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")

FIFTH REPORT OF THE MONITOR

ERNST & YOUNG INC.

April 9, 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 Applicants[1] 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.

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[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 fifth report (the "Fifth Report") of the Monitor is to provide this Honourable Court with:

   (a) an update as to the Applicants' restructuring efforts;

   (a) an application for approval of debtor-in-possession financing related to the acquisition and installation of a chiller system as discussed below;

   (b) the Applicants budget to actual variance analysis of its cash flows for the period from July 29, 2009 to March 26, 2010 (the "Reporting Period"); and

   (c) the Monitor's recommendations.

9. Capitalized terms not defined in this Fifth Report are as defined in the Initial Order. All references to dollars are in Canadian currency unless otherwise noted.

TERMS OF REFERENCE

10. In preparing this Fifth 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

General

13. The Monitor and the Management Committee have continued their efforts to resolve the disputed claims described in the Fourth Report.

14. Since the Fourth Report, the following steps have been taken by the Receiver and the Management Committee:

   (a) Re-financing efforts have continued with respect to the Standard Life ("SL") mortgage on the SNC Lavalin building as described below;

   (b) Discussions with property managers of the general partners ("GP") on a regular basis;

   (c) Dealing with various operational issues related to the Concrete projects;

   (d) Various meetings and consultations with the Management Committee;

   (e) Posted various documents to the Receiver's web-site;

   (f) Responded to messages left on the Receiver's hotline (403-206-5241) from creditors and investors;

   (g) Various discussions with all of the mortgage holders of the Safeguard LP's to provide updates on the proceedings;

   (h) Reviewed and acted upon various lease renewals and leasing opportunities for the Concrete projects following consultation with the Management Committee; and

   (i) Further analysis and review of unresolved disputed claims and meetings with various stakeholders and their respective counsel to discuss and negotiate certain aspects of these claims.

Deer Valley Station and Millrise Plaza (LP I)

15. Deer Valley station has approximately 1,800 sq ft of vacant space which is being marketed by the property manager. Millrise Plaza is fully leased.

SNC Lavalin Building (LP II)

16. The property manager advised the Receiver that they are continuing discussions with the main tenant with respect to leasing the remaining two vacant floors and extending the lease beyond 2012.

17. As described in the Fourth Report, the SL's mortgage with respect to LP II is in default and SL has obtained an order directing the Monitor to commence a solicitation process of the SNC Building effective May 1, 2010 with bids due February 26, 2010.

18. The Receiver, with the assistance of the Management Committee, has continued its marketing efforts to re-finance the SL mortgage (the "Re-Financing Process").

19. As described in the Fourth Report, the chiller unit in the SNC Lavalin building (the "SNC Building") has been shut-down since prior to April 2009. In a letter dated January 28, 2010 SNC Lavalin Inc. ("SNC"), the main tenant of LP II, corresponded with the Receiver reiterating the requirement of a chiller to maintain the lease requirement of the landlord providing cooling as required for the comfortable use and occupancy of the premises during normal business hours

20. In order to avoid jeopardizing the relationship and the lease agreement with SNC, the Receiver and Management Committee believe that it is imperative that a new chiller unit be installed as soon as practicable.

21. Prior to the Receivership proceedings, the property manager commissioned the installation of a new chiller unit by Convergint Technologies Ltd. ("Convergint") for approximately $416,500 (total cost of the chiller plus installation charges). The chiller unit was delivered to SNC Lavalin building but never installed as LP II had not paid for the unit.

22. Avenue Commercial, the property manager of the SNC Building reviewed the Convergint contract and advised the Receiver that this work could be performed internally for approximately $312,000 to $325,000, including the cost of the unit, with the assistance of subcontractors. The savings of approximately $104,500 to $91,500 identified by the property manager are a result of the following:

    i) The Convergint contract contemplated the replacement of the existing cooling tower while the existing cooling tower could properly be retrofitted; and

    ii) The Convergint contract included a profit margin on subcontracted work while the property manager would commission this work directly.

23. The Receiver understands that the new chiller unit remains onsite and may be installed once Convergint Technologies Ltd. has been paid approximately $145,000 for the unit and that it will take approximately three to four weeks to install the unit. As such, the installation of the new chiller unit must commence as soon as practicable to be in service for the summer.

24. The Receiver advises that the current cash balance of LP II is insufficient to provide for the installation of a new chiller unit.

Castleridge (LP 3)

25. The Receiver is in negotiations with two other potential tenants for units of approximately 1,800 sq ft and 1,560 sq ft of vacant space.

26. The Receiver is continuing negotiations with an existing tenant with respect to an expansion opportunity in an adjacent vacant space. The Receiver is also negotiating with existing tenant with respect to a lease extension.

