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| COURT FILE NUMBER | 2303-06543 | |
| COURT | COURT OF KING'S BENCH OF ALBERTA | |
| JUDICIAL CENTRE | EDMONTON | |
| APPLICANTS | IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, C. C-36, AS AMENDED<br><br>AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF J.W. CARR HOLDINGS LTD., SPRUCE GROVE INDUSTRIAL PARK INC., 272649 ALBERTA LTD., 279896 ALBERTA LTD., GRANDE PRAIRIE PLACE ENTERPRISES (1996) INC., 1170292 ALBERTA LTD. AND 627612 ALBERTA LTD. | |
| DOCUMENT | **FIRST REPORT OF ERNST & YOUNG INC. IN ITS CAPACITY AS MONITOR OF THE APPLICANTS**<br><br>**April 24, 2023** | |
| ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT | **MONITOR**<br><br>ERNST & YOUNG INC.<br>EPCOR Tower<br>10423 – 101 Street, Suite 1400<br>Edmonton, Alberta T5H 0E7<br>Attention: Matt McCulloch / Peter Chisholm<br>Telephone: 780.638.6642 / 403.206.5061<br>Fax: 780.428.8977<br>Email: matt.mcculloch@parthenon.ey.com<br>peter.chisholm@partnenon.ey.com<br><br>**MONITOR'S COUNSEL**<br><br>McCarthy Tétrault LLP<br>Suite 4000, 421 7th Ave SW<br>Calgary, Alberta, T2P 4K9<br>Attn: Sean Collins<br>Telephone: 403.260.3531<br>Email: scollins@mccarthy.ca | |

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## APPENDICIES

## INTRODUCTION AND PURPOSE OF THE REPORT

1. On April 19, 2023, J.W. Carr Holdings Ltd. ("**JW Carr**") and certain of its subsidiaries and affiliates; namely, Spruce Grove Industrial Park Inc. ("**SGIP**"), 272649 Alberta Ltd. ("**272 AB**"), 279896 Alberta Ltd. ("**279 AB**"), Grande Prairie Place Enterprises (1996) Inc. ("**GPPE**"), 1170292 Alberta Ltd. ("**117 AB**") and 627612 Alberta Ltd. ("**627 AB**"), (collectively, the "**Subsidiaries**" and together with JW Carr, the "**JW Group**", the "**Companies**" or the "**Applicants**") were granted protection and permission to commence proceedings pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, C-36 (the "**CCAA**") pursuant to an Order of this Honourable Court (the "**Initial Order**").

2. The Initial Order appointed Ernst & Young Inc. as Monitor ("**EY**" or the "**Monitor**") in the CCAA proceedings and established the Stay Period in favour of the Applicants until April 29, 2023.

3. On April 20, 2023, the Applicants filed a notice of application to be heard by this Honourable Court at 2:00 PM on April 26, 2023 (the "**Comeback Hearing**") for the following relief:

   a. an Amended and Restated Initial Order ("**ARIO**");

   b. a Sales and Investment Solicitation Process Order (a "**SISP Order**");

   c. two Sale Approval and Vesting Orders (individually referred to as "**SAVO 1**" and "**SAVO 2**" and collectively as the "**SAVOs**"); and

   d. a Sealing Order ("**Sealing Order**") to seal the Confidential Affidavits (as defined in the draft Sealing Order and other materials filed by the Applicants in regard to Comeback Hearing).

4. The purpose of this first report of the Monitor (the "**Monitor's First Report**") is to provide this Honourable Court and the Applicants' stakeholders with information and the Monitor's comments with respect to the following:

   a. an update on the activities of the Monitor since the Pre-filing Report;

   b. a forecast-to-actual analysis prepared by the Monitor comparing the Companies' forecasted cash flows for the week ending April 15, 2023, as outlined in CFS#1 to actual results for this same period;

   c. a revised Cash Flow Statement ("**CFS#2**") for the period commencing April 16, 2023, and ending on December 31, 2023 (the "**Revised Forecast Period**") and the key assumptions upon which CFS#2 is based;

   d. the draft ARIO presented to Court, specifically, the Applicants' requests within the ARIO for:

i. an extension of the Stay Period to August 31, 2023;

ii. authorization to obtain and borrow up to $2.7 Million under the Interim Loan Facility;

iii. the appointment of Noteholder Representatives and Noteholder Representative Counsel; and

iv. approval of a Selling Agents' Charge pursuant to the SISP Order and SISP, if approved;

e. the draft SISP Order;

f. the SAVOs being requested by the Applicants; and

g. the Monitor's recommendations with respect to same.

## TERMS OF REFERENCE AND DISCLAIMER

5. In preparing this Monitor's First Report, the Monitor has been provided with, and has relied upon certain information, including unaudited financial information of the Companies, books and records, and discussions with the Applicants' Management.

6. Except as described in this report, the Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Canadian auditing standards pursuant to the Chartered Processional Accountants of Canada Handbook.

7. Future oriented information referred to in this First Report was prepared based on Management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable; the actual results may vary from the projections and the variances may be material.

8. All references to dollars are in Canadian dollars.

9. Capitalized terms not defined herein are as defined in the Initial Order, Originating Application, the Pre-filing Report or other materials filed by the Applicants in connection with the Comeback Hearing.

## BACKGROUND

10. The Applicants are privately held real estate holding and development companies which own a portfolio of real estate properties comprised of office buildings, commercial properties, vacant land, developed lots and residential properties located in Edmonton, Fort Saskatchewan, Spruce Grove,

Grande Prairie and Wetaskiwin, Alberta.

11. Attached to the Pre-filing Report of the Monitor as Appendix A is a listing of the known real properties/groups of real property held by the JW Group (sorted by entity) and other material assets with the location, first ranking secured creditor (to the best of the Monitor's knowledge) and a brief description of the nature of each asset/property outlined therein.

12. In addition to first charge mortgages registered against the real property of the Applicants, certain of these mortgagees have floating charges registered against certain of the Applicants, and in some cases, there are multiple floating charges in regard to such entities. Further, and in addition to the mortgagees, the Proposed Monitor understands that the JW Group also has a number of smaller lines of credit, approximately \$35.5 million of outstanding unsecured promissory notes (including accrued interest), approximately \$5.8 million in unpaid property taxes and approximately \$1.0 million in special assessments/outstanding condo fees.

13. Additional background information on the Applicants and the CCAA Proceedings is available on the Monitor's website, located at: www.ey.com/ca/JWCARR (the "**Monitor's Website**").

## ACTIVITIES OF THE MONITOR SINCE THE FILING OF THE PRE-FILING REPORT

14. Since the Pre-filing Report, the activities of the Monitor have included:

    a. coordinating the mailing or publication of the various notices and documents required under the Initial Order and the CCAA, including:

        i. the creditor notices pursuant to section 23(1)(a) of the CCAA;

        ii. arranging publication of a notice regarding the CCAA proceedings in the *Edmonton Journal* and the *Grande Prairie Daily Herald-Tribune* with an advertisement scheduled to publish in each of these publications on April 26th, 2023 and April 28th, 2023 respectively;

        iii. filing the Form 1 and Form 2 notices to the Superintendent of Bankruptcy in the prescribed form as required under s23(1)(f) of the CCAA; and

        iv. preparing and publishing application materials and other materials required by the Initial Order on the Monitor's website;

    b. monitoring, assisting and advising the Applicants with respect to their cash flows, and preparing analysis of the actual transactions versus the projected amounts noted in CFS#1;

c. assisting the Applicants with the development of a revised cashflow projection ("CFS#2");

d. participating in numerous discussions with secured creditors, advisors, counsel and other stakeholders with respect to the status of the CCAA proceedings generally and specific relief to be sought, including the proposed SISP;

e. assisting the Applicants with soliciting proposals from qualified real estate brokers to act as Selling Agents under the proposed SISP;

f. instructing the Monitor's legal counsel to undertake the completion of a security review outlining the various security interests in Applicants' assets; and

g. preparing this Monitor's First Report.

**FORECAST-TO-ACTUAL ANALYSIS**

15. The Monitor has continuously reviewed the operations and cash flows of the Applicants since the date of the Initial Order. In addition to holding regular meetings and teleconference calls with the Applicants' Management and finance staff, the Monitor has actively worked with the Applicants to help manage and track the Applicants' receipts and disbursements.

16. The JW Group (with the assistance of the Proposed Monitor) prepared CFS#1 which was appended as Appendix 'C' to the Pre-filing Report. CFS#1 Outlined the Applicants' anticipated cash receipts and disbursements for the period commencing on April 9, 2023 and ending on December 31, 2023. (the "**Forecast Period**").

17. Attached as **Appendix 'A'** to this report is an analysis of the projected versus actual cash flows for the week ended April 15, 2023, prepared by the Monitor based on information provided by Management. Overall, the ending consolidated cash position of the Applicants is higher by $132,511 mainly as a result of the following four items:

a. receipts in JW Carr were higher than projected by $59,606. The Applicants originally projected to receive its monthly payment from R'Ohan in the first week of May, 2023. However, Management has since advised that the R'Ohan receipts are actually typically collected around the 15th of every month, and such funds were received in April;

b. payments relating to Operating Costs in the amount of $32,073 were not made due to the accounts being unexpectedly and temporarily frozen. This has been remedied and Management anticipates making payments in the week ending April 22, 2023 to satisfy costs relating to HVAC repair, Elevator testing and Emergency Light Maintenance of various properties;

c. the projected payment in the amount of $30,000 on account of the "Scotia/Servus Advisor" was not made; and

d. payroll and benefit disbursements are $10,872 less than projected for the period as a result of the GPPE bank account being temporarily frozen. This shortfall in the GPPE Payroll has been paid in Week 2 to cover amounts owed to employees. The amount payable for source deductions on payroll did clear and was paid in Week 1 as projected.

## REVISED CASH FLOW STATEMENT

18. Attached as **Appendix 'B'** to this report is the Applicants' revised cash flow projection ("**CFS#2**") and related assumptions which incorporates the timing differences noted above and some other changes since CFS#1 was prepared. In addition, the Monitor has reformatted CFS#2 to provide additional clarity in regard to the sources and uses of cash for the Court and stakeholders. Outside of the changes discussed in the following paragraph, and the insertion of actual figures for the week ended April 15, 2023, the general underlying assumptions used by Management in preparing CFS#2 have not changed, and as such, the bulk of the projected figures noted in CFS#2 remain consistent with those reflected in CFS#1

19. The notable changes include the following:

a. As noted above, CFS#1 included a projected payment to the "Scotia/Servus Advisor" in the amount of $30,000 which was not paid. In consultation with the "Scotia/Servus Advisor", it was determined that the total actual amount required to be paid in this regard is approximately $72,636. This revised amount is forecast to be paid during the week ended April 29, 2023;

b. As noted above, Management has confirmed that the monthly receipts from JW Carr's R'Ohan investment are received mid-month versus the beginning of the month as originally projected. This receipt has been reallocated through CFS#2 as required;

c. Management advised that the cash injection required to fund the operating deficiency of JW Carr's Pangman investment was $44,174 due in the week ended April 22, 2023. No amount of this nature was reflected in April in CFS#1 and this amount has been added to the Week ended April 29, 2023 in CFS#2. Further, Management has advised that the Pangman cash injection is typically paid on or around the 20th of each month, and that the amount of April 2023's required payment was not typical and should not be carried forward. Future payments in this regard have been moved to the week of the 20th for months going forward.

d. It was originally projected in CFS#1 that the line of credit for GPPE would be available up to an agreed upon amount. However, Scotia has closed the line of credit, and instead provided a cash loan (injection) of $250,000 to GPPE in lieu of the line of credit. This has caused an inflow to the GPPE account of $250,000 that is now reflected in CFS#2; and

e. There was an allocation error in week 4 in GPPE. Based on the assumptions used to compile CFS#1 the net funds available after direct operating costs of each building were to be applied to pay interest, principal and property taxes, in that order. CFS#1 had projected Week 4 payments of Property Taxes ahead of principal payments to Scotia and Servus.

20. In accordance with the Canadian Association of Insolvency and Restructuring Professionals Standard of Practice 9. "Cash-Flow Statement", the Monitor reports as follows:

a. CFS#2 has been prepared by the Applicants in consultation with the Monitor for the purpose described in the notes to the Cash Flow Statement, using the probable assumptions and the hypothetical assumptions set out in the accompanying notes;

b. The Monitor's review consisted of inquiries, analytical procedures and discussion related to information supplied by the Applicants. The Monitor's procedures with respect to the hypothetical assumptions were limited to evaluating whether they were consistent with the purpose of CFS#2. The Monitor has also reviewed the support provided by the Applicants for the probable assumptions, and the preparation and presentation of CFS#2; and

c. Based on its review, nothing has come to the attention of the Monitor that causes it to believe that, in all material respects:

i. The hypothetical assumptions are not consistent with the purpose of CFS#2;

ii. As at the date of this Monitor's First Report, the probable assumptions developed by the Applicants in consultation with the Monitor are not suitably supported and consistent with the plans of the Applicants or do not provide a reasonable basis for CFS#2, given the hypothetical assumptions; or

iii. CFS#2 does not reflect the probable and hypothetical assumptions.

