



No. S-222758
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA
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 AND ARRANGEMENT OF
0989705 B.C. LTD., ALDERBRIDGE WAY GP LTD. AND
ALDERBRIDGE WAY LIMITED PARTNERSHIP

PETITIONERS

MONITOR'S SIXTH REPORT TO COURT

December 7, 2022

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF 0989705 B.C. LTD., ALDERBRIDGE WAY GP LTD. AND
ALDERBRIDGE WAY LIMITED PARTNERSHIP**

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I. INTRODUCTION AND PURPOSE OF THE REPORT

Introduction

1. On April 1, 2022 (the “**Filing Date**”), this Honourable Court made an order (the “**Initial Order**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985 c. C-36, as amended (“**CCAA**”) granting Alderbridge Way GP Ltd., Alderbridge Way Limited Partnership (“**Alderbridge LP**”) and 0989705 B.C. Ltd. (collectively the “**Companies**” or “**Petitioners**”) protection from their creditors.
2. Among other things, the Initial Order appointed Alvarez & Marsal Canada Inc. (“**A&M**”) as monitor of the Companies and authorized the Companies to borrow up to \$850,000 by way of debtor in possession financing from Gatland Development Corporation, REV Investments Inc. and South Street (Alderbridge) Limited Partnership, as lender.
3. On April 11, 2022, the Court granted an Order extending the stay of proceedings (the “**Stay Period**”) to April 25, 2022.
4. On April 25, 2022, the Court granted an Amended and Restated Initial Order that:
 - i. extended the Stay Period to August 3, 2022;
 - ii. substituted The Bowra Group Inc. (“**TBGI**”) as monitor (in such capacity, the “**Monitor**”) in place of A&M; and,
 - iii. authorized the Companies to borrow an additional \$1.65 million of debtor in possession financing from Romspen Investment Corporation (“**Romspen**”).
5. Also on April 25, 2022, the Court granted an order (the “**SISP Order**”) approving a Sales and Investment Solicitation Process (the “**SISP**”) for the property at 7960 Alderbridge Way, 5333 and 5411 No. 3 Road, Richmond, British Columbia (the “**Development Property**”). The SISP Order authorized and directed the Monitor to carry out the SISP.
6. On July 22, 2022, the Court granted an Order extending the Stay Period to August 12, 2022.

7. On August 11, 2022, the Court granted the Second Amended and Restated Initial Order (the “**SARIO**”) that, among other items:
 - i. extended the Stay Period to October 7, 2022;
 - ii. expanded and enhanced the Monitor’s powers to authorize it to, among other things:
 - a. exercise control over the Development Property; and
 - b. engage consultants and experts to preserve, protect and enhance the Development Property;
 - iii. approved an additional \$2.5 million of debtor in possession financing (the “**DIP Financing**”) to be advanced by Romspen and secured by a corresponding charge in favour of Romspen over the assets, property and undertakings of the Companies.
8. On October 7, 2022, the Court granted an Order extending the Stay Period to December 9, 2022.

Purpose of the Report

9. The purpose of this Monitor’s Sixth Report to Court (the “**Sixth Report**”) is to provide information and recommendations to the Court with respect to:
 - i. the status of the SISP;
 - ii. the status of the application submitted to the City of Richmond (the “**City**”) in respect of the Development Property’s building permit;
 - iii. the Monitor’s application for an order extending the Stay Period from December 9, 2022 to February 24, 2023;
 - iv. the actual vs. forecast cash flow for the period April 1 to December 2, 2022; and
 - v. the cash flow forecast for the period December 3, 2022 to February 24, 2023.

10. This Sixth Report should be read in conjunction with the Monitor's previous reports to court filed in these proceedings.

Terms of Reference

11. In preparing this report and in making the comments herein, the Monitor has been provided with and relied upon information received from the Companies including financial information prepared by the Companies, none of which has been audited. Further, the Monitor has relied upon discussions with the Companies and their legal counsel, legal counsel to the lenders, the general contractor and its counsel and various trades. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information and, accordingly, the Monitor expresses no opinion or other form of assurance in respect of such information contained in this report.
12. Certain information referred to in this report consists of forecasts and projections. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance in respect of the information.
13. This report has been prepared for the use of this Honourable Court and the Companies' stakeholders as general information relating to the restructuring proceedings. Accordingly, the reader is cautioned that this report may not be appropriate for any other purpose. The Monitor assumes no responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this report contrary to the provisions of this paragraph.

II. SALES AND INVESTMENT SOLICITATION PROCESS

14. On April 25, 2022, the Court granted the SISP Order, which authorized and directed the Monitor to carry out the SISP, and to engage Cushman & Wakefield ULC to market the Development Property.
15. Terms used in this section have the meanings ascribed to them in the SISP, a copy of which is attached as Schedule "B" to the SISP Order.
16. On October 5, 2022, the Monitor, with the consent of Romspen, extended certain of the SISP dates for an eighth time as follows:
 - i. Final Bid Deadline from September 30 to October 31, 2022;
 - ii. Final Agreement Deadline from October 12 to November 12, 2022; and
 - iii. Outside Closing Date from November 4 to November 27, 2022.
17. On November 1, 2022, the Monitor, with the consent of Romspen, extended certain of the SISP dates for a ninth time as follows:
 - i. Final Bid Deadline from October 31 to November 30, 2022;
 - ii. Final Agreement Deadline from November 12 to December 12, 2022; and
 - iii. Outside Closing Date from November 27 to December 27, 2022.
18. To date, the Monitor has not received any bids that are compliant with the SISP. Further details regarding the results of the SISP are included in the Monitor's Supplemental Report to the Fourth Report to Court, dated August 9, 2022, which has been filed under seal.
19. The Monitor previously extended the SISP dates in anticipation of successful negotiations with prospective purchasers. All prospective purchasers have indicated that until the new building permit is issued, no final offers would be submitted to the Monitor.
20. Accordingly, the Monitor with the consent of Romspen, has decided to terminate the SISP until the building permit issue is resolved. Thereafter, the Monitor expects to re-institute a form of sales process, and will be having further discussions with Romspen in that regard.