27. There remains approximately 14,800 sq ft of vacant space at Castleridge.

CE Place (LP 4)

28. The Receiver has had discussions with Avison Young, the leasing agent for CE Place, with respect to potential tenants for the vacant space. To date Avison Young has not received a formal offer to lease for the second floor or the portion of the tenth floor, both of which are vacant. The Receiver, in conjunction with the Management Committee, is working with Avison Young to move this process forward with a view to entering into leases for the vacant space.

MEG Place (LP 5)

29. The Receiver, in conjunction with the Management Committee, is continuing to work with the main tenant to sub-lease their space.

DEBTOR-IN-POSSESSION FINANCING

30. As indicated above, a new chiller unit is required in the SNC Lavalin building and the replacement process must begin in the immediate future. However, LP II does not have sufficient funds from operations to commission the installation of a new chiller unit without debtor-in-possession financing (the "Chiller DIP Financing") or re-financing the SL mortgage.

31. Despite the ongoing efforts by the Receiver and the Management Committee, the SL mortgage has not yet been refinanced. As such, without a Chiller DIP Financing the Receiver will not be able to replace the chiller unit in time for the summer and the lease agreement and relationship with SNC may be jeopardized.

32. Given the need to refinance the cost and installation of the chiller unit, the Receiver with the assistance of the Management Committee, commenced discussions with approximately four potential DIP lenders including SL, the mortgage holder on the SNC Lavalin building. As a result of these discussions, three term sheets were obtained and the Receiver, with consultation with the Management Committee has chosen to execute the SL term sheet.

Term Sheet Analysis

33. The Monitor analyzed the three Chiller DIP Financing term sheets, including a term sheet from SL (the "SL Term Sheet"). As a result of this analysis the Receiver pursued the SL Term Sheet for the following reasons:

a) The effective cost of the SL term sheet was competitive with the effective cost of the other two term sheets; and

b) SL is the mortgage holder and the Chiller DIP Financing is expected to prime all charges on the property.

34. On April 7, 2010 SL and the Receiver entered into a Chiller DIP Financing agreement (the "SL Commitment Letter"). A copy of the SL Commitment Letter is attached as Appendix A.

35. The primary terms of the SL Commitment Letter are as follows:

a) A facility in the amount of $305,000 plus an incremental administration charge of $10,000 and the reasonable costs and disbursements of the lender;

b) An interest rate of 12.5% compounded monthly;

c) A maturity date of the earliest of the following:

i) July 30, 2010;

ii) The termination of the Stay Period; and

iii) An Event of Default as defined in the SL Commitment Letter.

d) Facility funds are to be used exclusively for costs related to the purchase and the installation of the chiller unit.

Priming Analysis

36. Based on a valuation analysis performed by Colliers International Realty Advisors Inc. dated August 31, 2009 (the "Colliers Valuation Analysis") and an appraisal performed by Linnell Taylor Lipman and Associates Ltd. dated February 1, 2010 the appraised value of the SNC Lavalin building is estimated to be between $13,500,000 and $17,200,000 respectively. The Colliers Valuation Analysis is attached to this report as Appendix B and the Linnell appraisal was previously submitted to this Honourable Court as Exhibit 1 to the Affidavit of Gisele Purdy sworn February 1, 2010.

37. The first mortgage on the SNC Lavalin Building is approximately $8,765,000. Other Secured Claims accepted by the Receiver include the secured claim of Convergint related to the cost of the chiller which is secured by a builder's lien of $145,000 plus GST.

38. Total Secured Claims filed against Safeguard II LP in the Claims Process total approximately $64,489,898 which as noted in the Fourth Report includes a significant number of claims that were filed against multiple applicants which the Receiver is in the process of disputing and is optimistic that the claims can be resolved, either consensually or through litigation. The Receiver would estimate that it expects that amount of secured claims against Safeguard II LP may approximately $9.6 million, including the accepted claims referred to above.

39. The timely installation of the chiller will protect the lease agreement with SNC which generates significant cash flows and positively impacts the fair market value of the property, the Chiller DIP Financing would not appear to materially prejudice any creditors. Furthermore, the Receiver understands that the installation of the new chiller unit is necessary to operate the building during the summer months and, as a result, the installation of the new chiller unit would likely positively impact the marketability and fair market value of the building.

40. Accordingly, the Monitor considers the Chiller DIP Financing to be reasonable and necessary in order to maintain and preserve the business operations and the value of the assets.

FINANCIAL PERFORMANCE DURING THE REPORTING PERIOD

Budget to Actual Variance

41. A variance analysis of the Applicants actual receipts and disbursements for the Reporting Period of July 29, 2009 to March 26, 2010 as against the cash flow projections which were annexed to the Fourth Report (the "Fourth Report Forecast") is set out in the table below. A breakdown of this analysis by entity is attached as Appendix C.