21. Since CFS#2 is based on assumptions regarding future events, actual results may vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, the Monitor expresses no assurance as to whether the projections outlined in the CFS#2 will be achieved. The Monitor expresses no opinion or other form of assurance with respect to the accuracy of any financial information presented in this report or relied upon in preparing

this report.

22. CFS#2 has been prepared solely for the purpose described above, and readers are cautioned that it may not be appropriate for other purposes.

## MONITOR'S COMMENTS ON THE PROPOSED ARIO

23. The draft ARIO being presented at the Comeback Application provides for the following relief (among other things):

    a. an extension of the Stay Period to August 31, 2023;

    b. an increase to the authorized amount the Applicants are able to borrow under the Interim Financing Facility from $250,000 to $2.7 million and a corresponding increase in the Interim Lender's Charge to $2.7 million;

    c. approval of the Promissory Noteholders selected to comprise the Noteholder Representatives (as defined below) and Representative Counsel (as defined below) appointed to represent the interests of the Promissory Noteholders in these CCAA proceedings; and

    d. the creation of a Selling Agents' charge (the "**Selling Agents' Charge**") to secure payment of the fees and expenses of the Selling Agents to be retained by the Applicants for the purpose of facilitating the SISP.

### Extension of the Stay Period

24. Pursuant to the Initial Order, the Stay Period in favour of the Applicants expires on April 29, 2023. The Applicants are seeking a stay extension up to and including August 31, 2023 (the "**Proposed Stay Extension Date**").

25. The Proposed Stay Extension Date is supported by CFS#2 and provides sufficient time for the Applicants to receive qualified bids and negotiate purchase and sale agreements under the proposed SISP. The Proposed Stay Extension Date also approximately coincides with the proposed milestone date under the SISP to close the anticipated sale and/or investment transactions for the real property subject to the SISP (i.e., on or around August 31, 2023).

26. As highlighted in this Monitor's First Report, the Applicants, as demonstrated by CFS#2, are projected to have sufficient funds through to the Proposed Stay Extension Date assuming the Applicants will have access to the funding contemplated in the Interim Lending Facility.

27. In the Monitor's view, the Applicants have and continue to act in good faith and with due diligence,

are operating in the ordinary course of business, and are complying with their obligations as set out in the Initial Order.

28. The Monitor does not believe that any creditor will be materially prejudiced if an extension of the Stay Period to the Proposed Stay Extension Date is granted.

Proposed Additional Borrowings under the Interim Loan Facility

29. As noted in the Pre-Filing report, and also illustrated in CFS#2, the Applicants do not have sufficient cash on hand or forecasted cash receipts available to pay all of their operating expenses and the professional fees and expenses incurred over the course of these CCAA proceedings. The Pre-filing report also detailed the events and rationale behind the Applicants' decision to negotiate and enter into the Interim Loan Commitment Letter with the Interim Lender and the associated key commercial terms of the Interim Loan Facility.

30. The Initial Order authorized and empowered the Applicants to obtain and borrow $250,000 under the Interim Loan Facility, and such funds were advanced by the Interim Lender on April 21, 2023. This initial advance was wired directly to the Monitor, and is being held in trust as at the date of this report to be used primarily to fund the following expenses:

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|---|---|
| $50,000 | (Noteholder Counsel Retainer) |
| $50,000 | (KERP Deposit) |
| $50,000 | (Partial payment towards o/s Monitor's fees) |
| $50,000 | (Partial payment towards o/s Applicants' Counsel's fees) |
| $25,000 | (Interim Lender upfront fee) |
| $225,000 | Total |

31. The difference of $25,000 between the amount advanced and the expenses noted above will be used as necessary to fund the contingency for unexpected costs built into CFS#2 and an immaterial float until the next advance under the Loan Facility is required, if approved.

32. Based on the Applicants' CFS#2, it is evident that additional borrowings will be required in the near term, and that the total $2.7 million of borrowings requested is required to see these CCAA proceedings through to the end of December, 2023.

33. In connection with its assessment that the proposed increase in the interim financing charge is appropriate in the circumstances of this case, the Monitor has considered the factors set out in section 11.2(4) of the CCAA and provides its consideration below:

*The period in which the company is expected to be subject to proceedings under the CCAA.*

34. The company is expected to be subject to the CCAA until at least the conclusion of the transactions contemplated by the SISP (i.e. August 31, 2023). In the Monitor's view, the requested increase in interim financing is appropriate viewed through the lens of the time that the Companies will be subject to the CCAA given (a) the funding requirements of the JW Group to run the SISP; and (b) the cash flow projections noted in CFS#2.

*How the Companies' business and financial affairs are to be managed during the proceedings.*

35. The JW Group will continue to manage its affairs under the direction of its existing Management with assistance and oversight of the Monitor in accordance with the provisions of the ARIO. The Monitor has worked with the JW Group's Management and is satisfied that Management understands the importance of being diligent and communicative and will work with the Monitor to continue to manage the business and financial affairs during the CCAA proceedings.

*Whether the Companies' Management has the confidence of its major creditors.*

36. The Monitor understands that the Interim Lender has confidence in the JW Group's Management. In addition, the following senior secured creditors have entered into forbearance agreements proceedings with the JW Group and such agreements contemplate the within proceedings, and such creditors either support or do not oppose the CCAA proceedings on the terms and conditions as set out in the forbearance agreements: Romspen, Bank of Nova Scotia, Servus Credit Union, Roynat and ATB Financial. As a result of the forbearance agreements and account of the fact that no material concerns have been expressed in Management to date, the Monitor is of the view that the JW Group has the confidence of its major creditors.

*Whether the loan would enhance the prospects of a viable compromise or arrangement being made in respect of the Companies.*

37. The SISP provides the framework to identify viable compromises or arrangements, both as may be contemplated under the CCAA, or other restructuring alternatives that may be available.

*The nature and value of the Companies' property.*

38. The Interim Lender's Charge for funds advanced under the Interim Loan Facility is subordinate to the Selling Agents' Charge, all First Charge Encumbrances and the Administration Charge under the ARIO and as such, the Monitor does not believe the nature and value of the Companies' assets (albeit significant in these circumstances) is a material factor.

*Whether any creditor would be materially prejudiced as a result of the security or charge.*

39. As noted above, given that the Interim Lender's Charge for funds advanced under the Interim Loan

Facility is subordinate to the Selling Agents' Charge, all First Charge Encumbrances and the Administration Charge under the ARIO, the Monitor does not believe that any creditor with a First Charge Encumbrance will be materially prejudiced because of the requested increased borrowings. As far as the six known subordinate secured creditors proposed to rank junior to the proposed interim funding, the Monitor advises the following:

a. Jaycap Financial: the Monitor understands from its correspondence with the Applicants' counsel that counsel for Jaycap has indicated to the Applicants that it supports the relief sought by the JW Group;

b. Romspen Investment Corporation ("Romspen"): Romspen has entered into a Forbearance Agreement with the JW Group and, according to correspondence received from the Applicants' counsel, the Monitor understands that Romspen has agreed that it will not oppose the relief sought by the Applicants;

c. ATB Financial: ATB Financial has entered into a Forbearance Agreement with the JW Group and the Monitor understands from its communications with counsel for ATB Financial has indicated that it supports the relief sought by the Applicants;

d. Roynat: Roynat sought an amendment to the Initial Order at the Initial Application heard in this matter by the Honourable Justice Gill on April 19, 2023 declaring that the Administration Charge and the Interim Lender's Charge be subordinated to a limited guarantee and collateral mortgage in the amount of $250,000 granted by 272 and registered against title as the second financial charge against title to the lands that have been referred to as the Clariant Building in Grande Prairie, Alberta. Roynat's application in this regard was dismissed. Based on its recent discussions with Roynat and its counsel, the Monitor understands that Roynat does not oppose the requested increase of the quantum of the Interim Lender's Charge and the amounts proposed to be drawn under the Interim Financing Agreement; and

e. 202523 Holdings Ltd. ("202") and CMHC: The Monitor understands that 202 holds a second charge mortgage in the amount of $750,000, subordinate to a first charge mortgage held by CWC Investments in the amount of roughly $1,500,000 registered on title to lands comprising the Northridge Residual Lands on which $891,453 is currently owing, and that CMHC has a $350,000 second charge mortgage subordinate to a first charge mortgage held by Servus Credit Union in the amount of $900,000 registered against title to the lands that comprise the property referred to as Park Avenue in these CCAA proceedings.

40. With respect to unsecured creditors (which for the avoidance of doubt includes the unsecured portion of any secured claim, in any realization scenario, if any) these proceedings are largely analogous to

what would happen outside of the proposed SISP in the sense that the professional fees associated with serial realizations continued by the various secured lenders would be added to the secured indebtedness and would correspondingly reduce distributions available to subordinate creditors. The administration costs of these CCAA proceedings are projected to be paid from advances under the Interim Loan Facility which ranks subordinate to the First Charge Encumbrances and senior to other secured charges which will also correspondingly reduce distributions to subordinate creditors. The Monitor's view is that realizations under the SISP will likely produce a superior outcome than realizations under serial foreclosure processes.

41. Based on the matters discussed above, the Monitor is of the view that the Applicants' request for increased borrowings up to $2.7 million is reasonable and appropriate in the circumstances and should be approved.

## Appointment of Noteholder Representatives and Noteholder Representative Counsel

42. The Monitor understands that there are approximately 34 unsecured Promissory Noteholders and an additional 4 Promissory Noteholders whose debts are secured by mortgages, all of whom are retail investors and many of whom have relatively small holdings of Promissory Notes. The Applicants believe, and the Monitor strongly agrees, that a single committee representing all Promissory Noteholders (the "**Noteholder Representatives**") should be established such that the collective interests of the Promissory Noteholders can be fairly and efficiently represented.

43. The Applicants consulted primarily with its counsel on the selection of the Noteholder Representatives. The Monitor understands that Management reviewed the list of all of the Promissory Noteholders in regard to the appropriateness to act as a Noteholder Representative and approached a number of individuals whom Management believed would be rational, practical, broadly representative and objective. Individuals with involvement in other businesses and investments with Marjorie Carr, or those involved with ongoing litigation against the JW Group were excluded from being approached.

44. Currently, there are three individuals who have agreed to act as Noteholder Representatives in these circumstances. Attached as **Appendix C** to this report are copies of the Consent to Act as Promissory Note Holders' Representative for each of these individuals. The Monitor understands that one or two additional individuals are considering the role as well, but to date, such individuals have not officially consented to act.

45. The Monitor understands that one of the proposed Noteholder Representatives, Darrell Zapernick, is a licensed realtor in Grande Prairie, Alberta and was engaged by the JW Group prior to the onset of these CCAA proceedings to act as realtor to sell certain of the JW Group's lots in Grande Prairie,

Alberta. Mr. Zapernick's engagement as a listing agent to sell these lots was disclosed to the Monitor and the other Noteholder Representative prior to his selection as a potential Noteholder Representative. The Monitor is of the view that his role as listing agent to sell these lots does not represent a conflict of interest.

46. As described in the Pre-filing Report, the Monitor is of the view that the appointment of the Noteholder Representatives will greatly assist the Applicants in developing a restructuring strategy that benefits all of the Promissory Noteholders by giving the Applicants a single point of contact for feedback from the Promissory Noteholders and will aid this Honourable Court by increasing the efficiency of these proceedings.

47. The Applicants are further requesting that Lawson Lundell LLP ("**Lawson Lundell**") be appointed as legal counsel to the Noteholder Representatives ("**Noteholder Counsel**"). Lawson Lundell confirmed that it has cleared conflicts and is prepared to act in this capacity and the Monitor is of the view that Lawson Lundell is qualified to act in this regard. As noted earlier in this report, $50,000 of the initial Interim Loan Facility funds that were recently advanced and that are currently being held by the Monitor will be set aside or advanced to Lawson Lundell as a retainer for their services as Noteholder Counsel.

48. The Monitor is of the view that the engagement of Noteholder Counsel will lead to efficiencies and practicalities in these proceedings and that the $50,000 used in this regard is likely a significant savings to all of the JW Group's stakeholders versus the costs that could be incurred if multiple counsel is involved for the 38 Promissory Noteholders. Noteholder Counsel will provide the Noteholder Representatives with independent legal advice and will reduce (and possibly eliminate) the direct professional fees for individual Promissory Noteholders as they will not be required to independently seek legal counsel.

## Selling Agents' Charge

49. Paragraphs 42 through 48 of the Pre-filing Report introduced and discussed the proposed SISP, the draft SISP Order and included the definition of Selling Agents. In short, for the Court's ease of reference, the Selling Agents are comprised of licensed real estate brokers who, subject to the approval of the Court, will assist the Applicants and the Monitor with the sale of the Applicants' various real properties under the SISP.

50. Under contracts for the sale of real property involving a real estate broker, the payment of the real estate broker's agreed fees and/or expenses is contemplated and set out in the related listing agreement and such fees are typically paid to the real estate broker in conjunction with the conveyance of the related property. Accordingly, the Monitor is of the view that the Selling Agents'

Charge proposed in the ARIO does not prejudice any stakeholder and it helps provide comfort to the various Selling Agents in these CCAA proceedings that upon closing of a sale, its agreed fees and expenses will be paid.