III. BUILDING PERMIT APPLICATION

21. A background on the status of the building permit is detailed in the Receiver's Fourth Report to Court, dated August 9, 2022 and Fifth Report to Court, dated October 3, 2022.
22. The Monitor remains of the view that it is imperative that an application for a new building permit be submitted immediately. The alternative scenario includes a loss of density and a resultant decrease in the estimated value of the Development Property, as well as a further delay of up to 18 months.
23. The Receiver is working with the various development consultants that have been engaged on the Development Property to obtain the necessary information to apply for a new building permit.

IV. GBL ARCHITECTS INC.

24. GBL Architects Inc. ("**GBL**") was the architect firm engaged to provide architectural services to the Petitioners in respect of the Development Property, including preparing architectural drawings for the Development Property and assisting in the development permit process.
25. The agreement with GBL, dated March 24, 2017 (the "**GBL Engagement Agreement**") was entered into by South Street Financial Corporation ("**South Street**"), an entity the Monitor understands is owned by Sam Hanson and related to the Petitioners, in its capacity as authorized agent of the Petitioners. A copy of the GBL Engagement Agreement is attached hereto as **Appendix A**.
26. The Monitor understands that all invoices issued by GBL under the GBL Engagement Agreement were addressed to Alderbridge LP and all payments in respect thereof were made directly from Alderbridge LP to GBL.
27. As at the Filing Date, GBL was owed \$539,996.94 under the GBL Engagement Agreement (the "**GBL Claim**"). On August 13, 2020, GBL filed a claim of builders lien against the Development Property. Attached as **Appendix B** is a copy of the lien claim filed by GBL.

28. On August 4, 2021, GBL filed a Notice of Civil Claim in British Columbia Supreme Court Action no. 217125 against South Street and 0989705 B.C. Ltd. in respect of the GBL Claim. A copy of the Notice of Civil Claim filed by GBL is attached hereto as **Appendix C**.
29. The Monitor requires additional services from GBL in order to advance its efforts to obtain a new building permit. Specifically, the Monitor requires GBL to provide the necessary information and drawings for an application to the Province of British Columbia for a waiver authorizing the City to process a building permit application based on the 2012 Building Code. From its investigations into the matter, the Monitor does not believe it is practical – and may not even be possible – to engage a different architectural firm to provide such services to the Petitioners.
30. Since October 2022, the Monitor has been involved in ongoing discussions with GBL regarding the continued services for the Development Property. Unfortunately, those discussions did not result in an agreement with GBL to continue to provide the necessary services to the Petitioners. GBL refuses to continue to provide services to the Petitioners in respect of the Development Property unless satisfactory arrangements are made to advance payment towards the GBL Claim.
31. Romspen has informed the Monitor that Romspen is not willing to fund the Monitor to satisfy the full amount of the GBL Claim.
32. The Monitor is concerned that unless GBL agrees or is compelled to continue to provide services to the Petitioners in respect of the Development Property in accordance with the GBL Engagement Agreement, the Petitioners will be unable to obtain a new building permit with the consequent result that the Development Property will lose significant value.
33. Accordingly, the Monitor is seeking an order that GBL be declared a critical supplier to the Petitioners such that it is obligated to continue to provide the architectural services contemplated under the GBL Engagement Agreement.

V. CASH FLOW FORECAST

Comparison of Actual vs. Cash Flow Forecast for the Period April 1 to December 2, 2022

34. The following is a summary of the actual vs. cash flow forecast for the period April 1 to December 2, 2022:

Actual vs. Cash Flow Forecast			
For the Period April 1 to December 2, 2022			
In (\$000's)			
	Actual	Forecast ¹	Variance
Receipts			
DIP - Romspen	2,281	4,110	(1,829)
DIP - Gatland, REV and South Street	850	850	-
	<u>3,131</u>	<u>4,960</u>	<u>(1,829)</u>
Disbursements			
Professional fees	1,223	1,588	365
Dewatering costs	850	850	-
Property fence	192	212	20
Fuel costs	153	183	30
Equipment rental	143	159	16
Site management	142	151	9
Interim facility fees	135	138	3
Site security	109	122	13
Wall and geotech monitoring	83	96	13
Project management	47	63	16
Building permit costs	44	1,151	1,107
Insurance	7	7	-
Utilities	4	2	(2)
Direct contingency	-	14	14
	<u>3,132</u>	<u>4,736</u>	<u>1,604</u>
Net Cash Flow	(1)	224	(225)
Notes:			
1. Actual for the period April 1 to October 7, 2022 plus forecast for the period October 8 to December 2, 2022 as appended to Monitor's 5th Report to Court.			

35. The disbursements are \$1.6 million less than forecasted due to extended timing of payments related to obtaining a new building permit. Accordingly, the majority of building permit costs which were estimated at approximately \$1.15 million for the period have not been incurred to date.

Cash Flow Forecast

36. The Monitor has prepared a cash flow forecast on a weekly basis for the period December 3, 2022 to February 24, 2023 (the “Cash Flow Forecast”) which is summarized below:

Summary of Cash Flow Forecast	
For the Period December 3, 2022 to February 24, 2023	
	\$000's
Receipts	
Interim Financing	1,869
Disbursements	
Building permit costs	661
Professional fees	500
Dewatering costs	250
Site management and security	127
Property fence and equipment rental	96
Fuel costs	89
Project Management	43
Wall and Geotechnical monitoring	37
Utilities and Insurance	10
Interim facility costs and fees	4
Contingency	21
	<u>1,838</u>
Net Cash Flow	31
Opening Cash Position	<u>4</u>
Closing Cash Position	<u>35</u>

