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CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL
COURT. No.: 500-11-041305-117

SUPERIOR COURT
Commercial Division

**IN THE MATTER OF THE PLAN OF
COMPROMISE OR ARRANGEMENT OF:**

HOMBURG INVEST INC.

– and –

HOMBURG SHARECO INC.

– and –

CHURCHILL ESTATES DEVELOPMENT LTD.

– and –

INVERNESS ESTATES DEVELOPMENT LTD.

– and –

CP DEVELOPMENT LTD.

– and –

NORTH CALGARY LAND LTD.

– and –

HOMBURG MANAGEMENT (CANADA) INC.

Debtors/Petitioners

– and –

THE ENTITIES LISTED IN APPENDIX A

Mises-en-cause

– and –

SAMSON BÉLAIR/DELOITTE & TOUCHE INC.

Monitor

**TWENTY-FOURTH REPORT TO THE COURT
SUBMITTED BY SAMSON BÉLAIR/DELOITTE & TOUCHE INC.
IN ITS CAPACITY AS MONITOR**
(Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended)

INTRODUCTION

1. On September 9, 2011, Homburg Invest Inc. (“**HII**”), Homburg Shareco Inc. (“**Shareco**”), Churchill Estates Development Ltd. (“**Churchill**”), Inverness Estates Development Ltd. (“**Inverness**”) and CP Development Ltd. (“**CP**”) (and, later, North Calgary Land Ltd. (“**NCLL**”) and Homburg Management (Canada) Inc. (“**HMCI**”), following amendments to the Initial Order (collectively, the “**Debtors**”) filed and obtained protection from their respective creditors under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”) pursuant to an Order rendered by the Superior Court of Quebec (as amended and extended from time to time, the “**Initial Order**”).
2. Pursuant to the Initial Order, the Stay extends to the following limited partnerships which form an integral part of the business of the Debtors: Homco Realty Fund (52) Limited Partnership (“**Homco 52**”), Homco Realty Fund (61) Limited Partnership (“**Homco 61**”), Homco Realty Fund (83) Limited Partnership (“**Homco 83**”) (following an amendment to the Initial Order on April 26, 2013), Homco Realty Fund (88) Limited Partnership (“**Homco 88**”), Homco Realty Fund (89) Limited Partnership (“**Homco 89**”), Homco Realty Fund (92) Limited Partnership (“**Homco 92**”), Homco Realty Fund (94) Limited Partnership (“**Homco 94**”) (following an amendment to the Initial Order on October 7, 2011), Homco Realty Fund (96) Limited Partnership (“**Homco 96**”) (following an amendment to the Initial Order on May 31, 2012), Homco Realty Fund (105) Limited Partnership (“**Homco 105**”), Homco Realty Fund (121) Limited Partnership (“**Homco 121**”), Homco Realty Fund (122) Limited Partnership (“**Homco 122**”), Homco Realty Fund (142) Limited Partnership (“**Homco 142**”), Homco Realty Fund (190) Limited Partnership (“**Homco 190**”) and Homco Realty Fund (191) Limited Partnership (“**Homco 191**”) (following an amendment to the Initial Order on December 14, 2012 in the case of both Homco 190 and Homco 191), Homco Realty Fund (199) Limited Partnership (“**Homco 199**”) and Castello Development Ltd. (“**Castello**”) (following an amendment to the Initial Order on February 6, 2013 in the case of both Homco 61 and Castello) (collectively, the “**Applicant Partnerships**” and, together with the Debtors, the “**HII Parties**”).
3. Samson Bélair/Deloitte & Touche Inc. was appointed as monitor (the “**Monitor**”) under the CCAA.
4. Pursuant to the Initial Order, an initial stay of proceedings (the “**Stay**”) was granted until October 7, 2011 in favor of the HII Parties, which Stay has been extended from time to time by order of the Court. On April 26, 2013, the Court last extended the Stay up until June 7, 2013 (the “**Stay Period**”).
5. Since the Initial Order, the Monitor has filed reports with the Court and served same to the Service List from time to time. The Monitor filed twenty-three such Monitor’s reports (as well as some supplemental reports) prior to this Twenty-fourth Monitor’s report (the “**Twenty-Fourth Report**”). Copies of all of the Monitor’s reports are available on the Monitor’s website at www.deloitte.com/ca/homburg-invest. The Monitor has also established a toll free number that is referenced on the Monitor’s website so that parties may contact the Monitor if they have questions with respect to the HII Parties’ restructuring under the CCAA.

PURPOSE OF THE TWENTY-FOURTH REPORT

6. This Twenty-Fourth Report is intended to provide an update on the progress of the HII Parties’ restructuring and related steps and confirm the support of the Monitor to the Debtors’ Motion for an extension of the Stay Period. In addition, this Twenty-Fourth Report will provide the Monitor’s recommendation related to HII’s request for approval of a bridge loan between HII and Valbonne 5 (“**Valbonne 5 Bridge Loan**”), and will provide an update on the HII/Shareco Creditors’ Meeting

and the Homco 61 Creditors' Meeting, a summary of the voting results of both meetings held on May 30, 2013 and the Monitor's recommendation in respect of the motions by HII and Shareco and by Homco 61 (collectively, the "**Sanction Motions**") seeking orders sanctioning respectively the HII/Shareco Plan and the Homco 61 Plan (collectively, the "**Plans**"). This report also addresses HII's cash position, developments from recent meetings with the mortgage lenders, developments with respect to the sale of non-core properties since the Twenty-Second Report, and, generally, the restructuring process.

7. This Twenty-Fourth Report is structured as follows:

- I- Restructuring Initiatives;
- II- Highlights of the Creditors Meetings and Vote on the Plans;
- III- Approval of the Plans and Other Elements being part of the Plans and the Sanction Motions;
- IV- Debtors' Cash Flows from April 14 to May 18, 2013;
- V- Activities of the Monitor;
- VI- Extension of the Stay Period; and
- VII- Conclusions and Recommendations.

TERMS OF REFERENCE

8. In preparing this Twenty-Fourth Report, the Monitor has relied upon audited and unaudited financial information, the HII Parties' records, the amended motion for an Initial Order dated September 9, 2011, and all subsequent motions filed with the Court (collectively, the "**Debtors' Motions**") and exhibits in support of same, its discussions with management of the HII Parties ("**Management**") and the HII Parties' and the Monitor's legal advisors. While the Monitor has analyzed the information, some in draft form, submitted in the limited time available, the Monitor has not performed an audit or otherwise verified such information. Forward looking financial information included in this Twenty-Fourth Report is based on assumptions of Management regarding future events, and actual results achieved will vary from this information and such variations may be material.
9. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars. Capitalized terms not otherwise defined in this Twenty-Fourth Report are as defined in the previous reports of the Monitor and the Debtors' Motions.

I. RESTRUCTURING INITIATIVES

UPDATE OF THE NEGOTIATIONS AND DISCUSSIONS WITH THE MORTGAGE LENDERS

10. As mentioned in previous reports, the relevant Homcos or their subsidiaries, the property manager and the Monitor have engaged in discussions and negotiations with the mortgage lenders in respect of the core properties, as well as with respect of certain non-core properties, with a view to, in the former case, arrive at agreements that will be the most financially advantageous in relation to Newco's real estate portfolio, and, in the latter case, identify the optimal course of action to remove the non-core properties and their related liabilities from the HII Group's corporate structure, the whole for the benefit of the HII Group's stakeholders.
11. As of the date hereof, the status of these discussions and negotiations, with respect to the core properties, is as follows:

- i. Bank of Scotland is continuing to assess the consequences, if any, of the corporate changes that will result from the corporate restructuring in relation to the two properties it finances and it is expected that it will communicate its position to the HII Group in the near future.
 - ii. Documentation of the renegotiated terms of the loan advanced by Falcon Private Bank Ltd. ("**Falcon**") to Valbonne Real Estate 5 B.V. in connection with the Campeon Property is expected to be finalized shortly. Certain conditions precedent to this transaction remain pending and are expected to be met in the coming weeks. The Monitor will continue to update the Court as developments occur.
 - iii. As mentioned in the Twenty-Third Report, on April 24, 2013, HII and Skandinaviska Enskilda Banken AB ("**SEB**") executed a term sheet agreement. HII, with the assistance of the Monitor, is continuing its negotiations with SEB in order to finalize the agreements contemplated by the term sheet. Certain conditions precedent to this transaction remain pending and are expected to be met in the coming weeks. The Monitor will continue to update the Court as developments occur.
 - iv. During a meeting held on May 13, 2013, the HII Group, the Monitor and HSH Nordbank AG verbally agreed on renewal terms for extension of the credit facility until October 29, 2015. HII is expecting to receive a term sheet shortly.
 - v. By letter dated May 30, 2013 NIB Capital Bank N.V. ("**NIBC**") agreed to the corporate changes that will result from the corporate restructuring and waived their ability to cancel the credit facility resulting from this change of control.
12. The status of these discussions and negotiations, for the non-core properties, is as follows:
- i. Recent meetings between the Monitor, Management and SNS Property Finance B.V. ("**SNS**") have been held in order to discuss the best course of action to remove non-core assets from the HII Group's balance sheet. Further analysis and discussions are still required. The Monitor will update the Court as developments occur.
 - ii. Regarding the properties financed by Frankfurter Hypotheken Bank ("**FHB**"), an asset purchase agreement was signed on April 22, 2013 by FHB with respect to the properties owned by Homco 84 and Homco 120. These Assets have therefore been sold and transferred and are not longer part of the HII Group's portfolio.
 - iii. Regarding the properties financed by FGH Bank N.V. ("**FGH**"), on May 21, 2013 an application for bankruptcy was filed with the German Court in relation to Homco 142 GmbH. The HII Group and FGH are continuing to assess the best course of action to remove Homco 142 assets and liabilities from the HII Group's balance sheet.
 - iv. Discussions are still ongoing between Hatfield Philips (acting as Agent to the Noteholders) and Management in order to determine the best course of action to remove the assets and liabilities of Homco 98 from the HII Group's balance sheet.
 - v. HSBC is financing four (4) properties in Canada: "**Henderson Farms**" (Homco 121), Kai Mortensen Towers ("**Kai**") (Homco 88), "**Cristal Towers**" (Homco 105), and "**Points North**" (NCLL):
 - a. Discussions between HSBC, the HII Group and the Monitor are still ongoing in order to determine the best course of action regarding Henderson Farms. The HII Group and the

Monitor still anticipate that there is no economic interest in this property for the HII Group and its stakeholders other than HSBC. Homburg Canada Inc. (“**HCI**”) is the guarantor of Homco 121’s debt toward HSBC and raised certain issues with respect to (i) the entitlement of Homco 121 to certain water rights registered in the name of NCLL and (ii) the interpretation of the purchase agreement between the HII Group and the HCI Group dated November 17, 2011 in relation to this guarantee provided by HCI. The Monitor and the HII Group are looking into these issues and will report to the Court in due time.

