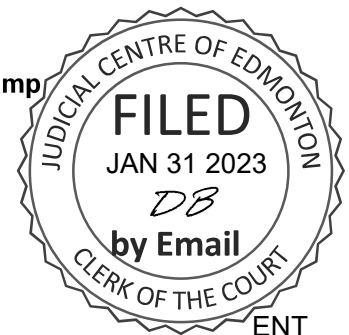


COURT FILE NO. 2203-12557  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE EDMONTON  
PLAINTIFF ROYAL BANK OF CANADA

Clerk's Stamp



DEFENDENTS FAISSAL MOUHAMAD PROFESSIONAL CORPORATION,  
MCIVOR DEVELOPMENTS LTD., 985842 ALBERTA LTD., 52  
DENTAL CORPORATION, DELTA DENTAL CORP., 52  
WELLNESS CENTRE INC., PARADISE MCIVOR  
DEVELOPMENTS LTD., MICHAEL DAVE MANAGEMENT LTD.,  
FAISSAL MOUHAMAD AND FETOUN AHMAD also known as  
FETOUN AHMED

DOCUMENT FOURTH REPORT OF THE RECEIVER AND MANAGER OF FAISSAL  
MOUHAMAD PROFESSIONAL CORPORATION, DELTA DENTAL CORP.  
MICHAEL DAVE MANAGEMENT LTD., 52 DENTAL CORPORATION, 52  
WELLNESS CENTRE INC. AND 985842 ALBERTA LTD.

DATED January 30, 2023

ADDRESS FOR  
SERVICE AND  
CONTACT  
INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

Counsel

McMillan LLP  
Suite 1700, 421 7th Avenue SW  
Calgary, AB T2P 4K9

Telephone: 403-215-2752/ 403-355-3326

Facsimile: 403-531-4720

Email: [adam.maerov@mcmillan.ca](mailto:adam.maerov@mcmillan.ca);

[kourtney.rylands@mcmillan.ca](mailto:kourtney.rylands@mcmillan.ca)

Attention: Adam Maerov and Kourtney Rylands

Receiver and Manager

MNP Ltd.  
Suite 1500, 640 5th Avenue SW  
Calgary, AB T2P 3G4

Telephone: 403-477-9661

Facsimile: 403-269-8450

Email: [vanessa.allen@mnp.ca](mailto:vanessa.allen@mnp.ca)

Attention: Vanessa Allen

**Table of Contents**

INTRODUCTION AND BACKGROUND ..... 1  
NOTICE TO READER..... 2  
PURPOSE OF THE REPORT ..... 2  
THE DV UNIT ..... 3  
SEALING OF THE CONFIDENTIAL REPORT ..... 5  
RECOMMENDATION AND CONCLUSION ..... 5

## **SCHEDULES**

Schedule 1	Redacted Offer to Purchase
Schedule 2	Right of First Refusal
Schedule 3	Listing
Schedule 4	Disclosure
Schedule 5	Correspondence dated January 13, 2023, from McMillan LLP to Sabine and Webb LLP

## INTRODUCTION AND BACKGROUND

- 1 On August 23, 2022, the Court of King's Bench of Alberta, known as the Court of Queen's Bench of Alberta at the time (the "**Court**"), granted an Interim Receivership Order (the "**Interim Receivership Order**") appointing MNP Ltd. as Interim Receiver (the "**Interim Receiver**") over all of the current and future assets, undertakings and property (the "**IR Property**") of Faissal Mouhamad Professional Corporation ("**FMPC**"), Delta Dental Corp. ("**DDC**") and 52 Dental Corporation ("**52 Dental**", collectively, the "**IR Companies**"), as more particularly set out in the Interim Receivership Order.
- 2 The Interim Receivership Order was granted pursuant to an application (the "**RBC Application**") by Royal Bank of Canada ("**RBC**") which, at the Filing Date (as subsequently defined), was owed approximately \$632,600 by FMPC pursuant to various credit facilities (the "**RBC Loans**"). The RBC Loans are secured by a security interest in, among other things, the IR Property. RBC was also owed approximately \$2.5 million (the "**Mclvor Indebtedness**") by Mclvor Developments Ltd., a corporation related to the Companies (as subsequently defined). The Mclvor Indebtedness was guaranteed by FMPC and 985842 (also as subsequently defined).
- 3 The Receiver notes the following key events related to the RBC Application:
  - 3.1. The RBC Application was originally heard on August 23, 2022, at which time RBC sought the appointment of a Receiver and Manager over the IR Companies. At that time, the Interim Receivership Order was granted and the application to appoint a Receiver and Manager was adjourned until September 14, 2022 (the "**September 14 Hearing**");
  - 3.2. In advance of the September 14 Hearing, the RBC Application was amended (the "**Amended RBC Application**") to also include an application to appoint a Receiver over the current and future assets, undertakings and property of 52 Wellness Centre Inc. ("**52 Wellness**"), Michael Dave Management Ltd. ("**MDML**") and 985842 Alberta Ltd. ("**985842**").
  - 3.3. The Amended RBC Application was heard on September 14, 2022. On September 16, 2022 (the "**Filing Date**"), the Court granted an Order (the "**First Receivership Order**") appointing MNP Ltd. as the Receiver of all of the current and future assets, undertakings and property of the IR Companies, 52 Wellness and MDML. The Amended RBC Application with respect to 985842 was adjourned to September 29, 2022.
  - 3.4. At a hearing on September 29, 2022 (the "**September 29 Hearing**"), a further Order was granted appointing MNP as the Receiver and Manager over all of the current and future assets, undertakings and property of 985842 (the "**Second Receivership Order**"). The First Receivership Order and the Second Receivership Order will collectively be referred to as the "**Receivership Order**". The IR Companies, 52 Wellness, MDML and 985842 will collectively be referred to as the "**Companies**". The IR Property together with all of the current and future

assets, undertakings and property of 52 Wellness, MDML and 985842 will collectively be referred to as the “**Property**”. MNP Ltd., in its capacity as Receiver and Manager of the Companies will be referred to as the “**Receiver**”.

4. Copies of all orders granted by the Court in these proceedings as well as other publicly available documents in these proceedings can be found on the Receiver’s website at: <https://mnpdebt.ca/en/corporate/corporate-engagements/fmpc>.
5. 985842 was incorporated in Alberta on April 25, 2002. Dr. Faissal Mouhamad is the sole director and shareholder of 985842, which owns a commercial unit located at 5207 Power Center Boulevard in Drayton Valley, Alberta (the “**DV Unit**”). The DV Unit is legally described as Plan 0721291, Block 102, Lot 14 excepting thereout all mines and minerals.

#### **NOTICE TO READER**

6. In preparing this report and making comments herein, the Receiver has relied upon, certain unaudited, draft or internal financial information, including the Companies’ books and records, and information from other third-party sources (collectively, the “**Information**”). The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with generally accepted assurance standards or other standards established by the Chartered Professional Accountants of Canada (the “**Standards**”). Additionally, none of the Receiver’s procedures were intended to disclose defalcations or other irregularities. If the Receiver were to perform additional procedures or to undertake an audit examination of the Information in accordance with the Standards, additional matters may have come to the Receiver’s attention. Accordingly, the Receiver does not express an opinion, nor does it provide any other form of assurance on the financial or other information presented herein. The Receiver may refine or alter its observations as further information is obtained or brought to its attention after the date of this report.
7. All amounts included herein are in Canadian dollars unless otherwise stated.

#### **PURPOSE OF THE REPORT**

8. This report constitutes the Fourth Report of the Receiver (the “**Fourth Report**”). The Fourth Report is being filed in support of the Receiver’s application to this Honourable Court returnable on February 9, 2023 (the “**February 9 Hearing**”) requesting the following relief:
  - 8.1. Approving the sale contemplated in the Offer to Purchase for the DV Unit (the “**DV Unit OTP**”) between the Receiver and Amara Investments Corp. (“**Amara**”), a redacted copy of which is attached hereto as “Schedule 1”; and
  - 8.2. Temporarily sealing the Receiver’s Third Confidential Report dated January 30, 2023 (the “**Third Confidential Report**”).