37. As at the date of this Sixth Report, Romspen has advanced \$630,000 of the \$2.5 million in DIP Financing authorized and approved in the SARIO. Accordingly, there is \$1.87 million in DIP Financing available.
38. The Cash Flow Forecast assumes no increases in DIP Financing. The Monitor believes it will require an increase in its borrowings by the end of the proposed Stay Period of February 24, 2023, if the process continues beyond that date.
39. The Monitor's review of the Cash Flow Forecast consisted of inquiries, analytical procedures, and discussions related to information supplied to it by management. Since hypothetical assumptions need not be supported, the procedures with respect to them were limited to evaluating whether they were consistent with the purposes of the Cash Flow Forecast. The Monitor also reviewed the support provided by management for the probable assumptions, and the preparation and presentation of the Cash Flow Forecast.
40. Based on the Monitor's review of the Cash Flow Forecast, nothing has come to its attention that causes the Monitor to believe that, in all material respects:
 - i. the hypothetical assumptions are not consistent with the purpose of the Cash Flow Forecast;
 - ii. the probable assumptions developed by management are not suitably supported and consistent with the plans of the Petitioners or do not provide a reasonable basis for the Cash Flow Forecast; or,
 - iii. the Cash Flow Forecast does not reflect the probable and hypothetical assumptions.
41. Since the Cash Flow Forecast is based on assumptions regarding future events, actual results will 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 Cash Flow Forecast will be accurate. 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 by us in preparing this report.

42. The Cash Flow Forecast has been prepared solely for the purpose described in Note 1 to the Cash Flow Forecast, and readers are cautioned that it may not be appropriate for other purposes.
43. A copy of the Cash Flow Forecast along with notes and assumptions is attached as **Appendix D**.

VI. EXTENSION OF STAY OF PROCEEDINGS

Conduct of Petitioners

44. Based upon the circumstances discussed herein, the Monitor believes that the Companies have continued to act in good faith and with due diligence during the course of these proceedings.

Extension of Stay of Proceedings

45. The Stay Period currently expires on December 9, 2022. An extension of the Stay Period is being sought to February 24, 2023.
46. The Monitor supports the extension of the Stay Period for the following reasons:
 - i. the SISP has not led to an acceptable transaction;
 - ii. the successful application of a building permit under the current development permit will preserve the value of the Development Property and will give certainty to a prospective purchaser;
 - iii. more time is needed to obtain a building permit and, subsequently negotiate a transaction that is acceptable to the Monitor and Romspen;
 - iv. Romspen has consented to an extension of the Stay Period; and,
 - v. no creditor of the Companies will be materially prejudiced by the extension of the Stay Period.

VII. RECOMMENDATIONS

47. The Monitor recommends that the Court approve the extension of the Stay Period from December 9, 2022 to February 24, 2022.

All of which is respectfully submitted this 7th day of December, 2022.


The Bowra Group Inc.

in its capacity as Monitor of Alderbridge Way GP Ltd.,
Alderbridge Way Limited Partnership and 0989705 B.C. Ltd.



Per:

Mario Mainella, CPA, CA, CIRP



Per:

Kevin Koo, CPA

Appendix A

Agreement with GBL Architects Inc. dated March 24, 2017



EMERGENT ARCHITECTURE

GBL ARCHITECTS

139 EAST 8TH AVENUE
VANCOUVER, CANADA V5T 1R8

T 604 736 1156 INFO@GBLARCHITECTS.COM

F 604 731 5379 GBLARCHITECTS.COM

FEE PROPOSAL

March 24, 2017

ATTN: Sam Hanson
SOUTH STREET FINANCIAL CORPORATION
Suite 200, 1778 West 2nd Avenue
Vancouver, BC
V6J 1H6

GBL FEE PROPOSAL
OUR FILE #17020
TEL 604-716-4646
EMAIL samhanson@telus.net
EMAIL samhanson@southstreet.ca

RE: 7960 Alderbridge Way – Mixed Use Development

666,750 sq. ft. Residential Space
222,250 sq. ft. Commercial Space
16,400 sq. ft. Amenity Space
43,600 sq.ft. Circulation Space
949,000 Total Buildable

Dear Sam:

In addition, there is 518,500 sq.ft. of parking and service area proposed on site supporting residential and commercial uses.

GBL Architects Inc. are pleased to submit to you the scope of work and GBL's fee proposal (in compliance with AIBC bylaw 28: professional engagement and the code of ethics) in regards to the project. Your approval by signing below will constitute acceptance of the terms of this proposal. The principal-in-charge of the project will be Amela Brudar, and the project manager will be Andrew Emmerson.

FEE PROPOSAL



EMERGENT ARCHITECTURE

We understand this project will consist of two levels of below grade parking, 666,750 sq. ft. of residential space consisting of both market and rental housing, and 222,250 sq. ft. of commercial space consisting of perimeter ground floor retail, a school of approximately 100,000 sq. ft., and remnant office space. The rental housing will be located on the No. 3 Road side of the project and the market housing will be located to the west. There will be a courtyard through the centre of the development.

A potential private school of 100,000 sq. ft. will be located on the site. This school should have a minimum horizontal dimension of 80 ft. with consideration for a roof-top playing field. It should also have a proper gymnasium / auditorium. There will be two amenity facilities for the residential users, possibly in separate buildings.

The airport authority is considering options for future runway alignments and will require, in conjunction with the City of Richmond, a reduction from the current maximum building height on the north end of the project.

The project must be clearly separated into three distinct pieces: market housing, rental housing, and school, for the purpose of stratification. Underground parking efficiencies will be maintained through easements.

Phasing should be a consideration in the design. We understand that it is the objective of the owner to take advantage of work previously completed on this site to expedite the permitting process. Indicators from the City suggest that a September Public Hearing date may be possible given progress to date.



1 Responsibilities

1.1 Our Responsibilities

GBL will be responsible for the performance of architectural services for the Project broken down into the following phases (the "Architectural Services")

1.1.1 Phase 1 – Feasibility Study and Schematic Design

- > Meetings with you to establish program.
- > Preliminary layouts, for your approval of concept.

1.1.2 Phase 2 – Preparation of Rezoning Application

- > Preparation of Architectural Drawings.
- > Design drawings in conformance with applicable Statutes, Regulations, Codes and By-laws.
- > Coordination with Landscape Architect, Renderist, and Model Maker.
- > Periodic meetings with Client.
- > A maximum of four public meetings which may include Design Panel and Public Hearing.
- > Other reasonable steps to facilitate Rezoning Process.

