Form 49
[Rule 13.19]

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 and AIRDRIE COUNTRY ESTATES INC., RAILSIDE CAPITAL INC., RAILSIDE INDUSTRIAL PARK INC., FOUNDATION PLACE CAPITAL INC. and FOUNDATION PLACE INC.**
DOCUMENT	**SUPPLEMENTAL AFFIDAVIT OF RONALD AITKENS**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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BLG
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SUPPLEMENTAL AFFIDAVIT OF RONALD AITKENS

Sworn on May 7, 2012

Opposition to application of Unsecured Creditors Committee

I, Ronald Aitkens, of the City of Lethbridge, in the Province of Alberta, Businessman, SWEAR AND SAY THAT:

1. I make this Supplemental Affidavit in opposition to the application of the Unsecured Creditors Committee ("UCC") for an order of this Honourable Court appointing a Chief Restructuring Officer ("CRO") at this stage of the proceedings when a restructuring plan being forwarded to creditors is imminent and the majority of investors who have indicated their position have opposed a CRO.

2. I swore and had filed earlier affidavits in these proceedings, including an Affidavit on April 16, 2012 (the "April Affidavit") in connection with the CRO application. I reiterate the statements made in the April Affidavit and provide this Honourable Court with the following additional and more current information that I believe is material to the application of the UCC to appoint a CRO. All capitalized terms not defined herein are as defined in my prior affidavits.

Significant Investor Opposition to a CRO

3. In my April Affidavit I advised the Court that the majority of the numerous investors who had been contacting the Debtors on a day to day basis, expressed concerns about the costs and delays associated with a CRO and indicated their opposition to such an appointment. That trend has continued and opposition both in terms of numbers of investors and amount of investment dollars in opposition to a CRO remains significant.

4. The April Affidavit provided tables demonstrating the magnitude of opposition to a CRO. The tables included reference to:

   a) the total number of investors in each project, Legacy, Airdrie, Railside and Foundation Place;

   b) the dollar value of the total investment in each project;

   c) the number of investors and dollar value of investment that had provided written opposition to the appointment of a CRO;

   d) a comparison of such opposition to the number of investors and value of investors stating support for a CRO; and

   e) the percentage of support and opposition to a CRO in both number of investors and dollar value.

5. I have provided a further table in paragraph 6 below which illustrates the level of opposition to the appointment of a CRO based upon written statements received by the Debtors as of May 7, 2012. Further, although the Debtors have been primarily engaged in finalizing restructuring plans for Legacy and Airdrie with all that that entails as well as responding to the ongoing requests for information by the UCC, I believe that if a more concerted effort were made to gauge actual opposition among the totality of investors to the appointment of a CRO, the magnitude of the opposition illustrated in **Table 1** below would be significantly higher.

6. By way of explanation, **Table 1** identifies each project, the total number of investors, the total investment dollars and in the grey shaded areas, highlights the opposition to a CRO both in terms of numbers of investors and investment dollars. Table 1 also provides a percentage (%) of investor opposition as against total investor numbers and investment dollars.

Table 1: Investors Indicating Opposition to CRO (May 7, 2012)

Project	Total No. Investors	# Investors Opposed	% by No. Investors Opposed	Total $ Investment	$ Investment Opposition	% by $ Opposed
Legacy	1476	280	19%	$35,418,346	$8,674,385.60	24.5%
ACC	679	148	21.8%	$14,738,500	$3,725,550.00	25.3%
Railside	1482	332	22.4%	$34,199,100	$10,288,510.00	30.1%
Foundation Place	440	103	23.4%	$8,505,000	$2,936,000.00	34.5%
Total	**4077**	863863	21.2%	**$92,860,946**	$25,624,445.60	27.6%

7. I can advise the Court that the Debtors have signed statements from all the investors included in the above table who have opposed the appointment of a CRO. The form of written opposition is attached as Exhibit A to my April Affidavit. Because of the voluminous nature of these statements I have not attached them to this Affidavit however copies are available upon request.

8. In addition to the written statements of opposition to a CRO, we have received written confirmation from at least 23 investors who have rescinded their past support for a CRO. These

23 investors opposing a CRO represent an additional $130,455.00 of investment dollars in Legacy, $115,500.00 in Airdrie, $412,600.00 in Railside and $70,000.00 in Foundation Place. Attached as **Exhibit A** to this my Affidavit is a summary of the rescissions received by the Debtors as of April 24, 2012.

