

Action No. 0901-11048

IN THE COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL DISTRICT OF CALGARY

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENTS ACT*,
R.S.C. 1985, c. C-36, SECTION 13(2) OF THE *JUDICATURE ACT*, R.S.A. 2000, c. J-2,
AS AMENDED AND SECTION 99(a) OF THE *BUSINESS CORPORATIONS ACT*,
R.S.A. 2000, c. B-9, AS AMENDED

AND IN THE MATTER OF CONCRETE EQUITIES INC., WEALTHCRETE
INVESTMENT CORPORATION, CONCRETE ASSOCIATES INVESTMENT
CORPORATION, CONCRETE ASSOCIATES II INVESTMENT CORPORATION,
CONCRETE ASSOCIATES III INVESTMENT CORPORATION, CONCRETE
ASSOCIATES IV INVESTMENT CORPORATION, CONCRETE ASSOCIATES V
INVESTMENT CORPORATION, EL GOLFO INVESTMENT CORPORATION,
COSTA KORAAL INVESTMENT CORPORATION, LUNA MORADA
INVESTMENT CORPORATION, CONCRETE ASSOCIATES VIII CORP.,
CONCRETE EQUITIES EXECUTIVE CLUB INC., 1456775 ALBERTA LTD. AND
CONCRETE PLACE PROPERTIES LTD.

(COLLECTIVELY THE "APPLICANTS" OR "CONCRETE")

SEVENTH REPORT OF THE MONITOR

ERNST & YOUNG INC.

May 3, 2010

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INTRODUCTION

1. On May 26, 2009, Safeguard Real Estate Investment Fund Limited Partnership (“Safeguard LP”), Safeguard Real Estate Investment II Fund Limited Partnership (“Safeguard II LP”), Safeguard Real Estate Investment Fund III Limited Partnership (“Safeguard III LP”), Safeguard Real Estate Investment Fund IV Limited Partnership (“Safeguard IV LP”) and Safeguard Real Estate Investment Fund V Limited Partnership (“Safeguard V LP”) (collectively the “Safeguard LP’s”) sought and obtained protection from their creditors through the filing of a Notice of Intention to Make a Proposal under Section 50.4(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3, as amended (the “NOI’s”). Ernst & Young Inc. (“EYI”) was named as Trustee under the NOI’s.
2. On June 9, 2009, EYI was appointed as Interim Receiver (the “Receiver”) by an order of this Court (the “Interim Receivership Order”) pursuant to s. 47.1 of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended (the “BIA”) and s.13(2) of the Judicature Act, R.S.A. 2000, c.J-2, as amended (the “JA”).
3. On July 29, 2009 the Applicants¹ sought and obtained protection from their respective 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”). Certain relief provided for in the Initial Order extends to the Safeguard LP’s and several additional limited partnerships (collectively the “Limited Partnerships”) as noted at paragraph 14(b) of the Initial Order.
4. On July 29, 2009 by an order of this Court the Interim Receivership Orders were amended, restated and consolidated into a Receivership Order (the “Receivership Order”) and the NOI proceedings were terminated. The Receivership Order includes the Applicants and the Limited Partnerships.

¹ Concrete Place Properties Ltd. is not an Applicant of the CCAA proceedings. Concrete Place Properties Ltd. is in Receivership.

5. On December 14, 2009, the Receivership Order was amended and restated to, among other things, change the composition of and duties of the Management Committee (defined below).
6. The Receivership Order provides the Receiver with powers to review and investigate the financial affairs of the Applicants and the Limited Partnerships to determine if there has been any misconduct or financial mismanagement (the “Investigation”). This Investigation extends to additional entities related to the Concrete Equities family of companies (the “Related Entities”). Schedule “A” to the Receivership Order includes the list of Related Entities.
7. Pursuant to the Initial Order, Ernst & Young Inc. was appointed monitor of the Applicants and the Limited Partnerships (the “Monitor”). As a result, Ernst & Young Inc. has two roles, Monitor under these CCAA Proceedings and Receiver under the BIA and JA.
8. The purpose of this seventh report (the “Seventh Report”) of the Monitor is to provide this Honourable Court with:
 - a) an update with respect to the Applicant’s restructuring efforts;
 - b) an update on the claims process (the “Claims Process”);
 - c) an overview of the plans of arrangement and reorganization of the Safeguard LP’s (the “Plans”), the proposed liquidation by the Receiver of certain assets relating to the remaining Applicants and the Receiver’s recommendations with respect to distributions to Related Entities (as defined in the Receivership Order);
 - d) the Monitor’s analysis of the Plans;
 - e) convening meetings of certain of the limited partnerships;
 - f) the Monitor’s recommendations.

9. Capitalized terms not defined in this Seventh Report are as defined in the Initial Order, the Claims Process Order or the Plans. All references to dollars are in Canadian currency unless otherwise noted.

TERMS OF REFERENCE

10. In preparing this Seventh Report, the Monitor has relied upon unaudited financial information, the Applicants records and discussions with the Management Committee of the Applicants. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information and, accordingly, the Monitor expresses no opinion or other form of assurance in respect of such information contained in this Report. Some of the information referred to in this Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Canadian Institute of Chartered Accountants (“CICA”) 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.

BACKGROUND

11. A detailed background with respect to the Applicants is outlined in the affidavits of Mr. Vincenzo De Palma dated May 26, 2009 and July 28, 2009 with respect to these proceedings (the “De Palma Affidavit”).
12. In accordance with the Receivership Order a management committee was formed (the “Management Committee”) and has convened either in person or via conference call on several occasions. The responsibilities of the Management Committee are set-out in the Management Committee Charter (“MCC”) (Schedule “B” to the Receivership Order) as amended and restated, the responsibilities include providing advisory advice in respect of material contracts and budgets, and business plans. The minutes from the Management Committee

meetings are posted on the Receiver's web-site: www.ey.com/ca/concrete (the "Web-Site"), once they have been approved by the Management Committee.

RESTRUCTURING EFFORTS

Investigation

13. The Alberta Securities Commission ("ASC") has contacted the Receiver with respect to the third report dated December 2, 2009 (the "Investigation Report") and the Receiver is in the process of fulfilling information requests as the ASC continues to review the report.

General

14. The Monitor and the Management Committee have continued to resolve the material claims filed against the Safeguard LP's which have allowed them to develop Plans. A more detailed update on the claims process is discussed below.
15. As noted in the fourth report of the Monitor dated February 23, 2010 (the "Fourth Report"), for the Concrete Entities other than the Safeguard LP's, the Monitor does not expect any Plan to be filed and these entities will be liquidated to the extent there are any assets remaining in them. A more detailed discussion of the distributions sought by the Receiver is discussed below.
16. Since the fifth report of the Monitor dated April 9, 2010 (the "Fifth Report"), the following steps have been taken by the Receiver and the Management Committee;
 - a) Continued Re-financing efforts with respect to the Standard Life Mortgage on the SNC Lavalin building as described below;
 - b) Continued negotiation of the disputed claims as received in the Claims Process;
 - c) Discussions with the property managers of the general partners on a regular basis;

- d) Dealing with various operational issues related to the Concrete projects;
- e) Various meetings and consultations with the Management Committee and *ad hoc* steering committee (the “Steering Committee”);
- f) Responded to messages left on the Receiver’s hotline (403-206-5241) from creditors and investors; and
- g) Various discussions with all the mortgage holders of the Safeguard LP’s to provide updates on the proceedings.

SNC Lavalin Building (LP II)

Installation of the chiller air conditioning system

- 17. The Receiver is in receipt of the Chiller DIP Financing as described in the Fifth Report. The Receiver is advised by Avenue Commercial that the retrofit of the existing cooling tower and the hiring of subcontractors as required for the installation of the new chiller is in progress.
- 18. The Receiver is advised by Avenue Commercial that the new chiller is scheduled to be installed by May 2, 2010 and will be operational by May 13, 2010.

Re-financing of the Standard Life Mortgage (the “SL Mortgage”)

- 19. As described in the Order sought by The Standard Life Assurance Company of Canada (“Standard Life”) granted by this Honourable Court on February 26, 2010 (the “Sale Order”), the property municipally located at 909 – 5th Avenue SW (the “SNC Lavalin Building”) shall be offered for sale by Judicial Listing commencing on May 1, 2010. The Monitor understands that Standard Life has retained Cushman Wakefield LePage (“Cushman”) as the listing agent and Cushman has listed the property at \$17 million on May 3, 2010.

20. The Receiver and Management Committee representatives continue to communicate with prospective lenders with respect to assessing interest in re-financing the SL Mortgage.
21. To date in excess of 25 prospective financiers have been contacted and certain prospective financiers have received packages that include the following:
 - a) A recent copy of the appraisal for the property;
 - b) A copy of the current rent roll for the property; and
 - c) A copy of the 2010 operating budget.
22. As previously disclosed to the Court, the re-financing efforts on the SNC Lavalin building have been difficult given the current real estate market in Calgary, coupled with the fact that it is a single tenancy building with the tenant's lease expiring in July 2012. These CCAA and Receivership proceedings also add complexity to the re-financing which acts as a deterrent to many potential financiers.
23. In addition, the current cash flows of the property can only support a payment of interest only (i.e. no principal payment) at a rate of 9% per annum. The Receiver and the Management Committee have proposed other arrangements which would increase the interest rate payable on the mortgage, but the additional interest would be deferred and none of the parties approached to date have been interested in re-financing agreements based on these terms.
24. On March 3, 2010, the Receiver entered into a conditional financing agreement with a third party (the "Initial Potential Funder") with respect to a potential re-financing, however it appears that this financing agreement will not be consummated, primarily due to the results of the Initial Potential Funder's due diligence surrounding the terms of SNC Lavalin lease and its expiry.
25. With the installation of the chiller unit, the settlement of certain claims against LP II and with the development of a CCAA Plan for LP II, the refinancing of the

Standard Life mortgage becomes less complicated and increases the possibility that a refinancing will occur.

26. The Receiver has been negotiating with another interested party (the “Second Potential Funder”). To date a commitment letter has not been executed. The Receiver notes that a term of the commitment letter with the Second Potential Funder will be a cross default and cross collateralization agreement with the other Safeguard LP’s.
27. The Receiver notes that the existing Limited Partnership Agreements do not allow for cross default and cross collateralization provisions. The Receiver further notes that the Steering Committee requested that the Receiver approach potential lenders on this basis. The Receiver agreed to propose these terms to potential financing parties on the proviso that any such agreement would be contingent on approval of the individual limited partners (“ILPs”) of the remaining Safeguard LP’s and amendment of the respective limited partnership agreements.
28. The commitment letter will be conditional on approval of the ILPs approving an amendment to the respective Safeguard Limited Partnership agreements.
29. The Receiver is currently working with the Management Committee and the Steering Committee to determine an appropriate guarantee fee to compensate the other Safeguard LP’s for providing this form of collateral and will be providing further details surrounding this matter in its further reports to this Court as discussed below.

Safeguard LP’s other than Safeguard II LP

30. The Receiver continues to have discussions with the property managers and leasing agents, as applicable, with respect to leasing opportunities in the various properties as described more fully in previous reports filed by the Monitor.

CLAIMS PROCESS UPDATE

31. The Monitor and Management Committee have continued to negotiate in good faith and with due diligence in order to consensually resolve the material claims filed against them.
32. A summary of the claims filed against the Applicants and the Limited Partnerships is included as Appendix A to this report.
33. The material disputed claims that have been resolved by the Monitor include:
 - a) The claims filed by Strategic Financial Corporation and related entities (“Strategic”) against the Safeguard LP’s (the settlement of these claims is discussed in further detail below); and
 - b) The claims filed by the mortgage holders against the Safeguard LP’s. These creditors are being treated as Unaffected Creditors in the Plans.
34. The following material claims remain unresolved:
 - a) Claims filed by Strategic in the aggregate amount of \$51.9 million against each of Concrete Equities Inc. and Concrete Associates V Investment Corporation;
 - b) Claims filed by debenture holders in the amount of \$5.9 million against each of Concrete Equities Inc., Concrete Associates V Investment Corporation, Safeguard Real Estate Investment Fund VI LP and 1456775 Alberta Ltd.;
 - c) Claims filed by the trustee of the estates of Mr. Varun Aurora and Mr. David Humeniuk (discussed below) in the aggregate amount of \$9.7 million against each of the Applicants, these claims are being treated as Unaffected Claims in the Plans;

- d) Claims filed by Mr. Darcy Sandhu and by companies owned by Mr. Darcy Sandhu in the aggregate amount of \$6.7 million against each of the Applicants. The Monitor remains in negotiations with Mr. Sandhu regarding the settlement of this claim. To date a settlement has not been reached and these claims are being treated as Unaffected Claims in the Plans. The Monitor notes that Mr. Sandhu filed a claim against El Golfo Investment Corporation (“El Golfo”) in the amount of \$566,129.00 which was accepted by the Monitor;
- e) Claims filed by Mr. Dave Aurora in the amount of \$1,169,254.63 against each of the Safeguard LP’s. Mr. Aurora’s claim is being treated as a disputed claim in the Plan and will not be eligible to receive a distribution until and unless it becomes a proven claim. The Monitor notes that Mr. Dave Aurora filed a claim against El Golfo in the amount of \$1,169,254.63 which was accepted by the Monitor; and
- f) Claim filed by Arizona Golfo Investments in the amount of \$5,565,603.64 as against Concrete Equities Inc.

THE PLANS OF ARRANGEMENT AND REORGANIZATION AND THE LIQUIDATION OF CERTAIN APPLICANTS

Overview

35. The Safeguard LP's with the exception of Safeguard IV LP and Safeguard V LP will be presenting Plans to the Affected Creditors of the respective entities.
36. Safeguard IV LP has no Affected Creditors; therefore no Plan will be filed by this entity. An order will be sought releasing Safeguard IV LP from pre-CCAA claims and providing it with the same protections as if it filed a Plan. Safeguard IV LP will also be settling its pre-filing inter-entity debt through conversion to equity (discussed below).
37. Safeguard V LP has three Affected Creditors with aggregate claims of less than \$5,000 as outlined in Appendix A. Since Safeguard V LP has sufficient cash on hand to payout these claims, the claims will be paid out in the week ended May 7, 2010 and no Plan will be filed by Safeguard V LP. An order will be sought releasing Safeguard V LP from its pre-CCAA claims and providing it with the same protections as if it filed a Plan. Safeguard V LP will also be settling its pre-filing inter-entity debt through conversion to equity (discussed below).
38. Based on the Monitor's liquidation analysis (which is presented below in the discussion of the Plans) El Golfo Investment Corporation will have assets available for distribution to creditors. The Receiver will be liquidating the El Golfo assets and a discussion with respect to the distribution to creditors and the order which the Receiver will be seeking in this regard is presented below.
39. The Monitor also notes that certain Related Entities will be receiving limited partnership units as part of the settlement of pre-filing inter-entity debt (discussed in detail below). Ernst & Young Inc. is not the Receiver of the Court-Appointed Monitor of these entities and these entities were not part of the Claims Process Order. A discussion with respect to this matter is presented below.

General

40. The discussion below is with respect to three separate Plans that will be presented to the Affected Creditors (defined below) of:

- a) Wealthcrete Investment Corporation/Safeguard Real Estate Limited Partnership (Safeguard LP);
- b) Concrete Associates Investment Corporation/Safeguard Real Estate II Limited Partnership (Safeguard II LP); and
- c) Concrete Associates II Investment Corporation/Safeguard Real Estate III Limited Partnership (Safeguard III LP).

Collectively the “Restructured Entities”.

41. A copy of the Plans are attached to the proposed Meeting Orders (defined below). In general the provisions included in each of the Plans are similar in nature, the discussion that follows relates to each of the Plans unless noted otherwise.

42. The purpose of the Plans is to provide for:

- a) distributions of cash to Affected Creditors in compromise and settlement of their Affected Claims in the expectation that Affected Creditors will derive a greater benefit from the implementation of the Plan than would result from a bankruptcy of the Applicants;
- b) equitization of inter-entity debt and DIP financing provided by the individual limited partners; and
- c) implement a restructuring of the affairs and governance of the Restructured Entities including, inter alia, effecting the appointment of new general partners of the restructured Limited Partnership entities.

Affected Claims

43. One of the primary purposes of the Plans is to effect a compromise and settlement of all Affected Claims. Affected Claims are defined in the Plans as any Claims that are not an Unaffected Claim (as described and defined below).

Distributions to Affected Creditors

44. Affected Creditors are defined in the Plans as a Creditor with an Affected Claim, in respect of that Affected Claim.
45. Each Plan contemplates payments as follows:
- a) Each Affected Claim will receive a distribution up to a maximum of \$2,000 (the “Convenience Amount”) on the Distribution Date by the respective Restructured Entities;
 - b) The balance of the Affected Claim (if any) will be paid in full (100%) over the course of a maximum of one year, payable in monthly instalments by the respective Restructured Entities.

Pre-filing Inter-entity Debt

46. Each Plan contemplates the settlement of pre-filing inter-entity debt at an estimate of current market values through the distribution of additional limited partnership units.
47. The Monitor notes that in order to make a cash payment to the individual limited partners that funded some of the costs associated with the El Golfo matters, a portion of the inter-entity settlement for the El Golfo pre-filing receivables will be paid in cash to satisfy and discharge the El Golfo Charge. The cash payment was allocated amongst four of the Safeguard LP’s with receivables to El Golfo on a pro-rata basis, based on the total receivables owed by these entities to El Golfo. The allocation is as follows:

Entity	%	Allocation
LP 1	5%	\$ 1,599.23
LP 2	3%	\$ 863.66
LP 3	11%	\$ 3,482.11
LP 4	81%	\$25,982.88
		<u>\$31,927.89</u>

48. Attached as Appendix B is schedule showing the receipt of funds by the Receiver (individual names have not been disclosed) and the Monitor's calculation of the total amount payable to the individuals who funded the El Golfo Charge, including interest at a rate of 8% from the date the Receiver cashed the cheque until June 7, 2010 (to allow for sufficient time for the Plans to be sanctioned).
49. The Applicants, the Limited Partnerships and the Related Entities were not required to file claims in accordance with the claims procedure outlined in the Claims Process Order.
50. The analysis of the inter-entity claims as described in detail in the Investigation Report will be the basis for determining the inter-entity receivables and payables owed to/from each of the Restructured Entities.
51. The analysis in the Investigation Report has been updated to reflect the following:
- a) Assignment of certain claims against the former directors to Safeguard V LP as identified in the following table:

Entity assigning claim	Amount
Concrete Associates Investment Corporation	\$ 74,789
Concrete Associates II Investment Corporation	93,453
Concrete Associates III Investment Corporation	1,089,727
Concrete Associates V Investment Corporation	146,153
El Golfo Investment Corporation	697,598
Luna Morada Investment Corporation	264,400
Total	<u>\$ 2,366,119</u>

- b) Reduction of the receivable owed to El Golfo Investment Corporation ("El Golfo") by the Safeguard LPs (with the exception of Safeguard V

LP) to reflect a cash payment by the Safeguard LPs (excluding Safeguard V LP) to El Golfo to enable El Golfo to repay the El Golfo Charge (as described in the Monitor's second report dated October 26, 2009). The receivable is reduced on a pro-rata basis as follows:

Entity	%	Allocation	Net Claim
LP 1	5%	\$ 1,599.23	\$ 121,715.77
LP 2	3%	\$ 863.66	65,732.34
LP 3	11%	\$ 3,482.11	265,019.89
LP 4	81%	\$25,982.88	1,977,529.12
		<u>\$31,927.89</u>	<u>\$ 2,429,997.11</u>

- c) The inter-entity receivable and payable between Safeguard II LP and Safeguard III LP was reviewed by the Receiver. The Receiver determined that a portion of the amount owed by Safeguard II LP to Safeguard III LP likely relates to the fact that Safeguard II LP paid the commissions owed by Safeguard III LP to Concrete Equities Inc. The Receiver notes that Safeguard II LP has a significant receivable from Concrete Equities Inc. while Safeguard III LP has a significant payable and since the bank accounts for these two entities were co-mingled in the beginning, in the Receiver's view it is reasonable to assume that Safeguard II LP paid the commission relating to the units in Safeguard III LP to Concrete Equities Inc. Therefore the Receiver reduced the payable owed by Safeguard II LP to Safeguard III LP by \$1,029,100 representing the commission payable to Concrete Equities Inc. relating to the sale of Safeguard III LP units;
- d) The inter-entity payables to Concrete Equities Inc. were eliminated as between the Safeguard LP's as the Safeguard LP's will have set-off claims for damages relating to these proceedings which are in excess of the amounts owed to Concrete Equities Inc.;
- e) The inter-entity payable to Luna Morada Investment Corporation/ Costa Koraal Investment Corporation ("Luna/Costa") from Safeguard

II LP and Safeguard IV LP was assigned to El Golfo in partial settlement of the claim between Luna/Costa and El Golfo. El Golfo is the largest inter-entity creditor of Luna/Costa with its claim being in excess of \$5 million while the remaining inter-entity claims total less than \$100,000;

- f) The inter-entity payable to Concrete Associates V Investment Corporation (“Concrete V”) from El Golfo and Safeguard III LP was assigned to Safeguard V LP and the payable from Concrete V to Safeguard V LP was reduced accordingly;
- g) The inter-entity payables to Urban Registered Corporation from Safeguard III LP and Safeguard V LP were assigned to Safeguard II LP in partial settlement of the claim between Urban Registered Corporation and Safeguard II LP. Safeguard II LP is the only inter-entity creditor of Urban Registered Corporation; and
- h) After allocation of professional fees to a maximum of \$50,000 (equivalent to the Receiver’s Charge) to the other Applicants and their respective LP’s the inter-entity payable of \$15,000 to Concrete Equities Executive Club from Safeguard III LP was reduced to \$nil.

