

COURT FILE NUMBER 2203 19336
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE EDMONTON
PLAINTIFFS MIKE PRIESTNER REAL ESTATE INC.
and MPRE GP DEV INC.
DEFENDANTS 2399430 ALBERTA LTD., 2399449 ALBERTA LTD.,
TURNIP HOMES INC., and HENOK KASSAYE

Clerk's Stamp



DOCUMENT **APPLICATION BY THE RECEIVER (INTERIM DISTRIBUTION)**

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: 780-733-9790
Email: ryan.trainer@mross.com
File No.: 20230841

NOTICE TO RESPONDENTS: THE SERVICE LIST (ATTACHED AS SCHEDULE "A")

This application is made against you. You are a respondent. You have the right to state your side of this matter before the Court.

To do so, you must be in Court when the application is heard as shown below:

Date: **January 12, 2024**
Time: **3:00 p.m.**
Where: **Law Courts, 1A Sir Winston Churchill Square, Edmonton, AB T5J 0R2**
Before Whom: **The Honourable Mr. Justice G.S. Dunlop, by Webex**
(<https://albertacourts.webex.com/meet/virtual.courtroom86>)

Go to the end of this document to see what else you can do and when you must do it.

Remedy claimed or sought:

1. An Order abridging time for service, if necessary.
2. An Order substantially in the form attached hereto as **Schedule "B"** approving an amendment to the Amended Restricted Court Access Order, extending the sealing of the confidential appendices (the "**Confidential Appendices**") to the Receiver's Second Report to the Court (the "**Second Report**"), until February 1, 2025.
3. An Order substantially in the form attached hereto as **Schedule "C"** approving:
 - a. the Receiver's activities, conduct and actions as set out in the Fourth Report to the Court dated December 19, 2023 (the "**Fourth Report**");

- b. the interim statement of receipts and disbursements included in the Fourth Report;
- c. an interim distribution to Mike Priestner Real Estate Inc. ("**MPRE**") in the amount of \$30,000; and
- d. such other and further relief as the circumstances may require and as this Honourable Court shall deem appropriate.

Grounds for making this application:

- 4. Pursuant to s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, s. 13(2) of the *Judicature Act*, R.S.A. 2000, c. J-2, and s. 65(7) of the *Personal Property Security Act*, R.S.A. 2000, c. P-7, MNP Ltd. was appointed, without security, as receiver and manager of 2399430 Alberta Ltd. ("**430**") and 2399449 Alberta Ltd. (collectively the "**Debtors**") and all of the Debtors' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (collectively the "**Property**").
- 5. A Restricted Court Access Order was granted on May 1, 2023 (the "**Sealing Order**") for the purpose of protecting commercially sensitive information disclosed in connection with the application for the granting of an Approval and Vesting Order.
- 6. An amendment to the Sealing Order was granted on July 26, 2023, extending the Sealing Order until February 1, 2024.
- 7. Three of the four properties listed for sale by the Receiver in these proceedings remain listed for sale as at the date of filing this Application.
- 8. The Confidential Appendices contain confidential information of a commercially sensitive nature as it relates to the sales process, marketing, and pricing. It is fair and just in the circumstances to extend the temporary restriction of public access to the Confidential Appendices until February 1, 2025 or such sooner period should the remaining lands sell before February 1, 2025.
- 9. On July 26, 2023, the Receiver obtained an interim distribution order (the "**Interim Distribution Order**"), approving a distribution to MPRE in the amount of \$4,316,728. The interim distribution was insufficient to expire 430's indebtedness to MPRE.
- 10. Subsequent to the Interim Distribution Order, the Receiver received a refund related to the cancellation of the insurance on Jasper Ave and interest earned on the 430 bank account balance earned on the deposit of the sale proceeds.
- 11. The Receiver recommends a further interim distribution in the amount of \$30,000 be made to MPRE in partial satisfaction of 430's indebtedness owing to MPRE.
- 12. The Fourth Report sets out the activities of the Receiver since the Third Report, including its interim statement of receipts and disbursements, all of which are reasonable and appropriate in the circumstances.
- 13. Such further and other grounds as counsel may advise and this Honourable Court may permit.

Material or evidence to be relied on:

- 14. This notice of Application.

15. Receiver's Fourth Report to the Court dated December 19, 2023.
16. Amended Restricted Court Access Order, filed July 26, 2023.
17. Unfiled Confidential Appendices to the Second Report.
18. Such further and other evidence as counsel may advise and this Honourable Court may permit.

Applicable rules:

19. *Alberta Rules of Court* rules 1.3, 1.4, 6.3(1), 6.9(1), 6.28, 6.29, 6.30, 6.31, 6.32, 11.27, 11.29 and 13.25.
20. Such further and other statutes and rules as counsel may advise.

Applicable Acts and Regulations:

21. *Judicature Act*, R.S.A. 2000, c. J-2, as amended, specifically section 8.
22. *Bankruptcy and Insolvency Act*, RSC 1985 c. B-3.
23. *Law of Property Act*, RSA 2000, c. P-7 24.
24. *Personal Property Security Act*, RSA 2000, c. P-7.
25. Such further and other Acts and regulations as counsel may advise and this Honourable Court may permit.