## THE DV UNIT

9. The DV Unit consists of a 3,803 square foot retail unit located in the Drayton Valley Power Centre (the “**Complex**”). The DV Unit has been subdivided from the remainder of the Complex and is on a separate title. The DV Unit is subject to a ten-year lease (the “**DV Lease**”), which commenced on September 1, 2018 with Puneet Kohli Professional Dental Corporation (the “**Tenant**”). The DV Lease provided the Tenant with a right of first refusal (the “**ROFR**”), a copy of which is attached hereto as “Schedule 2”. Pursuant to the ROFR, the Tenant was to be provided with the opportunity to match any third-party offer within 30 days of being provided with same.
10. The Receiver engaged Newmark Knight Frank Canada Ltd. to prepare an appraisal of the DV Unit (the “**DV Unit Appraisal**”). The DV Unit Appraisal was completed on October 24, 2022 and a copy is attached as “Schedule 1” to the Third Confidential Report. The DV Unit was listed at a sale price of \$850,000.
11. On November 4, 2022, the Receiver entered into an agreement with NAI Commercial Real Estate Inc. (“**NAI**”) to market the DV Unit. The marketing process began on November 16, 2022. A copy of the listing is attached hereto as “Schedule 3”. As noted in the Second Report of the Receiver, dated October 28, 2022, NAI’s marketing approach included standard photography, distinct signage, targeted brochures and tailored marketing campaigns with strategic placement. The DV Unit was listed on MLS and various other websites.
12. In December 2022, the Receiver accepted a conditional offer to purchase (the “**SAS Offer**”) for the DV Unit with SAS Builders Inc. (“**SAS**”). SAS withdrew the SAS Offer after touring the DV Unit on January 9, 2023 (the “**SAS Tour**”). The Receiver understands that, although the Tenant had been advised not to interfere with the SAS Tour, the Tenant approached SAS on the SAS Tour and advised SAS that the Tenant had had an inspection done that identified concerns regarding the structural integrity of the DV Unit (the “**Tenant Inspection**”). Prior to the SAS Tour, the Tenant had not advised the Receiver of the Tenant Inspection and the Receiver was not aware of any concerns regarding the structural integrity of the DV Unit. On January 11, 2023, the Tenant provided the Receiver with a copy of the Tenant Inspection, which was completed by Elite Home Inspections on December 19, 2022. A copy of the Tenant Inspection is attached to the Third Confidential Report as “Schedule 2”.
13. Following the withdrawal of the SAS Offer, the Receiver retained Archi Worx Consulting Inc. (“**Archi Worx**”) to review the structural integrity of the DV Unit. Based on Archi Worx’s preliminary findings, the Receiver prepared a disclosure letter regarding potential structural issues at the DV Unit (the “**Disclosure**”). A copy of the Disclosure is attached hereto as “Schedule 4”. As set out in the disclosure, the initial review by Archi Worx identified the following issues:
  - 13.1. Visual signs of structural failure, including signs of wall movement, floor concrete slab sloping, and glass inserts shifting or falling out of tracks; and

- 13.2. Falling of ceiling tiles and grid due to wall shifting (collectively, the “**Structural Concerns**”).
14. Based on discussions with Archi Worx, the Receiver understands that the extent of the Structural Concerns is uncertain, and it may take a significant amount of time to fully assess and understand the causes of and remediation required to address the Structural Concerns. Based on the advice of the Archi Worx, the Receiver retained a contractor to complete required immediate repairs, which included bracing various walls, reinforcing the ceiling and adjusting numerous glass panels. The Receiver also had a plumber attend the DV Unit to assess whether there may be a potential leak in the sewer system, however, no such leak was identified. Archi Works is in the process of preparing a report on their findings for the DV Unit, a copy of which will be provided to Amara upon receipt.
15. At the Receiver’s request, NAI provided the Disclosure to parties known to have an interest in the DV Unit and established a deadline for the submission of offers on the DV Unit as the close of business on January 20, 2023 (the “**Deadline**”). On the Deadline, the Receiver received one offer for the DV Unit and based on that offer, the Receiver negotiated and executed the DV Unit OTP. The details of the DV Unit OTP that are not commercially sensitive are summarized below:
- 15.1. The deposit due pursuant to the DV Unit OTP has been paid and is being held in the Receiver’s legal counsel’s trust account;
- 15.2. The DV Unit OTP is unconditional with the exception of Court approval;
- 15.3. Closing will occur five business days following Court approval;
- 15.4. The sale is being completed on an “as is, where is” basis with no representations or warranties being made by the Receiver. The Receiver notes that the Disclosure has been provided to Amara and is appended to the DV Unit OTP. Amara has agreed to release and not to sue the Receiver in respect of any matter relating to the DV Unit, including the Disclosure, and to indemnify the Receiver in respect of claims in relation to the condition of the DV Unit; and
- 15.5. A 5% commission rate will be payable to NAI in respect of the DV Unit OTP.
16. The Receiver is supportive of completing the transaction contemplated in the DV Unit OTP (the “**DV Unit Sale**”) based on the following:
- 16.1. The DV Unit was subject to a rigorous marketing process and has been sufficiently exposed to the market. Due to the Structural Concerns, the Receiver is of the view that the DV Unit Sale must be completed as soon as possible, such that the Structural Concerns can be adequately addressed outside of the receivership proceedings;
- 16.2. The DV Unit Sale represents the highest purchase price offered, following the identification of the Structural Concerns; and
- 16.3. 1193770 Alberta Ltd., who holds a registered mortgage on the DV Unit, has indicated that they are supportive of the DV Unit Sale.

17. The Receiver notes that, due to the urgency to complete the DV Unit Sale, the Receiver is seeking approval for the DV Unit Sale without complying with the requirements of the ROFR. In this regard, the Receiver notes the following:
  - 17.1. The Tenant was invited to participate in the sale process for the DV Unit and, prior to the Structural Concerns being identified, submitted two offers in respect of the DV Unit, neither of which were accepted by the Receiver;
  - 17.2. In conjunction with accepting the SAS Offer, the Receiver provided the Tenant with notice under the ROFR on December 30, 2022 (the “**ROFR Notice**”). As noted above, following receipt of the ROFR Notice, the Tenant had communications with SAS Builders despite the Receiver’s request that it not do so, following which the SAS Offer was withdrawn. Correspondence from McMillan to the Tenant in this regard is attached hereto as “Schedule 5” (the “**SAS Letter**”) Based on the concerns identified in the SAS Letter, the Receiver is of the view that, even absent the Structural Concerns, it would be difficult for the Receiver to complete a transaction, if required to comply with the ROFR; and
  - 17.3. Following the identification of the Structural Concerns, the Tenant was once again invited to submit an offer by the Deadline but did not do so.

#### **SEALING OF THE CONFIDENTIAL REPORT**

18. The Third Confidential Report contains copies of the following confidential and commercially sensitive information:
  - 18.1. The DV Unit Appraisal;
  - 18.2. The Tenant Inspection; and
  - 18.3. An unredacted copy of the DV Unit OTP (collectively, the “**Confidential Information**”).
19. At the February 9 Hearing, the Receiver is seeking to temporarily seal the Third Confidential Report until the sale of the DV Unit closes or until a further Order of this Honourable Court. The Receiver is of the view that the Confidential Information is commercially sensitive and that the disclosure of the Confidential Information would be detrimental to any subsequent marketing efforts that may be undertaken for the DV Unit. There are no reasonable alternative measures to sealing this information. The Receiver is of the view that, if the requested Sealing Order is not granted, creditor recoveries may be reduced if a future marketing process is undertaken.