52. Attached as Appendix C is an updated inter-entity matrix reflecting the above noted changes.

Distribution of LP units in settlement of pre-filing inter-entity debt

53. As noted above, the Plans contemplate that the Safeguard LP’s will be issuing new units to settle their pre-filing inter-entity claims. The Plans contemplate issuing these new units based on an estimate current fair market value of the units in the respective Safeguard LP’s. The basic formula applied by the Monitor to estimate the current fair market value is as follows:

		Comments
A	Appraised value of properties	Based on appraisals provided by Colliers International prepared as at July 1, 2009.
B	Inter-entity receivables	Valued at an estimate of fair market value.
		The Monitor allocated a portion of the professional fees incurred in these proceedings to the other entities (assets permitting). The fees recovered (if any) were allocated pro-rata amongst the Safeguard LP's.
C	Professional fees recovered	
	Less:	
D	Mortgage claims	Proven claims per Claims Process Order
E	DIP Loans	DIP Loans provided by the ILPs and the Chiller DIP
F	Other proven secured claims	Proven claims per Claims Process Order
G	Unsecured claims	Proven claims per Claims Process Order
		Monitor's best estimate of settled amounts for claims that remain in dispute in accordance with the Claims Process Order.
H	Estimate of settled claims	
I	Estimate of current fair market value	A + B + C - D - E - F - G - H = I

Professional Fees Recovered

54. The Safeguard LP's have funded these proceedings to date. In the Monitor's view it is appropriate to allocate costs of these proceedings to the other Applicants and Related Entities. The total professional fees in these proceedings (before taxes) are approximately \$2.35 million to March 31, 2010. The Monitor notes that additional fees will be incurred for the period April 1, 2010 to Plan implementation. The Monitor will allocate these additional fees on the same basis as the actual fees incurred to date.
55. The Receiver currently has a priority charge of \$50,000 over each Applicant; therefore the Monitor allocated a minimum of \$50,000 to each Applicant and Related Entity provided that the Applicant and/or Related Entity had sufficient recoveries to pay these amounts. For example Concrete Equities Executive Club Inc. was going to receive \$15,000 in LP units, therefore the Monitor reduced its recovery to \$nil and the \$15,000 was recovered for fees paid by the Safeguard LP's.
56. The Monitor notes that approximately \$150,000 of professional fees related directly to the Receiver dealing with the El Golfo matters (including preparation for a town hall meeting in September 2009).

57. The balance of the professional fees relates to the Investigation, the Claims Process and preparation to emerge from CCAA protection and Receivership proceedings.
58. The balance of the professional fees \$2.20 million was allocated pro-rata based on the Monitor's estimated fair market value of recoveries for each Applicant and Related Entities.
59. A summary of the Monitor's allocation of professional fees is provided in Appendix D to this report.

Issuing units to Related Entities

60. The Monitor notes that Concrete Associates VI Investment Corporation ("Concrete VI") has a net receivable from the Safeguard LP's. The Monitor recognizes that Concrete VI is not part of the CCAA Proceedings or the Receivership Proceedings.
61. The Monitor also notes that other Related Entities through distributions from Applicants and Concrete VI would be the eventual recipient of Safeguard LP units, these include:
 - a) Concrete Associates XI Corp.; and
 - b) Urban Registered Corp.
62. The Monitor remains of the view that the best resolution for settlement of the pre-filing inter-entity debt amongst the Applicants, Limited Partnership and Related Entities in through conversion to equity. The Monitor is recommending that this Honourable Court authorize the issuance of units into escrow pending determination and acceptance of such claims, while allowing for the possibility that Concrete VI could still have a claim against the Safeguard LP's if Concrete VI does not accept the limited partnership units as consideration for its claims against the Safeguard LP's.

Summary of LP units to be issued in settlement of the pre-filing inter-entity debt

63. Attached as Appendix E to this report is a schedule which summarizes the units that the Applicants will be issuing/receiving through the conversion of the pre-filing inter-entity debt to equity.
64. The Monitor notes that this analysis will be updated to reflect a reduction in units issued by the Safeguard LP's to account for the recovery of professional fees. The Monitor will update this analysis and post the updated schedules on its web-site.

Dilution effect of issuing new LP units

65. The Monitor has prepared an analysis of the effect the issuance of new units will have on each of the Safeguard LP's. A summary of the dilution effect is provided in the table below, a detailed analysis for each entity is attached as Appendix F:

Entity	% Dilution
Safeguard LP	8.45%
Safeguard II LP	19.99%
Safeguard III LP	4.21%
Safeguard IV LP	33.30%
Safeguard V LP	0%

Monitor's recommendation

66. In order for the Safeguard LP's to emerge from CCAA protection the pre-filing inter-entity claims need to be addressed.
67. The Monitor has had many discussions with the Management Committee and the Steering Committee regarding the settlement of these claims. The Monitor, the Management Committee and the Steering Committee are all of the view that it is appropriate, fair and reasonable to settle the pre-filing inter-entity claims by converting the debt to equity at an estimate of current fair market values.

Repayment of DIP Loans

68. Upon implementation of the Plans for Safeguard II LP and Safeguard III LP and upon order of this Honourable Court confirming that Safeguard IV LP can emerge from CCAA protection the convertible debentures issued to the ILPs who funded the DIP loans will be converted to equity at the same value as the pre-filing inter-entity debt (as described above).
69. In the event the Plans are approved, but the SNC Lavalin Building is sold the Monitor is of the view that the DIP Loans in Safeguard II LP should not convert to equity. The Monitor recommends that if the SNC Lavalin Building is sold that the DIP Loans should remain as a debt ranking in priority as set-out in the Order authorizing the charge.
70. The Chiller DIP will be repaid from the re-financing of the SL Mortgage or from the sale of the building.

Unaffected Claims

71. Unaffected Claims under the Plans include:
- a) All claims arising against the Restructured Entities after the date of the Initial Order;
 - b) the Disputed Sandhu Claims;
 - c) the Disputed Former Director Claims;
 - d) the Mortgagee's Claims;
 - e) Claims on account of Administration Costs;
 - f) Claims referred to in Section 6(3) of the CCAA; and
 - g) the Strategic Claims.
72. The Unaffected Claims are described below.

73. The Monitor does not anticipate any claims arising against the Restructured Entities after the date of the Initial Order provided that the mortgage on the SL Mortgage is refinanced.
74. The Monitor notes that Safeguard IV LP is not on the monthly payment program with the City of Calgary for payment of property taxes (“TIPPS”) because Safeguard IV LP was in arrears at the date of the Receivership. The 2009 property taxes and all arrears will be paid by June 1, 2010. The 2010 property tax bill for Safeguard IV LP will be due on June 30, 2010. Should Safeguard IV LP emerge from CCAA Protection (which would likely occur prior to June 30, 2010) Safeguard IV LP should be in a position to reapply for the TIPPS program allowing them to pay the 2010 property tax bill in monthly installments starting on July 1, 2010 and ending on December 31, 2010. Without the TIPPS program Safeguard IV LP would not be able to pay its property tax bill on June 30, 2010.
75. The Disputed Sandhu Claims are defined in the Plans. The Monitor notes that discussions continue with respect to settlement of these claims.
76. The Disputed Former Director Claims are defined in the Plans. The Monitor notes that by virtue of BIA section 38 actions commenced by Sandhu in the bankruptcies of Mr. Varun Aurora and Mr. David Humenuik and through the assignment of Mr. Vincenzo De Palma’s claim to Sandhu (which claim was lodged after the Claims Bar Date and for which the Monitor has reserved all rights) the Disputed Former Director Claims are directly related to the Disputed Sandhu Claims. The Monitor further notes that the Disputed Former Director Claims are contingent in nature and presently have no liquidated value.
77. The Mortgagee’s Claims are detailed in Appendix A. With the exception of the SL Mortgage, the Safeguard LP’s will continue to pay monthly mortgage payments in accordance with the existing mortgage agreements. The Standard Life Mortgage will be repaid upon refinancing or through a sale of the SNC Lavalin Building.

78. The Monitor does not anticipate any claims on account of Administration Costs or with respect to section 6(3) of the CCAA, provided that the mortgage on the SNC Lavalin Building is re-financed.

Strategic Claims

79. A summary of the claims filed by Strategic in these proceedings is as follows:
- a) Strategic Financial Corp. filed a secured claim against each of the Safeguard LP's in the amount of \$3,666,200;
 - b) Strategic Financial Corp. filed a secured claim against Safeguard V LP and its general partner in the amount of \$753,059.25;
 - c) Each of Airways Business Plaza Capital Corp., Symcor-Otis Capital Corp. and Glenmore Commerce Court Capital Corp. filed secured claims against each of the Safeguard LP's in the amount of \$17,304,504.30; and
 - d) Each of Airways Business, Symcor-Otis and Glenmore Commerce filed secured claims against Safeguard V LP and its general partner in the amount of \$14,391,363.55.
80. The Receiver disputed the claims as filed by Strategic and Notices of Disallowance were issued by the Monitor, Strategic filed Notices of Dispute and in accordance with the Claims Process Order in the event a settlement of the Strategic claims could not be reached the matter would have been brought before the Court for adjudication.
81. In the Notices of Disallowance issued by the Receiver the Receiver accepted Strategic's secured claims against each of the Safeguard LP's in the aggregate amount of \$2,563,007.77, with the security limited to receivables owing to the General Partners of the Safeguard LPs.

82. The Receiver has negotiated a settlement of the Strategic claims (the “Strategic Settlement Agreement”) which has been approved by the Management Committee and the Steering Committee. A summary of the main terms of the settlement agreement is provided below.

a) Strategic will have a secured claim against each of the Safeguard LP’s as follows:

Safeguard LP	\$ 297,500.22
Safeguard II LP	433,502.49
Safeguard III LP	457,321.70
Safeguard IV LP	665,218.59
Safeguard V LP	512,377.93
	<u>\$ 2,365,920.93</u>

b) The Safeguard LP’s will begin paying interest at a rate of 9% to Strategic on August 1, 2010;

c) The principal is due upon the sale of the properties associated with each of the Safeguard LP’s; and

d) Security granted in the form of a mortgage against the respective property for the principal and interest.

83. A copy of the Strategic Settlement Agreement is attached as Appendix G to this report.

84. The Monitor notes that Strategic filed claims against other Applicants and the Strategic Settlement Agreement does not address these claims or any claims filed by 550 Capital Corporation (a company related to Strategic) against the Safeguard LP’s.

85. In the Monitor’s view the only alternative to the Strategic Settlement Agreement would be an adjudication of the Strategic claims by the Court. The Monitor is of the view that this will be a costly process and the Monitor, the Management Committee and the Steering Committee were of the view that it was appropriate

to settle this matter on the terms negotiated and set out in the Strategic Settlement Agreement.

Classes

86. The only class for the purpose of considering and voting on the Plan is the unsecured creditors who hold the Affected Claims.

Voting

87. The only persons entitled to vote on the Plans are:
- a) Affected Creditors with a Proven Claim (a claim finally determined or accepted for voting purposes in accordance with the Claims Process Order);
 - b) On May 28, 2010, Affected Creditors with Disputed Claims are entitled to vote only the portion of the Claim that has been accepted for voting purposes. Affected Creditors with Disputed Claims shall have their voting intentions with respect to the disputed amounts recorded by the Monitor and reported to the Court; and
 - c) The Plans require voting approval of a majority in number of creditors voting representing 66 2/3 percent in value (the “Required Majority”).
88. For the purposes of calculating the majority component of the Required Majority, each Affected Creditor who actually votes (in person or by proxy) shall be entitled to one vote. For purposes of calculating the value component of the Required Majority, each Affected Creditor who is entitled to vote shall be entitled to one vote at the Creditors’ Meeting for each \$1.00 of such Creditors’ Proven Claim as determined in accordance with the Claims Process.

The Proposed Creditors Meeting Order

89. The Monitor understands that the proposed Creditors' Meeting Order proposes, *inter alia*:

- a) The Creditors' Meetings shall be held on the mezzanine level at the offices of Ernst & Young Inc., 1000, 440 2nd Avenue SW, Calgary, Alberta, on May 28, 2010 at 2:00 p.m. (Calgary Time). The Creditors' Meetings will be held concurrently with three separate votes;
- b) The Monitor shall act as the Chair of the Creditors' meetings, and shall decide all matters relating to the conduct of the Creditors' Meetings;
- c) The Monitor shall send to all Affected Creditors who are eligible to vote at the Meetings the following documents: (i) the Plan; (ii) a Proxy; (iii) a copy of the Monitor's Report on the Plan; and (iv) a copy of the Creditor's Meeting Order (collectively, the "Meeting Materials"); and
- d) In the event the CCAA Plans are approved by the Required Majority of the Affected Creditors and the ILPs vote in favour of the resolutions to allow the inter-entity debt to be converted to equity and the issuance of fractional units, the Receiver will bring an application to this Court seeking an order sanctioning the Plans.

Conditions Precedent to Implementation of the Plan

90. The implementation of the Plans is subject to the following main conditions precedent:

- a) The ILPs approving a resolution to convert the pre-filing inter-entity claims to equity and amendments to the limited partnership agreements to allow the issuance of fractional units (the "Plan Resolutions");

- b) The Plans are approved by the Required Majority of Affected Creditors; and
 - c) The Sanction Order has been granted and has not been stayed.
91. The Plan for Safeguard II LP is also conditional on refinancing the mortgage on the SNC Lavalin Building within 120 days. Standard Life is currently marketing the property pursuant to a judicial listing approved by this Court and in the event that a sale closes prior to this date the Safeguard II LP Plan will not be implemented. Since Safeguard II LP has limited cash resources, the Monitor is of the view a time period of 120 days to find refinancing is reasonable. Safeguard II LP will be borrowing approximately \$130,000 from the other Safeguard LP's through the Inter-Entity Advance Charge to fund its operating shortfall for the period to June 11, 2010. The shortfall from June 11, 2010 to September 30, 2010 will be funded from a refund of the deposit from the Initial Potential Financier.
92. As discussed below limited partnership meetings will be held to vote on various matters including the Plan Resolutions. Provided that the limited partners approve the Plan Resolutions in accordance with the limited partnership agreements this condition precedent will be met. **The results of the vote relating to other matters including specifically the refinancing of the Standard Life Mortgage do not impact the proposed Plans.** The Plans will be presented to the Affected Creditors for approval provided that the ILPs vote in favour of the Plan Resolutions.

Plan Implementation

93. Based on the timing of the Creditors' Meetings the Monitor expects that the Plans will be implemented by mid June, 2010.

THE MONITOR'S ANALYSIS OF THE PLANS

94. The Monitor in consultation with the Management Committee and the Steering Committee have reviewed the options available to the Applicants and concluded that there are no other viable options available to restructure other than that proposed in the Plans and that the only other alternative would be a formal liquidation under the Bankruptcy and Insolvency Act (the "BIA") or otherwise. The Monitor in consultation with the Management Committee has estimated a best case and a worst case in a liquidation scenario and believes the Plans, as presented, are better than the alternative, liquidation.
95. A condition of the Plans is the Affected Creditors must approve the Plans by the Required Majorities (as defined in the Plans) of the creditors present either by proxy or by person, and the Plan must be accepted and approved by the Court. If each Plan is not accepted by the Affected Creditors, the likely result would be bankruptcy proceedings under the BIA.

Liquidation Analysis

96. The Monitor has prepared an analysis of the liquidation values for each of the Applicants. The Monitor notes that with the exception of the Safeguard LP's and El Golfo none of the other Applicants have any assets available for distribution to creditors. The Monitor notes that through conversion of the pre-filing inter-entity debt to equity certain Related Entities including Safeguard VII LP will be receiving units. These units will be held in trust by the new general partner (as discussed below).
97. A summary of the liquidation analysis is presented below, a more detailed analysis is included as Appendix H to this report.

	LP 1		LP 2		LP 3	
	High	Low	High	Low	High	Low
Cash on Hand	141,450	141,450	108,853	108,853	322,825	322,825
Change in Cash	(56,000)	(108,000)	(207,000)	(273,000)	(240,000)	(306,000)
Accounts Receivable	10,975	7,747	1,110	784	4,220	2,979
Inter-entity Receivables	1,880	-	48,286	-	1,344,569	-
Deposits			90,000	75,000		
Net Condo Proceeds						
Fixed Assets	7,862,500	6,475,000	14,620,000	12,040,000	15,725,000	12,950,000
Total Assets	7,960,805	6,516,197	14,661,249	11,951,637	17,156,613	12,969,803
Less:						
Liquidation Costs	393,125	323,750	731,000	602,000	786,250	647,500
Proceeds Available for Distribution	7,567,680	6,192,447	13,930,249	11,349,637	16,370,363	12,322,303
Mortgage Claims and Priority Charges	4,892,241	5,092,241	9,503,435	9,503,435	11,132,202	11,282,202
Proceeds for Other Secured Creditors	2,675,439	1,100,206	4,426,814	1,846,201	5,238,162	1,040,102
Other Secured Creditors	285,964	840,991	626,920	1,458,647	689,246	930,137
Percentage Recovery	100%	100%	100%	100%	100%	100%
Proceeds for Unsecured Creditors	2,389,475	259,216	3,799,893	387,554	4,548,916	109,964
Unsecured Creditors	572,924	755,163	1,640,849	1,823,087	401,272	401,272
Percentage Recovery	100%	34%	100%	21%	100%	27%
Proceeds Available for ILPs	1,816,551	-	2,159,044	-	4,147,645	-

	LP 4		LP 5		El Golfo	
	High	Low	High	Low	High	Low
Cash on Hand	221,268	221,268	405,403	405,403	2,400	2,400
Change in Cash	(178,000)	(255,000)	(121,000)	(187,000)		
Accounts Receivable	20,540	14,499	26,543	18,736		
Inter-entity Receivables	34,880	-	-	-	571,120	126,743
Deposits						
Net Condo Proceeds					875,500	669,500
Fixed Assets	22,100,000	18,200,000	17,501,500	14,413,000		
Total Assets	22,198,688	18,180,767	17,812,446	14,650,139	1,449,020	798,643
Less:						
Liquidation Costs	1,105,000	910,000	875,075	720,650	-	-
Proceeds Available for Distribution	21,093,688	17,270,767	16,937,371	13,929,489	1,449,020	798,643
Mortgage Claims and Priority Charges	19,709,438	19,859,438	13,243,751	13,493,751	180,000	180,000
Proceeds for Other Secured Creditors	1,384,250	-	3,693,620	435,739	1,269,020	618,643
Other Secured Creditors	1,228,177	1,228,177	835,894	835,894	-	-
Percentage Recovery	100%	0%	100%	52%		
Proceeds for Unsecured Creditors	156,073	-	2,857,727	-	1,269,020	618,643
Unsecured Creditors	2,488,722	2,488,722	1,132,075	6,148,758	1,860,099	1,860,099
Percentage Recovery	6%	0%	100%	0%	33%	68%
Proceeds Available for ILPs	-	-	1,725,652	-	-	-

98. The market for commercial real estate in downtown Calgary, Alberta is currently depressed given the amount of current and expected vacant space on or coming into the market and if the Receiver was required to liquidate the buildings associated with the Safeguard LP's in this environment, the liquidation values are anticipated to be quite low as compared to fair market values.

99. The following significant risks are associated with achieving the liquidation valuation presented above:

- a) The lease rates for commercial real estate in downtown Calgary are significantly below recent highs and a substantial sub-lease market is driving prices down even further. Since there have not been many significant commercial real estate transactions in the past two years, it is difficult to estimate the recovery that will be achieved;
- b) Time value of money as the liquidation could take longer than a year depending on the appetite for purchase of certain properties; and

c) Potential loss of tenants during the marketing process and lease expires in the near-term (i.e. within 2 years) could further depress the value of the properties.

100. The proposed distribution to Affected Creditors under the Plans allow the Affected Creditors to receive a cash payment in monthly instalments payable in full within one year. In the event the Restructured Entities have sufficient cash on hand payments are to be made forthwith to the Affected Creditors. The Monitor estimates that Affected Creditors will receive payments based on the following timing, with some creditors being paid on Plan Implementation out of the Convenience Amount:

- a) LP 1 – payout within six to ten months of Plan Implementation;
- b) LP 2 – payout within six to ten months of Plan Implementation;
and
- c) LP 3 – payout within two to four months of Plan Implementation.

Creditor Analysis

101. A detailed analysis of the creditor claims is presented in Appendix G.
102. The Plans provide for a recovery to Affected Creditors of 100% of the Proven Claims by no later than twelve months following implementation of the Plans. The liquidation analysis above indicates that the claims of the Affected Creditors will be paid in full, but the timing of payments is uncertain and the actual recovery could differ from the liquidation analysis due to the risk factors described above.

Recovery to the ILPs

103. The ILPs have funded the restructuring process including providing a DIP loan in the aggregate amount of \$1.3 million. The ILPs have provided this funding to allow them the opportunity to retain ownership of the buildings, install a new

general partner and work towards the eventual sale of these properties when the market for commercial real estate has recovered.

- 104. The ILPs are not an Affected Creditor and therefore they are not eligible to vote on the Plans.
- 105. While it is likely that the Affected Creditors will be repaid in full under each Plan and in a liquidation scenario the timing for recovering of their payment is considered to be better under the Plans. In addition, the recovery to the ILPs will be significantly reduced if the Plans are not approved.

Classes

- 106. The Monitor considers the creation of a single Affected Creditors' Class under the Plan to be reasonable.

Conclusion

- 107. The Monitor considers the Plans to be fair and reasonable as the Affected Creditors would receive a certain recovery. The Monitor also estimates that the recovery to Affected Creditors will occur prior to a recovery in a liquidation scenario.
- 108. The Monitor also notes that in the event the properties are liquidated the ILPs recovery will be significantly reduced and while the ILPs are not creditors they have funded the restructuring process with the goal of retaining ownership of the buildings.