	Forecast	Actual	Variance
Net Cash Receipts	4,154,747	4,632,572	477,825
Non-Recoverable Expenses			
Mortgage Payments	2,883,247	2,883,247	(0)
Capital and Leasing Costs	102,197	92,525	(9,672)
Restructuring Expenses	2,196,246	2,259,992	63,745
Other Operating Expenses	144,670	144,670	-
Contingency	180,000	101,091	(78,909)
	5,506,361	5,481,525	(24,836)
DIP Financing	1,272,450	1,297,000	24,550
Draw on Retainer	100,000	100,000	-
Inter-entity Lending	-	-	-
Change in Cash	**20,837**	**548,047**	**527,211**
Opening Cash	1,038,634	1,038,634	-
Closing Cash	**$ 1,059,471**	**$ 1,586,681**	**$ 527,211**
Restricted Funds	(374,734)	(430,308)	(55,574)
Net Closing Cash	**$ 684,737**	**$ 1,156,373**	**$ 471,636**

42. The Applicants' net cash receipts (operating income net of operating expenses) during the Reporting Period totaled approximately $4,633,000 as compared to approximately $4,155,000 as set out in the Fourth Report Forecast. Non-recoverable expenses totaled approximately $5,482,000 as compared to approximately $5,506,000 as set out in the Fourth Report Forecast. The significant variances are discussed below;

(a) A positive variance of approximately $478,000 in net cash receipts is mainly due to the timing of certain operating disbursements and an increase in restricted cash as a result of lower than budgeted operating costs during the Reporting period as described below;

(b) A positive variance of approximately $25,000 in non-recoverable expense is mainly due to the following;

i) Restructuring expenses were higher than forecast as these disbursements reported above were inclusive of GST while forecasted amounts were net of GST. Additionally, the costs incurred by the Receiver and its legal counsels with regards to the claims process were greater than forecast as the number of disputed claims were greater than anticipated;

ii) Disbursements totalling approximately $101,000 were made in LP II as a result of the Receiver's efforts to re-finance the SNC Lavalin building. These disbursements include a $90,000 application fee provided to proposed lender with respect to the re-financing efforts of the SL Mortgage. Negotiations with this potential lender continue as of the date of this report. There were no material unanticipated expenses in the other LPs and therefore the remaining portion of the contingency was not required. The result is a net positive variance of $79,000; and

iii) A negative variance of approximately $56,000 in restricted cash as a result an increase in restricted cash due to operating costs being lower than budgeted. As the budgeted operating costs have been funded by the tenants, this variance generates an amount refundable to the tenants.

RECOMMENDATIONS

43. The Monitor recommends that this Honourable Court approve the Chiller DIP Financing.

All of which is respectfully submitted this 9th day of April, 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

APPENDIX A

STANDARD LIFE

COMMITMENT LETTER

This Commitment Letter dated as of April 8, 2010.

WHEREAS **The Standard Life Assurance Company of Canada** (**"Lender"**) has agreed to provide to **Concrete Associates Investment Corporation, for itself and in its capacity as General Partner of Safeguard Real Estate Investment Fund II Limited Partnership (collectively, the "Debtor")** funding in order to assist with certain anticipated capital and operating expenditures of the Debtor in the context of Debtor's proceedings under the *Companies' Creditors Arrangement Act* (the "CCAA") and in accordance with the terms set out herein.

NOW THEREFORE the parties, in consideration of the foregoing and the mutual covenants herein contained, the receipt and sufficiency of which is hereby acknowledged, agree as follows:

1. DIP Facility

Lender shall make available to the Debtor a credit facility to a maximum amount of $315,000, to provide funds for the capital and operating expenditures necessary to purchase and install the new Chiller Unit required at the property municipally described as 909 – 5th Avenue S.W., Calgary, Alberta (the "Chiller Program" and the "Lands", respectively) while the Debtor is under CCAA protection (the "DIP Facility"). The Debtor agrees that at no time shall the principal amount owing under the DIP Facility exceed $315,000 and that Lender shall have no obligation to honour any request for funds which would have the effect of making the principal amount owing exceed such limit.

2. Maturity Date

The DIP Facility shall be due and payable on the earlier of:

i. July 30, 2010;

ii. the date of the termination of the Stay Period as that term is defined in paragraph 14 of the Initial Order granted on July 30, 2009 in Action No. 0901-11048 (the "Stay Period", the "Initial Order" and the "CCAA Proceedings", respectively); and

iii. such date upon which there occurs an Event of Default as that term is defined below;

(the earliest such date being the "Maturity Date").

The Maturity Date may be extended at the request of the Debtor with the consent of Lender for such period and on such terms as the Debtor and Lender may agree and as the Court of Queen's Bench of Alberta (the "Court") in the Debtor's CCAA Proceedings may approve.

The commitment in respect of the DIP Facility shall expire on the Maturity Date and all amounts outstanding under the DIP Facility shall be repaid in full no later than the Maturity Date without Lender being required to make demand upon the Debtor therefor or to give notice to the Debtor that the DIP Facility has expired and that the obligations are due and payable.

3. **Interest**

The Debtor agrees to pay interest ("Interest") on amounts drawn under the DIP Facility, both before and after the Maturity Date, at a rate of 12.5% per annum.

