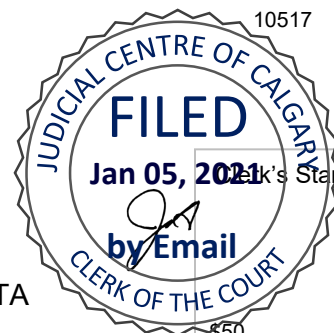




COURT FILE NUMBER 2001-05123

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT **CONNECT FIRST CREDIT UNION LTD., as the successor in interest to FIRST CALGARY SAVINGS & CREDIT UNION LTD. and FIRST CALGARY FINANCIAL CREDIT UNION LIMITED**

RESPONDENTS **WILLOW PARK LIMITED PARTNERSHIP, WILLOW PARK CAPITAL CORP., WESLEY CHURCH BUILDING LIMITED PARTNERSHIP, WESLEY CHURCH BUILDING INC., PARAMOUNT BUILDING LIMITED PARTNERSHIP and PARAMOUNT BUILDING LTD.**

PARTY FILING THIS DOCUMENT **ERNST & YOUNG INC., in its capacity as receiver and manager of WILLOW PARK LIMITED PARTNERSHIP, WILLOW PARK CAPITAL CORP., WESLEY CHURCH BUILDING LIMITED PARTNERSHIP, WESLEY CHURCH BUILDING INC., PARAMOUNT BUILDING LIMITED PARTNERSHIP and PARAMOUNT BUILDING LTD.**

DOCUMENT **APPLICATION (DISCHARGE and SALE APPROVAL AND VESTING ORDER)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
MLT AIKINS LLP
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File No. 0107691/4/5/6

NOTICE TO RESPONDENTS: Service List

This Application is made against you. You are a Respondent.

You have the right to state your side of this matter before the Justice.

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

Date:	January 13, 2021
Time:	10:00 a.m.
Where:	Calgary Courts Centre
Before Whom:	The Honourable Justice R.A. Neufeld

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. Declaring that this application (the “**Application**”) is properly returnable January 13, 2021, service of this Application and the second report (the “**Second Report**”) and the confidential supplement (the “**Confidential Supplement**”) to the Second Report of Ernst & Young Inc. in its capacity as receiver and manager (the “**Receiver**”) of Willow Park Limited Partnership (“**Willow Park LP**”) as borrower, Willow Park Capital Corp. (“**Willow Park Corp.**”; together with Willow Park LP “**Willow Park**”), Wesley Church Building Limited Partnership (“**Wesley Church LP**”), Wesley Church Building Inc. (“**Wesley Church Corp.**”; together with Wesley Church LP, “**Wesley Church**”), Paramount Building Limited Partnership (“**Paramount LP**”) and Paramount Building Ltd. (“**Paramount Ltd.**”; together with Paramount LP, “**Paramount**”), dated January 4, 2020, is validated and declared to be good and sufficient, that service of this Application and the Second Report and the Confidential Supplement on the persons listed on the service list is validated, good, and sufficient and that no persons, other than those on the service list are entitled to service of the Application, the Second Report and the Confidential Supplement;
2. Approving and authorizing the Receiver to enter into, take such steps and execute all such deeds, documents and instruments necessary to complete the agreement of purchase and sale (the “**Willow Park PSA**”) with 0884595 BC Ltd., doing business as Schej Realty (“**Schej Realty**” or the “**Purchaser**”) to purchase (the “**Transaction**”) the Willow park property (the “**Willow Park Property**”) located municipally at 10325 Bonaventure Drive SE, Calgary, Alberta and legally described as:

FIRST

PLAN 6946JK

THAT PORTION OF BLOCK 3 WHICH LIES TO THE EAST OF THE
WESTERLY 200 FEET THROUGHOUT THE SAID BLOCK 3 CONTAINING
0.43 OF A HECTARES (1.06 ACRES) MORE OR LESS
EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

ATS REFERENCE: 5;1;23;15;NW

SECOND

PLAN 6946JK

THAT PORTION OF BLOCK 4 WHICH LIES TO THE EAST OF THE
WESTERLY 150 FEET THROUGHOUT THE SAID BLOCK 4 CONTAINING
0.53 OF A HECTARE (1.31 ACRES) MORE OR LESS
EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

ATS REFERENCE: 5;1;23;15;NW

ESTATE: FEE SIMPLE

MUNICIPALITY: CITY OF CALGARY

REFERENCE NUMBER: 061 446 700;

3. Approving the proposed distribution of the net sales proceeds (the “**Willow Park Distribution**”) from the Transaction;
4. Approving the partial discharge of the Receiver over Wesley Church and the Wesley Church property, assets and undertakings;
5. Approving the activities of the Receiver since the date of the first report (the “**First Report**”) on September 28, 2020;
6. Approving the Receiver and its legal counsel’s fees, costs and disbursements associated with administering the receivership proceedings of Wesley Church, including approval of the Receiver’s final statement of receipts and disbursements; and
7. Granting a sealing order to the Receiver in respect of the Confidential Supplement and providing that the Confidential Supplement be sealed on the Court record until closing of the Transaction or further order of the Court; and

8. Such further and other relief, advice and directions as counsel may advise and this Honourable Court may deem just and appropriate.