LIQUIDATION OF CERTAIN APPLICANTS AND DISTRIBUTION OF ASSETS

109. The Safeguard LP's will either file Plans as described above or will be seeking orders allowing them to emerge from CCAA protection after payment in full to unsecured creditors (if any). For the remaining Applicants the Stay Period will expire on June 11, 2010.
110. As outlined in the liquidation analysis presented in Appendix G, for the remaining Applicants with the exception of El Golfo there are no assets to monetize and there will be no funds available for distribution to the creditors of these entities. The entities that fall into this category include:
- a) Concrete Equities Inc.;
 - b) Concrete Associates V Investment Corporation;
 - c) Luna Morada Investment Corporation;
 - d) Costa Koraal Investment Corporation;
 - e) Concrete Equities Executive Club Inc.;
 - f) Concrete Place Properties Ltd.;
 - g) Concrete Associates VII Corp.; and
 - h) 1456775 Alberta Ltd.

El Golfo

111. El Golfo will receive units from the Safeguard LP's and the Receiver anticipates some recovery to El Golfo from the Mexican Condo (as described in the Monitor's first report dated August 26, 2009), as the Receiver is asserting a trust claim in the bankruptcy of Mr. David Humenuik with respect to the Mexican Condo.
112. El Golfo's liabilities are summarized below:

Third Party Liabilities (Proven Claims)

- a) Mr. Dave Aurora - \$1,169,254.63;
- b) Mr. Darcy Sandhu - \$566,129.00; and
- c) Bishop & McKenzie LLP - \$94.36.

Total third party liabilities of \$1,735,477.09.

Inter-entity Debts

- d) Concrete Associates XI Corp. (Diversified Project) - \$124,715.

- 113. If the Safeguard LP's implement Plans and El Golfo receives units in exchange for the pre-filing inter-entity debt there could be funds available for distribution to the ILPs in El Golfo. In a liquidation scenario the Monitor does not anticipate any funds available to the ILPs in El Golfo.
- 114. In the Receiver's Investigation Report the Receiver noted that based on the investor registries maintained by El Golfo approximately \$23.8 million was invested in this project. The Receiver also noted that based on its review of the books and records approximately \$23.9 million in investor funds was received by El Golfo.
- 115. Olympia Trust Company ("OTC") administered the RRSP accounts for the El Golfo project. OTC provided the Receiver with a list of investors and the Receiver was able to confirm the list of investors provided by OTC in the El Golfo project to the investor registry maintained by El Golfo.
- 116. The Receiver did not complete a full reconciliation of the cash received by El Golfo compared to the investor registry maintained by El Golfo as the Receiver did not deem this necessary as the investor funds received according to the books and records as compared to the investor registries differed by less than 1% and the

Receiver was able to confirm the RRSP investor list provided by OTC with respect to the El Golfo project.

117. As noted in the Monitor's third report dated December 14, 2009 the Receiver consulted with the Steering Committee with respect to the reconciliation of the investor registries and that the Receiver could rely on the registries, given the costs associated with a complete reconciliation. The Monitor noted further that in the event that a distribution to the investors is contemplated in these proceedings, the Receiver will then consider the advisability of commencing an application for approval of a proof of investment process.
118. The Receiver has reviewed the matter of commencing a proof of investment process and remains of the view that it is cost prohibitive and not necessary in the circumstances. The Receiver will rely on the investor registry for El Golfo provided by Concrete for the purpose of effecting a distribution to the ILPs in El Golfo in the event that there are sufficient proceeds to do so.
119. The Mexican Condo is an asset of the Humenuik estate, subject to the trust claim asserted by the Receiver. Once the Mexican Condo has been monetized the Receiver will assert its trust claim over the proceeds. If the Receiver's claim is successful, then the net proceeds after deducting the costs of realization will be paid to the Receiver and the Receiver will distribute these proceeds first to the creditors of El Golfo. Any remaining proceeds, including the LP units which the Receiver will receive in settlement of the El Golfo pre-filing inter-entity receivables will be distributed to the ILPs in El Golfo based on the registry in Concrete's books and records.

Related Entities

120. As noted previously certain Related Entities will be receiving a distribution of LP units:
 - a) Concrete Associates VI Investment Corporation (Symcor Otis project);
 - and

b) Concrete Associates XI Corp. (Diversified project).

121. These entities were not parties to the Claims Process Order (as they were Related Entities) and Ernst & Young Inc. does not have the capacity to distribute the LP units to be received by these entities.
122. The Monitor is proposing that the New General Partner maintain custody as trustee of the LP units that are designated to flow to Concrete Associates VI Investment Corporation and Concrete Associates XI Corp. until such time as someone asserts a claim to these units.

REQUISITE VOTE OF THE INDIVIDUAL LIMITED PARTNERS

123. As discussed above, certain aspects of the Plans and the likely terms of the proposed re-financing of the SNC Lavalin Mortgage will require amendment to the individual Limited Partnership Agreements of the Safeguard LP's.
124. In accordance with the limited partnership agreements the general partner is required to provide 21 days notice of a meeting, effective 5 days after the materials have been mailed. Since the Plans are conditional on the ILPs approving the conversion of pre-filing inter-entity debt to equity the Monitor is of the view that from a logistical perspective the limited partnership meetings should be held prior to the meeting of creditors. The Receiver is planning to hold the limited partner meetings on May 28, 2010 concurrently at 10:00 a.m. The Monitor notes that holding the meeting on May 28, 2010 does not conform to the notice provisions in the limited partnership agreements, but the Monitor notes that the Steering Committee will be assisting the Receiver in disseminating information to the individual limited partners and that the Steering Committee has already advised the individual limited partners that there will be a meeting at the end of the month and that materials are being mailed out this week by the Monitor. The Monitor is of the view that sufficient notice will be provided to the individual limited partners of the limited partnership meetings.

125. The Receiver with the assistance of the Steering Committee will send out the following documents to the ILPs on or before May 7, 2010 (no later than 21 days before the meeting date): (i) the Plan; (ii) a Proxy; (iii) a copy of the Monitor's Report on the Plan; and (iv) supplementary materials to assist the ILPs in reviewing the documents (collectively, the "ILP Materials").
126. The Steering Committee has advised the Receiver that they will assist in answering queries of the ILPs with respect to the ILP Materials.
127. The following matters will be presented at each of the limited partner meetings;
 - a) Approving a resolution to convert the pre-filing inter-entity claims to equity;
 - b) Approving a resolution to issue fractional units or increase the number of units to eliminate fractional units; and
 - c) Electing and affirming the election of a new General Partner.
128. The limited partners in each of the Safeguard LP's excluding Safeguard II LP will also vote on a resolution to authorize the cross-guarantee of the mortgage on the SNC Lavalin Building in the event that this is required to secure refinancing.
129. As noted above in the discussion with respect to the Plans, a condition precedent to the Plans is the approval of the Plan Resolutions if the limited partners approve these resolutions the Plans will be presented to the Affected Creditors for approval. If the ILPs do not approve the Plan Resolutions, the Receiver will proceed to liquidate the assets of the Safeguard LPs.
130. **The Plans are not conditional on the ILPs approving the cross-guarantee of the mortgage on the SNC Lavalin Building.**
131. If the SNC Lavalin Building is sold the Safeguard II LP Plan is still operative and can be implemented. The ILPs would get the funds remaining after payment to all Proven Creditors.

132. Certain claims in the Safeguard LPs remain in dispute; negotiations remain with respect to certain claims that may be settled through issuance of limited partnership units. In the event the Monitor negotiates a settlement of this nature, the settlement will be conditional on approval of the ILPs and this will be included in the resolutions to be voted on at the limited partnership meetings.

UPCOMING REPORTS OF THE MONITOR AND/OR RECEIVER

133. The Monitor intends on filing with this Honourable Court additional reports dealing with the following;
- a) Updated professional fee allocation to include an accrual to Plan Implementation, update on the number of units to be issued by the Safeguard LP's taking into consideration a reduction in units based on the professional fee allocation;
 - b) Results of the meeting of creditors and meetings of the limited partnerships;
 - c) The Receiver and Monitor's intended application for discharge on all entities with the exception of the El Golfo, including approval of the Monitor/Receiver and its counsels fees and disbursements in these proceedings; and
 - d) The Receiver's recommendations with respect to continued custody of the books and records of the Applicants, the Limited Partnerships and the Related Entities.

RECOMMENDATIONS

134. The Monitor recommends that this Honourable Court approve the following:

- a) The set-off of certain pre-filing inter-entity debts and the settlement of the revised pre-filing inter-entity debt figures through the issuance of new limited partnership units in the Safeguard LP's at a value which equals the Monitor's estimate of fair market value after allocated professional fees as described in this report;
- b) the Strategic Settlement Agreement;
- c) the circulation of the Plans and Meeting Materials to its Affected Creditors for the purposes of allowing the Affected Creditors to vote on the Plan;
- d) the proposed distribution of assets to the creditors of El Golfo once the Mexican Condo has been monetize. In the event that there are sufficient funds on hand to distribute to the ILPs in El Golfo the Receiver is at liberty to rely on the El Golfo registries maintained by Concrete for the purposes of effecting said distribution; and
- e) the Receiver calling a meeting of the ILPs for each of the Safeguard LP's to vote on the matters described above and as detailed in the ILP Materials.

All of which is respectfully submitted this 3rd day of May, 2010.

ERNST & YOUNG INC.
in its capacity as Court Appointed Monitor
of Concrete Equities Inc. et. al



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



Michelle Grant, CIRP
Vice-President

APPENDIX A

Wealthcrete Investment Corporation and Safeguard Real Estate Investment Fund Limited Partnership
Summary of Claims

Claimant	Secured/Unsecured	Claims Filed	Accepted Claims	Claims in Dispute	Affected Creditors	Notes
Airways Business Plaza Limited Partnership	Secured	17,304,504.30	0.00	0.00		1
Glenmore Commerce Court Limited Partnership	Secured	17,304,504.30	0.00	0.00		1
Symcor-Otis Limited Partnership	Secured	17,304,504.30	0.00	0.00		1
Strategic Financial Corp	Secured	3,666,200.00	297,500.22	0.00		1
Computershare Trust Company of Canada	Secured	2,694,092.20	0.00	0.00		2
Computershare Trust Company of Canada	Secured	2,304,002.70	0.00	0.00		2
Total Secured Creditors		60,577,807.80	297,500.22	0.00	0.00	
Aurora, Varun by Hardie & Kelly Inc., Trustee	Unsecured	5,019,198.92	0.00	5,019,198.92		
934608 Alberta Ltd	Unsecured	4,453,070.00	0.00	4,453,070.00		
Humeniuk, David by Hardie & Kelly Inc., Trustee	Unsecured	4,453,069.89	0.00	4,453,069.89		
Aurora, Dave	Unsecured	1,169,254.63	0.00	1,169,254.63		
Sandhu, Darcy	Unsecured	1,127,226.00	0.00	1,127,226.00		
Sandhu, Darcy	Unsecured	566,129.00	0.00	566,129.00		
587901 Alberta Ltd.	Unsecured	563,613.00	0.00	563,613.00		
550 Capital Corp.	Unsecured	364,476.71	16,000.00	348,476.71	364,476.71	
Asian Village	Unsecured	28,098.00	28,098.00	0.00	28,098.00	
Concorde Maintenance Inc.	Unsecured	16,941.29	0.00	0.00	0.00	
Koskenoja, Nina	Unsecured	10,000.00	0.00	0.00	0.00	
Arbor Care Tree Service Ltd.	Unsecured	1,397.63	1,397.63	0.00	1,397.63	
Kival Electric Ltd.	Unsecured	381.94	381.94	0.00	381.94	
Direct Energy Regulated Services	Unsecured	142.45	142.45	0.00	142.45	
Corall, H.G. and S.	Unsecured	50,000.00	0.00	0.00	0.00	
Total Unsecured Creditors		17,822,989.46	46,020.02	17,700,038.15	394,496.73	
Total Creditors		78,400,807.26	343,520.24	17,700,038.15	394,496.73	

Notes:

- 1.) Claims are part of global settlement with Strategic (subject to Court approval), as described in this report.
- 2.) Claims were withdrawn by Computershare Trust Company of Canada. Mortgage claims will be unaffected in the Plans.

Concrete Associates Investment Corporation and Safeguard Real Estate Investment III Fund Limited Partnership
Summary of Claims

Claimant	Secured/Unsecured	Claims Filed	Accepted Claims	Claims in Dispute	Affected Creditors	Notes
Airways Business Plaza Limited	Secured	17,304,504.30	0.00	0.00		1
Glenmore Commerce Court Limited	Secured	17,304,504.30	0.00	0.00		1
Symcor-Otis Limited Partnership	Secured	17,304,504.30	0.00	0.00		1
Standard Life	Secured	8,765,185.07	8,765,185.07	0.00		
Strategic Financial Corporation	Secured	3,666,200.00	433,502.49	0.00		1
ConvergentTechnologies Ltd	Secured	145,000.00	145,000.00	0.00		
Pierson, Dallas	Secured	11,708.86	0.00	0.00		
Total Secured Creditors		64,501,606.83	9,343,687.56	0.00	0.00	
Aurora, Varun by Hardie & Kelly Inc., Trustee	Unsecured	5,019,198.92	0.00	5,019,198.92		
934608 Alberta Ltd	Unsecured	4,453,070.00	0.00	4,453,070.00		
Humeniuk, David by Hardie & Kelly Inc., Trustee	Unsecured	4,453,069.89	0.00	4,453,069.89		
Aurora, Dave	Unsecured	1,169,254.63	0.00	1,169,254.63		
Sandhu, Darcy	Unsecured	1,127,226.00	0.00	1,127,226.00		
Sandhu, Darcy	Unsecured	566,129.00	0.00	566,129.00		
587901 Alberta Ltd.	Unsecured	563,613.00	0.00	563,613.00		
550 Capital Corp.	Unsecured	364,476.71	16,000.00	348,476.71	364,476.71	
Intercon Security	Unsecured	32,180.09	32,180.09	0.00	32,180.09	
Concorde Maintenance Inc.	Unsecured	16,941.29	16,941.29	0.00	16,941.29	
Koskenoja, Nina	Unsecured	10,000.00	0.00	0.00	0.00	
Scott & Yip	Unsecured	5,282.57	5,282.57	0.00	5,282.57	
Pinchin Environmental	Unsecured	2,940.00	2,940.00	0.00	2,940.00	
Sterling Elevator Services Corp.	Unsecured	2,058.00	2,058.00	0.00	2,058.00	
Bishop & McKenzie LLP	Unsecured	182.79	182.79	0.00	182.79	
Danny & Jana Posadka	Unsecured	50,000.00	0.00	0.00	0.00	
Total Unsecured Creditors		17,835,622.89	75,584.74	17,700,038.15	424,061.45	
Total Creditors		82,337,229.72	9,419,272.30	17,700,038.15	424,061.45	

Notes:

1.) Claims are part of global settlement with Strategic (subject to Court approval), as described in this report.

Concrete Associates II Investment Corporation and Safeguard Real Estate Investment Fund III Limited Partnership
Summary of Claims

Claimant	Secured/Unsecured	Claims Filed	Accepted Claims	Claims in Dispute	Affected Creditors	Notes
Airways Business Plaza Limited	Secured	17,304,504.30	0.00	0.00		1
Glenmore Commerce Court Limited	Secured	17,304,504.30	0.00	0.00		1
Syncor-Otis Limited Partnership	Secured	17,304,504.30	0.00	0.00		1
Computershare Trust Company of	Secured	10,811,905.70	0.00	0.00		2
Strategic Financial Corporation	Secured	3,666,200.00	457,321.70	0.00		1
Pierson, Dallas	Secured	11,708.86	0.00	0.00		
Total Secured Creditors		66,403,327.46	457,321.70	0.00	0.00	
Aurora, Varun by Hardie & Kelly Inc.,	Unsecured	5,019,198.92	0.00	5,019,198.92		
934608 Alberta Ltd	Unsecured	4,453,070.00	0.00	4,453,070.00		
Humeniuk, David by Hardie & Kelly	Unsecured	4,453,069.89	0.00	4,453,069.89		
Aurora, Dave	Unsecured	1,169,254.63	0.00	1,169,254.63		
Sandhu, Darcy	Unsecured	1,127,226.00	0.00	1,127,226.00		
Sandhu, Darcy	Unsecured	566,129.00	0.00	566,129.00		
587901 Alberta Ltd.	Unsecured	563,613.00	0.00	563,613.00		
Concorde Maintenance Inc.	Unsecured	16,941.29	0.00	0.00		
Koskenoja, Nina	Unsecured	10,000.00	0.00	0.00		
Kennington Properties	Unsecured	4,889.16	4,889.16	0.00	4,889.16	
Direct Energy Regulated Services	Unsecured	4,292.13	4,292.13	0.00	4,292.13	
L. Bower Enterprises Ltd.	Unsecured	1,481.85	1,481.85	0.00	1,481.85	
Kival Electric Ltd.	Unsecured	1,029.51	1,029.51	0.00	1,029.51	
Bishop & McKenzie LLP	Unsecured	59.00	59.00	0.00	59.00	
Parrottino, Antonio	Unsecured	100,000.00	0.00	0.00	0.00	
Total Unsecured Creditors		17,490,254.38	11,751.65	17,351,561.44	11,751.65	
Total Creditors		83,893,581.84	469,073.35	17,351,561.44	11,751.65	

Note:

- 1.) Claims are part of global settlement with Strategic (subject to Court approval), as described in this report.
- 2.) Claims were withdrawn by Computershare Trust Company of Canada. Mortgage claims will be unaffected in the Plans.

Concrete Associates III Investment Corporation and Safeguard Real Estate Investment Fund IV Limited Partnership
Summary of Claims

Claimant	Secured/Unsecured	Claims Filed	Accepted Claims	Claims in Dispute	Notes
Citizens Bank of Canada	Secured	17,656,002.29	17,656,002.29	0.00	
Airways Business Plaza Limited	Secured	17,304,504.30	0.00	0.00	1
Glenmore Commerce Court Limited	Secured	17,304,504.30	0.00	0.00	1
Symcor-Otis Limited Partnership	Secured	17,304,504.30	0.00	0.00	1
Strategic Financial Corporation	Secured	3,666,200.00	665,218.59	0.00	1
City of Calgary (Property Taxes)	Secured	114,661.50	114,661.50	0.00	
Pierson, Dallas	Secured	11,708.86	0.00	0.00	
Total Secured Creditors		73,362,085.55	18,435,882.38	0.00	
Aurora, Varun by Hardie & Kelly Inc.,	Unsecured	5,019,198.92	0.00	5,019,198.92	
934608 Alberta Ltd	Unsecured	4,453,070.00	0.00	4,453,070.00	
Humeniuk, David by Hardie & Kelly	Unsecured	4,453,069.89	0.00	4,453,069.89	
Aurora, Dave	Unsecured	1,169,254.63	0.00	1,169,254.63	
Sandhu, Darcy	Unsecured	1,127,226.00	0.00	1,127,226.00	
Sandhu, Darcy	Unsecured	566,129.00	0.00	566,129.00	
587901 Alberta Ltd.	Unsecured	563,613.00	0.00	563,613.00	
Concorde Maintenance Inc.	Unsecured	16,941.29	0.00	0.00	
Koskenoja, Nina	Unsecured	10,000.00	0.00	0.00	
Total Unsecured Creditors		17,378,502.73	0.00	17,351,561.44	
Total Creditors		90,740,588.28	18,435,882.38	17,351,561.44	

Note:

1.) Claims are part of global settlement with Strategic (subject to Court approval), as described in this report.

Concrete Associates IV Investment Corporation and Safeguard Real Estate Investment V Limited Partnership
Summary of Claims

Claimant	Secured/Unsecured	Claims Filed	Accepted Claims	Claims in Dispute	Notes
Airways Business Plaza Limited	Secured	14,391,363.55	0.00	0.00	1
Glenmore Commerce Court Limited	Secured	14,391,363.55	0.00	0.00	1
Symcor-Otis Limited Partnership	Secured	14,391,363.55	0.00	0.00	1
CIBC	Secured	12,143,750.57	12,143,750.57	0.00	
Strategic Financial Corporation	Secured	735,059.25	512,377.93	0.00	1
Pierson, Dallas	Secured	11,708.86	0.00	0.00	
Total Secured Creditors		56,064,609.33	12,656,128.50	0.00	
Aurora, Varun by Hardie & Kelly Inc.,	Unsecured	5,019,198.92	0.00	5,019,198.92	
934608 Alberta Ltd	Unsecured	4,453,070.00	0.00	4,453,070.00	
Humeniuk, David by Hardie & Kelly	Unsecured	4,453,069.89	0.00	4,453,069.89	
Aurora, Dave	Unsecured	1,169,254.63	0.00	1,169,254.63	
Sandhu, Darcy	Unsecured	1,127,226.00	0.00	1,127,226.00	
Sandhu, Darcy	Unsecured	566,129.00	0.00	566,129.00	
587901 Alberta Ltd.	Unsecured	563,613.00	0.00	563,613.00	
Lussier, Gilbert	Unsecured	50,000.00	0.00	0.00	
Lussier, Lucien	Unsecured	30,000.00	0.00	0.00	
Lussier, Marie	Unsecured	20,000.00	0.00	0.00	
Concorde Maintenance Inc.	Unsecured	16,941.29	0.00	0.00	
Koskenoja, Nina	Unsecured	10,000.00	0.00	0.00	
Direct Energy	Unsecured	2,937.49	2,937.49	0.00	2
Intercon Security	Unsecured	1,743.31	1,743.31	0.00	2
Japco Pest Control Ltd.	Unsecured	168.00	168.00	0.00	2
Total Unsecured Creditors		17,483,351.53	4,848.80	17,351,561.44	
Total Creditors		73,547,960.86	12,660,977.30	17,351,561.44	

Note:

- 1.) Claims are part of global settlement with Strategic (subject to Court approval), as described in this report.
- 2.) Affected Creditors.