#### **RECOMMENDATION AND CONCLUSION**

20. The Third Report has been prepared to provide the Court with information on the following relief sought by the Receiver at the February 9 Hearing:
  - 20.1. Approving the DV Unit Sale; and




20.2. Temporarily sealing the Third Confidential Report.

21. The Receiver is recommending each of the foregoing for the reasons set out herein.

All of which is respectfully submitted this 30<sup>th</sup> day of January 2023.

**MNP Ltd.**, in its capacity as Receiver and Manager of Faissal Mouhamad Professional Corporation, Delta Dental Corporation, 52 Dental Corporation, 52 Wellness Centre Inc., Michael Dave Management Ltd. and 985842 Alberta Ltd. and not in its personal or corporate capacity

Per:   
\_\_\_\_\_  
Vanessa Allen, B. Comm, CIRP, LIT  
Senior Vice President

# SCHEDULES

# SCHEDULE 1

**OFFER TO PURCHASE**

(the "Offer" and, as accepted, the "Agreement")

**TO: MNP Ltd. (the "Receiver"), in its capacity as court appointed Receiver of 985842 Alberta Ltd. (the "Debtor"), and not in its personal capacity**  
1500, 640 – 5 Avenue SW  
Calgary, Alberta  
T2P 3G4  
**(the "Vendor")**

**FROM: Amara Investments Corp.**  
**(the "Purchaser")**

**RE: Those lands and premises municipally located at 5207 Power Center Boulevard in Drayton Valley, Alberta, as more specifically described herein**

**1. PROPERTY**

"Property" shall mean collectively all of the right, title and interest of the Debtor in and to:

- (a) those lands and premises municipally located at 5207 Power Center Boulevard in Drayton Valley, Alberta described in Schedule "A", the legal title for which is attached as Schedule "B" herein; and
- (b) all executed and subsisting offers to lease, agreements to lease, leases, renewals of leases, tenancy agreements, rights of occupation, licenses or other occupancy agreements granted by or on behalf of the Debtor, or the Vendor, in its capacity as court appointed receiver of the Debtor, or any predecessors in title to possess or occupy space within the said lands and premises or any part thereof now or hereafter, together with all security, guarantees and indemnities of the tenant's obligations thereunder, in each case as amended, extended, renewed or otherwise modified (collectively, the "Leases"); and
- (c) all fixtures, appliances, improvements, equipment and chattels owned by the Debtor and located thereon which are used in connection with the operation or management of the said lands and premises.

The Debtor's right, title and interest in and to the Property shall be conveyed to the Purchaser pursuant to the SAVO (as defined below) free and clear of all mortgages, encumbrances, liens or interests except for those permitted encumbrances set forth in Schedule "C" hereto (the "Permitted Encumbrances").

**2. PURCHASE PRICE**

The purchase price for the Property is [REDACTED]  
(the "Purchase Price"), as adjusted in accordance with Section 8 hereof, to be paid as follows:

- (a) [REDACTED] by way of a deposit (the "Deposit") to be paid to the Vendor's solicitor in trust, by way of wire transfer, within two (2) Business Days of acceptance of this Offer by the Vendor; and
- (b) THE BALANCE to be paid on or prior to the Closing Date, by way of wire transfer, to the Vendor's solicitor.

**3. DEPOSIT**

- (a) The Vendor's solicitor shall hold the Deposit, which shall be dealt with as contemplated herein. The parties acknowledge that the Vendor's solicitors shall be a mere stakeholder of the Deposit as between the parties to this Agreement and, in the event of a dispute between the Vendor and the Purchaser as to entitlement to, or disposition of, the Deposit, the Vendor's solicitors shall be entitled to pay the Deposit into court and thereafter shall have no further responsibility in regard thereto and the Vendor's solicitors may act in the interest of the Vendor in the matter of any dispute between the parties.
- (b) The Deposit shall be applied towards the Purchase Price and shall be released to the Vendor on the Closing Date.
- (c) If the Vendor fails to complete the sale of the Property in accordance with this Agreement or repudiates this Agreement then, at the Purchaser's option, the Deposit (or so much thereof as have been paid) shall be returned to the Purchaser, on demand as a genuine pre-estimate of the Purchaser's minimum liquidated damages.
- (d) If the Purchaser fails to complete the purchase of the Property in accordance with this Agreement or repudiates this Agreement then, at the Vendor's option, the Deposit (or so much thereof as have been paid), shall be forfeited to the Vendor, on demand as a genuine pre-estimate of the Vendor's minimum liquidated damages.

**4. VENDOR'S CONDITION(S)**

The obligation of the Vendor to complete this transaction shall be subject to the Vendor having given notice in writing to the Purchaser that the following condition has been satisfied or is waived no later than the date set out below.

- (a) This Offer is subject to the prior written approval not later than seven (7) days following the Acceptance Date of Royal Bank of Canada and any other secured lenders, whose approval is deemed necessary at the sole discretion of the Receiver.

(the "Vendor's Condition"). The Vendor's Condition will be for the sole benefit of the Vendor and may be waived, in whole or in part, by the Vendor at any time on or prior to the date specified herein.

In the event that the Vendor shall fail to notify the Purchaser of the waiver or satisfaction of the Vendor's Condition on or before the date specified herein, this Agreement shall terminate and be of no further force or effect and the Deposit shall be forthwith returned to the Purchaser.

The obligation of the Vendor to complete this transaction shall be subject to the Vendor having given notice in writing to the Purchaser that the following condition shall be satisfied no later than the date set out below.

- (b) This Offer is subject to the Court of King's Bench of Alberta (the "Court") granting on or before February 16, 2023 a Sale Approval and Vesting Order (the "SAVO") approving the transaction contemplated herein, a true copy of which SAVO the Vendor shall provide to the Purchaser (the "SAVO Condition"). Once the Vendor provides the Purchaser with the SAVO, this SAVO Condition shall be deemed satisfied provided such SAVO is not subject to any outstanding appeal or application for leave to appeal.

February 16



In the event that the Court does not grant the SAVO on or before \_\_\_\_\_, 2023, then this Agreement may at the option of the Vendor terminate and be of no further force or effect and the Deposit shall be forthwith returned to the Purchaser.

## 5. REPRESENTATIONS AND WARRANTIES

- (a) The Purchaser acknowledges that the Purchaser has inspected the Property and the Purchaser agrees that neither the Vendor nor any agent or representative of the Vendor has made any representation, warranty, condition or collateral agreement relating to the Property or any adjacent Property or any other matter affecting the Property other than as is expressed herein in writing. Except as otherwise set forth herein, the Purchaser is purchasing the Property in its present condition and is relying solely on its own inspections and investigations with respect to the Property. Without limiting the generality of the foregoing, the Purchaser:
- (i) acknowledges that it is aware of the land use classification of the Property and surrounding Property; and
  - (ii) acknowledges receipt, and is aware of, the disclosure provided by the Receiver disclosing certain structural concerns with respect to the Property, a copy of which is attached as "Schedule D" hereto (the "Disclosure").
  - (iii) acknowledges that neither the Vendor nor any agent or representative of the Vendor has made any representation, warranty, condition or collateral agreement whatsoever with respect to environmental matters or with respect to soil, subsoil, water table or foundation conditions and the Purchaser agrees that it is the sole responsibility of the Purchaser to take all appropriate steps to inspect the Property and to ensure adequate foundations for any buildings to be erected on the Property.
- (b) The Vendor represents and warrants to the Purchaser as follows:
- (i) subject to the granting of the SAVO, the Vendor has the full power, right and authority to enter into this Agreement; and
  - (ii) the Vendor is not a "non-resident" of Canada according to the meaning and intent of the Income Tax Act of Canada.



- (c) The Purchaser represents and warrants to the Vendor as follows:
- (i) as of the date hereof and on Closing, the Purchaser is a corporation duly incorporated, organized and validly subsisting under the laws of the Province of Alberta and has the full power, right and authority to enter into this Agreement; and
  - (ii) the Purchaser is not a non-Canadian person as defined in the *Investment Act Canada*.

