COURT FILE NUMBER	**2603 01022**
COURT **JUDICIAL CENTRE** **APPLICANT** **RESPONDENTS**	**COURT OF KING'S BENCH OF ALBERTA** **EDMONTON** **PEACE HILLS TRUST COMPANY** **ALPINE PROPERTY GROUP INC. AND SHAWN MARCOUX**
DOCUMENT	**SECOND REPORT OF THE COURT APPOINTED RECEIVER AND MANAGER OF ALPINE PROPERTY GROUP INC.** **DATED OCTOBER 20, 2026** **PREPARED BY HUDSON & COMPANY INSOLVENCY TRUSTEES INC.**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**RECEIVER:** **Hudson & Company Insolvency Trustees Inc.** **Attention: Breanna Burkard-Smith** **200, 625 - 11th Avenue SW** **Calgary, Alberta T2R 0E1** **Ph. (587-392-9662** **Fx. (403) 234-8770** **Email: bburkard-smith@hudsoninc.ca** **LEGAL COUNSEL:** **WITTEN LLP** **Attention: Bren Cargill** **Suite 2500, 10303 Jasper Avenue** **Edmonton, Alberta T5J 3N6** **Ph. (780)701-3776 Fx. (780) 429-2559** **Email: bcargill@wittenlaw.com**

Doc ID: c61f112b0126550de6295d7fd5c3625b9f956cab

TABLE OF CONTENTS

INTRODUCTION AND BACKGROUND **3**
- **Introduction** **3**
- **Notice to Reader** **3**
- **Background** **4**

ACTIVITIES SINCE THE FIRST COURT REPORT **5**
RECEIVER BORROWINGS **5**
MARKETING AND SALES PROCESS **5**
STATEMENT OF RECEIPTS AND DISBURSEMENTS **7**

Doc ID: c61f112b0126550de6295d7fd5c3625b9f956cab

INTRODUCTION AND BACKGROUND

Introduction

1. Pursuant to an Order (the "**Receivership Order**") granted by the Court of King's Bench of Alberta (the "**Court**") on January 22, 2026 (the "**Date of Receivership**"), Hudson & Company Insolvency Trustees Inc. was appointed as receiver and manager (the "**Receiver**") of Alpine Property Group Inc. (the "**Debtor**" or "**Alpine**").
2. The Receivership Order was granted as a result of an application by Peace Hills Trust Company ("**Peace Hills**"), applying on the grounds they held registered security over all of the Debtor's present and after acquired property pursuant to a general security agreement and a collateral mortgage against specific real property.
3. The Receiver has retained Witten LLP as its independent legal counsel.
4. The Receiver's counsel has prepared a legal opinion finding the security of Peace Hills valid and enforceable against the Debtor.

Notice to Reader

5. In preparing this report, the Receiver has relied on unaudited financial information, the Debtor's books and records and discussions with former management, interested parties and other stakeholders. The Receiver has not performed an independent audit or review of the information provided, or otherwise made any attempt to verify the accuracy or completeness of the information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Canadian Institute of Chartered Accountants Handbook. The Receiver assumes no responsibility or liability for any loss or damage occasioned by any party as a result of the use of this Report, or the reproduction, publication or circulation thereof.

Doc ID: c61f112b0126550de6295d7fd5c3625b9f956cab

Background

6. Alpine owns a two-story multi-tenant commercial building in Red Deer, Alberta. This real property is legally described as:

   PLAN 7920341
   BLOCK 8
   LOT 23
   EXCEPTING THERREOUT ALL MINES AND MINERALS

   (the "**Property**").

7. At the Date of Receivership, the Property was partially leased with nine lease agreements (the "**Lease Agreement**") to eight tenants, as one tenant had a lease agreement for two areas.

8. The Property was being managed by Sunreal Property Management Ltd ("**Sunreal**").

9. At the Date of Receivership, the Receiver requested copies of the Leases from Sunreal. Upon review of the Leases, it was discovered that the defined landlord in all the Leases is an entity named 4711 51 Ave Holdings Ltd. ("**4711 Holdings**").

10. The Receiver had reviewed a corporate search and understands that 4711 Holdings is a corporation related to Shawn Marcoux, the prior director of Alpine. Upon further discussion with Shawn Marcoux, it was disclosed that the Property was originally owned by 4711 Holdings, and as part of the refinance with Peace Hills the Property was transferred to Alpine. Further, it is understood that the Leases were supposed to have been formally assigned to Alpine, as the new owner of the Property, but the assignment was never properly papered.

11. The Receiver applied to Court on April 23, 2026, and was granted an Order declaring and acknowledging that the Lease Agreements entered into between the Tenants and 4711 were assigned by 4711 to the Debtor upon the Debtor becoming the registered owner of the Lands and that such assignment occurred no later than March 10, 2025.

12. The Receiver previously prepared the First Report to Court (the "**First Court Report**") that outlines the activities of the Receiver since the Date of Receivership.