Concrete Associates V Investment Corporation and Safeguard Real Estate Investment Fund VI Limited Partnership
Summary of Claims

Claimant	Secured/Unsecured	Claim Filed	Accepted Claims	Claims in Dispute	Notes
Airways Business Plaza Limited	Secured	17,304,504.30	0.00	17,304,504.30	1
Glenmore Commerce Court Limited	Secured	17,304,504.30	0.00	17,304,504.30	1
Symcor-Otis Limited Partnership	Secured	17,304,504.30	0.00	17,304,504.30	1
Debenture Holders	Secured	5,915,000.00	0.00	0.00	2
Strategic Financial Corporation	Secured	3,666,200.00	0.00	3,666,200.00	1
Pierson, Dallas	Secured	11,708.86	0.00	0.00	
Total Secured Creditors		61,506,421.76	0.00	55,579,712.90	
Debenture Holders	Unsecured	0.00	5,915,000.00	0.00	
Aurora, Varun by Hardie & Kelly Inc.,	Unsecured	5,019,198.92	0.00	5,019,198.92	
934608 Alberta Ltd	Unsecured	4,453,070.00	0.00	4,453,070.00	
Humeniuk, David by Hardie & Kelly	Unsecured	4,453,069.89	0.00	4,453,069.89	
AX LP	Unsecured	1,774,063.19	1,774,063.19	0.00	
Sandhu, Darcy	Unsecured	1,127,226.00	0.00	1,127,226.00	
Sandhu, Darcy	Unsecured	566,129.00	0.00	566,129.00	
587901 Alberta Ltd.	Unsecured	563,613.00	0.00	563,613.00	
Concorde Maintenance Inc.	Unsecured	16,941.29	0.00	0.00	
Koskenoja, Nina	Unsecured	10,000.00	0.00	0.00	
Bishop & McKenzie LLP	Unsecured	3,069.50	3,069.50	0.00	
Total Unsecured Creditors		17,986,380.79	7,692,132.69	16,182,306.81	
Total Creditors		79,492,802.55	7,692,132.69	71,762,019.71	

Notes:

- 1.) These claims are not part of the global settlement with Strategic, as described in this report.
- 2.) The Monitor accepted this claim as unsecured.

El Golfo Investment Corporation and Santa Clara Real Estate Investment Fund LP
Summary of Claims

Claimant	Secured/Unsecured	Claims Filed	Accepted Claims	Claims in Dispute
Pierson, Dallas	Secured	11,708.86	0.00	0.00
Total Secured Creditors		11,708.86	0.00	0.00
Aurora, Varun by Hardie & Kelly Inc.,	Unsecured	5,019,198.92	0.00	5,019,198.92
934608 Alberta Ltd	Unsecured	4,453,070.00	0.00	4,453,070.00
Humeniuk, David by Hardie & Kelly	Unsecured	4,453,069.89	0.00	4,453,069.89
Aurora, Dave	Unsecured	1,169,254.63	1,169,254.63	0.00
Sandhu, Darcy	Unsecured	1,127,226.00	0.00	1,127,226.00
Sandhu, Darcy	Unsecured	566,129.00	566,129.00	0.00
587901 Alberta Ltd.	Unsecured	563,613.00	0.00	563,613.00
Rod Maruyama & Associates Inc.	Unsecured	511,550.00	0.00	0.00
Maruyama & Associates, Robert	Unsecured	260,000.00	0.00	0.00
Lussier, Gilbert	Unsecured	50,000.00	0.00	0.00
Lussier, Lucien	Unsecured	50,000.00	0.00	0.00
Lussier, Marie	Unsecured	50,000.00	0.00	0.00
Lussier, Germaine	Unsecured	30,000.00	0.00	0.00
Parrottino, Antonio	Unsecured	20,000.00	0.00	0.00
Concorde Maintenance Inc.	Unsecured	16,941.29	0.00	0.00
Koskenoja, Nina	Unsecured	10,000.00	0.00	0.00
Pantazi, Daniel and Lore	Unsecured	10,000.00	0.00	0.00
White, James William and Mavis	Unsecured	10,000.00	0.00	0.00
Bishop & McKenzie LLP	Unsecured	94.36	94.36	0.00
Total Unsecured Creditors		18,370,147.09	1,735,477.99	15,616,177.81
Total Creditors		18,381,855.95	1,735,477.99	15,616,177.81

Costa Koraal Investment Corporation and Conchas Chinas Real Estate Investment Fund LP
Summary of Claims

Claimant	Secured/Unsecured	Claims Filed	Claims Accepted	Claims in Dispute
Aurora, Varun by Hardie & Kelly Inc.,	Unsecured	5,019,198.92	0.00	5,019,198.92
934608 Alberta Ltd	Unsecured	4,453,070.00	0.00	4,453,070.00
Humeniuk, David by Hardie & Kelly	Unsecured	4,453,069.89	0.00	4,453,069.89
Sandhu, Darcy	Unsecured	1,127,226.00	0.00	1,127,226.00
Sandhu, Darcy	Unsecured	566,129.00	0.00	566,129.00
587901 Alberta Ltd.	Unsecured	563,613.00	0.00	563,613.00
Hostland, Kelly and Shelley	Unsecured	100,000.00	0.00	100,000.00
MacKelvie, Richard	Unsecured	100,000.00	100,000.00	0.00
Concorde Maintenance Inc.	Unsecured	16,941.29	0.00	0.00
Koskenoja, Nina	Unsecured	10,000.00	0.00	0.00
Total Creditors		16,409,248.10	100,000.00	16,282,306.81

Lunda Morada Investment Corporation and Calle Mariposas Limited Partnership
Summary of Claims

Claimant	Secured/Unsecured	Claims Filed	Accepted Claims	Claims in Dispute
Aurora, Varun by Hardie & Kelly Inc.,	Unsecured	5,019,198.92	0.00	5,019,198.92
934608 Alberta Ltd	Unsecured	4,453,070.00	0.00	4,453,070.00
Humeniuk, David by Hardie & Kelly	Unsecured	4,453,069.89	0.00	4,453,069.89
Sandhu, Darcy	Unsecured	1,127,226.00	0.00	1,127,226.00
Sandhu, Darcy	Unsecured	566,129.00	0.00	566,129.00
587901 Alberta Ltd.	Unsecured	563,613.00	0.00	563,613.00
Corridor Pacific Inc.	Unsecured	353,094.95	0.00	353,094.95
Hostland, Kelly and Shelley	Unsecured	100,000.00	0.00	100,000.00
Lussier, Lucien and Germaine	Unsecured	50,000.00	0.00	0.00
Lussier, Gilbert	Unsecured	25,000.00	0.00	0.00
Lussier, Marie	Unsecured	25,000.00	0.00	0.00
Concorde Maintenance Inc.	Unsecured	16,941.29	0.00	0.00
Koskenoja, Nina	Unsecured	10,000.00	0.00	0.00
Bishop & McKenzie LLP	Unsecured	39.77	39.77	0.00
Total Creditors		16,762,382.82	39.77	16,635,401.76

Concrete Place Properties Ltd. and Concrete Properties Limited Partnership
Summary of Claims

Claimant	Secured/Unsecured	Claims Filed	Accepted Claims	Claims in Dispute
City of Calgary, Property Taxes	Secured	68,131.71	68,131.71	0.00
Pierson, Dallas	Secured	11,708.86	0.00	0.00
Total Secured Creditors		79,840.57	68,131.71	0.00
Aurora, Varun by Hardie & Kelly Inc.,	Unsecured	5,019,198.92	0.00	5,019,198.92
934608 Alberta Ltd	Unsecured	4,453,070.00	0.00	4,453,070.00
Humeniuk, David by Hardie & Kelly	Unsecured	4,453,069.89	0.00	4,453,069.89
Sandhu, Darcy	Unsecured	1,127,226.00	0.00	1,127,226.00
Sandhu, Darcy	Unsecured	566,129.00	0.00	566,129.00
587901 Alberta Ltd.	Unsecured	563,613.00	0.00	563,613.00
Concorde Maintenance Inc.	Unsecured	16,941.29	0.00	0.00
Koskenoja, Nina	Unsecured	10,000.00	0.00	0.00
Bishop & McKenzie LLP	Unsecured	329.98	329.98	0.00
Total Unsecured Creditors		16,209,578.08	329.98	16,182,306.81
Total Creditors		16,289,418.65	68,461.69	16,182,306.81

**Concrete Equities Inc.
Summary of Claims**

Claimant	Secured/Unsecured	Claims Filed	Claims Accepted	Claims in Dispute
Airways Business Plaza Limited	Secured	13,638,304.30	0.00	13,638,304.30
Glenmore Commerce Court Limited	Secured	13,638,304.30	0.00	13,638,304.30
Symcor-Otis Limited Partnership	Secured	13,638,304.30	0.00	13,638,304.30
Debenture Holders	Secured	5,915,000.00	0.00	5,915,000.00
Strategic Financial Corp	Secured	3,666,200.00	0.00	3,666,200.00
Blake Cassels & Graydon LLP	Secured	5,586.64	5,586.64	0.00
Pierson, Dallas	Secured	11,708.86	0.00	0.00
Total Secured		50,513,408.40	5,586.64	50,496,112.90
Arizona Golfo Investments	Unsecured	5,565,603.64	0.00	5,565,603.64
Aurora, Varun by Hardie & Kelly Inc.,	Unsecured	5,019,198.92	0.00	5,019,198.92
934608 Alberta Ltd	Unsecured	4,453,070.00	0.00	4,453,070.00
Humeniuk, David by Hardie & Kelly	Unsecured	4,453,069.89	0.00	4,453,069.89
Aurora, Dave	Unsecured	1,169,254.63	0.00	1,169,254.63
Sandhu, Darcy	Unsecured	1,127,226.00	0.00	1,127,226.00
Canadian Broadcasting Corporation	Unsecured	862,890.00	862,890.00	0.00
Sandhu, Darcy	Unsecured	566,129.00	0.00	566,129.00
587901 Alberta Ltd.	Unsecured	563,613.00	0.00	563,613.00
Rod Maruyama & Associates Inc.	Unsecured	511,550.00	0.00	0.00
550 Capital Corp.	Unsecured	364,476.71	16,000.00	348,476.71
Corridor Pacific Inc.	Unsecured	353,094.95	0.00	0.00
Blake Cassels & Graydon LLP	Unsecured	296,240.87	296,240.87	0.00
Maruyama & Associates, Robert	Unsecured	260,000.00	0.00	0.00
124790 Alberta Limited	Unsecured	150,983.00	150,983.00	0.00
CICT-C - Global Calgary a Div. of	Unsecured	91,120.91	91,120.91	0.00
597265 BC Ltd	Unsecured	50,000.00	0.00	0.00

Claimant	Secured/Unsecured	Claims Filed	Claims Accepted	Claims in Dispute
Calgary Flames LP	Unsecured	29,925.00	29,925.00	0.00
Concorde Maintenance Inc.	Unsecured	16,941.29	0.00	0.00
InstaLogic	Unsecured	10,219.52	10,219.52	0.00
Koskenoja, Nina	Unsecured	10,000.00	0.00	0.00
Telus Communications Company	Unsecured	8,869.44	8,869.44	0.00
Scott & Yip	Unsecured	5,282.57	5,282.57	0.00
Korylla Studios	Unsecured	5,040.00	5,040.00	0.00
Antonio Parrottino	Unsecured	4,000.00	4,000.00	0.00
PGA of Alberta Inc.	Unsecured	2,300.00	2,300.00	0.00
Anmar Management Inc.	Unsecured	2,019.15	2,019.15	0.00
Scott Hall LLP	Unsecured	1,922.76	1,922.76	0.00
Bishop & McKenzie LLP	Unsecured	1,902.00	1,902.00	0.00
Sunlife	Unsecured	867.57	867.57	0.00
Code Hunter LLP	Unsecured	664.83	664.83	0.00
Shaw Cablesystems G.P.	Unsecured	562.30	0.00	0.00
Delron Laser Products (Calgary) Ltd	Unsecured	199.40	199.40	0.00
Total Unsecured		25,958,237.35	1,490,447.02	23,265,641.79
Total Creditors		76,471,645.75	1,496,033.66	73,761,754.69

**Concrete Equities Executive Club Inc.
Summary of Claims**

Claimant	Secured/Unsecured	Claims Filed	Accepted Claims	Claims in Dispute
White, Mavis Valda	Secured	145,500.00	0.00	0.00
Pierson, Dallas	Secured	11,708.86	0.00	0.00
Total Secured Creditors		157,208.86	0.00	0.00
Aurora, Varun by Hardie & Kelly Inc., Trustee	Unsecured	5,019,198.92	0.00	5,019,198.92
934608 Alberta Ltd	Unsecured	4,453,070.00	0.00	4,453,070.00
Humeniuk, David by Hardie & Kelly Inc., Trustee	Unsecured	4,453,069.89	0.00	4,453,069.89
Sandhu, Darcy	Unsecured	1,127,226.00	0.00	1,127,226.00
Sandhu, Darcy	Unsecured	566,129.00	0.00	566,129.00
587901 Alberta Ltd.	Unsecured	563,613.00	0.00	563,613.00
Parrottino, Antonio	Unsecured	216,000.00	216,000.00	0.00
Corall, H.G. and S.	Unsecured	72,000.00	72,000.00	0.00
Pocock, C. Barry & Elizabeth	Unsecured	72,000.00	72,000.00	0.00
Zowtuk, Tina	Unsecured	72,000.00	72,000.00	0.00
Lemieux, Richard	Unsecured	72,000.00	72,000.00	0.00
Hostland, Kelly and Shelley	Unsecured	60,000.00	60,000.00	0.00
Peter Jandewerth and Michael Hansen	Unsecured	60,000.00	60,000.00	0.00
Concorde Maintenance Inc.	Unsecured	16,941.29	0.00	0.00
Koskenoja, Nina	Unsecured	10,000.00	0.00	0.00
White, Mavis Valda	Unsecured	145,500.00	145,500.00	0.00
Total Unsecured Creditors		16,978,748.10	769,500.00	16,182,306.81
Total Creditors		17,135,956.96	769,500.00	16,182,306.81

**1456775 Alberta Ltd.
Summary of Claims**

Claimant	Secured/Unsecured	Claims Filed	Accepted Claims	Claims in Dispute
Airways Business Plaza Limited Partnership	Secured	13,638,304.30	0.00	13,638,304.30
Glenmore Commerce Court Limited	Secured	13,638,304.30	0.00	13,638,304.30
Symcor-Otis Limited Partnership	Secured	13,638,304.30	0.00	13,638,304.30
Debenture Holders	Secured	5,915,000.00	0.00	5,915,000.00
Pierson, Dallas	Secured	11,708.86	0.00	0.00
Total Secured Creditors		46,841,621.76	0.00	46,829,912.90
Aurora, Varun by Hardie & Kelly Inc., 934608 Alberta Ltd	Unsecured	5,019,198.92	0.00	5,019,198.92
Humeniuk, David by Hardie & Kelly	Unsecured	4,453,070.00	0.00	4,453,070.00
Sandhu, Darcy	Unsecured	4,453,069.89	0.00	4,453,069.89
Sandhu, Darcy	Unsecured	1,127,226.00	0.00	1,127,226.00
587901 Alberta Ltd.	Unsecured	566,129.00	0.00	566,129.00
Concorde Maintenance Inc.	Unsecured	563,613.00	0.00	563,613.00
Koskenoja, Nina	Unsecured	16,941.29	0.00	0.00
		10,000.00	0.00	0.00
Total Unsecured Creditors		16,209,248.10	0.00	16,182,306.81
Total Creditors		63,050,869.86	0.00	63,012,219.71

APPENDIX B

El Golfo Charge

Date Cash	Principal	Interest	Total Payable
13-Aug-2009	\$ 750.00	\$ 48.99	\$ 798.99
13-Aug-2009	1,500.00	97.97	1,597.97
13-Aug-2009	1,500.00	97.97	1,597.97
13-Aug-2009	750.00	48.99	798.99
13-Aug-2009	750.00	48.99	798.99
13-Aug-2009	750.00	48.99	798.99
13-Aug-2009	6,000.00	391.89	6,391.89
13-Aug-2009	1,500.00	97.97	1,597.97
13-Aug-2009	1,500.00	97.97	1,597.97
13-Aug-2009	1,500.00	97.97	1,597.97
14-Aug-2009	750.00	48.82	798.82
14-Aug-2009	3,000.00	195.29	3,195.29
14-Aug-2009	750.00	48.82	798.82
14-Aug-2009	1,500.00	97.64	1,597.64
14-Aug-2009	750.00	48.82	798.82
14-Aug-2009	750.00	48.82	798.82
21-Aug-2009	3,000.00	190.68	3,190.68
09-Sep-2009	750.00	44.55	794.55
09-Sep-2009	750.00	44.55	794.55
30-Sep-2009	750.00	41.10	791.10
30-Sep-2009	750.00	41.10	791.10
\$ 30,000.00 \$ 1,927.89 \$ 31,927.89			

APPENDIX C

INTER-ENTITY LENDING MATRIX
ORIGINAL MATRIX INCLUDED IN RECEIVER'S THIRD REPORT DATED DECEMBER 2, 2009

Due From/Due To	DV/MR	SNC	Castleridge	CE Place	MEG Place	Glenmore Airways	Symcor Otis	El Golfo	Luna Morada/ Conchas/CPJ	Concrete Equities Inc.,	Concrete Place Properties	Concrete Executive Club	Urban Registered Corp.	Diversified	Total
DV/MR	(47,000)	47,000	173,675	(29,975)	-	(36,000)	18,275	123,315	123,315	100,511	-	-	-	-	394,801
SNC	(173,675)	(2,222,194)	2,222,194	(20,500)	78,789	(115,262)	162,400	24,975	41,621	(2,358,152)	-	-	(724,500)	-	(735,435)
Castleridge	29,975	20,500	(54,500)	54,500	69,253	24,200	55,000	268,502	-	1,029,100	-	15,000	2,000	-	(875,314)
CE Place	-	(78,789)	(69,253)	-	1,089,727	(184,500)	460,718	1,707,512	296,000	(275,498)	(23,000)	(12,000)	-	-	3,054,934
MEG Place	36,000	115,262	(24,200)	(1,089,727)	-	(18,394)	(403,320)	(60,985)	(264,400)	603,859	(1,748,436)	(100)	4,000	-	(4,864,776)
Glenmore Airways	(18,275)	(162,400)	(55,000)	184,500	1,361,642	(403,320)	403,320	(656,603)	(5,000)	397,440	(97,435)	(16,700)	35,000	-	1,814,826
Symcor Otis	(123,315)	(24,975)	(268,502)	(460,718)	18,394	(403,320)	(153,411)	153,411	(5,839,903)	(2,704,740)	(155,100)	(70,800)	-	486,000	(1,359,689)
El Golfo	2,000	(41,621)	(296,000)	(1,707,512)	40,995	5,000	14,000	5,839,903	306,726	(306,726)	(600,000)	-	25,000	-	(10,741,235)
Luna Morada/ Conchas/CPJ	(100,511)	2,358,152	(1,029,100)	275,498	(903,859)	(397,440)	766,981	2,704,740	600,000	-	(12,000)	-	640,500	-	4,805,956
Concrete Equities Inc.	-	-	-	23,000	1,749,436	97,435	155,100	670,380	-	12,000	-	-	-	-	3,307,386
Concrete Executive Club	-	-	(15,000)	12,000	-	100	167,000	70,800	-	-	-	-	25	-	4,805,956
Urban Registered Corp.	-	724,500	-	-	(4,000)	-	(35,000)	-	(25,000)	(840,500)	-	(15,000)	-	-	2,975
Diversified	-	-	-	-	-	-	-	(124,715)	-	-	(23)	-	-	-	(610,715)
Total	(384,801)	735,435	878,314	(3,054,934)	4,364,716	(1,914,826)	1,359,689	10,741,235	(4,905,956)	(4,905,687)	(3,307,386)	(89,600)	(6,975)	610,715	0

INTER-ENTITY LENDING MATRIX
UPDATED MAY 3, 2010

Due From/Due To	DV&MR	SNC	Castleridge	CE Place	MEG Place	Glenmore Airways	Symcor Otis	El Golfo	Luna Morada/ Conchas/CPJ	Concrete Equities Inc.,	Concrete Place Properties	Concrete Executive Club	Urban Registered Corp.	Diversified	Total
DV&MR	(47,000)	47,000	173,675	(29,975)	-	(36,000)	18,275	121,716	(2,000)	-	-	-	-	-	292,681
SNC	(173,675)	(1,170,894)	1,170,894	(20,500)	78,789	(115,262)	162,400	65,732	-	(1,328,032)	-	-	(722,500)	-	(635,288)
Castleridge	29,975	20,500	(54,500)	54,500	69,253	24,200	55,000	265,020	-	(275,498)	-	(12,000)	-	-	(955,049)
CE Place	-	(78,789)	(69,253)	-	1,089,727	(184,500)	460,718	1,977,529	-	(275,498)	(23,000)	(100)	-	-	1,939,224
MEG Place	36,000	115,262	(24,200)	(1,089,727)	-	(18,394)	(403,320)	(60,985)	(5,000)	(766,981)	(174,843)	(16,700)	35,000	-	(2,502,516)
Glenmore Airways	(18,275)	(162,400)	(55,000)	184,500	1,361,642	(403,320)	403,320	(656,603)	(5,000)	397,440	(97,435)	(16,700)	35,000	486,000	(1,359,689)
Symcor Otis	(121,716)	(24,975)	(268,502)	(460,718)	18,394	(403,320)	(153,411)	153,411	(5,839,903)	(2,704,740)	(155,100)	(70,800)	-	124,715	(11,406,905)
El Golfo	2,000	(41,621)	(296,000)	(1,707,512)	40,995	5,000	14,000	5,839,903	306,726	(306,726)	(600,000)	-	25,000	-	4,841,558
Luna Morada/ Conchas/CPJ	(100,511)	2,358,152	(1,029,100)	275,498	(903,859)	(397,440)	766,981	2,704,740	600,000	-	(12,000)	-	640,500	-	6,011,497
Concrete Equities Inc.	-	-	-	23,000	1,749,436	97,435	155,100	670,380	-	12,000	-	-	25	-	3,307,386
Concrete Executive Club	-	-	(15,000)	12,000	-	100	167,000	70,800	-	-	(25)	-	-	-	99,600
Urban Registered Corp.	-	722,500	-	-	(4,000)	-	(35,000)	-	(25,000)	(840,500)	-	(15,000)	-	-	6,975
Diversified	-	-	-	-	-	-	-	(124,715)	-	-	-	-	-	-	(610,715)
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	(282,691)	835,288	955,049	(1,939,224)	2,502,516	(1,371,233)	1,359,689	11,406,905	(4,841,558)	(6,011,497)	(3,307,386)	(89,600)	(6,975)	610,715	0