## SISP MATTERS AND UPDATE ON SELECTION OF SELLING AGENTS

51. The Pre-Filing Report appended an initial draft of the proposed SISP Order and SISP, and the Applicants have filed with the Court an updated draft of the proposed SISP Order and SISP with its materials in preparation for the Comeback Hearing. For the Court's ease of reference, the most recent draft SISP Order filed in these CCAA proceedings provides for the following relief (amongst other things):

    i. the approval of various engagement letters entered into by the Applicants ("**Engagement Letters**") with the selected Selling Agents as contemplated in the SISP;

    ii. the approval of the fees and expenses of the Selling Agents under the Engagement Letters; and

    iii. the approval of the SISP and SISP Procedures and the implementation of the SISP.

52. In the Pre-filing Report, the Monitor concluded that it was satisfied that the proposed timelines within the SISP will allow arm's-length market participants sufficient time to assess the opportunity to purchase properties and/or invest in the Applicants and, if such participants are selected to proceed to the second phase of the proposed SISP, there is sufficient time for such parties to submit a binding offer to purchase and/or invest. Further, the Monitor noted that the SISP was developed with input from several first secured mortgagees.

53. Other than the selection of the Selling Agents, the SISP Order and SISP being sought by the Applicants at the Comeback Hearing will be substantially in the form of the draft documents previously filed to date and commented on by the Monitor in the Pre-Filing Report.

54. Although most of the real property to be subject to the SISP was listed by the Applicants with third-party real estate brokers prior to the onset of these CCAA proceedings, in many instances the Applicants elected to seek proposals from multiple real estate brokers to act as Selling Agents in the proposed SISP as:

    a. a SISP undertaken through a Court-supervised restructuring varies significantly from a typical real estate listing and the proposed SISP may benefit from Selling Agents with prior experience marketing real property in a Court-supervised sales process; and

    b. certain of the secured lenders holding First Charge Encumbrances against real property subject to the SISP had not previously been consulted on real estate brokers engaged by the Applicants prior to the onset of these CCAA proceedings.

55. As such, the Applicants with the assistance of the Monitor have sought and received proposals from multiple third-party real estate brokers to act as Selling Agent in the SISP, including both the real estate brokers that were engaged by the Applicants prior to the Filing Date and other qualified brokers.

56. As the real property owned by the Applicants is comprised of different types of real estate (office, industrial and residential) in multiple geographic jurisdictions, both the Applicants and Monitor are of the opinion that the SISP would benefit from the selection of multiple Selling Agents specializing on specific classes of real estate and geographic locations.

57. As at the date of this report, the Applicants, in consultations with the Monitor, the Interim Lender and the secured lenders holding First Charge Encumbrances over the real property to be included in the SISP, have selected the Selling Agents for the various properties based upon the Selling Agents' qualifications, relevant network, proposed fee structure and experience in the sector and marketing real estate assets under Court-approved sales processes.

58. The Applicants expects to receive Engagement Letters for each of the selected Selling Agents by end of day on April 24, 2023. Prior to the Comeback Hearing, the Monitor will file with this Honourable Court a supplement to this First Report listing the Selling Agents and attaching the respective Engagement Letters entered into between the Applicants and the Selling Agents. The Engagement Letters will be subject to the approval of this Honourable Court.

## SALE AND VESTING ORDERS REQUESTED BY THE APPLICANTS

59. In conjunction with the Comeback Application, the Applicants have prepared the 2nd Confidential Carr Affidavit which was sworn on April 20, 2023. The purpose of the 2nd Confidential Carr Affidavit is to provide the Court (and possibly the Applicants' stakeholders, subject to a confidentiality undertaking deemed acceptable to the Applicants) with information and support for the Applicants' request for approval to sell two bare residential lots, one in the Northridge 7 subdivision and the other in the O'Brien Lakes subdivision in Grande Prairie, Alberta.

60. It is the opinion of the Monitor that the contents of the 2nd Confidential Carr Affidavit are sensitive in nature and should remain confidential and not made available to the public at this time, especially in light of the pending SISP. For this reason, the Monitor is supportive of the Applicants' request for a Sealing Order in relation to sensitive value-related materials. Notwithstanding the Monitor's opinion in this regard, the Monitor has reviewed the contents of the 2nd Confidential Carr Affidavit in detail and its comments are outlined in the paragraphs that follow.

61. The Applicants have historically marketed and sold lots in the Northridge and O'Brien subdivisions to individuals and third-party builders in their normal course of business. These properties are typically sold within a limited price range; however, given some of the factors leading to these CCAA proceedings there have been challenges selling these lots as of late.

62. On or around March 7, 2023, 272 entered into a purchase and sale agreement ("**PSA**") for one lot in the Northridge 7 subdivision, legally described as:

> PLAN 1821491
> BLOCK 11
> LOT 42
> EXCEPTING THEREOUT ALL MINES AND MINERALS

63. Based on the range of selling prices discussed in the 2nd Confidential Carr Affidavit and other supporting materials contained therein, the Monitor is of the opinion that the purchase price stipulated in the PSA is reasonable in the circumstances. Further, the Monitor understands that the first mortgagee on this lot (Stuart Hilltop) has consented to the PSA on the condition that the entirety of the net proceeds derived from the sale (after priority claims, realtor fees, costs, and expenses) will be paid directly to Stuart Hilltop.

64. The Applicants have prepared and filed a draft sale Approval and Vesting Order ("**SAVO 1**") for the Court's approval in relation to this proposed transaction and the Monitor is supportive of the relief requested.

65. On or around March 4, 2023, 272 received a second offer to purchase ("**Purchase Offer**") one lot in the O'Brien Lake subdivision, legally described as:

> PLAN 1621950
> BLOCK 10
> LOT 20
> EXCEPTING THEREOUT ALL MINES AND MINERALS

66. The Purchase Offer will need to be amended to reflect 272 as the seller and adjust the dates and will need to be formally accepted by 272 if approved by the Court.

67. Similar to the Northridge 7 lot discussed earlier, based on the range of selling prices discussed in the 2nd Confidential Carr Affidavit and other supporting materials contained therein, the Monitor is of the opinion that the purchase price stipulated in the Purchase Offer is reasonable in the circumstances. Further, the Monitor understands that the first mortgagee on this lot (Calgary Capital) has consented to the Purchase Offer on the condition that the entirety of the net proceeds derived from the sale (after priority claims, realtor fees, costs, and expenses) will be paid directly to Calgary Capital.

68. The Applicants have prepared and filed a draft sale Approval and Vesting Order ("**SAVO 2**") for the

Court's approval in relation to this proposed transaction and the Monitor is supportive of the relief requested.

69. EY's Transaction Real Estate group has further confirmed that the prices obtained for these properties is reasonable in the circumstances and the commission to be earned by the realtors is consistent with market fees charged by third party brokers on comparable transactions.

## RECOMMENDATIONS

70. The Monitor respectfully recommends that this Honourable Court approve:

   a. the activities of the Monitor since the filing of the Pre-filing Report;

   b. the draft ARIO, including:

      i. an extension of the Stay Period to August 31, 2023;

      ii. authorization for the Applicants to obtain and borrow up to $2.7 million under the Interim Loan Facility, and the related increase to the Interim Lender's Charge;

      iii. the appointment of the Noteholder Representatives and Noteholders Counsel; and

      iv. the Selling Agents' Charge;

   c. the draft SISP Order; and

   d. the SAVOs being requested by the Applicants.

Dated at Edmonton, this 24th day of April, 2023.

**ERNST & YOUNG INC.**
Licensed Insolvency Trustee
acting solely in its capacity as the Proposed Monitor of the JW Group
and not in its personal or corporate capacity

per:

Matt McCulloch, CPA, CA, CIRP, LIT
Senior Vice President, Ernst & Young Inc.

per:

Peter Chisholm, CPA, CA, CIRP, LIT
Senior Vice President, Ernst & Young Inc.

# – Appendix A –

JW Carr Group

**Cash Flow Forecast (Apr 9 - Dec 31, 2023)**
**Consolidated**
**Variance Analysis**

| | Week Ending April 15, 2023 | | |
|---|---|---|---|
| | Projected | Actual | Variance |
| **Total Receipts** | **-** | **59,676** | **59,676** |
| **Operating Disbursements** | | | |
| Utilities | - | - | - |
| Pangman Net Receipts | - | - | - |
| General and Admin | (32,073) | (13) | 32,061 |
| Condo Fees | - | - | - |
| Property Manager | - | - | - |
| Maintenance/Repair Contingency | - | - | - |
| GST | - | - | - |
| Payment of Scotia/Servus Advisor | (30,000) | - | 30,000 |
| **Total Operating Disbursements** | **(62,073)** | **(13)** | **62,061** |
| **Cash Available for Financing & Property Taxes** | **(62,073)** | **59,664** | **121,737** |
| Property Taxes (Current) | - | - | - |
| Property Taxes (Arrears) | - | - | - |
| Principal Repayments | (25,263) | (25,263) | - |
| Interest Payments | (30,385) | (30,407) | (22) |
| Reduction to Overdraft | - | - | - |
| Payment to Line of Credit | - | 2,193 | 2,193 |
| Sweep to Line of Credit | - | (2,193) | (2,193) |
| **Funds Remaining** | **(117,721)** | **3,993** | **121,714** |
| **Restructuring Related Disbursements** | | | |
| Restructuring Professional Services | - | - | - |
| Payroll/Benefits | (23,707) | (12,910) | 10,797 |
| KERP Deposit | - | - | - |
| Contingency Cushion | - | - | - |
| Non-Restructuring Professional Services | - | - | - |
| Post SISP Disbursements | - | - | - |
| **Total Restructuring Related Disbursements** | **(23,707)** | **(12,910)** | **10,797** |
| Interim Loan Facility Funding | - | - | - |
| **Total Cash Inflow (Outflow)** | **(141,428)** | **(8,917)** | **132,511** |
| Opening Cash | 158,287 | 158,287 | - |
| Net Inflows (Outflows) | (141,428) | (8,917) | 132,511 |
| **Closing Cash** | **16,859** | **149,370** | **132,511** |

Grande Prairie Place Enterprises (1996) Inc.
**Cash Flow Forecast (Apr 9 - Dec 31, 2023)**
**Variance Analysis**

| | Week Ending April 15, 2023 | | |
|---|---|---|---|
| | Projected | Actual | Variance |
| Admin | - | - | - |
| Inverness | - | - | - |
| Professional Building | - | - | - |
| O'Brien Place | - | - | - |
| 214 Place South | - | - | - |
| 214 Place North | - | - | - |
| Nordic Court | - | - | - |
| **Total Receipts** | - | - | - |
| **Operating Disbursements** | | | |
| Utilities | - | - | - |
| General, Admin & Insurance | (32,073) | - | 32,073 |
| Condo Fees | - | - | - |
| Maintenance/Repair Contingency | - | - | - |
| GST | - | - | - |
| Payment of Scotia/Servus Advisor | (30,000) | - | 30,000 |
| **Total Operating Disbursements** | **(62,073)** | - | **62,073** |
| **Cash Available for Financing & Property Taxes** | **(62,073)** | - | **62,073** |
| Property Taxes | - | - | - |
| Principal Repayments | | | |
| *Bank of Nova Scotia* | - | - | - |
| *Servus Credit Union* | - | - | - |
| *Bank of Montreal* | - | - | - |
| Reduction to Overdraft | - | - | - |
| Interest Payments | | | |
| *Bank of Nova Scotia* | - | - | - |
| *Servus Credit Union* | - | - | - |
| *Bank of Montreal* | - | - | - |
| **Funds Remaining** | **(62,073)** | - | **62,073** |
| **Restructuring Related Disbursements** | | | |
| Professional Services | - | - | - |
| Payroll/Benefits | (23,707) | (9,038) | 14,669 |
| KERP Deposit | - | - | - |
| Non-Restructuring Prof Fees | - | - | - |
| **Total Restructuring Related Disbursements** | **(23,707)** | **(9,038)** | **14,669** |
| Interim Loan Facility Funding | - | - | - |
| **Total Cash Inflow (Outflow)** | **(85,780)** | **(9,038)** | **76,742** |
| Opening Cash | (62,517) | (62,517) | - |
| Net Inflows (Outflows) | (85,780) | (9,038) | 76,742 |
| **Closing Cash** | **(148,297)** | **(71,555)** | **76,742** |