Grounds for making this Application:

9. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Second Report.
10. The Receiver was appointed as receiver and manager of Willow Park, Paramount and Wesley Church (collectively, the “**Debtors**”) pursuant to the terms of the Receivership Order granted on April 14, 2020.

Sales Process and Willow Park PSA

11. Pursuant to the Receivership Order, the Receiver is empowered and authorized to market, advertise, and sell the Debtors’ Property with the approval of this Honourable Court.
12. The Receiver applied for and was granted approval of the sales process (the “**Sales Process**”) on October 6, 2020. Since that date the Receiver has been administering the Sales Process in accordance with its terms.
13. The Sales Process for the Willow Park Property was administered by the Sales Agent, in conjunction with the Receiver, through the formal two-phase, deadline-based Sales Process.
14. The Sales Agent, with the assistance of the Receiver, prepared an electronic data room, issued a press release via *Canada Newswire* on October 14, 2020, advertised in the Calgary Herald on October 16, 2020, listed the Willow Park Property on LoopNet and CoStar (the world’s largest online platforms for advertising commercial real estate properties), and posted the Marketing Teaser, NDA and Sales Process on the Receiver’s Website.
15. In conducting the Sales Process, the Receiver and the Sales Agent directly contacted 280 potential buyers to advise of the opportunity and provide a copy of the Teaser Letter. Ultimately, 26 parties executed NDAs and became Qualified Phase I Bidders. On

November 23, 2020 (the “**Phase I Bid Deadline**”) a total of five Non-Binding LOIs were received.

16. The Phase II Bid Deadline was extended from December 14, 2020 to December 18, 2020 in accordance with the terms of the Sales Process. On December 18, 2020 multiple Qualified Binding Offers to purchase the Willow Park Property were received. The Receiver, with the assistance of the Sales Agent and in consultation with Connect First, determined that the offer from the Purchaser was estimated to provide the highest recovery to Willow Park’s stakeholders.
17. On January 4, 2021, the Receiver (as Vendor) and the Purchaser entered into the Willow Park PSA, subject to the approval of this Honourable Court.
18. The Receiver submits that the Willow Park PSA is commercially reasonable in the circumstances, it arose from the Sales Process, was negotiated by parties at arm’s length and in good faith, represents the highest and best Qualified Binding Offer for the Willow Park Property, the consideration payable thereunder is commercially reasonable and will maximize the available recovery to creditors, in the circumstances. The approval of the Willow Park PSA is also supported by Connect First.
19. The Receiver proposes to make a distribution of the Willow Park Distribution to Connect First upon receipt of the net sales proceeds under the Willow Park PSA and subject to any holdbacks required by the Receiver.

Discharge of the Receiver of Wesley Church

20. The Receiver is seeking its discharge over Wesley Church and its property, assets and undertakings.
21. The security held by Connect First over Wesley Church has been assigned to GEF who has requested that the Receiver seek its discharge.
22. The Receiver has obtained payment from GEF of any amounts that rank in priority to the security of Connect First in respect of the charges provided for under the Receivership Order. The Receiver will also retain funds in its account to settle other nominal amounts that may become due in respect of Wesley Church after its discharge.

23. The Receiver is not aware of any other creditors of Wesley Church, other than the Canada Revenue Agency for a GST liability which will be settled in full by the Receiver.

Sealing Order

24. The Receiver submits that the information contained in the Confidential Supplement contains commercially sensitive and confidential information regarding the Sales Process and the bids received for the Willow Park Property by the Receiver. Should the Willow Park PSA not close for any reason than the disclosure of the information contained in the Confidential Supplement could have a significant negative impact on any subsequent sales process conducted by the Receiver.
25. The grounds set out in the Second Report.
26. Such further and other material and evidence as counsel may advise and this Honourable Court may permit.

Applicable rules:

27. Rules 1.3, 6.3, 6.9, 6.28, 11.27 and 13.5 of the Alberta *Rules of Court*, Alta Reg. 124/2010.

Applicable Acts and regulations:

28. *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended,
29. The *Judicature Act*, RSA 2000, c J-2, as amended, and
30. Such other Rules, Acts and Regulations as counsel may advise and that this Honourable Court may permit.

Any irregularity complained of or objection relied on:

31. None.

How the application is proposed to be heard or considered:

32. Oral submissions by counsel at an Application in Justice Chambers as agreed and scheduled by counsel, with some or all of the parties present.

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 applicant(s) 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 at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.