- b. Homco 88, with the approval of the Monitor and of Stichting Homburg Bonds in its role as representative of the Series 7 Mortgage Bondholders (who benefit from a mortgage over this property), entered into a conditional purchase and sale agreement in relation to the Kai property. The purchaser has recently begun its due diligence on the property, and the Monitor will report any developments to the Court. The closing of the transaction is subject to the approval of the Court.
- c. The purchaser of Cristal Towers is continuing to conduct its due diligence. The due diligence period provided by the conditional purchase and sale agreement is coming to an end and the purchaser has recently approached the Monitor and Homco 105 to obtain an extension of said period. The Monitor will report any developments to the Court.
- d. As noted in the Twenty-Second Report, the party interested in purchasing Points North terminated the conditional purchase and sale agreement. This property has been relisted for sale at a reduced price of \$26 million.
- vi. HSBC has been kept informed on a regular basis on the ongoing sale processes of these non-core Canadian properties.
- vii. The process relating to the non-core properties and any pending issues thereto will not impact the Plan Implementation Date.

BRIDGE LOAN TO VALBONNE 5 REAL ESTATE B.V.

- 13. As mentioned in previous reports, Valbonne 5 Real Estate B.V. (“**Valbonne 5**”) has an indirect interest in the Campeon complex, in Munich, Germany, which represents the single largest asset of the HII Group and is a Core Business Asset that will be transferred to Newco under the HII/Shareco Plan.
- 14. Valbonne 5 receives quarterly distributions from MoTo Objekt Campeon GmbH & Co KG (“**MoTo**”) of an approximate amount of EUR 3.6M. As previously reported, Valbonne 5’s lender, Falcon, currently exercises “cash sweeps” in reimbursement of the Falcon loan, in capital and interest, such that Valbonne 5 has no liquidity.
- 15. HII filed a motion seeking for the approval of a bridge loan in order to pay certain tax liabilities of Valbonne 5, namely approximately EUR 420,000 currently owed to German tax authorities, approximately EUR 740,000 currently owed to Dutch tax authorities and approximately EUR 420,000 which would become due to German tax authorities in mid-June 2013.
- 16. The Valbonne 5 Bridge Loan would be in an aggregate amount of EUR 1.6M and would be an interim loan, to be repaid out of the June 2013 quarterly distribution from MoTo, as it was agreed by Falcon. The Valbonne 5 Bridge Loan is not currently reflected in the HII cash flow extension period as the Court has not yet granted approval for its payment. Presuming that the motion will be

granted, the loan will have no net impact on the HII cash flow as the loan is expected to be reimbursed out of the June 2013 quarterly distribution to be received from Valbonne 5.

17. The Monitor supports the approval of the Valbonne 5 Bridge Loan as it will allow for the immediate payment of tax obligations of Valbonne 5 and the ultimate protection of a Core Business Asset for the benefit of HII's stakeholders.

SALE PROCESS OF NON-CORE PROPERTIES

Canadian Properties

18. The HII Group is continuing to actively market its Canadian properties, and the status of this process in relation to the four properties financed by HSBC is presented above. As for Homburg Springs East (Homco 52) and Homburg Springs West (Homco 94), as noted in the Twenty-Second report, HII and the Monitor recently renewed the broker agreements and reviewed the listing prices, after having obtained the authorization of Stichting Homburg Bonds in respect of Homburg Springs East, which is secured in favour of the Series 4 Mortgage Bondholders.

Homco 83

19. On April 26, 2013, the Court granted an order approving the bulk sale of nine of the ten remaining condominium units to Kangcorp Inc. ("**Kangcorp**").
20. All conditions related to the bulk sale were waived on May 21, 2013. The closings of these condominium sales, to be done in series, are expected to begin this week and to be completed by mid-June 2013.

US Properties

21. Homburg Holding (U.S.) Inc. ("**HHUS**"), which is a subsidiary of HII but not a filing party, holds a portfolio of real estate assets in the US, which is being marketed by CBRE. The total listing price of this portfolio is approximately US\$18M.
22. HHUS received several distinct offers for the HHUS properties and, out of the offers received, Management has selected seven (7) offers that have been reviewed in greater detail.
23. As reported in the Twenty-Second Report, three (3) of these offers had so far been accepted by HHUS, namely with respect to HHUS properties in Hurst, Texas (the "**Hurst Offer**"), in Sugarland, Texas (the "**Sugarland Offer**") and in San Antonio, Texas (the "**Cotton Belt Offer**"). The transaction contemplated by the Hurst Offer closed on March 19, 2013.
24. The due diligence process with respect to the Sugarland Offer and the Cotton Belt Offer are ongoing and are expected to be completed shortly. The Monitor will update the Court as developments occur.
25. Since the Twenty-Second Report, four (4) additional offers were received by HHUS, each of which have been accepted by HHUS with the consent of the Monitor, namely with respect to a property in Colorado Springs (the "**Hilton Parkway Offer**"), and three in San Antonio, Texas including the "**Hillpoint Offer**", the "**Colony Offer**" and the "**Blanco Offer**".

26. HHUS is in the process of negotiating purchase and sale agreements with the offerors, which will also be conditional to due diligence processes. The Monitor will continue to report on material developments to the Court.
27. CBRE continues to actively market the five (5) other properties, three (3) of which are located on East Pikes Peak Road, one (1) on Van Teylingen Drive, all in Colorado Springs, Colorado as well as one (1) remaining property located on Cotton Belt Drive in San Antonio, Texas.

II. HIGHLIGHTS OF THE CREDITORS MEETINGS AND VOTE ON THE PLANS

28. Pursuant to the HII/Shareco Meeting Order and the Homco 61 Meeting Order dated April 29, 2013 (collectively, the “**Meeting Orders**”), the Monitor took the following actions:
 - i. On or before May 3, 2013, the Monitor posted on its website an electronic copy of the Second Joint Amended and Restated Plan of Compromise and Reorganization of HII and Shareco, the Restated Plan of Compromise of Homco 61 dated April 26, 2013, the Information Circular and the Meeting Orders;
 - ii. On May 8, 2013, the Monitor served to the Service List and filed with the Court its Twenty-Third Report, which included *inter alia* a summary of the restructuring initiatives undertaken since the filing of the HII Parties under the CCAA, a summary overview of the Plans and relevant information pertaining to Newco, the estimated recoveries under the Plans and in the context of a forced liquidation scenario, explanations regarding the expected timing of the various distributions under the Plans and its recommendation to vote in favour of the Plans as well as general observations regarding the Newco Common Shares Cash-Out Option funded by Catalyst;
 - iii. On May 13, 2013, the Monitor sent the HII/Shareco and Homco 61 Meeting Materials by prepaid ordinary mail to all Affected Creditors and Homco 61 Affected with Voting Claims.
 - iv. On or before May 15, 2013, the Monitor organized a user-friendly section on its website for creditors to have access to an electronic copy of the Meeting Materials, in English and in Dutch, including in particular the Notices of creditor’s meetings and sanction hearing, the HII/Shareco and Homco 61 proxy forms and the Convenience Class Claim Declaration form, as well as the Plans, the Information Circular, the Twenty-Third Monitor’s Report and the Shareholder Notice;
 - v. On May 15, 2013, the Monitor caused the Notices of creditor’s meetings and sanction hearing and the Shareholder Notice to be published in the Globe and Mail, the Calgary Herald, the Halifax Chronicle Herald and The Guardian (published in Charlottetown, PEI) (English version) and De Volkskrant, De Telegraaf, the NRC and Het Financieele Dagblad (all published in the Netherlands) (Dutch Version); and
29. Pursuant to the Meeting Orders, the Creditors’ Meetings to vote on the Plans were convened to be held concurrently on May 30, 2013, simultaneously in Montreal, Canada and in Utrecht, the Netherlands.
30. As provided by the Meeting Orders, Pierre Laporte, as representative of the Monitor, acted as chair of the Creditors’ Meetings (the “**Chair**”). More than 1,000 persons attended the Creditors’ Meetings in Utrecht and approximately 25 in Montreal. The minutes of the Creditors’ Meetings are attached herewith as Appendix B.

31. The Creditors' Meetings were conducted in a combination of English and Dutch and simultaneous translation was available to all participants.
32. The Monitor presented a summary of its report on the Plans, provided an explanation of the Newco Common Shares Cash-Out Option (referred to as the "**Catalyst Option**"), a summary comparison of the expected recoveries, by bond series and for the general unsecured creditors, between the non-electing creditors under the Plans, the creditors electing for the Catalyst Option under the Plans and in the event of a forced liquidation. In order to address certain questions received prior to the Creditors' Meetings, the Chair also presented an overview of the various sources of distributions under the Plans and provided explanations regarding the expected timing of the Plan Implementation Date and of said distributions, which timing, as explained in the Twenty-Third Report, is not entirely under the control of the Debtors and the Monitor.
33. After this presentation, question periods were conducted in both Utrecht and Montreal. For these question periods, the respective representatives of Stichting Homburg Bonds and of Catalyst were invited to answer the questions directed at them.
34. After the question periods, the Chair called the time for the Affected Creditors and the Homco 61 Affected Creditors to cast their votes on the resolutions to respectively approve the HII/Shareco Plan and the Homco 61 Plan.
35. Prior to the beginning of the Creditors' Meetings:
 - i. the Monitor had received a total of 6,110 HII/Shareco Proxy Forms by mail, fax or email and had tabulated the votes in advance in respect to these proxy forms. An additional 768 HII/Shareco Proxy Forms were received at the Creditors' Meetings, including some duplicated ones; and
 - ii. the Monitor had received a total of 538 Homco 61 Proxy Forms by mail, fax or email and had tabulated the votes in advance in respect to these proxy forms. An additional 144 Homco 61 Proxy Forms were received at the Creditors' Meetings, including some duplicated ones.
36. For the purpose of voting on the Plan, the Affected Creditors constitute a single class.
37. Following the voting period, the Chair announced that the HII/Shareco Plan was approved by a majority in number of Affected Creditors representing more than two-thirds in value of the Voting Claims of such Affected Creditors and that the Homco 61 Plan was approved by a majority in number of Homco 61 Affected Creditors representing more than two-thirds in value of the Voting Claims of such Homco 61 Affected Creditors, and that the HII/Shareco Resolution and the Homco 61 Resolution were passed. The Monitor announced that the exact results would be detailed in this upcoming Twenty-Fourth Report.
38. The following chart reflects the percentages in number and value of the voting Affected Creditors who voted in favour of the HII/Shareco Resolution. After the tabulation of all the votes received, the chart also includes the percentages in number and in value of the voting Affected Creditors holding a Proven Claim for voting purposes which have elected for the Catalyst Option:

	Voting Claims		HII/Shareco Plan		Catalyst option	
	Number	Amount	Percentage in Favour by Number	Percentage in Favour by Dollar Value	Percentage in Favour of Electing, by Number	Percentage in Favour of Electing, by Dollar Value
HII/Shareco Affected Creditors	6,878	\$559,102,933	99.8%	90.1%	49.1% (3,377)	44.3% (\$247,848,708)

A very significant majority of Affected Creditors holding Proven Claims have exercised their right to vote: Votes cast by Affected Creditors holding Proven Claims represents 78% in number and 84% in value of the total Proven Claims for voting purposes.

