

April 13, 2018

Sent By E-mail

REID-BUILT HOMES LTD. et al - SERVICE LIST



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Your reference	Our reference
	1001004429

Dear Sir/Madam:

Reid-Built Homes Ltd. et al, in Receivership (“Reid Group”) - Court File Number 1703-21274

Intended Application scheduled for April 20, 2018, at 1:00 p.m. at the Edmonton Court House

As you are aware, our offices are counsel to Alvarez & Marsal Canada Inc. in its capacity as Receiver and Manager of the Reid Group of companies (the “Receiver”) appointed pursuant to a Consent Receivership Order of the Court of Queen’s Bench of Alberta dated November 2, 2017. A copy of the Consent Receivership Order and all related materials can be found online at the Receiver’s website at www.alvarezandmarsal.com/reidbuilt.

A series of 12 Sale and Vesting Orders were obtained by an Application of the Receiver held on April 11, 2018. At that Application, the Court and all counsel present were advised that a further series of Applications relating to further sales were anticipated to be ready to be heard in the near future. In that regard, Justice Graesser has graciously set aside time for these further Sale and Vesting Applications at **1:00 p.m. on Friday, April 20, 2018** to be held at the Edmonton Law Courts.

We anticipate being in a position to file the Application materials, draft forms of Orders and Receiver’s Report on Monday, April 16, 2018.

With respect to lots or properties registered in the names of developers, it is anticipated that the forms of Orders will closely follow the Orders granted April 11th.

With respect to lots or properties registered in the name of a Reid Group entity, the Orders will be significantly different as it relates to lien holders. Where Builder’s Liens are registered subsequent to registered mortgages or lending encumbrances and those mortgages had advances made prior to the registration of any Builder’s Lien in excess of the sale value of the properties, those liens will be discharged at the April 20th Application without any holdback, security or any secured recovery being available for lien holders in accordance with the priority provisions in the *Builder’s Lien Act*.

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Matters are still being negotiated but it is anticipated that the April 20th Sale and Vesting Orders will include the sale of in excess of 140 properties or lots from various projects throughout Alberta.

As noted above, further details including identity of the specific lots and any affected mortgages, encumbrances and Builder's Liens will be set out in the materials to be distributed early next week.

Yours very truly,

Norton Rose Fulbright Canada LLP

Per:



Howard A. Gorman, Q.C.
Senior Partner