shall be a discharge of all builders' liens as they pertain to the Purchaser's share in the common property for Condominium Plan No. 0813651,

notwithstanding the requirements of section 191 of the *Land Titles Act* (Alberta).

- 6. UBG is authorized and empowered, in respect of the Property, to execute and deliver: (a) such additional, related and ancillary documents and assurances governing or giving effect to the conveyance of the Property, which, in UBG's discretion are reasonably necessary or advisable to conclude the transactions contemplated in or in furtherance of the transfer of the Property and/or this Order; and (b) any and all instruments and documents in respect of the Property as may be required by the Registrar of the Land Titles Office of Alberta or deemed necessary by UBG, and the Registrar is hereby directed, notwithstanding any restrictions in the *Land Titles Act* (Alberta) (the "LTA"), including but not limited to s. 191(1) of the LTA, to effect registration of any such instrument or document so executed by UBG or its solicitors.
- 7. Upon the filing of the Monitor's Certificate, the Monitor shall discharge, or authorize the discharge of, any security registration or registrations in the Personal Property Registry of the Province where the Property is located as may be required to properly convey clear title of the Property to the Purchaser.

8. Upon the filing of the Monitor's Certificate, the Net Proceeds shall be held in the place and stead of the Property transferred pursuant to this Order, and not disbursed to any party without the consent of the Monitor or upon further Order of this Honourable Court (the "Claims Reserve").
9. All claims of whatsoever nature or kind, including without limitation, all real property taxes not subject to adjustment under the Purchase and Sale Agreement, liens, claims, encumbrances, mortgages, proprietary claims, trust claims, lease claims, royalty claims, and other interests, other than the Permitted Encumbrances, (the "Claims") shall attach solely to the Claims Reserve, and only to such extent as such Claims have been proven in accordance with the Claims Procedure Order granted in these proceedings on June 15, 2012, with the same validity, priority and in the same amounts and subject to the same defences that were or may have been available when the Claims were attached to the Property itself.

**Miscellaneous**

10. Any conveyance or transfer of the Property made pursuant to the provisions of this Order shall be valid and enforceable and not be rendered invalid or unenforceable and the rights and remedies of the parties thereto shall not otherwise be limited or impaired in any way by: (i) the pendency of these proceedings and the declaration of insolvency made herein; (ii) any Bankruptcy Order sought or issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) ("BIA") in respect of any of the Petitioners; or (iii) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of encumbrances, contained in any existing agreement, lease, sub-lease, offer to lease or other arrangement which binds any of the Petitioners (a "Third Party Agreement"), and notwithstanding any provision to the contrary in any Third Party Agreement:
  - (a) the transaction contemplated hereby shall not create or be deemed to constitute a breach by any of the Petitioners of any Third Party Agreement to which they are a party; and
  - (b) the Purchaser shall not have liability to any person whatsoever as a result of any breach of any Third Party Agreement caused by or resulting from the creation, execution, delivery or performance of any transaction contemplated hereby.
11. Notwithstanding (i) the pendency of these proceedings and the declaration of insolvency made herein, (ii) any Bankruptcy Order sought or issued pursuant to the BIA in respect of any of the Petitioners, and (iii) the provisions under the BIA, or any other applicable federal or provincial legislation or common law, the Purchase and transaction contemplated hereby shall constitute legal, valid and binding obligations of the Petitioners enforceable against them in accordance with the terms thereof, and no transaction contemplated herein will be void or voidable at the instance of creditors and claimants and do not constitute nor shall they be deemed to constitute settlements, fraudulent preferences, assignments, fraudulent conveyances, oppressive conduct, or other reviewable transactions under the BIA, or any other applicable federal or provincial legislation or common law.
12. UBG, the Monitor, the Purchaser, or any interested party may apply to this Court for advice and direction on notice to any party likely to be affected by the Order sought or on such notice as this Court directs.

**General**

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

  
Justice of the Court of Queen's Bench of Alberta

**SCHEDULE A  
(Order re: Valmont Vesting)**

**PERMITTED ENCUMBRANCES**

**Plan 0813651 Unit 2**

<b>Registration Number</b>	<b>Encumbrances, Liens &amp; Interests</b>
051 350 246	Utility Right of Way in favour of the City of Calgary
051 350 249	Caveat Re: Restrictive Covenant
051 350 250	Caveat Re: Restrictive Covenant
081 297 968	Easement
081 297 969	Utility Right of Way in favour of Atco
081 297 970	Utility Right of Way in favour of Enmax
091 082 341	Easement
To be determined	Purchaser's Financing

**Plan 0813651 Unit 3**

<b>Registration Number</b>	<b>Encumbrances, Liens &amp; Interests</b>
051 350 246	Utility Right of Way in favour of the City of Calgary
051 350 249	Caveat Re: Restrictive Covenant
051 350 250	Caveat Re: Restrictive Covenant
081 297 968	Easement
081 297 969	Utility Right of Way in favour of Atco
081 297 970	Utility Right of Way in favour of Enmax
091 082 341	Easement
To be determined	Purchaser's Financing

**Plan 0813651 Unit 4**

<b>Registration Number</b>	<b>Encumbrances, Liens &amp; Interests</b>
051 350 246	Utility Right of Way in favour of the City of Calgary
051 350 249	Caveat Re: Restrictive Covenant
051 350 250	Caveat Re: Restrictive Covenant
081 297 968	Easement
081 297 969	Utility Right of Way in favour of Atco
081 297 970	Utility Right of Way in favour of Enmax
091 082 341	Easement
To be determined	Purchaser's Financing