

The Lougheed Block Inc.
Receiver and Manager's Final Report
Alger & Associates Inc.
May 11, 2011

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INTRODUCTION

1. Alger & Associates Inc. ("Alger" or the "Receiver") was appointed Receiver and Manager on December 17, 2009 pursuant to the Amended and Restated Receivership Order (the "Order") of the Honourable Madam Justice K.M. Horner of the Court of Queen's Bench of Alberta of all the debtor's right to title and interest in the property legally described as:
 - Plan A Calgary
 - Block Forty Three
 - Lots one (1) to eight (8) inclusive and the most
 - Westerly five (5) feet in width throughout lot nine (9)
 - Excepting thereout: the most southerly seventy nine (79)
 - Feet six (6) inches of the easterly twenty four (24) feet
 - Six (6) inches of lot four (4) and the most southerly
 - Seventy nine (79) feet six (6) inches of lots five (5) to eight (8) inclusive
 - together with all of the Debtor's present and after acquired personal property situate thereon
 - including all proceeds thereof (the "Property").

This property mainly consists of a six story heritage building located on the southeast corner of the intersection of Sixth Avenue and First Street Southwest in downtown Calgary.
2. On February 4, 2010, May 5, 2010 and September 22, 2010 the Receiver filed its First, Second and Third Reports respectively with this Honourable Court.
3. The Receiver's Final Report is intended to provide this Honourable Court with the following information:
 - a. The Receiver's Final Statement of Receipts and Disbursements ("R&D") to May 11, 2011;
 - b. The Receiver's intent to file for its discharge as previously authorized by this Honourable Court on September 28, 2010 ("Discharge Order").
4. Capitalized terms not defined in this Report are defined in the Receiver's previous reports.

Limitations of Report

5. The Receiver assumes no responsibility or liability for any loss or damage occasioned by any party because of the circulation, publication, reproduction, or use of this report. Any use, which any party makes of this report, or any reliance on or decisions to be made based on it, is the responsibility of such party.

FORECLOSURE (ACTION NUMBER 0901-08221)

Sale Process

6. All post-closing matters requiring the Receiver's involvement are now at an end.

Distribution of Sale Proceeds

7. As outlined in the Receiver's Third Report, there was a \$2,500,000 holdback made

from the distribution of the \$30,650,000 in sale proceeds from the Property to Equitable at the September 1, 2010 Court application. This holdback relates largely to various disputed items, the resolution process for which does not require the further involvement of the Receiver.

TENANT MATTERS

8. All tenant matters requiring the Receiver's involvement are now at an end.

STATEMENT OF RECEIPTS AND DISBURSEMENTS ("R&D")

9. Attached as Exhibit 1 is an R&D from the December 17, 2009 date of Receivership to May 11, 2011. This R&D includes the following receipts and disbursements since the September 20, 2010 R&D included as Exhibit 6 of the Receiver's Third Report, all of which were included within the projected R&D attached as Exhibit 9 of that report:
- a. Receipt of the AHRF government grant in the amount of \$54,658;
 - b. Receipt of \$50,000 as an advance from Equitable from the Property Sale Proceeds;
 - c. Receipt of the residual net rental income funds from Barclay, the property manager;
 - d. Payment of fees to the Receiver and its counsel within the amounts authorized by this Honourable Court in the Discharge Order;
 - e. Payment of the contractor's holdback in the amount of \$11,592;
 - f. Payment of the 2% commitment fee on the \$140,000 in Receiver Certificates; and
 - g. Final distribution of funds to Equitable in accordance with the Discharge Order.

ACCOUNT TAXATION

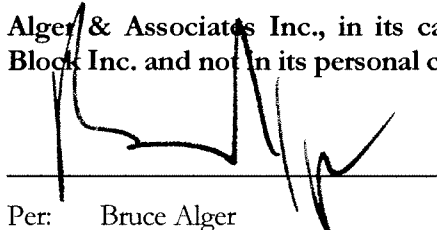
10. On September 28, 2010, the Receiver received the approval of this Honourable Court for the fees and disbursements of the Receiver and its counsel for the amounts that are within the amounts contained within the R&D attached as Exhibit 1.

INTENDED COURSE OF ACTION

11. The Receiver's future course of action will include the filing of this report to achieve the Receiver's discharge.

Respectfully submitted this 11th day of May 2011.

Alger & Associates Inc., in its capacity as Receiver of Certain Property of Loughheed Block Inc. and not in its personal capacity


Per: Bruce Alger
President

Action No: 0901-08222

**In the Matter of the Receivership of Certain Property of The Loughheed Block Inc.
Final Statement of Receipts and Disbursements
For the Period of December 17, 2009 to May 11, 2011**

Receipts

Net rental receipts	\$ 1,444,460
Receiver's certificate	140,000
Government grant	54,658
Advances from secured creditor	50,000
Interest	293
	<u>1,689,411</u>

Disbursements

Secured creditor	1,312,435
Base building work	151,074
Receiver's counsel's fees and disbursements	110,626
Receiver's fees	91,983
Receiver Certificate commitment fee	2,800
Architect's fees	1,760
General and administrative expenses	950
GST paid	17,784
	<u>1,689,411</u>

Cash on hand

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