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 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	**FOURTEENTH REPORT OF ERNST & YOUNG INC. IN ITS CAPACITY AS MONITOR OF THE APPLICANTS** **January 19, 2024**

Clerk's Stamp

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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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**"), 279896 Alberta Ltd. ("**279**"), Grande Prairie Place Enterprises (1996) Inc. ("**GPPE**"), 1170292 Alberta Ltd. ("**117**") and 627612 Alberta Ltd. ("**627**"), (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**"). The Initial Order was confirmed by an Amended and Restated Initial Order granted on April 26, 2023 (the "**ARIO**").

2. The Initial Order appointed Ernst & Young Inc. as Monitor ("**EY**" or the "**Monitor**") in the CCAA proceedings and established a stay period ("**Stay**") in favour of the Applicants up to and including April 29, 2023. The Stay has been extended from time to time, most recently by an Order of the Court granted on October 24, 2023, wherein the Stay was extended up to and including January 31, 2024.

3. Over the course of these CCAA proceedings to date, there have been a number of applications brought before this Honourable Court by the Applicants or other stakeholders. Currently, there are three (3) pending applications to be heard by this Honourable Court that are scheduled for January 24, 2024, one of such applications is being brought by the Applicants, the second by the City of Grande Prairie (the "**City**"), and the third by the Monitor. The relief being sough by the Applicants, the City, and the Monitor at the January 24, 2024, application is set out in the paragraphs below.

4. The Applicants are seeking the following relief at the January 24, 2024, application:

   a.) a SAVO and related relief in relation to the sale of the property known in these CCAA proceedings as the Ovintiv Building;

   b.) an extension of the Stay to April 30, 2024;

   c.) an extension of two Sealing Orders granted by the Court on May 23, 2023, and October 24, 2023;

   d.) an Order amending the four Expedited SAVO Protocol Orders;

   e.) an Order Sealing the Ninth Confidential Carr Affidavit and the Confidential Supplement to the Monitor's 14th Report (defined and discussed later in this report);

   f.) such further and other relief as this Honourable Court may deem just;

and in addition to the above, based on the Draft Extension Order filed with the Applicants' application materials the following additional relief:

g.) modification to the ARIO to except out certain first charge mortgagees from the Stay, regardless of whether the Applicants have previously entered into a forbearance agreement with such creditors to date; and

h.) approval of the payment of outstanding professional fees from certain funds currently held in trust.

5. The Monitor understands that the City will be seeking the following relief at the January 24, 2024 application:

a.) A SAVO and related relief in regard to the sale of the Optioned Lands (as referred to in the City's application materials filed with the Court); and

b.) such further and other relief which this Honourable Court deems appropriate and just.

6. Finally, at the January 24, 2024, application, the Monitor is seeking an Order (the "**2nd Approval Order**") approving:

a.) the Monitor's activities in these CCAA Proceedings from the date of the Monitor's Fourth Report, and generally to the date of the Monitor's 13th Report; and,

b.) the fees paid (or to be paid) to the Monitor and its counsel as invoiced (or to be invoiced at the time of the Monitor's 13th Report) since the dates noted in the previous Approval Order being June 2, 2023, and June 30, 2023, for the Monitor and its counsel respectively up to and including December 31, 2023.

7. The purpose of this report (the "**Monitor's 14th Report**") is to provide this Honourable Court and the Applicants' stakeholders with an update in regard to the CCAA proceedings and the SISP up to the date of this report, as well as to provide information and the Monitor's comments with respect to the various aspects of relief sought by the City and the Applicants at the upcoming application currently scheduled for January 24, 2024.

8. The Monitor confirms that it has previously provided support and information in respect of its application noted above in the Monitor's 13th Report which was dated and filed with the Court on January 15, 2024.

TERMS OF REFERENCE AND DISCLAIMER

9. In preparing the Monitor's 14th 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.

10. 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.

11. Future oriented information referred to in the Monitor's 14th 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.

12. All references to dollars are in Canadian dollars.

13. Capitalized terms not defined herein are as defined in previous reports of the Monitor and other materials filed in connection with these CCAA proceedings to date.

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

UPDATE IN RELATION TO THE CCAA PROCEEDINGS AND THE SISP PROCESS

General and SISP/ Expedited SAVO Process Update

15. Generally, as reported in previous reports of the Monitor and other materials filed or provided to the Court to date, there have been a number of sales closed and millions of dollars realized from the sale of the Applicants' properties from the commencement of the CCAA proceedings to date. Also as previously noted in the last several Monitor's reports, the SISP Process in these CCAA proceedings concluded on August 25, 2023.

16. Most recently, the closing of the sale of the Applicants' properties associated with the GPPE/117 SAVO on January 2, 2024, resulted in a significant recovery for the related First Charge Mortgagees; however, no surplus funds are available from this sale for unsecured creditors or other stakeholders. In addition, the closing of the GPPE/117 SAVO also resulted in a material, permanent reduction in cash flow transactions for the Applicants and resulted in almost all of the employees of GPPE ceasing employment with the Applicants and becoming employees of the purchaser of the GPPE/117

Properties.

17. Considering the relief sought by the Applicants in relation to the SAVO for the Ovintiv Building noted above, the Applicants have now received PSAs for all of the SISP Properties. If the SAVO in respect to the Ovintiv Building is approved by this Honourable Court and closed as contemplated in the related PSA, all of the Applicants' SISP Properties will be sold.