Compromise Offer by Debtors to UCC

9. As indicated in both my April Affidavit and herein, I firmly believe that the majority of investors do not want a CRO appointed at this stage. Further, having regard to the costs and delays that I believe are inevitable should a CRO be appointed, I do not believe such an appointment when a restructuring plan is imminent, is in the best interests of the investors. In fact, I believe it will diminish recoveries for the investors.

10. Notwithstanding that, having regard to the professional costs being incurred in litigation respecting the CRO matter, the Debtors instructed legal counsel to make a compromise proposal to the UCC. That written proposal is outlined in a letter dated May 1, 2012 from Debtors' counsel to counsel representing the UCC. Attached as **Exhibit "B"** to this Affidavit is a copy of that proposal.

11. Although the terms of the Debtors' proposal to the UCC are set out in Exhibit B, in essence the proposal was that the Debtors would agree to the appointment of a CRO if a fairly elected and properly constituted UCC determined that was in fact the wishes of the majority of the investors. The UCC as currently constituted is made up of three unelected, charter members that the Debtors believe have a predisposed agenda that includes the appointment of a CRO notwithstanding the objection of a majority or significant body of investors.

12. The Debtors' concern about the predisposition of the current UCC and their willingness to fairly take into account the wishes of the majority of investors, all of whom have a stake in the restructuring, has been exacerbated by the UCC's rejection from a seat on the UCC of an individual who, directly or indirectly, holds the single largest investment in Railside and Airdrie, Eric Everitt. I understand that Mr. Everitt's direct or indirect holdings in the Debtors total over $1,000,000 and can be summarized as follows: Railside: investments of $336,500, ACC: investments of $342,000; Legacy: investments of $139,000 and Foundation Place: investments of $130,000.

13. I am advised by Mr. Everitt and do verily believe that he applied for a seat on the UCC dating back to early March 2012 and despite the significant interest that he represents, was ignored for a period of time and then ultimately in the past few days, denied a seat by the UCC. I understand that the reason given by the UCC for Mr. Everitt's rejection is that he was a former sales agent for Foundation Capital Inc. ("Foundation"). I can confirm that Mr. Everitt was a former sales agent of Foundation however that relationship was terminated in the same manner and at the same time as all sales agents on or about September, 2011.

14. To the best of my knowledge, apart from the significant investment in the Debtors that he represents, Mr. Everitt has no continuing business relationship with the Debtors or any related individuals or entities.

15. It is worth noting that Nicole Shurko who has been and continues to be an unelected, charter member of the UCC and who has a significantly less investment position than Mr. Everitt, was similarly a sales agent for Foundation yet Ms. Shurko has not been ruled ineligible for a seat on the UCC.

16. I am concerned that the rejection of Mr. Everitt's application for a seat on the UCC is more about eliminating any investor, regardless of the magnitude of his or her investment, who is opposed to the current agenda of the UCC to appoint a CRO, rather than any past relationship with the Debtors.

17. I make this Supplemental Affidavit in further opposition to the application of the UCC for the appointment of a CRO at this stage of the proceedings.

SWORN BEFORE ME at Calgary, Alberta, this 7th day of May, 2012.	))))))	
Commissioner for Oaths in and for the Province of Alberta	)	RONALD AITKENS

Helen L. Leesman
A Commissioner for Oaths
In and for the Province of Alberta
My Appointment expires
March 26, 2014