1.1.3 Phase 3 – Preparation of Development Permit Application

- > Preparation of Architectural Drawings.
- > Design drawings in conformance with applicable Statutes, Regulations, Codes and By-laws.
- > Coordination with Landscape Architect, Renderist, and Model Maker.
- > Periodic meetings with Client.
- > A maximum of two public meetings which may include Design Panel.
- > Other reasonable steps to facilitate Development Permit Process.

1.1.4 Phase 4 – Preparation of Construction Documents, including:

- > Architectural Drawings, Site Plan, Floor Plans, Elevations, Sections, Details, Schedules as required to obtain Building Permit, and for construction.
- > Periodic Meetings with Client.
- > Co-ordination of Consultants and Consultants' Drawings.
- > Revisions of Working Drawings to address comments from Building Authorities and to obtain Building Permit.
- > Production of Construction Drawings.

1.1.5 Phase 5 – Construction

- > Response to site requests for information, clarifications to construction documents, review of shop drawings, coordination of alternate systems and materials, integration of minor design changes and coordination of consultants.
- > Site review as required by the Construction Schedule and Letters of Assurance. Site reviews mean the architect shall make such visits to the project site at



intervals appropriate to the stage of construction that we, in our professional discretion as the architect, consider necessary to enable the architect to ascertain whether the Contractor is carrying out the work in general conformity with the Contract Documents insofar as these Contract Documents relate to the architectural elements of the Project.

- > The issuance of two Schedule CAs, two Schedule CBs and two Certificate of Substantial Performance per development is considered part of the Contract Fees. If buildings or phases within that development were incomplete after the initial two Schedule Issuances; then additional Schedules CA's, CB's and Certificates of Substantial Performance requested or required will be considered extra to this proposal.

1.2 Completion of Architectural Service

- > GBL's Architectural Services cease one year after certification of Substantial Performance.

1.3 Client Responsibilities

- > Client will be responsible for the following:

1.3.1 Provision of a detailed program for the Project

1.3.2 Appointment of all consultants including:

- > Structural, Mechanical, Electrical, Landscaping, Interior Design, Environmental, Acoustical, Code Consultant, Surveyor, Sustainability Consultant, Specification Writer, Geotechnical Engineer and Civil Engineer, and any other specialty Engineer if required.
- > Appointment of a Building Envelope Consultant (prior to construction document phase) who will develop building envelope details in conjunction with the architect and who shall supervise the installation and erection of same and then confirm their acceptance of the work by signing off the work in accordance with all applicable statutes, regulations, codes and by-laws prior to our issuance of Schedule C. The Building Envelope Consultant shall be approved by AIBC or APEGBC, and shall be directly paid by you. This Consultant's work shall cover all aspects of work from the bottom of excavation to the finished roof.
- > Appointment of an environmental professional and a soils engineer to examine, review, test and assess site soil conditions. The onus is also on the client to expedite the recommendations and requirements of the environmental professional and the soils engineer in the event that remedial, corrective, restorative or reparatory work is required to be performed and facilitated by any authority having jurisdiction.

1.3.3 Provision of a survey (prior to our preparation of design drawings) showing the following:

- i. legal description; civic address;
- ii. property lines, dimensions, bearings, site area;
- iii. contour map, including all perimeter site elevations;
- iv. existing trees;
- v. rights-of-way/creeks, if any; other restrictions, covenants and/or encumbrances;
- vi. location of street, curbs, sidewalks, street lights, utility poles, hydrants;
- vii. location of connections for servicing for new buildings;
- viii. existing structures on site;
- ix. off-site structures within a minimum of 20 ft. of the property.

1.3.4 Provision of an Arborist report

FEE PROPOSAL



EMERGENT ARCHITECTURE

2 Fees

2.1 Architectural Fees

GBL's Architectural Fees shall be **\$3,800,000 for Phases 1 to 5** based on a proposed mixed-use development consisting of 949,000 sq. ft. residential space; commercial space, school, and amenity space. Fees are to be paid monthly as a percentage of work completed as follows:

PHASE 1	
Feasibility Study	\$ 50,000
Schematic Design	\$ 50,000
Phase 1 Total	\$ 100,000
PHASE 2	
Rezoning Application	\$ 400,000
Rezoning Process to Public Hearing	\$ 200,000
Phase 2 Total	\$ 600,000
PHASE 3	
Development Permit Application	\$ 360,000
Development Permit Process	\$ 200,000
Phase 3 Total	\$ 560,000
PHASE 4	
Building Permit Application Drawings	\$1,300,000
Building Permit Process	\$ 154,000
Construction Drawings	\$ 600,000
Phase 4 Total	\$2,054,000
PHASE 5	
Construction Support (\$10,000 per month for an estimated 36 months.)	\$ 360,000
Site Reviews (\$3,500 per month for an estimated 36 months) – max. 4 site reviews monthly. Additional site reviews will be @ \$ 850 per review.	\$ 126,000
Phase 5 Total	\$ 486,000

Phase 1 concept work allows for normal schematic resolution. The Feasibility Study is intended to confirm the program viability and the Schematic Design is intended to identify an acceptable form of development. Extended conceptualization will be invoiced at hourly per diem rates.

Phase 5 - During the contract fees - If there are more than 4 Site reviews /month during the contract stage, each additional site review will be charged @ \$850 per visit. After completion of contract fees - Including final substantial completion at month 36; if construction continues beyond 36 months, and additional site reviews & construction support are required, the site reviews will be charged at \$ 850/visit and the construction support will be charged out on an hourly basis at current per diem rates.

Monthly billings under Phase 5 are for budgeting purposes only. The full Phase 5 fee will be

due at building occupancy.

