COURT FILE NUMBER	1101-17318
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	**THIRD REPORT OF THE MONITOR** **April 16, 2012**
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 / Cassie Hern Telephone: 403-206-5067 / (403) 206-5005 Fax: 403-206-5075 Email: Neil.Narfason@ca.ey.com Cassie.Hern@ca.ey.com

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CLERK OF THE COURT
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INTRODUCTION

1. On December 21, 2011, Legacy Communities Inc. ("Legacy") and Airdrie Capital Corporation and Airdrie Country Estates Inc. (collectively the "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 the 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".

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

6. On March 21, 2012 this Honourable Court granted an Order appointing Ernst & Young Inc. as inspector ("Inspector") of certain related entities, 1252064 Alberta Ltd. ("125"), 1330075 Alberta Ltd. ("133") and Harvest Capital Management Inc. ("HCMI"). The Inspector now has full access to review the books and records of these entities as required.

7. The purpose of this third report (the "Third Report") of the Monitor is to provide this Honourable Court with the Monitor's comments in respect of the following:

   a) Activities of the Monitor since the First Report;

   b) The forecast to actual cash flow results for Legacy and Airdrie for the period of December 21, 2011 to March 31, 2012 and for Railside and Foundation Place for the period of March 1, 2012 to March 31, 2012 (the "Reporting Period");

   c) The revised cash flow projections (the "Revised Cash Flow Projections") from April 1, 2012 to June 30, 2012 (the "Forecast Period");

   d) The additional DIP financing ("DIP Financing") needs;

   e) An update on the restructuring efforts for the Companies;

   f) The Unsecured Creditors' Committee ("UCC") application for the appointment of a Chief Restructuring Officer ("CRO") for all the Debtors in these CCAA Proceedings and the removal of Mr. Ron Aitkens as a director of the Debtors;

   g) The proposed claims process order and claims bar date for Legacy and Airdrie (the "Claims Process");

   h) The Debtors' request for an extension of the stay period; and

   i) The Monitor's recommendations.

8. Capitalized terms not defined in this Third Report are as defined in the Initial Order.

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

BACKGROUND

10. Background for the Debtors and their operations is contained in the materials filed in support of the application for the Initial Order and these documents, together with other information regarding this CCAA proceeding, have been posted by the Monitor on its website at: www.ey.com/ca/foundationgroup.

TERMS OF REFERENCE

11. In preparing this Third Report, the Monitor has relied upon unaudited financial information, company records and discussions with 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.

ACTIVITIES OF THE MONITOR SINCE THE FRIST REPORT

Railside and Foundation Place Notice to Creditors

12. Pursuant to the terms of the Railside and Foundation Place Order, the Monitor:

    a) Published the Notice in the *Calgary Herald* on March 24, 2012 and March 31, 2012;

    b) Made the Initial Order publicly available on the Monitor's website effective March 22, 2012;

    c) On March 27, 2012 mailed the Notice to every known creditor identified to it by the Company (the "Known Creditors") as having a claim of more than $1,000; and

d) Prepared a list showing the names, addresses and estimates claims of the Known Creditors and made the list publicly available on the Monitor's web site on March 28, 2012.

13. The Notice also advised that if a creditor was unable to obtain a copy of this Order from the Monitor's website, it could request a copy be delivered.

Interactions with the UCC and UCC Information Requests

14. The UCC has requested certain information regarding the Debtors financial information, DIP financing, appraisals, consultant agreements, sources and uses of funds, expenses post filing, and supporting documentation regarding funds advanced to affiliates.

15. The Monitor has provided most of the information requested over the past month and through this report will provide the information requested with respect to expenses post filing, future cash flows/pro formas and future DIP financing.

16. The Monitor notes that the flow of information from the Debtors has been slower than the Monitor would expect and the Monitor has, on many occasions, advised the Debtors that they must improve the timeliness of their responses to information requests from both the Monitor and the UCC.

Monitor Mailings to Investors on Behalf of the UCC

17. On January 20, 2012 the Monitor sent, via email, on behalf of the UCC, to all known Legacy and Airdrie bondholders, with known email addresses, a letter making the investors aware of the formation of the UCC and how the investors could become involved with the UCC. Any investors that the Monitor did not know the email address for were sent a copy of this letter through regular post on January 20, 2012.

18. On March 14, 2012 the Monitor sent via email on behalf of the UCC, to all known Legacy and Airdrie bondholders, with known email addresses, an invitation to the

UCC's upcoming investor meetings to be held on March 22, 2012 in Calgary, March 23, 2012 in Red Deer and March 27, 2012 in Edmonton. A reminder email was sent by the Monitor to these same investors on March 23, 2012 after the Calgary event.

19. On March 30, 2012 the Monitor sent via email on behalf of the UCC, to all known Legacy bondholders, with known email addresses, a letter making the investors aware of a vacancy on the UCC, as a result of a resignation, and how the investors could again become involved with the UCC. Any investors that the Monitor did not know the email address for were sent a copy of this letter through regular post on April 2, 2012.

20. On March 30, 2012 the Monitor sent via email on behalf of the UCC, to all known Railside and Foundation Place bondholders, with known email addresses, a letter making the investors aware of the formation of the UCC and how the investors could become involved with the UCC. Any investors that the Monitor did not know the email address for were sent a copy of this letter through regular post on April 2, 2012.

21. Attached as Appendix A are copies of the affidavits of mailing, without exhibits, for the above mentioned seven mailings.

Legacy and Airdrie Sources and Uses of Funds Analysis

22. The Monitor filed its sources and uses of funds report for Legacy and Airdrie on April 5, 2012 ("SUF Report").

23. A copy of this SUF Report can be found on the Monitor's website at www.ey.com/ca/foundationgroup.

24. The Monitor requested management provide the necessary information to start the Railside, Foundation Place, 125, 133 and HCMI sources and uses of funds analysis on March 21, 2012.

25. The Monitor has started to receive the requested information and has commenced its review. The Monitor anticipates being in a position to report on the sources and uses of funds for Railside, Foundation Place, 125, 133 and HCMI in May 2012.

Weekly Management, Consultant and Advisor Meetings

26. The Monitor attends weekly meetings with the Debtor's management, consultants and advisors. The UCC has been invited to these meetings and began to attend them in late March 2012.

27. Through these meetings, as well as other communications and discussions, the Monitor is able to assist the Debtors in moving through the CCAA process.

