

COURT FILE NUMBER 2303-07739

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON

PLAINTIFF ADDENDA CAPITAL INC.

DEFENDANTS 112 STREET NW EDMONTON PARTNERS LP  
by its general partner 112 STREET NW  
EDMONTON PARTNERS GP INC., 112 STREET  
NW EDMONTON PARTNERS GP INC., and  
CANDEREL ENTERPRISES INC.

DOCUMENT **APPROVAL AND VESTING ORDER  
(Sale by Receiver)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT McLENNAN ROSS LLP  
#600 McLennan Ross Building  
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Edmonton, AB T5N 3Y4

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File No.: 20231671



**DATE ON WHICH ORDER WAS PRONOUNCED: October 19, 2023**

**LOCATION WHERE ORDER WAS PRONOUNCED: Edmonton, Alberta**

**NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Mr. Justice G.S. Dunlop**

**UPON THE APPLICATION** by MNP Ltd. in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of the current and future undertakings, property and assets of 112 STREET NW EDMONTON PARTNERS LP by its general partner 112 STREET NW EDMONTON PARTNERS GP INC., and 112 STREET NW EDMONTON PARTNERS GP INC., (the "**Debtors**") for an order approving the sale transaction (the "**Transaction**") contemplated by an Offer to Purchase and Real Estate Purchase Agreement (the "**Sale Agreement**") between the Receiver and Prosperity Investments (Canada) Inc. (the "**Purchaser**") dated September 20, 2023, and appended to the Confidential Appendices to the Receiver's First Report to the Court dated October 10, 2023 (the "**First Report**"), and vesting in the Purchaser the Debtors' right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**");

**AND UPON HAVING READ** the Notice of Application, the Receivership Order granted by the Honourable Mr. Justice M.J. Lema on May 9, 2023 (the "**Receivership Order**"), the First Report and the Confidential Appendices attached thereto, the Fee Affidavit of Kristin Gray sworn October 10, 2023, and the Affidavit of Service of Shauna Trueman; **AND UPON HEARING** the submissions of counsel for the Receiver, and all those in attendance;

**IT IS HEREBY ORDERED AND DECLARED THAT:****SERVICE**

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.

**APPROVAL OF TRANSACTION**

2. The Transaction is hereby approved and execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for completion of the Transaction and conveyance of the Purchased Assets to the Purchaser.

**VESTING OF PROPERTY**

3. Upon delivery of a Receiver's certificate to the Purchaser substantially in the form set out in **Schedule "A"** hereto (the "Receiver's Closing Certificate"), all of the Debtors' right, title and interest in and to the Purchased Assets [listed in **Schedule "B"** hereto] shall vest absolutely in the name of the Purchaser, free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, "**Claims**") including, without limiting the generality of the foregoing:
  - (a) any encumbrances or charges created by the Receivership Order;
  - (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system;
  - (c) any liens or claims of lien under the *Builders' Lien Act* (Alberta); and
  - (d) all those Claims, encumbrances, caveats, interests, easements and restrictive covenants other than the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule "C"** (the "**Permitted Encumbrances**")

and for greater certainty, this Court orders that all Claims including encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

In respect of the commercial lease in place and assigned pursuant to the Sale Agreement (the "**Assigned Lease**"), the Receiver transfers and assigns its interests in the Assigned Lease, which is included in **Schedule "D"**. To the extent that the Assigned Lease is not enforceable or not able to be assigned by the Receiver, it is up to the tenant and the Purchaser to enter into a new lease agreement. The Receiver is not liable for any costs or damages that could or should occur if the Assigned Lease is deemed not enforceable or assignable.

4. Upon delivery of the Receiver's Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Receiver's Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser or its nominee clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing:

(a) the Registrar of Land Titles ("**Land Titles Registrar**") for the lands defined below shall and is hereby authorized, requested and directed to forthwith:

(i) cancel existing Certificates of Title No. 122 280 532; 122 280 532 +1; 122 280 532 +2; and 122 280 532 +3 for those lands and premises municipally described as 10050 112 Street NW, Edmonton, Alberta, and legally described as:

PLAN (B)  
 BLOCK TWELVE (12)  
 LOT SIXTY ONE (61)  
 EXCEPTING THEREOUT:  
 THE MOST NORTHERLY TWENTY FOUR (24) FEET IN WIDTH THROUGHOUT OF SAID LOT  
 EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN (B)  
 BLOCK TWELVE (12)  
 THE MOST NORTHERLY TWENTY FOUR (24) FEET IN WIDTH THROUGHOUT OF LOT SIXTY ONE (61)  
 EXCEPTING THEREOUT:  
 ALL THAT PORTION WHICH LIES NORTH WEST OF A STRAIGHT LINE DRAWN FROM A POINT IN THE WEST BOUNDARY TEN (10) FEET SOUTH FROM THE NORTH WEST CORNER THEREOF, TO A POINT IN THE NORTH BOUNDARY TEN (10) FEET EAST FROM THE NORTH WEST CORNER THEREOF.  
 EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN B  
 BLOCK 12  
 LOT 62  
 EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN B  
 BLOCK 12  
 LOT 63  
 EXCEPTING THEREOUT ALL MINES AND MINERALS

(the "**Lands**")

(ii) issue new Certificates of Title for the Lands in the name of the Purchaser, namely, Prosperity Investments (Canada) Inc.;

(iii) transfer to the New Certificates of Title the existing instruments listed in Schedule "C", to this Order, and to issue and register against the New Certificates of Title such

new caveats, utility rights of ways, easements or other instruments as are listed in Schedule "C"; and

- (iv) discharge and expunge any encumbrances or Claims (but excluding Permitted Encumbrances) which may be registered after the date of the Sale Agreement against the existing Certificates of Title to the Lands;
- (b) the Registrar of the Alberta Personal Property Registry (the "**PPR Registrar**") shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests in the estate or interest of the Debtors in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.
5. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Receiver's Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims including Encumbrances but excluding Permitted Encumbrances.
  6. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Sale Agreement.
  7. Upon delivery of the Receiver's Closing Certificate together with a certified copy of this Order, this Order shall be immediately registered by the Land Titles Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed. The Land Titles Registrar is hereby directed to accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtors and not in its personal capacity.
  8. For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets from and after delivery of the Receiver's Closing Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. Unless otherwise ordered (whether before or after the date of this Order), the Receiver shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets without further order of this Court, provided however the Receiver may apply any part of such net proceeds to repay any amounts the Receiver has borrowed for which it has issued a Receiver's Certificate pursuant to the Receivership Order.
  9. Except as expressly provided for in the Sale Agreement or by section 5 of the Alberta *Employment Standards Code*, the Purchaser (or its nominee) shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtors.
  10. Upon completion of the Transaction, the Debtors and all persons who claim by, through or under the Debtors in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to

the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).

11. The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtors, or any person claiming by, through or against the Debtors.
12. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.
13. The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate forthwith after delivery thereof to the Purchaser (or its nominee).
14. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada) and section 20(e) of the *Alberta Personal Information Protection Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser (or its nominee) all human resources and payroll information in the Debtors' records pertaining to the Debtors' past and current employees. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use (of such information) to which the Debtors were entitled.

#### **APPROVAL OF ACTIVITIES**

15. The actions, conduct and activities of the Receiver as outlined in the First Report are hereby ratified and approved.

#### **APPROVAL OF RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS**

16. The Receiver's interim statement of receipts and disbursements for the period of May 9, 2023, to October 5, 2023 as set out in the First Report are hereby ratified and approved.

#### **APPROVAL OF RECEIVER'S FEES**

17. The Receiver's account for fees and disbursements included in the First Report and the Fee Affidavit of Kristin Gray (the "**Fee Affidavit**") are fair and reasonable and are hereby approved without the necessity of a formal passing of accounts.
18. The accounts of the Receiver's counsel, McLennan Ross LLP, for its fees and disbursements included in the First Report and the Fee Affidavit are fair and reasonable and are hereby approved without the necessity of a formal passing of accounts.

#### **MISCELLANEOUS MATTERS**

19. Notwithstanding:
  - (a) the pendency of these proceedings and any declaration of insolvency made herein;

- (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended (the "**BIA**"), in respect of the Debtors, and any bankruptcy order issued pursuant to any such applications;
- (c) any assignment in bankruptcy made in respect of the Debtors; and
- (d) the provisions of any federal or provincial statute:

the vesting of the Purchased Assets in the Purchaser (or its nominee) pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

- 20. The Receiver, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.
- 21. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to the Receiver, as an officer of the Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
- 22. Service of this Order shall be deemed good and sufficient by:
  - (a) Serving the same on:
    - i. the persons listed on the service list created in these proceedings;
    - ii. any other person served with notice of the application for this Order;
    - iii. any other parties attending or represented at the application for this Order;
    - iv. the Purchaser or the Purchaser's solicitors; and
  - (b) Posting a copy of this Order on the Receiver's website at:  
<https://mnpdebt.ca/en/corporate/corporate-engagements/112-street-nw-edmonton-partners-1p>

and service on any other person is hereby dispensed with.