272649 AB Ltd

**Cash Flow Forecast (Apr 9 - Dec 31, 2023)**

**Variance Analysis**

| | Week Ending April 15, 2023 | | |
|---|---|---|---|
| | Projected | Actual | Variance |
| Clariant | - | - | - |
| Tundra | - | - | - |
| Iron Nation | - | - | - |
| Ovintiv | - | - | - |
| **Total Receipts** | **-** | **-** | **-** |
| **Direct Operating Disbursements** | | | |
| Utilites | - | - | - |
| General and Admin | - | - | - |
| Maintenance/Repair Contingency | - | - | - |
| Property Manager | - | - | - |
| GST | - | - | - |
| Other | - | - | - |
| **Total Operating Disbursments** | **-** | **-** | **-** |
| **Cash Available for Financing & Property Taxes** | **-** | **-** | **-** |
| Property Taxes (Current) | - | - | - |
| Property Taxes (Arrears) | - | - | - |
| Principal Repayments | (25,263) | (25,263) | - |
| Interest Payments | (30,385) | (30,407) | (22) |
| **Funds Remaining** | **(55,648)** | **(55,670)** | **(22)** |
| **Restructuring Related Disbursements** | | | |
| Professional Services | - | - | - |
| Payroll/Benefits | - | - | - |
| **Total Restructuring Related Disbursements** | **-** | **-** | **-** |
| **Total Cash Inflow (Outflow)** | **(55,648)** | **(55,670)** | **(22)** |
| Opening Cash | 249,805 | 249,805 | - |
| Net Inflows (Outflows) | (55,648) | (55,670) | (22) |
| **Closing Cash** | **194,157** | **194,134** | **(22)** |

JW Carr Holdings

**Cash Flow Forecast (Apr 9 - Dec 31, 2023)**

**Variance Analysis**

| | Week Ending April 15, 2023 | | |
|---|---|---|---|
| | Projected | Actual | Variance |
| Admin | - | 59,676 | 59,676 |
| Central Park | - | - | - |
| Fort Saskatchewan | - | - | - |
| **Total Receipts** | **-** | **59,676** | **59,676** |
| **Direct Operating Disbursements** | | | |
| Utilities | - | - | - |
| General and Admin | - | (3) | (3) |
| Condo Fees | - | - | - |
| Property Manager | - | - | - |
| Maintenance/Repair Contingency | - | - | - |
| Pangman Net Receipts | - | - | - |
| GST | - | - | - |
| | | | - |
| **Total Operating Disbursements** | **-** | **(3)** | **(3)** |
| **Cash Available for Financing & Property Tax** | **-** | **59,674** | **59,674** |
| **Financing & Property Tax Disbursements** | | | |
| Property Taxes (Current) | - | - | - |
| Property Taxes (Arrears) | - | - | - |
| Principal Repayments | - | - | - |
| Interest Payments | - | - | - |
| **Funds Remaining** | **-** | **59,674** | **59,674** |
| **Restructuring Related Disbursements** | | | |
| Professional Services | - | - | - |
| Payroll/Benefits | - | (3,872) | (3,872) |
| Contingency Cushion | - | - | - |
| Post SISP Admin Disbursements | - | - | - |
| **Total Restructuring Related Disbursements** | **-** | **(3,872)** | **(3,872)** |
| Interim Loan Facility Funding | - | - | - |
| **Total Cash Inflow (Outflow)** | **-** | **55,802** | **55,802** |
| Opening Cash | 538 | 538 | - |
| Net Inflows (Outflows) | - | 55,802 | 55,802 |
| **Closing Cash** | **538** | **56,340** | **55,802** |

627612 Albera Ltd.

**Cash Flow Forecast (Apr 9 - Dec 31, 2023)**

**Variance Analysis**

| | Week Ending April 15, 2023 | | |
|---|---|---|---|
| | Projected | Actual | Variance |
| Rosedale | - | - | - |
| Juniper | - | - | - |
| **Total Receipts** | - | - | - |
| **Direct Operating Disbursements** | | | |
| Utilites | - | - | - |
| General and Admin | - | - | - |
| Maintenance/Repair Contingency | - | - | - |
| Property Manger | - | - | - |
| GST | - | - | - |
| **Total Operating Disbursements** | - | - | - |
| **Cash Available for Financing & Property Taxes** | - | - | - |
| **Financing & Property Tax Disbursements** | | | |
| Property Taxes (Current) | - | - | - |
| Principal Repayments | - | - | - |
| Interest Payments | - | - | - |
| **Funds Remaining** | - | - | - |
| **Restructuring Related Disbursements** | | | |
| Professional Services | - | - | - |
| Payroll/Benefits | - | - | - |
| **Total Restructuring Related Disbursements** | - | - | - |
| **Total Cash Inflow (Outflow)** | - | - | - |
| Opening Cash | 14,822 | 14,822 | - |
| Net Inflows (Outflows) | - | - | - |
| **Closing Cash** | **14,822** | **14,822** | - |

**279896 AB Ltd.**

**Cash Flow Forecast (Apr 9 - Dec 31, 2023)**

**Variance Analysis**

| | Week Ending April 15, 2023 | | |
|---|---|---|---|
| | Projected | Actual | Variance |
| **Total Receipts** | - | - | - |
| **Operating Disbursements** | | | |
| Utilities | - | - | - |
| General and Admin | - | - | - |
| **Total Operating Disbursements** | - | - | - |
| **Cash Available for Financing & Property Taxes** | - | - | - |
| Property Taxes (Current) | - | - | - |
| Payment to Line of Credit | - | 2,193 | 2,193 |
| Sweep to Line of Credit | - | (2,193) | (2,193) |
| **Funds Remaining** | - | - | - |
| **Restructuring Related Disbursements** | | | |
| Payroll/Benefits | - | - | - |
| Professional Services | - | - | - |
| **Total Restructuring Related Disbursements** | - | - | - |
| **Total Cash Inflow (Outflow)** | - | - | - |
| Opening Cash | (47,717) | (47,717) | - |
| Net Inflows (Outflows) | - | - | - |
| **Closing Cash** | **(47,717)** | **(47,717)** | - |

Spruce Grove Industrial Park Inc.
**Cash Flow Forecast (Apr 9 - Dec 31, 2023)**
**Variance Analysis**

| | Week Ending April 15, 2023 | | |
|---|---|---|---|
| | Projected | Actual | Variance |
| **Total Receipts** | - | - | - |
| **Operating Disbursements** | | | |
| Utilities | - | | - |
| General and Admin | - | (5) | (5) |
| Other | - | | - |
| **Total Operating Disbursements** | - | (5) | (5) |
| **Cash Available for Financing & Property Taxes** | - | (5) | (5) |
| Property Taxes (Current) | - | | - |
| Principal Repayments | - | | - |
| Interest Payments | - | | - |
| **Funds Remaining** | - | (5) | (5) |
| **Restructuring Related Disbursements** | | | |
| Professional Services | - | | - |
| Payroll/Benefits | - | | - |
| **Total Restructuring Related Disbursements** | - | - | - |
| **Total Cash Inflow (Outflow)** | - | (5) | (5) |
| Opening Cash | 393 | 393 | - |
| Net Inflows (Outflows) | - | (5) | (5) |
| **Closing Cash** | **393** | **388** | **(5)** |

1170292 Alberta Ltd.
**Cash Flow Forecast (Apr 9 - Dec 31, 2023)**
**Variance Analysis**

| | Week Ending April 15, 2023 | | |
|---|---|---|---|
| | Projected | Actual | Variance |
| **Total Receipts** | - | - | - |
| **Operating Disbursements** | | | |
| Utilities | - | | - |
| General and Admin | - | (5) | (5) |
| Other | - | | - |
| **Total Operating Disbursements** | - | (5) | (5) |
| **Cash Available for Financing & Property Taxes** | - | (5) | (5) |
| Property Taxes (Current) | - | | - |
| Principal Repayments | - | | - |
| Interest Payments | - | | - |
| **Funds Remaining** | - | (5) | (5) |
| **Restructuring Related Disbursements** | | | |
| Payroll/Benefits | - | | - |
| Professional Services | - | | - |
| **Total Restructuring Related Disbursements** | - | - | - |
| **Total Cash Inflow (Outflow)** | - | (5) | (5) |
| Opening Cash | 2,964 | 2,964 | - |
| Net Inflows (Outflows) | - | (5) | (5) |
| **Closing Cash** | **2,964** | **2,959** | **(5)** |

# – Appendix B –

JW Carr Group
**Cash Flow Forecast (Apr 9 - Dec 31, 2023)**
**Consolidated**

| Week Ending 15-Apr-23 | Week Ending | | | | | | | | | | | | Month Ending | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Actual | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | | | | | | | |
| | Apr-15-23 | Apr-22-23 | Apr-29-23 | May-6-23 | May-13-23 | May-20-23 | May-27-23 | Jun-3-23 | Jun-10-23 | Jun-17-23 | Jun-24-23 | Jul-1-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Total |
| **Total Receipts** | **59,676** | **250,000** | **-** | **558,034** | **-** | **59,676** | **-** | **624,035** | **-** | **59,676** | **-** | **-** | **622,085** | **622,085** | **-** | **-** | **-** | **-** | **2,855,266** |
| **Operating Disbursements** | | | | | | | | | | | | | | | | | | | |
| Utilities | - | - | - | (61,060) | - | - | - | (61,060) | - | - | - | - | (61,060) | (61,060) | - | - | - | - | (244,240) |
| Pangman Net Receipts | - | - | (44,174) | - | - | (29,532) | - | - | - | - | (29,532) | - | (29,532) | (29,532) | - | - | - | - | (162,300) |
| General and Admin | (13) | (32,073) | - | (77,380) | - | - | - | (89,680) | - | - | - | - | (75,880) | (75,880) | - | - | - | - | (350,906) |
| Condo Fees | - | - | - | (21,679) | - | - | - | (21,679) | - | - | - | - | (21,679) | (21,679) | - | - | - | - | (86,714) |
| Property Manager | - | - | - | (5,190) | - | - | - | (5,190) | - | - | - | - | (5,190) | (5,190) | - | - | - | - | (20,760) |
| Maintenance/Repair Contingency | - | - | - | (17,000) | - | - | - | (17,000) | - | - | - | - | (17,000) | (17,000) | - | - | - | - | (68,000) |
| GST | - | - | - | (18,228) | - | - | - | (20,713) | - | - | - | - | (21,278) | (21,278) | - | - | - | - | (81,496) |
| Payment of Scotia/Servus Advisor | - | - | (72,636) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (72,636) |
| **Total Operating Disbursements** | **(13)** | **(32,073)** | **(116,810)** | **(200,536)** | **-** | **(29,532)** | **-** | **(215,322)** | **-** | **-** | **(29,532)** | **-** | **(231,618)** | **(231,618)** | **-** | **-** | **-** | **-** | **(1,087,052)** |
| **Cash Available for Financing & Property Taxes** | **59,663** | **217,927** | **(116,810)** | **357,498** | **-** | **30,144** | **-** | **408,713** | **-** | **59,676** | **(29,532)** | **-** | **390,467** | **390,467** | **-** | **-** | **-** | **-** | **1,768,214** |
| Property Taxes (Current) | - | - | - | (19,500) | - | - | - | (65,124) | - | - | - | - | (78,267) | (63,490) | - | - | - | - | (226,381) |
| Property Taxes (Arrears) | - | - | - | (42,015) | - | - | - | (42,015) | - | - | - | - | (42,015) | (18,171) | - | - | - | - | (144,216) |
| Principal Repayments | (25,263) | - | - | (60,397) | (5,625) | (19,638) | - | (64,489) | (5,625) | (19,638) | - | - | (87,895) | (70,868) | - | - | - | - | (359,438) |
| Interest Payments | (30,407) | - | - | (182,187) | (5,807) | (24,578) | - | (182,187) | (5,807) | (24,578) | - | - | (212,572) | (212,572) | - | - | - | - | (880,694) |
| Reduction to Overdraft | - | - | - | (115) | - | - | - | (115) | - | - | - | - | (115) | (115) | - | - | - | - | (461) |
| Payment to Line of Credit | 2,193 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2,193 |
| Sweep to Line of Credit | (2,193) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (2,193) |
| **Funds Remaining** | **3,993** | **217,927** | **(116,810)** | **53,283** | **(11,432)** | **(14,072)** | **-** | **54,783** | **(11,432)** | **15,460** | **(29,532)** | **-** | **(30,397)** | **25,251** | **-** | **-** | **-** | **-** | **157,023** |
| **Restructuring Related Disbursements** | | | | | | | | | | | | | | | | | | | |
| Restructuring Professional Services | - | - | (175,000) | (380,000) | - | - | - | (380,000) | - | - | - | (10,000) | (370,000) | (335,000) | (85,000) | (60,000) | (60,000) | (185,000) | (2,040,000) |
| Payroll/Benefits | (12,910) | (10,481) | (23,382) | (36,800) | (38,027) | (2,800) | (23,382) | (36,800) | (38,027) | (2,800) | (23,382) | (36,800) | (64,210) | (101,010) | (15,000) | (15,000) | (15,000) | (15,000) | (510,812) |
| KERP Deposit | - | - | (50,000) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (50,000) |
| Contingency Cushion | - | - | (20,000) | - | - | - | - | (5,000) | - | - | - | - | (5,000) | (5,000) | (5,000) | (5,000) | (5,000) | (5,000) | (55,000) |
| Non-Restructuring Professional Services | - | - | - | - | (10,000) | - | - | - | (15,000) | - | - | - | - | - | - | - | - | - | (25,000) |
| Post SISP Disbursements | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (510) | (510) | (510) | (510) | (2,040) |
| **Total Restructuring Related Disbursements** | **(12,910)** | **(10,481)** | **(268,382)** | **(416,800)** | **(48,027)** | **(2,800)** | **(23,382)** | **(421,800)** | **(53,027)** | **(2,800)** | **(23,382)** | **(46,800)** | **(439,210)** | **(441,010)** | **(105,510)** | **(80,510)** | **(80,510)** | **(205,510)** | **(2,682,852)** |
| Interim Loan Facility Funding | - | 250,000 | 40,000 | 425,000 | 30,000 | - | 425,000 | - | 40,000 | - | 25,000 | 500,000 | 50,000 | 450,000 | 310,000 | - | 155,000 | - | 2,700,000 |
| **Total Cash Inflow (Outflow)** | **(8,917)** | **457,446** | **(345,192)** | **61,483** | **(29,459)** | **(16,872)** | **401,618** | **(367,017)** | **(24,459)** | **12,660** | **(27,914)** | **453,200** | **(419,606)** | **34,242** | **204,490** | **(80,510)** | **74,490** | **(205,510)** | **174,172** |
| Opening Cash | 158,287 | 149,370 | 606,816 | 261,624 | 323,107 | 293,648 | 276,776 | 678,394 | 311,377 | 286,917 | 299,577 | 271,663 | 724,863 | 305,257 | 339,499 | 543,989 | 463,479 | 537,969 | **158,287** |
| Net Inflows (Outflows) | (8,917) | 457,446 | (345,192) | 61,483 | (29,459) | (16,872) | 401,618 | (367,017) | (24,459) | 12,660 | (27,914) | 453,200 | (419,606) | 34,242 | 204,490 | (80,510) | 74,490 | (205,510) | **174,172** |
| **Closing Cash** | **149,370** | **606,816** | **261,624** | **323,107** | **293,648** | **276,776** | **678,394** | **311,377** | **286,917** | **299,577** | **271,663** | **724,863** | **305,257** | **339,499** | **543,989** | **463,479** | **537,969** | **332,459** | **332,459** |