FORECAST TO ACTUAL RESULTS

Legacy

28. The cash flow forecast to actual presented at Appendix B contains the cash receipts and disbursements incurred to date for Legacy as compared to the cash flow forecast previously provided to this Court in the December 20, 2011 Aitkens Affidavit.

Legacy Communities Inc.
Cash Flow Forecast to Actual
December 21, 2011 - March 31, 2012

	Forecast	Actual	Variance
Receipts	400,000	400,000	-
Disbursements	338,147	415,186	(77,038)
Net Cash Flows	61,853	(15,186)	77,038

29. As expected, the only cash receipt for the Reporting Period was $400,000 of DIP financing from Harvest Capital Management Inc.

30. Operating expenses that have been incurred but not entirely paid during the Reporting Period for Legacy totalled approximately $415,000. The negative variances of approximately $77,000 relate to higher than forecasted management

fees, consulting fees and professional fees, partially offset by the waived Eyelogic fees. Development costs of $100,000 were expected in the Reporting Period but will not be incurred until May.

Airdrie

31. The cash flow forecast to actual presented at Appendix C contains the cash receipts and disbursements incurred to date for Airdrie as compared to the cash flow forecast previously provided to this Court in the December 20, 2011 Aitkens Affidavit.

Airdrie Capital Corporation and Airdrie Country Estates Inc.
Cash Flow Forecast to Actual
December 21, 2011 - March 31, 2012

	Forecast	Actual	Variance
Receipts	300,000	325,000	(25,000)
Disbursements	268,131	286,813	(18,682)
Net Cash Flows	31,869	38,187	(6,318)

32. As expected, the only cash receipt for the Reporting Period was $325,000 of DIP financing from Harvest Capital Management Inc.

33. Operating expenses that have been incurred but not entirely paid during the Reporting Period for Airdrie totalled approximately $287,000. The negative variances of approximately $19,000 relate to higher than forecasted consulting fees and professional fees, partially offset by the waived Eyelogic fees and lower than expected management fees. Development costs of $25,000 were expected in the Reporting Period but will not be incurred until May.

Railside

34. The cash flow forecast to actual presented at Appendix D contains the cash receipts and disbursements incurred to date for Railside as compared to the cash flow forecast previously provided to this Court in the March 15, 2012 Aitkens Affidavit.

Railside Capital Inc. and Railside Industrial Park Inc. Cash Flow Forecast to Actual March 1, 2012 - March 31, 2012			
	Forecast	**Actual**	**Variance**
Receipts	-	-	-
Disbursements	78,736	63,067	15,669
Net Cash Flows	(78,736)	(63,067)	(15,669)

35. As expected, there have been no cash receipts during the Reporting Period.

36. Operating expenses that have been incurred but not entirely paid during the Reporting Period for Railside totalled approximately $63,000. The positive variances of approximately $16,000 relates lower than expected professional fees.

Foundation Place

37. The cash flow forecast to actual presented at Appendix E 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 March 15, 2012 Aitkens Affidavit.

Foundation Capital Inc. and Foundation Place Capital Inc. Cash Flow Forecast to Actual March 1, 2012 - March 31, 2012			
	Forecast	**Actual**	**Variance**
Receipts	70,000	70,000	-
Disbursements	69,284	55,615	13,669
Net Cash Flows	716	14,385	(13,669)

38. As expected, the only cash receipt for the Reporting Period was $70,000 of DIP financing from Azimuth Risk Management Ltd.

39. Operating expenses that have been incurred but not entirely paid during the Reporting Period for Foundation Place totalled approximately $56,000. The positive variances of approximately $14,000 relates lower than expected professional fees.

REVISED CASH FLOW FORECAST THROUGH JUNE 30, 2012

40. The Companies, with the assistance of the Monitor, have prepared cash flow forecasts for the Forecast Period which are attached as Appendix F and G, respectively, to this report (the "Forecasts"). Management has prepared the Forecasts based on the most current information available.

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

Cash Flow Forecast April 1, 2012 - June 30, 2012	Legacy	Airdrie	Railside	Foundation Place
RECEIPTS				
Debtor-in-possession financing	$ 532,000	$ 327,000	$ 150,000	$ 235,000
Total receipts	**$ 532,000**	**$ 327,000**	**$ 150,000**	**$ 235,000**
DISBURSEMENTS				
Management fees	$ 63,000	$ 18,933	$ 50,001	$ 49,059
Consulting fees	42,000	18,000	36,207	8,793
Property taxes	8,000	2,000	43,000	34,000
Operating Expenses	300	300	300	300
Appraisals	-	-	4,000	4,000
Eyelogic fees	-	-	-	-
Development costs	100,000	75,000	25,000	-
CCAA professional fees	300,000	250,000	150,000	150,000
Total disbursements	**$ 513,300**	**$ 364,233**	**$ 308,508**	**$ 246,152**
NET CASH FLOWS	**$ 18,700**	**$ (37,233)**	**$ (158,508)**	**$ (11,152)**
OPENING CASH	$ (15,192)	$ 38,176	$ 160,231	$ 15,596
NET CHANGE IN CASH FLOWS	18,700	(37,233)	(158,508)	(11,152)
ENDING CASH	**$ 3,508**	**$ 943**	**$ 1,723**	**$ 4,444**

42. As summarized above, Legacy is projecting further DIP Financing needs of approximately $532,000 to June 30, 2012 against cash disbursements of approximately $513,000, resulting in a net increase in cash of approximately $19,000 during the Forecast Period. To the end of May the further DIP Financing need is $387,000.

43. As summarized above, Airdrie is projecting further DIP Financing needs of approximately $327,000 against cash disbursements of approximately $364,000,

resulting in a net decrease in cash of approximately $37,000 during the Forecast Period. To the end of May the further DIP Financing need is $212,000.

44. As summarized above, Railside is projecting DIP Financing needs of approximately $150,000 against cash disbursements of approximately $309,000, resulting in a net decrease in cash of approximately $159,000 during the Forecast Period.

45. As summarized above, Foundation Place is projecting further DIP Financing needs of approximately $235,000 against cash disbursements of approximately $246,000, resulting in a net decrease in cash of approximately $11,000 during the Forecast Period.

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

47. The Monitor advises that it provided the Debtors with incorrect dollar amounts for the Legacy and Airdrie future DIP needs which were subsequently incorporated into Mr. Aitkens' Legacy and Airdrie Affidavit dated April 13, 2012. The dollar amounts discussed above reflect the best estimate of future DIP Financing needs.

