



Our File: 204-183590

Your File:

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March 10, 2014

Via E-Mail

McMillan LLP
1700, 421 - 7 Avenue SW
Calgary, AB T2P 4K9

Attention: Richard Jones

Dear Sir:

Re: Royal Bank of Canada v. 1050999 Alberta Ltd. – Action No. 1401 02047

Further to the above noted matter, enclosed please find an unfiled copy of the Affidavit of Shemina Jiwani. The Affidavit is currently being filed with the Calgary courthouse and we will provide you with a filed copy of same once it is received.

Should you have any questions or concerns, please do not hesitate to contact our office.

Yours truly,

DUNCAN CRAIG LLP

Per:

A handwritten signature in dark ink, appearing to be 'DRB', is written over the printed name of the sender.

DARREN R. BIEGANEK, QC
DRB/kjs
Enclosure

cc: Client

DCLLP-#1343573-v1-140310_McMillan.DOCX

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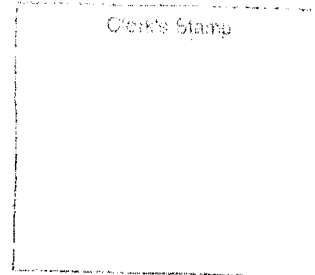
COURT FILE NO. 1401 02047

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON *Calgary*

PLAINTIFF ROYAL BANK OF CANADA

DEFENDANT 1050999 ALBERTA LTD.



DOCUMENT **AFFIDAVIT**

ADDRESS FOR
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CONTACT
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PARTY FILING THIS
DOCUMENT

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File #204-183590
DUNCAN CRAIG LLP
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2800 Scotia Place
10060 Jasper Avenue
Edmonton, Alberta Canada T5J 3V9

AFFIDAVIT OF SHEMINA JIWANI

Sworn on March 7, 2014

I, Shemina Jiwani, of Canmore, Alberta, Businessperson, SWEAR AND SAY THAT:

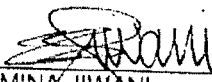
1. I am the onsite manager of the Grande Rockies Resort ("GR Resort") and as such, the matters herein deposed are based in my personal knowledge except where stated to be based on information and belief and whereso stated I do verily believe same to be true.
2. I make this Affidavit solely for the purpose of clarifying the existing state of affairs at the GR Resort.
3. I am informed by Shiraz Jiwani, and do believe that the Defendant does not oppose the Bank's application.
4. The Defendant was the developer of the GR Resort. It is a 145 suite luxury hotel condominium complex.

5. Construction on the GR Resort commenced in 2007, just before the significant market crash in 2008.
6. Resort properties were hit very hard by the worldwide economic downturn which commenced in late 2008. This particular project was no exception.
7. Selling recreational condominium properties in Canmore has been adversely affected by lower real estate prices in the United States, particularly the Phoenix area and, most recently, by severe flooding which took place in southern Alberta in and around Canmore and Calgary in the spring of 2013.
8. Notwithstanding the foregoing, of the original 145 units, prior to today, 25 remained to be sold in the GR Resort. A listing of those remaining units is attached hereto and marked **Exhibit "A"**. A sale for the unit with the municipal address of 244 is closing today. There will be 24 units left to be sold.
9. The Defendant, as developer, no longer controls the condominium corporation. There are insufficient units left to enable it to do so.
10. The Defendant does not manage the hotel complex nor does it manage or operate any of the common amenities for the GR Resort nor does it employ the maintenance or cleaning staff. Those functions are carried out by Shemina Financial Corporation ("SFC").
11. The only interest which the Defendant has in the GR Resort itself are the specific interests in the 24 remaining unsold units. Of those units, one is dedicated to the GR Resort Spa, one is used as an office and is now vacant and one is zoned to house employees of the GR Resort but is not occupied. The Defendant has no further interest in the common areas or the balance of the GR Resort.
12. Certain of the remaining 24 units are in a rental rotation. The rental revenue can continue to be generated as sales are undertaken.

SWORN BEFORE ME at Edmonton,
Alberta, this 7th day of March, 2014.



Commissioner for Oaths in and for the
Province of Alberta



SHEMINA JIWANI

BRIAN EWING
COMMISSIONER FOR OATHS
EXPIRES DECEMBER 12, 2014