2.2 Cost of Living Adjustment

The fee schedule in this agreement is subject to cost of living adjustment should the following start times be exceeded:

Feasibility/Schematic Design commencement	up to 6 months post agreement
Rezoning/Development Permit commencement	up to 12 months post agreement
Construction Documents commencement	up to 24 months post agreement
Construction commencement	up to 36 months post agreement

2.3 Other Fees

The Architectural Fees outlined above do not include the following services:

- a) Project legal costs, permit fees, municipal fees, development cost levies, construction cost projections.
- b) Administration of any contracts including tender, issuance and/or review of change notices, progress claims, payment certification, consultant approvals and deficiency lists (other than code related).
- c) Recording and distribution of construction minutes which is normally performed by the General Contractor unless specified otherwise.
- d) Any investigative work or analysis of Civic, Provincial or Federal project levies including D.C.L's connection charges, H.P.O charges, etc.
- e) Administration and review of the tender process and final analysis for acceptance/rejection.
- f) Drawings and coordination of Pre-Fab construction.
- g) Any other consulting services such as Structural, Mechanical, Electrical, Landscaping, Interior Design, Civil Engineer, Environmental, Acoustical, Soils Engineer, Envelope Consultant, Code Consultant, Surveyor, Sustainability Consultant, Specification Writer. If any of these sub-consultants are hired by the Architect, they are subject to a 10% Admin Fee.
- h) Coordination with the work of specialty Suite Planners and Parking Planners.
- i) The preparation for or attendance at any other public meeting beyond the two as specified in Phase 2 and 3 of permitting applications.
- j) Any more than one review by the Advisory Design Panel at either the Rezoning or Development Permit phase.
- k) Any changes in the scope of work or total floor area subsequent to the date of this contract.
- l) The discovery, reporting analyses, evaluation, presence, handling, removal or disposal of toxic or hazardous substances or materials in any form at the place of work, nor the advice of any independent expert respecting the exposure of person, property or the environment to toxic or hazardous substances or materials in any form at the place of work.
- m) Off-site design work as may be required by you or any authorities having jurisdiction over the Project.
- n) Specifications or coordination of Specifications.
- o) Provision and coordination of Consultant's services for any Architectural work or Permits associated with or required for Tenants' Improvements.
- p) Presentation models and / or renderings.

FEE PROPOSAL

sgbl

EMERGENT ARCHITECTURE

- q) Preparation or coordination of drawings, renderings and models for marketing.
- r) As-Built Drawings.
- s) Disbursements.
- t) G.S.T. and other taxes as applicable.
- u) Revisions to plans already approved, increases in floor area, and partial substantial completions/performance, partial Schedules CA-CBs.
- v) Registration or certification with LEED or equivalent programmes.

2.4 Per Diem Rates

The services outlined under 2.3, and also required to complete any extras to the contract, shall be charged at current per diem rates which at present are:

Principal-in-Charge	\$215 per hour
Level 1 Architect/Project Manager	\$165 per hour
Level 2 Architect/Project Coordinator	\$125 per hour
Level 3 Architect	\$100 per hour
Field Reviewer	\$140 per hour
Level 1 Technologist/Technician	\$140 per hour
Level 2 Technologist/Technician	\$110 per hour
Level 3 Technologist/Technician	\$90 per hour

These rates are subject to change.

2.5 Reimbursable Expenses

In addition to the architectural and other fees, you will reimburse GBL for the following expenditures, plus 10% of such expenditures:

- a) The expense of transportation in connection with the Project for authorized travel, including transportation and lodging;
- b) Courier service;
- c) Reproduction and plotting of plans, sketches, drawings, graphic representations, specifications and other documents;
- d) Marketing drawings and renderings;
- e) Legal fees.
- f) Other fees > See Section 2.3 "Other Fees" (g)



EMERGENT ARCHITECTURE

3 General Conditions

3.1 Professional Liability

3.1.1 The limit of GBL'S liability arising from the provision of our Architectural Services, and any additional services in relation to this Project, for all claims in contract and/or in tort, is the lesser of the fee and the liability insurance carried by us at the time the claim is made. A copy of GBL's professional liability policy is available upon request.

3.1.2 Notwithstanding 3.1.1 the personal liability of GBL's principals, partners, officers, directors, employees, representatives and consultants for all claims in contract and in tort is limited to \$1,000.00 for each person.

3.1.3 We shall be entitled to rely upon the accuracy and completeness of information, surveys, reports and services furnished by you and the published product information by manufacturers, and shall not be liable for relying on such information or representations.

3.2 Copyright and Use of Documents

Copyright for all drawings, plans, sketches, graphic representations, specifications, models and documents, including computer generated designs ("GBL's Design Documents") are instruments of our service and shall remain our property, whether the Project is executed or not. As a precondition of their use, all fees and reimbursable expenses due to GBL are to be paid. Submissions or distribution of GBL's Design Documents to meet official regulatory requirements, or for the purposes in connection with the Project, is not to be construed as publication and derogation of GBL's reserved rights.

3.3 Dispute Resolution

3.3.1 The parties shall make all reasonable efforts to resolve any dispute by amicable negotiations and agree to provide, on a without prejudice basis, frank, candid and timely disclosure of relevant facts, information and documents to facilitate such negotiations.

3.3.2 If the parties have been unable to resolve a dispute by negotiations, either party may, by written notice, require the appointment of a mediator in accordance with the latest edition of the Rules of Mediation and Arbitration in Construction Disputes. The parties agree that upon a mediator being appointed, mediated negotiations shall be conducted in accordance with those Rules.

3.3.3 If mediated negotiations are unsuccessful in resolving a dispute, then either party shall have the right to refer the dispute for a final resolution by arbitration pursuant to the latest edition of the Rules for Mediation and Arbitration in Construction.



3.4 Suspension of Work

3.4.1 Invoices are due and payable upon receipt, and become overdue 30 days from the billing date. Interest at 2% per month will be charged on overdue balances after 30 days and will become part of the balance due.

3.4.2 The Architect reserves the right to suspend work on this project if invoices are not paid within 45 days from the date of issue, and the Architect will not be liable for any costs or delays caused by the suspension of services for unpaid invoices.

3.4.3 This Contract may be terminated by either party upon at least thirty days written notice should the other party fail substantially to perform in accordance with its term through no fault of the party initiating termination.

