

No. S 095362
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

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*
R.S.B.C. 2002, c. 57

AND

IN THE MATTER OF

**POINTE OF VIEW DEVELOPMENTS (SQUAMISH) INC.,
in its own capacity and in its capacity as General Partner of
SQUAMISH POINTE LIMITED PARTNERSHIP,
NO. 249 SEABRIGHT HOLDINGS LTD. and
BEL-TAR HOLDINGS LTD.**

PETITIONERS

ORDER AUTHORIZING CONSTRUCTION FINANCING

BEFORE THE HONOURABLE

MR. JUSTICE RICE

TUESDAY, THE 13th DAY OF

OCTOBER, 2009

THIS APPLICATION coming on for hearing at Vancouver, British Columbia on the 13th day of October, 2009; AND ON HEARING Mary I. A. Buttery and Jordan Schultz, counsel for the Petitioners and those counsel listed in **Schedule "A"** attached hereto; AND ON READING the Affidavit #1 of Gail Major, sworn October 1, 2009, and the Affidavit #5 of Thomas Ivanore, and the pleadings and other materials filed herein; AND pursuant to the *Companies' Creditors Arrangement Act*, R.S.C., 1985 c. C-36, as amended (the "CCAA"), and Rules 3, 10, 12, 13(1), 13(6), 14 and 44 of the Rules of Court and the equitable and inherent jurisdiction of this Honourable Court:

THIS COURT ORDERS AND DECLARES THAT:

1. The Petitioners are hereby authorized and empowered, with the consent of the Monitor, to obtain and borrow up to the sum of \$21,000,000 under a credit facility (the “**Construction Facility**”) from Bank of Montreal (the “Lender”) in order to finance construction costs at the Soleil section of the Coastal Village project in Squamish, British Columbia;
2. The Construction Facility shall be in accordance with the terms detailed in the Commitment Letter dated September 24, 2009, between the Lender and the Petitioners attached as Exhibit “A” to the Affidavit of Gail Major No. 1 sworn October 1, 2009;
3. The Monitor is hereby authorized and directed to review the draw requests under the Construction Facility in accordance with the terms of the Commitment Letter, to approve each and every draw request prior to each advance and to otherwise act in accordance with the terms of the Commitment Letter. In the event the CCAA Proceedings herein are terminated and the Monitor discharged, the Bowra Group Inc. shall continue to perform the duties as set out herein and shall be compensated from the proceeds of the Construction Facility for its services incurred after that date in accordance with its usual rates;
4. The Petitioners are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the “Security Documents”), as may be reasonably required by the Lender, and the Petitioners are hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the Lender under and pursuant to the Security Documents as and when the same become due and are to be performed, notwithstanding any other provision of the Initial Order granted by this honourable court on July 21, 2009 (the “Initial Order”);
5. The Lender shall be entitled to the benefits of, and is hereby granted, a priority charge (the “Construction Facility Charge”) on all of the Petitioners’ current and future assets, undertakings and properties of every nature and kind whatsoever, and

wherever situate including all proceeds thereof, and including the lands and premises legally described as

PID: 027-554-139

Lot A Blocks 24 and 25 District Lot 486 Group 1

New Westminster District Plan BCP36993

And all subdivided and/or strata lot thereto

(collectively, the "Property")

The Construction Facility Charge shall constitute a charge on the Property and such charge shall rank in priority to all other security interests, trusts, liens, mortgages, charges and encumbrances, statutory or otherwise in favour of any person, except as provided herein;

6. The Construction Facility Charge shall not exceed the aggregate amount owed to the Lender under the Security Documents. The Construction Facility Charge shall have the priority set out in Paragraphs 45 and 47 of the Initial Order, as amended herein;
7. Notwithstanding any other provision of this Order or the Initial Order:
 - (a) the Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the Lender's Charge or any of the Security Documents;
 - (b) upon the occurrence of an event of default under the Security Documents or the Construction Facility Charge, the Lender, upon ten (10) days' notice to the Petitioners and the Monitor, may exercise any and all of its rights and remedies against the Petitioners or the Property under or pursuant to the Construction Facility, Security Documents and the Construction Facility Charge, including without limitation, to cease making advances to the Petitioners and set off and/or consolidate any amounts owing by the Lender to the Petitioners against the obligations of the Petitioners to the Lender under the Construction Facility, the Security Documents or the Construction Facility Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and

manager or interim receiver, or for a bankruptcy order against the Petitioners and for the appointment of a trustee in bankruptcy of the Petitioners and, for greater certainty, upon the occurrence of an event of default under the terms of the Security Documents, the Lender shall be entitled to seize and retain proceeds from the sale of the Property and the cash flow of the Petitioners to repay amounts owing to the Lender in accordance with the Security Documents and the Construction Facility Charge, but subject to the priorities as set out in paragraphs 45 and 47 of the Initial Order, as amended herein; and

(c) the foregoing rights and remedies of the Lender set out in this order shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Petitioners or the Property;

8. The Lender, in respect of the advances under the Construction Facility and the Security Documents, shall be treated as unaffected in any plan of arrangement or compromise filed by the Petitioners under the CCAA, or any proposal filed by the Petitioners under the BIA;

9. The Initial Order be amended by deleting paragraph 45 and replacing it with the following:

“45. THIS COURT ORDERS that the priorities of the Administration Charge, the Directors’ Charge and the Construction Facility Charge, as between them, shall be as follows:

First – Administration Charge (to the maximum amount of \$250,000);

Second – Directors’ Charge (to the maximum amount of \$100,000); and

Third – Construction Facility Charge (to the maximum amount of \$21,000,000, plus accruing interest and costs). *

*The DIP Lender’s Charge is now subsumed by the Construction Facility Charge.

10. The Initial Order be amended by deleting paragraph 47 and replacing it with the following:

“47. THIS COURT ORDERS that each of the Administration Charge, the Directors’ Charge and the Construction Facility Charge (as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, mortgages, charges and encumbrances, statutory or otherwise (collectively, “Encumbrances”), in favour of any Person.”; and

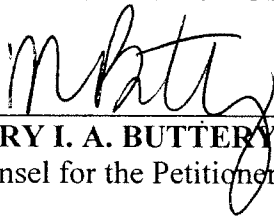
11. Endorsement of this Order by counsel appearing on this application is hereby dispensed with.

BY THE COURT



DEPUTY DISTRICT REGISTRAR

APPROVED AS TO FORM:



MARY I. A. BUTTERY
Counsel for the Petitioners

SCHEDULE "A"

LIST OF COUNSEL APPEARING

COUNSEL	APPEARING FOR:
Mary BATTERY Jordan Schultz	Petitioners
Cameron Elder	Dana Williams, Brian Cheal, Darius G. Molae, Terry Filewich, Tony Filewich, Victor Filewich, Ian Braby, Jane Osborne, Bill Scott, Manuel Osborne-Paradis, Handel Enterprises Ltd., RJM Investments Corp., John Beveridge, Bruce Beveridge, Trond Holtbu, Teri Holtbu, Christine Teschl
Heather Ferris	Bank of Montreal
Geoff Thompson	The Monitor, the Bowra Group Inc.
Stephanie Jackson	The Superintendent of Real Estate
<i>Michael Armstrong</i>	<i>Per: Formworks Systems Inc.</i>
<i>John McLean</i>	<i>Canada Mortgage and Housing Corporation</i>

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ORDER
OCTOBER 13, 2009

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West coast

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