39. The following chart reflects that all of the voting Homco 61 Affected Creditors voted in favour of the Homco 61 Resolution. After the tabulation of all the votes received, the chart also includes the percentages in number and in value of the voting Homco 61 Affected Creditors holding a Homco 61 Proven Claims for voting purpose which have elected for the Catalyst Option:

	Voting Claims		H61 Plan		Catalyst option	
	Number	Amount	Percentage in Favour by Number	Percentage in Favour by Dollar Value	Percentage in Favour of Electing, by Number	Percentage in Favour of Electing, by Dollar Value
Homco 61 Affected Creditors	682	\$ 37,430,091	100%	100%	48.0% (327)	44.5% (\$16,664,969)

A very significant majority of Homco 61 Affected Creditors holding Homco 61 Proven Claims have exercised their right to vote: Votes cast by Affected Creditors holding Proven Claims represents 78% in number and 79% in value of the total of Homco 61 Proven Claims for voting purposes.

40. In summary:
- i. there were 6,878 votes cast by Affected Creditors holding Proven Claims for voting purposes totaling \$559,102,933, of which 6,862 (99.8%) in number and \$503,680,816 (90.1%) in value, voted in favour of approving the HII/Shareco Plan; and
 - ii. there were 682 votes cast by Homco 61 Affected Creditors holding Homco 61 Proven Claims for voting purposes totaling \$37,430,091, of which 682 (100.0%) in number and \$37,430,091 (100.0%) in value, voted in favour of approving the Homco 61 Plan.
 - iii. None of the holders of Disputed Claims or of Claims that have not been finally determined voted against the HII/Shareco Plan, and the sole holder of a Homco 61 Claim that has not been finally determined voted in favour of the Homco 61 Plan.
41. It is important to note that the percentages of Electing Creditors are only provided as an indication of the proportion of the voting creditors who have made the Newco Common Shares Cash-Out Option Election. These percentages do not reflect the percentage of Newco Common Shares that will be issued to Catalyst, such amount being subject to adjustments to take into consideration *inter alia* the non-voting creditors, the Bond 6 HII Deficiency Claim for distribution purposes, the apportionment of the distribution pertaining to the Homco 61 Net Intercompany Claim (between the Homco 61 Electing and Non-Electing creditors), the Intercompany Claims, the treatment of the Taberna Claim pursuant to the Taberna Order and the final determination of the Disputed Claims and of the Claims and the Homco 61 Claim that have not been finally determined.

III. APPROVAL OF THE PLANS AND OTHER ELEMENTS BEING PART OF THE PLANS AND THE SANCTION MOTIONS

Approval of the Plans

42. As a result of the above noted voting results, HII and Shareco, and Homco 61, are seeking an order respectively approving the HII/Shareco Plan and the Homco 61 Plan.
43. As described above, very significant proportions of the voting HII/Shareco Affected Creditors voted in favour of the respective Plans.
44. The Plans are fair and reasonable and, as already indicated in the Twenty-Third Report, allow the creditors to obtain a higher recovery than what they would get in a forced liquidation scenario.
45. In this context, the Monitor supports the approval of the Plans sought by the Sanction Motions.
46. The Sanction Motions also contain certain requests, including in relation to the transfer of the Core Business Assets to Newco, the orderly liquidation of the non-core properties and the creation of various reserves and charges.

Transfer of the Core Business Assets to Newco

47. As provided by the HII/Shareco Plan, HII seeks the Court approval of the Plan Transactions which provide for, inter alia, the transfer of the Core Business Assets to Newco. The Core Business Assets essentially consists of the indirect interests of HII in real estate properties located in Germany, the Netherlands and the Baltic States. Hence, the initial portfolio of Newco will be comprised of the Core Business Assets, which will have an estimated aggregate value of EUR 613M and an estimated equity value of EUR 162M.
48. The HII/Shareco Sanction Motion contemplates that the Core Business Assets will be transferred to Newco free and clear of any Encumbrances, excluding the Core Business Creditor Claims. The mortgage lenders and other creditors of the entities that own the core properties are not being affected by the transfer of the Core Business Assets to Newco.

Orderly liquidation of the non-core properties

49. The HII/Shareco Plan provides for the realization of the Non-Core Business Assets for the benefit of the Affected Creditors with Proven Claims. The Non-Core Business Assets principally consists of HII's rights, as principal unsecured creditor and/or as shareholder or limited partner, in the Non-Core Business Entities, namely the HII Group Entities directly owning the non-core properties in Canada and the United States.
50. The realization of the Non-Core Business Assets will be managed by the Monitor, and will involve the orderly liquidation of the non-core properties. The sale process in that regard has been ongoing for several months, and the HII Group, with the approval of the Monitor, retained brokers to assist with the marketing and sale of the non-core properties where there is value for HII. Certain non-core properties have already been sold during the course of the CCAA proceedings.
51. The pending sale process is expected to continue from 3 to 18 months following the Plan Implementation Date. The Monitor will consult with the Liquidation Advisory Committee and keep it apprised regarding the liquidation or realization of the Non-Core Business Assets, and will seek their approval of the terms of any proposed sale of the non-core properties. The sale of the non-core

properties will continue to be subject to the approval of the Court, and, in the absence of the consent of the Liquidation Advisory Committee, the Monitor will be entitled to seek instructions from the Court.

52. The HII/Shareco Plan and Sanction Motion provides for the granting of the necessary powers and protections of the Monitor to manage the orderly liquidation process of the non-core properties and the realization of the Non-Core Business Assets.

Creation of various reserves under the HII/Shareco Plan

53. The HII/Shareco Plan contemplates the establishment of a number of reserves to be used in the context of the execution of the HII/Shareco Plan.

(a) The Cash Reserves include the following:

- (i) the Administrative Reserve, a Cash reserve established for the purpose of paying the Administrative Reserve Costs currently estimated at an aggregate amount of approximately \$52,200,000, which include *inter alia*:
 - (A) legal fees and disbursements relating to the implementation and administration of the Plans, the incorporation of Newco and the administration of the bankruptcies of the HII Group Entities estimated at an amount of up to \$5,000,000;
 - (B) the payments to be made to the Core Business Creditors in connection with the transfer of the Core Business Assets for an amount of \$24,700,000 (representing the Canadian equivalent of €18,500,000);
 - (C) the payments to be made in reimbursement of the secured claims of the Series 5 Mortgage Bondholders and HSBC in the respective estimated amounts of \$3,000,000 (representing the Canadian dollar equivalent €2,250,000 to the Series 5 Mortgage Bondholders) and \$19,000,000 to HSBC; and
 - (D) the reasonable fees and disbursements of the members of the Liquidation Advisory Committee and of the Continuing Directors and in relation to the winding-up of Stichting Homburg Bonds representing an estimated aggregate amount of \$500,000;
- (ii) the Disputed Claims (Cash) Reserve, a Cash reserve in an amount equal to the aggregate of each Pro Rata Share of any remaining Affected Creditor holding a Disputed Claim as at Plan Implementation Date;
- (iii) the Disputed Claims (Asset Realization) Reserve, a Cash reserve to be established from the Non-Core Business Asset Net Proceeds in an amount equal to the aggregate of each Pro Rata Share of any remaining Affected Creditor holding a Disputed Claim as at any relevant date; and
- (iv) the Litigation Reserve, a Cash reserve in an amount of \$500,000 for the purpose of paying the Litigation Reserve Costs.

- (b) the Disputed Claims (Newco Shares) Reserve, a reserve of Newco Common Shares in an amount equal to the Pro Rata Share of the Newco Equity Pool of each Affected Creditor holding a Disputed Claim as at Plan Implementation Date, for eventual distribution or cancellation in accordance with the HII/Shareco Plan; and
 - (c) the Disputed Claims (Cash-Out) Reserve, a Cash reserve to be established from the Catalyst Funds and the Catalyst Deposit in an amount equal to the aggregate of the pro rata Share of the Newco Equity Pool of each Affected Creditor holding a Disputed Claim, for eventual distribution or cancellation in accordance with the HII/Shareco Plan.
54. For convenience purposes and to avoid the duplication of these reserves, the Homco 61 Plan and Sanction Motion provide that the reserves of the HII/Shareco Plan will be used for the purposes of the administration of the Homco 61 Plan.
55. At the Final Distribution Date:
- (a) Any balance remaining in the Cash Reserves will be contributed to the Cash Pool with a view to be distributed to the Creditors by the Monitor; and
 - (b) Any Newco Common Shares remaining in the Disputed Claims (Newco Shares) Reserve shall be transferred to Newco by the Monitor for cancellation for no consideration.

Creation of certain charges under the HII/Shareco Plan

56. The HII/Shareco Plan provides for a number of “Plan Charges”. These include certain charges already in place pursuant to the Initial Order, and certain charges to be created by the HII/Shareco Sanction and Vesting Order. The charges which are sought to be created by the HII/Shareco Sanction Motion are the “Liquidation Charge” and the “Affected Creditors’ Charge”:
- i. The Liquidation Charge: is a charge against the Non-Core Business Assets (namely HII’s rights, as a creditor and/or limited partner or shareholder of the Non-Core Business Entities) to be created pursuant to the HII/Shareco Sanction and Vesting Order in favour of the Monitor as security for the Liquidation Costs. This charge will be in an amount of \$1,000,000; and
 - ii. The Affected Creditors’ Charge: this is a charge against the Cash Pool, the Non-Core Business Assets, the Asset Realization Cash Pool and any surplus remaining in the Cash Reserves after payment of the Administrative Reserve Costs, to be created pursuant to the HII/Shareco Sanction and Vesting Order in favour of the Affected Creditors as security for any and all obligations of HII and Shareco under the HII/Shareco Plan. This charge will be in an amount of \$147,780,000, representing the high range of the aggregate estimated recovery of the Affected Creditors and Homco 61 Affected Creditors from the Cash Pool and Asset Realization Cash Pool, plus 20%.

At the Plan Implementation Date and following the transfer of the Core Business Assets to Newco, none of these charges will attach to the Core Business Assets.

IV. DEBTORS’ CASH FLOWS FROM APRIL 14 TO MAY 18, 2013

57. The purpose of this section is as follows:

- i. Provide budget to actual analysis highlights by Debtor for the period from April 14 to May 18, 2013; and
- ii. Provide commentary on the variances by Debtor.

OVERVIEW

58. The following table provides an overview of the allocated opening cash balances, the allocated cash closing balances, and the cash variations by Debtor for the period from April 14 to May 18, 2013:

Cash variation for the period from April 14 to May 18, 2013 (C\$000)						
Petitioner	Opening cash balance	Total variation in cash balance	Closing cash balance	Surplus (funding) between HII and its non-Petitioners	Surplus (funding) between HII and its Petitioners	Adjusted closing cash balance
Homburg Invest Inc.	22,964	(6,192)	16,772	376	(1)	17,147
Homburg Shareco Inc.	39	-	39	-	-	39
Churchill Estates Development Ltd.	2,962	2,485	5,447	-	-	5,447
Inverness Estates Development Ltd.	491	-	491	-	-	491
CP Development Ltd.	549	-	549	-	-	549
North Calgary Land Ltd.	-	(1)	(1)	-	1	-
HMCI	-	-	-	-	-	-
Total	<u>27,005</u>	<u>(3,708)</u>	<u>23,297</u>	<u>376</u>	<u>-</u>	<u>23,673</u>

59. For the budget to actual cash flow forecast analysis of HII, Shareco, Churchill, Inverness, CP, NCLL and HMCI for the period from April 14 to May 18, 2013, and commentary in respect of the analysis performed, please refer to Appendix C of this Twenty-Fourth Report.
60. As of the date of this report, all appropriate and approved post-filing expenses were paid, and will continue to be paid, in the normal course out of the respective entity's working capital.