3.5 Assignment

This agreement cannot be assigned by you to any other party without the written consent of GBL.

Sincerely,

GBL ARCHITECTS INC.


Amela Brudar | Architect AIBC, MPAIC


Approved by Client - SOUTH STREET FINANCIAL CORPORATION, Sam Hanson

Appendix B

Claim of Builders Lien Filed by GBL Architects Inc. dated August 13, 2020

NEW WESTMINSTER LAND TITLE OFFICE

BUILDERS LIEN ACT
FORM 5 (Sections 15, 16, 18)

Aug-13-2020 09:44:26.001

CA8358916

PAGE 1 OF 1 PAGES

CLAIM OF LIEN Province of British Columbia

Your electronic signature is a representation that you are a designate authorized to certify this document under section 168.4 of the *Land Title Act*, RSBC 1996 c.250, that you certify this document under section 168.41(4) of the act, and that an execution copy, or a true copy of that execution copy, is in your possession.

Ryan Alexander Shaw BUMMVR
Digitally signed by Ryan Alexander Shaw BUMMVR
Date: 2020.08.12 13:59:22 -07'00'

APPLICATION: (Name, address, phone number of applicant, applicant's solicitor or agent)

Richards Buell Sutton LLP (Attention: Ryan A. Shaw)
Barristers & Solicitors
700-401 West Georgia Street
Vancouver BC V6B 5A1
Document Fees: \$0.00

Tel: 604.682.3664
File No. 49492-0004

I, Amela Brudar of 300 – 224 W 8th Ave
Vancouver, BC V5Y 1N5, agent of the lien claimant state that:

1. GBL ARCHITECTS INC. Incorporation No BC0781200

of c/o 700-401 West Georgia Street, Vancouver, BC V6B 5A1
claims a lien against the following land:

[PID] [legal description]

030-721-733 LOT 1 SECTION 5 BLOCK 4 NORTH RANGE 6 WEST NEW WESTMINSTER DISTRICT PLAN EPP86098

STC? YES

2. A general description of the work done or material supplied, or to be done or supplied, or both, is as follows:

Provision of architectural services.

3. The person who engaged the lien claimant, or to whom the lien claimant supplied material, and who is or will become indebted to the lien claimant is:

South Street Financial Corp.

4. The sum of \$ 539,996.94 is or will become due and owing to GBL Architects Inc. on July 14, 2020

5. The lien claimant's address for service is:

c/o 700-401 West Georgia Street, Vancouver, BC V6B 5A1

Signed: _____

Date: August 12, 2020

Note: Section 45 of the Builders Lien Act provides as follows:

45 (1) A person who knowingly files or causes an agent to file claim of lien containing a false statement commits an offence.

(2) A person who commits an offence under subsection (1) is liable to a fine not exceeding the greater of \$2,000 and the amount by which the stated claim exceeds the actual claim.

Appendix C

Notice of Civil Claim Filed by GBL Architects Inc. dated August 4, 2021

AUG 04 2021

No. **S 2.17.125**
Vancouver Registry



IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN

GBL ARCHITECTS INC.

PLAINTIFF

AND

0989705 B.C. LTD. and SOUTH STREET FINANCIAL CORP.

DEFENDANTS

NOTICE OF CIVIL CLAIM

This action has been started by the plaintiff(s) for the relief set out in Part 2 below.

If you intend to respond to this action, you or your lawyer must

- (a) file a response to civil claim in Form 2 in the above-named registry of this court within the time for response to civil claim described below, and
- (b) serve a copy of the filed response to civil claim on the plaintiff.

If you intend to make a counterclaim, you or your lawyer must

- (a) file a response to civil claim in Form 2 and a counterclaim in Form 3 in the above-named registry of this court within the time for response to civil claim described below, and
- (b) serve a copy of the filed response to civil claim and counterclaim on the plaintiff and on any new parties named in the counterclaim.

JUDGMENT MAY BE PRONOUNCED AGAINST YOU IF YOU FAIL to file the response to civil claim within the time for response to civil claim described below.

TIME FOR RESPONSE TO CIVIL CLAIM

A response to civil claim must be filed and served on the plaintiff(s),

- (a) if you were served with the notice of civil claim anywhere in Canada, within 21 days after that service,
- (b) if you were served with the notice of civil claim anywhere in the United States of America, within 35 days after that service,
- (c) if you were served with the notice of civil claim anywhere else, within 49 days after that service, or
- (d) if the time for response to civil claim has been set by order of the court, within that time.

04AUG21 2108299 RISS
21422 5217125

200.00

CLAIM OF THE PLAINTIFF(S)

Part 1: STATEMENT OF FACTS

1. The plaintiff, GBL Architects Inc. is a company duly incorporated pursuant to the laws of British Columbia, having an office at 300 - 224 West 8th Avenue, Vancouver, B.C. V5Y 1N5.
2. The defendant, 0989705 B.C. Ltd. ("098"), is a company duly incorporated pursuant to the laws of British Columbia with registered and records offices at 1600 - 925 West Georgia Street, Vancouver, B.C. V6C 3L2.
3. The defendant, South Street Financial Corp. ("South Street"), is a company incorporated under the laws of Alberta, and extra provincially registered in British Columbia having a registered and records office at 110, 225 - 6th Avenue, S.W. Brookfield Place, Calgary, Alberta T2P 1N2 and an attorney's address in British Columbia at 1600 - 925 W. Georgia Street, Vancouver, B.C. V6C 3L2.
4. The plaintiff carries on the business of architectural design and related services.
5. The defendant 098 is the registered owner of the lands located in 7960 Alderbridge Way, Richmond, B.C. and legally described as:

PID 030-721-733

Lot 1 section 5 Block 4 North Range 6 West
New Westminster District Plan EPP86098

(the "Lands").

6. On or about March 24, 2017, the defendant, 098, by its authorized agent, the defendant, South Street, entered into an agreement with the plaintiff (the "Contract") whereby the plaintiff agreed to provide architectural services to an mixed-use development project being constructed on the Lands (the "Improvement").