48. Significant assumptions made by management with respect to the Forecasts are:

   a) None of the Companies have operating revenues;

   b) DIP Financing for Legacy and Airdrie have not be fully ascertained, however, the Monitor is advised that Azimuth Risk Management Ltd. expects that it will be able to provide the future DIP financing needs as well as replace the existing Legacy and Airdrie DIP financing advanced by HCMI;

   c) DIP Financing for Railside and Foundation Place will be provided by Azimuth Risk Management Ltd.;

d) Management fees are based on the offering memorandums for each project;

e) Consulting fees relate to the Real Estate Consultants, Noel Winter and David Murphy;

f) Property taxes are based on prior year assessments;

g) Operating expenses are based on historical results;

h) Eyelogic fees have been waived for the Forecast Period;

i) Development costs consist of concept plan submission and continuing carrying costs; and

j) Professional fees relate to the costs of the Monitor and its' legal counsel, the Companies' legal counsel and the UCC's legal counsel and have been estimated by the Monitor.

DIP FINANCING

49. Based on the above assumptions, the Forecasts indicate that the Companies will need further DIP Financing to meet its current obligations through the Forecast Period.

50. Further DIP Financing needs are summarized below:

a) Legacy requires additional DIP Financing of $387,000, in addition to the already approved $400,000;

b) Airdrie requires additional DIP Financing of $212,000, in addition to the already approved $325,000;

c) Railside requires DIP Financing of $150,000; and

d) Foundation Place requires additional DIP Financing of $235,000, in addition to the already approved $125,000.

51. The DIP Financing terms with Azimuth Risk Management Inc. have not yet been finalized, but the Monitor understands the terms to be a commitment fee of 2% and an annual interest rate of approximately 11%.

52. The Monitor understands that there are no arm's-length secured creditors of the Companies, as such, the additional DIP Financing does not prime any secured creditors. Given the quantum of the proposed DIP Financing compared to the book value of the assets, the Monitor believes that the DIP Financing would not materially prejudice the creditors of the Companies. In addition, the Monitor believes that the additional DIP financing will allow the Companies an opportunity to run the proposed Claims Process for Legacy and Airdrie, circulate a plan to the creditors of Legacy and Airdrie to be voted on in mid to late June 2012, and to pursue a restructuring that will maximize stakeholder value for all of the Debtors.

53. Accordingly, the Monitor considers the additional DIP Financing to be reasonable and necessary in order to maintain and preserve business operations, and to provide additional time to restructure which preserves value for all stakeholders.

RESTRUCTURING EFFORTS

Legacy

54. The Monitor is working with management and the Real Estate Consultants to develop a plan for Legacy. Currently Legacy is faced with the following external issues that need to be resolved to allow Legacy to put forth a plan to its creditors:

   a) Obtaining the required funding to exit CCAA (the "Legacy Exit Financing"). This financing would include repayment of the DIP financing and fund the pro-forma cash needs for a hold period for the project to allow value to improve. The Monitor understands that the Legacy Exit Financing need will be approximately $1.5 million; and

b) Obtaining a repayment agreement from 125, 133 and HCMI for the repayment of Legacy funds loaned to these entities.

55. The Monitor understands that if the above issues are resolved in a timely manner and the time line in the proposed Claims Process (discussed below) is approved, Legacy would be in a position to circulate a plan to its creditors and have a vote on that plan in mid to late June 2012.

56. The Monitor will also be seeking the input from the Legacy UCC members on the resolution of the two external issues.

Airdrie

57. The Monitor is working with management and the Real Estate Consultants to develop a plan for Airdrie. Currently Airdrie is faced with the issue of obtaining the required funding to exit CCAA (the "Airdrie Exit Financing"). This financing would include repayment of the DIP financing and fund the pro-forma cash needs for a hold period for the project to allow value to improve. The Monitor understands that the Airdrie Exit Financing need will be approximately $1.2 million.

58. The Monitor understands that if the above issues are resolved in a timely manner and the time line in the proposed Claims Process (discussed below) is approved, Airdrie would be in a position to circulate a plan to its creditors and have a vote on that plan in mid to late June 2012.

59. The Monitor will also be seeking the input from the Airdrie UCC members on the resolution of the two external issues.

Railside & Foundation Place

60. The Monitor is currently working with management and the Real Estate Consultant to understand the Railside and Foundation Place assets, development

opportunities and funding needs that would allow for the preservation of bondholder value.

61. The Monitor expects to provide further reporting on Railside and Foundation Place in May 2012.

CHIEF RESTRUCTURING OFFICER APPLICATION

Background

62. The UCC has made and application for the appointment of a CRO based on a number of factors which are set out in the April 11, 2012 Affidavit of Mr. Kyle Brown (the "April 11 Brown Affidavit"). Mr. Brown is a charter member of the UCC.

63. Mr. Aitkens has filed an Affidavit dated April 16, 2012 in response to the UCC CRO application (the "April 16 Aitkens Affidavit").

64. The Monitor has had numerous discussions with the UCC and its counsel with respect to their request for a CRO to try to fully understand the UCC position and concerns and to try to provide them with insight from the knowledge that the Monitor has gained from its role in these CCAA proceedings.

65. In addition, the Monitor has had numerous discussions with Mr. Ron Aitkens and the Real Estate Consultants regarding a CRO to understand their position and concerns with such an appointment.

66. The Monitor believes that there was a breakdown in the flow of communication between the Legacy and Airdrie Debtors and the UCC such that the UCC lost confidence in current management's ability.

67. In addition, Legacy and Airdrie did not provide adequate reporting to the investors during the past 5 or 6 years. Then when certain facts became known about the projects, such as material loans to affiliated entities by Legacy, certain

investors became very concerned with what had transpired within Legacy and Airdrie in the past and they wanted to bring in new management.

68. The UCC had made certain information requests to the Legacy and Airdrie Debtors and to the Monitor in January and February that were not responded to in a timely fashion. The Monitor was unable to respond to the UCC in many instances due to the need for the Monitor to obtain information from the Legacy and Airdrie Debtors.

69. Most of the information requested has now been provided to the UCC. The Monitor is disappointed by current management's untimely responses to the information requested and has advised them of our view. Current management has assured the Monitor that they would respond to information requests in a timely manner from either the Monitor or the UCC.

Factors to Consider in the Appointment of a CRO by the Monitor

70. The Monitor was not involved in the selection of candidates by the UCC for consideration for the CRO role and therefore is unable to comment as to the capabilities of the people put forward.