The Vendor and the Purchaser each covenant that the representations and warranties made herein are materially correct and accurate to the best of the Vendor's or the Purchaser's knowledge and belief without special investigation. The representation and warranties of the Vendor and the Purchaser described herein shall merge and shall not survive on Closing, save and except as otherwise expressly provided for herein.

## 6. COLLECTION OF GST

The Purchaser represents and warrants that it is registered for the purposes of goods and services tax (the "GST") under Part IX of the *Excise Tax Act* (Canada) (the "Act"). By virtue of this registration and the provisions of the Act, the Purchaser covenants to assume all liability for the GST applicable to this transaction. The Purchaser shall, on or before the Closing Date, provide to the Vendor a copy of the Purchaser's certificate of registration under Part IX of the Act, together with a statutory declaration from an officer of the Purchaser confirming that the certificate is current and unamended and that the Purchaser is purchasing the Property on its own behalf and not as agent or trustee of any other party.

The Purchaser further covenants that it shall either pay the GST applicable to this transaction or complete and execute such forms, make such elections, filings and reports and do all other things that are necessary or required pursuant to the Act, all within the time limits prescribed in the Act. The Purchaser hereby agrees to and does hereby indemnify and save the Vendor harmless from and against all liability, costs and expenses, including interest and penalties and any legal fees and disbursements on a solicitor and their own client basis, that the Vendor may incur or become subject to as a result of a default by the Purchaser or its obligations pursuant to this section 6.

## 7. CLOSING & ADJUSTMENTS

- (a) Subject to the terms and conditions hereof, and unless otherwise ordered by the Court or mutually agreed upon by the parties, vacant possession of the Property shall be provided to the Purchaser as at 12:00 P.M. (Alberta time) on the date (the "Closing Date") that is five (5) Business Days following the date on which the SAVO has been obtained, provided that on such date the SAVO is not subject to any outstanding appeal or application for leave to appeal.
- (b) The Purchase Price shall be subject to adjustment as at 12:00 p.m. (Alberta time) on the Closing Date and will include but not be limited to property taxes, utilities and any income and pre-paid expenses relating to the Property. The adjustments will be made to the extent reasonably possible on Closing as of the Closing Date. The Vendor will prepare a statement of the adjustments for the Property. The Purchaser and the Vendor agree that

if the final cost or amount of any item which is to be adjusted under this section 7 cannot be determined at Closing, then an initial adjustment for such item shall be made at Closing, and such amount shall be reasonably estimated by the Vendor as at the end of the day preceding the adjustment date on the basis of the best evidence available at the Closing as to what the final cost or amount of such item will be. Notwithstanding any other provisions of this Agreement and for the avoidance of doubt, the Parties agree that their respective rights to adjustment and/or readjustment of any item or matter in relation to this transaction after Closing, shall be limited to the period of thirty (30) days after Closing, and any specific claim for adjustment and/or re-adjustment not made within such period shall expire and be extinguished on the expiry of such period and neither party shall have any further right to claim for adjustment or re-adjustment of the Purchase Price for any reason whatsoever.

- (c) Rental arrears and accounts receivable and any other claims against a tenant pursuant to a Lease, payable or accrued prior to the Closing Date and unpaid on the Closing Date (the "Tenant Receivables"), shall remain the property of the Vendor and there shall be no adjustment in favour of the Vendor on the statement of adjustments for such amounts. After the Closing Date, the Vendor shall have the right to recover the Tenant Receivables directly from the tenants. The Vendor may commence litigation against any tenant to recover the Tenant Receivables and the Purchaser agrees to provide any assistance required in respect thereto, provided that any action taken to recover the Tenant Receivables does not threaten any tenant's right to possession of its premises pursuant to the tenant's Lease and that the Vendor shall notify the Purchaser of its commencement of litigation with respect thereto. The Purchaser agrees to use its reasonable commercial efforts to collect the Tenant Receivables on behalf of the Vendor while any tenant that owes Tenant Receivables remains in occupancy of premises under a Lease at the Property, or any portion thereof. Any amount received or collected by the Purchaser after the Closing Date from a tenant that owes Tenant Receivables to the Vendor shall be credited, first to any Tenant Receivables owed to the Vendor; second to current month's rent; and third, to any arrears of rent owing to the Purchaser accruing from and after the Closing Date. Notwithstanding any other provisions of this Agreement and for the avoidance of doubt, the Parties agree that their respective rights to adjustment and/or readjustment in relation to any Tenant Receivables after Closing, shall be limited to the period of ninety (90) days after Closing, and any specific claim for adjustment and/or re-adjustment with respect to Tenant Receivables not made within such period shall expire and be extinguished on the expiry of such period and neither party shall have any further right to claim for adjustment or re-adjustment with respect to Tenant Receivables for any reason whatsoever.
- (d) The Vendor agrees to deliver or cause to be delivered the following to the Purchaser on or before the Closing Date:
  - (i) a bill of sale with respect to all fixtures, appliances, improvements, equipment and chattels owned by the Debtor and located thereon which are used in connection with the operation or management of the said lands and premises;
  - (ii) a statement of adjustments in accordance with this Section 7;



- (iii) an undertaking to re-adjust all items on or omitted from the statement of adjustments in accordance with this Section 7;
  - (iv) an assignment of Leases, if applicable;
  - (v) the vesting order (which may or may not be the SAVO); and
  - (vi) such other documents as are required by the terms of this Agreement or are reasonably required by the Purchaser.
- (e) The Purchaser agrees to deliver or cause to be delivered the following to the Vendor on or before the Closing Date:
- (i) the adjusted balance of the Purchase Price by wire transfer;
  - (ii) an assignment of leases, if applicable;
  - (iii) an undertaking to re-adjust all items on or omitted from the statement of adjustments in accordance with this Section 7; and
  - (iv) such other documents as are required by the terms of this Agreement or are reasonably required by the Vendor.
- (f) The Vendor's solicitors shall be entitled to deliver closing documents to the Purchaser's solicitors on trust conditions customarily used for closing commercial real property transactions in Calgary, Alberta with necessary and reasonable amendments reflecting the nature of transactions which are being completed by a court appointed receiver pursuant to a sale approval and vesting order. The trust conditions may contemplate that any financial encumbrances which are not Permitted Encumbrances may be paid out of the sale proceeds and discharged in due course on the basis of the Vendor's solicitor's undertakings. In lieu of a transfer of land and other conveyances, the Vendor shall be entitled to tender a vesting order (which may or may not be the SAVO). The Purchaser shall on or before the Closing Date execute and deliver to the Vendor all documentation contemplated in this Agreement or as may be necessary or desirable to complete the transaction contemplated in this Agreement. If required, the Purchaser shall obtain title insurance, at its own expense, with gap coverage, to allow for the adjusted balance of the Purchase Price to be fully releasable to the Vendor no later than 12:00 P.M. (Alberta time) on the Closing Date.

## **8. PURCHASER'S ENCUMBRANCES**

The Purchaser shall not be permitted to encumber the Property in any way.

9. ASSIGNMENT

This Agreement constitutes a binding contract of purchase and sale. It shall extend to and be binding upon and enure to the benefit of the Parties hereto and their respective successors and assigns. The Purchaser shall not be entitled to assign this Agreement after the granting of the SAVO without the consent of the Court. No assignment of this Agreement by the Purchaser prior to the granting of the SAVO shall be valid unless notice of the assignment is received by the Vendor prior to the date on which the application for the SAVO is made.

