COURT FILE NUMBER	1101-17318	CLERK OF THE COURT Clerk's Stamp FILED DEC 20 2012 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 LEGACY COMMUNITIES INC., AIRDRIE CAPITAL CORPORATION, AIRDRIE COUNTRY ESTATES INC., RAILSIDE CAPITAL INC., RAILSIDE INDUSTRIAL PARK INC., FOUNDATION PLACE CAPITAL INC. and FOUNDATION PLACE INC.	
DOCUMENT	**FIFTEENTH REPORT OF THE MONITOR (RAILSIDE PLAN SANCTION)** **DECEMBER 20, 2012**	
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TABLE OF CONTENTS OF THE FIFTEENTH 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. and Foundation Capital Inc. (collectively "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.

7. The purpose of this fifteenth report (the "Fifteenth Report") of the Monitor is to provide this Honourable Court with:

    a) Activities of the Monitor since the Fourteenth Report;

    b) The Railside cash flow forecasts (the "Forecasts") from December 1, 2012 to January 31, 2013 (the "Forecast Period");

    c) An overview of the Plans, including a summary of the conditions precedent in each Plan;

d) The results of the December 19, 2012 Creditors' Meetings;

e) The Debtors' request for an extension of the Stay Period; and

f) The Monitor's recommendations.

8. Capitalized terms not defined in this Fifteenth Report are as defined in the Initial Orders.

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

BACKGROUND

10. 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

11. In preparing this Fifteenth 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.

ACTIVITIES OF THE MONITOR SINCE THE FOURTEENTH REPORT

Directors Solicitation Process

12. The Directors Solicitation Process called for nominations to be put forth to the Monitor by no later than December 10, 2012. The Monitor, with input from the UCC, selected a slate of three directors (the "Interim Directors") to serve on the Railside board.

13. The Interim Directors for Railside are the following individuals:

a) David Cobb;

b) Eldon Schechtel; and

c) Jeff Zakaluk.

CASH FLOW FORECAST THROUGH JANUARY 31, 2012

14. Railside, with the assistance of the Monitor, has prepared a Forecast. The Forecast is based on the most current information available.

15. The table below summarizes the cash flows for the Forecast Period:

Railside Capital Inc. and Railside Industrial Park Inc.
Cash Flow Forecast
December 1, 2012 - January 31, 2013

	Notes		Railside Dec.1 - Jan 31
RECEIPTS			
Other revenue	a		100,000
Debtor-in-possession financing	b		750,000
Total receipts		**$**	**850,000**
DISBURSEMENTS			
DIP Repayment	c		136,000
Financing fees & interest	d		36,250
Harvest common costs	e		30,000
Consulting fees	f		20,585
Property taxes	g		50,000
CCAA professional fees	h		100,000
Administration Charge reduction	i		346,226
Total disbursements		**$**	**719,061**
NET CASH FLOWS		**$**	**130,939**
OPENING CASH		$	1,841
NET CHANGE IN CASH FLOWS			130,939
ENDING CASH		**$**	**132,780**

16. As summarized above, Railside is projecting further debtor-in-possession financing needs for the Forecast Period of $750,000 (the "New DIP Financing") and a receipt of $100,000 for total projected receipts of $850,000. Cash disbursements of

approximately $719,000 are projected, resulting in a net increase in cash of approximately $131,000 during the Forecast Period.

17. The following notes to the Forecast are described below:

a) Return of a cash deposit with the Town of Millet, Alberta;

b) New DIP Financing is expected to be finalized and in place in late December/early January and will convert to an exit financing facility;

c) Repayment of previous debtor-in-possession financing;

d) Costs related to establishing the New DIP Financing;

e) Estimated operating costs for the Forecast Period;

f) Estimated consulting costs for the Forecast Period;

g) Payment of property taxes;

h) Estimated CCAA fees for the Forecast Period; and

i) Repayment of outstanding professional fees. Professional fees relate to the costs of the Monitor and its' legal counsel, the Companies' legal counsel and the UCC's legal counsel.