71. The Monitor has not met or had any dialogue with the proposed CRO, Mr. Keith Prosser and is therefore unable to adequately comment on his capabilities to act in this capacity.

72. The powers of the CRO contemplated by the UCC are significant and are akin to what would be seen in a template receivership order.

73. The Monitor understands that the current composition of the UCC does not include any Railside or Foundation Place committee members (two members for each entity for a total of four seats) as these seats have yet to be filled. As such, the UCC is making an application for a CRO of Railside and Foundation Place without any input from the respective representatives from those two entities.

74. The Monitor initially noted the concern in the construct of the UCC back in January 2012 that UCC members who did not have economic interests in certain projects should not be allowed to have any vote on decisions regarding those projects.

75. Any change in management would require a detailed transition plan that would need to be agreed to by both sides to allow for an orderly and efficient change over. The Monitor believes that if any management change proceeds, parameters need to be established to negotiate the transition of management.

76. Both the April 11 Brown Affidavit and the April 16 Aitkens Affidavit refer to various investors from the four Debtors who have logged their support for either a CRO or for current management. From the real estate appraisal evidence the Monitor understands that the economic stakeholders are the investors and trade creditors, and, as such, the wishes of this group of creditors should carry great weight in a material decision such as the change of management.

77. The majority of the investors of each Debtor have not been provided with an opportunity to review the current state of each entity and provide their vote given the way in which the UCC and current management each sought investor input.

78. Any CRO that is put in place should be required to swear that they have no financial interests or other involvement with any of the Debtors, other than as approved by this Honourable Court.

79. In the event there is a CRO for Legacy and Airdrie, the Monitor would want to see assurances from the CRO that they would try to adhere to the current time line established by Legacy and Airdrie to exit CCAA in order to avoid the additional costs associated with any delays.

CRO Conclusion

80. Based on the above factors, the expected cross-examinations on the CRO application and accompanying adjournment of the same, the Monitor wishes to

defer from making its recommendation on the application for the appointment of a CRO at this time. The Monitor will file a further report with its position regarding the appointment of the CRO prior to the return of the CRO application.

PROPOSED CLAIMS PROCESS

Proof of Investment

81. Legacy and Airdrie maintained investor registries for each project. While the Monitor has not traced the funds from each individual investor noted on the investor registries to the specific bank accounts, on an overall basis, the funds received from the investors according to the SUF Report prepared by the Monitor, reconciles with the funds received according to the investor registries.

82. The investor listing for Legacy and Airdrie have been published on the Monitor's website for approximately three months. No inaccuracies have been reported to the Monitor by the investors.

83. The Monitor consulted with the UCC with respect to the reconciliation of the investor registries and that the Monitor could rely on the registries, given the cost associated with a complete reconciliation. The UCC is in agreement with the Monitor's recommendation to use the investor registries.

84. Therefore, at this time the Monitor is not recommending a proof of investment process which would require the investors to prove their investment in Legacy and Airdrie.

85. As discussed below, Legacy and Airdrie investors will receive a notice to creditor ("Notice to Creditor") stating the amount of their claim. If they agree with this amount no further action is required of them. If they do not agree with the Notice of Creditor, they will need to file a proof of claim (the "Proof of Claim") as discussed below.

Claims Process

86. Legacy and Airdrie's counsel has prepared a draft claims process orders seeking approval for a Claims Process by this Honourable Court (the "Legacy and Airdrie Claims Process Orders").

87. The Claims Process as set out in the Legacy and Airdrie Claims Process Orders will establish the amount of claims against Legacy and Airdrie as at the respective filing date of December 21, 2011 (the "Claims").

Notice to File Proof of Claims

88. It is proposed that the Claims Process will follow the timeline identified below:

Milestone	**Date**
Post forms on the Monitor's website	April 18, 2012
Mail and e-mail to all known creditors a Notice to Creditor	April 23, 2012
Place advertisement in the Calgary Herald	April 23, 2012
Deadline for creditors to file a Proof of Claim	May 16, 2012
Deadline for creditor to object to the Notice of Dispute	Within 15 days of receipt of the Notice of Dispute
File Notice of Motion and Support with the Court	Returnable within 10 days of written objection

89. The Monitor intends to mail the Notice to Creditor to all known creditors in the format attached to the Legacy and Airdrie Claims Process Orders by April 23, 2012.

90. The advertisement to be placed in the *Calgary Herald* will also serve as notice of the Claims Process, in the format attached to the Legacy and Airdrie Claims Process Orders on or before April 23, 2012.

91. Given the reliance on the Legacy and Airdrie investor registries and that both underlying projects are located just outside the Calgary city limits, the Monitor believes that advertising for claims in the *Calgary Herald* is sufficient in this circumstance.

92. The Monitor will post a copy of the Legacy and Airdrie Claims Process Order, the Notice to Creditor and the Proof of Claim on its website no later than April 18, 2012.

Claims Bar Date

93. It is proposed that any creditor asserting a Claim is required to file a Proof of Claim with the Company, with a copy to the Monitor prior on or before May 16, 2012 (the "Claims Bar Date").

Disputed Claims

94. In the event that a creditor submits a Proof of Claim, the Monitor, in consultation with Legacy and Airdrie, will review the Proof of Claim and provide to the creditor a notice in writing by registered mail, by courier service or by facsimile as to whether the claim set out in the Proof of Claim is accepted, disputed in whole, or disputed in part. Where the claim is disputed in whole or in part, the Monitor will issue a notice of dispute ("Notice of Dispute") indicating the reasons for the dispute.

95. The Legacy and Airdrie Claims Process Orders further provides that where a creditor objects to a Notice of Dispute, the creditor must notify Legacy or Airdrie, with a copy to the Monitor, of the objection in writing by registered mail, courier service or facsimile within fifteen days of receipt of the Notice of Dispute. The creditor shall thereafter serve on Legacy or Airdrie, with a copy to the Monitor, a filed Notice of Motion and supporting affidavit in these CCAA proceedings returnable within ten (10) days after it gave its notice of objection, for the determination by the Court of the claim in dispute.

96. If no objection to the Notice of Dispute is received by Legacy or Airdrie within the required time period, the Claim will be deemed accepted at the amount per the Notice of Dispute.

Comments on the Proposed Claims Process

97. The Monitor is of the view that an expedited time frame for the Claims Process is necessary to:

   a) Determine the valid claims against Legacy and Airdrie to allow for the preparation of a plan as soon as possible; and

   b) Minimize the costs of these proceedings.