10. NOTICES

Any notice required to be given hereunder by any party shall be deemed to have been well and sufficiently given if:

- (a) personally, delivered to the party to whom it is intended or if such party is a corporation to an officer of that corporation; or
- (b) mailed by prepaid registered mail, transmitted by e-mail or facsimile, or delivered to the mailing address, e-mail address or facsimile number of the party to whom it is intended as follows:

- (i) if to the Purchaser, then, #112 2675 36st ne t1y6h6

(A)

H

~~Sunridge prof building~~  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

- (ii) if to the Vendor, then,

**MNP Ltd. in its capacity as Receiver of 985842 Alberta Ltd. and not in its personal capacity**  
 1500, 640 – 5 Avenue SW  
 Calgary, Alberta  
 T2P 3G4  
 Email: [Vanessa.Allen@mnp.ca](mailto:Vanessa.Allen@mnp.ca)  
 Attention: Vanessa Allen

with a copy to:

**McMillan LLP**  
 TD Canada Trust Tower  
 1700, 421 – 7<sup>th</sup> Avenue SW  
 Calgary, AB  
 T2P 4K9  
 Email: [adam.maerov@mcmillan.ca](mailto:adam.maerov@mcmillan.ca); [Mitchell.allison@mcmillan.ca](mailto:Mitchell.allison@mcmillan.ca)  
 Attention: Adam Maerov and Mitchell Allison

or to such other address or number as a party may from time to time direct in writing. Any such notice delivered before 4:30 p.m. local time on a day that is not a Saturday, Sunday or Schedule I bank holiday in Alberta (a "Business Day") shall be deemed to have been received on the date of delivery and any notice delivered after 4:30 p.m. local time on a Business Day or delivered on a day other than a Business Day, shall be deemed to have been received on the next Business Day. Any notice mailed shall be deemed to have been received seventy-two (72) hours after the date it is postmarked. Any notice sent by facsimile or emailed before 4:30 p.m. local time on a Business Day shall be deemed to have been received when the sender receives the answer back confirming receipt of the recipient; provided, however, that any facsimile or email received after 4:30 p.m. local time on a Business Day or received on a day other than a Business Day shall be deemed to have been received on the next Business Day. If normal mail or communication service is interrupted by strike, slow-down, force majeure or other cause after the notice has been sent the notice will not be deemed to have been received until actually received. In the event normal mail service is impaired at the time of sending the notice, then the personal delivery, facsimile or email transmission only shall be effective.

**11. GOVERNING LAW AND SUBMISSION TO JURISDICTION**

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the parties hereto hereby submit to the jurisdiction of the Courts of the Province of Alberta sitting in Calgary, Alberta.

**12. TIME OF ESSENCE**

Time shall be of the essence of this Agreement and of every part hereof.

**13. COVENANTS AND REPRESENTATIONS**

Except as expressly provided for in this Agreement, the Purchaser acknowledges that it is relying entirely upon its own inspections and investigations with respect to the Property and the Property is being purchased on an "as is, where is" basis, without any express or implied agreement or representation and warranty of any kind whatsoever or any liability or obligation of the Vendor as to the physical condition, fitness for a particular purpose, physical characteristics, environmental condition, existence of latent defects, quality, or any other aspect or characteristic thereof including without limitation, the Purchaser's acknowledgment and receipt of the Disclosure as attached to this Agreement, disclosing structural concerns with respect to the Property. The Purchaser further acknowledges having been given the opportunity to conduct independent investigation of the matters forming the basis of the representation and warranties in this Agreement.

**14. RELEASE AND COVENANT NOT TO SUE**

The Purchaser covenants and agrees that, upon Closing, the Purchaser shall:

- (a) forever release and covenant not to sue the Vendor and its affiliates and related entities and the officers, directors, employees, advisors and agents of all such persons (collectively, the "Vendor Parties") with respect to anything arising out of the condition of the Property, including without limitation with respect to the Disclosure, regardless of



whether such condition is known or unknown by the Purchaser or any of the Vendor Parties and regardless of whether such condition is set forth in the Disclosure or any other reports, document or information discovered or otherwise made available to the Purchaser; and

- (b) indemnify, defend, and hold harmless the Vendor Parties from any and all claims which at any time or from time to time may be paid, incurred or asserted against any of the Vendor Parties for, with respect to, as a result of, or in connection with the condition of the Property.

The provisions and obligations of this Section 14 shall survive the Closing.

**15. CONFIDENTIALITY**

The Purchaser and the Vendor agree that all negotiations regarding the Property shall be confidential, including the contents of this Offer and will not be disclosed to anyone other than the parties' respective legal counsel, accountants, lenders, internal staff, agents and equity partners. Furthermore, the Purchaser and the Vendor agree that no press or other publicity, release or communication to the general public concerning the proposed transaction will be issued without the other party's prior approval, unless required by law including as reasonably required in order for the Vendor to apply for the SAVO. If the transaction contemplated by this Agreement is not completed for any reason, the Purchaser shall promptly deliver to the Vendor all materials and information provided by the Vendor and others herein, (excluding its notes and not including all reports and information prepared by or for the Purchaser in regard to the Property, including, but not limited to environmental and engineering reports), including all copies, and shall destroy all of the Purchaser's notes and other due diligence material containing information set out in the materials and information provided by the Vendor herein.

**16. PROFESSIONAL ADVICE**

The parties to this Agreement agree and acknowledge that all legal, tax, accounting, engineering and regulatory advice is being obtained through the Purchaser's and Vendor's own professional advisors. Each of the Parties shall be responsible for and shall pay all taxes, costs, expenses, legal or professional fees incurred by it in connection with this Agreement and the transaction contemplated herein.

**17. REAL ESTATE FEE**

The Vendor shall be responsible for all real estate commissions payable to NAI Commercial, which for this transaction are defined in a separate agreement.

**18. RECEIVER AND MANAGER**

The Purchaser acknowledges that this Agreement is made between the Purchaser and the Vendor by its court-appointed receiver and manager, the Receiver, and that the Receiver shall not have any personal liability whatsoever in connection with the performance of this Agreement, the condition of the Property or any other matter arising hereunder or in relation hereto.

**19. MISCELLANEOUS**

- (a) Any term, condition or provision of this Agreement that is or may be deemed to be void, prohibited or unenforceable shall be severable without in any way invalidating the remaining terms, conditions or provisions hereof.
- (b) Headings used in this Agreement are for convenience only and will not be deemed to form part of this Agreement and will not be used or referred to in the construction and interpretation of this Agreement.
- (c) Any notice, approval, waiver, agreement, instrument, document or communication permitted, required or contemplated in this Agreement may be given or delivered and accepted or received by the Purchaser's solicitors on behalf of the Purchaser and by the Vendor's solicitors on behalf of the Vendor and a tender of the documentation and funds provided for herein may be made upon the Vendor's solicitors and the Purchaser's solicitors as the case may be.
- (d) This Agreement may be executed in counterpart and all counterparts shall when taken together constitute one and the same agreement.
- (e) This Agreement may be signed and delivered by any electronic means capable of producing a hard copy printed record. Without limiting the generality of the foregoing, the Vendor and the Purchaser may utilize any mutually agreeable electronic signing platform (including but not limited to "docusign" or similar platforms) with the same effect as if the Vendor and the Purchaser had executed and delivered a hard copy of this Agreement with original wet ink signatures.

**20. Attachments**

The following schedules are attached to and form part of this Agreement:


- (a) Schedule "A" – Legal and Municipal Description of the Property;
- (b) Schedule "B" – Certificate of Title to the Property;
- (c) Schedule "C" – Permitted Encumbrances; and
- (d) Schedule "D" – Disclosure

**21. OFFER**

This Offer shall be open for acceptance until 4:30 p.m. (Alberta time) on January \_\_, 2023 and may be accepted by the Vendor by causing a duly signed and accepted copy of the Offer to be delivered, emailed or faxed to the Purchaser.

Dated this 25 day of January, 2023.

**Amara Investments Corp.**

Per:   
\_\_\_\_\_  
I/We have authority to bind the Corporation.

[Vendor's Acceptance Follows on Next Page]

**VENDOR'S ACCEPTANCE**

MNP Ltd., solely in its capacity as Receiver of 985842 Alberta Ltd. and not in its personal capacity, accepts this Offer on and subject to the terms and conditions set out herein as of the 25 day of January, 2023.

**MNP Ltd., solely in its capacity as  
Receiver of 985842 Alberta Ltd.  
and not in its personal capacity**

Per:  \_\_\_\_\_

I/We have authority to bind the Corporation.