18. Also as noted in previous reports of the Monitor, there has also been a significant number of sales in relation to other properties of the Applicants' referred to as 'Paragraph 53 Properties' in these CCAA proceedings to date. These sales are generally smaller on an individual basis versus the SISP Properties, and most of which are also subject to the Expedited SAVO process previously approved by the Court. The Monitor understands that four (4) of the Paragraph 53 Properties are subject to sale agreements that are being negotiated/finalized currently.

19. The Monitor is of the view that the SISP Process and the other sales achieved through these CCAA proceedings to date have been a success and have resulted in returns to stakeholders that are in excess of the amounts that would have likely been realized in a bankruptcy or receivership scenario. Notwithstanding the Monitor's view in this regard, it is now clear to the Monitor that there is not a viable path forward for the Applicants to continue operations long term and there is not going to be a viable plan of arrangement put forward for the unsecured creditors. Further, at this stage of the CCAA proceedings, essentially all of the Applicants' significant income generating properties have been sold (or in the case of the Ovintiv Building, are expected to close in the near term if approved by the Court), and the cash flows of the Applicants are minimal, and the Monitor is not aware of any available funding to cover ongoing operations.

20. Notwithstanding the above, it is the Monitor's respectful view that, if possible, the closing of the Ovintiv Building SAVO and the closing of the four (4) Paragraph 53 Properties should be continued within these CCAA proceedings to maximize the recovery for the stakeholders.

21. To date, the Monitor is not aware of any stakeholders who are not in agreement with these CCAA proceedings continuing, at least for the short-term, on account of the reasons noted above.

Forecast-to-Actual Cash Flow Analysis from October 1, 2023 to November 30, 2023

22. The Monitor, on a weekly basis, reviewed the actual cash flows of the Applicants from the onset of these CCAA proceedings up to, and including the week ending September 30, 2023. The weekly variance reporting up to September 30, 2023 was provided to the Court and the Applicants' stakeholders in previous reports of the Monitor. 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 cash receipts and disbursements.

23. The Applicants (with the assistance of the Monitor) prepared CFS#5 which was appended the Monitor's Tenth Report, filed October 23, 2023. The reporting period presented in CFS#5 was changed from a weekly to a monthly basis.

24. Attached as **Appendix 'A'** to this report is an analysis of the projected versus actual cash flows for the two month period from October 1, 2023, up to and including November 30, 2023, prepared by the Monitor based on information provided by Management. Note the monitor has also commenced its review of the information relating to banking activity for the month of December 2023; however, further analysis and discussions with Management is required as at the date of this report. The paragraphs that follow outline the key points and larger variances from the analysis in **Appendix 'A'.**

25. Overall, the ending consolidated cash position of the Applicants is higher by $334,529. The material variances resulting in the discrepancy in the Applicants' cash position include the following:

    a.) The professional fees paid were approximately $388,784 less than projected. The Monitor advises that is simply a timing variance as payments for outstanding professional fee invoices up to November 30, 2023, were made in December 2023. Further, the projected interim loan facility of $375,000 was received as anticipated, but served to increase the cash variance as a result of the professional fees being paid in the subsequent month;

    b.) Cash receipts were $142,249 higher than projected for the Applicants. This was predominantly due to rental income in GPPE that was received earlier than projected, and interest income earned of approximately $42,780 received that was not projected. This interest of approximately $42,780 was applied to JW Carr and is being used to help cover administrative costs and/or professional fees;

    c.) General & Admin disbursements (not including projected GST payments) were approximately $76,052 less than projected for all entities;

    d.) GST payments were approximately $26,197 less than projected;

    e.) Payroll payments were approximately $57,320 less than projected as a result of less staff to pay in GPPE and a reduced amount paid to Management in JW Carr over this period; and

    f.) A negative variance of $379,000 relating to, funds held in trust with the Applicants' counsel. These funds were transferred from the 272 bank account to the Applicants' counsel and are being used to pay the current property taxes in relation to the Ovintiv Building upon the closing of the sale of the property.

26. The Monitor has reconciled the bank balances identified by Management of each entity against the

actual transactions of the JW Group and accounted for cheques that have been issued and mailed, but not processed.

Revised And Extended Cash Flow Projections

27. The Monitor has reviewed and discussed the current financial circumstances of the Applicants with the Applicants, the Applicants' counsel and its own counsel and based on those discussions, has determined that expending further time and effort at this stage of the CCAA proceedings to compile revised projections is not required and likely does not justify the related costs. As briefly noted earlier in this report and as discussed in further detail in the materials filed by the Applicants, assuming the sale of the Ovintiv Building is approved by the Court and closes when anticipated (currently set for early March, 2024), the sole source of ongoing revenue for the Applicants is the rental income derived from its CPC condos, which is nominal. Given this reality, the limited purpose of the requested Stay extension (discussed later in this report), and that revised projections are not a formal requirement under the CCAA at this stage of the CCAA proceedings, no revised projections are being put forward to support the Applicants' pending Stay extension request. Information in relation to the recent historical projected cash flows pertaining to both the Ovintiv Building and the CPC condos are included in CFS#5 and are not anticipated to change materially until the Ovintiv Building is sold. CFS#5 was previously filed with the Court and can be viewed by stakeholders who may want more information in regard to the limited cash flows of the Applicants that can reasonably be anticipated going forward.

SALE OF THE OVINTIV BUILDING AND RELATED OVINTIV SAVO

28. Pursuant to the Amended and Restated SISP Order, and as further detailed in the materials filed by the Applicants, 272 has entered into a Purchase and Sale Agreement with a Purchaser for the sale of the Ovintiv Building (the "**Ovintiv PSA**"). Further, 272 seeks to sell all of its rights and interests in the Ovintiv Building, including, *inter alia*, its rights and interests in certain Assumed Contracts (as such term is defined in the Ovintiv PSA) as set out in the Ovintiv PSA. A copy of the Ovintiv PSA is appended to the Ninth Confidential Carr Affidavit.