HII

61. Total cash inflows for HII were \$1,661.7K for the period noted, while total cash outflows were \$7,853.5K, which resulted in a negative net cash variation of \$6,191.8K compared to a budgeted negative net cash variation of \$10,208.7K. This positive variance of \$4,016.9K is mainly due to the payment of lower than budgeted professional fees and to the unbudgeted receipt from Catalyst as a partial contribution towards HII's costs incurred in relation to negotiating and entering into the Restated Catalyst Support Agreement. These positive variances are partially offset by the unbudgeted payment of the Cominar tax claim settlement and to the funding for the Baltics restructuring expenses which was budgeted to occur at a future date as noted in Appendix C of the Twenty-Second Report.

Shareco

62. For the period noted, total cash inflows and total cash outflows for Shareco were nil, as was budgeted.

Churchill

63. For the period noted, total cash inflows for Churchill were \$2,622.5K and total cash outflows were \$137.4K, which resulted in a positive net cash variation of \$2,485.1K compared to a budgeted positive net cash variation of \$2,508.2K. The negative variance of \$23.1K is mainly due to lower than budgeted GST collected which resulted from the sale of a condominium that had been rented

by Churchill until May 2012, and as a result, no GST was chargeable or collected from the sale of this unit.

Inverness

64. For the period noted, total cash inflows and total cash outflows for Inverness were nil, as was budgeted.

CP

65. For the period noted, total cash inflows for CP were \$0.4K and total cash outflows were \$0.5K, which resulted in a negative net cash variation of \$0.1K compared to a budgeted net cash variation of nil. The negative variance of \$0.1K is mainly due to the payment of unbudgeted construction costs.

NCLL

66. For the period noted, total cash inflows for NCLL were \$0.1K and total cash outflows were \$1.0K, which resulted in a negative net cash variation of \$0.9K compared to a budgeted net cash variation of nil. The negative variance of \$0.9K is mainly due to the payment of unbudgeted office and administrative fees.

HMCI

67. For the period noted, total cash inflows and total cash outflows for HMCI were nil, as was budgeted.

Cash budgeting

68. Since the Twenty-Second Report, the HII Group, with the support of the Monitor, has continued to perform budget to actual analysis for the seven Debtors on a weekly basis.
69. As reported in the past, the cash balance presented in the weekly budget to actual analysis is based on an allocated cash method that is approximate due to timing and which is not equivalent to the actual cash contained in the Debtors' bank accounts.
70. The Monitor will continue to provide Supplemental Reports that reconcile the overall cash inflows, cash outflows, opening and closing bank balances for all bank accounts of the HII Group by geographic location.

71. The table below provides the estimated cash balance analysis as at June 8, 2013:

(all amounts stated in CAD)	Amount
ACTUAL OPENING CASH BALANCE AS AT May 19, 2013	A 23,672,827
<u>Forecasted cash inflows/(outflows) - May 19 to June 8, 2013</u>	
Net cash inflow/(outflow) - Debtors	
Net cash inflow/(outflow) - HII	(7,655,500)
Net cash inflow/(outflow) - Shareco	-
Net cash inflow/(outflow) - Churchill	(128,611)
Net cash inflow/(outflow) - Inverness	-
Net cash inflow/(outflow) - CP	-
Net cash inflow/(outflow) - NCLL	-
Net cash inflow/(outflow) - HMCI	-
Total net cash inflow/(outflow) - Debtors	B (7,784,111)
Net cash inflow/(outflow) - Canadian entities excluding Debtors	C (41,483)
<u>Payments in transit</u>	
HII - Wires in transit as at May 19, 2013	-
HII - Estimated outstanding cheques as at May 19, 2013	(549,254)
Holman - Estimated outstanding cheques as at May 19, 2013	-
Less: Total payments in transit	D (549,254)
TOTAL NET CASH INFLOWS/(OUTFLOWS) - MAY 19 to JUNE 8, 2013	E=B+C+D (8,374,848)
ESTIMATED ENDING CASH BALANCE AS AT JUNE 8, 2013, BEFORE OTHER ADJUSTMENTS	F=A+E 15,297,979
Net adjustment for disbursements/(receipts) not expected to occur from May 19 to June 8, 2013	G -
ESTIMATED ENDING CASH BALANCE AS AT JUNE 8, 2013, AFTER OTHER ADJUSTMENTS	H =F+G 15,297,979

V. ACTIVITIES OF THE MONITOR

72. This section summarizes other activities of the Monitor which are not specifically addressed in the previous sections.

CASH FLOW MONITORING

73. On a weekly basis, the Monitor has continued to analyze the Debtors' cash flows. As previously indicated in this Twenty-Fourth Report, a budget to actual cash flow forecast analysis of the Debtors, for the period from April 14 to May 18, 2013 has been prepared together with commentary of cash variances, as presented in Appendix D of this Twenty-Fourth Report.

74. As part of this process, the Monitor, on a daily basis, has also analyzed cash inflows and cash outflows from all of the HII Parties' bank accounts.

75. In accordance with the Initial Order, any disbursements for services rendered to the HII Parties prior or subsequent to the date of the Initial Order were presented to the Monitor for review.

CASH FLOW MONITORING OF THE HII GROUP

76. On a monthly basis, budget to actual cash flow forecast analyses of the HII Group have been prepared. The objective of these analyses is to monitor the cash flows which transact through the HII Group since any excess should ultimately be distributed back to HII.

77. In accordance with the Initial Order, the Monitor has assisted Management in its analysis of disbursements to be made pertaining to the HII Group.

NOTIFYING AND REPORTING DUTIES PERFORMED BY THE MONITOR

78. Within five (5) business days, the Monitor made available on its website all public information and documentation related to the HII Parties' restructuring process.

UPDATE ON CLAIMS PROCESS

79. As elaborated in previous Monitor's Reports, the Monitor finally received more than 250 proofs of claim, including proofs of claim filed by the indenture trustees on behalf of numerous holders of Mortgage Bond Claims, Corporate Bond Claims, Capital Securities Claims and Taberna Claims, representing approximately \$2.25 billion, including Intercompany Claims as well as duplicated Claims, filed against the HII Parties.
80. As reported in the Twenty-Second Report dated April 25, 2013, the Monitor had, as at the date thereof, sent 57 Notices of Review or Disallowance of Claims in conformity with the Claims Process Order, of which 55 were deemed final and two (2) were the object of appeals, namely one by Statoil Canada Ltd. (as further described in the Nineteenth Report) and one by Stichting Homburg Bonds and Stichting Homburg Capital (as further described in the Twentieth Report).
81. Appendix D to the Twenty-Third Report dated May 8, 2013 includes a detailed status of the claims filed against HII, Shareco, Homco 190, Homco 191 and Homco 199 (which are being compromised under the HII/Shareco Plan) and the claims filed against Homco 61 (which are being compromised under the Homco 61 Plan).
82. Since the Twenty-Third Report, the following developments have occurred with respect to the claims process:
- i. On May 10, 2013, the Monitor sent eight (8) Notices of Revision or Disallowance in relation to fourteen (14) proofs of claim filed by Stichting Homburg Bonds or 1028167 Alberta Ltd. (an agent of Stichting Homburg Bonds having registered security against the properties of Homco 52 and of Homco 88 on its behalf) against various HII Parties on behalf of the various series of Mortgage Bondholders and Corporate Bondholders. Essentially, the Notices of Review or Disallowance covered (i) the disallowance of the portions of the claims pertaining to interest accrued after September 9, 2011, (ii) the disallowance of the portions of the claims pertaining to alleged expenses and fees incurred by the trustees between December 5, 2011 and June 30, 2012 and (iii) the disallowance of certain "double" proofs of claim. On May 17, 2013, Stichting Homburg Bonds filed a motion in appeal of certain said notices, in relation only to the disallowance of the portions of the claims pertaining to alleged expenses and fees incurred by the trustees between December 5, 2011 and June 30, 2012;
 - ii. On May 17, 2013, the Monitor sent an Amended Notice of Revision or Disallowance of the proof of claim filed by Prince Edward Island Century 2000 Fund Inc. (also known as Island Investment Development Inc.), revising the accepted claim at an amount of \$14,725,215. This claim is now deemed to have been finally determined as no appeal of the amended notice was filed within the applicable delay;
 - iii. On May 17, 2013, the Monitor sent a Notice of review or disallowance of the proof claim filed by 163086 Canada Inc., revising the claim at an amount of \$123,528. This claim is now deemed to have been finally determined as no appeal of the notice was filed within the applicable delay;
 - iv. Also on May 17, 2013, the Monitor sent a Notice of Revision or Disallowance disallowing the claim of the Minister of National Revenue in an amount of \$2,914,108.74. The Minister of

National Revenue has exercised set-off in relation to this claim by not remitting certain post-filing amounts owed to HII and HII has reserved its rights in relation to the exercise of this set-off without the authorization of the Court. On May 27, 2013, an appeal was of said notice was filed by the Minister of National Revenue, in relation to an amount of \$1,864,807 which is the object of a notice of objection filed by HII. Since this set-off was purported to be exercised in relation to this contested claim, should HII and the Monitor be right in their contestation, the amount of \$1,864,807 would need to be returned to HII;

- v. On May 27, 2013, the Monitor has been informed that Statoil will be discontinuing its Motion in appeal a Notice of Revision or Disallowance. A notice of discontinuance without costs will be filed with the Court shortly;
- vi. On May 30, 2013, the Monitor sent Notices of Revision or Disallowance in relation to the proofs of claim filed by Homco Realty Fund (68) Limited Partnership (“**Homco 68**”) and Valbonne Real Estate B.V. (“**Valbonne**”), which proofs of claim are interrelated. These claimants were formally part of the HII Group. The claim of Homco 68 was revised to an amount of \$27,252,000 and the claim of Valbonne was disallowed. The delay to appeal such notices has not expired yet;
- vii. As for the proofs of claim of DEGI Homburg Harris LP (filed against both Homco 61 and HII) and Homburg Canada Inc., these were accepted at \$1 for voting purposes only, and the claimants were advised that the Monitor was continuing its review of said claims and would advise them of the status in the coming weeks.

83. In accordance with the Order rendered by the Court on April 26, 2013, the Monitor has sent and published notices to the creditors of Homco 83 in the form and manner prescribed by the Claim Process Order. The Claim Bar Date to file claim against Homco 83 was May 17, 2013.

STAY NOTICES

84. As noted in previous reports, certain alleged creditors of the HII Parties have instituted proceedings against the latter or their assets. The Monitor has sent and continues to send Stay Notices to the respective creditors as well as file the Stay Notices in the respective Court records. As at the date of this Twenty-Fourth Report and since the Twenty-Second Report, the Monitor has not been advised of any additional proceedings filed against HII for which a Stay Notice needed to be served and filed with the respective Court.