THE COMPANIES' REQUEST FOR AN EXTENSION OF THE STAY PERIOD

98. Pursuant to the Order of this Honourable Court dated January 19, 2012 and the Railside and Foundation Place Order the Stay Period expires on April 17, 2012 for Legacy, Airdrie, Railside and Foundation Place.

99. Legacy and Airdrie are seeking an extension of the Stay Period up to and including May 23, 2012 (the "Legacy and Airdrie Stay Extension").

100. The Legacy and Airdrie Stay Extension is necessary to allow Legacy and Airdrie to obtain exit financing, develop a restructuring plan to present to their creditors and conduct the proposed Claims Process.

101. Railside and Foundation Place are seeking an extension of the Stay Period up to and including June 30, 2012 (the "Railside and Foundation Place Stay Extension").

102. The Railside and Foundation Place Stay Extension is necessary to allow Railside and Foundation Place the time to fully explore their possible restructuring alternatives, conduct investor meetings to update investors and seek input and to develop a restructuring plan.

103. In the Monitor's view, Legacy, Airdrie, Railside and Foundation Place are acting in good faith and with due diligence.

RECOMMENDATIONS

104. The Monitor recommends that this Honourable Court approve:

a) The additional DIP Financing;

b) The proposed Claims Process;

c) The Legacy and Airdrie Stay Extension; and

d) The Railside and Foundation Place Stay Extension.

Dated at Calgary, this 16th day of April, 2012.

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

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

Cassie Hern, CA
Manager

APPENDIX A

In the Court of Queen's Bench of Alberta
Judicial District of Calgary

IN THE MATTER OF THE CCAA Proceedings of:
Legacy Communities Inc. ("Legacy"), Airdrie Capital Corporations ("ACC")
and Airdrie Country Estates Inc.

AFFIDAVIT

I am an Manager of Ernst & Young Inc., the Court appointed Monitor of Legacy Communities Inc. ("Legacy"), Airdrie Capital Corporations ("ACC") and Airdrie Country Estates Inc., and as such have personal knowledge of the matters hereinafter deposed to except where stated to be based upon information and belief and where so stated I verily believe such matters to be true.

I, Cassie Hern, of Ernst & Young Inc., hereby make oath and say that on the 20th day of January, 2012, I did cause to be mailed out, electronic mail to the known Bond Holders of the above named entities, whose names and addresses are listed on Exhibit "A" annexed hereto, a copy of the Letter to Bond Holders enclosing the By-Laws of the Unsecured Creditors Committe and the Unsecured Creditors Committee Bond Holders Questionnaire, marked as Exhibit "B" to this my affidavit.

ERNST & YOUNG INC. – MONITOR
Per:

Cassie Hern

CASSIE HERN - MANAGER

SWORN before me in the CITY of CALGARY, in the PROVINCE OF of ALBERTA on the 3 day of February, 20 12.

Lynda Huber

A COMMISSIONER OF OATHS FOR THE PROVINCE OF ALBERTA
MY COMMISSION EXPIRES:

L. R. HUBER
MY COMMISSION EXPIRES
MARCH 27, 20 14

SBE0120

In the Court of Queen's Bench of Alberta
Judicial District of Calgary

IN THE MATTER OF THE CCAA Proceedings of:
Legacy Communities Inc. ("Legacy"), Airdrie Capital Corporations ("ACC")
and Airdrie Country Estates Inc.

AFFIDAVIT

I am an Executive Assistant of Ernst & Young Inc., the Court appointed Monitor of Legacy Communities Inc. ("Legacy"), Airdrie Capital Corporations ("ACC") and Airdrie Country Estates Inc., and as such have personal knowledge of the matters hereinafter deposed to except where stated to be based upon information and belief and where so stated I verily believe such matters to be true.

I, Carolina Moreno Certad, of Ernst & Young Inc., hereby make oath and say that on the 20th day of January, 2012, I did cause to be mailed out, by pre-paid ordinary mail to the known Bond Holders of the above named entities, whose names and addresses are listed on Exhibit "A" annexed hereto, a copy of the Letter to Bond Holders enclosing the By-Laws of the Unsecured Creditors Committe and the Unsecured Creditors Committee Bond Holders Questionnaire, marked as Exhibit "B" to this my affidavit.

ERNST & YOUNG INC. – MONITOR
Per:

Carolina

CAROLINA MORENO CERTAD – EXECUTIVE ASSISTANT

SWORN before me in the CITY of CALGARY, in the PROVINCE OF of ALBERTA on the 23 day of January, 20 12.

Linda Huber

A COMMISSIONER OF OATHS FOR THE PROVINCE OF ALBERTA
MY COMMISSION EXPIRES:

L. R. HUBER
MY COMMISSION EXPIRES
MARCH 27, 20 14

58E0120

In the Court of Queen's Bench of Alberta
Judicial District of Calgary

IN THE MATTER OF THE CCAA Proceedings of:
Legacy Communities Inc. ("Legacy"), Airdrie Capital Corporations ("ACC")
and Airdrie Country Estates Inc.

AFFIDAVIT

I am a Manager of Ernst & Young Inc., the Court appointed Monitor of Legacy Communities Inc. ("Legacy"), Airdrie Capital Corporations ("ACC") and Airdrie Country Estates Inc., and as such have personal knowledge of the matters hereinafter deposed to except where stated to be based upon information and belief and where so stated I verily believe such matters to be true.

I, Cassie Hern, of Ernst & Young Inc., hereby make oath and say that on the 14th day of March, 2012, I did cause to be mailed out by electronic mail, to the known Bond Holders of the above named entities, whose names and email addresses are listed on Exhibit "A" annexed hereto, a copy of the Investor Presentation Invitation, marked as Exhibit "B" to this my affidavit.

ERNST & YOUNG INC. – MONITOR
Per:

Cassie H

CASSIE HERN - MANAGER

SWORN before me in the CITY of CALGARY, in the PROVINCE OF of ALBERTA on the 14 day of MARCH, 20 12.