Any irregularity complained of or objection relied on:

26. None.

How the application is proposed to be heard or considered:

27. By Webex hearing, before the Honourable Mr. Justice G.S. Dunlop.

AFFIDAVIT EVIDENCE IS REQUIRED IF YOU WISH TO OBJECT.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the Applicants what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and time shown at the beginning of the form. If you intend to give evidence in response to the application, you must reply by filing an Affidavit or other evidence with the Court and serving a copy of that Affidavit or other evidence on the Applicants a reasonable time before the application is to be heard or considered.

Schedule "A"

IN THE MATTER OF THE RECEIVERSHIP OF
2399430 ALBERTA LTD and 2399449 ALBERTA LTD.

SERVICE LIST

(Updated on December 19, 2023)

NAME, ADDRESS and EMAIL ADDRESS	COUNSEL FOR (OR ON BEHALF OF)
MNP Ltd. Receiver 10235 101 St NW, Suite 1300 Edmonton, AB T5J 0A1 Email: Kristin.Gray@mnp.ca	
Dentons Canada LLP 2500 Stantec Tower, 10220 - 103 Avenue NW Edmonton, AB T5J 0K4 Canada Email: nicholas.williams@dentons.com	Mike Priestner Real Estate Inc. and MPRE GP Dev Inc.
MCLENNAN ROSS LLP 600 McLennan Ross Building 12220 Stony Plain Road Edmonton, AB T5N 3Y4 Email: ryan.trainer@mross.com	MNP Ltd.
MLT Aikins LLP 10235 101 St NW Suite 2200 Edmonton, AB T5J 3G1 Email: mderendube@mltaikins.com	2399430 Alberta Ltd., 2399449 Alberta Ltd., Turnip Homes Inc., Henok Kassaye
Receiver General of Canada c/o Pacific Insolvency Intake Centre 9755 King George Boulevard Surrey, BC V3T 5E1 Email: george.body@justice.gc.ca	George Body
BLAKELY & DUSHENSKI #201, 10225 - 100 Avenue Edmonton, AB T5J0A1 Email: bdushenski@bdcounsel.ca	Bretton Whervin, Anthony Colon, and Nikitas Christodoulakis

NAME, ADDRESS and EMAIL ADDRESS	COUNSEL FOR (OR ON BEHALF OF)
<p>McLeod Law LLP Manulife Place 500, 707-5 Street SW Calgary, AB T2P 1V8</p> <p>Email: scchimuk@mcleod-law.com</p>	<p>Korr Design Inc.</p>
<p>Gala Construction Ltd. 7920 119 Street NW Edmonton, AB T6E 2E5</p> <p>Email: aly@galaconstructionltd.com</p>	
<p>Muve Realty Attn: John Rota Royal LePage ArTeam Realty #203, 14101 West Block Drive NW Edmonton, AB T5N 1L5</p> <p>Email: john@muveteam.com</p>	
<p>Stillman LLP #100, 17420 Stony Plain Road Edmonton, AB T5S 1K6</p> <p>Erin N. Vanderveen Email: evanderveen@stillmanllp.com</p>	<p>1856121 Alberta Ltd.</p>
<p>YMCA of Northern Alberta Association Services Bill Rees YMCA 10315 109 Street, Edmonton AB T5J 1N3</p> <p>Ruth Menegozzo, CPA, CA Email: ruth.menegozzo@ymcanab.ca</p> <p>Ken Muggeridge Email: Ken.Muggeridge@ymcanab.ca</p>	
<p>The City of Edmonton 9th Floor, Chancery Hall 3 Sir Winston Churchill Square Edmonton, AB T5J 2C3</p> <p>Email: carly.androschuk@edmonton.ca</p>	<p>The City of Edmonton</p>

NAME, ADDRESS and EMAIL ADDRESS	COUNSEL FOR (OR ON BEHALF OF)
<p>Burnet, Duckworth & Palmer LLP 2400, 525 8th Avenue SW Calgary, AB T2P 1G1</p> <p>Ryan Algar Email: ralgar@bdplaw.com</p>	<p>Kastel Holdings</p>
<p>Certified Demolition Inc. c/o Registered Office 2700-10155 102 Street NW Edmonton, AB T5J 4G8</p>	
<p>2426258 Alberta Ltd. c/o Registered Office 314-222 Baseline Road Box 93 Sherwood Park, AB T8H 1S8</p> <p>Email: cory@redlinebuilding.ca</p>	
<p>Avala Equities Residential Ltd. c/o Marcus and Millichap #1820, 10175 101 Street NW Edmonton, AB T5J 0H3</p> <p>Casey McClelland Email: casey.mcclelland@marcusmillichap.com</p>	
<p>Union Bank Holdings Inc. 102 10446 122 St NW Edmonton, AB T5N 1M3</p> <p>David Hawreluk Email: dhawreluk@growlending.ca</p>	

Schedule "B"

COURT FILE NO. 2203 19336

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON

Clerk's Stamp:

PLAINTIFFS MIKE PRIESTNER REAL ESTATE INC. and MPRE GP DEV INC.