29. The Monitor has reviewed the Bench Brief of the Applicants filed January 15, 2024, and the Ninth Confidential Carr Affidavit, in respect of the sale of the Ovintiv Building, in particular, the submissions of the Applicants in relation to section 36(3) of the CCAA and the *Soundair* factors. The Monitor agrees with and concurs in the submissions of the Applicants and notes the following:

    (a) The process leading to the proposed sale was reasonable in the circumstances, the process was efficacious and integrous, there was no unfairness in the working out of the process, and

the Monitor approves such process.

In this regard, a competitive bid process with maximum exposure was undertaken and the Monitor has reviewed and considered the marketing efforts undertaken by the Selling Agent. The Selling Agent marketed the Ovintiv Building directly to its contact list of more than 500 potential interested purchasers over the course of the process and the details relating to the sale process for the Ovintiv Building were also published on the Selling Agent's website. As a result of these efforts, a total of seven (7) NDAs were received, four (4) property site tours were conducted, three (3) LOIs were received, and two (2) PSAs were obtained. Further, the Monitor was regularly consulted throughout the process and specifically on the proposed sale. On the basis of its review and the consultation by the Applicants, the Monitor is satisfied that the process leading to the sale was reasonable and approves the process.

(b) Creditors with the most direct interest in the Ovintiv Building were consulted and the effects of the proposed sale on creditors favours the sale approval.

The holder of the first mortgage (ATB Financial) on the Ovintiv Building and the Interim Lender have both been consulted in relation to the pending sale and have expressed their approval of same.

(c) The consideration to be received for the Ovintiv Building is reasonable and fair, taking into account its market value.

The proposed price in relation to the pending sale of the Ovintiv Building pursuant to the Ovintiv PSA is set out in the Ninth Confidential Carr Affidavit.

The Monitor understands from its communications with the Selling Agent that the proposed purchase price for the Ovintiv Building is in line with Selling Agent's expected transaction value. The proposed sale price is also reasonable after considering the market range with respect to the expected comparable sale price per square foot for similar industrial properties currently listed in Grande Prairie. Further, the proposed purchase price is the highest offer received after an extensive sales process. In addition to the above, the Monitor (and its internal Transaction Real Estate Group, which is a licenced real estate brokerage in Alberta) has reviewed the information and materials relating to the proposed sale of the Ovintiv Building and based on its review, the Monitor is satisfied that the proposed purchase price stipulated in the Ovintiv PSA is fair in the circumstances taking into consideration its market value.

The Monitor has prepared a confidential supplement to this Monitor's 14th Report (the "**Confidential Supplement to the Monitor's 14th Report**") which includes additional details and comments in relation to the pending sale of the Ovintiv Building. For reasons discussed in

further detail later in this report, the Monitor is of the view that additional information in relation to the sale of the Ovintiv Building is commercially sensitive in nature and should not be made public at this time. Specifically, a summary of the offers received, and further details regarding the Selling Agent's expected transaction value and price per square foot comparable information is included in the Confidential Supplement to the Monitor's 14th Report. The Monitor will provide the Confidential Supplement to the Monitor's 14th Report to parties whom the Monitor believes should have access to the information contained therein subject to a satisfactory confidentiality undertaking.

(d) The Monitor is of the opinion that the sale would be more beneficial to the creditors than a sale under a bankruptcy.

Given the nature of these CCAA proceedings, a bankruptcy of 272 does not present a likely or viable option or outcome at this time. Moreover, the marketing of, and negotiations with the proposed purchaser have, in the Monitor's opinion, yielded a result that would be superior to a liquidation of the Ovintiv Building in a bankruptcy.

30. Based on the above, the Monitor respectfully submits that the proposed Ovintiv SAVO and related relief should be approved by the Court.

APPLICANTS' REQUEST FOR AN EXTENSION OF THE STAY

31. As detailed in the Applicants' Application, the Applicants have sought an extension of the Stay up to and including April 30, 2024 (the "**Stay Extension**") to wind up the CCAA proceedings and proceed to close the pending sale of the Ovintiv building (if approved) and the pending sales of the Paragraph 53 Properties. Due to the limited resources available, the Monitor understands that the Applicants are not proposing to take any further steps to market additional real estate assets during the proposed Stay Extension.

32. The Monitor has considered the requested Stay Extension having regard to:

a.) the circumstances that justify the granting of the Stay Extension;

b.) the good faith efforts of the Applicants to effect the restructuring; and

c.) the due diligence with which the Applicants are advancing their restructuring.

Circumstances that Justify the Stay Extension

33. In the Monitor's view, the request for the Stay Extension is reasonable in the circumstances as it will allow for:

a.) the Applicants and the Monitor, to complete the SISP Process and finalize negotiations on the four (4) other Paragraph 53 Properties that are currently pending;

b.) the supervised sale of the Ovintiv Building and the four (4) Paragraph 53 Properties which will result in a better recovery for stakeholders in comparison to a bankruptcy or receivership scenario; and

c.) adequate time for the Applicants to address a number of issues that remain in regard to winding up these CCAA proceedings, including but not limited to collecting funds from certain sales that are not anticipated to become available until after the conclusion of these CCAA proceedings, resolving or establishing a framework to resolve the builders' lien claims in respect of the Tundra Building (in this regard, the Monitor has received a privileged and confidential legal assessment of the validity of the three builders' liens in question and is in the process of reviewing same), resolving or establishing a framework to resolve the trust claim of Shane Mudryk in relation to the Inverness Condominiums, developing a recommendation in regard to allocating the $500,000 Administration Charge and completing a final distribution to secured creditors.