Lynda Huber

A COMMISSIONER OF OATHS FOR THE PROVINCE OF ALBERTA
MY COMMISSION EXPIRES:

L. R. HUBER
MY COMMISSION EXPIRES
MARCH 27, 20 14

SRE 6120

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE OF CALGARY

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, AND IN THE MATTER OF LEGACY COMMUNITIES INC. ("LEGACY"), AIRDRIE CAPITAL CORPORATIONS ("ACC"), AIRDRIE COUNTRY ESTATES INC.,
(ACTION NO. 1101-17318)

AFFIDAVIT

I am a Manager of Ernst & Young Inc., the Monitor of the above, and as such have personal knowledge of the matters hereinafter deposed to except where stated to be based upon information and belief and where so stated I verily believe such matters to be true.

I, Cassie Hern, of Ernst & Young Inc hereby make oath and say that on the 30th day of March, 2012, I did cause to be sent by electronic mail to the known bondholders of Legacy Communities Inc., whose names and e-mail addresses are listed on Exhibit "A," annexed hereto, a copy of the Letter to Bondholders enclosing the By-Laws of the UCC and the UCC Bondholder Questionnaire marked as Exhibit "B" to this affidavit.

ERNST & YOUNG INC. – MONITOR
Per:
Cassie H
CASSIE HERN - MANAGER

SWORN before me in the CITY of CALGARY, in the PROVINCE OF of ALBERTA on the 10th day of April, 2012.

Lynda Huber
A COMMISSIONER OF OATHS FOR THE PROVINCE OF ALBERTA
MY COMMISSION EXPIRES:

L. R. HUBER
MY COMMISSION EXPIRES
MARCH 27, 20 14

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE OF CALGARY

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, AND IN THE MATTER OF LEGACY COMMUNITIES INC. ("LEGACY"), AIRDRIE CAPITAL CORPORATIONS ("ACC"), AIRDRIE COUNTRY ESTATES INC., (ACTION NO. 1101-17318)

AFFIDAVIT

I am an Executive Assistant of Ernst & Young Inc., the Monitor of the above, and as such have personal knowledge of the matters hereinafter deposed to except where stated to be based upon information and belief and where so stated I verily believe such matters to be true.

I, Betty Trinh, of Ernst & Young Inc., hereby make oath and say that on the 2nd day of April, 2012, I did cause to be pre-paid ordinary mail to the known bondholders of Legacy Communities Inc., whose names and addresses are listed on Exhibit "A," annexed hereto, a copy of the Letter to Bondholders enclosing the By-Laws of the UCC and the UCC Bondholder Questionnaire marked as Exhibit "B" to this affidavit.

ERNST & YOUNG INC. – MONITOR
Per:

Betty T.

BETTY TRINH – EXECUTIVE ASSISTANT

SWORN before me in the CITY of CALGARY, in the PROVINCE of ALBERTA on the 10th day of April, 2012.

Lynda Huber

A COMMISSIONER OF OATHS FOR THE PROVINCE OF ALBERTA
MY COMMISSION EXPIRES:

L. R. HUBER
MY COMMISSION EXPIRES
MARCH 27, 20 14

L. R. HUBER
MY COMMISSION EXPIRES
MARCH 27, 20 14

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE OF CALGARY

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, AND IN THE MATTER OF LEGACY COMMUNITIES INC. ("LEGACY"), AIRDRIE CAPITAL CORPORATIONS ("ACC"), AIRDRIE COUNTRY ESTATES INC., RAILSIDE CAPITAL INC. ("RAILSIDE"), RAILSIDE INDUSTRIAL PARK INC., FOUNDATION PLACE CAPITAL INC. ("FOUNDATION PLACE"), AND FOUNDATION PLACE INC.
(ACTION NO. 1101-17318)

AFFIDAVIT

I am a Manager of Ernst & Young Inc., the Monitor of the above and as such have personal knowledge of the matters hereinafter deposed to except where stated to be based upon information and belief and where so stated I verily believe such matters to be true.

I, Cassie Hern, of Ernst & Young Inc., hereby make oath and say that on the 30th day of March, 2012, I did cause to be sent by electronic mail to the known bondholders of Railside Capital Inc., Railside Industrial Park Inc., Foundation Place Capital Inc. and Foundation Place Inc., whose names and e-mail addresses are listed on Exhibit "A," annexed hereto, a copy of the Letter to Bondholders enclosing the By-Laws of the UCC and the UCC Bondholder Questionnaire marked as Exhibit "B" to this affidavit.

ERNST & YOUNG INC. – MONITOR
Per:

Cassie H

CASSIE HERN - MANAGER

SWORN before me in the CITY of CALGARY, in the PROVINCE OF of ALBERTA on the 10th day of April, 2012.

Linda Huber

A COMMISSIONER OF OATHS FOR THE PROVINCE OF ALBERTA
MY COMMISSION EXPIRES:

L. R. HUBER
MY COMMISSION EXPIRES
MARCH 27, 20 14

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE OF CALGARY

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, AND IN THE MATTER OF LEGACY COMMUNITIES INC. ("LEGACY"), AIRDRIE CAPITAL CORPORATIONS ("ACC"), AIRDRIE COUNTRY ESTATES INC., RAILSIDE CAPITAL INC. ("RAILSIDE"), RAILSIDE INDUSTRIAL PARK INC., FOUNDATION PLACE CAPITAL INC. ("FOUNDATION PLACE"), AND FOUNDATION PLACE INC.
(ACTION NO. 1101-17318)

AFFIDAVIT

I am an Executive Assistant of Ernst & Young Inc., the Monitor of the above and as such have personal knowledge of the matters hereinafter deposed to except where stated to be based upon information and belief and where so stated I verily believe such matters to be true.

I, Betty Trinh, of Ernst & Young Inc., hereby make oath and say that on the 2nd day of April, 2012, I did cause to be pre-paid ordinary mail to the known bondholders of Railside Capital Inc., Railside Industrial Park Inc., Foundation Place Capital Inc., and Foundation Place Inc., whose names and addresses are listed on Exhibit "A," annexed hereto, a copy of the Letter to Bondholders enclosing the By-Laws of the UCC and the UCC Bondholder Questionnaire marked as Exhibit "B" to this affidavit.

ERNST & YOUNG INC. – MONITOR
Per:

Betty T

BETTY TRINH – EXECUTIVE ASSISTANT

SWORN before me in the CITY of CALGARY, in the PROVINCE of ALBERTA on the 10th day of April, 2012.