18. The Monitor has reviewed the assumptions supporting the Forecasts and believes the assumptions to be reasonable.

CCAA PLANS

Overview

19. Railside filed its Plan of Arrangement (the "Plan") in an Application on November 23, 2012, with this Honourable Court.

20. On November 23, 2012, this Honourable Court granted an order (the "Creditors' Meeting Order") authorizing Railside to convene a creditors' meeting on December 19, 2012 (the "Creditors' Meeting") to consider and vote on the Plan.

Mailing of Plan of Arrangement Package and other documents

21. On or before November 28, 2012, the Monitor sent packages to Creditors (as defined in the Plan) of Railside containing the following:

    a) A copy of the Plan;

    b) A Notice of Meeting;

    c) A copy of the Proxy, with instructions;

    d) A copy of the Monitor's 14th Report dated November 21, 2012, which provided comments and recommendations on the Plan;

    e) A copy of the Creditor's Meeting Order, dated November 23, 2012; and

    f) A copy of the Information Circular.

CREDITORS' MEETING

22. The vote by the Creditors on the Plan was held at 3rd Floor, 250-5th Street S.W., Calgary, Alberta at 10:00 am on December 19, 2012.

23. Mr. Neil Narfason, Senior Vice President of Ernst & Young Inc., acted as Chair of the Creditors' Meeting. Representatives of the Companies' legal counsel and the Monitor were available at the Creditors' Meeting to answer creditor questions, and copies of

the CCAA Plan were made available. At the meeting, a quorum was present and accordingly, the Chair declared the Creditors' Meeting to be properly constituted.

Voting Parameters

24. The Plan contemplates that the Creditors will vote at the Creditors' Meeting in a single class. For the purposes of calculating the 'majority' component of the Required Majority (as defined in the Plan), each Creditor who actually votes (in person or by proxy) is entitled to one vote. For the purposes of calculating the 'value' component of the Required Majority, each voting Creditor holds a voting claim equivalent to the value of its Claim (as by the Monitor pursuant to the Creditors' Meeting Order).

Results of Vote

25. In respect of the resolution to approve the Plan, the Creditors, voting either in person or by way of Proxy voted as follows:

Railside	**By Dollar Voting**		**By Headcount**	
	$	**%**	**#**	**%**
For	$15,062,646	97.6%	373	96.9%
Against	$372,177	2.4%	12	3.1%
Total Voting	$15,434,823		385	

26. On the basis of the foregoing, more than a majority in number of Creditors (voting in person or by proxy) representing in excess of 66 2/3rd in value, voted in favour of the Plan.

THE COMPANIES' REQUEST FOR AN EXTENSION OF THE STAY PERIOD

27. Pursuant to the Order of this Honourable Court dated November 23, 2012 the Stay Period expires on December 31, 2012 for Railside.

28. Railside is seeking an extension of the Stay Period up to and including January 31, 2013 (the "Railside Stay Extension").

29. The Railside Stay Extension is necessary to allow Railside to finalize its New DIP financing and exit financing and proceed with implementation of the Plan.

30. In the Monitor's view, Railside is acting in good faith and with due diligence and the extension of the stay of proceedings is warranted.

MONITOR'S RECOMMENDATIONS

31. The Monitor recommends that that this Honourable Court approve:

    a) Railside's motion for the sanctioning of its Plan on the basis that:

        i. Notice of the Railside's Creditors' Meeting held to approve the Plan was duly given and the Creditors' Meeting was duly constituted;

        ii. The Plan is fair and equitable and the estimated median recovery under the Plan exceeds the estimated median recovery under a liquidation alternative, as analyzed in the Monitor's Fourteenth Report;

        iii. Railside's Creditors, voting in person or by proxy at the Creditor's Meeting, approved the Plan by a majority far in excess of the majority required by the CCAA; and

        iv. To the best of the Monitor's knowledge, Railside has complied with all statutory requirements of the CCAA and all previous orders of this Honourable Court and has not done or purported to do anything which is not authorized by the CCAA; and

b) The Railside Stay Extension.

Dated at Calgary, this 20th day of December, 2012.

ERNST & YOUNG INC.
in its capacity as
Monitor of Legacy, Airdrie, Railside and Foundation Place

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