

Reid Group of Companies (in Receivership) Invitation for Offers to Purchase



BACKGROUND

On November 2, 2017, the Court of Queen's Bench of Alberta (the "Court") granted an Order (the "Receivership Order") appointing Alvarez & Marsal Canada Inc. ("A&M") as receiver and manager of all of the current and future assets, undertakings and properties of Reid-Built Homes Ltd., 1679775 Alberta Ltd., Reid Worldwide Corporation ("RWW"), Builder's Direct Supply Ltd., Reid Built Homes Calgary Ltd., Reid Investments Ltd. and Reid Capital Corp. ("Reid Capital" and collectively, "Reid Group" or the "Companies").

A&M, in its capacity as receiver (the "Receiver") of the Reid Group is seeking offers to purchase the Receiver's right, title and interest in certain of the Companies' assets which include completed residential homes, partially completed homes, vacant lots (owned and developer owned), development properties and the Companies' interest in other real property development assets.

HOME AND LOT INVENTORY

The Reid Group's home and lot inventory includes 523 homes (detached single family and multi-family) and lots located in 21 neighbourhoods in the greater Edmonton and Calgary geographic markets which are summarized below:

ENTITY	COMPLETED HOMES	HOMES UNDER CONSTRUCTION	LOTS	TOTAL INVENTORY
Reid-Built Homes Ltd. (Edmonton)	27	88	122	237
1679775 Alberta Ltd. (Calgary)	26	83	177	286
Total	53	171	299	523

DEVELOPMENT PROPERTIES

In addition to the Residential Home and Lot inventory, the Receiver is also inviting offers to purchase various development properties owned by RWW which are located in or around Edmonton, Alberta, including:

- [St. Albert - Riverside](#) – 57 acres of land under development located in St. Albert, AB; and
- [Stony Plain - Fairways North](#) – 44 acres of land under development located in Stony Plain, AB.



OTHER DEVELOPMENT ASSETS

Other development assets owned by Reid Group entities that are the subject of this Invitation for Offers to Purchase including the following:

- [Blackmun Bay Limited Partnership](#) – a 70% partnership interest held by Reid Capital in a 17 acre waterfront development project located in Kelowna, BC;
- [Highland Ridge Joint Venture](#) – a 25% interest held by RWW in a joint venture formed to develop 77 acres in Sturgeon County, AB;
- [Century Crossing](#) – a 0.5 acre commercial development lot held by Reid Capital located in Spruce Grove, AB; and
- [Villeneuve Joint Venture](#) – a 10% interest held by RWW in a joint venture to develop a 348 acre lake community known as Jensen Lakes in St. Albert, AB;

Certain other assets of the Reid Group owned by RWW and/or subject to an interest held by other Reid Group companies may be subject to separate marketing processes pursuant to the terms of the Receivership Order and/or further orders of the Court including select commercial properties located in Edmonton known as the Hawkstone Shopping Centre, the Park West Plaza, the Reid Group's head office as well as the Deerfoot Professional Building in Calgary, Granville development lands in Edmonton and the Energy Crossing industrial condominium in Leduc. Interested parties can contact the Receiver separately in respect of Reid Group's commercial properties.

OFFER PROCESS AND NEXT STEPS

Upon executing a non-disclosure agreement ("NDA") and returning it to the Receiver's representative (vchan@alvarezandmarsal.com), qualified potential purchasers may be granted access to an electronic data room including due diligence materials and the Receiver's prescribed form of offer.

A copy of the NDA is available on the Receiver's website at www.alvarezandmarsal.com/reidbuilt.

The timeline for the process is as follows:

- January 22 to March 9, 2018 – access to the data room and appointments to view the properties
- **March 9, 2018 (10 o'clock am MST) – deadline for submitting offers**
- March 9 to March 23, 2018 – Receiver will negotiate with one or more parties
- on or before April 12, 2018 – A&M to seek Court approval of preferred offer(s)

Parties may bid on any, any combination or all of the inventory and/or development properties.

A&M reserves the right to amend or modify the solicitation process at any time at its sole discretion.

CONTACT DETAILS

Enquiries or requests for information should be directed to A&M only and at the contact details below.

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