**SCHEDULE "A"**

LEGAL AND MUNICIPAL DESCRIPTION OF THE PROPERTY

Civic Address of the Property

108, 5205 Power Center Boulevard in Drayton  
Valley, Alberta

Legal Description of the Property

PLAN 0721291  
BLOCK 102  
LOT 14  
EXCEPTING THEREOUT ALL MINES AND MINERALS



**SCHEDULE "B"**

CERTIFICATE OF TITLE



LAND TITLE CERTIFICATE

S  
LINC                      SHORT LEGAL                      TITLE NUMBER  
0032 255 698            0721291;102;14                      122 161 801

LEGAL DESCRIPTION  
PLAN 0721291  
BLOCK 102  
LOT 14  
EXCEPTING THEREOUT ALL MINES AND MINERALS

ESTATE: FEE SIMPLE  
ATS REFERENCE: 5;7;49;17;SW

MUNICIPALITY: TOWN OF DRAYTON VALLEY

REFERENCE NUMBER: 082 034 088

---

REGISTERED OWNER(S)				
REGISTRATION	DATE (DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
122 161 801	25/05/2012	TRANSFER OF LAND	\$750,000	\$750,000

---

OWNERS

985842 ALBERTA LTD.  
OF C/O 7151-50 AVENUE  
RED DEER  
ALBERTA T4N 4E4

(DATA UPDATED BY: CHANGE OF ADDRESS 222066417)

---

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
042 379 769	04/09/2004	UTILITY RIGHT OF WAY GRANTEE - ATCO GAS AND PIPELINES LTD.
052 003 262	05/01/2005	EASEMENT AS TO PORTION OR PLAN:0520040 AS TO AREAS H & K
052 003 264	05/01/2005	UTILITY RIGHT OF WAY GRANTEE - THE TOWN OF DRAYTON VALLEY.

( CONTINUED )

-----  
ENCUMBRANCES, LIENS & INTERESTS

PAGE 2

# 122 161 801

## REGISTRATION

NUMBER	DATE (D/M/Y)	PARTICULARS
		AS TO PORTION OR PLAN:0520040 AREAS A,B,C,D,E,F,G,U
052 003 265	05/01/2005	UTILITY RIGHT OF WAY GRANTEE - FORTISALBERTA INC. AS TO PORTION OR PLAN:0520040 AREAS B,C,U
052 030 033	24/01/2005	CAVEAT RE : EASEMENT , ETC.
052 045 234	03/02/2005	POSTPONEMENT OF EASE 052003262 TO CAVE 052030033
052 190 900	17/05/2005	EASEMENT AS TO PORTION OR PLAN:0520040 AS TO AREAS B, C & L "OVER PLAN 0520039 BLOCK 102 LOT 2"
052 245 797	21/06/2005	EASEMENT "OVER SW 17-49-7-5 AS TO PLAN 0520040 AREAS "B" "J" & "L"
052 275 197	08/07/2005	RESTRICTIVE COVENANT
052 275 200	08/07/2005	CAVEAT RE : EASEMENT AND RESTRICTIVE COVENANT
052 308 371	27/07/2005	POSTPONEMENT OF EASE 052003262 TO CAVE 052275200
082 034 087	22/01/2008	PARTY WALL AGREEMENT
082 034 089	22/01/2008	RESTRICTIVE COVENANT
082 034 090	22/01/2008	RESTRICTIVE COVENANT
202 164 797	11/08/2020	CERTIFICATE OF LIS PENDENS BY - MAHMOUD MOHAMAD SEE INSTRUMENT FOR INTEREST
202 165 891	12/08/2020	MORTGAGE MORTGAGEE - 1193770 ALBERTA LTD. C/O 500, 707 7 AVE SW CALGARY ALBERTA T2P3H6 ORIGINAL PRINCIPAL AMOUNT: \$800,000
202 165 892	12/08/2020	CAVEAT

( CONTINUED )

-----  
 ENCUMBRANCES, LIENS & INTERESTS

PAGE 3  
 # 122 161 801

REGISTRATION

NUMBER      DATE (D/M/Y)      PARTICULARS  
 -----

RE : ASSIGNMENT OF RENTS AND LEASES  
 CAVEATOR - 1193770 ALBERTA LTD.  
 C/O 500, 707 7 AVE SW  
 CALGARY  
 ALBERTA T2P3H6  
 AGENT - BRIAN TWERDOFF

222 066 418      21/03/2022 MORTGAGE  
 MORTGAGEE - GHALIB HADI  
 7151-50TH AVE  
 RED DEER  
 ALBERTA T4N4E4  
 ORIGINAL PRINCIPAL AMOUNT: \$800,000

222 066 419      21/03/2022 CAVEAT  
 RE : ASSIGNMENT OF RENTS AND LEASES  
 CAVEATOR - GHALIB HADI  
 C/O ALTALAW LLP  
 5233 49TH AVE  
 RED DEER  
 ALBERTA T4N6G5  
 AGENT - N LOCKE RICHARDS

TOTAL INSTRUMENTS: 019

-----  
 PENDING REGISTRATION QUEUE

DRR NUMBER	RECEIVED DATE (D/M/Y)	CORPORATE LLP TRADENAME	LAND ID
D005MW6	07/06/2022	N/A CUSTOMER FILE NUMBER: MCIVOR	
001		CERTIFICATE OF LIS PENDENS	0721291;102;14

TOTAL PENDING REGISTRATIONS: 001

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN  
 ACCURATE REPRODUCTION OF THE CERTIFICATE OF  
 TITLE REPRESENTED HEREIN THIS 29 DAY OF  
 SEPTEMBER, 2022 AT 02:52 P.M.

ORDER NUMBER: 45528312

CUSTOMER FILE NUMBER:



\*END OF CERTIFICATE\*  
 ( CONTINUED )

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).

IF MORE INFORMATION IS REQUIRED ON A PENDING REGISTRATION WHERE THE CONTACT INFORMATION DISPLAYS N/A PLEASE EMAIL LTO@GOV.AB.CA.

**SCHEDULE "C"**

## PERMITTED ENCUMBRANCES

1. Minor title defects or irregularities that do not, in the aggregate, materially impair the servicing, development, construction, operating, occupation, use, management, marketability or value of the Property.
2. Any subsisting reservations, limitations, provisos, conditions or executions, including royalties, contained in the original grant of the Property from the Crown.
3. Any reservations, exceptions, limitations, provisos and conditions to title contained in Section 61 of the *Land Titles Act* (Alberta) and reservations or exceptions of mines and minerals.
4. Those specific instruments more particularly set out below.

<u>Registration Number</u>	<u>Particulars</u>
042 379 769	Utility Right of Way
052 003 262	Easement
052 003 264	Utility Right of Way
052 003 265	Utility Right of Way
052 030 033	Caveat re: Easement, Etc.
052 045 234	Postponement of Easement 052 003 262 to Caveat 052 030 033
052 190 900	Easement
052 245 797	Easement
052 275 197	Restrictive Covenant
052 275 200	Caveat re: Easement and Restrictive Covenant
052 308 371	Postponement of Easement 052 003 262 to Caveat 052 275 200
082 034 087	Party Wall Agreement
082 034 089	Restrictive Covenant
082 034 090	Restrictive Covenant

**SCHEDULE "D"**

DISCLOSURE

Writer's Direct Line: 403-477-9661  
Writer's Email: vanessa.allen@mnp.ca

January 17, 2023

To Whom it May Concern:

Dear Sir or Madam,

**RE: 985842 Alberta Ltd. – in Receivership (the “Company”)**

As you may be aware, MNP Ltd. acts as Receiver and Manager of the Company (the “Receiver”) pursuant to an Order granted by the Court of King’s Bench of Alberta on September 29, 2022. The Company’s assets include real property located at 5207 Power Centre Boulevard, in Drayton Valley, Alberta, which is legally described as Plan 0721291, Block 102, Lot 14 excepting thereout all mines and minerals (the “Property”).