Interest on amounts drawn under the DIP Facility shall be payable monthly in arrears on the last business day of each month. Such Interest shall constitute an advance under the DIP Facility, to the extent that a payment is not made. Interest shall be calculated and compounded monthly for the actual number of days elapsed in the period during which it accrues based on a year of 365 days. For the purposes of the *Interest Act*, (Canada) the yearly rate of interest to which the rate is equivalent is the rate multiplied by the number of days in the year for which the calculation is made and divided by 365.

Notwithstanding paragraph 1 hereof, if at any time amounts advanced or outstanding under the DIP Facility exceed such limit, and such excess is permitted by Lender in its sole discretion, such excess shall bear Interest at a rate of interest equal to all other funds advanced.

4. **Use of Funds**

The DIP Facility shall be used solely for the purpose of carrying out the Chiller Program at the Lands while the Debtor is under CCAA protection.

5. **Administration Fee**

The Debtor shall pay to Lender, on the Maturity Date, an administration fee in the amount of $10,000 (the "Administration Fee"). The Administration Fee shall constitute an advance under the DIP Facility as at the date the DIP Order (as defined below) is granted, and Interest shall accrue thereon from that date.

6. **Monthly Commitment Fee**

The Debtor shall pay to Lender an amount equal to 12.5% per annum of the undrawn portion of the DIP Facility determined on a daily basis, payable to Lender monthly in arrears on the third business day of each month of the term of the DIP Facility, with the final such payment to be calculated and paid on the Maturity Date, calculated from the date of the DIP Order.

7. **Costs**

On the Maturity Date, the Debtor shall pay to Lender all reasonable fees and disbursements of Lender and its legal and financial advisors engaged by it in connection with the preparation, negotiation, execution, delivery, administration, interpretation or enforcement of this Commitment Letter and the DIP Charge (as hereafter defined) and in the case of legal costs, such costs shall be charged by Lender to the Debtor on a solicitor and his own client basis.

8. **DIP Security**

All obligations of the Debtor under or in connection with the DIP Facility shall be secured by a Court-ordered charge over all of the Debtor's assets, property and undertaking (including but not limited to the Lands), and ranking in priority to all other charges and encumbrances thereon (the "DIP Charge"), in a form satisfactory to the Lender.

9. **Repayments**

All monies received by Lender in repayment of amounts owing under the DIP Facility, whether by way of debit as aforesaid or otherwise, may be applied and allocated by Lender to such parts of the outstanding DIP Facility, whether by principal, interest, fees or other costs, as Lender determines in its sole discretion.

10. **Conditions Precedent**

The DIP Facility shall be made available by Lender to the Debtor upon:

i. the Court granting an Order in a form acceptable to Lender and substantially on the terms attached hereto and marked as Schedule "A" (the "DIP Order").

Notwithstanding the foregoing, the DIP Facility shall not be made available to the Debtor or may be cancelled by Lender if previously made available to the Debtor, if:

i. the Initial Order or the DIP Order is vacated, stayed or otherwise caused to become ineffective or is amended in an manner not acceptable to Lender, or

ii. an Event of Default has occurred and is continuing.

11. **Additional Conditions Precedent**

Prior to the making of any advance under the DIP Facility:

a. Lender shall be satisfied that the Debtor has complied with and is continuing to comply in all material respects with all applicable laws, regulations and policies in relation to its business; and

b. Lender shall be satisfied that there are no liens, charges or encumbrances ranking in priority to the DIP Charge, unless expressly agreed to by Lender.

12. **Representations and Warranties**

The Debtor represents and warrants to Lender that the transactions contemplated by this Commitment Letter and the DIP Facility, including the DIP Charge:

a. are within the powers of the Debtor;

b. have been duly authorized by all necessary corporate approval;

c. have been duly executed and delivered by or on behalf of the Debtor;

d. upon the granting of the DIP Order, constitute legal, valid and binding obligations of the Debtor, enforceable in accordance with their terms; and

e. upon the granting of the DIP Order, do not require the consent or approval of, or registration or filing with, or any other action by, any governmental authority.

13. **Affirmative Covenants**

The Debtor covenants and agrees to do the following:

a. allow Lender full access to the books and records of the Debtor and cause management thereof to fully cooperate with Lender;

b. use reasonable efforts to keep Lender apprised on a timely basis of all material developments with respect to the business and affairs of the Debtor, including but not limited to the Chiller Program;

c. deliver to Lender the reporting and other information from time to time reasonably requested by Lender, including cash flow projections, pertaining to the business and affairs of the Debtor reasonably requested by Lender;

d. use the proceeds of the DIP Facility solely for the purpose of implementing the Chiller Program;

e. Comply with the provisions of the Initial Order and the DIP Order, including any subsequent amendments thereof, provided that if any such order contravenes this Commitment Letter in a manner detrimental to Lender, the same shall be an Event of Default hereunder;

f. preserve, renew and keep in full force its corporate existence with all material licenses;