34. The Applicants are also proposing to "carve out" all First Charge Mortgagees on any remaining properties that are not subject to existing PSAs from the requested Stay Extension by virtue of a modification to the ARIO if/as required. As such, any affected creditors will be free to deal with their collateral as they deem necessary going forward.

Good Faith Efforts and Due Diligence

35. Since the commencement of these CCAA Proceedings, in the Monitor's view, the Applicants have been acting in good faith and with due diligence. At this stage of these CCAA proceedings, the Monitor is of the view that the Applicants remain committed to finalize the orderly sale of the Ovintiv Building and the four (4) Paragraph 53 properties and wind down these CCAA proceedings under an expedited, cost-effective, supervised process that will preserve value for stakeholders.

36. Based on the matters outlined above, the Monitor is of the respectful view that no creditors are expected to be prejudiced by the Stay Extension, and as such, the Applicants' request for the Stay Extension to April 30, 2024, should be approved.

APPLICANTS' REQUEST FOR AN EXTENSION OF CERTAIN SEALING ORDERS

37. The Applicants are requesting an extension to the duration of the sealing Orders granted by the Court on May 23, 2023, and October 24, 2023 (the "**Two Sealing Orders**") to July 31, 2024, as part of the relief being sought at the upcoming application. The Monitor has reviewed the Two Sealing Orders and the related materials sealed by the Two Sealing Orders and advises that the sealed materials contain commercially sensitive information about the real property assets of the Applicants from Realtors/Selling Agents, Management and otherwise. Additionally, the Monitor has been advised by the Applicants that they will add to the requested sealing orders an order sealing the Ninth Confidential Carr Affidavit and the Monitor's Confidential Supplement to this 14th Report (together with the Two Sealing Orders, the "**Sealing Orders**").

38. The Monitor is of the view that the information detailed in the materials associated with the Sealing Orders should remain confidential until at least after the sale of the Ovintiv Building and the four (4) Paragraph 53 Properties are completed and these CCAA proceedings are terminated. Further, it is likely in the best interests of all stakeholders that the extension to the duration of the Two Sealing Orders be granted to ensure there is no real or perceived prejudice or impact in relation to any future sales of the Applicants' remaining properties by the creditors or otherwise over the extended time frame contemplated.

APPLICANTS' REQUEST TO AMEND THE FOUR EXPEDITED SAVO PROTOCOL ORDERS

39. The Applicants are requesting an Order revising the four (4) Expedited SAVO Protocol Orders issued by the Court on May 23, 2023. Due to the limited resources available, the Applicants are proposing not to take any additional steps to market any remaining real estate assets that are not currently subject to pending PSAs. However, the Applicants recognize that the Expedited SAVO Protocol Orders may have value to the affected First Charge Mortgagee, and as such, the purpose of these requested revisions is to facilitate the ongoing sales of the related Paragraph 53 Properties (at the sole discretion and cost of the First Charge Mortgagees) and to reduce the costs associated with completing these potential additional sales over the Stay Extension.

40. The proposed revisions to the four (4) Expedited SAVO Orders generally include the removal of the Monitor's involvement and substituting same with additional actions and requirements of the Applicants and its counsel. For the Court's ease of reference, the notable changes include the following:

    a) the removal of the Monitor's involvement in the Expedited SAVO process entirely, including but not limited to its previous role in confirming that the proposed transaction is at a sale price that

is at or above the Satisfactory Market Value, identifying any encumbrances on the title to which the pending sale pertains, obtaining the written approval of the First Charge Mortgagee and the Interim Lender, and reviewing, signing and delivering the Sale Endorsement Certificate;

b) the substitution of the Applicants' counsel in place of the Monitor to complete the items specifically noted in paragraph a) above; and

c) upon completion the above items, the specific Applicant who holds the title to the property that is subject to the pending sale will file an affidavit confirming the Expedited SAVO Requirements have been competed, in support of an application for an Expedited SAVO.

41. The proposed changes have been discussed with the Monitor, and the Monitor agrees with the proposed changes outlined above and further agrees that in the event any First Charge Mortgagee(s) wishes to have the Applicants continue to market their property(s) going forward, such creditor(s) should bear the associated costs. In the Monitor's view, the proposed revisions are an appropriate path forward to provide the flexibility to potentially continue on with this process in an efficient, cost-effective manner.

APPLICANTS' RELIEF REQUESTED AS PER PARAGRAPHS 6 & 7 OF THE DRAFT ORDER

42. For the Court's ease of reference, at paragraphs 6 and 7 of the draft Order (Extending Stay of Proceedings & Sealing Orders) (the "**Draft Order**") provided to the Monitor by counsel for the Applicants, the following relief is being sought at the January 24, 2024, application:

> *"Subject to paragraph 7 hereof, the Monitor shall cause the $211,318.08 in outstanding accounts for professional fees owing as at December 31, 2023 to the Monitor, counsel to the Monitor and counsel to the Applicants (comprising $49,150.00 owed to the Monitor; $51,121.00 owed to counsel to the Monitor and $111,047.08 owed to counsel for the Applicants) (the "**Outstanding Accounts**") to be paid by utilizing pro rata portions of the following funds to pay the Outstanding Accounts forthwith:*
>
> *a) first, from and out of the $7,500.00 comprising the proceeds of the January 2, 2024 sale by GPPE to Park Property Management Group Ltd. of miscellaneous personal property of GPPE, the Monitor shall utilize $3,529.01 to pay the Outstanding Accounts;*
>
> *b) second, from and out of the $141,339.85 comprising the undisputed portion of the surplus proceeds of the sale of the Juniper Apartments previously owned by 627612*