APPENDIX D

Allocation of professional fees incurred during these proceedings

Company	FMV of Total Assets	Initial Weights	Expected Allocation	Minimum Allocation	Adjusted Weights (with minimum allocation)	Amount that should have been paid	Actual Amount Paid	Recovery to Safeguard LP's	Revised Actual Amount Paid
Safeguard LP	9,279,975	9.48%	223,171	50,000	9%	216,647	237,958	21,311	216,647
Safeguard II LP	17,267,500	17.63%	415,260	50,000	18%	360,084	442,474	82,390	360,084
Safeguard III LP	19,844,569	20.27%	477,235	65,000	20%	421,362	475,916	54,554	421,362
Safeguard IV LP	26,054,500	26.61%	626,575	50,000	27%	517,878	668,855	150,977	517,878
Safeguard V LP	20,606,837	21.04%	495,566	50,000	21%	420,051	529,682	109,631	420,051
Safeguard VI LP	-	0.00%	-	-	0%	-	-	-	-
Safeguard VII LP	696,393	0.71%	16,747	50,000	1%	62,506	-	(62,506)	62,506
El Golfo	3,570,423	3.65%	85,864	200,000	4%	264,115	-	(264,115)	264,115
Luna Morada, Conchas Chinas, CPI	-	0.00%	-	-	0%	-	-	-	-
Concrete Equities Inc.	-	0.00%	-	-	0%	-	-	-	-
Concrete Place Properties	-	0.00%	-	-	0%	-	-	-	-
Concrete Executive Club	-	0.00%	-	-	0%	-	-	-	-
Urban Registered Corp.	32,037	0.03%	770	32,019	0%	32,019	-	(32,019)	32,019
Diversified	569,578	0.58%	13,698	50,000	1%	60,224	-	(60,224)	60,224
	-	0.00%	-	-	0%	-	-	-	-
Total	97,921,812	100%	2,354,885	597,019	100%	2,354,885	2,354,885	0	2,354,885

Notes:

1. Fair market value of assets includes the appraised value of the property in the respective entity and recoveries if any from inter-entity receivables. For El Golfo the fair market value of assets includes the estimated proceeds of \$1 million from the Mexican Condo. See Schedule 1.
2. Minimum allocation of \$50,000 (if the entity has sufficient funds to pay this amount) based on the Receiver's Charge authorized in the Initial Order.
3. El Golfo's minimum allocation is \$200,000 instead of \$50,000 because the Monitor assigned gross receivables from Luna/Conchas to El Golfo in partial settlement of certain pre-filing inter-entity debt, therefore El Golfo's allocation increased by Luna/Conchas minimum allocation. The additional \$150,000 relates to professional fees that were paid by the Safeguard LP's that related directly to El Golfo matters. These amounts were allocated directly to El Golfo and are not allocated pro-rata amongst all of the entities.
4. Safeguard III LP's minimum allocation is \$65,000 instead of \$50,000 because the Monitor reduced the receivable owed to Concrete Executive Club of \$15,000; therefore Safeguard III LP's allocation increased by Concrete Executive Club's minimum allocation.

"Schedule 1" Estimated Fair Market Value of Assets

	Safeguard LP	Safeguard II LP	Safeguard III LP	Safeguard IV LP	Safeguard V LP	Safeguard VII LP	El Golfo	Concrete Executive Club	Urban Registered Corp.	Diversified	Total
Fixed Assets	9,250,000	17,200,000	18,500,000	26,000,000	20,590,000	-	1,000,000	-	-	-	92,540,000
Inter-entity Receivables											
Safeguard LP						18,275	121,716				360,666
Safeguard II LP		47,000	173,675			162,400	65,732				1,453,526
Safeguard III LP			1,170,894	54,500		55,000	265,020				320,020
Safeguard IV LP	29,975	20,500				460,718	1,977,529				2,488,722
Safeguard V LP							-				-
Safeguard VI LP					16,839		-				16,839
Safeguard VII LP							140,439		32,040	444,905	617,384
El Golfo										124,715	124,715
Luna Morada, Conchas Chinas, CPI											-
Concrete Equities Inc.											-
Concrete Place Properties											-
Concrete Executive Club											-
Urban Registered Corp.											-
Diversified											-
Total FMV of Assets	9,279,975	17,267,500	19,844,569	26,054,500	20,606,839	696,393	3,570,436	-	32,040	569,620	97,921,872

APPENDIX E

Schedule of new units to be issued as part of the conversion of pre-filing inter-entity debt to equity

From		Fractional Units Issue						New Units issued	
To	DV&MR	SNC	Castleridge	CE Place	EI Golfo				
					</				

APPENDIX F

Safeguard LP

Shareholder unit analysis			Schedules	Notes
Fair market value of assets	(A)	9,301,286	Sch. 1	1
Less: Estimated claims @ April 30, 2010	(B)	5,034,237	Sch. 2	2
Less: Pre-filing intercompany payables	(C)	360,666	Sch. 3	
Estimate of fair market value of equity	(D) = (A) - (B) - (C)	3,906,383		
# of partnership units issued to current shareholders	(E)	213.0		3
Value per unit		18,340		
# of new units issued for pre-filing inter-entity settlement	(F) = ((C) * (E)) / (D)	19.7	Sch. 3	
Adjusted number of partnership units issued	(G) = (F) + (E)	232.7		
Value per unit	((C) + (D)) / (G)	18,340		
Existing shareholders adjusted % ownership	(E) / (G)	91.55%		
Dilution to existing shareholders after settlement of inter-entity claims	((G) - (E)) / (G)	8.45%		

*Note 1 - Appraised value of property based on Colliers International appraisal prepared as at July 1, 2009.
Includes inter-entity receivables and professional fee recoveries from other entities. - see schedule 1*

Note 2 - Receiver's best estimate of accepted claims as through the claims process. In addition, the estimated claims include the ILP DIP loan.

Note 3 - # of partnership units based on books & records of the L.P.

Schedule 1 -

Estimate of Fair Market Value of Assets	
Land and Buildings	9,250,000
Inter-entity Receivables	
CE Place	29,975
Recovery of professional fees	21,311
Total	9,301,286

Schedule 2 -

Estimate of Claims as at April 30, 2010	
Mortgages	4,342,241
Other secured creditors	297,500
Unsecured creditors	394,497
Total	5,034,237

Schedule 3 -

Pre-filing intercompany payables by project	Book value	Units distributed	FMV of shares
SNC	47,000	2.6	47,000
Castleridge	173,675	9.5	173,675
Symcor Otis	18,275	1.0	18,275
El Golfo	121,716	6.6	121,716
Total	360,666	19.7	360,666

Safeguard II LP

Shareholder unit analysis			Schedules	Notes
Fair market value of assets	(A)	17,349,890	Sch. 1	1
Less: Estimated claims @ April 30, 2010	(B)	10,351,083	Sch. 2	2
Less: Pre-filing intercompany payables	(C)	1,399,026	Sch. 3	
Estimate of fair market value of equity	(D) = (A) - (B) - (C)	5,599,781		
# of partnership units issued to current shareholders	(E)	245.0		3
Value per unit		22,856		
# of new units issued for pre-filing inter-entity settlement	(F) = ((C) * (E)) / (D)	61.2	Sch. 3	
Adjusted number of partnership units issued	(G) = (F) + (E)	306.2		
Value per unit	((C) + (D)) / (G)	22,856		
Existing shareholders adjusted % ownership	(E) / (G)	80.01%		
Dilution to existing shareholders after settlement of inter-entity claims	((G) - (E)) / (G)	19.99%		4

Note 1 - Appraised value of property based on Colliers International appraisal prepared as at July 1, 2009.
Includes inter-entity receivables and professional fee recoveries from other entities. - see schedule 1

Note 2 - Receiver's best estimate of accepted claims as through the claims process. In addition, the estimated claims include the ILP DIP loan and the Chiller DIP loan.

Note 3 - # of partnership units based on books & records of the L.P.

Note 4 - The above analysis does not include the conversion of the ILP DIP loan to equity.

Schedule 1 -

Estimate of Fair Market Value of Assets	Amount
Land and Buildings	17,200,000
Inter-entity Receivables	
DV&MR	47,000
CE Place	20,500
Recovery of professional fees	82,390
Total	17,349,890

Schedule 2 -

Estimate of Claims as at April 30, 2010	Amount
Mortgage	8,765,185
DIP Loans	728,333
Other secured creditors	433,503
Unsecured creditors	424,061
Total	10,351,083

Schedule 3 -

Pre-filing intercompany payables by project	Book value	Units distributed	FMV of shares
Castleridge	1,170,894	51.2	1,170,894
Symcor Otis	162,400	7.1	162,400
El Golfo	65,732	2.9	65,732
Total	1,399,026	61.2	1,399,026

Safeguard III LP

Shareholder unit analysis	Schedules		
Fair market value of assets	(A)	19,899,123	Sch. 1
Less: Estimated claims @ April 30, 2010	(B)	10,998,983	Sch. 2
Less: Pre-filing intercompany payables	(C)	374,520	
Estimate of fair market value of equity	(D) = (A) - (B) - (C)	8,525,620	
# of partnership units issued to current shareholders	(E)	272.0	
Value per unit		31,344	
# of new units issued for pre-filing inter-entity settlement	(F) = ((C) * (E)) / (D)	11.9	Sch. 3
Adjusted number of partnership units issued	(G) = (F) + (E)	283.9	
Value per unit	((C) + (D)) / (G)	31,344	
Existing shareholders adjusted % ownership	(E) / (G)	95.79%	
Dilution to existing shareholders after settlement of inter-entity claims	((G) - (E)) / (G)	4.21%	

*Note 1 - Appraised value of property based on Colliers International appraisal prepared as at July 1, 2009.
Includes inter-entity receivables and professional fee recoveries from other entities. - see schedule 1*

Note 2 - Receiver's best estimate of accepted claims as through the claims process. In addition, the estimated claims include the ILP DIP loan.

Note 3 - # of partnership units based on books & records of the L.P.

Note 4 - The above analysis does not include the conversion of the ILP DIP loan to equity.

Schedule 1 -

Estimate of Fair Market Value of Assets	Amount
Land and Buildings	18,500,000
Inter-entity Receivables	
DV&MR	173,675
SNC	1,170,894
Recovery of professional fees	54,554
Total	19,899,123

Schedule 2 -

Estimate of Claims as at April 30, 2010	Amount
Mortgage	9,961,577
DIP Loans	568,333
Other secured creditors	457,322
Unsecured creditors	11,752
Total	10,998,983

Schedule 3 -

Pre-filing intercompany payables by project	Book value	Units distributed	FMV of shares
CE Place	54,500	1.7	54,500
Symcor Otis	55,000	1.8	55,000
El Golfo	265,020	8.5	265,020
Total	374,520	11.9	374,520

Safeguard IV LP

Shareholder unit analysis			Schedules	Notes
Fair market value of assets	(A)	26,205,477	Sch. 1	1
Less: Estimated claims @ April 30, 2010	(B)	18,732,387	Sch. 2	2
Less: Pre-filing intercompany payables	(C)	2,488,722	Sch. 3	
Estimate of fair market value of equity	(D) = (A) - (B) - (C)	4,984,368		
# of partnership units issued to current shareholders	(E)	502.0		3
Value per unit		9,929		
# of new units issued for pre-filing inter-entity settlement	(F) = ((C) * (E)) / (D)	250.7	Sch. 3	
Adjusted number of partnership units issued	(G) = (F) + (E)	752.7		
Value per unit	((C) + (D)) / (G)	9,929		
Existing shareholders adjusted % ownership	(E) / (G)	66.70%		
Dilution to existing shareholders after settlement of inter-entity claims	((G) - (E)) / (G)	33.30%		4

Note 1 - Appraised value of property based on Colliers International appraisal prepared as at July 1, 2009.
Includes inter-entity receivables and professional fee recoveries from other entities. - see schedule 1

Note 2 - Receiver's best estimate of accepted claims as through the claims process. In addition, the estimated claims include the ILP DIP loan.

Note 3 - # of partnership units based on books & records of the L.P.

Note 4 - The above analysis does not include the conversion of the ILP DIP loan to equity.

Schedule 1 -

Estimate of Fair Market Value of Assets	Amount
Land and Buildings	26,000,000
Inter-entity Receivables	
Castleridge	54,500
Recovery of professional fees	150,977
Total	26,205,477

Schedule 2 -

Estimate of Claims as at April 30, 2010	Amount
Mortgage	17,656,002
DIP Loans	361,667
Other secured creditors	714,718
Total	18,732,387

Schedule 3 -

Pre-filing intercompany payables by project	Book value	Units distributed	FMV of shares
DV&MR	29,975	3.0	29,975
SNC	20,500	2.1	20,500
Symcor Otis	460,718	46.4	460,718
El Golfo	1,977,529	199.2	1,977,529
Total	2,488,722	250.7	2,488,722

Safeguard V LP

Shareholder unit analysis			Schedules	Notes
Fair market value of assets	(A)	20,716,459	Sch. 1	1
Less: Estimated claims @ April 30, 2010	(B)	13,788,249	Sch. 2	2
Less: Pre-filing intercompany payables	(C)	-		
Estimate of fair market value of equity	(D) = (A) - (B) - (C)	6,928,210		
# of partnership units issued to current shareholders	(E)	1669.0		3
Value per unit		4,151		
# of new units issued for pre-filing inter-entity settlement	(F) = ((C) * (E)) / (D)	0.0		
Adjusted number of partnership units issued	(G) = (F) + (E)	1669.0		
Value per unit	((C) + (D)) / (G)	4,151		
Existing shareholders adjusted % ownership	(E) / (G)	100.00%		
Dilution to existing shareholders after settlement of inter-entity claims	((G) - (E)) / (G)	0.00%		4

Note 1 - Appraised value of property based on Colliers International appraisal prepared as at July 1, 2009.
Includes inter-entity receivables and professional fee recoveries from other entities. - see schedule 1

Note 2 - Receiver's best estimate of accepted claims as through the claims process. In addition, the estimated claims include the ILP DIP loan.

Note 3 - # of partnership units based on books & records of the L.P.

Note 4 - The above analysis does not include the conversion of the ILP DIP loan to equity.

Schedule 1 -

Estimate of Fair Market Value of Assets	Amount
Land and Buildings	20,590,000
Inter-entity Receivables	
Symcor Otis	16,828
Recovery of professional fees	109,631
Total	20,716,459

Schedule 2 -

Estimate of Claims as at April 30, 2010	Amount
Mortgage	12,143,751
Other secured creditors	1,639,604
Unsecured creditors	4,894
Total	13,788,249

APPENDIX G

SETTLEMENT AGREEMENT

THIS AGREEMENT dated the 27th day of April, 2010.

BETWEEN:

ERNST & YOUNG INC., in its capacity as court appointed Interim Receiver and Receiver and Manager and Monitor (the "**Receiver**") of each of **SAFEGUARD REAL ESTATE FUND LIMITED PARTNERSHIP ("Safeguard I")** and its General Partner **WEALTHCRETE INVESTMENT CORPORATION**, **SAFEGUARD REAL ESTATE FUND II LIMITED PARTNERSHIP ("Safeguard II")** and its General Partner **CONCRETE ASSOCIATES INVESTMENT CORPORATION**, **SAFEGUARD REAL ESTATE FUND III LIMITED PARTNERSHIP ("Safeguard III")** and its General Partner **CONCRETE ASSOCIATES INVESTMENT II CORPORATION**, **SAFEGUARD REAL ESTATE FUND IV LIMITED PARTNERSHIP ("Safeguard IV")** and its General Partner **CONCRETE ASSOCIATES INVESTMENT III CORPORATION**, **SAFEGUARD REAL ESTATE FUND V LIMITED PARTNERSHIP ("Safeguard V")** and its General Partner **CONCRETE ASSOCIATES INVESTMENT IV CORPORATION**

OF THE FIRST PART

AND:

STRATEGIC FINANCIAL CORP.,
AIRWAYS BUSINESS LIMITED PARTNERSHIP and its General Partner
AIRWAYS BUSINESS PLAZA CAPITAL CORP.,
SYMCOR-OTIS LIMITED PARTNERSHIP and its General Partner
SYMCOR-OTIS CAPITAL CORP.,
GLENMORE COMMERCE COURT LIMITED PARTNERSHIP and its General Partner
GLENMORE COMMERCE COURT CAPITAL CORP.
(collectively, the "**Strategic Group**")

OF THE SECOND PART

WHEREAS:

- A. By Order of the Honourable Madam Justice B.E.C. Romaine of the Alberta Court of Queen's Bench ("**Justice Romaine**") issued in Alberta Court of Bench Action No. 0901-07666 on June 9, 2009, the Receiver was appointed as interim receiver over all of Safeguard I's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof.
- B. By Order of Justice Romaine issued in Alberta Court of Bench Action No. 0901-07667 on June 9, 2009, the Receiver was appointed as interim receiver over all of Safeguard II's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof.

- C. By Order of Justice Romaine issued in Alberta Court of Bench Action No. 0901-07668 on June 9, 2009, the Receiver was appointed as interim receiver over all of Safeguard III's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof.
- D. By Order of Justice Romaine issued in Alberta Court of Bench Action No. 0901-07669 on June 9, 2009, the Receiver was appointed as interim receiver over all of Safeguard IV's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof.
- E. By Order of Justice Romaine issued in Alberta Court of Bench Action No. 0901-07953 on June 9, 2009, the Receiver was appointed as interim receiver over all of Safeguard V's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof.

(The Orders described in the preceding paragraphs A through E above shall hereinafter be collectively referred to as the "**Bankruptcy Proposal Proceedings Receivership Orders**".)

- F. By Order of Justice Romaine issued in Alberta Court of Bench Action No. 0901-11048 (the "**CCAA Proceedings**") on July 29, 2009 (the "**Receivership Order**"), the Receiver was appointed as interim receiver and receiver and manager over all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of each of Safeguard I, Safeguard II, Safeguard III, Safeguard IV, Safeguard V (individually, a "**Safeguard LP**" and collectively, the "**Safeguard I-V LPs**") and their respective General Partners.
- G. The Receivership Order granted the Receiver a charge (the "**Receiver's Charge**") against property of the Safeguard I-V LPs and their respective General Partners with respect to the fees of the Receiver and the fees and disbursements of the Receiver's legal counsel. The Receiver's Charge grants the Receiver a first charge in the amount of \$50,000.00 and further provides that the balance after the first \$50,000.00, if any, shall rank subordinate to the security of the first mortgagee on the subject property but in priority to all other security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any other Person (as that term is defined in the Receivership Order).
- H. By Order of Justice Romaine issued on July 29, 2009, the Bankruptcy Proposal Proceedings Receivership Orders were restated, amended and consolidated with the Receivership Order granted in the CCAA Proceedings.
- I. By Order of Justice Romaine issued in the CCAA Proceedings on July 29, 2009 (the "**Initial CCAA Order**"): (i) the Safeguard I-V LPs and their respective General Partners were granted protection under the *Companies Creditors' Arrangement Act*, R.S.C. 1985 c. C-36 (the "**CCAA**"); (ii) the Safeguard I-V LPs and their respective General Partners were granted authority to file with the Court a plan of compromise or arrangement; and (iii) the Receiver was appointed as Monitor in the CCAA Proceedings.
- J. By Orders of Justice Romaine issued in the CCAA Proceedings on each of August 19, 2009, October 29, 2009, December 14, 2009 and February 26, 2010 (collectively, the

"CCAA Extension Orders") the protection granted under the CCAA pursuant to the Initial CCAA Order were extended such that such protection is presently set to expire at 12:00 Noon on April 30, 2010.

- K. By Order of Justice Romaine issued in the CCAA Proceedings on December 14, 2009 (the "**Amended and Restated Receivership Order**") the Receivership Order was amended and provided, *inter alia*, that the Receiver be empowered to borrow (the "**Receiver's Borrowings**") by way of a revolving credit or otherwise, such monies as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed:
- (a) in relation to Safeguard II and its General Partner, Concrete Associates Investment Corporation, the aggregate sum of \$450,000.00;
 - (b) in relation to Safeguard III and its General Partner, Concrete Associates Investment II Corporation, the aggregate sum of \$550,000.00;
 - (c) in relation to Safeguard IV and its General Partner, Concrete Associates Investment III Corporation, the aggregate sum of \$350,000.00; and
 - (d) in relation to each other Applicant (as such term is defined in the Amended and Restated Receivership Order, which includes Wealthcrete Investment Corporation, the General Partner of Safeguard I, and Concrete Associates Investment VI Corporation, the General Partner of Safeguard V) and related Limited Partnerships (as such term is defined in the Amended and Restated Receivership Order, which includes Safeguard I and Safeguard V), the aggregate sum of \$100,000.00 each.

The Amended and Restated Receivership Order further provided that the whole of the property of the respective Safeguard I-V LPs and their respective General Partners is charged by way of a fixed and specific charge with respect to the Receiver's Borrowings (the "**Receiver's Borrowing Charge**").