VI. EXTENSION OF THE STAY PERIOD

OVERVIEW

85. Pursuant to the Eleventh Extension Order, the Stay Period was extended until June 7, 2013.

86. The HII Parties notified the Monitor of their intention to request a twelfth extension of the Stay Period until July 13, 2013 (the “**Twelfth Extension Period**”). This extension will allow, amongst other things, to:

- i. Participate in the final stages of the claims process conducted by the Monitor;
- ii. Advance the ongoing negotiations with the mortgage lenders and conclude agreements with certain of them;

- iii. Advance the sale process of the non-core assets;
 - iv. Advance the preparation and execution of HII Group Entities Reorganization as provided in the HII/Shareco Plan with a view to meet the targeted Plan Implementation Date of July 3, 2013;
 - v. Communicate frequently with key stakeholders and regulators.
87. It is the Monitor's opinion that it is necessary to provide the HII Parties with the Twelfth Extension Period in order to ensure that the HII Parties continue their progress towards emergence CCAA in the best interests of their stakeholders. The Monitor considers the HII Parties' restructuring process to be progressing well; however, more time is required in order to complete said restructuring.

EXTENDED 5-WEEK CASH FLOW FORECASTS

88. Management has provided the Monitor with new cash flow forecasts for the Twelfth Extension Period. Management has adjusted the projected cash flows for the Debtors to July 13, 2013, corresponding to the end of the Twelfth Extension Period.
89. The extended 5-week cash flow forecasts for HII, Shareco, Churchill, Inverness, CP, NCLL and HMCI, as well as additional commentary identifying the primary assumptions, are attached as Appendix D.
90. Presented in the table below is a summary of the forecasted cash variations for each of the Debtors:

Extension - 5-week period ending July 13, 2013				
(C\$000)	Forecasted opening cash balance (Appendix D) as at June 9, 2013	Forecasted cash variation for the 5-week period (Appendix D)	Funding between HII and its non-Petitioners	Forecasted closing cash balance as at July 13, 2013
Homburg Invest Inc.	8,901	(7,033)	(56)	1,812
Shareco Inc.	39	-	-	39
Churchill Estates Development Ltd.	5,318	(30)	-	5,288
Inverness Estates Development Ltd.	491	-	-	491
CP Development Ltd.	549	-	-	549
NCLL	-	-	-	-
HMCI	-	-	-	-
Total	15,298	(7,063)	(56)	8,179

HII

91. Forecasted cash inflows for the period are nil and forecasted cash outflows for the period are \$7,033K, resulting in a net cash outflow of \$7,033K. This net outflow mainly results from important restructuring outflows, composed primarily of professional fees, payroll, office & administrative and other expenditures (some of which being related to the positive variance of the past cash flow period, caused by a timing difference as mentioned above).
92. The payroll figures included in the cash flow forecast reflect the salaries of HII's employees.
93. Professional fees in conjunction with the restructuring of the HII Group are included in HII's projected cash flow and are based on the historical figures experienced and revised to reflect the estimated fees going forward.

94. As of the date of this Twenty-Fourth Report, all expenses incurred to date and going forward during the Twelfth Extension Period have been or will be paid out of the funds available to HII.

Shareco

95. The Monitor does not anticipate any cash inflows or outflows pertaining to Shareco for the Twelfth Extension Period.
96. At the time of this Twenty-Fourth Report, there is nothing that would lead the Monitor to believe that Shareco will need additional financing to meet current obligations during the Twelfth Extension Period.

Churchill

97. Forecasted cash inflows for the period are Nil and forecasted cash outflows for the period are \$30K, resulting in a net cash outflow of \$30K. The net outflow is mainly due to the anticipated condo fees.
98. At the time of this Twenty-Fourth Report, there is nothing that would lead the Monitor to believe that Churchill will need additional financing to meet current obligations during the Twelfth Extension Period.

Inverness

99. The Monitor does not anticipate any cash inflows or outflows pertaining to Inverness for the Eleventh Extension Period.
100. At the time of this Twenty-Fourth Report, there is nothing that would lead the Monitor to believe that Inverness will need additional financing to meet current obligations during the Twelfth Extension Period.

CP

101. Recognizing the closure of the sale of CP which occurred during a prior period, the Monitor does not anticipate any cash inflows or outflows pertaining to CP for the Eleventh Extension Period.
102. At the time of this Twenty-Fourth Report, there is nothing that would lead the Monitor to believe that CP will need additional financing to meet current obligations during the Twelfth Extension Period.

NCLL

103. The Monitor does not anticipate any cash inflows or outflows pertaining to NCLL during the Eleventh Extension Period.
104. At the time of this Twenty-Fourth Report, there is nothing that would lead the Monitor to believe that NCLL will need additional financing to meet current obligations during the Twelfth Extension Period.

HMCI

105. The Monitor does not anticipate any cash inflows or outflows pertaining to HMCI during the Eleventh Extension Period.
106. At the time of this Twenty-Fourth Report, nothing would lead the Monitor to believe that HMCI will need additional financing to meet current obligations during the Twelfth Extension Period.

CASH POSITION AND USE OF RESTRICTED CASH

Restricted Cash

107. Pursuant to the Twenty-Second Report, no additional funding was requested from Restricted Cash during the Eleventh Extension Period. For reference purposes, the table presented below provides a breakdown of the Restricted Cash requests since this pool was created following the sale of the Canmarc REIT Units. The restricted cash balance as at May 18, 2013 has increased from the time of the Twenty-Second Report as a result of interest earned of approximately \$71.5K.

Summary of Restricted Cash Requests (C\$000)			
Monitor's Report		Date	Amount Requested
Sixth Monitor's Report	Proceeds from Cominar sale	31-Jan-12	145,439
Transfer to Osler Trust Account	Funds sent to Osler's trust account (note 1)	1-Feb-12	(21,450)
RBC Securities	Commission	9-Feb-12	(915)
Net funds available from Cominar sale proceeds			A
			123,074
Seventh Monitor's Report	Request from Restricted Cash	17-Feb-12	(10,000)
Ninth Monitor's Report	Request from Restricted Cash	10-Apr-12	(6,000)
Tenth Monitor's Report	Request from Restricted Cash	29-May-12	(11,000)
Thirteenth Monitor's Report	Request from Restricted Cash	17-Jul-12	(5,200)
Fifteenth Monitor's Report	Request from Restricted Cash	11-Sep-12	(3,000)
Sixteenth Monitor's Report	Request from Restricted Cash	4-Oct-12	(8,100)
Total requests from Restricted Cash			B
			(43,300)
Interest on Restricted Cash	Cumulative interest received		C
			1,234
Ending balance of Restricted Cash as at May 18, 2013			=A+B+C
			81,008

Note 1: The majority of these funds have been released in accordance with the Cominar Global Settlement. As indicated in paragraph 144 of the Twenty-Second Report an amount of approximately \$2.5M still remains in Osler's trust account.

Analysis of HII's cash funding requirements and results

108. As indicated in the Extended 5-Week Cash Flow Forecast section, for the period ending July 13, 2013, it is forecasted that HII will have a cash surplus of \$8,179.1K. For additional information regarding the Debtors forecasted cash inflows and outflows to July 13, 2013, please refer to Appendix D of this Twenty-Fourth Report. Please note that the analysis does not account for timing variances that may have occurred prior to the proposed Twelfth Extension Period. The amount of those variances cannot be determined as the information to complete the analysis, such as bank statements for the month of May 2013 for the HII Group entities, is not available to Management and the Monitor at this time of this report.
109. Accordingly, it appears that the HII Parties possess sufficient funds to accomplish the various steps that are required to advance the restructuring of the HII Parties until the expiry of the proposed Twelfth Extension Period.

VII. CONCLUSIONS AND RECOMMENDATIONS

110. It is the Monitor's view that the HII Parties have acted in good faith and with due diligence in accordance with the Initial Order.
111. It is the Monitor's opinion that, for the reasons further elaborated in this Twenty-Fourth Report:
- i. the Valbonne 5 Bridge Loan should be approved in order to protect the Core Business Assets for the benefit of HII's stakeholders;
 - ii. the Plans are in the general best interest of all Affected Creditors and the Homco 61 Affected Creditors and will provide a more favourable outcome for them than a liquidation of HII, Shareco and Homco 61's assets; and
 - iii. the Twelfth Extension (up to July 13, 2013) should be granted to ensure that the HII Parties are able to implement certain essential restructuring reorganization steps and to advance towards the Plan Implementation Date.
112. Accordingly, the Monitor recommends that this Honourable Court issue an order sanctioning the Plans.

The Monitor respectfully submits this Twenty-Fourth Report to the Court.

DATED AT MONTREAL, this 4th day of June, 2013.



Pierre Laporte, CPA, CA, CIRP
President

SAMSON BÉLAIR/DELOITTE & TOUCHE INC.
In its capacity as Court-Appointed Monitor

APPENDICES

APPENDIX A

THE ENTITIES Mis-en-Cause

HOMCO REALTY FUND (52) LIMITED PARTNERSHIP
HOMCO REALTY FUND (61) LIMITED PARTNERSHIP
HOMCO REALTY FUND (83) LIMITED PARTNERSHIP
HOMCO REALTY FUND (88) LIMITED PARTNERSHIP
HOMCO REALTY FUND (89) LIMITED PARTNERSHIP
HOMCO REALTY FUND (92) LIMITED PARTNERSHIP
HOMCO REALTY FUND (94) LIMITED PARTNERSHIP
HOMCO REALTY FUND (96) LIMITED PARTNERSHIP
HOMCO REALTY FUND (105) LIMITED PARTNERSHIP
HOMCO REALTY FUND (121) LIMITED PARTNERSHIP
HOMCO REALTY FUND (122) LIMITED PARTNERSHIP
HOMCO REALTY FUND (142) LIMITED PARTNERSHIP
HOMCO REALTY FUND (190) LIMITED PARTNERSHIP
HOMCO REALTY FUND (191) LIMITED PARTNERSHIP
HOMCO REALTY FUND (199) LIMITED PARTNERSHIP
CASTELLO DEVELOPMENT LTD.

APPENDIX B



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CANADA
PROVINCE OF QUEBEC
DISTRICT OF QUEBEC
COURT. No.: 500-11-041305-117

SUPERIOR COURT
Commercial Division

**IN THE MATTER OF THE PLAN OF
COMPROMISE OR ARRANGEMENT OF:**

HOMBURG INVEST INC.

– and –

HOMBURG SHARECO INC.

Debtors

– and –

SAMSON BÉLAIR/DELOITTE & TOUCHE INC.

Monitor

**IN THE MATTER OF THE PLAN OF
COMPROMISE OR ARRANGEMENT OF:**

**HOMCO REALTY FUND (61) LIMITED
PARTNERSHIP**

Debtor

– and –

SAMSON BÉLAIR/DELOITTE & TOUCHE INC.

Monitor

MINUTES OF THE MEETINGS OF THE AFFECTED CREDITORS OF HOMBURG INVEST INC. AND HOMBURG SHARECO INC. AND OF THE HOMCO 61 AFFECTED CREDITORS OF HOMCO REALTY FUND (61) LIMITED PARTNERSHIP (collectively, the “**Creditors’ Meetings**”) held concurrently on May 30, 2013, simultaneously at 3:00PM (Central European Time) at Jaarbeurplein 6, 3521 AL, in Utrecht, the Netherlands and at 9:00AM (Eastern Prevailing Time) at McCarthy Tétrault LLP, 1000 De La Gauchetière Street West, in Montreal, Quebec, Canada.