Alberta Ltd., the Monitor shall utilize $66,544.06 to pay the Outstanding Accounts; and

c) *third, from and out of the Holdback in the amount of $300,000 from the Rohan Share Sale Proceeds established pursuant to paragraph 4 of the Broadfoot Distribution Order, the Monitor shall utilize $141,245.01 to pay the Outstanding Accounts.*

The payments of the Outstanding Accounts made by the Monitor pursuant to paragraph 6 hereof shall be without prejudice to the ultimate allocation of the Administration Charge amongst the various assets comprising the Property, which allocation shall be ultimately be made by the Court upon future application by any interested party on notice to the parties on the Service List."

43. The Monitor provides the following information and comments in regard to the relief noted above:

a.) For the period of these CCAA proceedings up to and including October 31, 2023, the fees of the Monitor, its counsel, counsel for the Applicants, and counsel for the Interim Lender have been funded almost entirely from advances from the Interim Loan Facility, which has now been fully drawn;

b.) As noted earlier in this report, the Applicants' cash flows have been materially and permanently reduced given the recent sale of the GPPE/117 properties and all of the other SISP Properties, and as such the Applicants do not have the ability to pay the outstanding and future professional fees for these CCAA proceedings from surplus current or future cash flows;

c.) The ARIO provides for the Administration Charge (in the amount of $500,000) which confirms the priority of the payment of the professional fees of the Monitor, its counsel, and counsel to the Applicants (in the event the Applicants are not able to pay such fees from its operating cash flows) which is subordinate to First Charge Mortgagees, but in priority to other secured creditors (including the Interim Lender) and other creditors generally;

d.) There are sufficient funds from asset sales (as noted in the Applicants' Draft Order and other materials) to pay the outstanding fees to December 31, 2023, of the Monitor, its counsel and counsel for the Applicants; and

e.) The payments contemplated in the Draft Order are proposed to be paid without prejudice to the ultimate allocation of the Administration Charge amongst the various assets and properties of the Applicants, which allocation shall ultimately be made by the Court at a future application.

44. Given the factors noted above, the Monitor supports the proposed payments contemplated in the Draft Order as such payments will bring the fees and costs of the Monitor, its counsel, and counsel

to the Applicants current to December 31, 2023, all of which is subject to a future allocation of such costs amongst the various assets (and related creditors) at a future application.

CITY'S APPLICATION FOR A SAVO IN RELATION TO THE OPTIONED LANDS

45. As noted at the beginning of this report, the Monitor understands the City has filed an application that is set to be heard before this Honourable Court on January 24, 2024 for a SAVO (the "**Optioned Lands SAVO**") in relation to what it refers to as the Optioned Lands in its filed materials. The legal description of the Optioned Lands is noted in the City's application materials, but essentially the Monitor understands that the Optioned Lands are a small residual parcel of the O'Brien Lake Lands that is adjacent to the O'Brien Lake neighbourhood, all of which are owned by 272.

46. Based on various materials provided to the Monitor and the City's application materials, the Monitor understands that 272 entered into a Restrictive Covenant and Option to Purchase Agreement ("**Option Agreement**") with the City on or about December 17, 2012. A copy of the Option Agreement is attached as Exhibit "D" to the affidavit of Joe Johnson sworn on November 16, 2023.

47. The Option Agreement contained a number of clauses and restrictions therein, and also specifically included the following language in relation to an option to purchase the Optioned Lands by the City:

"If the development referred to in clause 2 is not commenced prior to 31 May, 2022, the Grantor hereby grants to the Grantee the Option on the following terms:

a.) The Option will be exercised by notice in writing from the Grantee to the Grantor given on or prior to 31 May 2023;

b.) If the Option is exercised:

i. The Grantee will deliver to the Grantor a registerable Transfer of the Servient Lands within thirty (30) days of the date that the Grantor is given notice of the exercise of the Option;

ii. The Grantee will pay to the Grantor the sum of $1.00;

iii. There will be no adjustment of taxes with respect to the Servient Lands; and

iv. The Grantee will be entitled to possession of the Servient Lands on the date the Option is exercised."

48. 272 did not submit any development permit applications to the City for the Optioned Lands within the Period specified in the Option Agreement, and to the best of the Monitor's knowledge, no such development permits have been submitted to date and the Optioned Lands remain bare.

49. On or about April 21, 2023, within the timeframe stipulated in the Option Agreement, the City provided written notice to 272 that it was exercising the Option pursuant to the Option Agreement.

50. In an email message sent to the Monitor by counsel for the Applicants, counsel indicates that Management is of the view that the Optioned Lands do not have any value on their own but could impact the planned future development of the O'Brien Lake Lands and accordingly could impact the value of the O'Brien Lake neighbourhood lands that border the Optioned Lands. Further, from the Applicants' perspective, there is no benefit to expending estate funds challenging the City's position on the Optioned Lands as Management does not anticipate there will be any surplus value to cover such costs or to pay stakeholders.

51. The Monitor has confirmed that the Optioned Lands have not been marketed to date as the Monitor was advised that the Optioned Lands would be difficult, if not impossible to sell given the associated Option Agreement with the City.

52. The Applicants have not obtained any independent estimates of value/appraisals for the Optioned Lands. Again, given the existing Option Agreement, the Applicants are of the opinion that the Optioned Lands have a minimal value.