| Account Balance as at April 7, 2023 | | | Account Balance as at April 16, 2023 | | |
|---|---|---|---|---|---|
| Scotiabank (12989 07918 14) | (87,196) | GPPE | | (96,234) | GPPE |
| Scotiabank (12989 07919 11) | 24,679 | Inverness | | 24,679 | Inverness |
| Scotiabank (12989 07920 12) | 40,667 | 272 Alberta | | 13,461 | 272 Alberta |
| Scotiabank (12989 04344 18) | 213,399 | 272 Alberta | | 184,935 | 272 Alberta |
| CWB (101012983124) | (4,261) | 272 Alberta | | (4,261) | 272 Alberta |
| CWB (101001713591) | 430 | JW Carr | | 56,232 | JW Carr |
| CIBC (00059 36 00017) | 108 | JW Carr | | 108 | JW Carr |
| CIBC (00059 50 01013) | - | JW Carr | | - | JW Carr |
| CWB (101012983043) | 2,193 | 279 Alberta | | - | 279 Alberta |
| CWB Line of Credit | (49,910) | 279 Alberta | | (47,717) | 279 Alberta |
| CWB (101012983183) | 393 | SGIP | | 388 | SGIP |
| Scotiabank (12989 06409 13) | 2,964 | 117 Alberta | | 2,959 | 117 Alberta |
| RBC (047391003375) | 14,822 | 627 Alberta | | 14,822 | 627 Alberta |
| **Total** | **158,287** | | **Total** | **149,370** | |

I, Marjorie Carr, have reviewed the contents and figures presented in this cash flow projection and believe them to be reasonable and accurate to the best of my knowledge.

MCarr

Marjorie Carr

**Grande Prairie Place Enterprises (1996) Inc.**

**Cash Flow Forecast (Apr 9 - Dec 31, 2023)**

| | Week Ending | | | | | | | | | | | | Month Ending | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Actual | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | | | | | | | |
| | **15-Apr-23** | **Apr-22-23** | **Apr-29-23** | **May-6-23** | **May-13-23** | **May-20-23** | **May-27-23** | **Jun-3-23** | **Jun-10-23** | **Jun-17-23** | **Jun-24-23** | **Jul-1-23** | **Jul-23** | **Aug-23** | **Sep-23** | **Oct-23** | **Nov-23** | **Dec-23** | **Total** |
| Admin | - | 250,000 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 250,000 |
| Inverness | - | - | - | 21,289 | - | - | - | 21,289 | - | - | - | - | 19,339 | 19,339 | - | - | - | - | 81,256 |
| Professional Building | - | - | - | 4,830 | - | - | - | 4,830 | - | - | - | - | 4,830 | 4,830 | - | - | - | - | 19,320 |
| O'Brien Place | - | - | - | 9,201 | - | - | - | 9,201 | - | - | - | - | 9,201 | 9,201 | - | - | - | - | 36,806 |
| 214 Place South | - | - | - | 74,559 | - | - | - | 140,561 | - | - | - | - | 140,561 | 140,561 | - | - | - | - | 496,241 |
| 214 Place North | - | - | - | 160,879 | - | - | - | 160,879 | - | - | - | - | 160,879 | 160,879 | - | - | - | - | 643,515 |
| Nordic Court | - | - | - | 71,162 | - | - | - | 71,162 | - | - | - | - | 71,162 | 71,162 | - | - | - | - | 284,647 |
| **Total Receipts** | **-** | **250,000** | **-** | **341,920** | **-** | **-** | **-** | **407,922** | **-** | **-** | **-** | **-** | **405,972** | **405,972** | **-** | **-** | **-** | **-** | **1,811,785** |
| **Operating Disbursements** | | | | | | | | | | | | | | | | | | | |
| Utilities | - | - | - | (59,430) | - | - | - | (59,430) | - | - | - | - | (59,430) | (59,430) | - | - | - | - | (237,720) |
| General, Admin & Insurance | - | (32,073) | - | (63,919) | - | - | - | (77,719) | - | - | - | - | (63,919) | (63,919) | - | - | - | - | (301,550) |
| Condo Fees | - | - | - | (7,004) | - | - | - | (7,004) | - | - | - | - | (7,004) | (7,004) | - | - | - | - | (28,016) |
| Maintenance/Repair Contingency | - | - | - | (10,500) | - | - | - | (10,500) | - | - | - | - | (10,500) | (10,500) | - | - | - | - | (42,000) |
| GST | - | - | - | (9,798) | - | - | - | (12,284) | - | - | - | - | (12,848) | (12,848) | - | - | - | - | (47,777) |
| Payment of Scotia/Servus Advisor | - | - | (72,636) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (72,636) |
| **Total Operating Disbursements** | **-** | **(32,073)** | **(72,636)** | **(150,651)** | **-** | **-** | **-** | **(166,937)** | **-** | **-** | **-** | **-** | **(153,701)** | **(153,701)** | **-** | **-** | **-** | **-** | **(729,700)** |
| **Cash Available for Financing & Property Taxes** | **-** | **217,927** | **(72,636)** | **191,269** | **-** | **-** | **-** | **240,985** | **-** | **-** | **-** | **-** | **252,270** | **252,270** | **-** | **-** | **-** | **-** | **1,082,085** |
| Property Taxes (Current) | - | - | - | - | - | - | - | (45,624) | - | - | - | - | (58,767) | (58,767) | - | - | - | - | (163,157) |
| Principal Repayments | | | | | | | | | | | | | | | | | | | |
| *Bank of Nova Scotia* | - | - | - | (24,103) | - | - | - | (26,007) | - | - | - | - | (26,007) | (26,007) | - | - | - | - | (102,124) |
| *Servus Credit Union* | - | - | - | (27,710) | - | - | - | (29,898) | - | - | - | - | (29,898) | (29,898) | - | - | - | - | (117,404) |
| *Bank of Montreal* | - | - | - | (3,344) | - | - | - | (3,344) | - | - | - | - | (1,487) | (1,487) | - | - | - | - | (9,662) |
| Reduction to Overdraft | - | - | - | (115) | - | - | - | (115) | - | - | - | - | (115) | (115) | - | - | - | - | (461) |
| Interest Payments | | | | | | | | | | | | | | | | | | | |
| *Bank of Nova Scotia* | - | - | - | (65,434) | - | - | - | (65,434) | - | - | - | - | (65,434) | (65,434) | - | - | - | - | (261,736) |
| *Servus Credit Union* | - | - | - | (63,252) | - | - | - | (63,252) | - | - | - | - | (63,252) | (63,252) | - | - | - | - | (253,008) |
| *Bank of Montreal* | - | - | - | (7,311) | - | - | - | (7,311) | - | - | - | - | (7,311) | (7,311) | - | - | - | - | (29,243) |
| **Funds Remaining** | **-** | **217,927** | **(72,636)** | **(0)** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **0** | **0** | **-** | **-** | **-** | **-** | **145,291** |
| **Restructuring Related Disbursements** | | | | | | | | | | | | | | | | | | | |
| Professional Services | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Payroll/Benefits | (9,038) | (10,481) | (23,382) | - | (23,707) | - | (23,382) | - | (23,707) | - | (23,382) | - | (47,090) | (47,090) | (5,000) | (5,000) | (5,000) | (5,000) | (251,260) |
| KERP Deposit | - | - | (50,000) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (50,000) |
| Non-Restructuring Prof Fees | - | - | - | - | (10,000) | - | - | - | (15,000) | - | - | - | - | - | - | - | - | - | (25,000) |
| **Total Restructuring Related Disbursements** | **(9,038)** | **(10,481)** | **(73,382)** | **-** | **(33,707)** | **-** | **(23,382)** | **-** | **(38,707)** | **-** | **(23,382)** | **-** | **(47,090)** | **(47,090)** | **(5,000)** | **(5,000)** | **(5,000)** | **(5,000)** | **(326,260)** |
| Interim Loan Facility Funding | - | 50,000 | 40,000 | - | 30,000 | - | 25,000 | - | 40,000 | - | 25,000 | - | 50,000 | 50,000 | 10,000 | - | 15,000 | - | 335,000 |
| **Total Cash Inflow (Outflow)** | **(9,038)** | **257,446** | **(106,019)** | **(0)** | **(3,707)** | **-** | **1,618** | **-** | **1,293** | **-** | **1,618** | **-** | **2,910** | **2,910** | **5,000** | **(5,000)** | **10,000** | **(5,000)** | **154,031** |
| Opening Cash | (62,517) | (71,555) | 185,891 | 79,872 | 79,872 | 76,165 | 76,165 | 77,782 | 77,782 | 79,075 | 79,075 | 80,693 | 80,693 | 83,603 | 86,514 | 91,514 | 86,514 | 96,514 | **(62,517)** |
| Net Inflows (Outflows) | (9,038) | 257,446 | (106,019) | (0) | (3,707) | - | 1,618 | - | 1,293 | - | 1,618 | - | 2,910 | 2,910 | 5,000 | (5,000) | 10,000 | (5,000) | **154,031** |
| **Closing Cash** | **(71,555)** | **185,891** | **79,872** | **79,872** | **76,165** | **76,165** | **77,782** | **77,782** | **79,075** | **79,075** | **80,693** | **80,693** | **83,603** | **86,514** | **91,514** | **86,514** | **96,514** | **91,514** | **91,514** |

| | |
|---|---|
| Account Balance as at April 7, 2023 | |
| Scotiabank (12989 07918 14) | (87,196) |
| Scotiabank (12989 07919 11) | 24,679 |
| Account Balance as at April 16, 2023 | |
| Scotiabank (12989 07918 14) | (96,234) |
| Scotiabank (12989 07919 11) | 24,679 |

I, Marjorie Carr, have reviewed the contents and figures presented in this cash flow projection and believe them to be reasonable and accurate to the best of my knowledge.