INTRODUCTION AND PRESENTATION OF THE PANELS IN UTRECHT AND IN MONTREAL

- The moderator of the Creditors’ Meetings, Ms. Heleen de Graaf, presents the members of the panels in Utrecht and in Montreal:

In Utrecht:

- Mr. Pierre Laporte, representative of Samson Bélair / Deloitte & Touche Inc. in its capacity as court-appointed monitor (the “**Monitor**”) of Homburg Invest Inc. (“**HII**”), Homburg Shareco Inc. (“**Shareco**”) and Homco Realty Fund (61) Limited Partnership (“**Homco 61**” and, together with HII and Shareco, the “**Debtors**”) and chair of the Creditors' Meetings (the “**Chair**”);
- Mr. Jan Schöningh, president and chief executive officer of HII and representative of the Debtors;
- Ms. Sandra Abitan, of Osler Hosking & Harcourt, Canadian legal counsel of the Debtors;
- Mr. Mason Poplaw, of McCarthy Tétrault, Canadian legal counsel of the Monitor;
- Ms. Brechje Van Der Velden, of Allen & Overy, Dutch legal counsel of the Debtors.
- Mr. Jeroen Thijssen, of Clifford Chance, Dutch legal counsel of the Monitor;

In Montreal:

- Ms. Monique Leroux, representative of the Debtors;
 - Mr. Martin Desrosiers, from Osler Hoskin & Harcourt, Canadian legal counsel of the Debtors;
 - Mr. Jean-François Nadon, representative of the Monitor;
 - Mr. Alain Tardif, of McCarthy Tétrault, Canadian legal counsel of the Monitor.
- The Creditors' Meetings are held in English and in Dutch. All participants in Utrecht have headsets with a direct translation of the speeches, in English or in Dutch. Participants in Montreal hear the English version.

ATTENDANCE

- Approximately 1000 persons attended the Creditors' Meetings in Utrecht and approximately 25 persons in Montreal.
- 6110 Affected Creditors and 538 Homco 61 Affected Creditors (excluding the ones who filed a subsequent Proxy Form at the Creditors' Meetings) had submitted a Proxy Form prior to the Creditors' Meetings and appointed as proxy holder either of the Monitor, Stichting Homburg Bonds or another party.

QUORUM AND APPOINTMENT OF SCRUTINEERS AND SECRETARIES

- The Chair declares that there is quorum for both Creditors' Meetings.
- The Chair appoints Mr. Benoît Clouâtre, Patrick Fillion and Igal Wizman, all of Samson Bélair / Deloitte & Touche Inc., as scrutineers.
- The Chair appoints Mr. Jocelyn Perreault, of McCarthy Tétrault and Mr. Joel Erwtman of Clifford Chance as secretaries of the Creditors' Meetings.

PRESENTATION BY THE PRESIDENT AND CEO OF HII

- Mr. Jan Schöningh makes a brief introduction and refers to the multiple communications with the creditors over the past 21 months by various means.

- Mr. Schönningh presents the agenda of the Creditors' Meetings:
 - Presentation by the Monitor
 - Presentation by Mr. Gabriel De Alba, representative of The Catalyst Capital Group Inc. (“Catalyst”);
 - Presentation by Ms. Marian Hogeslag, representative of the trustee to the bondholders, Stichting Homburg Bonds;
 - Question period
 - Call for votes
 - Announcement of results of the votes and closing of meetings

PRESENTATION BY THE MONITOR

- The Monitor refers the creditors to the Twenty-Third Report of the Monitor dated May 8, 2013, copies of which have again been made available to attendees at the Creditors' Meeting for convenience purposes.
- The Monitor makes a presentation summarizing the plans and the expected recoveries (including under the “Catalyst Option”). The outline of the presentation is the following:
 - Summary of the main features of the Plans
 - Transfer of Core Business Assets to Newco
 - Different types of distributions under the Plans
 - Compromises of all Affected Claims and releases under the Plans
 - Newco Common Shares Cash-Out Option or “Catalyst Option”
 - Expected ranges of recoveries under the Plans in percentages and average expected recoveries in Euros for a EUR 15,000 claim (both for Non Electing Creditors and for Electing Creditors) divided by various series of bondholders and for general unsecured creditors.
 - Comparisons between expected recovery rates under the Plans and estimated recovery rates in a forced liquidation or bankruptcy scenario
 - Estimated recoveries in Euros for a EUR 15,000 claim from each of the different sources of distributions or disbursements under the Plans: Cash Pool and Asset Realization Cash Pool (for all Affected Creditors), Cash-Out Pool (for Electing Creditors only) and Newco Equity Pool (for Non Electing Creditors only)
 - Expected timing of the Plan Implementation Date and of the different types and sources of distributions, and main conditions and factors which could impact the expected timing
 - Risk factors in relation to the estimated rates of recoveries
 - Monitors' conclusions, recommendations and observations:
 - The Monitor concludes that the Plans provide for higher estimated recoveries than a liquidation
 - The Monitor recommends that creditors vote in favour of the resolutions to approve the Plans
 - The Monitors makes observations in relation to the decision of the creditors to elect for the “Catalyst Option” or not (same observations that were made at paragraph 187 of the Twenty-Third Report of the Monitor)

PRESENTATION BY REPRESENTATIVES OF CATALYST AND OF STICHTING HOMBURG BONDS

- Mr. Gabriel De Alba, representative of Catalyst and Ms. Marian Hogeslag, representative of Stichting Homburg Bonds, make short presentations to the creditors.
- Ms. Hogeslag indicates that Stichting Homburg Bonds as trustee to the bondholders recommends to vote in favour of the resolutions to approve the Plans.

QUESTION PERIOD

- The moderator informs that there will first be a question period in Utrecht and then a question period in Montreal.
- More than 20 bondholders ask questions, often multiple questions. The questions are answered by the members of the panels and/or by the representative of Catalyst or of Stichting Homburg Bonds. The question period lasts for approximately 1.5 hours in Utrecht, and the question period lasts for a few minutes in Montreal.

CALL FOR VOTES AND ADJOURNMENT

- The Chair announces that it is now the time for Affected Creditors and Homco 61 Affected Creditors to cast their votes on the Plans and, if they wish to do so, to elect the "Catalyst Option" (i.e. the Newco Common Shares Cash-Out Option). The Chair further announces that Affected Creditors or Homco 61 Affected Creditors who have already filed their vote and/or Cash-Out Election Form and who wish to change their decision can do so at this time.
- The Chair adjourns the Creditors' Meetings to allow for voting on both Plans. The voting period lasts for approximately 1.25 hours.

ANNOUNCEMENT OF THE RESULTS OF THE VOTES

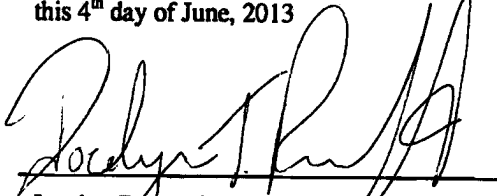
- The Chair reconvenes the Creditors' Meetings and declares that the voting period is closed.
- Prior to the Creditors' Meetings, the Monitor had received 6110 votes under the HII/Shareco Plan and 538 votes under the Homco 61 Plan (excluding the ones who filed a subsequent vote at the Creditors' Meetings). At the Creditors' Meetings, the Monitor received an additional 768 votes under the HII/Shareco Plan and 144 votes under the Homco 61 Plan.
- The Chair announces that the scrutineers conclude that the Plans are approved by the required majorities under the *Companies' Creditors Arrangement Act*.
- The Chair declares that the official results of the votes under the Plans will be announced in its report to the Court in relation to the sanction of the Plans. The Chair indicates that based on preliminary results more than 99% of the number of creditors with voting claims represent have voted in favour of the respective Plans.
- The Chair declares that the resolutions to approve the Plans are passed.

- The Chair announces that in light of these results the Debtors will seek the sanction of the Plans by the Court on June 5, 2013, and that, assuming that the Plans are then approved, the Debtors, with the support of the Monitor, will then pursue their work towards completing the steps and meeting the conditions to implement the Plans.

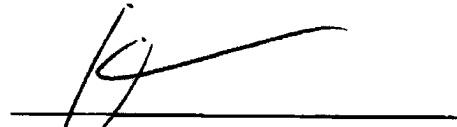
CLOSING REMARKS BY THE PRESIDENT AND CEO OF HII AND CLOSING OF THE CREDITORS' MEETINGS

- Mr. Jan Schönningh makes general closing remarks.
- The Chair declares that the Creditors' Meetings are closed.

DATED AT MONTREAL, QUEBEC, CANADA AND AT AMSTERDAM, THE NETHERLANDS,
this 4th day of June, 2013



Jocelyn Berrault, McCarthy Tétrault LLP,
Co-secretary of the Creditors' Meetings



Joël Erwteman, Clifford Chance LLP
Co-secretary of the Creditors' Meetings

APPENDIX C

The following is the budget to actual cash flow analysis for HII for the period noted:

Homburg Invest Inc.
Budget to Actual Cash Flow
Unaudited - Based on discussions with the company's Management
(C\$000)

	For the 5-week period of April 14 to May 18, 2013		
	Actual	Budget	Variance
Cash inflows			
REIT distributions	-	-	-
REIT unit sale proceeds	-	-	-
GST/HST received	529.2	529.2	-
Intercompany receipts (Petitioners and Mis-en-cause)	-	-	-
Other receipts	1,132.5	-	1,132.5
Total cash inflows	<u>1,661.7</u>	<u>529.2</u>	<u>1,132.5</u>
Cash outflows			
Payroll	293.2	283.4	(9.8)
Rent expense	5.7	25.0	19.3
Restructuring related professional fees	6,399.5	10,002.5	3,603.0
Insurance	-	-	-
Office & admin	93.4	250.0	156.6
Director fees	56.3	175.0	118.7
KERP	-	-	-
CP obligation	-	-	-
Corporate bond principal repayment	-	-	-
Corporate bond interest payment	-	-	-
Junior subordinate debt principal repayment	-	-	-
Junior subordinate debt interest payment	-	-	-
HCSA interest payment	-	-	-
GST/HST paid	-	-	-
Intercompany disbursements (Petitioners and Mis-en-cause)	-	-	-
Hotel insurance	-	2.0	2.0
Other expenditures	1,005.4	-	(1,005.4)
Total cash outflows	<u>7,853.5</u>	<u>10,737.9</u>	<u>2,884.4</u>
Opening cash balance	22,963.9	22,963.9	-
Variation in cash balance	(6,191.8)	(10,208.7)	4,016.9
Exchange rate (Gain / Loss)	-	-	-
Ending cash balance	<u>16,772.1</u>	<u>12,755.2</u>	<u>4,016.9</u>
Surplus (funding) between HII and its non-Petitioners	376.0	-	376.0
Surplus (funding) between HII and its Petitioners	(0.9)	-	(0.9)
Adjusted ending cash balance	<u>17,147.2</u>	<u>12,755.2</u>	<u>4,392.0</u>

HII budget to actual commentary

The Monitor's comments on HII's total cash inflow and outflow variances during the period noted are as follows:

Ending cash balance

- In addition to the ending cash balance presented of \$17,147.2K, please note that \$1,610.9K is currently held in the Monitor's trust accounts as at May 17, 2013. This amount represents funds reserved for the KERP as indicated in paragraphs 10 to 13 of the Fourteenth Report and amounts received which are related to the Canoxy Place Subtenants.