Lynda Huber

A COMMISSIONER OF OATHS FOR THE PROVINCE OF ALBERTA
MY COMMISSION EXPIRES:

L. R. HUBER
MY COMMISSION EXPIRES
MARCH 27, 20 14

APPENDIX B

Legacy Communities Inc.
Cash Flow Forecast to Actual
December 21, 2011 - March 31, 2012

	Forecast	Actual	Variance
RECEIPTS			
Debtor-in-possession financing	400,000	400,000	-
Total receipts	400,000	400,000	-
DISBURSEMENTS			
Management fees	22,580	71,837	(49,256)
Consulting fees	12,000	56,000	(44,000)
Property taxes	-	-	-
Operating Expenses	300	48	252
Appraisals	-	4,000	(4,000)
Eyelogic fees	28,267	-	28,267
Development costs	100,000	-	100,000
CCAA professional fees (Note 1)	175,000	283,301	(108,301)
Total disbursements	**338,147**	**415,186**	**(77,038)**
NET CASH FLOWS	**$ 61,853**	**$ (15,186)**	**$ 77,038**
OPENING CASH	$ (6)	$ (6)	
NET CHANGE IN CASH FLOWS	61,853	(15,186)	
ENDING CASH	**$ 61,847**	**$ (15,192)**	

Note 1

Professional Fees	
BLG	107,285
Ernst & Young	100,657
McCarthy	16,359
FMC	59,000
	$ 283,301

APPENDIX C

Airdrie Capital Corporation and Airdrie Country Estates Inc.
Cash Flow Forecast to Actual
December 21, 2011 - March 31, 2012

		Forecast		Actual		Total
RECEIPTS						
Debtor-in-possession financing		300,000		325,000		(25,000)
Total receipts		300,000		325,000		(25,000)
DISBURSEMENTS						
Management fees		41,697		23,697		18,000
Consulting fees		12,000		24,000		(12,000)
Property taxes		-		-		-
Operating Expenses		300		96		204
Appraisals		-		4,000		(4,000)
Eyelogic fees		14,134		-		14,134
Development costs		25,000		-		25,000
CCAA professional fees (Note 1)		175,000		235,020		(60,020)
Total disbursements		**268,131**		**286,813**		**(18,682)**
NET CASH FLOWS	**$**	**31,869**	**$**	**38,187**	**$**	**(6,318)**
OPENING CASH	$	(11)	$	(11)		
NET CHANGE IN CASH FLOWS		31,869		38,187		
ENDING CASH	**$**	**31,858**	**$**	**38,176**		

Note 1

Professional Fees

BLG	84,313
Ernst & Young	75,347
McCarthy	16,359
FMC	59,000
	$ 235,020

APPENDIX D

Railside Capital Inc. and Railside Industrial Park Inc.
Cash Flow Forecast to Actual
March 1, 2012 - March 31, 2012

	Forecast	Actual	Varaince
RECEIPTS			
Debtor-in-possession financing	$ -	$ -	$ -
Total receipts	-	-	-
DISBURSEMENTS			
Management fees	16,667	16,667	-
Consulting fees	12,069	12,069	-
Property taxes	-	-	-
Operating Expenses	-	24	(24)
Appraisals	-	-	-
Eyelogic fees	-	-	-
Development costs	-	-	-
CCAA professional fees (Note 1)	50,000	34,307	15,693
Total disbursements	**$ 78,736**	**$ 63,067**	**$ 15,669**
NET CASH FLOWS	**$ (78,736)**	**$ (63,067)**	**$ (15,669)**
OPENING CASH	$ 223,298	$ 223,298	
NET CHANGE IN CASH FLOWS	(78,736)	(63,067)	
ENDING CASH	**$ 144,562**	**$ 160,231**	

Note 1

Professional Fees

BLG	9,110
Ernst & Young	9,000
McCarthy	1,197
FMC	15,000
	$ 34,307

APPENDIX E

Foundation Capital Inc. and Foundation Place Capital Inc.
Cash Flow Forecast to Actual
March 1, 2012 - March 31, 2012

	Forecast	Actual	Varaince
RECEIPTS			
Debtor-in-possession financing	$ 70,000	$ 70,000	$ -
Total receipts	70,000	70,000	-
DISBURSEMENTS			
Management fees	16,353	16,353	-
Consulting fees	2,931	2,931	-
Property taxes	-	-	-
Operating Expenses	-	24	(24)
Appraisals	-	-	-
Eyelogic fees	-	-	-
Development costs	-	-	-
CCAA professional fees (Note 1)	50,000	36,307	13,693
Total disbursements	**$ 69,284**	**$ 55,615**	**$ 13,669**
NET CASH FLOWS	**$ 716**	**$ 14,385**	**$ (13,669)**
OPENING CASH	$ 1,211	$ 1,211	
NET CHANGE IN CASH FLOWS	716	14,385	
ENDING CASH	**$ 1,927**	**$ 15,596**	

Note 1

Professional Fees	
BLG	11,110
Ernst & Young	9,000
McCarthy	1,197
FMC	15,000
	$ 36,307

APPENDIX F

Legacy Communities Inc.
Cash Flow Forecast
April 1, 2012 - Junbe 30, 2012

	Notes	Legacy Communities Inc.			
		Apr. 1 - Apr. 30/12	May 1 - May 31/12	Jun. 1 - Jun. 30/12	Total
RECEIPTS	1				
Debtor-in-possession financing	2	152,000	235,000	145,000	532,000
Total receipts		**152,000**	**235,000**	**145,000**	**532,000**
DISBURSEMENTS					
Management fees	3	21,000	21,000	21,000	63,000
Consulting fees	4	14,000	14,000	14,000	42,000
Property taxes	5	-	-	8,000	8,000
Operating Expenses	6	100	100	100	300
Appraisals	7	-	-	-	-
Eyelogic fees	8	-	-	-	-
Development costs	9	-	100,000	-	100,000
CCAA professional fees	10	100,000	100,000	100,000	300,000
Total disbursements		**$ 135,100**	**$ 235,100**	**$ 143,100**	**513,300**
NET CASH FLOWS		**$ 16,900**	**$ (100)**	**$ 1,900**	**$ 18,700**
OPENING CASH		$ (15,192)	$ 1,708	$ 1,608	$ (15,192)
NET CHANGE IN CASH FLOWS		16,900	(100)	1,900	18,700
ENDING CASH		**$ 1,708**	**$ 1,608**	**$ 3,508**	**$ 3,508**