DEFENDANTS 2399430 ALBERTA LTD., 2399449 ALBERTA LTD., TURNIP HOMES INC., and HENOK KASSAYE

DOCUMENT **AMENDED AMENDED RESTRICTED COURT ACCESS ORDER**

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: 780.733.9790 Email: ryan.trainer@mross.com File No.: 20230841
---	--	---

DATE ON WHICH ORDER WAS PRONOUNCED: January 12, 2024

LOCATION OF HEARING OR TRIAL: EDMONTON, ALBERTA

NAME OF JUSTICE WHO MADE THIS ORDER: THE HONOURABLE MR. JUSTICE G.S. DUNLOP

UPON THE APPLICATION of MNP Ltd. (the "Receiver"), solely in its capacity as Court-Appointed Receiver and Manager of 2399430 Alberta Ltd. and 2399449 Alberta Ltd. (collectively the "Debtors"), for an Order, *inter alia*, sealing the Confidential Appendices to the Receiver's Second Report to the Court (the "Second Report") submitted by the Receiver dated April 24, 2023 (the "Confidential Appendices"); AND UPON having read the Receiver's Fourth Report to the Court dated December 19, 2023; AND UPON having read the Receivership Order granted December 15, 2022, and all application materials, filed; AND UPON hearing from counsel for the Receiver and all other interested parties present; **IT IS HEREBY ORDERED AND DECLARED THAT:**

1. The time for service of notice of this application is hereby abridged to that given, and service is deemed good and sufficient.
2. The Confidential Appendices to the Second Report shall be sealed on the Court file until February 1, 2025, notwithstanding Division 4 of Part 6 of the *Alberta Rules of Court*. The Receiver may apply for an extension of this date in the event the sale of the Debtors' assets does not close or for such other commercially sensitive reason that requires the Confidential Appendices to remain sealed.

3. The Confidential Appendices shall be kept sealed and confidential, and shall not form part of the public record, and the Clerk of the Court is hereby directed to file the sealed Confidential Appendices separate and apart from all other contents of the Court file in a sealed envelope attached to a Notice that sets out the title of these proceedings and states that:

THIS ENVELOPE CONTAINS CONFIDENTIAL MATERIALS FILED BY MNP LTD., AND THE CONFIDENTIAL MATERIALS ARE SEALED UNTIL FEBRUARY 1, 2025, OR FURTHER ORDER PURSUANT TO THE SEALING ORDER ISSUED BY THE HONORABLE JUSTICE G.S. DUNLOP ON JANUARY 12, 2024.

4. 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 Debtor or its solicitors; and

(b) Posting a copy of this Order on the Receiver's website at:

mnpdebt.ca/en/corporate/corporate-engagements/2399430-alberta-ltd-and-2399449-alberta-ltd

and service on any other person is hereby dispensed with.

5. Service of this Order maybe 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.

Justice of the Court of King's Bench of Alberta

Schedule "C"

COURT FILE NO. 2203 19336

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON

Clerk's Stamp:

PLAINTIFFS MIKE PRIESTNER REAL ESTATE INC. and MPRE GP DEV INC.

DEFENDANTS 2399430 ALBERTA LTD., 2399449 ALBERTA LTD., TURNIP HOMES INC., and HENOK KASSAYE

DOCUMENT **ORDER**

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: 780.733.9790 Email: ryan.trainer@mross.com File No.: 20230841
---	--	---

DATE ON WHICH ORDER WAS PRONOUNCED: JANUARY 12, 2024

LOCATION OF HEARING OR TRIAL: EDMONTON, ALBERTA

NAME OF JUSTICE WHO MADE THIS ORDER: THE HONOURABLE MR. JUSTICE G.S. DUNLOP

UPON THE APPLICATION of MNP Ltd. (the "**Receiver**"), solely in its capacity as Court-Appointed Receiver and Manager of the undertakings, property and assets 2399430 Alberta Ltd. and 2399449 Alberta Ltd. (collectively the "**Debtors**"), for an Order, *inter alia*, approving an interim distribution and the activities of the Receiver; **AND UPON HAVING READ** the Application, the Receiver's Fourth Report to the Court dated December 19, 2023 (the "**Fourth Report**"), the Receivership Order dated December 13, 2022 (the "**Receivership Order**"), and the Affidavit of Service; **AND UPON IT** appearing that all interested and affected parties have been served with notice of the Application; **AND UPON HEARING** the submissions of counsel for the Receiver and all other parties 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.

INTERIM DISTRIBUTION

2. The Receiver is authorized and directed to make a distribution without further Order to Mike Priestner Real Estate Inc. in the amount of \$30,000.

APPROVAL OF RECEIVER'S ACTIVITIES

3. The Receiver's activities as set out in the Receiver's Fourth Report filed herein and the Statement of Receipts and Disbursements as attached to the Receiver's Fourth Report is hereby ratified and approved.

MISCELLANEOUS

4. 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/2399430-alberta-ltd-and-2399449-alberta-ltd>
and service on any other person is hereby dispensed with.
5. 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.