7. Pursuant to the terms of the Contract, invoices rendered by the plaintiff were due and payable upon receipt and all invoiced amounts that remained unpaid for 30 days would accrue interest at the rate of 2% per month until paid in full.
8. In accordance with the terms of the Contract, and with the knowledge and consent of South Street and 098, the plaintiff provided architectural services for the Improvement and invoiced the defendant, South Street.
9. In breach of the Contract, the defendants have refused or neglected to make payment, despite demand. There remains due and owing to the plaintiff from the defendants the sum of \$452,390.30, exclusive of interest, in respect of work performed on the Improvement.
10. As a result of the non-payment, the plaintiff suspended work on the Project on or about April 21, 2020.
11. On August 12, 2020, the plaintiff, by its authorized representative, made a claim of lien pursuant to the *Builders Lien Act*, S.B.C. 1997, c. 45 (the "BLA"), for the sum of \$539,996.94, due and owing on July 14, 2020, inclusive of interest to that date, by causing the said claim of lien to be filed against the Lands at the Land Title Office in the City of New Westminster, the Province of British Columbia under number CA8359916.
12. A certificate of completion with respect to the Contract has not been issued the Improvement has not been completed or abandoned.
13. The plaintiff has complied with the provisions of the *Builders Lien Act* and is entitled to a builder's lien on the Lands.
14. The defendants have been unjustly enriched by the plaintiff's work on the Improvement to the detriment of the plaintiff without any juristic reason.

Part 2: RELIEF SOUGHT

1. A declaration that the plaintiff is entitled to a lien pursuant to the *Builders Lien Act* in the amount of \$452,390.30 against:
 - (a) the Lands owned by the defendant, 098
 - (b) the Improvement;
 - (c) the interest of the owner in the Improvement;
 - (d) the material delivered to or placed on the Lands; and
 - (e) any security posted or funds paid into Court in substitution for the Lands (the "Security").
2. A declaration that the lien pursuant to the *Builders Lien Act* of the plaintiff is a first charge, lien, or encumbrance against the Lands in preference or priority to all of the right, title, and interest of the defendants.
3. Judgment or order that in default of payment in the amount of \$452,390.30 plus taxes, interest and costs, the Lands and the Improvement charged by the said lien be sold for the purpose of realizing the amount of the plaintiff's claim of lien pursuant to the provisions of the *Builders Lien Act* and that the proceeds of such sale be applied in payment of the plaintiff's lien and costs;
4. For the purposes aforesaid, an order that all proper and necessary directions, accounts, inquiries, and references be taken;
5. A Certificate of Pending Litigation;
6. In addition or the alternative, judgment in the sum of \$452,390.30 against the defendants for breach of the Contract;

7. In addition or the alternative, damages in the sum of \$452,390.30 against the defendants for unjust enrichment.
8. Interest on the amount of \$452,390.30 pursuant to the rate prescribed in the Contract or, alternatively, interest pursuant to the *Court Order Interest Act*.
9. Costs of this Action including a reasonable sum for the costs of drawing and filing the claim of lien filed in the Land Title Office in City of New Westminster under number CA8358916;
10. For such further and other relief as the nature of this case may require and this Honourable Court may deem proper.

Part 3: LEGAL BASIS

1. The plaintiff is entitled to a declaration of Lien pursuant to the *BLA*.
2. The plaintiff performed architectural services in relation to the Improvement on the Lands pursuant to a contract with the defendants.
3. The plaintiff is entitled to judgment for the unpaid amounts due and owing under the Contract and to a lien against the Lands for those amounts under the *BLA*.
4. Quantum meruit.
5. Law of contract.

Plaintiffs' address for service: c/o 700 - 401 West Georgia Street, Vancouver, BC,
V6B 5A1

Fax number address for service (if any):

E-mail address for service (if any):

Place of trial: Vancouver, British Columbia

The address of the registry is: 800 Smithe Street, Vancouver, BC, V6Z 2E1

Date: 3/AUG/2021


For Signature of Ryan A. Shaw, lawyer for
plaintiff

Rule 7-1(1) of the Supreme Court Civil Rules states:

(1) Unless all parties of record consent or the court otherwise orders, each party of record to an action must, within 35 days after the end of the pleading period,

- (a) prepare a list of documents in Form 22 that lists
 - (i) all documents that are or have been in the party's possession or control and that could, if available, be used by any party at trial to prove or disprove a material fact, and
 - (ii) all other documents to which the party intends to refer at trial, and
- (b) serve the list on all parties of record.

APPENDIX

[The following information is provided for data collection purposes only and is of no legal effect.]

Part 1: Concise summary of nature of claim:

The plaintiff and defendants entered into an agreement for architectural related services. The defendants failed to carry out the terms of the agreement. The plaintiff asserts a claim for breach of contract and builders lien pursuant to the *Builders Lien Act*, S.B.C. 1997, c. 45.

Part 2: This claim arises from the following:

[Check one box below for the case type that best describes this case.]

A personal injury arising out of:

- a motor vehicle accident
- medical malpractice
- another cause

A dispute concerning:

- contaminated sites
- construction defects
- real property (real estate)
- personal property
- the provision of goods or services or other general commercial matters
- investment losses
- the lending of money
- an employment relationship
- a will or other issues concerning the probate of an estate
- a matter not listed here

Part 3:

[Check all boxes that apply to this case.]