- L. By Order of Justice Romaine issued in the CCAA Proceedings on December 14, 2009 (the "**Claims Process Order**"):
- (a) every creditor of any of the respective Safeguard I-V LPs and their respective General Partners claiming to have a Pre-Filing Claim (as such term is defined in the Claims Process Order) against such entities must file a Proof of Claim (as such term is defined in the Claims Process Order) with the Receiver by no later than 5:00 p.m. (Mountain Time) on January 22, 2010 (the "**Claims Bar Date**");
 - (b) the Receiver is to review each Proof of Claim received by the Claims Bar Date and if such claim was revised or disallowed by the Receiver, the Receiver is to issue a Notice of Revision or Disallowance (as such term is defined in the Claims Process Order) to the creditor on or before 5:00 p.m. on February 3, 2010 (the "**Claims Disallowance Date**"); and

- (c) any creditor receiving a Notice of Revision or Disallowance who disputes same shall deliver a Notice of Dispute (as such term is defined in the Claims Process Order) to the Receiver by 5:00 p.m. (Mountain Time) on February 12, 2010 (the "**Notice of Dispute Date**") and thereafter file and serve on the Receiver a Notice of Motion in the CCAA Proceedings returnable within fifteen (15) days after it delivered a Notice of Dispute for determination of the disputed claim.
- M. The Strategic Group, in accordance with the terms of the Claims Process Order, filed Proof of Claims with the Receiver by the Claims Bar Date against each of the respective Safeguard I-V LPs and their respective General Partners (collectively, the "**Initial Strategic Group Claims**") as follows:
 - (a) Strategic Financial Corp. claimed to have secured claims, jointly and severally, against each of: (i) Safeguard I and its General Partner, Wealthcrete Investment Corporation; (ii) Safeguard II and its General Partner, Concrete Associates Investment Corporation; (iii) Safeguard III and its General Partner, Concrete Associates Investment II Corporation; and (iv) Safeguard IV and its General Partner, Concrete Associates Investment III Corporation; in the amount of \$3,666,200.00;
 - (b) Strategic Financial Corp. claimed to have secured claims as against Safeguard V and its General Partner, Concrete Associates Investment IV Corporation, in the amount of \$753,059.25;
 - (c) Each of Airways Business Plaza Limited Partnership, through its General Partner, Airways Business Plaza Capital Corp. (collectively, "**Airways Business Plaza**"), Symcor-Otis Limited Partnership, through its General Partner, Symcor-Otis Capital Corp. (collectively, "**Symcor-Otis**"), and Glenmore Commerce Court Limited Partnership, through its General Partner, Glenmore Commerce Court Capital Corp. (collectively, "**Glenmore Commerce**") claimed to have secured claims, jointly and severally, against each of: (i) Safeguard I and its General Partner, Wealthcrete Investment Corporation; (ii) Safeguard II and its General Partner, Concrete Associates Investment Corporation; (iii) Safeguard III and its General Partner, Concrete Associates Investment II Corporation; and (iv) Safeguard IV and its General Partner, Concrete Associates Investment III Corporation; in the amount of \$17,304,504.30; and
 - (d) Each of Airways Business, Symcor-Otis and Glenmore Commerce claimed to have secured claims as against Safeguard V and its General Partner, Concrete Associates IV Investment Corporation, in the amount of \$14,391,363.55.
- N. The Receiver, in accordance with the Claims Process Order, reviewed the Initial Strategic Group Claims and issued Notices of Revision or Disallowance (the "**Notices of Disallowance**") with respect to the Initial Strategic Group Claims by the Claims Disallowance Date. The Notices of Disallowance:
 - (a) Disallowed the claims of Strategic Financial Corp. in their entirety;

- (b) Disallowed the claims of Airways Business Plaza, Symcor-Otis and Glenmore Commerce against the Safeguard I-V LPs in their entirety; and
 - (c) Revised the claims of Airways Business Plaza, Symcor-Otis and Glenmore Commerce as against each of Wealthcrete Investment Corporation, Concrete Associates Investment Corporation, Concrete Associates Investment II Corporation, Concrete Associates Investment III Corporation and Concrete Associates Investment IV Corporation (collectively, the **"Concrete GPs"**) to secured claims of \$2,563,007.77 and limited the security to receivables owing to the Concrete GPs by the Safeguard I-V LPs.
- O. The Strategic Group, in accordance with the Claims Process Order, delivered to the Receiver by the Notice of Dispute Date, Notices of Dispute (the **"Notices of Dispute"**) with respect to the Notices of Disallowance. The Notices of Dispute set out the terms of the revised claims of the Strategic Group (collectively, the **"Revised Strategic Group Claims"**) as follows:
- (a) Acknowledged that the claims of Strategic Financial Corp. are not joint and several.
 - (b) Disputed the Notice of Disallowance regarding the claims of the Strategic Financial Corp. as against the Safeguard I-V LPs and their respective General Partners such that Strategic Financial Corp. claimed to have:
 - (i) secured claims in the amount of \$395,806.64 against Safeguard I and its General Partner, Wealthcrete Investment Corporation;
 - (ii) secured claims in the amount of \$655,886.46 against Safeguard II and its General Partner, Concrete Associates Investment Corporation;
 - (iii) secured claims in the amount of \$702,546.54 against Safeguard III and its General Partner, Concrete Associates Investment II Corporation;
 - (iv) secured claims in the amount of \$1,105,494.82 against Safeguard IV and its General Partner, Concrete Associates Investment III Corporation; and
 - (v) secured claims in the amount of \$809,485.40 against Safeguard V and its General Partner, Concrete Associates Investment VI Corporation.
 - (c) Disputed the Notice of Disallowance regarding the claims of Airways Business Plaza, Symcor-Otis and Glenmore Commerce as against the Safeguard I-V LPs such that Airways Business Plaza, Symcor-Otis and Glenmore Commerce claimed to have:
 - (i) secured claims in the amount of \$395,806.64 against Safeguard I;
 - (ii) secured claims in the amount of \$655,886.46 against Safeguard II;

- (iii) secured claims in the amount of \$702,546.54 against Safeguard III;
 - (iv) secured claims in the amount of \$1,105,494.82 against Safeguard IV; and
 - (v) secured claims in the amount of \$809,485.40 against Safeguard V.
- (d) Disputed the Notice of Disallowance regarding the claims of Airways Business Plaza, Symcor-Otis and Glenmore Commerce as against the Concrete GPs such that Airways Business Plaza, Symcor-Otis and Glenmore Commerce claimed to have:
- (i) secured claims in the amount of \$14,034,110.94 against Wealthcrete Investment Corporation;
 - (ii) secured claims in the amount of \$14,294,190.76 against Concrete Associates Investment Corporation;
 - (iii) secured claims in the amount of \$14,430,850.84 against Concrete Associates Investment II Corporation;
 - (iv) secured claims in the amount of \$14,743,799.12 against Concrete Associates Investment III Corporation; and
 - (v) secured claims in the amount of \$14,447,789.70 against Concrete Associates Investment IV Corporation.
- P. The Strategic Group, in accordance with the Claims Process Order, filed and served a Notice of Motion in the CCAA Proceedings on the Receiver returnable on February 26, 2010 for a determination of the Revised Strategic Group Claims (the “**Dispute Application**”).
- Q. The Dispute Application was adjourned *sine die* on February 26, 2010.
- R. By Order of Justice Romaine issued in the CCAA Proceedings on April 12, 2010:
- (a) the Receiver was authorized and empowered to borrow from The Standard Life Assurance Company of Canada (“**Standard Life**”) up to a maximum of \$315,000 (the “**Chiller DIP Loan**”) to fund the purchase and installation of a new chiller unit on the SNC Lavalin building municipally described as 909 – 5th Avenue S.W., Calgary, Alberta;
 - (b) as security for the Chiller Loan, Standard Life was granted a security interest in all of the present and future movable and immovable property, corporeal and incorporeal assets and all proceeds derived directly or indirectly therefrom of Concrete Associates Investment Corporation as General Partner of Safeguard II (the “**Chiller DIP Financing Charge**”); and

- (c) the Chiller DIP Financing was granted priority to all interests, charges and encumbrances in favour of all other creditors of Safeguard II and its General Partner Concrete Associates Investment Corporation.
- S. The Receiver and the Strategic Group have agreed to settle those portions of the Initial Strategic Group Claims and the Revised Strategic Group Claims as they relate to claims against the Safeguard I-V LPs and their respective General Partners (hereinafter collectively referred to as the "**Strategic Group Claims**") upon certain terms and conditions more particularly described in this Settlement Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT, in consideration of the mutual covenants and obligations herein contained, and other good and valuable consideration, the receipt and sufficiency of each of which is hereby acknowledged by each of the parties, the parties hereto agree as follows:

ARTICLE 1 ACKNOWLEDGEMENTS

1.1 RECITALS

Each of the parties hereto acknowledge and agree that each of the recital paragraphs A. to S. to this Settlement Agreement are accurate and complete and form an integral part of this Settlement Agreement.

ARTICLE 2 SETTLEMENT

2.1 SETTLED AMOUNT OF STRATEGIC GROUP CLAIMS

Each of the parties hereto acknowledge and agree that: (i) the principal owing on the Strategic Group Claims are hereby quantified in the following agreed upon amounts; and (ii) the the claims of the various entities comprising the Strategic Group shall collectively be accepted against the entities stated below in the following agreed upon principal amounts (collectively, the "**Settled Strategic Group Claims Principal**"):

- (a) \$299,731.47 as against Safeguard I and its General Partner Wealthcrete Investment Corporation;
- (b) \$436,753.76 as against Safeguard II and its General Partner Concrete Associates Investment Corporation;
- (c) \$460,751.61 as against Safeguard III and its General Partner Concrete Associates Investment II Corporation;
- (d) \$670,207.73 as against Safeguard IV and its General Partner Concrete Associates Investment III Corporation; and

- (e) \$516,220.76 as against Safeguard V and its General Partner Concrete Associates Investment IV Corporation.

2.2 DATE OF QUANTIFICATION OF SETTLED STRATEGIC GROUP CLAIMS

The Settled Strategic Group Claims Principal is quantified as of the date of July 1, 2010.

2.3 INTEREST RATE ON SETTLED STRATEGIC GROUP CLAIMS

Interest on the Settled Strategic Group Claims Principal shall be payable at a rate of 9% per annum calculated and compounded monthly on the last day of each month until the date of payment in full.

2.4 WITHDRAWAL OF DISPUTE APPLICATION

The Strategic Group hereby acknowledges and agrees that the Dispute Application as it specifically relates to the Strategic Group Claims is hereby withdrawn.

ARTICLE 3 REPAYMENT OF SETTLED STRATEGIC GROUP CLAIMS

3.1 PAYMENT OF SETTLED STRATEGIC GROUP CLAIMS PRINCIPAL

The Settled Strategic Group Claims Principal shall be repayable as follows:

- (a) With respect to the \$299,731.42 sum payable by Safeguard I and its General Partner Wealthcrete Investment Corporation, such sum shall not be payable until such time as the primary assets of Safeguard I consisting of: (i) a property municipally described as 13750 Bow Bottom Trail S.E., Calgary, Alberta (“**Deer Valley Station**”); and (ii) a property municipally described as 15 Millrise Boulevard S.W., Calgary, Alberta (“**Millrise Plaza**”), are sold.
- (b) With respect to the \$436,753.76 sum payable by Safeguard II and its General Partner Concrete Associates Investment Corporation, such sum shall not be payable until such time as the primary asset of Safeguard II consisting of a property municipally described as 909 – 5 Avenue S.W., Calgary, Alberta (the “**SNC Lavalin Building**”) is sold.
- (c) With respect to the \$460,751.61 sum payable by Safeguard III and its General Partner Concrete Associates Investment II Corporation, such sum shall not be payable until such time as the primary asset of Safeguard III consisting of a property municipally described as 55 Castleridge Boulevard N.E., Calgary, Alberta (“**Castleridge**”) is sold.
- (d) With respect to the \$670,207.73 sum payable by Safeguard IV and its General Partner Concrete Associates Investment III Corporation, such sum shall not be payable until such time as the primary asset of Safeguard IV consisting of a

property municipally described as 396 – 11 Avenue S.W., Calgary, Alberta (“**Concrete Equities Place**”) is sold.

- (e) With respect to the \$516,220.76 sum payable by Safeguard V and its General Partner Concrete Associates Investment IV Corporation, such sum shall not be payable until such time as the primary asset of Safeguard V consisting of a property municipally described as 1001 - 1 Street S.E., Calgary, Alberta (“**MEG Place**”) is sold.

3.2 PAYMENT OF INTEREST

Interest on the Settled Strategic Group Claims Principal shall be payable in monthly instalments and shall be payable on the first day of each month commencing August 1, 2010 and shall be payable in the following amounts as follows (collectively, the “**Settled Strategic Group Claims Interest Payments**”):

- (a) With respect to the interest payable by Safeguard I and its General Partner Wealthcrete Investment Corporation, the monthly interest payment shall be \$2,247.99.
- (b) With respect to the interest payable by Safeguard II and its General Partner Concrete Associates Investment Corporation, the monthly interest payment shall be \$3,275.65.
- (c) With respect to the interest payable by Safeguard III and its General Partner Concrete Associates Investment II Corporation, the monthly interest payment shall be \$3,455.64.
- (d) With respect to the interest payable by Safeguard IV and its General Partner Concrete Associates Investment III Corporation, the monthly interest payment shall be \$5,026.56.
- (e) With respect to the interest payable by Safeguard V and its General Partner Concrete Associates Investment IV Corporation, the monthly interest payment shall be \$3,871.66.

3.3 EARLY REPAYMENT OPTION

Each of the Safeguard I-V LPs and their respective General Partner shall have the option of repaying its respective share of the Settled Strategic Group Claims Principal, without penalty or bonus, prior to sale of that particular Safeguard LP’s primary asset, provided however that the Strategic Group has received a minimum of six (6) months of Settled Strategic Group Claims Interest Payments from that particular Safeguard LP and its respective General Partner.

ARTICLE 4 SECURITY

4.1 SECURITY FOR REPAYMENT OF THE SETTLED STRATEGIC GROUP CLAIMS PRINCIPAL AND INTEREST

To secure repayment of the Settled Strategic Group Claims Principal and the Settled Strategic Group Claims Interest Payments, the Receiver shall seek an Order of the Alberta Court of Queen's Bench in the CCAA Proceedings (the "**Strategic Group Security Court Order**") granting the Strategic Group a fixed security interest charge (collectively, the "**Strategic Group Security**");

- (a) Against title to each of Deer Valley Station and Millrise Plaza with respect to the \$299,731.42 portion of the Settled Strategic Group Claims Principal and the \$2,247.99 monthly portion of the Settled Strategic Group Claims Interest Payments payable by Safeguard I and its General Partner Wealthcrete Investment Corporation.
- (b) Against title to the SNC Lavalin Building with respect to the \$436,753.76 portion of the Settled Strategic Group Claims Principal and the \$3,275.65 monthly portion of the Settled Strategic Group Claims Interest Payments payable by Safeguard II and its General Partner Concrete Associates Investment Corporation.
- (c) Against title to Castleridge with respect to the \$460,751.61 portion of the Settled Strategic Group Claims Principal and the \$3,455.64 monthly portion of the Settled Strategic Group Claims Interest Payments payable by Safeguard III and its General Partner Concrete Associates Investment II Corporation.
- (d) Against title to Concrete Equities Place with respect to the \$670,207.73 portion of the Settled Strategic Group Claims Principal and the \$5,026.56 monthly portion of the Settled Strategic Group Claims Interest Payments payable by Safeguard IV and its General Partner Concrete Associates Investment III Corporation.
- (e) Against title to MEG Place with respect to the \$516,220.76 portion of the Settled Strategic Group Claims Principal and the \$3,781.66 monthly portion of the Settled Strategic Group Claims Interest Payments payable by Safeguard V and its General Partner Concrete Associates Investment IV Corporation.

4.2 POSITION OF STRATEGIC GROUP SECURITY

The Strategic Group Security shall rank in priority to all other claimants with the exception of the following (collectively, the "**Present Charges**");

- (a) Any existing mortgages registered as at April 27, 2010 against title to Deer Valley Station, Millrise Plaza, the SNC Lavalin Building, Castleridge, Concrete Equities Place and MEG Place (collectively, the "**Real Property**");
- (b) The Chiller DIP Financing Charge;

- (c) The Receiver's Charge; and
- (d) The Receiver's Borrowing Charge.

The Strategic Group Security shall be postponed to the Present Charges and to any replacement security totalling no more than the Present Charges.

4.3 LIMITATIONS OF THE STRATEGIC GROUP SECURITY

The Strategic Group Security will entitle the Strategic Group to receive payment of the particular Safeguard LPs and its respective General Partner's share of the Settled Strategic Group Claims Principal upon the sale of that particular Safeguard LP's Real Property. Should an Event of Default (as defined below) occur, the Strategic Group Security shall not entitle any entity comprising the Strategic Group to foreclose on any of Deer Valley Station, Millrise Plaza, the SNC Lavalin Building, Castleridge, Concrete Equities Place or MEG Place. Should an Event of Default occur, the Strategic Group Security shall however be entitled to commence legal proceedings against the Safeguard LP and its respective General Partner that has committed the Event of Default.

4.4 CONDITION PRECEDENT OF THE STRATEGIC GROUP COURT ORDER

It is a condition precedent of the settlements contemplated by this Settlement Agreement that:

- (a) the Strategic Security Court Order be obtained on or before June 11, 2010 (the "**Condition Precedent Fulfilment Date**"), which date may be extended by agreement in writing by the parties hereto. The Strategic Security Court Order will include express approval of the terms of this Settlement Agreement; and
- (b) that the Receiver obtain an Order sanctioning a plan of compromise or arrangement with respect to the Safeguard I-V LPs in the CCAA Proceedings (the "**Plan Sanctioning Order**") on or before the Condition Precedent Fulfilment Date.

In the event either the Strategic Security Court Order or the Plan Sanctioning Order is not obtained by the Condition Precedent Fulfilment Date, this Settlement Agreement shall be null and void.

ARTICLE 5 DEFAULT

5.1 EVENT OF DEFAULT

Should:

- (a) a Safeguard LP and its respective General Partner fail to make a Settled Strategic Group Claims Interest Payment on the date required in accordance with section 3.2 hereof (an "Interest Payment Default"); and

(b) should such Interest Payment Default not be remedied within sixty (60) days;

such event shall be considered an event of default (“**Event of Default**”) hereunder and shall entitle the Strategic Group to exercise such remedies as are available to it pursuant to section 4.3 hereunder.

5.2 REPLACEMENT OF GENERAL PARTNER

The Receiver shall be at liberty to replace any of the Concrete GPs as General Partner of any of the Safeguard I-V LPs with a new entity to act as General Partner and such replacement shall not constitute an Event of Default hereunder.

ARTICLE 6 RELEASE & DISCHARGE

6.1 RELEASE BY STRATEGIC GROUP

Payment of the Settled Strategic Group Claims Principal and Settled Strategic Group Claims Interest Payments in accordance with the terms of this Settlement Agreement represents full and final settlement of all claims of the Strategic Group against each of the Safeguard I-V LPs and their respective General Partners. Upon receipt of payment of a respective Safeguard LPs and its respective General Partner share of the Settled Strategic Group Claims Principal and Settled Strategic Group Claims Interest Payments in accordance with the terms of this Settlement Agreement, each entity comprising the Strategic Group, together with its employees, servants, agents, directors, officers, members, administrators, predecessors, successors, affiliates, heirs, beneficiaries, assigns and executors, hereby acknowledges and agrees to release and forever discharge that particular Safeguard LP and its respective General Partner from any and all manner of actions, cause and causes of action, contracts (whether expressed or implied), claims, demands, damages, loss, injury, suits, debts, sums of money, indemnity, expenses, interest, costs and claims of any kind and every kind and nature whatsoever, at law or in equity or statutory, which it ever had or now have or which they can, shall or may hereafter have by reason of any cause, matter or thing AND (without limiting the generality of the foregoing) in particular with respect to: (i) the Strategic Group Claims; (ii) the Settled Strategic Group Claims Principal and Settled Strategic Group Claims Interest Payments; and (iii) any claims any entity comprising the Strategic Group may have or acquire through the bankruptcies of Varun Aurora and Dave Humeniuk, or through Vincenzo De Palma or through any future bankruptcy of Vincenzo De Palma against a particular Safeguard LP and its respective General Partner (collectively, the “**Release**”). The Release shall not apply to any claims that the Strategic Group has against Safeguard Real Estate Fund VI Limited Partnership and its General Partner Concrete Associates Investment V Corporation, Safeguard Real Estate Fund VII Limited Partnership and its General Partner Concrete Associates Investment VI Corporation, nor to any claim that 550 Capital Corp., an entity affiliated with the Strategic Group, may have against any of the Safeguard I-V LPs and their respective General Partners.

6.2 DISCHARGE OF STRATEGIC GROUP SECURITY

Upon receipt of payment of a Safeguard LPs’ and its respective General Partner’s share of the Settled Strategic Group Claims Principal and Settled Strategic Group Claims Interest Payments

in accordance with the terms of this Settlement Agreement, the Strategic Group shall discharge the Strategic Group Security registered against title of that particular Safeguard LP's Real Property.

ARTICLE 7 MISCELLANEOUS

7.1 ENTIRE AGREEMENT

Each of Receiver and the Strategic Group expressly agrees that this Settlement Agreement, as written, represents the entire agreement between the parties hereto and this Settlement Agreement may not be altered, added to or varied without the express written authorization of each of the parties hereto. Each of the Receiver and the Strategic Group further acknowledge that neither the Receiver nor any entity comprising the Strategic Group has made or relied upon other representations, inducements, statements, conditions, terms or warranties (neither written nor oral nor expressed nor implied) except as expressly set out in writing in this Settlement Agreement.

7.2 ENUREMENT

This Settlement Agreement shall enure to the benefit of and be binding upon the parties and their respective heirs, executors, administrators, successors and assigns.

7.3 GOVERNING LAW

This Settlement Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein. Each of the parties hereby attorns to the non-exclusive jurisdiction of the Courts of Alberta.

7.4 INVALIDITY OF PROVISIONS

If any one or more of the provisions contained in this Settlement Agreement should be determined to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

7.5 TIME OF THE ESSENCE

The parties agree that time shall be of the essence of this Settlement Agreement in all respects.

