

FORM 33

**NOTICE OF INTENTION TO MAKE A PROPOSAL
(Subsection 50.4(1) of the Act)**

TAKE NOTICE THAT:

1. **SAFEGUARD REAL ESTATE INVESTMENT FUND III LIMITED PARTNERSHIP**, an insolvent person, states, pursuant to subsection 50.4(1) of the *Bankruptcy and Insolvency Act (Canada)*, that I intend to make a proposal to my creditors.
2. Ernst & Young Inc., of Calgary, Alberta, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250.00 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the filing of this notice with the official receiver in my locality.

Dated at Calgary, Alberta, this 26 day of May, 2009

**Safeguard Real Estate Investment Fund
III Limited Partnership by its General
Partner, Concrete Associates II
Investment Corporation**

Per: _____

Vincenzo De Palma, Director

To be completed by the official receiver:

Filing Date: _____

Official Receiver



Office of the Superintendent
of Bankruptcy Canada

An Agency of
Industry Canada

Bureau du surintendant
des faillites Canada

Un organisme
d'Industrie Canada

District of Alberta
Division No. 02 - Calgary
Court No. 25-1210851
Estate No. 25-1210851

In the Matter of the Notice of Intention to make a
proposal of:

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

Insolvent Person

ERNST & YOUNG INC.

Trustee

Date of the Notice of Intention: May 26, 2009

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: May 26, 2009, 19:13

E-File/Dépôt Electronique

Official Receiver

Standard Life Tower, 510-639-5th Ave., SW, Calgary, Alberta, Canada, T2P0M9, (403)292-5607

Canada

**CONSENT TO ACT AS TRUSTEE UNDER A PROPOSAL
SECTION 50.4(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT (CANADA)***

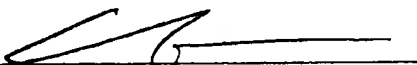
**TO: SAFEGUARD REAL ESTATE INVESTMENT FUND III LIMITED
PARTNERSHIP**

THE UNDERSIGNED, **ERNST & YOUNG INC.**, consents to acting as trustee under a proposal to be filed by Safeguard Real Estate Investment Fund III Limited Partnership pursuant to Part III, Division I of the Bankruptcy and Insolvency Act (Canada).

Dated this 26 day of May, 2009

ERNST & YOUNG INC.

Per: _____


NEIL NARFASON,
Partner and Senior Vice President

Safeguard Real Estate Investment Fund III Limited Partnership
Creditors Listing as at May 26, 2009

Name	Address			\$CDN Amount
Computershare Trust Company of Canada	100 University Ave, 9th Floor	Toronto, ON	M5J 2Y1	Unknown
Midland Loan Services	PO Box 25965	Shawnee Mission, KS	66225-5965	10,180,236.98
Strategic Financial Corporation	400, 630 - 8th Avenue S.W.	Calgary, AB	T2P 1G6	3,300,000.00
Concrete Associates II	450, 550 - 11th Avenue S.W.	Calgary, AB	T2R 1M7	490,853.00
Dave Aurora	2829 - 77th Street S.W.	Calgary, AB	T3H 5M1	260,000.00
City of Calgary Taxes	Auto-Withdrawal			19,791.00
Kennington Properties	P.O. Box 1212 Station M	Calgary, AB	T2P 2K9	6,062.56
L. Bower Enterprises	356 Avonburn Rd. S.E.	Calgary, AB	T2H 1N8	1,837.50
Enmax	P.O. Box 2100 Station M	Calgary, AB	T2P 2M5	1,573.56
				<u>14,260,354.60</u>