COURT FILE NUMBER	1101-17318	Clerk's Stamp CLERK OF THE COURT FILED MAR 21 2014 JUDICIAL CENTRE OF CALGARY
COURT	COURT OF QUEEN'S BENCH OF ALBERTA	
JUDICIAL CENTRE	CALGARY	
APPLICANTS	IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c.C-36, AS AMENDED AND IN THE MATTER OF THE BUSINESS CORPORATIONS ACT, R.S.A. 2000, c. B-9 AND IN THE MATTER OF RAILSIDE CAPITAL INC., RAILSIDE INDUSTRIAL PARK INC., FOUNDATION PLACE CAPITAL INC. and FOUNDATION PLACE INC.	
DOCUMENT	**TWENTY-SECOND REPORT OF THE MONITOR** **MARCH 21, 2014**	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**MONITOR** Ernst & Young Inc. 1000, 440 - 2nd Avenue SW Calgary, Alberta T2P 5E9 Attention: Neil Narfason / Nick J.B. Purich Telephone: 403-206-5067 / (403) 206-5170 Fax: 403-206-5075 Email: Neil.Narfason@ca.ey.com Nick.JB.Purich@ca.ey.com **COUNSEL** McCarthy Tétrault LLP Suite 3300, 421 7th Avenue SW Calgary AB T2P 4K9 Attn: Sean Collins / Walker MacLeod Telephone: 403-260-3531 / 403-260-3710 Email: scollins@mccarthy.ca wmacleod@mccarthy.ca	

TABLE OF CONTENTS OF THE TWENTY-SECOND REPORT

APPENDICIES TO THE TWENTY-SECOND REPORT

INTRODUCTION

1. On December 21, 2011, Legacy Communities Inc. ("Legacy") and Airdrie Capital Corporation ("ACC") and Airdrie Country Estates Inc. (collectively "Airdrie") sought and obtained protection from their creditors under the Companies' Creditors Arrangement Act, R.S.C. 1985 c. C-36, as amended, (the "CCAA") pursuant to an order of this Honourable Court (the "Initial Order").

2. Pursuant to the Initial Order, Ernst & Young Inc. was appointed monitor of Legacy and Airdrie (the "Monitor").

3. On March 21, 2012, under these same proceedings, Railside Capital Inc. and Railside Industrial Park Inc. (collectively "Railside") and Foundation Place Capital Inc. ("Foundation Place Capital") and Foundation Place Inc. (Foundation Place Capital and Foundation Place Inc. are sometimes collectively referred to herein as "Foundation Place") were granted an Order (the "Railside & Foundation Place Order") by this Honourable Court granting them protection from their creditors pursuant the CCAA.

4. Legacy, Airdrie, Railside and Foundation Place are sometimes collectively referred to as the "Companies" or the "Debtors".

5. On January 19, 2012 this Honourable Court granted an Order creating an Unsecured Creditors Committee ("UCC") in these proceedings.

6. On May 12, 2012 this Honourable Court granted an Order expanding the Monitor's powers as "co-manager" of the Companies (the "Co-Manager") and as such, the Monitor prepares this report in its capacity as Monitor and Co-Manager of the Companies.

7. On July 5, 2012, this Honourable Court granted Orders sanctioning the respective plans of compromise and arrangement (the "Legacy and Airdrie Plans") presented to the creditors of each of Legacy and Airdrie and approved by an overwhelming majority of those creditors. The Legacy and Airdrie Plans have been implemented and

pursuant to the terms of the Legacy and Airdrie Plans, the interim board of directors have been appointed.

8. On December 21, 2012, this Honourable Court granted an Order (the "Railside Sanction Order") sanctioning the Railside plan of compromise and arrangement (the "Railside Plan") presented to the creditors of Railside and approved by an overwhelming majority of those creditors. The Railside Plan has yet to be implemented.

9. The purpose of this twenty-second report (the "Twenty-Second Report") of the Monitor is to provide this Honourable Court with:

   a) an update on Foundation Place's restructuring efforts,

   b) the forecast to actual cash flow results of Foundation Place for the period of November 1, 2013 to February 28, 2014 (the "Reporting Period");

   c) the cash flow forecast (the "Forecast") from March 1, 2014 to June 30, 2014 (the "Forecast Period") for Foundation Place;

   d) Foundation Place's request for an extension of the Stay Period; and

   e) the Monitor's recommendation.

10. Capitalized terms not defined in this Twenty-Second Report are as defined in the Initial Order.

11. All references to dollars are in Canadian currency unless otherwise noted.

BACKGROUND

12. Background for the Debtors together with other information regarding these CCAA proceedings have been posted by the Monitor on its website at: www.ey.com/ca/foundationgroup.

