

SAFEGUARD REAL ESTATE INVESTMENT FUND II LIMITED PARTNERSHIP
NOTICE AND STATEMENT OF RECEIVER
(Subsections 245(1) and 246(1) of the Act)

In the Matter of the Court Appointed Interim Receivership of the Property of
Safeguard Real Estate Investment Fund II Limited Partnership (the “Limited Partnership”)

1. Please be advised that on Tuesday, June 9, 2009 Ernst & Young Inc. was named Court Appointed Interim Receiver (the “Receiver”) in respect of the property of the Limited Partnership, insolvent person, that is described below:

	<u>Net Book Value</u> <u>As at June 9, 2009</u>
Cash	\$3,886
Accounts receivable	\$1,284
Related party receivable	Unknown
Prepaid expenses	\$145,000
Building	<u>\$22,000,000</u>
Total	<u>\$22,150,170</u>

2. Ernst & Young Inc. became Receiver in respect of the property described above pursuant to an Order of the Court of Queen’s Bench of Alberta dated June 9th, 2009.
3. The Receiver took possession and control of the property described above on June 9th, 2009.
4. The following information relates to the receivership:

- a) Principal address of the insolvent person: Suite # 450, 550 11 Avenue S.W.
Calgary, AB T2R 1M7
- b) Principal line of business: Commercial Real Estate
- c) Location of the business : 909 5th Avenue SW
Calgary, AB T2P 3G5
- d) Amounts owed by the Limited Partnership are as follows;

<u>Name</u>	<u>Claim Amount</u>
Secured creditors – see attached	\$17,890,670
Statutory/Preferred creditors	Unknown
Unsecured creditors – see attached	\$345,521
Total	<u>\$18,236,191</u>

- e) The intended action plan of the Receiver is to maintain the Limited Partnership in collaboration with a Management Committee pending the Notice of Intention to Make a Proposal Proceedings and carry out an investigation into the financial affairs of the Limited Partnership.
- f) The Receiver contact is:

Ernst & Young Inc.
1000 Ernst & Young Tower
440 - 2nd Avenue SW
Calgary, AB T2P 5E9

Attention: Mr. Alex Corbett
Telephone: (403) 206-5001
Facsimile: (403) 206-5075

Dated at Calgary, Alberta this 19th day of June, 2009

ERNST & YOUNG INC.
Court Appointed Interim Receiver of
Safeguard Real Estate Investment Fund II Limited Partnership

A handwritten signature in black ink, appearing to read 'Neil Narfason', with a long horizontal line extending to the right.

Neil Narfason, CA•CIRP, CBV
Senior Vice President

Safeguard Real Estate Investment Fund II Limited Partnership
Creditors Listing
as at June 9, 2009

Secured Creditors	Amount (\$ CDN)
Computershare Trust Company of Canada	Unknown
Standard Life Assurance of Canada	8,780,670
934608 Alberta Ltd	5,500,000
Strategic Financial Corporation	3,300,000
Dave Aurora	260,000
Danny & Jana Posadka	50,000
Total Secured Creditors	\$ 17,890,670
Unsecured Creditors	Amount (\$ CDN)
Convergint Technologies Ltd.	152,250
Constellation NewEnergy Canada Inc.	49,749
City of Calgary Taxes	24,730
Intercon Security Limited	21,939
Concorde Maintenance Inc.	17,441
Bennett Jones LLP	17,356
Power Ecosystems Inc.	13,875
Bishop & McKenzie LLP	11,194
Sterling Elevator Services Corp.	7,559
Receiver General	4,916
Colliers International Realty Advisors	4,549
RJA Services Inc.	3,386
Pinchin Environmental	2,940
O'Dell Electric Ltd.	2,654
Crystal Glass Canada Ltd.	2,350
WasteLess Environmental Services	2,159
Amre Supply Co. Ltd.	880
Enmax	734
Servicemaster of Calgary Downtown	714
Goodbye Graffiti Calgary	606
Siemens Building Technologies Ltd.	588
KJA Consultants Inc.	473
D.W. Rourke & Associates Ltd.	468
Ambius Inc.	466
Telus	353
AEDARSA	330
Ever-Clear Property Services Inc.	252
Tigertel Communicaitons Inc.	245
Direct Energy Regulated Services	188
PCO Services Corporation	117
Avenue Commercial	62
Other related party payables	unknown
Total Unsecured Creditors	\$ 345,521
Total Creditors	\$ 18,236,191

Note - Creditors listing as prepared by Limited Partnership for purposes of the Notice of Intention to Make a Proposal Filing as filed on May 26, 2009 adjusted for the addition of 934608 Alberta Ltd. which was subsequently identified.