7.6 FURTHER ASSURANCES

The parties hereby agree that they will execute such further documents, deeds, assurances, including any amendments to all or any of the Strategic Group Security, and that they will do all such acts as may be reasonably required to fully implement the intent of this Settlement Agreement.

7.7 WAIVER

No condoning, excusing or waiver by any party of any default, breach or non-observance by another party at any time or times with respect to any covenants or provisos contained in this Settlement Agreement shall constitute a waiver by that party of its rights to act upon such or further default, breach or non-observance.

7.8 COUNTERPART EXECUTION

This Settlement Agreement may be executed in two or more counterparts, and may be signed by facsimile or other means of electronic communication producing a printed copy, each of which so signed shall be deemed to be an original, and such counterparts together shall constitute one and the same instrument and, notwithstanding the date of execution, shall be deemed to bear the date first written above.

Balance of page intentionally left blank. Execution pages to follow.

IN WITNESS WHEREOF the parties have executed this Settlement Agreement effective as of the date first above written.

ERNST & YOUNG INC., in its capacity as court appointed Interim Receiver and Receiver and Manager and Monitor of each of:

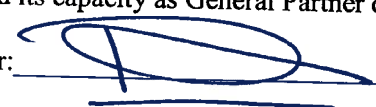
SAFEGUARD REAL ESTATE FUND LIMITED PARTNERSHIP
and its General Partner **WEALTHCRETE INVESTMENT CORPORATION**,
SAFEGUARD REAL ESTATE FUND II LIMITED PARTNERSHIP
and its General Partner **CONCRETE ASSOCIATES INVESTMENT CORPORATION**,
SAFEGUARD REAL ESTATE FUND III LIMITED PARTNERSHIP
and its General Partner **CONCRETE ASSOCIATES INVESTMENT II CORPORATION**,
SAFEGUARD REAL ESTATE FUND IV LIMITED PARTNERSHIP
and its General Partner **CONCRETE ASSOCIATES INVESTMENT III CORPORATION**,
and **SAFEGUARD REAL ESTATE FUND V LIMITED PARTNERSHIP**
and its General Partner **CONCRETE ASSOCIATES INVESTMENT IV CORPORATION**

Per: 

STRATEGIC FINANCIAL CORP.

Per: 

AIRWAYS BUSINESS PLAZA CAPITAL CORP. in its own corporate capacity
and its capacity as General Partner of **AIRWAYS BUSINESS LIMITED PARTNERSHIP**

Per: 

SYMCOR-OTIS CAPITAL CORP. in its own corporate capacity
and its capacity as General Partner of **SYMCOR-OTIS LIMITED PARTNERSHIP**

Per: 

GLENMORE COMMERCE COURT CAPITAL CORP. in its own corporate capacity and its capacity as General Partner of **GLENMORE COMMERCE COURT LIMITED PARTNERSHIP**

Per: 

APPENDIX H

Wealthcrete Investment Corporation
Safeguard Real Estate Investment Fund Limited Partnership
Estimate of Forced Liquidation Value

	Notes	Book Value @ March 31 10	Low	High
Assets				
Cash on Hand	1	141,450	141,450	141,450
Change in Cash	2		(108,000)	(56,000)
Accounts Receivable	3	25,771	7,747	10,975
Inter-entity Receivables	4	29,975	-	1,880
Fixed Assets				
Deer Valley Station	5	5,000,000	3,325,000	4,037,500
Millrise Plaza	5	4,000,000	3,150,000	3,825,000
Total Assets		9,197,196	6,516,197	7,960,805
Less:				
Liquidation Costs	6		323,750	393,125
Proceeds Available for Distribution			6,192,447	7,567,680
Mortgage Claims and Priority Charges	See schedule 1		5,092,241	4,892,241
Proceeds Available for Other Secured Creditors			1,100,206	2,675,439
Other Secured Creditors	See schedule 1		840,991	285,964
Percentage Recovery			100%	100%
Proceeds Available for Unsecured Creditors			259,216	2,389,475
Unsecured Creditors	See schedule 1		755,163	572,924
Percentage Recovery			34%	100%
Proceeds Available for ILPs			-	1,816,551

Wealthcore Investment Corporation
Safeguard Real Estate Investment Fund Limited Partnership
Schedule 1 to Estimate of Forced Liquidation Value

Creditors	Amount Claimed	Claims Accepted	Claims in Dispute	Claims that in the Monitor's view will not be accepted/proven	Monitor's Assessment of Claims that would be accepted/ proven		Notes
					High Scenario	Low Scenario	
Mortgages and Priority Charges							
Computershare Trust Company of Canada	2,310,886.06	2,310,886.06	0.00		2,310,886.06	2,310,886.06	
Computershare Trust Company of Canada	2,031,354.45	2,031,354.45	0.00		2,031,354.45	2,031,354.45	
Computershare Trust Company of Canada					550,000.00	750,000.00	1
Total Mortgages and Priority Charges	4,342,240.51	4,342,240.51	0.00	0.00	4,892,240.51	5,092,240.51	
Other Secured Creditors							
Strategic Financial Corp	3,666,200.00				285,963.60	840,990.89	2
Total Other Secured Creditors	3,666,200.00	0.00	0.00	0.00	285,963.60	840,990.89	
Unsecured Creditors							
Airways Business Plaza Limited Partnership	17,304,504.30	0.00	17,304,504.30	17,304,504.30	0.00	0.00	2
Glenmore Commerce Court Limited	17,304,504.30	0.00	17,304,504.30	17,304,504.30	0.00	0.00	2
Symcor-Otis Limited Partnership	17,304,504.30	0.00	17,304,504.30	17,304,504.30	0.00	0.00	2
Aurora, Varun by Hardie & Kelly Inc., Trustee	5,019,198.92	0.00	5,019,198.92	5,019,198.92	0.00	0.00	
934608 Alberta Ltd	4,453,070.00	0.00	4,453,070.00	4,453,070.00	0.00	0.00	
Humeniuk, David by Hardie & Kelly Inc.,	4,453,069.89	0.00	4,453,069.89	4,453,069.89	0.00	0.00	
Aurora, Dave	1,169,254.63	0.00	1,169,254.63	1,169,254.63	0.00	0.00	
Sandhu, Darcy	1,127,226.00	0.00	1,127,226.00	1,127,226.00	0.00	0.00	
Sandhu, Darcy	566,123.00	0.00	566,129.00	566,129.00	0.00	0.00	
587901 Alberta Ltd,	563,613.00	0.00	563,613.00	563,613.00	0.00	0.00	
550 Capital Corp,	364,476.71	0.00	364,476.71	364,476.71	182,238.36	364,476.71	
Asian Village	28,098.00	0.00	0.00	0.00	28,098.00	28,098.00	
Arbor Care Tree Service Ltd,	1,397.63	1,397.63	0.00	0.00	1,397.63	1,397.63	
Kival Electric Ltd,	381.94	381.94	0.00	0.00	381.94	381.94	
Direct Energy Regulated Services	142.45	142.45	0.00	0.00	142.45	142.45	
Inter-entity payables					360,666.00	360,666.00	
Total Unsecured Creditors	69,659,571.07	30,020.02	69,629,551.05	69,265,074.34	572,924.38	755,162.73	

Notes:

- These amounts represent the estimated prepayment penalties in accordance with the mortgage agreements, which are triggered as a result of the payout of the mortgages prior to their maturity.
- These amounts are based on the Monitor's estimate of Strategic's claim against Wealthcore and/or Safeguard LP. The Monitor negotiated a settlement agreement with Strategic one of the conditions to the settlement agreement is a Court Order sanctioning the Plans. In the event the Plans are not sanctioned the settlement is void and Strategic's claim would be approximately \$3.6 million in total. In the high scenario each of the Safeguard LP's has sufficient net proceeds to pay its portion of the Strategic claim. In the low scenario Safeguard IV LP and Safeguard V LP do not have sufficient net proceeds and the shortfall is reallocated to the remaining Safeguard LP's on a pro-rata basis such that Strategic's claim is paid out in full before there are any proceeds available to unsecured creditors.

Wealthcrete Investment Corporation ("Wealthcrete"), Safeguard Real Estate Investment Fund Limited Partnership ("Safeguard")

Notes and Assumptions to Estimate of Forced Liquidation Analysis

1. Cash on hand represents the cash in Kennington Properties and Ernst & Young Inc. in its capacity as Receiver bank accounts as at March 31, 2010.
2. Change in cash from April 1, 2010 to June 11, 2010 (anticipated CCAA exit date) represents net operating income less mortgage payments, restructuring costs and other non-recoverable expenses. The mortgage claims were not reduced by the principal payments from April to June (these amounts are not considered material to this analysis).
3. Accounts Receivable figures are based on the book value as at March 31, 2010. The majority of the receivables are over 90 days and therefore they are likely uncollectible. The high and low estimated recovery is based on 60% and 85% of the receivable aged less than 90 days.
4. Inter-entity receivable recoveries are based on the liquidation values for unsecured claims in the high and low scenarios.
5. Fixed asset recoveries are based on fair market value appraisals provided by Colliers International, dated July, 2009. The high analysis estimates the recovery will be 85% of the appraised value in a forced liquidation. The low analysis estimates the recovery will be 70% of the appraised value in a forced liquidation. In the Monitor's view if a forced liquidation of the properties was undertaken the recovery would be substantially lower than the appraisals provided by Colliers International in July 2009.
6. Liquidation costs are estimated at 5%. The liquidation costs include commission on the sale of the fixed assets and an estimate of the Receiver's costs to complete the process of liquidating these assets.

Concrete Associates Investment Corporation
Safeguard Real Estate Investment Fund II Limited Partnership
Estimate of Forced Liquidation Value

	Notes	Book Value @ March 31 10	Low	High
Assets				
Cash on Hand	1	108,853	108,853	108,853
Change in Cash	2		(273,000)	(207,000)
Accounts Receivable	3	3,828	784	1,110
Inter-entity Receivables	4	67,500	-	48,286
Deposits	5		75,000	90,000
Fixed Assets Building	6	19,000,000	12,040,000	14,620,000
Total Assets		19,180,180	11,951,637	14,661,249
Less:				
Liquidation Costs	7		602,000	731,000
Proceeds Available for Distribution			11,349,637	13,930,249
Mortgage Claims and Priority Charges	See schedule 1		9,503,435	9,503,435
Proceeds Available for Other Secured Creditors			1,846,201	4,426,814
Other Secured Creditors	See schedule 1		1,458,647	626,920
Percentage Recovery			100%	100%
Proceeds Available for Unsecured Creditors			387,554	3,799,893
Unsecured Creditors	See schedule 1		1,823,087	1,640,849
Percentage Recovery			21%	100%
Proceeds Available for ILPs			-	2,159,044

Concrete Associates Investment Corporation
Safeguard Real Estate Investment Fund II Limited Partnership
Schedule 1 to Estimate of Forced Liquidation Value

Creditors	Amount Claimed	Claims Accepted	Claims in Dispute	Claims that in the Monitor's view will not be accepted/proven	Monitor's Assessment of Claims that would be accepted/ proven		Notes
					High Scenario	Low Scenario	
Mortgage Claims and Priority Charges							
Standard Life	8,765,185.07	8,765,185.07	0.00	0.00	8,765,185.07	8,765,185.07	
Chiller DIP					323,250.00	323,250.00	
ILP DIP					415,000.00	415,000.00	
Total Mortgage Claims and Priority Charges	8,765,185.07	8,765,185.07	0.00	0.00	9,503,435.07	9,503,435.07	
Other Secured Creditors							
Strategic Financial Corporation	3,666,200.00				626,920.20	1,458,647.31	1
Total Other Secured Creditors	3,666,200.00	0.00	0.00	0.00	626,920.20	1,458,647.31	
Unsecured Creditors							
Airways Business Plaza Limited	17,304,504.30	0.00	17,304,504.30	17,304,504.30	0.00	0.00	1
Glenmore Commerce Court Limited Partnership	17,304,504.30	0.00	17,304,504.30	17,304,504.30	0.00	0.00	1
Symco-Otis Limited Partnership	17,304,504.30	0.00	17,304,504.30	17,304,504.30	0.00	0.00	1
Aurora, Varun by Hardie & Kelly Inc., Trustee	5,019,198.92	0.00	5,019,198.92	5,019,198.92	0.00	0.00	
934608 Alberta Ltd	4,453,070.00	0.00	4,453,070.00	4,453,070.00	0.00	0.00	
Humeniuk, David by Hardie & Kelly Inc., Trustee	4,453,069.89	0.00	4,453,069.89	4,453,069.89	0.00	0.00	
Aurora, Dave	1,169,254.63	0.00	1,169,254.63	1,169,254.63	0.00	0.00	
Sandhu, Darcy	1,127,226.00	0.00	1,127,226.00	1,127,226.00	0.00	0.00	
Sandhu, Darcy	566,129.00	0.00	566,129.00	566,129.00	0.00	0.00	
587901 Alberta Ltd.	563,613.00	0.00	563,613.00	563,613.00	0.00	0.00	
550 Capital Corp.	364,476.71	0.00	364,476.71	364,476.71	182,238.36	364,476.71	
Intercon Security	32,180.09	32,180.09	0.00	0.00	32,180.09	32,180.09	
Concorde Maintenance Inc.	16,941.29	16,941.29	0.00	0.00	16,941.29	16,941.29	
Scott & Yip	5,282.57	5,282.57	0.00	0.00	5,282.57	5,282.57	
Pinchin Environmental	2,940.00	2,940.00	0.00	0.00	2,940.00	2,940.00	
Sterling Elevator Services Corp.	2,058.00	2,058.00	0.00	0.00	2,058.00	2,058.00	
Bishop & McKenzie LLP	182.79	182.79	0.00	0.00	182.79	182.79	
Inter-entity payables					1,399,026.00	1,399,026.00	
Total Unsecured Creditors	69,689,135.79	59,584.74	69,629,551.05	69,265,074.34	1,640,849.10	1,823,087.45	

Notes:

2.) These amounts are based on the Monitor's estimate of Strategic's claim against Wealthcrete and/or Safeguard LP. The Monitor negotiated a settlement agreement with Strategic one of the conditions to the settlement agreement is a Court Order sanctioning the Plans. In the event the Plans are not sanctioned the settlement is void and Strategic's claim would be approximately \$3.6 million in total. In the high scenario each of the Safeguard LP's has sufficient net proceeds to pay its portion of the Strategic claim. In the low scenario Safeguard IV LP and Safeguard V LP do not have sufficient net proceeds and the shortfall is reallocated to the remaining Safeguard LP's on a pro-rata basis such that Strategic's claim is paid out in full before there are any proceeds available to unsecured creditors.

**Concrete Associates Investment Corporation ("CCA"), Safeguard Real Estate Investment Fund II
Limited Partnership ("Safeguard II")**

Notes and Assumptions to Forced Liquidation Analysis

1. Cash on hand represents the cash in Avenue Commercial and Ernst & Young Inc. in its capacity as Receiver bank accounts as at March 31, 2010.
2. Change in cash from April 1, 2010 to June 11, 2010 (anticipated CCAA exit date) represents net operating income less mortgage payments, restructuring costs and other non-recoverable expenses. The mortgage claims were not reduced by the principal payments from April to June (these amounts are not considered material to this analysis). Since the change in cash exceeds cash on hand and anticipated refund of deposits the Monitor notes that the Receiver would be relying on its priority charge in the amount of \$50,000 and in the low scenario the Receiver's Borrowing Charge. The Receiver's borrowing charge ranks behind the mortgage claims. In both the high and low scenario the mortgage claims and the remaining priority charges are paid in full.
3. Accounts Receivable figures are based on the book value as at March 31, 2010. The majority of the receivables are over 90 days and therefore they are likely uncollectible. The high and low estimated recovery is based on 60% and 85% of the receivable aged less than 90 days.
4. Inter-entity receivable recoveries are based on the liquidation values for unsecured claims in the high and low scenarios.
5. Deposits include a \$90,000 application fee provided to a prospective lender with respect to the re-financing efforts of the Standard Life Mortgage. The deposit is refundable net of reasonable costs of the prospective lender. The Monitor estimates a range of recoveries between \$75,000 and \$90,000.
6. Fixed asset recoveries are based on fair market value appraisals provided by Colliers International, dated July, 2009. The high analysis estimates the recovery will be 85% of the appraised value in a forced liquidation. The low analysis estimates the recovery will be 65% of the appraised value in a forced liquidation. In the Monitor's view if a forced liquidation of the properties was undertaken the recovery would be substantially lower than the appraisals provided by Colliers International in July 2009.
7. Liquidation costs are estimated at 5%. The liquidation costs include commission on the sale of the fixed assets and an estimate of the Receiver's costs to complete the process of liquidating these assets.

Concrete Associates II Investment Corporation
Safeguard Real Estate Investment Fund III Limited Partnership
Estimate of Forced Liquidation Value

	Notes	Book Value @ Mar 31 10	Low	High
Assets				
Cash on Hand	1	322,825	322,825	322,825
Change in Cash	2		(306,000)	(240,000)
Accounts Receivable	3	87,034	2,979	4,220
Inter-entity Receivables	4	1,344,569	-	1,344,569
Fixed Assets Building	5	21,000,000	12,950,000	15,725,000
Total Assets		22,754,428	12,969,803	17,156,613
Less:				
Liquidation Costs	6		647,500	786,250
Proceeds Available for Distribution			12,322,303	16,370,363
Mortgage Claims and Priority Charges	See schedule 1		11,282,202	11,132,202
Proceeds Available for Other Secured Creditors			1,040,102	5,238,162
Other Secured Creditors	See schedule 1		930,137	689,246
Percentage Recovery			100%	100%
Proceeds Available for Unsecured Creditors			109,964	4,548,916
Unsecured Creditors	See schedule 1		401,272	401,272
Percentage Recovery			27%	100%
Proceeds Available for ILPs			-	4,147,645

Concrete Associates ■ Investment Corporation
Safeguard Real Estate Investment Fund ■ Limited Partnership
Schedule 1 to Estimate of Forced Liquidation Value

Creditors	Amount Claimed	Claims Accepted	Claims in Dispute	Claims that in the Monitor's view will not be accepted/proven	Monitor's Assessment of Claims that would be accepted/ proven	Notes
Mortgage Claims and Priority Charges						
Computershare Trust Company of Canada	10,811,905.70	10,811,905.70			9,961,576.66	1
Computershare Trust Company of Canada					600,000.00	
ILP DIP					570,625.00	
Total Mortgage Claims and Priority Charges	10,811,905.70	10,811,905.70	0.00	0.00	11,132,201.66	11,282,201.66
Other Secured Creditors						
Strategic Financial Corporation	3,666,200.00				689,245.60	2
Total Other Secured Creditors	3,666,200.00	0.00	0.00	0.00	689,245.60	
Unsecured Creditors						
Always Business Plaza Limited Partnership	17,304,504.30	17,304,504.30	0.00	17,304,504.30	0.00	2
Glenmore Commerce Court Limited	17,304,504.30	17,304,504.30	0.00	17,304,504.30	0.00	
Symco-Otis Limited Partnership	17,304,504.30	17,304,504.30	0.00	17,304,504.30	0.00	2
Aurora, Varun by Hardie & Kelly Inc., Trustee	5,019,198.92	5,019,198.92	0.00	5,019,198.92	0.00	
934608 Alberta Ltd	4,453,070.00	4,453,070.00	0.00	4,453,070.00	0.00	
Humeniuk, David by Hardie & Kelly Inc.,	4,453,069.89	4,453,069.89	0.00	4,453,069.89	0.00	
Aurora, Dave	1,169,254.63	1,169,254.63	0.00	1,169,254.63	0.00	
Sandhu, Darcy	1,127,226.00	1,127,226.00	0.00	1,127,226.00	0.00	
Sandhu, Darcy	566,129.00	566,129.00	0.00	566,129.00	0.00	
587901 Alberta Ltd.	563,613.00	563,613.00	0.00	563,613.00	0.00	
Kennington Properties	4,889.16	4,889.16	4,889.16		4,889.16	
Direct Energy Regulated Services	4,292.13	4,292.13	4,292.13	0.00	4,292.13	
L. Bower Enterprises Ltd.	1,481.85	1,481.85	1,481.85	0.00	1,481.85	
Kival Electric Ltd.	1,029.51	1,029.51	1,029.51	0.00	1,029.51	
Bishop & McKenzie LLP	59.00	59.00	59.00	0.00	59.00	
Inter-entity payables					389,520.00	
Total Unsecured Creditors	69,276,825.99	69,276,825.99	11,751.65	69,265,074.34	401,271.65	401,271.65

Notes:

- 1.) These amounts represent the estimated prepayment penalties in accordance with the mortgage agreements, which are triggered as a result of the payout of the mortgages prior to their maturity.
- 2.) These amounts are based on the Monitor's estimate of Strategic's claim against Wealthcrete and/or Safeguard LP. The Monitor negotiated a settlement agreement with Strategic one of the conditions to the settlement agreement is a Court Order sanctioning the Plans. In the event the Plans are not sanctioned the settlement is void and Strategic's claim would be approximately \$3.6 million in total. In the high scenario each of the Safeguard LP's has sufficient net proceeds to pay its portion of the Strategic claim. In the low scenario Safeguard IV LP and Safeguard V LP do not have sufficient net proceeds and the shortfall is reallocated to the remaining Safeguard LP's on a pro-rata basis such that Strategic's claim is paid out in full before there are any proceeds available to unsecured creditors.