Notes and Assumptions

1 Legacy Communities has no operating revenues
2 Debtor-in-possession financing provided by Azimuth Risk Management Ltd.
3 Management fees per the respective Offering Memorandums of Legacy
4 Real estate professional estimated fees
5 Property taxes are based on prior year
6 Operating expenses are based on historical results and as such are minimal
7 Legacy appraisals were invoiced in March
8 Eyelogic fees have been waived for the Forecast Period
9 Develpoment costs consist of concept plan submission and continuing holding costs
10 Estimated professional fees

Airdrie Capital Corporation and Airdrie Country Estates Inc.
Cash Flow Forecast
April 1, 2012 - Junbe 30, 2012

		Airdrie (Note 1)			
	Notes	Apr. 1 - Apr. 30/12	May 1 - May 31/12	Jun. 1 - Jun. 30/12	Total
RECEIPTS	2				
Debtor-in-possession financing	3	77,000	135,000	115,000	327,000
Total receipts		**77,000**	**135,000**	**115,000**	**327,000**
DISBURSEMENTS					
Management fees	5	6,311	6,311	6,311	18,933
Consulting fees	6	6,000	6,000	6,000	18,000
Property taxes	7	-	-	2,000	2,000
Operating Expenses	8	100	100	100	300
Appraisals	9	-	-	-	-
Eyelogic fees	10	-	-	-	-
Development costs	11	-	50,000	25,000	75,000
CCAA professional fees	12	100,000	75,000	75,000	250,000
Total disbursements		**$ 112,411**	**$ 137,411**	**$ 114,411**	**364,233**
NET CASH FLOWS		**$ (35,411)**	**$ (2,411)**	**$ 589**	**$ (37,233)**
OPENING CASH		$ 38,176	$ 2,765	$ 354	$ 38,176
NET CHANGE IN CASH FLOWS		(35,411)	(2,411)	589	(37,233)
ENDING CASH		**$ 2,765**	**$ 354**	**$ 943**	**$ 943**

Notes and Assumptions

1 "Airdrie" is a consolidation of Airdrie Capital Corporation and Airdrie Country Estates Inc.
2 Airdrie has no operating revenues
3 Debtor-in-possession financing provided by Azimuth Risk Management Ltd.
4 Management fees per the respective Offering Memorandum of Airdrie
5 Real estate professional estimated fees
6 Property taxes are based on prior year
7 Operating expenses are based on historical results and as such are minimal
8 Airdrie appraisals were invoiced in March
9 Eyelogic fees have been waived for the Forecast Period
10 Develpoment costs consist of concept plan submission and continuing holding costs
11 Estimated professional fees

APPENDIX G

Railside Capital Inc. and Railside Industrial Park Inc.
Cash Flow Forecast
April 1, 2012 - Junbe 30, 2012

		Railside (Note 1)			
	Notes	Apr. 1 - Apr. 30/12	May 1 - May 31/12	Jun. 1 - Jun. 30/12	Total
RECEIPTS	2				
Debtor-in-possession financing	3	-	5,000	145,000	150,000
Total receipts		-	5,000	145,000	150,000
DISBURSEMENTS					
Management fees	4	16,667	16,667	16,667	50,001
Consulting fees	5	12,069	12,069	12,069	36,207
Property taxes	6	-	-	43,000	43,000
Operating Expenses	7	100	100	100	300
Appraisals	8	4,000	-	-	4,000
Eyelogic fees	9	-	-	-	-
Development costs	10	-	-	25,000	25,000
CCAA professional fees	11	50,000	50,000	50,000	150,000
Total disbursements		$ 82,836	$ 78,836	$ 146,836	308,508
NET CASH FLOWS		$ (82,836)	$ (73,836)	$ (1,836)	$ (158,508)
OPENING CASH		$ 160,231	$ 77,395	$ 3,559	$ 160,231
NET CHANGE IN CASH FLOWS		(82,836)	(73,836)	(1,836)	(158,508)
ENDING CASH		$ 77,395	$ 3,559	$ 1,723	$ 1,723

Notes and Assumptions

1 "Railside" is a consolidation of Railside Capital Inc. and Railside Industrial Park Inc.
2 Railside has no operating revenues
3 Debtor-in-possession financing provided by Azimuth Risk Management Ltd.
4 Management fees per the respective Offering Memorandum of Railside
5 Real estate professional estimated fees
6 Property taxes are based on prior year
7 Operating expenses are based on historical results and as such are minimal
8 Railside appraisal has been commissioned in April
9 Eyelogic fees have been waived for the Forecast Period
10 Develpoment costs consist of enginieering costs
11 Estimated professional fees

Foundation Capital Inc. and Foundation Place Capital Inc.
Cash Flow Forecast
April 1, 2012 - Junbe 30, 2012

	Notes	Foundation Place (Note 1)			
		Apr. 1 - Apr. 30/12	**May 1 - May 31/12**	**Jun. 1 - Jun. 30/12**	**Total**
RECEIPTS	2				
Debtor-in-possession financing	3	60,000	70,000	105,000	235,000
Total receipts		**60,000**	**70,000**	**105,000**	**235,000**
DISBURSEMENTS					
Management fees	4	16,353	16,353	16,353	49,059
Consulting fees	5	2,931	2,931	2,931	8,793
Property taxes	6	-	-	34,000	34,000
Operating Expenses	7	100	100	100	300
Appraisals	8	4,000	-	-	4,000
Eyelogic fees	9	-	-	-	-
Development costs	10	-	-	-	-
CCAA professional fees	11	50,000	50,000	50,000	150,000
Total disbursements		**$ 73,384**	**$ 69,384**	**$ 103,384**	**$ 246,152**
NET CASH FLOWS		**$ (13,384)**	**$ 616**	**$ 1,616**	**$ (11,152)**
OPENING CASH		$ 15,596	$ 2,212	$ 2,828	$ 15,596
NET CHANGE IN CASH FLOWS		(13,384)	616	1,616	(11,152)
ENDING CASH		**$ 2,212**	**$ 2,828**	**$ 4,444**	**$ 4,444**

Notes and Assumptions

1 "Foundation Place" is a consolidation of Foundation Capital Inc. and Foundation Place Capital Inc.
2 Foundation has no operating revenues
3 Debtor-in-possession financing provided by Azimuth Risk Management Ltd.
4 Management fees per the respective Offering Memorandum of Foundation Place
5 Real estate professional estimated fees
6 Property taxes are based on prior year
7 Operating expenses are based on historical results and as such are minimal
8 Foundation Place appraisal has been commissioned in April
9 Eyelogic fees have been waived for the Forecast Period
10 Develpoment costs consist of enginieering costs
11 Estimated professional fees