NAI Commercial has been retained by the Receiver to market the Property.

The Receiver has retained Archi Worx Consulting Inc. (the “Consultant”) for an inspection of the Property. On the completion of a preliminary visual inspection, the Consultant has identified and the Receiver hereby discloses, with the intention that the foregoing list is not meant to necessarily be exhaustive, that certain structural concerns have been identified by the Consultant with respect to the Property, as further described below:

1. Visual signs of structural failure, including signs of wall movement, floor concrete slab sloping, and glass inserts shifting or falling out of tracks; and
2. Falling of ceiling tiles and grid due to wall shifting.

Thanks very much,

Yours truly,

**MNP Ltd.**, in its capacity as Interim Receiver and Manager of  
985842 Alberta Ltd. and not in its personal or corporate capacity



Vanessa Allen, B. Comm, CIRP, LIT  
Senior Vice President



# SCHEDULE 2

If at any time during the Term of this Lease the Rent payable by the Tenant is overdue and unpaid then the Landlord may at its option apply any portion of such security deposit toward the payment of such overdue Rent without thereby limiting or excluding any other right which the Landlord may have hereunder or at law. In the event the entire security deposit or a portion thereof is applied by the Landlord towards the payment of overdue Rent or towards the payment of any other amounts owing by the Tenant pursuant to this Lease, then the Tenant will, on the written demand of the Landlord forthwith remit to the Landlord an amount equal to the funds so applied.

3. **Right of First Refusal.** Provided the Tenant is not otherwise in default of this Lease, the Landlord grants to the Tenant a right of first refusal (the "Right of First Refusal"), irrevocable within the time limited herein, to purchase the Lands on the terms and conditions set forth in this Schedule "B". The Landlord hereby covenants and agrees that it shall not, prior to the expiration or other termination of this Lease or the renewal provided for herein, sell the Lands or any part thereof except pursuant to a bona fide arm's length offer (the "Third-Party Offer") in accordance with the following procedure:
- (a) if the Landlord receives a Third-Party Offer which it is prepared to accept, the Landlord shall send a notice of its intention to accept such Third-Party Offer together with a duplicate copy of such Third-Party Offer to the Tenant;
  - (b) the notice and other documents sent to the Tenant pursuant to Paragraph (a) shall constitute an offer (the "Offer") to the Tenant to sell to the Tenant the Lands on exactly the same terms and conditions as set forth in the Third-Party Offer;
  - (c) the Offer shall be open for acceptance by the Tenant for a period of thirty (30) days from the date the Offer is made to the Tenant. The Tenant's acceptance shall be in writing and accompanied by a bank draft payable to the Landlord in the amount of the deposit set out in the Offer;
  - (d) if the Tenant accepts the Offer within the time limit specified in Paragraph (c) then there shall be a binding sale for the Lands between the Tenant and the Landlord on the terms and conditions set out in the Offer;
  - (e) if the Tenant does not accept the Offer within the time limit specified in Paragraph (c) then the Landlord may accept the Third-Party Offer and may complete the purchase and sale contemplated therein, and, though such a release shall not be required for the Right of First Refusal to terminate, if requested by the Landlord, the third party, or any lender or potential lender, the Tenant shall, at the Tenant cost, provide the Landlord with the necessary release of the Right of First Refusal;
  - (f) if the Landlord does not accept the Third-Party Offer or if the purchase and sale between the Landlord and the Third Party is not completed within 180 days of the date of the Offer, or is otherwise terminated, then the Right of First Refusal shall again continue to be binding between the Landlord and the Tenant on the terms and conditions of this Schedule "B"; and
  - (g) if the Tenant accepts the Offer and thereafter fails to complete the purchase of the Land in accordance with Paragraph (d), the deposit shall be forfeited to the Landlord on account of damages and this Right of First Refusal shall thereafter immediately terminate and be of no further force or effect.

- (h) The Tenant shall have no right to assign this Right of First Refusal. Notwithstanding any other provision of this Lease, this Right of First Refusal shall immediately terminate and be of no further force or effect if this Lease is terminated, surrendered or otherwise determined for any reason.

# **SCHEDULE 3**

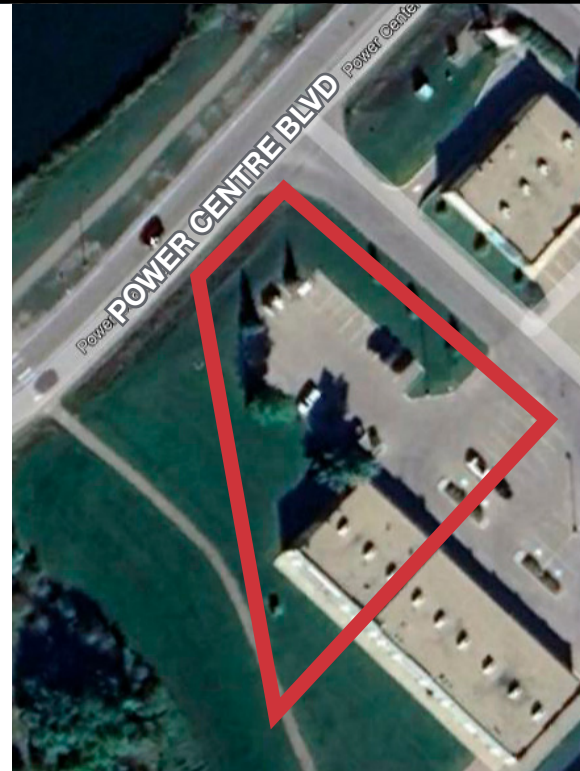


## INVESTMENT OPPORTUNITY

**#108, 5207 POWER CENTRE BOULEVARD,  
DRAYTON VALLEY, AB**

### PROPERTY HIGHLIGHTS

- Unique retail investment opportunity consisting of 3,803 sq. ft.± on 0.68 acres located within a high profile retail complex in Drayton Valley
- Drayton Valley Power Centre is a modern shopping complex consisting of two buildings shadow anchored by Walmart, Canadian Tire, Mark's Work Warehouse and Drayton Valley Ford
- Unit has been subdivided from the rest of the complex and is on a separate title
  - Title includes 3,803 sq.ft. portion of the building, and land components including separate parking lot (20 stalls) and parking area directly adjacent (9 stalls)
- Unit leased triple-net to Valley Dental, a General/Family Dental practice local to the Drayton Valley market
  - Modern finishings throughout premises, including large reception/waiting area, multiple patient/consultation stations, full kitchenette, multiple lab areas and more
- Attractive location just off Cowboy Trail (Hwy 22), the main thoroughfare through Drayton Valley



**Michael Parsons**  
780 435 5507  
mparsons@naiedmonton.com





#108, 5207 POWER CENTRE BOULEVARD  
DRAYTON VALLEY, ALBERTA

RECEIVERSHIP SALE  
Drayton Valley  
Power Centre



8,683  
POPULATION  
IN AREA



0.2%  
ANNUAL  
GROWTH



3,237  
HOUSEHOLDS



0.4%  
ANNUAL  
HOUSEHOLDS  
GROWTH



\$119,017  
AVERAGE  
HOUSEHOLD  
INCOME



5,794  
DAYTIME  
EMPLOYEES



\$359M  
CONSUMER  
SPENDING



563  
BUSINESSES

2022 COSTAR DEMOGRAPHICS - WITHIN 5 KM

6839-E-1 MP22





**#108, 5207 POWER CENTRE BOULEVARD  
DRAYTON VALLEY, ALBERTA**

**RECEIVERSHIP SALE**  
Drayton Valley  
Power Centre



**PARKING AREA**



**ADDITIONAL INFORMATION**

BUILDING AREA	3,803 sq.ft.±
SITE AREA	0.68 acres
ZONING	C-GEN (Commercial, General District)
YEAR BUILT	2006
LEGAL DESCRIPTION	Plan 0721291, Block 102, Lot 14

**FINANCIAL INFORMATION**

TENANT	Valley Dental
LEASE EXPIRY	August 31, 2028
ANNUAL NET INCOME	\$64,154 with 3% annual escalations
<b>SALE PRICE</b>	<b>\$850,000</b>
CAPITALIZATION RATE	7.5%
PROPERTY TAXES	\$12,170.07 (2022 levy)



6839-E-1 MP22

# SCHEDULE 4



Writer's Direct Line: 403-477-9661  
Writer's Email: vanessa.allen@mnp.ca

January 17, 2023

To Whom it May Concern:

Dear Sir or Madam,

**RE: 985842 Alberta Ltd. – in Receivership (the “Company”)**

As you may be aware, MNP Ltd. acts as Receiver and Manager of the Company (the “Receiver”) pursuant to an Order granted by the Court of King’s Bench of Alberta on September 29, 2022. The Company’s assets include real property located at 5207 Power Centre Boulevard, in Drayton Valley, Alberta, which is legally described as Plan 0721291, Block 102, Lot 14 excepting thereout all mines and minerals (the “Property”).