TERMS OF REFERENCE

13. In preparing this Twenty-Second Report, the Monitor has relied upon unaudited financial information, company records and discussions with former management of the Company. The Monitor has not performed an audit, review or other verification of such information. An examination of the financial forecast as outlined in the Canadian Institute of Chartered Accountants Handbook has not been performed. Future orientated financial information relied upon in this report is based on management's assumptions regarding future events and actual results achieved will vary from this information and the variations may be material.

RESTRUCTURING PROGRESS

14. On September 30, 2013, Foundation Place entered into a letter of intent with Simmons Financial Holdings Ltd. ("Simmons") which contemplates an investment in Foundation Place by Simmons (the "Simmons Investment").

15. On December 10, 2013, Foundation Place entered into a supplemental letter of intent (the "Simmons LOI") with Simmons which altered the terms of the Simmons Investment to include a proposed settlement of the claims of Mylonas Enterprises Ltd. and Landstar Teamworks Project Management Ltd. (the "Mylonas and Landstar Claims") as described in the Nineteenth Report of the Monitor dated September 25, 2013.

16. In January, 2014, Foundation Place received a deposit of $100,000 towards the Simmons Investment refundable only on the condition that Simmons is not able to obtain $800,000 of financing as contemplated under the Simmons LOI (the "Financing Condition") or if Foundation Place creditors do not approve a Plan of Arrangement ("Plan") which includes the investment contemplated under the Simmons LOI. Simmons has since waived the Financing Condition.

17. Foundation Place is currently preparing definitive documents for the Simmons Investment and developing its Plan. The Plan will require approximately $225,000 of third party financing (the "Additional Financing") in addition to the funds that will be

advanced under the Simmons LOI and Foundation Place expects to have the Additional Financing arranged by the end of March 2014.

18. Once the Additional Financing is arranged Foundation Place will then present its Plan to this Court for approval to circulate to the Foundation Place creditors which is expected to occur in mid-April 2014.

FORECAST TO ACTUAL RESULTS

19. The cash flow forecast to actual presented at Appendix A contains the cash receipts and disbursements incurred to date for Foundation Place as compared to the cash flow forecast previously provided to this Court in the Monitor's Twentieth Report dated November 1, 2013.

20. Outlined below is a summary of the actual results to February 28, 2014 for Foundation Place:

Foundation Capital Inc. and Foundation Place Capital Inc.
Cash Flow Forecast to Actual
November 1, 2013 -February 28, 2014

	Forecast	Actual	Variance
Receipts	-	$ 152,380	$ 152,380
Disbursements	-	23,838	(23,838)
Net cash flows	-	$ 128,542	$ 128,542
Opening cash	$ 3,356	$ 3,356	
Net cash flows	-	128,542	
Closing cash	$ 3,356	$ 131,898	
Closing cash composition:			
Restricted under Simmons LOI		$ 100,000	
General		31,898	
Total closing cash		$ 131,898	

21. Foundation Place had receipts of $152,400 during the Reporting Period which were not contemplated in the previous forecast and consisted of:

a) $52,400 in GST refunds; and

b) a deposit of $100,000 received from Simmons Financial Holdings Ltd. restricted for use towards the completion of the Simmons Investment.

22. Foundation Place had disbursements of $24,000 during the Reporting Period which were not contemplated in the previous forecast and consisted of:

a) professional fees of approximately $20,000 which were paid with part of the GST refund; and

b) operating and consulting costs.

23. During the Reporting Period, professional fees were incurred but not paid and remain beneficiaries of the Administration Charge. There are currently outstanding unpaid professional fees of approximately $325,000.

CASH FLOW FORECAST THROUGH JUNE 30, 2014

24. The Forecast is prepared on the basis that Foundation Place is able to bring a Plan before this Honourable Court by April 30, 2014.

25. The Co-Manager has prepared a Forecast for the Forecast Period which is attached to this Twenty-Second Report as Appendix 0042. The Forecast is based on the most current information available. The Monitor believes the assumptions supporting the Forecast are reasonable.

26. The table below summarizes the Foundation Place cash flows for the Forecast Period:

Foundation Capital Inc. and Foundation Place Capital Inc. Cash Flow Forecast March 1, 2014 - June 30, 2014		
RECEIPTS		
Remaining joint venture investment	$	100,000
Additonal financing		225,000
New bank financing		800,000
Total receipts		1,125,000
DISBURSEMENTS		
Mylonas/Landstar settlement		350,000
Consulting fees		5,000
Property taxes		-
Operating expenses		5,000
Repay Interim Financing		411,000
CCAA professional fees		425,000
Total disbursements		1,196,000
NET CASH FLOWS	**$**	**(71,000)**
OPENING CASH	$	131,898
NET CHANGE IN CASH FLOWS		(71,000)
ENDING CASH	**$**	**60,898**

27. As summarized above, Foundation Place is projecting cash receipts of approximately $1,125,000 against cash disbursements of approximately $1,196,000, resulting in a net decrease in cash of approximately $71,000 during the Forecast Period.