g. maintain at all times adequate insurance coverage of such type, in such amounts and against such risks as is prudent for a business of an established reputation with financially sound and reputable insurers in coverage and scope acceptable to Lender, including but not limited to insurance respecting the Lands;

h. duly and punctually pay or cause to be paid to Lender all principal, interest, fees and other amounts payable by it under this Commitment Letter on the dates, at the places and in the amounts set forth herein;

i. forthwith notify Lender of the occurrence of any Event of Default or of any event or circumstance which may constitute a material adverse change to Debtor's business, property, assets or undertaking (including the Lands);

j. comply in all material respects with all applicable laws, rules and regulations applicable to its business, including environmental laws; and

k. authorize and direct Ernst & Young Inc., the Court-appointed Monitor of the Debtor (the "Monitor") to provide regular reports to Lender with respect to the Debtor's compliance with the foregoing affirmative covenants and the following negative covenants.

14. **Negative Covenants**

The Debtor covenants and agrees not to do the following:

a. transfer, lease or otherwise dispose of all or any of its property, assets or undertakings except in compliance with the Initial Order as may be subsequently amended;

b. use the proceeds of the DIP Facility for any purposes other than the implementation of the Chiller Program; and

c. create or permit to exist indebtedness for borrowed money secured by a charge upon any of its assets ranking or potentially ranking in priority to the DIP Charge, without the prior approval of Lender.

15. **Indemnity and Release**

The Debtor agrees to indemnify and hold harmless Lender and each of its directors, officers, employees, agents, attorneys, advisors and affiliates (all of such persons and entities being referred to hereafter as "Indemnified Persons") from and against any and all actions, suits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities or expenses of any kind or nature whatsoever which may be incurred by or asserted against or involve any Indemnified Person as a result of or arising out of or in any way related to or resulting from any bankruptcy or insolvency proceedings or the CCAA Proceedings or this Commitment Letter, and, upon demand, to pay and reimburse any Indemnified Person for any reasonable legal costs on a solicitor and his own client basis or other out-of-pocket expenses incurred in connection with investigating, defending or preparing to defend any such action, suit, proceeding or claim whether or not any Indemnified Person is a party to any action or proceeding out of which any such expenses arise; provided, however, the Debtor shall not be obligated to indemnify pursuant to this paragraph any Indemnified Person against any loss, claim, damage, expense or liability to the extent it resulted from the gross negligence or willful misconduct of such Indemnified Person as finally determined by a court of competent jurisdiction.

The indemnities granted under this Commitment Letter shall survive any termination of the DIP Facility.

16. **Events of Default**

The occurrence of any one or more of the following events shall constitute an event of default ("Event of Default") under this Commitment Letter:

a. the entry of an order dismissing the CCAA Proceedings or lifting the stay in the CCAA Proceedings to permit the enforcement of any security against the Debtor or its property, assets or undertaking;

b. the entry of an order granting any other claim super priority status or a lien or charge ranking equally or superior to the DIP Charge, without Lender's prior consent;

c. the entry of an order staying, reversing, vacating or otherwise modifying the DIP Facility or the Initial Order or the DIP Order or the entry of an order by the Court having the equivalent effect, without the prior written consent of Lender;

d. failure of the Debtor to pay (A) interest or fees when due under the Commitment Letter, (B) principal when due under the DIP Facility, or (C) legal and advisor fees of Lender when due under the Commitment Letter;

e. failure of the Debtor to comply with any positive or negative covenants in this Commitment Letter; provided that where such failure is capable of being cured, such failure has continued for more than five (5) business days after written notice thereof from Lender to the Debtor;

f. failure of the Debtor to perform or comply with any term or covenant under this Commitment Letter (other than as set out in subparagraph (d) and (e) above) and such default shall continue unremedied for a period of five (5) days;

g. the Debtor ceases or threatens to cease to carry on business in the ordinary course, except where such cessation occurs in connection with a sale of all or substantially all of the assets of the Debtor consented to by Lender;

h. any representation or warranty by the Debtor is incorrect or misleading in any material respect when made; and

i. the filing of any pleading by the Debtor seeking any of the matters set forth in paragraphs (a) through (c).

17. **Remedies**

Upon the occurrence of an Event of Default, Lender may:

i. declare the obligations in respect of the DIP Facility to be immediately due and payable,

ii. apply to the Court for the appointment of an Interim Receiver or a Receiver and Manager of the undertaking, property and assets of the Debtor or for the appointment of a Trustee in Bankruptcy of the Debtor,

iii. exercise the powers and rights of a secured creditor under the *Personal Property Security Act* (Alta), the *Land Titles Act* (Alta) or any legislation of similar effect applicable to the DIP Security, without the requirement to obtain any order of the Court, and

iv. exercise all such other rights and remedies under the DIP Facility and the CCAA court orders.

IN WITNESS HEREOF, the parties hereby execute this Commitment Letter as of the date first above mentioned.