- 23. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

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Justice of the Court of King's Bench of Alberta

**Schedule "A"****Form of Receiver's Certificate**

COURT FILE NUMBER	2303-07739	Clerk's Stamp
COURT	COURT OF KING'S BENCH OF ALBERTA	
JUDICIAL CENTRE	EDMONTON	
PLAINTIFF	ADDENDA CAPITAL INC.	
DEFENDANT	112 STREET NW EDMONTON PARTNERS LP by its general partner 112 STREET NW EDMONTON PARTNERS GP INC., 112 STREET NW EDMONTON PARTNERS GP INC., and CANDEREL ENTERPRISES INC. 2303-07739	
DOCUMENT	<b>RECEIVER'S CERTIFICATE</b>	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	McLENNAN ROSS LLP #600 McLennan Ross Building 12220 Stony Plain Road Edmonton, AB T5N 3Y4  Lawyer: Ryan Trainer Telephone: 780.482.9153 Fax: 780.733.9716 Email: ryan.trainer@mross.com File No.: 20231671	

**RECITALS**

- A. Pursuant to an Order of the Honourable Mr. Justice M.J. Lema of the Court of King's Bench of Alberta, Judicial District of Edmonton (the "**Court**") dated May 9, 2023, MNP Ltd. was appointed as the receiver and manager (the "**Receiver**") of the undertakings, property and assets of 112 Street NW Edmonton Partners LP by its general partner 112 Street NW Edmonton Partners GP Inc., and 112 Street NW Edmonton Partners GP Inc. (the "**Debtors**").
- B. Pursuant to an Order of the Court dated October 19, 2023, the Court approved the Offer to Purchase and Real Estate Purchase Agreement made as of September 20, 2023 (the "**Sale Agreement**") between the Receiver and Prosperity Investments (Canada) Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtors' right, title and



interest in and to the assets described in the Sale Agreement (“the **Purchased Assets**”), which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section 14 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

- C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale Agreement.

**THE RECEIVER CERTIFIES** the following:

1. The Purchaser (or its nominee) has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section 14 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at \_\_\_\_\_ on \_\_\_\_\_.

**MNP Ltd., in its capacity as Receiver of the undertakings, property and assets of 112 Street NW Edmonton Partners LP by its general partner 112 Street NW Edmonton Partners GP Inc., and 112 Street NW Edmonton Partners GP Inc., and not in its personal capacity.**

**Per;** \_\_\_\_\_

**Name:** Kristin Gray

**Title:** Senior Vice President

**Schedule "B"**

**PURCHASED ASSETS**

**Legal Description:**

PLAN (B)  
BLOCK TWELVE (12)  
LOT SIXTY ONE (61)  
EXCEPTING THEREOUT:  
THE MOST NORTHERLY TWENTY FOUR (24) FEET IN WIDTH THROUGHOUT OF SAID LOT  
EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN (B)  
BLOCK TWELVE (12)  
THE MOST NORTHERLY TWENTY FOUR (24) FEET IN WIDTH THROUGHOUT OF  
LOT SIXTY ONE (61)  
EXCEPTING THEREOUT:  
ALL THAT PORTION WHICH LIES NORTH WEST OF A STRAIGHT LINE DRAWN FROM A POINT  
IN THE WEST BOUNDARY TEN (10) FEET SOUTH FROM THE NORTH WEST CORNER THEREOF,  
TO A POINT IN THE NORTH BOUNDARY TEN (10) FEET EAST FROM THE NORTH WEST CORNER  
THEREOF.  
EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN B  
BLOCK 12  
LOT 62  
EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN B  
BLOCK 12  
LOT 63  
EXCEPTING THEREOUT ALL MINES AND MINERALS

(collectively, the "Lands")

along with all buildings, structures, improvements and fixtures located on the Lands and all appurtenances thereto ("Improvements") as well as all personal property affixed to, located on, attached to or used in connection with the Lands and the Improvements, including all machinery, equipment, accessories and components forming a part of or used in connection with any of the systems located on or in the Lands or the Improvements, subject to the qualifications expressed in Article 3 of the Sale Agreement.

**Schedule "C"**

**PERMITTED ENCUMBRANCES**

1. 082 230 897 – Caveat re Lease Interest (Humford Management Inc.)

**Schedule "D"**

**ASSIGNED LEASE**

1. Canderel Management (West) Inc.