MCarr

Marjorie Carr

272649 AB Ltd

**Cash Flow Forecast (Apr 9 - Dec 31, 2023)**

| | Week Ending | | | | | | | | | | | | Month Ending | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Actual | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | | | | | | | |
| | Apr-15-23 | Apr-22-23 | Apr-29-23 | May-6-23 | May-13-23 | May-20-23 | May-27-23 | Jun-3-23 | Jun-10-23 | Jun-17-23 | Jun-24-23 | Jul-1-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Total |
| Clariant | - | - | - | 15,345 | - | - | - | 15,345 | - | - | - | - | 15,345 | 15,345 | - | - | - | - | 61,381 |
| Tundra | - | - | - | 26,515 | - | - | - | 26,515 | - | - | - | - | 26,515 | 26,515 | - | - | - | - | 106,060 |
| Iron Nation | - | - | - | 29,779 | - | - | - | 29,779 | - | - | - | - | 29,779 | 29,779 | - | - | - | - | 119,117 |
| Ovintiv | - | - | - | 85,454 | - | - | - | 85,454 | - | - | - | - | 85,454 | 85,454 | - | - | - | - | 341,816 |
| **Total Receipts** | - | - | - | **157,093** | - | - | - | **157,093** | - | - | - | - | **157,093** | **157,093** | - | - | - | - | **628,374** |
| **Direct Operating Disbursements** | | | | | | | | | | | | | | | | | | | |
| Utilites | - | - | - | (480) | - | - | - | (480) | - | - | - | - | (480) | (480) | - | - | - | - | (1,920) |
| General and Admin | - | - | - | (10,211) | - | - | - | (10,211) | - | - | - | - | (10,211) | (10,211) | - | - | - | - | (40,843) |
| Maintenance/Repair Contingency | - | - | - | (4,500) | - | - | - | (4,500) | - | - | - | - | (4,500) | (4,500) | - | - | - | - | (18,000) |
| Property Manager | - | - | - | (1,890) | - | - | - | (1,890) | - | - | - | - | (1,890) | (1,890) | - | - | - | - | (7,560) |
| GST | - | - | - | (6,667) | - | - | - | (6,667) | - | - | - | - | (6,667) | (6,667) | - | - | - | - | (26,669) |
| Other | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total Operating Disbursments** | - | - | - | **(23,748)** | - | - | - | **(23,748)** | - | - | - | - | **(23,748)** | **(23,748)** | - | - | - | - | **(94,992)** |
| **Cash Available for Financing & Property Taxes** | - | - | - | **133,345** | - | - | - | **133,345** | - | - | - | - | **133,345** | **133,345** | - | - | - | - | **533,382** |
| Property Taxes (Current) | - | - | - | (18,500) | - | - | - | (18,500) | - | - | - | - | (18,500) | (3,680) | - | - | - | - | (59,181) |
| Property Taxes (Arrears) | - | - | - | (32,731) | - | - | - | (32,731) | - | - | - | - | (32,731) | (8,909) | - | - | - | - | (107,102) |
| Principal Repayments | (25,263) | - | - | (5,240) | (5,625) | (19,638) | - | (5,240) | (5,625) | (19,638) | - | - | (30,503) | (13,476) | - | - | - | - | (130,248) |
| Interest Payments | (30,407) | - | - | (21,204) | (5,829) | (24,578) | - | (21,204) | (5,829) | (24,578) | - | - | (51,611) | (51,611) | - | - | - | - | (236,851) |
| **Funds Remaining** | **(55,670)** | - | - | **55,670** | **(11,454)** | **(44,216)** | - | **55,670** | **(11,454)** | **(44,216)** | - | - | - | **55,670** | - | - | - | - | **0** |
| **Restructuring Related Disbursements** | | | | | | | | | | | | | | | | | | | |
| Professional Services | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Payroll/Benefits | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total Restructuring Related Disbursements** | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total Cash Inflow (Outflow)** | **(55,670)** | - | - | **55,670** | **(11,454)** | **(44,216)** | - | **55,670** | **(11,454)** | **(44,216)** | - | - | - | **55,670** | - | - | - | - | **0** |
| Opening Cash | 249,805 | 194,134 | 194,134 | 194,134 | 249,805 | 238,351 | 194,135 | 194,135 | 249,805 | 238,351 | 194,135 | 194,135 | 194,135 | 194,135 | 249,805 | 249,805 | 249,805 | 249,805 | 249,805 |
| Net Inflows (Outflows) | (55,670) | - | - | 55,670 | (11,454) | (44,216) | - | 55,670 | (11,454) | (44,216) | - | - | - | 55,670 | - | - | - | - | 0 |
| **Closing Cash** | **194,134** | **194,134** | **194,134** | **249,805** | **238,351** | **194,135** | **194,135** | **249,805** | **238,351** | **194,135** | **194,135** | **194,135** | **194,135** | **249,805** | **249,805** | **249,805** | **249,805** | **249,805** | **249,805** |

| Account Balance as at April 7,2023 | |
|---|---|
| Scotiabank (12989 07920 12) | 40,667 |
| Scotiabank (12989 04344 18) | 213,399 |
| CWB (101012983124) | (4,261) |

| Account Balance as at April 16, 2023 | |
|---|---|
| Scotiabank (12989 07920 12) | 13,461 |
| Scotiabank (12989 04344 18) | 184,935 |
| CWB (101012983124) | (4,261) |

I, Marjorie Carr, have reviewed the contents and figures presented in this cash flow projection and believe them to be reasonable and accurate to the best of my knowledge.

M Carr

Marjorie Carr

JW Carr Holdings

**Cash Flow Forecast (Apr 9 - Dec 31, 2023)**

| | Week Ending | | | | | | | | | | | | Month Ending | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Actual | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | | | | | | | |
| | Apr-15-23 | Apr-22-23 | Apr-29-23 | May-6-23 | May-13-23 | May-20-23 | May-27-23 | Jun-3-23 | Jun-10-23 | Jun-17-23 | Jun-24-23 | Jul-1-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Total |
| Admin | 59,676 | - | - | - | - | 59,676 | - | - | - | 59,676 | - | - | - | - | - | - | - | - | 179,028 |
| Central Park | - | - | - | 24,345 | - | - | - | 24,345 | - | - | - | - | 24,345 | 24,345 | - | - | - | - | 97,380 |
| Fort Saskatchewan | - | - | - | 13,175 | - | - | - | 13,175 | - | - | - | - | 13,175 | 13,175 | - | - | - | - | 52,700 |
| **Total Receipts** | **59,676** | **-** | **-** | **37,520** | **-** | **59,676** | **-** | **37,520** | **-** | **59,676** | **-** | **-** | **37,520** | **37,520** | **-** | **-** | **-** | **-** | **329,108** |
| **Direct Operating Disbursements** | | | | | | | | | | | | | | | | | | | |
| Utilities | - | - | - | (350) | - | - | - | (350) | - | - | - | - | (350) | (350) | - | - | - | - | (1,400) |
| General and Admin | (3) | - | - | (2,520) | - | - | - | (1,020) | - | - | - | - | (1,020) | (1,020) | - | - | - | - | (5,583) |
| Condo Fees | - | - | - | (14,675) | - | - | - | (14,675) | - | - | - | - | (14,675) | (14,675) | - | - | - | - | (58,698) |
| Property Manager | - | - | - | (1,800) | - | - | - | (1,800) | - | - | - | - | (1,800) | (1,800) | - | - | - | - | (7,200) |
| Maintenance/Repair Contingency | - | - | - | (1,000) | - | - | - | (1,000) | - | - | - | - | (1,000) | (1,000) | - | - | - | - | (4,000) |
| Pangman Net Receipts | - | - | (44,174) | - | - | (29,532) | - | - | - | - | (29,532) | - | (29,532) | (29,532) | - | - | - | - | (162,300) |
| GST | - | - | - | (914) | - | - | - | (914) | - | - | - | - | (914) | (914) | - | - | - | - | (3,654) |
| **Total Operating Disbursements** | **(3)** | **-** | **(44,174)** | **(21,258)** | **-** | **(29,532)** | **-** | **(19,758)** | **-** | **-** | **(29,532)** | **-** | **(49,290)** | **(49,290)** | **-** | **-** | **-** | **-** | **(242,835)** |
| **Cash Available for Financing & Property Tax** | **59,673** | **-** | **(44,174)** | **16,262** | **-** | **30,144** | **-** | **17,762** | **-** | **59,676** | **(29,532)** | **-** | **(11,770)** | **(11,770)** | **-** | **-** | **-** | **-** | **86,272** |
| **Financing & Property Tax Disbursements** | | | | | | | | | | | | | | | | | | | |
| Property Taxes (Current) | - | - | - | (1,000) | - | - | - | (1,000) | - | - | - | - | (1,000) | (1,000) | - | - | - | - | (4,000) |
| Property Taxes (Arrears) | - | - | - | (9,262) | - | - | - | (9,262) | - | - | - | - | (9,262) | (9,262) | - | - | - | - | (37,048) |
| Principal Repayments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Payments | - | - | - | (8,010) | - | - | - | (8,010) | - | - | - | - | (8,010) | (8,010) | - | - | - | - | (32,040) |
| **Funds Remaining** | **59,673** | **-** | **(44,174)** | **(2,010)** | **-** | **30,144** | **-** | **(510)** | **-** | **59,676** | **(29,532)** | **-** | **(30,042)** | **(30,042)** | **-** | **-** | **-** | **-** | **13,185** |
| **Restructuring Related Disbursements** | | | | | | | | | | | | | | | | | | | |
| Professional Services | - | - | (175,000) | (380,000) | - | - | - | (380,000) | - | - | - | (10,000) | (370,000) | (335,000) | (85,000) | (60,000) | (60,000) | (185,000) | (2,040,000) |
| Payroll/Benefits | (3,872) | - | - | (36,800) | (14,320) | (2,800) | - | (36,800) | (14,320) | (2,800) | - | (36,800) | (17,120) | (53,920) | (10,000) | (10,000) | (10,000) | (10,000) | (259,552) |
| Contingency Cushion | - | - | (20,000) | - | - | - | - | (5,000) | - | - | - | - | (5,000) | (5,000) | (5,000) | (5,000) | (5,000) | (5,000) | (55,000) |
| Post SISP Admin Disbursements | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (510) | (510) | (510) | (510) | (2,040) |
| **Total Restructuring Related Disbursements** | **(3,872)** | **-** | **(195,000)** | **(416,800)** | **(14,320)** | **(2,800)** | **-** | **(421,800)** | **(14,320)** | **(2,800)** | **-** | **(46,800)** | **(392,120)** | **(393,920)** | **(100,510)** | **(75,510)** | **(75,510)** | **(200,510)** | **(2,356,592)** |
| Interim Loan Facility Funding | - | 200,000 | - | 425,000 | - | - | 400,000 | - | - | - | - | 500,000 | - | 400,000 | 300,000 | - | 140,000 | - | 2,365,000 |
| **Total Cash Inflow (Outflow)** | **55,802** | **200,000** | **(239,174)** | **6,190** | **(14,320)** | **27,344** | **400,000** | **(422,310)** | **(14,320)** | **56,876** | **(29,532)** | **453,200** | **(422,162)** | **(23,962)** | **199,490** | **(75,510)** | **64,490** | **(200,510)** | **21,593** |
| Opening Cash | 538 | 56,340 | 256,340 | 17,166 | 23,356 | 9,036 | 36,380 | 436,380 | 14,070 | (250) | 56,626 | 27,095 | 480,295 | 58,133 | 34,171 | 233,661 | 158,151 | 222,641 | 538 |
| Net Inflows (Outflows) | 55,802 | 200,000 | (239,174) | 6,190 | (14,320) | 27,344 | 400,000 | (422,310) | (14,320) | 56,876 | (29,532) | 453,200 | (422,162) | (23,962) | 199,490 | (75,510) | 64,490 | (200,510) | 21,593 |
| Closing Cash | **56,340** | **256,340** | **17,166** | **23,356** | **9,036** | **36,380** | **436,380** | **14,070** | **(250)** | **56,626** | **27,095** | **480,295** | **58,133** | **34,171** | **233,661** | **158,151** | **222,641** | **22,131** | **22,131** |

| | |
|---|---|
| Account Balance as at April 7, 2023 | |
| CWB (101001713591) | 430 |
| CIBC: 00059 36-00017 | 108 |
| CIBC: 00059-50-01013 | - |
| | |
| Account Balance as at April 16, 2023 | |
| CWB (101001713591) | 56,232 |
| CIBC: 00059 36-00017 | 108 |
| CIBC: 00059-50-01013 | - |

I, Marjorie Carr, have reviewed the contents and figures presented in this cash flow projection and believe them to be reasonable and accurate to the best of my knowledge.