THE STANDARD LIFE ASSURANCE COMPANY OF CANADA

Per: ______________________ Apr 09/2010

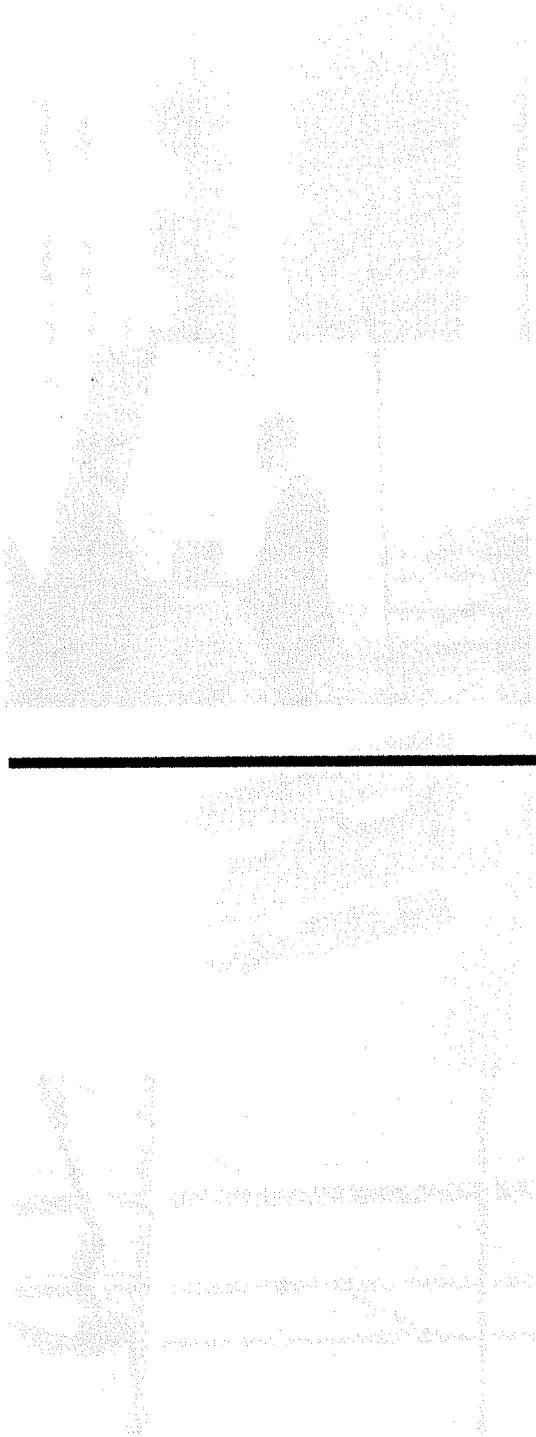
Bruce Graham
Vice-President
Mortgage Development & Operations

ERNST & YOUNG INC. in its capacity as Court-appointed Receiver of CONCRETE ASSOCIATES INVESTMENT CORPORATION, FOR ITSELF AND IN ITS CAPACITY AS GENERAL PARTNER OF SAFEGUARD REAL ESTATE INVESTMENT FUND II LIMITED PARTNERSHIP, and not in its personal capacity

Per: ______________________ Apr 09/2010

Kevin Meyler
Vice President

APPENDIX B



Update Letter of

SNC Lavalin Building
909 5th Avenue SW
Calgary, Alberta

July 2009

prepared for

STRATEGIC EQUITY CORP.

COLLIERS INTERNATIONAL
Realty Advisors

prepared by

Colliers International Realty Advisors
1000 Royal Bank Building
335 8th Avenue SW
Calgary, Alberta T2P 1C9

CIRA 3483-09

August 31, 2009

Colliers International Realty Advisors Inc.
Suite 1000
Royal Bank Building
335-8th Avenue SW
Calgary, Alberta
Canada T2P 1C9
Telephone (403) 265-9180
Fax (403) 237-6366
www.colliers.com

Strategic Equity Corp.
400, 630 - 8th Avenue SW
Calgary, Alberta T2P 1G6

Attention: Riaz Mamdani

Dear Mr. Mamdani:

RE: UPDATE LETTER OF THE SNC LAVALIN BUILDING, CALGARY, ALBERTA

In accordance with your request, we have gathered updated property and market data relating to the property above and have carried out a valuation analysis in order to estimate the current market value. This letter represents an update of the previous valuation (File No. 3483-09) with the effective date of March 1, 2009. The amended value is based on the changes to the property and/or market conditions. This letter must be read in conjunction with the original report, as it does not constitute an appraisal of the property. Based on our investigations, it is our opinion the market value of the property known as the SNC Lavalin Building, as at July 31, 2009 was estimated to be:

SEVENTEEN MILLION TWO HUNDRED THOUSAND DOLLARS
$17,200,000

The above value is subject to the Contingent and Limiting Conditions and Extraordinary Assumptions outlined within the original valuation.