Inflows

- Other receipts were \$1,132.5K compared to a budgeted amount of nil, resulting in a favorable variance of \$1,132.5K. This favorable variance mainly relates to the receipt of \$1,000K from Catalyst as a partial contribution towards HII's costs incurred in relation to negotiating and entering into the Restated Catalyst Support Agreement and to the unbudgeted sale of Club St-Denis parking for \$115.0K.

Outflows

- Rent expenses were \$5.7K compared to a budgeted amount of \$25.0K, resulting in a favorable variance of \$19.3K. This favorable variance is mainly due to a timing delay as the rent for the HII building in Halifax will be paid in the next period.
- Restructuring related professional fees were \$6,399.5K compared to a budgeted amount of \$10,002.5K, resulting in a favorable variance of \$3,603.0K. This favorable variance is mainly due to timing as invoices issued during the period remain outstanding.
- Office and administrative expenditures were \$93.4K compared to a budgeted amount of \$250.0K, resulting in a favorable variance of \$156.6K. This variance is mainly due to budgeted IT expenses that have not been incurred during the period, and to asset and management fees which were previously paid by HII to HREMS, but are now paid by each individual homco through their respective GP account.
- Director fees were \$56.3K compared to a budgeted amount of \$175.0K, resulting in a favorable variance of \$118.7K. This variance is mainly due to the fact that director meetings are occurring less frequently than in previous months.
- Other expenditures were \$1,005.4K compared to a budgeted amount of nil, resulting in an unfavorable variance of \$1,005.4K. The variance is due to the unbudgeted payment of \$491.3K which relates to the Cominar tax claim settlement and to the payment of \$514.1K as funding for the Baltics restructuring expenses which was budgeted to occur at a future date as noted in Appendix C of the Twenty-Second Report.
- In accordance with the Court Order dated February 17, 2012, the payment of fees, disbursements and expenses of the Trustees of the Stichting Homburg Bonds and Stichting Homburg Capital Securities A (collectively, "**Stichting**") and their legal and financial advisors incurred since December 3, 2011 are to be advanced by HII. The following table presents a summary of the

actual fees advanced to Stichting since the Court Order was implemented, which will be offset against any dividend payable to Stichting from HII:

Stichting Homburg invoice list			
Invoice	Date Range	Amount Per	
		Invoice	Amount in \$
INVOICE nr 3.2012	Dec. 5, 2011 - Dec. 31, 2011	\$ 239,128	\$ 239,128
INVOICE nr 4.2012	Jan 1, 2012 - Jan. 31, 2012	\$ 265,486	\$ 265,486
INVOICE nr 5.2012	Feb 1, 2012 - Feb. 29, 2012	\$ 248,270	\$ 248,270
INVOICE nr 6.2012	Mar 1, 2012 - Mar 31, 2012	\$ 235,752	\$ 235,752
INVOICE nr 7.2012	Mar 1, 2012 - Mar 31, 2012	\$ 13,612	\$ 13,612
INVOICE nr 8.2012	Apr 1, 2012 - Apr 30, 2012	\$ 245,167	\$ 245,167
INVOICE nr 9.2012	Apr 1, 2012 - Apr 30, 2012	€ 53,536	\$ 69,281
INVOICE nr 10.2012	May 1, 2012- May 31, 2012	\$ 218,794	\$ 218,794
INVOICE nr 11.2012	May 1, 2012- May 31, 2012	€ 45,058	\$ 56,445
INVOICE nr 12.2012	June 1, 2012- June 30, 2012	\$ 261,074	\$ 261,074
INVOICE nr 13.2012	June 1, 2012- June 30, 2012	€ 1,712	\$ 2,112
INVOICE nr 15.2012	July 1, 2012 - July 31, 2012	\$ 273,252	\$ 273,252
INVOICE nr 16.2012	July 1, 2012 - July 31, 2012	€ 19	\$ 23
INVOICE nr 17.2012	Aug 1, 2012 - Aug 31, 2012	\$ 226,459	\$ 226,459
INVOICE nr 19.2012	Sept 1, 2012 - Sept 30, 2012	\$ 296,400	\$ 296,400
INVOICE nr 21.2012	Oct 1, 2012 - Oct 31, 2012	\$ 567,214	\$ 567,214
INVOICE nr 23.2012	Nov 1, 2012 - Nov 30, 2012	\$ 515,486	\$ 515,486
INVOICE nr 25.2012	Dec 1, 2012 - Dec 31, 2012	\$ 357,005	\$ 357,005
INVOICE nr 26.2013	Jan 1, 2013 - Jan 31, 2013	\$ 444,643	\$ 444,643
INVOICE nr 28.2013	Feb 1, 2013 - Feb 28, 2013	\$ 702,612	\$ 702,612
INVOICE nr 30.2013	Mar 1, 2013 - Mar 31, 2013	\$ 538,339	\$ 538,339
INVOICE nr 32.2013	Apr 1, 2013 - Apr 30, 2013	\$ 604,713	\$ 604,713
VAT Refund ¹	Invoices 3, 4 & 5	€ (70,352)	\$ (86,667)
VAT Refund ¹	Invoices 6, 8 & 10	€ (59,975)	\$ (74,993)
VAT Refund ²	Invoices 7, 9 & 11	€ (13,800)	\$ (17,256)
VAT Refund ¹	Invoices 12, 15 & 17	€ (54,455)	\$ (70,536)
VAT Refund ²	Invoices 13 & 16	€ (3)	\$ (4)
VAT Refund ²	Invoices 19 & 21	€ (73,072)	\$ (98,969)
VAT Refund ³	Invoices 23 & 25	€ (40,046)	\$ (54,238)
Total (Converted on date paid)			\$ 5,978,604
Note 1: VAT refunds were received for Invoices 3, 4, 5, 6, 8, 10, 12, 15 and 17 as no EU VAT was applicable.			
Note 2: Invoices 7, 9, 11, 13, 16, 19 and 21 were revised as some of the fees charged were not related specifically to the settlement agreement. The fees excluded were related to services rendered at the request of HII in relation with bondholders meetings.			
Note 3: A portion of the VAT refunds were received for Invoices 23 & 25, and the remaining portion is due to be received shortly.			

Shareco Inc.

The following is the budget to actual cash flow analysis for Shareco for the period noted:

Homburg Shareco Inc.
Budget to Actual Cash Flow
Unaudited - Based on discussions with the company's Management
(C\$000)

	For the 5-week period of April 14 to May 18, 2013		
	Actual	Budget	Variance
Cash inflows			
Mortgage bond issuance	-	-	-
Intercompany transfers (Petitioners)	-	-	-
Total cash inflows	<u>-</u>	<u>-</u>	<u>-</u>
Cash outflows			
Interest payments - mortgage bonds	-	-	-
Repayment of Bonds	-	-	-
Intercompany transfers (Petitioners)	-	-	-
Total cash outflows	<u>-</u>	<u>-</u>	<u>-</u>
Opening cash balance	39.1	39.1	-
Variation in cash balance	-	-	-
Exchange rate (Gain / Loss)	-	-	-
Ending cash balance	<u>39.1</u>	<u>39.1</u>	<u>-</u>

Shareco budget to actual commentary

The Monitor's comments on Shareco's total cash inflow and outflow variances during the period noted are as follows:

Inflows-Outflows

- No transactions occurred during the period in Shareco.

Churchill

The following is the budget to actual cash flow analysis for Churchill for the period noted:

	Churchill Estates Development Ltd. Budget to Actual Cash Flow Unaudited - Based on discussions with the company's Management (C\$000)		
	For the 5-week period of April 14 to May 18, 2013		
	Actual	Budget	Variance
Cash inflows			
Condo sales proceeds	2,526.6	2,518.7	7.9
GST collected	95.9	127.3	(31.4)
GST ITC refund	-	-	-
Rent	-	-	-
Other Receipts	-	-	-
Total cash inflows	2,622.5	2,646.0	(23.5)
Cash outflows			
Commissions	127.1	125.9	(1.2)
Advertising	-	-	-
R&M	0.5	-	(0.5)
Property tax	2.1	3.6	1.5
Professional fees	-	4.0	4.0
Insurance	-	0.3	0.3
Mortgage principal	-	-	-
Mortgage interest	-	-	-
Office & admin	-	-	-
Condo fees	7.7	4.0	(3.7)
GST remitted	-	-	-
Total cash outflows	137.4	137.8	0.4
Opening cash balance	2,961.4	2,961.4	-
Variation in cash balance	2,485.1	2,508.2	(23.1)
Exchange rate (Gain / Loss)	-	-	-
Ending cash balance	5,446.5	5,469.6	(23.1)

Churchill budget to actual commentary

The Monitor's comments on Churchill's total cash inflow and outflow variances during the period noted are as follows:

Inflows-Outflows

- GST collected was \$95.9K compared to a budgeted amount of \$127.3K, which resulted in an unfavorable variance of \$31.4K. This variance is mainly due to the sale of a condo unit that had been rented by Churchill until May 2012, and as a result, no GST was chargeable or collected from the sale of this unit.

Inverness

The following is the budget to actual cash flow analysis for Inverness for the period noted:

Inverness Estates Development Ltd.
Budget to Actual Cash Flow
Unaudited - Based on discussions with the company's Management
(C\$000)

	For the 5-week period of April 14 to May 18, 2013		
	Actual	Budget	Variance
Cash inflows			
Condo sales proceeds	-	-	-
Other receipts	-	-	-
GST collected	-	-	-
GST ITC refund	-	-	-
Total cash inflows	<u>-</u>	<u>-</u>	<u>-</u>
Cash outflows			
Commissions	-	-	-
R&M	-	-	-
Property tax	-	-	-
Professional fees	-	-	-
Insurance	-	-	-
Mortgage principal	-	-	-
Mortgage interest	-	-	-
Office & admin	-	-	-
Condo fees	-	-	-
GST remitted	-	-	-
Other expenditures	-	-	-
Total cash outflows	<u>-</u>	<u>-</u>	<u>-</u>
Funded opening cash balance	491.0	491.0	-
Adjustment for receipt in prior period	-	-	-
Variation in cash balance	-	-	-
Exchange rate (Gain / Loss)	-	-	-
Ending cash balance	<u>491.0</u>	<u>491.0</u>	<u>-</u>

Inverness budget to actual commentary

The Monitor's comments on Inverness' total cash inflow and outflow variances during the period noted are as follows:

Inflows-Outflows

- No transactions occurred during the period in Inverness Estates Development Ltd.