M Carr

Marjorie Carr

627612 Albera Ltd.

**Cash Flow Forecast (Apr 9 - Dec 31, 2023)**

| | Week Ending | | | | | | | | | | | | Month Ending | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Actual | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | | | | | | | |
| | Apr-15-23 | Apr-22-23 | Apr-29-23 | May-6-23 | May-13-23 | May-20-23 | May-27-23 | Jun-3-23 | Jun-10-23 | Jun-17-23 | Jun-24-23 | Jul-1-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Total |
| Rosedale | - | - | - | 15,550 | - | - | - | 15,550 | - | - | - | - | 15,550 | 15,550 | - | - | - | - | 62,200 |
| Juniper | - | - | - | 5,950 | - | - | - | 5,950 | - | - | - | - | 5,950 | 5,950 | - | - | - | - | 23,800 |
| **Total Receipts** | - | - | - | **21,500** | - | - | - | **21,500** | - | - | - | - | **21,500** | **21,500** | - | - | - | - | **86,000** |
| **Direct Operating Disbursements** | | | | | | | | | | | | | | | | | | | |
| Utilites | - | - | - | (800) | - | - | - | (800) | - | - | - | - | (800) | (800) | - | - | - | - | (3,200) |
| General and Admin | - | - | - | (375) | - | - | - | (375) | - | - | - | - | (375) | (375) | - | - | - | - | (1,500) |
| Maintenance/Repair Contingency | - | - | - | (1,000) | - | - | - | (1,000) | - | - | - | - | (1,000) | (1,000) | - | - | - | - | (4,000) |
| Property Manger | - | - | - | (1,500) | - | - | - | (1,500) | - | - | - | - | (1,500) | (1,500) | - | - | - | - | (6,000) |
| GST | - | - | - | (849) | - | - | - | (849) | - | - | - | - | (849) | (849) | - | - | - | - | (3,395) |
| **Total Operating Disbursements** | - | - | - | **(4,524)** | - | - | - | **(4,524)** | - | - | - | - | **(4,524)** | **(4,524)** | - | - | - | - | **(18,095)** |
| **Cash Available for Financing & Property Taxes** | - | - | - | **16,976** | - | - | - | **16,976** | - | - | - | - | **16,976** | **16,976** | - | - | - | - | **67,905** |
| **Financing & Property Tax Disbursements** | | | | | | | | | | | | | | | | | | | |
| Property Taxes (Current) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Principal Repayments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Payments | - | - | - | (16,976) | - | - | - | (16,976) | - | - | - | - | (16,976) | (16,976) | - | - | - | - | (67,905) |
| **Funds Remaining** | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Restructuring Related Disbursements** | | | | | | | | | | | | | | | | | | | |
| Professional Services | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Payroll/Benefits | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total Restructuring Related Disbursements** | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total Cash Inflow (Outflow)** | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Opening Cash | 14,822 | 14,822 | 14,822 | 14,822 | 14,822 | 14,822 | 14,822 | 14,822 | 14,822 | 14,822 | 14,822 | 14,822 | 14,822 | 14,822 | 14,822 | 14,822 | 14,822 | 14,822 | 14,822 |
| Net Inflows (Outflows) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Closing Cash** | **14,822** | **14,822** | **14,822** | **14,822** | **14,822** | **14,822** | **14,822** | **14,822** | **14,822** | **14,822** | **14,822** | **14,822** | **14,822** | **14,822** | **14,822** | **14,822** | **14,822** | **14,822** | **14,822** |

Account Balance as at April 7, 2023
RBC (047391003375) 14,822

Account Balance as at April 16, 2023
RBC (047391003375) 14,822

I, Marjorie Carr, have reviewed the contents and figures presented in this cash flow projection and believe them to be reasonable and accurate to the best of my knowledge.

M Carr

Marjorie Carr

279896 AB Ltd.

Cash Flow Forecast (Apr 9 - Dec 31, 2023)

| | Week Ending | | | | | | | | | | | | Month Ending | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Actual | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | | | | | | | |
| | Apr-15-23 | Apr-22-23 | Apr-29-23 | May-6-23 | May-13-23 | May-20-23 | May-27-23 | Jun-3-23 | Jun-10-23 | Jun-17-23 | Jun-24-23 | Jul-1-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Total |
| **Total Receipts** | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Operating Disbursements** | | | | | | | | | | | | | | | | | | | |
| Utilities | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| General and Admin | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total Operating Disbursements** | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Cash Available for Financing & Property Taxes** | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Property Taxes (Current) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Payment to Line of Credit | 2,193 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Sweep to Line of Credit | (2,193) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| **Funds Remaining** | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Restructuring Related Disbursements** | | | | | | | | | | | | | | | | | | | |
| Payroll/Benefits | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Professional Services | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total Restructuring Related Disbursements** | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total Cash Inflow (Outflow)** | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Opening Cash | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) |
| Net Inflows (Outflows) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Debtor in Possession (DIP) | | | | | | | | | | | | | | | | | | | - |
| Closing Cash | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) | (47,717) |

| | |
|---|---|
| Account Balance as at April 7, 2023 | |
| CWB (101012983043) | 2,193 |
| CWB Line of Credit | (49,910) |
| Account Balance as at April 16, 2023 | |
| CWB (101012983043) | - |
| CWB Line of Credit | (47,717) |

I, Marjorie Carr, have reviewed the contents and figures presented in this cash flow projection and believe them to be reasonable and accurate to the best of my knowledge.

M Carr

Marjorie Carr

Spruce Grove Industrial Park Inc.

**Cash Flow Forecast (Apr 9 - Dec 31, 2023)**

| | Week Ending | | | | | | | | | | | | Month Ending | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Actual | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | | | | | | | |
| | **Apr-15-23** | **Apr-22-23** | **Apr-29-23** | **May-6-23** | **May-13-23** | **May-20-23** | **May-27-23** | **Jun-3-23** | **Jun-10-23** | **Jun-17-23** | **Jun-24-23** | **Jul-1-23** | **Jul-23** | **Aug-23** | **Sep-23** | **Oct-23** | **Nov-23** | **Dec-23** | **Total** |
| **Total Receipts** | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Operating Disbursements** | | | | | | | | | | | | | | | | | | | |
| Utilities | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Bank Fees | (5) | | | (5) | | | | (5) | | | | | (5) | (5) | - | - | - | - | (25) |
| General and Admin | (5) | - | - | (5) | - | - | - | (5) | - | - | - | - | (5) | (5) | - | - | - | - | (25) |
| Other | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total Operating Disbursements** | **(5)** | **-** | **-** | **(5)** | **-** | **-** | **-** | **(5)** | **-** | **-** | **-** | **-** | **(5)** | **(5)** | **-** | **-** | **-** | **-** | **(25)** |
| **Cash Available for Financing & Property Taxes** | **(5)** | **-** | **-** | **(5)** | **-** | **-** | **-** | **(5)** | **-** | **-** | **-** | **-** | **(5)** | **(5)** | **-** | **-** | **-** | **-** | **(25)** |
| Property Taxes (Current) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Principal Repayments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Payments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Funds Remaining** | **(5)** | **-** | **-** | **(5)** | **-** | **-** | **-** | **(5)** | **-** | **-** | **-** | **-** | **(5)** | **(5)** | **-** | **-** | **-** | **-** | **(25)** |
| **Restructuring Related Disbursements** | | | | | | | | | | | | | | | | | | | |
| Professional Services | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Payroll/Benefits | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total Restructuring Related Disbursements** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Total Cash Inflow (Outflow)** | **(5)** | **-** | **-** | **(5)** | **-** | **-** | **-** | **(5)** | **-** | **-** | **-** | **-** | **(5)** | **(5)** | **-** | **-** | **-** | **-** | **(25)** |
| Opening Cash | 393 | 388 | 388 | 388 | 383 | 383 | 383 | 383 | 378 | 378 | 378 | 378 | (25) | (30) | (35) | (35) | (35) | (35) | - |
| Net Inflows (Outflows) | (5) | - | - | (5) | - | - | - | (5) | - | - | - | - | (5) | (5) | - | - | - | - | (25) |
| Debtor in Possession (DIP) | | | | | | | | | | | | | | | | | | | - |
| Closing Cash | **388** | **388** | **388** | **383** | **383** | **383** | **383** | **378** | **378** | **378** | **378** | **378** | **(30)** | **(35)** | **(35)** | **(35)** | **(35)** | **(35)** | **(25)** |

Account Balance as at April 7, 2023
CWB (101012983183) 393

Account Balance as at April 16, 2023
CWB (101012983183) 388

I, Marjorie Carr, have reviewed the contents and figures presented in this cash flow projection and believe them to be reasonable and accurate to the best of my knowledge.

M Carr

Marjorie Carr

1170292 Alberta Ltd.

**Cash Flow Forecast (Apr 9 - Dec 31, 2023)**

| | Week Ending | | | | | | | | | | | | Month Ending | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Actual | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | | | | | | | |
| | Apr-15-23 | Apr-22-23 | Apr-29-23 | May-6-23 | May-13-23 | May-20-23 | May-27-23 | Jun-3-23 | Jun-10-23 | Jun-17-23 | Jun-24-23 | Jul-1-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Total |
| **Total Receipts** | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Operating Disbursements** | | | | | | | | | | | | | | | | | | | |
| Utilities | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Bank Fees | (5) | | | | | | | | | | | | - | - | - | - | - | - | (5) |
| Fence Rental | | | | (350) | | | | (350) | | | | | (350) | (350) | - | - | - | - | (1,400) |
| General and Admin | (5) | - | - | (350) | - | - | - | (350) | - | - | - | - | (350) | (350) | - | - | - | - | (1,405) |
| Other | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total Operating Disbursements** | **(5)** | - | - | **(350)** | - | - | - | **(350)** | - | - | - | - | **(350)** | **(350)** | - | - | - | - | **(1,405)** |
| **Cash Available for Financing & Property Taxes** | **(5)** | - | - | **(350)** | - | - | - | **(350)** | - | - | - | - | **(350)** | **(350)** | - | - | - | - | **(1,405)** |
| Property Taxes (Current) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Principal Repayments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Payments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Funds Remaining** | **(5)** | - | - | **(350)** | - | - | - | **(350)** | - | - | - | - | **(350)** | **(350)** | - | - | - | - | **(1,405)** |
| **Restructuring Related Disbursements** | | | | | | | | | | | | | | | | | | | |
| Payroll/Benefits | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Professional Services | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total Restructuring Related Disbursements** | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total Cash Inflow (Outflow)** | **(5)** | - | - | **(350)** | - | - | - | **(350)** | - | - | - | - | **(350)** | **(350)** | - | - | - | - | **(1,405)** |
| Opening Cash | 2,964 | 2,959 | 2,959 | 2,959 | 2,609 | 2,609 | 2,609 | 2,609 | 2,259 | 2,259 | 2,259 | 2,259 | 2,259 | 1,909 | 1,559 | 1,559 | 1,559 | 1,559 | 2,964 |
| Net Inflows (Outflows) | (5) | - | - | (350) | - | - | - | (350) | - | - | - | - | (350) | (350) | - | - | - | - | (1,405) |
| Debtor-in-Possesion (DIP) | | | | | | | | | | | | | | | | | | | - |
| Closing Cash | **2,959** | **2,959** | **2,959** | **2,609** | **2,609** | **2,609** | **2,609** | **2,259** | **2,259** | **2,259** | **2,259** | **2,259** | **1,909** | **1,559** | **1,559** | **1,559** | **1,559** | **1,559** | **1,559** |

| | |
|---|---|
| Account Balance as at April 7, 2023 | |
| Scotiabank (12989 06409 13) | 2,964 |
| Account Balance as at April 16, 2023 | |
| Scotiabank (12989 06409 13) | 2,959 |

I, Marjorie Carr, have reviewed the contents and figures presented in this cash flow projection and believe them to be reasonable and accurate to the best of my knowledge.

M Carr

Marjorie Carr

J.W. Carr Holdings Ltd., Spruce Grove Industrial Park Inc., Grande Prairie Place Enterprises (1996) Inc., 272649 Alberta Ltd., 279896 Alberta Ltd., 627612 Alberta Ltd. and 1170292 Alberta Ltd (collectively, the "JW Carr Group", the "Applicants", or the "Companies")

**Notes to the Revised Projected Statement of Cash Flow ("CFS#2")**

For the Period Ending December 31, 2023

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**Purpose and General Assumptions**

1. The purpose of CFS#2 is to present a cash flow forecast of the Companies for the period beginning on April 16, 2023 and ending on December 31, 2023 (the "**Projection Period**") in respect of their proceedings under the Companies' Creditors Arrangement Act ("**CCAA**"). CFS#2 is based off of the fact that the Initial Order was granted on April 19, 2023.

2. CFS#2 has been prepared based on hypothetical and most probable assumptions.

**Hypothetical Assumptions**

3. JW Carr Group's management ("**Management**") reviewed actual cash receipts and outflows over a number of months past and has advised that these amounts have been relatively flat and consistent month over month. Management has also incorporated anticipated irregular expenses and accounted for unforeseen cash related items. In regard to typical monthly cash flows, Management has assumed that the projected amounts will remain consistent with recent historical results.

**Probable Assumptions**

4. The consolidated opening cash balance is an aggregate of all of the Companies' actual known reconciled bank account balances as at April 16, 2023. The Companies' various bank accounts are maintained at Scotiabank, RBC, CIBC and Canadian Western Bank. Note: The Companies do not maintain separate bank accounts for each property/closely related group of properties (closely related group of properties is defined as properties sharing the same physical/geographical location most of which have the same first mortgagee).

5. The consolidated cash flow as detailed in CFS#2 is a compilation built in accordance with the following methodology:

   i.) Each individual property/group of closely related properties was segregated and the projected cash flows (if any) for such properties were reviewed by Management and confirmed to be accurate;

   ii.) Next, all individual property projections, and the projections for general administration costs (in JW Carr and GPPE only) were then accumulated into a consolidated projection for the specific Applicant owner of such properties; and

   iii.) Finally, all individual Applicant projections derived from the above were then consolidated into the cumulative Applicants' projection incorporating all anticipated transactions for the JW Carr Group.

6. For each property/closely related group of properties where such properties are income producing, Management identified regular operating and anticipated cash receipts and disbursements. Management also identified unusual, irregular and necessary expenditures required to ensure the

condition of such properties was maintained over the Projection Period. Specifically, the projections for such properties are based on the following methodology in relation to the use of the cash generated towards the related expenses identified (to the extent sufficient cash receipts resulted):

i.) First, all necessary and critical direct operating expenses are paid;

ii.) Second, interest is paid on mortgages, based on historical and estimated interest amounts (note: in instances where the interest and principal payments were not segregated, the amount paid to the applicable secured creditor is simply the amount of (up to) the regular monthly payment stipulated by Management;

iii.) Third, principal payments on mortgages (where known and segregated from interest in accordance with the note above);

iv.) Next, regular monthly property tax payments; and

v.) Finally, towards arrears of property taxes where possible (NOTE: the projections assume that there will be no use of funds from one property to cover any expenses for another property).