It is recalled that the value estimated in the original appraisal (dated March 1, 2009) was $17,200,000. As such, the value remains unchanged.

Our working files contain data in support of the conclusion and contain the pertinent data gathered in our investigation of the market.

If you have any questions, we would be pleased to discuss the valuation further.

Yours very truly,

COLLIERS INTERNATIONAL REALTY ADVISORS INC.

Chris Marlyn, AACI, P.App.
Senior Vice President, CIRA Calgary

Rachel Williamson, B.Comm.
Associate, CIRA Calgary

APPENDIX C

CONCRETE EQUITIES CONSOLIDATED

Appendix C

Actual to Forecast for the period July 29, 2009 to March 26, 2010

($ CAD)

	Forecast TOTAL	Actual TOTAL	Variance TOTAL
Net Cash Receipts	$ 4,154,747	$ 4,632,572	$ 477,825
Non-Recoverable Expenses			
Mortgage Payments	2,883,247	2,883,247	(0)
Capital and Leasing Costs	102,197	92,525	(9,672)
Repairs and Maintenance	-	-	-
Capital Disbursements	-	-	-
Restructuring Expenses	2,196,246	2,259,992	63,745
Other Operating Expenses	144,670	144,670	-
Contingency	180,000	101,091	(78,909)
	5,506,361	5,481,525	(24,836)
Excess (Shortfall)	(1,351,613)	(848,953)	(502,661)
DIP Financing	1,272,450	1,297,000	24,550
Draw on Retainer	100,000	100,000	-
Inter-entity Lending	-	-	-
Change in Cash	**20,837**	**548,047**	**527,211**
Opening Cash	1,038,634	1,038,634	-
Closing Cash	**$ 1,059,471**	**$ 1,586,681**	**$ 527,211**
Restricted Funds	(374,734)	(430,308)	(55,574)
Net Closing Cash	**$ 684,737**	**$ 1,156,373**	**$ 471,636**

Appendix C

SAFEGUARD REAL ESTATE INVESTMENT FUND LIMITED PARTNERSHIP
Actual to Forecast for the period July 29, 2009 to March 26, 2010
($ CAD)

	Total Forecast	Total Actual	Total Variance
Net Cash Receipts	451,770	493,319	$ 41,549
Non-Recoverable Expenses			
Mortgage Payments	269,182	269,182	-
Capital and Leasing Costs	22,757	22,757	-
Repairs and Maintenance	-	-	-
Capital Disbursements	-	-	-
Restructuring Expenses	219,235	225,677	6,441
Other Operating Expenses	18,997	18,997	-
Contingency	27,000	-	(27,000)
	557,171	536,612	(20,559)
Excess (Shortfall)	(105,401)	(43,293)	(62,108)
DIP Financing	-	-	-
Draw on Retainer	10,105	10,105	-
Inter-entity Lending	-	-	-
Change in Cash	**(95,296)**	**(33,188)**	**62,108**
Opening Cash	178,637	178,637	-
Closing Cash	**$ 83,341**	**$ 145,449**	**$ 62,108**
Restricted Funds	-	-	-
Net Closing Cash	**$ 83,341**	**$ 145,449**	**$ 62,108**

Appendix C

SAFEGUARD REAL ESTATE INVESTMENT FUND II LIMITED PARTNERSHIP
Actual to Forecast for the period July 29, 2009 to March 26, 2010
($ CAD)

	Total Forecast	Total Actual	Total Variance
Net Cash Receipts	693,769	745,835	$ 52,066
Non-Recoverable Expenses			
Mortgage Payments	618,488	618,488	-
Capital and Leasing Costs	-	-	-
Repairs and Maintenance	-	-	-
Capital Disbursements	-	-	-
Restructuring Expenses	407,658	419,635	11,977
Other Operating Expenses	25,410	25,410	-
Contingency	36,000	101,091	65,091
	1,087,556	1,164,624	77,068
Excess (Shortfall)	(393,787)	(418,790)	25,002
DIP Financing	400,000	400,000	-
Draw on Retainer	18,790	18,790	-
Inter-entity Lending	-	-	-
Change in Cash	**25,002**	**(0)**	**(25,002)**
Opening Cash	110,143	110,143	-
Closing Cash	**$ 135,145**	**$ 110,142**	**$ (25,002)**
Restricted Funds	(26,000)	(26,000)	-
Net Closing Cash	**$ 109,145**	**$ 84,142**	**$ (25,002)**

SAFEGUARD REAL ESTATE INVESTMENT FUND III LIMITED PARTNERSHIP **Appendix C**

Actual to Forecast for the period July 29, 2009 to March 26, 2010

($ CAD)