- a class action
- maritime law
- Aboriginal law
- constitutional law
- conflict of laws
- none of the above
- do not know

Part 4:

Builders Lien Act, S.B.C. 1997, c.45

Appendix D

Cash Flow Forecast

For the Period December 3, 2022 to February 24, 2023

Alderbridge Way Limited Partnership, et al
Cash Flow Forecast (\$'s)
For the period December 3, 2022 to February 24, 2023
Prepared December 6, 2022

Week # Week Ending	Actuals to Date Apr 1, 2022 to Dec 2, 2022	Forecast														Total - Forecast Dec 3, 2022 to Feb 24, 2023	Actual plus Forecast Apr 1, 2022 to Feb 24, 2023	
		Week 1 9/Dec/22	Week 2 16/Dec/22	Week 3 23/Dec/22	Week 4 30/Dec/22	Week 5 6/Jan/23	Week 6 13/Jan/23	Week 7 20/Jan/23	Week 8 27/Jan/23	Week 9 3/Feb/23	Week 10 10/Feb/23	Week 11 17/Feb/23	Week 12 24/Feb/23					
2	3,130,840	281,000	801,000	-	-	-	751,000	-	-	-	-	-	-	-	-	36,160	1,869,160	5,000,000
3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,000,000
	3,130,840	281,000	801,000	-	-	-	751,000	-	-	-	-	-	-	-	-	36,160	1,869,160	-
4	141,781	21,562	18,000	-	-	-	18,000	-	-	-	-	-	-	-	-	18,000	75,562	217,344
	108,898	12,731	13,000	-	-	-	13,000	-	-	-	-	-	-	-	-	13,000	51,731	160,629
	142,536	21,246	15,000	-	-	-	15,000	-	-	-	-	-	-	-	-	15,000	66,246	208,782
	192,175	170	10,000	-	-	-	10,000	-	-	-	-	-	-	-	-	10,000	30,170	222,345
	152,644	20,005	23,000	-	-	-	23,000	-	-	-	-	-	-	-	-	23,000	89,005	241,649
	850,000	-	50,000	-	-	-	50,000	-	-	-	-	-	-	-	-	50,000	250,000	1,100,000
	82,549	7,250	10,000	-	-	-	10,000	-	-	-	-	-	-	-	-	10,000	37,250	119,799
	4,254	1,999	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,999	6,253
	7,470	8,137	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,137	15,607
5	1,682,307	93,101	146,000	-	50,000	-	146,000	-	-	50,000	-	-	-	-	-	7,000	21,000	2,313,408
6	46,853	10,844	10,500	-	-	-	10,500	-	-	-	-	-	-	-	-	10,500	42,344	89,197
	43,969	5,579	-	205,000	-	-	-	225,000	-	-	-	-	-	-	-	225,000	660,579	704,548
	1,223,479	100,000	-	150,000	-	-	-	-	150,000	-	-	-	-	-	-	100,000	500,000	1,723,479
	135,000	1,000	1,000	-	-	-	1,000	-	-	-	-	-	-	-	-	1,000	4,000	139,000
7	1,449,300	117,423	11,500	-	355,000	-	11,500	225,000	150,000	150,000	150,000	111,500	111,500	111,500	111,500	1,206,923	2,656,223	
	3,131,607	210,524	157,500	-	355,000	-	157,500	225,000	150,000	150,000	225,000	257,500	257,500	257,500	257,500	1,838,024	4,969,631	
	(767)	70,476	643,500	-	(50,000)	(355,000)	593,500	(225,000)	(150,000)	(150,000)	(225,000)	(221,340)	(221,340)	(221,340)	(221,340)	31,136	30,369	
	4,506	3,739	74,215	717,715	667,715	312,715	312,715	906,215	681,215	531,215	481,215	256,215	256,215	256,215	256,215	3,739	4,506	
	3,739	74,215	717,715	667,715	312,715	312,715	906,215	681,215	531,215	481,215	256,215	256,215	256,215	256,215	256,215	34,875	34,875	34,875
	3,739	74,215	717,715	667,715	312,715	312,715	906,215	681,215	531,215	481,215	256,215	256,215	256,215	256,215	256,215	34,875	34,875	34,875
	3,739	74,215	717,715	667,715	312,715	312,715	906,215	681,215	531,215	481,215	256,215	256,215	256,215	256,215	256,215	34,875	34,875	34,875

**Alderbridge Way Limited Partnership, Alderbridge Way GP Ltd. and 0989705 B.C. Ltd.
Extended Cash Flow Forecast
Notes and Assumptions**

1. The cash flow statement (the "Cash Flow Forecast") has been prepared with support from management of Alderbridge Way Limited Partnership, Alderbridge Way GP Ltd. and 0989705 B.C. Ltd. (collectively, the "Company") to set out the liquidity requirements of the Company during the Companies' Creditors Arrangement Act proceedings (the "CCAA Proceedings").
 - i. The Cash Flow Forecast has been prepared with support by Management based on unaudited financial information, and Management and the Monitor's estimates of its projected receipts and disbursements. Readers are cautioned that since the estimates are based on future events and conditions that are not ascertainable, the actual results achieved will vary, even if the assumptions materialize, and such variations may be material. There are no representations, warranties or other assurances that any of the estimates, forecasts, or projections will be realized. The projections are based upon certain estimates and assumptions discussed below and may be amended from time to time during the CCAA Proceedings. Upon such amendments, Management will update its cash flow forecast accordingly as included herein.
2. Advances under the Interim Lending Facility are detailed as follows:
 - i. Interim financing from Gatland Development Corporation, REV Investments Inc. and South Street (Alderbridge) Limited Partnership of up to \$850,000 which has been fully advanced;
 - ii. Interim financing from Romspen Investment Corporation ("Romspen") of up to \$1.65 million under Romspen's term sheet dated April 25, 2022 which has been fully advanced; and,
 - iii. Interim financing from Romspen of \$2.5 million under Romspen's term sheet dated August 22, 2022. As at the date of this report, \$630,000 of the \$2.5 million available has been advanced. Accordingly, the Monitor is only authorized to borrow an additional \$1.87 million.
3. The Company does not expect to collect any significant receipts, other than advances from the Interim Facility during the CCAA Proceedings.
4. Direct site services represent costs to be incurred to maintain the property located at 5333 No. 3 Road, Richmond, BC. These costs represent payments for essential services to be performed on site, including site management, dewatering, security and other safety monitoring procedures.
5. A contingency for site services has been forecast for unexpected site costs that may arise during the CCAA Proceedings.
6. Building permit costs have been forecast based on Company records that indicate amounts owed to key creditors, preliminary estimates to obtain a building permit. Cost estimates have not been received from the required consultants.
7. The Cash Flow Forecast excludes any costs related to a sales process.