13. The Receiver prepares this interim report (the "**First Interim Report**") outlines the activities of the

Doc ID: c61f112b0126550de6295d7fd5c3625b9f956cab

Receiver since the date of the First Court Report.

ACTIVITIES SINCE THE FIRST COURT REPORT

14. As noted above, the Court granted the Ordering declaring the Lease Agreements property of Alpine on April 23, 2026.
15. Following the Order the Tenants were directed to pay rent to the Receiver directly, as opposed to the property manager Sunreal. Rent for May was paid to Sunreal as pre-authorized payments were set up and could not be stopped.
16. The Receiver has monitored the collection of rent from June 2026 to the date of this report. Including the rent previously collected by Sunreal, less operating expenses also paid by Sunreal during that same period, the Receiver has collected rent in the amount of $196,953.32 excl. GST.
17. On April 17, 2026, the Receiver was notified that one of the air handling units (AHU) of the HVAC system had stopped working and sent a technician to diagnose the problem. The technician advised that the AHU would need to be replaced immediately, and the Receiver obtained two quotes for repair.
18. The Receiver hired Independent Controls Services Ltd. to complete the repairs, which were finished in September 2026. The cost of this repair was approx. $130,000 excl. GST.
19. The Receiver, with Sunreal, has monitored and remedied many small maintenance and repairs issues as necessary.

RECEIVER BORROWINGS

20. As noted above in the First Court Report, the Receiver had borrowed $80,000 to fund the operating expenses on the Property until the application declaring the leases property of Alpine could be brought.
21. The Receiver has borrowed a further $80,000 to fund the HVAC repairs discussed above.

MARKETING AND SALES PROCESS

22. In preparation of the appointment of the Receiver, Peace Hills obtained an appraisal on the Property

Doc ID: c61f112b0126550de6295d7fd5c3625b9f956cab

effective January 19, 2026. A copy of this appraisal has been forwarded to the Receiver for the purpose of considering offers.

23. Following the application on April 23, 2026, the Receiver contacted commercial brokers to submit listing proposals to the Receiver, in order to list and market the Property for sale. Ultimately, two commercial brokers submitted proposals to the Receiver for consideration; NAI Advent and Avison Young/Salomons Commercial, who submitted a proposal as co-brokers.

24. Salomons Commercial was the previous listing agent when Shawm Marcoux purchased the Property and assisted in arranging some of the current tenants. As such they have extensive knowledge of the Property and its history.

25. With consideration of these factors, the Receiver, in discussion with Peace Hills, elected to retain the Salomons/Avison group to list the Property and solicit potential buyers. The Property was listed on June 2, 2026, for $4.2M.

26. At the date of this First Interim Report there has been one offer submitted for the Property, that was significantly below the appraised fair market value. The Receiver, in discussion with Peace Hills and counsel, sent a counteroffer on September 28, 2026.

27. The potential purchaser submitted a second offer, where the price was marginally increased from the first offer but still far below fair market value. The Receiver advised the potential purchaser that the price gap remained too large, but any future offers would continue to be considered.

28. In consultation with Peace Hills, on recommendation from the brokers the listing price has been reduced to $3.5M.

29. The Receiver continues to consider the existing offers and to review next steps for how to best proceed with realization of the Property.

Doc ID: c61f112b0126550de6295d7fd5c3625b9f956cab

STATEMENT OF RECEIPTS AND DISBURSEMENTS

30. Attached as **Appendix "A"** to this First Interim Report is the actual receipts and disbursements of the receivership estate from January 22, 2026, to October 20, 2026.

HUDSON & COMPANY INSOLVENCY TRUSTEES INC.
In its capacity as Court-Appointed Receiver and Manager of
Alpine Property Group Inc., and not in its personal capacity



Breanna Burkard-Smith, CIRP, LIT

Doc ID: c61f112b0126550de6295d7fd5c3625b9f956cab

Appendix “A”

Doc ID: c61f112b0126550de6295d7fd5c3625b9f956cab

IN THE MATTER OF THE RECEIVERSHIP OF
Alpine Property Group Inc.
Hudson & Company Insolvency Trustees Inc., Receiver
Interim Statement of Receipts and Disbursements for Alpine Property Group Inc.
For the period of January 22, 2026 to October 20, 2026

RECEIPTS		**Totals**
Rental Income	$	196,953.32
Receiver Borrowings		160,000.00
GST Collected		9,989.39
Settlement - Sunreal		9,729.35
Interest Income		566.42
TOTAL RECEIPTS	$	377,238.48
DISBURSEMENTS		
Repairs , Maintenance & operating expenses		213,868.18
Utilities		69,236.28
Insurance		40,043.00
GST paid exclusive of fees		14,362.40
Security		6,419.75
Administrative costs (ascend, search fees, filing, land titles)		549.59
TOTAL DISBURSEMENTS	$	344,479.20
Funds on Hand -October 20, 2026	**$**	**32,759.28**

Doc ID: c61f112b0126550de6295d7fd5c3625b9f956cab