53. Per a discussion with counsel for the Applicants, given the existing Option Agreement, the Applicants were not able to/do not have any First Charge Mortgagee directly associated with the Optioned Lands. Further, the Monitor is advised that the Applicants have discussed this matter with the Interim Lender who does not oppose the City's position.

54. Notwithstanding the stipulated $1.00 payment noted in the Option Agreement, after negotiations between 272, its counsel, the City and the Monitor, the City has agreed to pay $1,618.89 for the Optioned Lands which will be used to pay the outstanding property taxes in full. In addition, as additional consideration, the City agreed to stay enforcement of the Section 546 Enforcement Order against the 117 property that was recently sold as part of the GPPE/117 SAVO until January 31, 2024, as additional consideration for the exercise of the Option. This additional consideration enabled the Applicants to finalize and close the GPPE/117 SAVO transaction.

55. The Monitor understands from its discussions with its counsel that outside of the Stay afforded by these CCAA proceedings, the City's Option Agreement would be enforceable against 272 in its current form without any alterations. Given this factor, and the factors noted above including the higher option price paid and additional consideration otherwise, the Monitor supports the City's

application for an Optioned Lands SAVO.

SEALING ORDER RELIEF

56. At the upcoming application currently scheduled for January 24, 2024, the Applicants are seeking an Order sealing the Ninth Confidential Carr Affidavit and the Confidential Supplement to the Monitor's 14th Report. The Monitor has reviewed the Ninth Confidential Carr Affidavit and prepared the Confidential Supplement to the Monitor's 14th Report and is of the view that the information contained therein is commercially sensitive in nature and should not be made public at this time. The Monitor's view is based on at least the following two factors:

    a.) In the event that the Ovintiv SAVO is not approved, or the sale contemplated therein does not close for any reason, the disclosure of the information contained in the Ninth Confidential Carr Affidavit and the Confidential Supplement to the Monitor's 14th Report could affect 272's ability to obtain the highest and best price for the Ovintiv Building in a future sale process; and,

    b.) The Monitor would prefer that the information detailed in the Ninth Confidential Carr Affidavit and the Confidential Supplement to the Monitor's 14th Report remain confidential until at least after the pending sales of the Ovintiv Building and the four (4) Paragraph 53 Properties are closed, and perhaps further such that future sales of the Applicants' remaining properties by creditors or otherwise are not subject to any real or perceived prejudice or impact in relation to value or otherwise. Given the above, the Monitor is supportive of the Applicants' request to seal the Ninth Confidential Carr Affidavit the Confidential Supplement to the Monitor's 14th Report to July 31, 2024.

CONCLUSION

57. Based on the information and content provided in this Monitor's 14th Report, the Monitor respectfully requests that this Honourable Court grant Orders that approve:

    a.) the Ovintiv SAVO and related relief;

    b.) an extension of the Stay up to and including April 30, 2024;

    c.) an extension to the duration of Two Sealing Orders to July 31, 2024;

    d.) revising the four (4) Expedited SAVO Protocol Orders issued by the Court on May 23, 2023, in

accordance with the changes noted herein and the materials filed by the Applicants;

e.) the proposed payments contemplated in the Draft Order at paragraphs 6 & 7, as such payments will bring the fees and costs of the Monitor, its counsel, and counsel to the Applicants current to December 31, 2023, all of which is subject to a future allocation of such costs amongst the various assets (and related creditors) at a future application;

f.) the City's application for an Optioned Lands SAVO; and

g.) the sealing of the Ninth Confidential Carr Affidavit and the Confidential Supplement to the Monitor's 14th Report to July 31, 2024.

Dated at Edmonton, this 19th day of January, 2024.

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.

SCHEDULE "A"

JW Carr Group
Cash Flow Forecast (Oct 1 - Nov 30, 2023)
Consolidated
Variance Analysis

	Total		
	Projected	Actual	Variance
Total Receipts	**864,735**	**1,006,984**	**142,249**
Operating Disbursements			
Utilities	(108,727)	(89,957)	18,770
Pangman Net Receipts	-	-	-
General and Admin	(146,639)	(104,071)	42,568
Condo Fees	(89,836)	(74,092)	15,744
Property Manager	(3,780)	(6,580)	(2,800)
Maintenance/Repair Contingency	(15,950)	(14,181)	1,769
GST	(26,197)	-	26,197
Payment of Scotia/Servus Advisor	-	-	-
ESA / BCA Reports	-	-	-
Leasing Commissions	-	-	-
Funds Held in Trust (Applicants Counsel)	-	(379,000)	(379,000)
Total Operating Disbursements	**(391,129)**	**(667,880)**	**(276,751)**
Cash Available for Financing & Property Taxes	**473,606**	**339,104**	**(134,502)**
Property Taxes (Current)	(11,594)	-	11,594
Property Taxes (Arrears)	(59,293)	(75,298)	(16,005)
Principal Repayments	(151,168)	(158,853)	(7,685)
Interest Payments	(381,193)	(335,170)	46,023
Reduction to Overdraft	-	-	-
Total Financing & Property Tax Related Disbursements	**(603,248)**	**(569,321)**	**33,927**
Net Receipts Less Operating and Financing Disbursements	**(129,642)**	**(230,217)**	**(100,575)**
Restructuring Related Disbursements			
Restructuring Professional Services	(388,784)	-	388,784
Payroll/Benefits	(159,258)	(101,938)	57,320
KERP Deposit	-	-	-
Contingency Cushion	-	-	-
Non-Restructuring Professional Services	-	-	-
Post SISP Disbursements	-	(11,000)	(11,000)
Total Restructuring Related Disbursements	**(548,042)**	**(112,938)**	**435,104**
Interim Loan Facility Funding	375,000	375,000	-
Interest/Bank Charges	-	-	-
Total Cash Inflow (Outflow)	**(302,684)**	**31,845**	**334,529**
Opening Cash	777,199	777,199	-
Net Inflows (Outflows)	(302,684)	31,845	334,529
Closing Cash	**474,515**	**809,044**	**334,529**