Rescinds from UCC CRO Appointment as of April 24-12

Laurel	Nelson	Airdrie Country Estates	$23,000.00
Wayne	Nelson	Airdrie Country Estates	$11,700.00
Randy	Holt	Airdrie Country Estates	$10,000.00
Linda	Leible	Airdrie Country Estates	$10,000.00
Irvin J.	Kerr	Airdrie Country Estates	$60,800.00
Susan	MacLean	Foundation Place	$10,000.00
Robert	Ehdler	Foundation Place	$20,000.00
Cheryl	Haight	Foundation Place	$10,000.00
Gordon	Dunnette	Foundation Place	$30,000.00
Linda	Leible	Legacy	$10,000.00
Donilda	Limoges	Legacy	$25,000.00
Robert	Ehdler	Legacy	$40,500.00
Barbara	Dunnette	Legacy	$10,000.00
Susan	MacLean	Railside Industrial Park	$200,000.00
Bruce	Haight	Railside Industrial Park	$25,000.00
Kathy	Downey	Railside Industrial Park	$50,000.00
Dwight	Downey	Railside Industrial Park	$25,000.00
Barbara	Dunnette	Railside Industrial Park	$28,600.00
Gordon	Dunnette	Railside Industrial Park	$22,200.00
Gord	Dyck	Legacy	$17,982.00
Brenda	Dyck	Legacy	$16,983.00
Lynn	Douglas Phelan	Railside Industrial Park	$61,800.00
Deborah	Rempel	Legacy	$9,990.00
	23	**TOTAL**	**$728,555.00**

his is Exhibit " A " referred to
in the Affidavit of
Ronald Aitkens
Sworn before me this 7
day of May A.D. 2012
Helen Leesman
A Commissioner for Oaths in and for
the Province of Alberta

Helen L. Leesman
A Commissioner for Oaths
In and for the Province of Alberta
My Appointment expires
March 26, 2014

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Borden Ladner Gervais

This is Exhibit "B" referred to in the Affidavit of
Ronald Aitkens
Sworn before me this 7
Day of May A.D. 2012
Helen Leesman
A Commissioner for Oaths in and for the Province of Alberta

Helen L. Leesman
A Commissioner for Oaths
in and for the Province of Alberta
My Appointment expires
March 26, 2014

File No. **439537.000003**

May 1, 2012

Delivered by Email

Fraser Milner Casgrain LLP
15th Floor, Bankers Court
850 - 2nd Street SW
Calgary, AB T2P 0R8

Attention: **David Mann**
David LeGeyt

Gentlemen:

Re: **In the Matter of the *Companies' Creditors Arrangement Act,* R.S.C. 1985 c.C-36, as amended and in the matter of Legacy Communities Inc., Airdrie Capital Corporation and Airdrie Country Estates Inc., Railside Capital Inc., Railside Industrial Park Inc., Foundation Place Capital Inc., and Foundation Place Inc.**
<u>Court File No. 1101-17318</u>

Our clients and the vast majority of investors that have contacted our clients have expressed grave concerns about the significant costs being incurred in connection with the application by the Unsecured Creditors Committee ("UCC") to appoint a Chief Restructuring Officer ("CRO"). The costs will clearly, regardless of outcome, reduce recoveries to investors and creditors. This concern is exacerbated by the close proximity of a restructuring plan to be presented to the creditors.

As a result, and notwithstanding our views as to the necessity of a CRO at this stage when a plan is imminent, our clients are prepared to compromise and offer the proposal described below which we believe will reasonably address the fundamental areas of concern and avoid the ongoing costs.

Our clients will drop resistance to the appointment of a CRO if a new, properly elected (that is, no "charter members") UCC concludes that is what they want, on the following basis:

1) The current CRO proceedings would be adjourned;

2) The election process for a new UCC would be conducted by the Monitor, as quickly as reasonably possible;

3) Our clients and the existing UCC could present materials to investors and creditors, but all communications with investors would be public, and all communications would be sent through the Monitor;

4) All meetings to either inform investors or conduct votes would be arranged and chaired by the Monitor;

5) Our clients and the existing UCC would have equal time at any investor meetings called by either to inform investors;

6) So as not to delay the exit of Legacy and Airdrie from CCAA, in the interim our clients are prepared to offer the existing UCC a bigger role in negotiating exit financing, plan development, etc., particulars of which would be negotiated, but the push toward a June discharge of Legacy and Airdrie from CCAA would be maintained.

Having regard to the deadlines fast approaching in the CRO litigation for filing briefs by the parties and a further Monitor's Report, all of which will add costs and diminish recoveries, we require confirmation of your position with respect to the proposal on or before 12:00 noon on Thursday, May 3, 2012. Please be advised that the proposal outlined herein is made on a "with prejudice" basis. Given the role of the Monitor as described above, we have provided the Monitor with a copy of this correspondence.

Yours truly,

Borden Ladner Gervais LLP

John L. Ircandia, Q.C.