28. Based on the cash flow projections for the Forecast Period, the Companies will have sufficient funds available to support ongoing operations.

THE COMPANIES' REQUEST FOR AN EXTENSION OF THE STAY PERIOD

29. Pursuant to the Orders of this Honourable Court dated November 22, 2013 the Stay Period expires on March 31, 2014 for Foundation Place. Foundation Place is seeking an extension of the Stay Period up to and including June 30, 2014 (the "Stay Extension").

30. The Foundation Place Stay Extension is necessary to allow Foundation Place to:

   a) finalize the Additional Financing;

   b) finalize its Plan;

c) seek approval of this Honourable Court to circulate the Plan; and

d) hold a meeting of creditors to vote on the Plan.

31. In the Monitor's view, the Companies are acting in good faith and with due diligence.

MONITOR'S RECOMMENDATIONS

32. The Monitor recommends that this Honourable Court approve the Stay Extension.

Dated at Calgary, AB, this 21st day of March, 2014.

ERNST & YOUNG INC.
in its capacity as Monitor of
Foundation Place and not in its
personal or corporate capacity

Neil Narfason, CA•CIRP, CBV
Senior Vice-President

Nick J.B. Purich, CA
Senior

Appendix A

Foundation Capital Inc. and Foundation Place Capital Inc.
Cash Flow Forecast to Actual
November 1, 2013 -February 28, 2014

	Forecast	Actual	Variance
RECEIPTS			
Debtor-in-possession financing	$ -	$ -	$ -
Joint venture investment deposit	-	100,000	100,000
GST Refund	-	52,263	52,263
Interest Income	-	117	117
Total receipts	**-**	**152,380**	**152,380**
DISBURSEMENTS			
Management fees	-	-	-
Consulting fees	-	3,004	(3,004)
Property taxes	-	-	-
Operating Expenses	-	19	(19)
CCAA professional fees	60,000	30,000	30,000
Administration Charge offset	(60,000)	(9,185)	(50,815)
Total disbursements	**$ -**	**$ 23,838**	**$ (23,838)**
NET CASH FLOWS	**$ -**	**$ 128,542**	**$ 128,542**
OPENING CASH	$ 3,356	$ 3,356	
NET CHANGE IN CASH FLOWS	-	128,542	
ENDING CASH	**$ 3,356**	**$ 131,898**	

Appendix B

Foundation Capital Inc. and Foundation Place Capital Inc.
Cash Flow Forecast
March 1, 2014 - June 30, 2014

	Notes	March 2014	April 2014	May 2014	June 2014	Total
		Foundation Place (Note 1)				
RECEIPTS	2					
Remaining joint venture investment	3	$ -	$ 100,000	$ -	$ -	$ 100,000
Additional financing	4	-	225,000	-	-	225,000
New bank financing	5	-	800,000	-	-	800,000
Total receipts		-	1,125,000	-	-	1,125,000
DISBURSEMENTS						
Mylonas/Landstar settlement	6	-	-	350,000	-	350,000
Consulting fees		500	500	500	500	2,000
Property taxes	7	-	-	-	-	-
Operating expenses		1,000	5,000	-	-	6,000
Repay Interim Financing	8	-	-	411,000	-	411,000
CCAA professional fees	9	-	-	420,000	5,000	425,000
Total disbursements		**$ 1,500**	**$ 5,500**	**$ 1,181,500**	**$ 5,500**	**$ 1,194,000**
NET CASH FLOWS		**$ (1,500)**	**$ 1,119,500**	**$ (1,181,500)**	**$ (5,500)**	**$ (69,000)**
OPENING CASH		$ 131,898	$ 130,398	$ 1,249,898	$ 68,398	$ 131,898
NET CHANGE IN CASH FLOWS		(1,500)	1,119,500	(1,181,500)	(5,500)	(69,000)
ENDING CASH		**$ 130,398**	**$ 1,249,898**	**$ 68,398**	**$ 62,898**	**$ 62,898**

Notes and Assumptions

1 "Foundation Place" is a consolidation of Foundation Capital Inc. and Foundation Place Capital Inc.
2 Foundation Place has no operating revenues
3 Second half of investment by Simmons Financial Holdings Ltd.
4 Up to $225,000 of additonal financing to be arranged
5 New financing arranged by Simmons Financial Holdings Ltd.
6 This amount was agreed to by Mylonas and Landstar in order for their caveats on the Foundation Place land to be forever discharged
7 2013 Property taxes were paid in a prior period. 2014 property taxes will be paid beyond the Forecast Period.
8 Foundation Place's interin financing is estimated to be $411,000 at the time of repayment
9 Professional fees to complete the Plan are estimated at $100,000. Unpaid professional fees to the date of this report are approximately $325,000. Professional fees are to be covered by the Administration Charge until Plan Implementation.