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Owners moved into one of Medican's Michener Hill Village Villas on January 6, 2012. See story Page 4

Court approves Medican creditors' vote, plan

CALGARY – Court of Queen's Bench Justice K. M. Horner approved a vote by Medican's creditors held Wednesday, paving the way for the company to leave the protection of the Companies Creditors Arrangement Act (CCAA).

On Wednesday, Medican's creditors met to vote on the Medicine Hat-based company's plan to

repay its debts.

The plan of arrangement which was presented to creditors is a package worth \$10 million.

When the count was done, 95.5 per cent of creditors representing \$99 million voted in favour of the plan.

Creditors voted for Medican to come out of

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New Medican to emerge from old in weeks ahead

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CCAA and work to ensure that the \$10 million, or more, is made and distributed by the monitor semi-annually. This could represent 10 to 12 cents on the dollar.

Medican sought and secured protection under the Companies Creditors Arrangement Act (CCAA) in May of 2010, when the combination of a collapsing housing market and massive debt load pushed the company

to the brink of bankruptcy.

With the court's approval in place, says Chief Restructuring Officer Ty Schneider, the company can move ahead with its plans to rollout the successor company.

"This is a huge success for the CCAA process," Schneider says. "The process enabled Medican to deal with its creditors fairly and equitably. The new Medican will be better managed and stronger."

Do you have ideas on how to save money? Send your ideas to alanp@medican.com. If your idea is used, you will receive a gift certificate.

“

This is a huge success for the CCAA process.

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— Schneider



Schneider

Medican secures 95.5 per cent support for its repayment plan

CALGARY – Medican creditors overwhelmingly voted in favour of the company's plan of arrangement in a meeting held at the Radisson Hotel Wednesday.

"We are now in a position," says the company's Chief Restructuring Officer Tyrone Schneider, "to move ahead with our plans."

Medican sought and secured protection under the Companies Creditors Arrangement Act (CCAA) in May of 2010, when the combination of a collapsing housing market and massive debt load pushed the company to the brink of bankruptcy.

At the time the Court of Queen's Bench appointed RSM Richter as the company's "monitor" and Schneider as the Chief Restructuring Officer.

The plan of arrangement which was presented to creditors is a package worth \$10 million. When the count was done, 95.5 per cent of creditors representing \$99 million voted in favour of the plan.

Creditors voted for Medican to come out of CCAA and work to ensure that the \$10 million, or more, is made and distributed by the monitor semi-annually. This could represent 10 to 12 cents on the dollar.



The \$10 million settlement is an estimated amount based on funds to be collected by the Medican that emerges from CCAA protection and is based on projected profits. The fund would be payable twice a year over a three-year period to creditors. Should the market continue to be slow and the funds cannot be raised, then the amount will carry forward until it is paid in full.

"This was the best possible outcome for everyone involved," says CRO Schneider. "Creditors, employees, the people of Medicine Hat – everyone benefits. Hundreds of jobs have been saved and a company with deep roots in the community has been given a second chance. The new Medican that emerges from the old will be stronger

and wiser with a proper process to monitor jobs, profits and planning for the future."

"What Medican has is the cream of the crop of employees. We have a team that is looking forward to the future, and making this company a success," says Schneider. "It will not be easy, but we have the determination and the backing of our creditors to push this company to a very successful conclusion"

"The success of this outcome comes from the team of dedicated staff, who wanted to make the wrongs of the past right. They have done a tremendous job. I am proud to work with each and every one of them. You will hear good things in the future of the success of this company," says Schneider.



Michener Hill Villas welcome residents

RED DEER – Medican's Michener Hill Village Villas welcome in the New Year and new residents.

Five of the luxury villas, which are being constructed adjacent to the existing Extencicare assisted living facility, are sold and one has just been occupied by its new owner.

The sales and occupancy come on the heels of the opening of the show homes and onsite offices.

With the shift of the sales office from the mall to the site itself, the Michener Hill Village is seeing increased traffic on the weekends.

There has been a lot of

interest in the villas, according to Medican sale representative Diana Emick.

"I think it's because the complex is taking shape," says Emick.

Darcy Durksen, the site's project manager, says the concrete fence around the villas is now complete, as are the concrete curbs and gutters.

With the cul-de-sac road base completed as well and a couple of more foundations about to be poured, the site is looking a lot cleaner.

"The pictures tell the story," says Emick. "When couples come here, they

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Medican's Michener Hill Villas offer extraordinary luxury at affordable prices.



Cranes move sections of roof in Phase II of condo project.

Michener Hill Village forms unique complex

(Continued from page 4) are impressed with all the work that has been done."

"Having a show suite," says Emick, "makes my job so much easier. People can visit us here and really get a feel for what the complex offers."

Work, too, on the condo development is picking up, says Durksen.

"The connector link between Phase I and the Extendicare facility is under construction and the siding on the backside of the building is completed."

The Extendicare assisted living facility, which Medican built as well, forms the heart of the unique complex, which is aimed at meeting the needs of seniors at all stages of their lives.

Durksen adds that framing on Phase II is progressing and crews are finishing the sheeting

on the 4th floor and will be standing up the walls next week.

"We're also craning in sections of the roof and expect to be completed by the end of the month."

Plumbing and heating and ventilation rough-ins have begun on the First floor, says Durksen, and will be completed by the end of next week, at which time crews will move onto the Second floor.

The villas, Durksen says, are progressing as well. Building 9 is completed. Building 8's foundation has been poured and framing is scheduled to start mid-week next week.

When complete the Michener Hill Village will be one of the city's show cases of comfortable living.

Sales Update

193 units have sold with a value of \$44,775,358.33.

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Heritage Heights readies for inspection

MEDICINE HAT — Site supervisor Chris Hullah reports that the Heritage Heights project is in the final stages of preparation for occupancy inspection.

Sold suites, he says, are complete and the hallway carpet installation has started.

The lobby staircase and railing is complete and crews are now completing the decorative columns.

"We are hoping for occupancy in about a week."

The Heritage Heights condominium complex is located on the east side of the South Country Village site just north of the airport, uses an incredibly energy efficient design.

"The majority of heating," says Hullah, "is done through 'geo-exchange' engineering."

Both heating and cooling is provided by utilizing the fact that the ground beneath the building is a constant temperature, explains Marcus Campbell from city-based Terralta. It can be tapped for heat during the winter and cooling during the summer.

The complex also features solar panels on the roof, which are used to generate electricity.

Terralta installed 40-235 watt Conenergy solar modules with Enphase microconvertors. The inver-



Sweeping staircase focal point of lobby in Heritage Heights facility,

tors make each module independent of each other, explains Campbell.

"In the event that the building is not calling for power and we are producing solar energy, it will be fed back through the building and be sent back to the grid. That will reduce utility costs for residents," says the Terralta spokesperson.

The company estimates that the system will generate about 16,000 to 20,000 KW hours of electricity for a savings of \$1,600 per year based on an electricity cost of 10 cents per kilowatt hour.