7. One notable exception to the above relates to situations where the Companies have made a reservation on account of immaterial possible unexpected expenditures. In the event there is no actual disbursement that utilizes the reserved amounts, any such amounts will remain as a cash reserve for future unexpected expenses or expenditure variances, if any.

8. In regard to GPPE, excluding Inverness, there is only a BNS line of credit against the Professional Building and one mortgage against the remaining 4 buildings owned by GPPE. As such, the following additional assumptions were applied to interest, principal, and property taxes for the GPPE properties (excluding Inverness):

   i. For the Professional Building, all surplus funds generated were applied to reduce the outstanding line of credit with BNS;

   ii. For O'Brien, 214S and 214N, interest between BNS and Servus was paid using funds available on a pro-rata basis using the regular monthly amounts provided by Management until all required regular interest was paid;

   iii. For 214N, once all required interest was paid in full in as per above and sufficient funds remained to contribute to principal, principal payments were made on a pro-rata basis to BNS and Servus. In August 2023, all required principal payments for both BNS and service are projected to be paid, and the remaining funds from operations were used to pay down property taxes; and

   iv. Finally, for Nordic Court, given that all interest and principal payments were covered from the other properties noted above, the surplus funds generated from this property were applied in full against property taxes owed.

9. For each property/closely related group of properties that are not income generating, no direct cash flow activity whatsoever has been projected unless there is existing cash on hand to cover any minimal expenses projected. For clarity, there will be no interest, principal or property taxes payments made on such properties over the Projection Period. These properties include Vision

West, O'Brien Land, Hillcrest, Northridge, Mulhurst Bay, Park Avenue and Spruce Grove Industrial Park.

10. All general administrative costs for the Applicants are facilitated through JW Carr Holdings Ltd. ("JW") and Grande Prairie Place Enterprises (1996) Inc. ("GPPE"). CFS#2 incorporates the assumption that all such costs and the professional fees of the CCAA proceedings will be covered by advances from the Interim Loan Facility.

11. It is acknowledged and understood that the pending CCAA proceedings and related SISP call for the sale and transition of the Applicants' properties to the new purchasers by August 31, 2023. CFS#2 incorporates this assumption, and all operating cash inflows and outflows after this time have been reduced to NIL for all income generating properties, with one exception: payroll for GPPE and JW Carr. It has been assumed that some level of assistance may be required from certain GPPE and JW Carr staff to finalize accounting and other matters and as such, some reduced cost in this regard will be maintained. However, such costs after August 31, 2023 are projected to be covered by the Interim Loan Facility where required. In addition, CFS#2 does not reflect any receipt or disbursement of sale proceeds for the properties as it has been assumed that such funds will be maintained by counsel or the Monitor for distribution to creditors, and that no funds will be available to the Applicants over the projection period.

12. The occupancy rates of the commercial holdings are expected to remain constant throughout the Projection Period. Management is making efforts to renew leases and add tenants; however, the Projection Period projects a "steady state". Current occupancy rates for the commercial holdings are as follows:

| GPPE | Occupancy (%) |
|---|---|
| Nordic Court | 84 |
| 214 North | 62 |
| 214 South | 96 |
| O'Brien Place | 83 |
| Prof Bldg | 63 |
| Inverness | 85 |

| 272649 | Occupancy (%) |
|---|---|
| Clariant | 100 |
| Tundra | 100 |
| Iron Nation | 100 |
| Ovintiv | 100 |

13. As per discussions with Management and reviewing the rent roll, a tenant of the 214 South property is to start paying an additional $66,000 in monthly rent in June 2023 onward. This increase is reflected in Week 8 onward in the cash flow.

14. Up until the time of the CCAA filing, due to condo fee arrears and an assessment of the Central Park Condos ("CPC"), the condo board has swept the rental receipts from the JW Carr Group. As a result of the Court's decision on this issue at the Initial Application on April 19, 2023, CFS#2 has been prepared on the basis that the Stay afforded by the CCAA will prevent this sweep from continuing and that the rental receipts from CPC will be available to the JW Carr Group from the time of filing forward.

15. The bookkeeper of the JW Carr Group recently passed away. The Projection Period assumes a replacement bookkeeper will be retained at a rate of pay that is consistent with the historical expense in this regard.

16. An insurance policy through Aurora Underwriting Solutions ("Aurora") is paid monthly from the accounts of GPPE for all of the JW Carr Group properties. CFS#2 incorporates intercompany transfers of cash to repay GPPE for this expense as incurred.

17. General office and administration disbursements relate to general expenses incurred by JW Carr Group on a weekly/monthly basis. Again, the outflows noted in this regard are based on historical results and Management does not anticipate any material variances over the Projection Period.

18. JW Carr Group is a 50% shareholder of Pangman Investments Ltd. ("Pangman"), an owner of two real estate holdings in Fort McMurray, Alberta. Property manager reports on Pangman have shown inflows of approximately $3,000 per month from October, 2022 to January, 2023; however, Management anticipates that there will be a net outflow of approximately $44,000 in April and then $30,000 per month thereafter as a result of tenants not renewing leases resulting in expenses higher than net receipts in the months to come. CFS#2 has assumed that this net outflow will be covered by the R'Ohan receipts and that it will end in August 2023 as JW Carr's interest in Pangman should be addressed under similar timelines as the properties subject to the SISP.

19. JW Carr currently holds shares in R'ohan Well Services Ltd, which are the subject of a pending purchase/sale transaction. It is anticipated that JW Carr will sell these shares by the end of June 2023, and when sold, the monthly receipts from this entity will cease.

20. GST payments for income generating properties have been estimated based on the net of taxable receipts versus input tax credits at a rate of 5%. CFS#2 does not reflect any possible refund of GST that could result from the professional fees paid over the projection period as it has been assumed that any such funds would be used to pay priority creditors/the Interim Lender.

21. The professional fees noted in CFS#2 are estimates and subject to change/variances over the Projection Period.

I have reviewed the assumptions noted herein and agree they are the appropriate basis for use in CFS#2 and are properly reflected over the Projection Period

MCarr

Marjorie Carr

## – Appendix C –

| | |
|---|---|
| COURT FILE NUMBER | |
| COURT | COURT OF KING'S BENCH OF ALBERTA |
| JUDICIAL CENTRE | EDMONTON |
| PROCEEDING | IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended<br><br>AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF J.W. CARR HOLDINGS LTD., SPRUCE GROVE INDUSTRIAL PARK INC., 272649 ALBERTA LTD., 279896 ALBERTA LTD., GRANDE PRAIRIE PLACE ENTERPRISES (1996) INC., 1170292 ALBERTA LTD. and 627612 ALBERTA LTD. |
| DOCUMENT | **CONSENT TO ACT AS PROMISSORY NOTE HOLDERS' REPRESENTATIVE** |
| ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT | **MLT AIKINS LLP**<br>Barristers and Solicitors<br>2200, 10235 – 101 Street<br>Edmonton, AB T5G 3G1<br>Telephone: 306.975.7136 / 780.969.3518<br>Fax No.: 306.975.7145 / 780.969.3549<br>Attention: Jeffrey M. Lee, K.C / Mandi A. Deren-Dube<br>File No.: 0159371.00008 |

**I, WADE CAMPBELL**, hereby state:

1. That I have received and reviewed a copy of the Affidavit of Marjorie Carr sworn on April 10, 2023 filed in these proceedings (the "**Carr Affidavit**") and the Draft Amended and Restated Initial Order to be filed in these proceedings (the "**Draft ARIO**").

2. That I am a director of 1441289 Alberta Ltd., the holder of a Promissory Note issued by one or more of J.W. Carr Holdings Ltd., 272649 Alberta Ltd. and Grande Prairie Place Enterprises (1996) Inc., as described in paragraph 184 of the Carr Affidavit.

3. That if so appointed by the Court, I consent to act a Representative of the Promissory Note Holders, on the terms and conditions described in paragraphs 37, 38 and 39 of the Draft ARIO.

**DATED** at ST Albert, Alberta this 16th day of April, 2023.

| | |
|---|---|
| Witness | Wade Campbell |
| Print Name of Witness: Michael Dollevoet | |

Promisery Note Amounts in question

Wade Campbell Second Loan not showing

| | |
|---|---|
| COURT FILE NUMBER | |
| COURT | COURT OF KING'S BENCH OF ALBERTA |
| JUDICIAL CENTRE | EDMONTON |
| PROCEEDING | IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36<br><br>AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF J.W. CARR HOLDINGS LTD., SPRUCE GROVE INDUSTRIAL PARK INC., 272649 ALBERTA LTD., 279896 ALBERTA LTD., GRANDE PRAIRIE PLACE ENTERPRISES (1996) INC., 1170292 ALBERTA LTD. and 627612 ALBERTA LTD. |
| DOCUMENT | **CONSENT TO ACT AS PROMISSORY NOTE HOLDERS' REPRESENTATIVE** |
| ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT | **MLT AIKINS LLP**<br>Barristers and Solicitors<br>2200, 10235 – 101 Street<br>Edmonton, AB T5G 3G1<br>Telephone: 306.975.7136 / 780.969.3518<br>Fax No.: 306.975.7145 / 780.969.3549<br>Attention: Jeffrey M. Lee, K.C / Mandi A. Deren-Dube |

**I, DARRELL ZAPERNICK**, hereby state:

1. That I have received and reviewed a copy of the Affidavit of Marjorie Carr sworn on April 10, 2023 filed in these proceedings (the "**Carr Affidavit**") and the Draft Amended and Restated Initial Order to be filed in these proceedings (the "**Draft ARIO**").

2. That I am the holder of a Promissory Note issued by one or more of J.W. Carr Holdings Ltd., 272649 Alberta Ltd. and Grande Prairie Place Enterprises (1996) Inc.

3. That if so appointed by the Court, I consent to act a Representative of the Promissory Note Holders, on the terms and conditions described in paragraphs 37, 38 and 39 of the Draft ARIO.

**DATED** at EDMONTON, Alberta this 16th day of April, 2023.

SMcInnes

Witness Name: Shauna McInnes RN

Darell Zapernick
Darrell Zapernick
Darell Zapernick

| | |
|---|---|
| COURT FILE NUMBER | 2303 06543 |
| COURT | COURT OF KING'S BENCH OF ALBERTA |
| JUDICIAL CENTRE | EDMONTON |
| PROCEEDING | IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36<br><br>AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF J.W. CARR HOLDINGS LTD., SPRUCE GROVE INDUSTRIAL PARK INC., 272649 ALBERTA LTD., 279896 ALBERTA LTD., GRANDE PRAIRIE PLACE ENTERPRISES (1996) INC., 1170292 ALBERTA LTD. and 627612 ALBERTA LTD. |
| DOCUMENT | **CONSENT TO ACT AS PROMISSORY NOTE HOLDERS' REPRESENTATIVE** |
| ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT | **MLT AIKINS LLP**<br>Barristers and Solicitors<br>2200, 10235 – 101 Street<br>Edmonton, AB T5G 3G1<br>Telephone: 306.975.7136 / 780.969.3518<br>Fax No.: 306.975.7145 / 780.969.3549<br>Attention: Jeffrey M. Lee, K.C / Mandi A. Deren-Dube |

**I, PERRY PEARN**, hereby state:

1. That I have received and reviewed a copy of the Affidavit of Marjorie Carr sworn on April 10, 2023 filed in these proceedings (the "**Carr Affidavit**") and the Draft Amended and Restated Initial Order to be filed in these proceedings (the "**Draft ARIO**").

2. That I am the holder of a Promissory Note issued by one or more of J.W. Carr Holdings Ltd., 272649 Alberta Ltd. and Grande Prairie Place Enterprises (1996) Inc.

3. That if so appointed by the Court, I consent to act a Representative of the Promissory Note Holders, on the terms and conditions described in paragraphs 37, 38 and 39 of the Draft ARIO.

**DATED** at Tallin, Estonia this 21st day of April, 2023.

Greg Ireland

Witness Name: (Greg Ireland)

Perry Pearn

32246474v4

# Consent to Act as Promissory Note Holders' Representative

Final Audit Report 2023-04-22

| | |
|---|---|
| Created: | 2023-04-21 |
| By: | Vanessa Warkentin (vwarkentin@mltaikins.com) |
| Status: | Signed |
| Transaction ID: | CBJCHBCAABAAg3nnkuf_NV-2bMp1z9F7GV5t1zO8ANMV |

## "Consent to Act as Promissory Note Holders' Representative" History

Document created by Vanessa Warkentin (vwarkentin@mltaikins.com)
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Signer pdpearn@gmail.com entered name at signing as Perry Pearn
2023-04-22 - 6:24:15 AM GMT- IP address: 91.195.247.200

Document e-signed by Perry Pearn (pdpearn@gmail.com)
Signature Date: 2023-04-22 - 6:24:17 AM GMT - Time Source: server- IP address: 91.195.247.200

Agreement completed.
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