Grande Prairie Place Enterprises (1996) Inc.
Cash Flow Forecast (Oct 1 - Nov 30, 2023)
Variance Analysis

	Total		
	Projected	Actual	Variance
Admin	-	78	78
Inverness	17,845	14,845	(3,000)
Professional Building	6,300	7,413	1,113
O'Brien Place	18,402	18,403	1
214 Place South	150,921	140,946	(9,975)
214 Place North	259,470	338,262	78,792
Nordic Court	155,966	172,400	16,434
Total Receipts	**608,904**	**692,346**	**83,443**
Operating Disbursements			
Utilities	(105,497)	(87,470)	18,027
General, Admin & Insurance	(127,222)	(81,845)	45,377
Condo Fees	(6,674)	(5,456)	1,218
Maintenance/Repair Contingency	(9,000)	(9,781)	(781)
GST	(26,197)	-	26,197
Payment of Scotia/Servus Advisor	-	-	-
ESA / BCA Reports	-	-	-
Leasing Commissions	-	-	-
Total Operating Disbursements	**(274,590)**	**(184,551)**	**90,039**
Cash Available for Financing & Property Taxes	**334,314**	**507,795**	**173,481**
Property Taxes	(11,594)	(75,298)	(63,704)
Principal Repayments			
Bank of Nova Scotia	(52,096)	(52,096)	-
Servus Credit Union	(59,796)	(59,796)	-
Bank of Montreal	(9,324)	(7,685)	1,639
Reduction to Overdraft	-	-	-
Interest Payments			
Bank of Nova Scotia	(137,950)	(134,113)	3,837
Servus Credit Union	(126,504)	(126,426)	78
Bank of Montreal	-	-	-
Total Financing & Property Tax Related Disbursements	**(397,264)**	(455,414)	**(58,150)**
Net Receipts Less Operating and Financing Disbursements	**(62,950)**	**52,381**	**115,331**
Restructuring Related Disbursements			
Professional Services	-	-	-
Payroll/Benefits	(85,040)	(88,571)	(3,531)
KERP Deposit	-	-	-
Non-Restructuring Prof Fees	-	-	-
Total Restructuring Related Disbursements	**(85,040)**	**(88,571)**	**(3,531)**
Interim Loan Facility Funding	-	-	-
Total Cash Inflow (Outflow)	**(147,990)**	**(36,189)**	**111,801**

Opening Cash	239,387	239,387	-
Net Inflows (Outflows)	(147,990)	(36,189)	111,801
Closing Cash	**91,397**	**203,198**	**111,801**

JW Carr Holdings
Cash Flow Forecast (Oct 1 - Nov 30, 2023)
Variance Analysis

	Total		
	Projected	Actual	Variance
Admin	-	42,780	42,780
Central Park	42,196	43,964	1,768
Fort Saskatchewan	6,000	5,800	(200)
Total Receipts	**48,196**	**92,544**	**44,348**
Direct Operating Disbursements			
Utilities	(700)	-	700
General and Admin	(60)	(34)	26
Condo Fees	(83,162)	(68,636)	14,527
Property Manager	-	(2,800)	(2,800)
Maintenance/Repair Contingency	(750)	-	750
Pangman Net Receipts	-	-	-
GST	-	-	-
Total Operating Disbursements	**(84,672)**	**(71,470)**	**13,203**
Cash Available for Financing & Property Tax	**(36,477)**	**21,074**	**57,551**
Financing & Property Tax Disbursements			
Property Taxes (Current)	-	-	-
Property Taxes (Arrears)	-	-	-
Principal Repayments	(27,717)	-	27,717
Interest Payments	(4,550)	-	4,550
Total Financing & Property Tax Related Disbursements	**(32,267)**	**-**	**32,267**
Net Receipts Less Operating and Financing Disbursements	**(68,743)**	**21,074**	**89,817**
Restructuring Related Disbursements			
Professional Services	(388,784)	-	388,784
Payroll/Benefits	(74,218)	(13,368)	60,850
Contingency Cushion	-	-	-
Post SISP Admin Disbursements	-	(11,000)	(11,000)
Total Restructuring Related Disbursements	**(463,002)**	**(24,368)**	**438,634**
Interim Loan Facility Funding	375,000	375,000	-
Interest/Bank Charges	-	-	-
Total Cash Inflow (Outflow)	**(156,745)**	**371,707**	**528,452**
Opening Cash	256,806	256,806	-
Net Inflows (Outflows)	(156,745)	371,707	528,452
Closing Cash	**100,061**	**628,513**	**528,452**