	Total Forecast	Total Actual	Total Variance
Net Cash Receipts	560,315	659,150	$ 98,834
Non-Recoverable Expenses			
Mortgage Payments	517,388	517,388	-
Capital and Leasing Costs	79,440	69,768	(9,672)
Repairs and Maintenance	-	-	-
Capital Disbursements	-	-	-
Restructuring Expenses	438,469	451,352	12,883
Other Operating Expenses	27,594	27,594	-
Contingency	36,000	-	(36,000)
	1,098,891	1,066,102	(32,789)
Excess (Shortfall)	(538,575)	(406,952)	(131,624)
DIP Financing	550,000	547,000	(3,000)
Draw on Retainer	20,210	20,210	-
Inter-entity Lending	-	-	-
Change in Cash	**31,634**	**160,258**	**128,624**
Opening Cash	162,148	162,148	-
Closing Cash	**$ 193,782**	**$ 322,406**	**$ 128,624**
Restricted Funds	(18,000)	(21,000)	(3,000)
Net Closing Cash	**$ 175,782**	**$ 301,406**	**$ 125,624**

Appendix C

SAFEGUARD REAL ESTATE INVESTMENT FUND IV LIMITED PARTNERSHIP
Actual to Forecast for the period July 29, 2009 to March 26, 2010
($ CAD)

	Total Forecast	Total Actual	Total Variance
Net Cash Receipts	1,150,730	$ 1,230,540	$ 79,810
Non-Recoverable Expenses			
Mortgage Payments	879,216	879,216	-
Capital and Leasing Costs	-	-	-
Repairs and Maintenance	-	-	-
Capital Disbursements	-	-	-
Restructuring Expenses	616,227	628,185	11,958
Other Operating Expenses	40,183	40,183	-
Contingency	45,000	-	(45,000)
	1,580,626	1,547,584	(33,042)
Excess (Shortfall)	(429,896)	(317,044)	(112,852)
DIP Financing	350,000	350,000	-
Draw on Retainer	28,403	28,403	-
Inter-entity Lending	-	-	-
Change in Cash	**(51,493)**	**61,359**	**112,852**
Opening Cash	239,511	239,511	-
Closing Cash	**$ 188,018**	**$ 300,870**	**$ 112,852**
Restricted Funds	(10,000)	(10,000)	-
Net Closing Cash	**$ 178,018**	**$ 290,870**	**$ 112,852**

Appendix C

SAFEGUARD REAL ESTATE INVESTMENT FUND V LIMITED PARTNERSHIP
Actual to Forecast for the period July 29, 2009 to March 26, 2010
($ CAD)

	Total Forecast	Total Actual	Total Variance
Net Cash Receipts	1,265,209	$ 1,470,774	$ 205,565
Non-Recoverable Expenses			
Mortgage Payments	598,973	598,973	(0)
Capital and Leasing Costs	-	-	-
Repairs and Maintenance	-	-	-
Capital Disbursements	-	-	-
Restructuring Expenses	488,004	508,490	20,486
Other Operating Expenses	30,286	30,286	-
Contingency	36,000	-	(36,000)
	1,153,263	1,137,749	(15,514)
Excess (Shortfall)	111,946	333,025	(221,080)
DIP Financing	-	-	-
Draw on Retainer	22,493	22,493	-
Inter-entity Lending	-	-	-
Change in Cash	**134,439**	**355,518**	**221,080**
Opening Cash	333,690	333,690	-
Closing Cash	**$ 468,128**	**$ 689,208**	**$ 221,080**
Restricted Funds	(310,000)	(357,000)	(47,000)
Net Closing Cash	**$ 158,128**	**$ 332,208**	**$ 174,080**

CONSOLIDATED CASH FLOWS FOR THE NEW CCAA APPLICANTS **Appendix C**
Actual to Forecast for the period July 29, 2009 to March 26, 2010
($ CAD)

	Forecast **Total**	Actual **Total**	Variance **Total**
Net Cash Receipts	$ 248,693	$ 175,421	$ (73,272)
Non-Recoverable Expenses			
Mortgage Payments	-	-	-
Capital and Leasing Costs	-	-	-
Repairs and Maintenance	-	-	-
Capital Disbursements	-	-	-
Restructuring Expenses	26,652	26,652	-
Other Operating Expenses	144,526	144,670	145
Contingency	(1)	-	1
	171,177	171,323	146
Excess (Shortfall)	77,515	4,098	(73,417)
DIP Financing	-	-	-
Draw on Retainer	-	-	-
Inter-entity Lending	-	-	-
Change in Cash	**77,515**	**4,098**	**(73,417)**
Opening Cash	14,505	14,505	-
Closing Cash	**$ 92,021**	**$ 18,604**	**$ (73,417)**
Restricted Funds	(10,734)	(16,308)	5,574
Net Closing Cash	**$ 81,287**	**$ 2,296**	**$ (67,843)**

Action No. 0901-11048

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.

FIFTH REPORT OF THE MONITOR

McCARTHY TÉTRAULT LLP
Barristers & Solicitors
Suite 3300, 421 – 7th Avenue S.W.
Calgary, Alberta
T2P 4K9

Sean F. Collins
Phone: (403) 260-3531
Fax: (403) 260-3501
File No.: 125264-414327