NAI Commercial has been retained by the Receiver to market the Property.

The Receiver has retained Archi Worx Consulting Inc. (the “Consultant”) for an inspection of the Property. On the completion of a preliminary visual inspection, the Consultant has identified and the Receiver hereby discloses, with the intention that the foregoing list is not meant to necessarily be exhaustive, that certain structural concerns have been identified by the Consultant with respect to the Property, as further described below:

1. Visual signs of structural failure, including signs of wall movement, floor concrete slab sloping, and glass inserts shifting or falling out of tracks; and
2. Falling of ceiling tiles and grid due to wall shifting.

Thanks very much,

Yours truly,

**MNP Ltd.**, in its capacity as Interim Receiver and Manager of  
985842 Alberta Ltd. and not in its personal or corporate capacity



Vanessa Allen, B. Comm, CIRP, LIT  
Senior Vice President

# SCHEDULE 5



Reply to the Attention of: Adam Maerov  
Direct Line: 403.215.2752  
Email Address: adam.maerov@mcmillan.ca  
Our File No.: 293571  
Date: January 13, 2023

**EMAIL: SSABINE@SWLLP.CA**

Sabine and Webb LLP  
5201 Industrial Road  
Drayton Valley, Alberta

**Attention:** Sydney A. Sabine

Dear Sir,

**Re: Receivership Order dated September 29, 2022 granted by the Alberta Court of King's Bench (the "Receivership Order"), pursuant to which MNP Ltd. was appointed as receiver of, among other entities, 985842 Alberta Ltd. (in such capacity, the "Receiver").**

We act as counsel for the Receiver with respect to the above noted matters.

We write to you with respect to the lease agreement dated September 1, 2018 (the "**Lease**"), as between 985842 Alberta Ltd. as landlord, and your client, Puneet Kohli Professional Dental Corporation, as tenant and Puneet Kohli and Manmeet Kaur, collectively as indemnifiers, for those premises located at #108, 5205 Power Centre Boulevard, Drayton Valley, Alberta (the "**Property**").

We confirm receipt of your letter dated January 11, 2023 and the inspection report enclosed therewith (the "**Report**"). The Receiver has engaged a contractor and structural engineer to inspect the premises. This visit has been scheduled for Sunday, January 15, 2022 at 2:00 p.m. Pursuant to paragraph 4 of the Receivership Order and section 5.11 of the Lease your client is required to grant unrestricted access to the Property at such time. Your client has advised the Receiver that one of its representatives will be in attendance. In order to maintain the independence and reliability of the inspection, the Receiver requests that your representative not discuss the Report or any of the matters referred to therein with the contractor or the inspector.

We confirm that the Third-Party Offer for the purchase and sale of the Property from SAS Builders Inc. (the "**Offeror**"), a copy of which was previously provided to you (the "**Offer**"), has been terminated. Consequently, we write to inform you that your right of first refusal

granted under the Lease, a copy of which right of first refusal is attached hereto as **Exhibit "A"**, is withdrawn.

The termination of the Offer shortly followed the Offeror's tour of the Property. The Receiver was informed by the broker present at the tour that, during the tour, the Tenant advised the Offeror of the Report without making the Receiver aware of the Report's existence. In light of your client's prior expressions of interest in purchasing the Property, the Receiver is deeply troubled by the fact that your client provided the Report to the Offeror without any prior notice to, or discussion with, the Receiver. The Receiver is of the view that your client's conduct resulted in, or was a material contributor to, the termination of the Offer by the Offeror.

The Receiver reserves all of its rights and remedies with respect to your client's role in the termination of the Offer and any breach of the Receivership Order by your client. The Receiver intends to advise the Court of your client's conduct and expects that this matter will be the subject of a future application to the Court.

Yours truly,



Adam Maerov\*

\*A Professional Corporation

**Exhibit "A"**

See attached.

If at any time during the Term of this Lease the Rent payable by the Tenant is overdue and unpaid then the Landlord may at its option apply any portion of such security deposit toward the payment of such overdue Rent without thereby limiting or excluding any other right which the Landlord may have hereunder or at law. In the event the entire security deposit or a portion thereof is applied by the Landlord towards the payment of overdue Rent or towards the payment of any other amounts owing by the Tenant pursuant to this Lease, then the Tenant will, on the written demand of the Landlord forthwith remit to the Landlord an amount equal to the funds so applied.

3. **Right of First Refusal.** Provided the Tenant is not otherwise in default of this Lease, the Landlord grants to the Tenant a right of first refusal (the "Right of First Refusal"), irrevocable within the time limited herein, to purchase the Lands on the terms and conditions set forth in this Schedule "B". The Landlord hereby covenants and agrees that it shall not, prior to the expiration or other termination of this Lease or the renewal provided for herein, sell the Lands or any part thereof except pursuant to a bona fide arm's length offer (the "Third-Party Offer") in accordance with the following procedure:
- (a) if the Landlord receives a Third-Party Offer which it is prepared to accept, the Landlord shall send a notice of its intention to accept such Third-Party Offer together with a duplicate copy of such Third-Party Offer to the Tenant;
  - (b) the notice and other documents sent to the Tenant pursuant to Paragraph (a) shall constitute an offer (the "Offer") to the Tenant to sell to the Tenant the Lands on exactly the same terms and conditions as set forth in the Third-Party Offer;
  - (c) the Offer shall be open for acceptance by the Tenant for a period of thirty (30) days from the date the Offer is made to the Tenant. The Tenant's acceptance shall be in writing and accompanied by a bank draft payable to the Landlord in the amount of the deposit set out in the Offer;
  - (d) if the Tenant accepts the Offer within the time limit specified in Paragraph (c) then there shall be a binding sale for the Lands between the Tenant and the Landlord on the terms and conditions set out in the Offer;
  - (e) if the Tenant does not accept the Offer within the time limit specified in Paragraph (c) then the Landlord may accept the Third-Party Offer and may complete the purchase and sale contemplated therein, and, though such a release shall not be required for the Right of First Refusal to terminate, if requested by the Landlord, the third party, or any lender or potential lender, the Tenant shall, at the Tenant cost, provide the Landlord with the necessary release of the Right of First Refusal;
  - (f) if the Landlord does not accept the Third-Party Offer or if the purchase and sale between the Landlord and the Third Party is not completed within 180 days of the date of the Offer, or is otherwise terminated, then the Right of First Refusal shall again continue to be binding between the Landlord and the Tenant on the terms and conditions of this Schedule "B"; and
  - (g) if the Tenant accepts the Offer and thereafter fails to complete the purchase of the Land in accordance with Paragraph (d), the deposit shall be forfeited to the Landlord on account of damages and this Right of First Refusal shall thereafter immediately terminate and be of no further force or effect.

- (h) The Tenant shall have no right to assign this Right of First Refusal. Notwithstanding any other provision of this Lease, this Right of First Refusal shall immediately terminate and be of no further force or effect if this Lease is terminated, surrendered or otherwise determined for any reason.