272649 AB Ltd
Cash Flow Forecast (Oct 1 - Nov 30, 2023)
Variance Analysis

	Total		
	Projected	Actual	Variance
Admin	-	-	-
Clariant	15,227	30,456	15,229
Tundra	-	-	-
Iron Nation	-	-	-
Ovintiv	170,908	173,009	2,101
Total Receipts	**186,135**	**203,464**	**17,329**
Direct Operating Disbursements			
Utilites	(930)	(1,363)	(433)
General and Admin	(16,709)	(17,496)	(787)
Maintenance/Repair Contingency	(5,200)	(4,400)	800
Property Manager	(3,780)	(3,780)	-
GST	-	-	-
Funds Held in Trust (Applicants Counsel)	-	(379,000)	(379,000)
Total Operating Disbursments	**(26,619)**	**(406,039)**	**(379,420)**
Cash Available for Financing & Property Taxes	**159,516**	**(202,575)**	**(362,091)**
Property Taxes (Current)	-	-	-
Property Taxes (Arrears)	(59,293)	-	59,293
Principal Repayments	(39,276)	(39,276)	-
Interest Payments	(60,947)	(60,947)	-
Total Financing & Property Tax Related Disbursements	**(159,516)**	**(100,223)**	**59,293**
Net Receipts Less Operating and Financing Disbursements	**-**	**(302,798)**	**(302,798)**
Restructuring Related Disbursements			
Professional Services	-	-	-
Payroll/Benefits	-	-	-
Total Restructuring Related Disbursements	**-**	**-**	**-**
Total Cash Inflow (Outflow)	**-**	**(302,798)**	**(302,798)**

Opening Cash	303,509	303,509	-
Net Inflows (Outflows)	-	(302,798)	(302,798)
Closing Cash	**303,509**	**711**	**(302,798)**

627612 Albera Ltd.

Cash Flow Forecast (Oct 1 - Nov 30, 2023)

Variance Analysis

	Total		
	Projected	Actual	Variance
Rosedale	11,351	8,727	(2,624)
Juniper	10,150	9,903	(247)
Total Receipts	**21,501**	**18,630**	**(2,871)**
Direct Operating Disbursements			
Utilites	(1,600)	(1,125)	475
General and Admin	(750)	(3,001)	(2,251)
Maintenance/Repair Contingency	(1,000)	-	1,000
Property Manager	-	-	-
GST	-	-	-
Total Operating Disbursements	**(3,350)**	**(4,125)**	**(775)**
Cash Available for Financing & Property Taxes	**18,151**	**14,505**	**(3,646)**
Financing & Property Tax Disbursements			
Property Taxes (Current)	-	-	-
Principal Repayments	-	-	-
Interest Payments	(18,151)	(13,685)	4,466
Total Financing & Property Tax Related Disbursements	(18,151)	(13,685)	4,466
Net Receipts Less Operating and Financing Disbursements	**-**	**820**	**820**
Restructuring Related Disbursements			
Professional Services	-	-	-
Payroll/Benefits	-	-	-
Total Restructuring Related Disbursements	**-**	**-**	**-**
Total Cash Inflow (Outflow)	**-**	**820**	**820**

Opening Cash	22,731	22,731	-
Net Inflows (Outflows)	-	820	820
Closing Cash	**22,731**	**23,551**	**820**

279896 AB Ltd.
Cash Flow Forecast (Oct 1 - Nov 30, 2023)
Variance Analysis

	Total		
	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	-	-	-
Sweep to Line of Credit	-	-	-
Total Financing & Property Tax Related Disbursements	-	-	-
Net Receipts Less Operating and Financing Disbursements	-	-	-
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 (Oct 1 - Nov 30, 2023)
Variance Analysis

	Total		
	Projected	Actual	Variance
Total Receipts	-	-	-
Operating Disbursements			
Utilities	-	-	-
General and Admin	(10)	(15)	(5)
Other	-	-	-
Total Operating Disbursements	**(10)**	**(15)**	**(5)**
Cash Available for Financing & Property Taxes	**(10)**	**(15)**	**(5)**
Property Taxes (Current)	-	-	-
Principal Repayments	-	-	-
Interest Payments	-	-	-
Total Financing & Property Tax Related Disbursements	**-**	**-**	**-**
Net Receipts Less Operating and Financing Disbursements	**(10)**	**(15)**	**(5)**
Restructuring Related Disbursements			
Professional Services	-	-	-
Payroll/Benefits	-	-	-
Total Restructuring Related Disbursements	**-**	**-**	**-**
Total Cash Inflow (Outflow)	**(10)**	**(15)**	**(5)**
Opening Cash	141	141	-
Net Inflows (Outflows)	(10)	(15)	(5)
Closing Cash	**131**	**126**	**(5)**

1170292 Alberta Ltd.
Cash Flow Forecast (Oct 1 - Nov 30, 2023)
Variance Analysis

	Total		
	Projected	Actual	Variance
Total Receipts	-	-	-
Operating Disbursements			
Utilities	-	-	-
Bank Fees	-	-	-
Fence Rental	(1,900)	(1,680)	220
General and Admin	(1,900)	(1,680)	220
Other	-	-	-
Total Operating Disbursements	**(1,900)**	**(1,680)**	**220**
Cash Available for Financing & Property Taxes	**(1,900)**	**(1,680)**	**220**
Property Taxes (Current)	-	-	-
Principal Repayments	-	-	-
Interest Payments	-	-	-
Total Financing & Property Tax Related Disbursements	**-**	**-**	**-**
Net Receipts Less Operating and Financing Disbursements	**(1,900)**	**(1,680)**	**220**
Restructuring Related Disbursements			
Payroll/Benefits	-	-	-
Professional Services	-	-	-
Total Restructuring Related Disbursements	-	-	-
Total Cash Inflow (Outflow)	**(1,900)**	**(1,680)**	**220**
Opening Cash	2,302	2,302	-
Net Inflows (Outflows)	(1,900)	(1,680)	220
Closing Cash	**402**	**622**	**220**