Concrete Associates II Investment Corporation ("CCA II"), Safeguard Real Estate Investment Fund III Limited Partnership ("Safeguard III")

Notes and Assumptions to Forced Liquidation Analysis

1. Cash on hand represents the cash in Kennington Properties and Ernst & Young Inc. in its capacity as Receiver bank accounts as at March 31, 2010.
2. Change in cash from April 1, 2010 to June 11, 2010 (anticipated CCAA exit date) represents net operating income less mortgage payments, restructuring costs and other non-recoverable expenses. The mortgage claims were not reduced by the principal payments from April to June (these amounts are not considered material to this analysis). In the low scenario the change in cash exceeds cash on hand therefore the Receiver would be relying on its priority charge to a maximum amount of \$50,000.
3. Accounts Receivable figures are based on the book value as at March 31, 2010. The majority of the receivables are over 90 days and therefore they are likely uncollectible. The high and low estimated recovery is based on 60% and 85% of the receivable aged less than 90 days.
4. Inter-entity receivable recoveries are based on the liquidation values for unsecured claims in the high and low scenarios.
5. Fixed asset recoveries are based on fair market value appraisals provided by Colliers International, dated July, 2009. The high analysis estimates the recovery will be 85% of the appraised value in a forced liquidation. The low analysis estimates the recovery will be 65% of the appraised value in a forced liquidation. In the Monitor's view if a forced liquidation of the properties was undertaken the recovery would be substantially lower than the appraisals provided by Colliers International in July 2009.
6. Liquidation costs are estimated at 5%. The liquidation costs include commission on the sale of the fixed assets and an estimate of the Receiver's costs to complete the process of liquidating these assets.

Concrete Associates III Investment Corporation
Safeguard Real Estate Investment Fund IV Limited Partnership
Estimate of Forced Liquidation Value

	Notes	Book Value @ Mar 31 10	Low	High
Assets				
Cash on Hand	1	221,268	221,268	221,268
Change in Cash	2		(255,000)	(178,000)
Accounts Receivable	3	24,165	14,499	20,540
Inter-entity Receivables	4	54,500	-	34,880
Fixed Assets Building	5	38,500,000	18,200,000	22,100,000
Total Assets		38,799,933	18,180,767	22,198,688
Less:				
Liquidation Costs	6		910,000	1,105,000
Proceeds Available for Distribution			17,270,767	21,093,688
Mortgage Claims and Priority Charges	See schedule 1		19,859,438	19,709,438
Proceeds Available for Other Secured Creditors			-	1,384,250
Other Secured Creditors	See schedule 1		1,228,177	1,228,177
Percentage Recovery			0%	100%
Proceeds Available for Unsecured Creditors			-	156,073
Unsecured Creditors	See schedule 1		2,488,722	2,488,722
Percentage Recovery			0%	6%
Proceeds Available for ILPs			-	-

In the low scenario the mortgage claim is not paid in full; therefore the balance of the priority charges remain unpaid.

Concrete Associates III Investment Corporation
Safeguard Real Estate Investment Fund IV Limited Partnership
Schedule 1 to Estimate of Forced Liquidation Value

Creditors	Amount Claimed	Claims Accepted	Claims in Dispute	Claims that in the Monitor's view will not be accepted/proven	Monitor's Assessment of Claims that would be accepted/ proven		Notes
					High Scenario	Low Scenario	
Mortgage Claims and Priority Charges							
Citizens Bank of Canada	17,656,002.29	17,656,002.29	0.00	0.00	17,446,312.77	17,446,312.77	1
Citizens Bank of Canada					1,900,000.00	2,050,000.00	
ILP DIP					363,125.00	363,125.00	
Total Mortgage Claims and Priority	17,656,002.29	17,656,002.29	0.00	0.00	19,709,437.77	19,859,437.77	
Other Secured Creditors							
City of Calgary (Property Taxes)	114,661.50	0.00	0.00	0.00	0.00	0.00	2
Strategic Financial Corporation	3,686,200.00				1,228,177.00	1,228,177.00	3
Total Other Secured Creditors	3,780,861.50	0.00	0.00	0.00	1,228,177.00	1,228,177.00	
Unsecured Creditors							
Airways Business Plaza Limited	17,304,504.30	0.00	17,304,504.30	17,304,504.30	0.00	0.00	3
Glenmore Commerce Court Limited	17,304,504.30	0.00	17,304,504.30	17,304,504.30	0.00	0.00	3
Symcor-Otis Limited Partnership	17,304,504.30	0.00	17,304,504.30	17,304,504.30	0.00	0.00	3
Aurora, Varun by Hardie & Kelly Inc.,	5,019,198.92	0.00	5,019,198.92	5,019,198.92	0.00	0.00	
934608 Alberta Ltd	4,453,070.00	0.00	4,453,070.00	4,453,070.00	0.00	0.00	
Humeniuk, David by Hardie & Kelly Inc.,	4,453,069.89	0.00	4,453,069.89	4,453,069.89	0.00	0.00	
Aurora, Dave	1,169,254.63	0.00	1,169,254.63	1,169,254.63	0.00	0.00	
Sandhu, Darcy	1,127,226.00	0.00	1,127,226.00	1,127,226.00	0.00	0.00	
Sandhu, Darcy	566,129.00	0.00	566,129.00	566,129.00	0.00	0.00	
587901 Alberta Ltd,	563,613.00	0.00	563,613.00	563,613.00	0.00	0.00	
Inter-entiy payables					2,488,722.00	2,488,722.00	
Total Unsecured Creditors	69,265,074.34	0.00	69,265,074.34	69,265,074.34	2,488,722.00	2,488,722.00	

Notes:

- 1.) These amounts represent the estimated prepayment penalties in accordance with the mortgage agreements, which are triggered as a result of the payout of the mortgages prior to their maturity.
- 2.) City of Calgary property tax claim will be paid in full by June 1, 2010 out of cash on hand.
- 3.) These amounts are based on the Monitor's estimate of Strategic's claim against Wealththorpe and/or Safeguard LP. The Monitor negotiated a settlement agreement with Strategic one of the conditions to the settlement agreement is a Court Order sanctioning the Plans. In the event the Plans are not sanctioned the settlement is void and Strategic's claim would be approximately \$3.6 million in total. In the high scenario each of the Safeguard LP's has sufficient net proceeds to pay its portion of the Strategic claim. In the low scenario Safeguard IV LP and Safeguard V LP do not have sufficient net proceeds and the shortfall is reallocated to the remaining Safeguard LP's on a pro-rata basis such that Strategic's claim is paid out in full before there are any proceeds available to unsecured creditors.

Concrete Associates III Investment Corporation ("CCA III"), Safeguard Real Estate Investment Fund IV Limited Partnership ("Safeguard IV")

Notes and Assumptions to Forced Liquidation Analysis

1. Cash on hand represents the cash in NewWest Property Management and Ernst & Young Inc. in its capacity as Receiver bank accounts as at March 31, 2010.
2. Change in cash from April 1, 2010 to June 11, 2010 (anticipated CCAA exit date) represents net operating income less mortgage payments, restructuring costs and other non-recoverable expenses. The mortgage claims were not reduced by the principal payments from April to June (these amounts are not considered material to this analysis).
3. Accounts Receivable figures are based on the book value as at March 31, 2010. The high and low estimated recovery is based on 60% and 85% of the receivable aged less than 90 days.
4. Inter-entity receivable recoveries are based on the liquidation values for unsecured claims in the high and low scenarios.
5. Fixed asset recoveries are based on fair market value appraisals provided by Colliers International, dated July, 2009. The high analysis estimates the recovery will be 85% of the appraised value in a forced liquidation. The low analysis estimates the recovery will be 65% of the appraised value in a forced liquidation. In the Monitor's view if a forced liquidation of the properties was undertaken the recovery would be substantially lower than the appraisals provided by Colliers International in July 2009.
6. Liquidation costs are estimated at 5%. The liquidation costs include commission on the sale of the fixed assets and an estimate of the Receiver's costs to complete the process of liquidating these assets.

Concrete Associates IV Investment Corporation
Safeguard Real Estate Investment Fund V Limited Partnership
Estimate of Forced Liquidation Value

	Notes	Book Value @ Mar 31 10	Low	High
Assets				
Cash on Hand	1	405,403	405,403	405,403
Change in Cash	2		(187,000)	(121,000)
Accounts Receivable	3	87,912	18,736	26,543
Inter-entity Receivables	4	16,837	-	-
Fixed Assets Building	5	25,500,000	14,413,000	17,501,500
Total Assets		26,010,152	14,650,139	17,812,446
Less:				
Liquidation Costs	6		720,650	875,075
Proceeds Available for Distribution			13,929,489	16,937,371
Mortgage Claims and Priority Charges	See schedule 1		13,493,751	13,243,751
Proceeds Available for Other Secured Creditors			435,739	3,693,620
Other Secured Creditors	See schedule 1		835,894	835,894
Percentage Recovery			52%	100%
Proceeds Available for Unsecured Creditors			-	2,857,727
Unsecured Creditors	See schedule 1		6,148,758	1,132,075
Percentage Recovery			0%	100%
Proceeds Available for ILPs			-	1,725,652

Concrete Associates IV Investment Corporation
Safeguard Real Estate Investment Fund V Limited Partnership
Schedule 1 to Estimate of Forced Liquidation Value

Creditors	Amount Claimed	Claims Accepted	Claims in Dispute	Claims that in the Monitor's view will not be accepted/proven	Monitor's Assessment of Claims that would be accepted/ proven		Notes
					High Scenario	Low Scenario	
Mortgage Claims and Priority Charges							
CIBC	12,143,750.57	12,143,750.57	0.00	12,143,750.57	12,143,750.57	12,143,750.57	1
CIBC					1,100,000.00	1,350,000.00	
Total Mortgage Claims and Priority	12,143,750.57	12,143,750.57	0.00	12,143,750.57	13,243,750.57	13,493,750.57	
Other Secured Creditors							
Strategic Financial Corporation	3,666,200	0.00	0.00	0.00	835,893.60	835,893.60	2
Total Other Secured Creditors	3,666,200.00	0.00	0.00	0.00	835,893.60	835,893.60	
Unsecured Creditors							
Airways Business Plaza Limited	14,391,363.55	0.00	14,391,363.55	14,391,363.55	0.00	0.00	2
Glenmore Commerce Court Limited	14,391,363.55	0.00	14,391,363.55	14,391,363.55	0.00	0.00	2
Symcor-Otis Limited Partnership	14,391,363.55	0.00	14,391,363.55	14,391,363.55	0.00	0.00	2
Aurora, Varun by Hardie & Kelly Inc.,	5,019,198.92	0.00	5,019,198.92	5,019,198.92	0.00	0.00	
934608 Alberta Ltd	4,453,070.00	0.00	4,453,070.00	0.00	0.00	4,453,070.00	3
Humeniuk, David by Hardie & Kelly Inc.,	4,453,069.89	0.00	4,453,069.89	4,453,069.89	0.00	0.00	
Aurora, Dave	1,169,254.63	0.00	1,169,254.63	1,169,254.63	0.00	0.00	
Sandhu, Darcy	1,127,226.00	0.00	1,127,226.00	0.00	1,127,226.00	1,127,226.00	3
Sandhu, Darcy	566,129.00	0.00	566,129.00	0.00	0.00	0.00	3
587901 Alberta Ltd.	563,613.00	0.00	563,613.00	0.00	0.00	563,613.00	3
Direct Energy	2937.49	2937.49	0.00	0.00	2,937.49	2,937.49	
Intercon Security	1,743.31	1743.31	0.00	0.00	1,743.31	1,743.31	
Japco Pest Control Ltd.	168.00	168.00	0.00	0.00	168.00	168.00	
Inter-entity payables			0.00	0.00	0.00	0.00	
Total Unsecured Creditors	60,530,500.89	4,848.80	60,525,652.09	53,815,614.09	1,132,074.80	6,148,757.80	

Notes:

- These amounts represent the estimated prepayment penalties in accordance with the mortgage agreements, which are triggered as a result of the payout of the mortgages prior to their maturity.
- These amounts are based on the Monitor's estimate of Strategic's claim against Wealthcrete and/or Safeguard LP. The Monitor negotiated a settlement agreement with Strategic one of the conditions to the settlement agreement is a Court Order sanctioning the Plans. In the event the Plans are not sanctioned the settlement is void and Strategic's claim would be approximately \$3.6 million in total. In the high scenario each of the Safeguard LP's has sufficient net proceeds to pay its portion of the Strategic claim. In the low scenario Safeguard IV LP and Safeguard V LP do not have sufficient net proceeds and the shortfall is reallocated to the remaining Safeguard LP's on a pro-rata basis such that Strategic's claim is paid out in full before there are any proceeds available to unsecured creditors.
- Claims filed by Sandhu and related companies are in dispute. The high scenario represents the Monitor's best estimate of the amount that would be accepted in the event a settlement is reached.

Concrete Associates IV Investment Corporation (“CCA IV”), Safeguard Real Estate Investment Fund IV Limited Partnership (“Safeguard V”)

Notes and Assumptions to Forced Liquidation Analysis

1. Cash on hand represents the cash in Colliers International and Ernst & Young Inc. in its capacity as Receiver bank accounts as at March 31, 2010.
2. Change in cash from April 1, 2010 to June 11, 2010 (anticipated CCAA exit date) represents net operating income less mortgage payments, restructuring costs and other non-recoverable expenses. The mortgage claims were not reduced by the principal payments from April to June (these amounts are not considered material to this analysis).
3. Accounts Receivable figures are based on the book value as at March 31, 2010. The majority of the receivables are over 90 days and therefore they are likely uncollectible. The high and low estimated recovery is based on 60% and 85% of the receivable aged less than 90 days.
4. Inter-entity receivable recoveries are based on the liquidation values for unsecured claims in the high and low scenarios.
5. Fixed asset recoveries are based on fair market value appraisals provided by Colliers International, dated July, 2009. The high analysis estimates the recovery will be 85% of the appraised value in a forced liquidation. The low analysis estimates the recovery will be 65% of the appraised value in a forced liquidation. In the Monitor’s view if a forced liquidation of the properties was undertaken the recovery would be substantially lower than the appraisals provided by Colliers International in July 2009.
6. Liquidation costs are estimated at 5%. The liquidation costs include commission on the sale of the fixed assets and an estimate of the Receiver’s costs to complete the process of liquidating these assets.

El Golfo Investment Corporation
Santa Clara Real Estate Investment Fund LP
Estimate of Forced Liquidation Value

	Notes	Book Value @ March 31 10	Low	High
Assets				
Cash on Hand	1	2,400	2,400	2,400
Net Mexican Condo Proceeds	2	1,030,000	669,500	875,500
Inter-entity Receivables	3	11,531,620	126,743	571,120
Total Assets		12,564,020	798,643	1,449,020
Secured Creditors	See schedule 1		180,000	180,000
Proceeds Available for Distribution to Unsecured Creditors			618,643	1,269,020
Unsecured Creditors	See schedule 1		1,860,099	1,860,099
% Recovery to Unsecured Creditors			33%	68%

El Golfo Investment Corporation
Santa Clara Real Estate Investment Fund LP
Schedule 1 to Estimate of Forced Liquidation Value

Creditors	Amount Claimed	Claims Accepted	Claims in Dispute	Claims that in the Monitor's view will not be accepted/proven	Monitor's Assessment of Claims that would be accepted/ proven		Notes
					High Scenario	Low Scenario	
Secured Creditors							
Receiver's Charge, Administration Charge					150,000.00	150,000.00	1
El Golfo Charge					30,000.00	30,000.00	2
Total Secured Creditors					180,000.00	180,000.00	
Unsecured Creditors							
Aurora, Varun by Hardie & Kelly Inc., Trustee	5,019,198.92		5,019,198.92	5,019,198.92	0.00	0.00	
934608 Alberta Ltd	4,453,070.00		4,453,070.00	4,453,070.00	0.00	0.00	
Humeniuk, David by Hardie & Kelly Inc., Trustee	4,453,069.89		4,453,069.89	4,453,069.89	0.00	0.00	
Aurora, Dave	1,169,254.63	1,169,254.63			1,169,254.63	1,169,254.63	
Sandhu, Darcy	1,127,226.00		1,127,226.00	1,127,226.00	0.00	0.00	
Sandhu, Darcy	566,129.00	566,129.00			566,129.00	566,129.00	
587901 Alberta Ltd,	563,613.00		563,613.00	563,613.00	0.00	0.00	
Bishop & McKenzie LLP	94.36	94.36					
Inter-entity payables							
Total Unsecured Creditors	17,351,655.80	1,735,477.99	15,616,177.81	15,616,177.81	124,715.00	124,715.00	
Total Creditors					1,860,098.63	1,860,098.63	
					2,040,098.63	2,040,098.63	

Notes:

- 1.) Estimate of professional fees incurred directly relating to El Golfo matters.
- 2.) Plus interest at 8% per annum accruing from August 2009.

El Golfo Investment Corporation (“El Golfo”), Santa Clara Real Estate Investment Fund LP

Notes and Assumptions to Forced Liquidation Analysis

1. Cash on hand represents the cash in Ernst & Young Inc. in its capacity as Receiver’s bank accounts as at March 31, 2010.
2. Net Mexican condo proceeds represent the Receiver’s estimate of proceeds available after fees and costs. The range of recoveries is estimated at 85% of the purchase price in the high scenario and 65% of the purchase price in the low scenario.
3. Inter-entity receivable recoveries are based on the liquidation values for unsecured claims in the high and low scenarios of Wealthcrete, CCA, CCA II and CCA III.

Concrete Place Properties Ltd. ("CPP Ltd.")
Concrete Place Properties LP
Estimate of Forced Liquidation Value

	Notes	Book Value @ March 31 10	Low	High
Assets				
Fixed Assets	1	8,307,000	3,594,500	4,700,500
Total Assets		8,307,000	3,594,500	4,700,500

Note:

1. Fixed assets represent condo units purchased by CPP Ltd. in Concrete Equities Place. Trumpet Capital Corporation ("Trumpet") the first mortgage holder was granted an Order Nisi/Order for Sale on August 5, 2009. Trumpet is owed approximately \$6 million, therefore the Receiver does not anticipate any recoveries to the remaining creditors of CPP Ltd.

**Concrete Equities Executive Club ("CEEC")
Estimate of Forced Liquidation Value**

	Notes	Book Value @ March 31 10	Low	High
Assets				
Inter-entity Receivables	1,2	15,000	-	-
Total Assets		15,000	-	-

The Receiver will not be liquidating this entities are there are no assets available for recovery to the creditors.

Notes:

1. The recovery from Safeguard III LP will be set-off against the Receiver's charge of \$50,000.
2. Inter-entity receivable figures are based on the revised inter-entity matrix included in this report.

**Concrete Equities Inc. ("CEI")
Estimate of Forced Liquidation Value**

	Notes	Book Value @ March 31 10	Low	High
Assets				
Inter-entity Receivables	1,2	12,000	-	-
Total Assets		12,000	0	0

The Receiver will not be liquidating this entity as there are no assets available for recovery to the creditors.

Notes:

1. The Receiver does not anticipate a recovery from the inter-entity receivables owed to CEI as these receivables are owed by entities with \$nil recoveries.
2. Inter-entity receivable figures are based on the revised inter-entity matrix included in this report.

Costa Koraal Investment Corporation
Conchas Chinas Real Estate Investment Corporation ("Conchas")
Estimate of Forced Liquidation Value

	Notes	Book Value @ March 31 10	Low	High
Assets				
Inter-entity Receivables	1,2	906,726	-	-
Total Assets		906,726	0	0

The Receiver will not be liquidating these entities as there are no assets available for recovery to the creditors.

Notes:

1. The Receiver does not anticipate a recovery from the inter-entity receivables owed to Conchas as these receivables are owed by entities with \$nil recoveries.
2. Inter-entity receivable figures are based on the revised inter-entity matrix included in this report.

Luna Morada Investment Corporation ("Luna")
Calle Mariposas LP
Estimate of Forced Liquidation Value

	Notes	Book Value @ March 31 10	Low	High
Assets				
Inter-entity Receivables	1,2	906,726	-	-
Total Assets		906,726	0	0

The Receiver will not be liquidating these entities as there are no assets available for recovery to the creditors.

Notes:

1. The Receiver does not anticipate a recovery from the inter-entity receivables owed to Luna as these receivables are owed by entities with \$nil recoveries.
2. Inter-entity receivable figures are based on the revised inter-entity matrix included in this report.

Concrete Associates V Investment Corporation ("Concrete V")
Safeguard Real Estate Investment Fund VI LP
Estimate of Forced Liquidation Value

	Notes	Book Value @ March 31 10	Low	High
Assets				
Inter-entity Receivables	1	102,535	-	-
Total Assets		102,535	0	0

The Receiver will not be liquidating these entities as there are no assets available for recovery to the creditors.

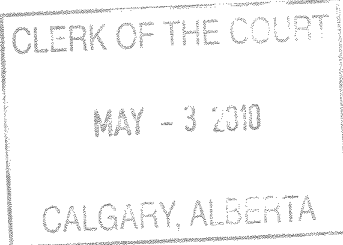
Notes:

1. The Receiver does not anticipate a recovery from the inter-entity receivables owed to Concrete V as these receivables are owed by entities with \$nil recoveries.
2. Inter-entity receivable figures are based on the revised inter-entity matrix included in this report.

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

IN THE MATTERS OF THE *COMPANIES'*
CREDITORS ARRANGEMENT ACT, R.S.C.
1985, c. C-36, SECTION 13(2) OF THE
JUDICATURE ACT, R.S.A. 2000, c. J-2, AS
AMENDED, AND SECTION 99(a) OF THE
BUSINESS CORPORATIONS ACT, R.S.A. 2000,
c. B-9, AS AMENDED

AND IN THE MATTER OF CONCRETE
EQUITIES INC., WEALTHCRETE
INVESTMENT CORPORATION; CONCRETE
ASSOCIATES INVESTMENT
CORPORATION; CONCRETE ASSOCIATES
II INVESTMENT CORPORATION;
CONCRETE ASSOCIATES III INVESTMENT
CORPORATION; CONCRETE ASSOCIATES
IV INVESTMENT CORPORATION,
CONCRETE ASSOCIATES V INVESTMENT
CORPORATION, EL GOLFO INVESTMENT
CORPORATION, COSTA KORAAL
INVESTMENT CORPORATION, LUNA
MORADA INVESTMENT CORPORATION,
CONCRETE EQUITIES EXECUTIVE CLUB
INC., 1456775 ALBERTA LTD. and
CONCRETE PLACE PROPERTIES LTD.



SEVENTH REPORT OF THE
MONITOR

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