CP

The following is the budget to actual cash flow analysis for CP for the period noted:

CP Development Ltd.
Budget to Actual Cash Flow
Unaudited - Based on discussions with the company's Management
(C\$000)

	For the 5-week period of April 14 to May 18, 2013		
	Actual	Budget	Variance
Cash inflows			
Costs reimbursed from escrow	-	-	-
GST refund from previous months	0.4	-	0.4
Other receipts	-	-	-
Total cash inflows	0.4	-	0.4
Cash outflows			
Construction costs (1,2&3)	-	-	-
Construction costs (4&5)	0.5	-	(0.5)
Professional fees	-	-	-
Insurance	-	-	-
Mortgage principal	-	-	-
Mortgage interest	-	-	-
Payment of secured liens	-	-	-
Property tax	-	-	-
Other expenditures	-	-	-
Total cash outflows	0.5	-	(0.5)
Opening cash balance	549.1	549.1	-
Variation in cash balance	(0.1)	-	(0.1)
Exchange rate (Gain / Loss)	-	-	-
Ending cash balance	549.0	549.1	(0.1)

CP budget to actual commentary

The Monitor's comments on CP's total cash inflow and outflow variances during the period noted are as follows:

Inflows-Outflows

- No significant transactions occurred during the period in CP Development Ltd.

North Calgary Land Ltd.

The following is the budget to actual cash flow analysis for North Calgary Land Ltd. for the period noted:

North Calgary Land Ltd.			
Budget to Actual Cash Flow			
Unaudited - Based on discussions with the company's Management			
(C\$000)			
	For the 5-week period of April 14 to May 18, 2013		
	Actual	Budget	Variance
Cash inflows			
GST/HST received	-	-	-
Other receipts	0.1	-	0.1
Total cash inflows	0.1	-	0.1
Cash outflows			
Professional fees	-	-	-
Property tax	-	-	-
Insurance	-	-	-
Office & administrative	1.0	-	(1.0)
GST/HST paid	-	-	-
Other expenditures	-	-	-
Total cash outflows	1.0	-	(1.0)
Funded opening cash balance			
Variation in cash balance	(0.9)	-	(0.9)
Exchange rate (Gain / Loss)	-	-	-
Ending cash balance	(0.9)	-	(0.9)
Funding from HII			
	0.9	-	(0.9)
Funded ending cash balance	-	-	-

NCLL budget to actual commentary

The Monitor's comments on NCLL's total cash inflow and outflow variances during the period noted are as follows:

Inflows-Outflows

- No significant transactions occurred during the period in North Calgary Land Ltd.

HMCI

The following is the budget to actual cash flow analysis for HMCI for the period noted:

	HMCI		
	Budget to Actual Cash Flow		
Unaudited - Based on discussions with the company's Management			
(C\$000)			
	For the 5-week period of April 14		
	to May 18, 2013		
	Actual	Budget	Variance
Cash inflows			
Other receipts	-	-	-
Total cash inflows	<u>-</u>	<u>-</u>	<u>-</u>
Cash outflows			
Other expenditures	-	-	-
Total cash outflows	<u>-</u>	<u>-</u>	<u>-</u>
Opening cash balance	-	-	-
Variation in cash balance	-	-	-
Exchange rate (Gain / Loss)	-	-	-
Ending cash balance	<u>-</u>	<u>-</u>	<u>-</u>

HMCI budget to actual commentary

The Monitor's comments on HMCI's total cash inflow and outflow variances during the period noted are as follows:

Inflows-Outflows

- No transactions occurred during the period in HMCI.

APPENDIX D

HII Extended 5-week cash flow forecast (\$C)

Updated as of May 19, 2013

Homburg Invest Inc.

Extended cash flow statement from May 19 to July 13, 2013

Number of weeks:	22nd report AMENDED				24th report					
	89	90	91		92	93	94	95	96	
Beginning period:	19-May-13	26-May-13	2-Jun-13	TOTAL	9-Jun-13	16-Jun-13	23-Jun-13	30-Jun-13	7-Jul-13	TOTAL
Ending period:	25-May-13	1-Jun-13	8-Jun-13	3-Week Period	15-Jun-13	22-Jun-13	29-Jun-13	6-Jul-13	13-Jul-13	5-Week Period
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Cash inflows										
GST/HST/VAT received	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total cash inflows	-	-	-	-	-	-	-	-	-	-
Cash outflows										
Payroll	-	90,000	-	90,000	90,000	-	90,000	-	90,000	270,000
Rent expense	-	25,000	-	25,000	-	-	25,000	-	-	25,000
Restructuring related professional fees	1,262,500	1,262,500	4,865,500	7,390,500	1,262,500	1,262,500	1,262,500	1,262,500	1,262,500	6,312,500
Insurance	-	-	-	-	-	-	-	-	-	-
Office & administrative	50,000	50,000	50,000	150,000	50,000	50,000	50,000	50,000	50,000	250,000
Director fees	-	-	-	-	-	-	-	-	175,000	175,000
KERP	-	-	-	-	-	-	-	-	-	-
Hotel insurance	-	-	-	-	-	-	-	-	-	-
Other expenditures	-	-	-	-	-	-	-	-	-	-
Total cash outflows	1,312,500	1,427,500	4,915,500	7,655,500	1,402,500	1,312,500	1,427,500	1,312,500	1,577,500	7,032,500
Opening balance	17,147,227	15,285,473	13,857,973	17,147,227	8,900,990	7,498,490	6,185,990	4,758,490	3,445,990	8,900,990
Payments in transit	(549,254)	-	-	(549,254)	-	-	-	-	-	-
Variation in cash balance (Petitioners)	(1,312,500)	(1,427,500)	(4,915,500)	(7,655,500)	(1,402,500)	(1,312,500)	(1,427,500)	(1,312,500)	(1,577,500)	(7,032,500)
Variation in cash balance (Non-Petitioners)	-	-	(41,483)	(41,483)	-	-	-	-	(56,419)	(56,419)
Exchange rate	-	-	-	-	-	-	-	-	-	-
Adjusted ending cash balance	15,285,473	13,857,973	8,900,990	8,900,990	7,498,490	6,185,990	4,758,490	3,445,990	1,812,071	1,812,071

Notes:

- 1) The opening cash balance reflects the allocated cash balance as at May 19, 2013.
- 2) Professional fees in week 91 are composed of the weekly budget of \$1,262K plus the favorable variance of \$3,603K presented in the budget to actual at Appendix C which is being carried forward.
- 3) At July 13, 2013, it is estimated that a professional fee accrual of approximately \$6M will be still outstanding and payable.
- 4) The Valbonne 5 Bridge Loan is not currently reflected in the HII cash flow extension period as the Court has not yet granted approval for its payment. Presuming that the motion will be granted, the loan will have no net impact on the HII cash flow as the loan is expected to be reimbursed out of the June 2013 quarterly distribution to be received from Valbonne 5.

NOTES AND REPRESENTATIONS TO THE CASH FLOW STATEMENT

NOTE A – PURPOSE AND WARNINGS

The cash flow projections have been prepared solely for the purpose of the CCAA proceedings. Consequently, readers are cautioned that they may not be appropriate for other purposes.

Since the cash flow projections are based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

NOTE B – DEFINITIONS

(1) CASH FLOW STATEMENT

A statement indicating, on a weekly basis, the projected cash flow of HII, as defined in Subsection 2(1) of the Act, based on probable and hypothetical assumptions that reflect HII's planned course of action for the period covered.

(2) HYPOTHETICAL ASSUMPTIONS

Meaning assumptions with respect to a set of economic conditions or courses of action which are not necessarily the most probable in HII's judgment, but are consistent with the purpose of the Cash Flow Statement.

(3) PROBABLE ASSUMPTIONS

Meaning assumptions that:

- (i) HII's cash flow reflects the most probable set of economic conditions and planned courses of action, **Suitably Supported**, that are consistent with the plans of HII; and
- (ii) Provide a reasonable basis for the Cash Flow Statement.

(4) SUITABLY SUPPORTED

Meaning that the assumptions are based on either one or more of the following factors:

- (i) The past performance of HII;

- (ii) The performance of other industry/market participants engaged in similar activities as HII;
- (iii) Feasibility studies;
- (iv) Marketing studies; or
- (v) Any other reliable source of information that provides objective corroboration of the reasonableness of the Assumptions.

The extent of detailed information supporting each assumption, and an assessment as to the reasonableness of each assumption, will vary according to circumstances and will be influenced by factors such as the significance of the assumption and the availability and quality of the supporting information.

ASSUMPTIONS

Assumptions	Source	Probable Assumption	Hypothetical Assumption
<u>Opening cash balance</u>	Based on allocated closing cash balances as at May 19, 2013	X	
<u>Exchange rates</u>	All cash flows are in Canadian dollars		X
<u>Forecast cash receipts</u>			
GST/HST/VAT received	GST/HST/VAT refunds: based on management assessments.		X
Other receipts	Other receipts; no other receipts are expected during the period.	X	
<u>Forecast cash disbursements</u>			
Payroll	Based on previous payroll expenses and salary increases as noted in the Eighteenth Report	X	
Rent expense	Rent at the Akerley Blvd. and Montreal locations	X	
Restructuring related professional fees	Represents fees of Deloitte, McCarthy Tétrault, Osler, Cohn & Wolfe, Allen & Overy, Clifford Chance, Coady Filliter, National, The Baltics HII lawyers and the Trustees fees	X	
Insurance	Directors and Officers insurance	X	
Office & administrative	Bank fees, travel, telephone, non-CCAA professional fees and other miscellaneous costs	X	
Director fees	Fees payable to Directors and Officers of HII	X	
KERP	Updated KERP amount presented under seal	X	
Hotel insurance	Insurance expenses to protect the furniture and other assets located in the Hotel; no expenses are expected for the period		X
Other expenditures	Other expenditures; no other expenditures are expected for the period	X	
<u>Ending cash balance</u>	Based on allocated cash transactions		X

Shareco Extended 5-week cash flow forecast (\$C)

Updated as of May 19, 2013

Extended cash flow statement from May 19 to July 13, 2013

	22nd report PUBLISHED				24th report					
	89	90	91		92	93	94	95	96	
Number of weeks:										
Beginning period:	19-May-13	26-May-13	2-Jun-13	TOTAL	9-Jun-13	16-Jun-13	23-Jun-13	30-Jun-13	7-Jul-13	TOTAL
Ending period:	25-May-13	1-Jun-13	8-Jun-13	3-Week Period	15-Jun-13	22-Jun-13	29-Jun-13	6-Jul-13	13-Jul-13	5-Week Period
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Cash inflows										
Mortgage bond issuance	-	-	-	-	-	-	-	-	-	-
Total cash inflows	-	-	-	-	-	-	-	-	-	-
Cash outflows										
Interest payments - mortgage bonds	-	-	-	-	-	-	-	-	-	-
Repayment of Bonds	-	-	-	-	-	-	-	-	-	-
Total cash outflows	-	-	-	-	-	-	-	-	-	-
Opening cash balance	39,100	39,100	39,100	39,100	39,100	39,100	39,100	39,100	39,100	39,100
Variation in cash balance	-	-	-	-	-	-	-	-	-	-
Exchange rate	-	-	-	-	-	-	-	-	-	-
Ending cash balance	39,100	39,100	39,100	39,100	39,100	39,100	39,100	39,100	39,100	39,100

Notes:

- 1) The opening cash balance reflects the allocated cash balance as at May 19, 2013.

NOTES AND REPRESENTATIONS TO THE CASH FLOW STATEMENT

NOTE A – PURPOSE AND WARNINGS

The cash flow projections have been prepared solely for the purpose of the CCAA proceedings. Consequently, readers are cautioned that they may not be appropriate for other purposes.

Since the cash flow projections are based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

NOTE B – DEFINITIONS

CASH FLOW STATEMENT

A statement indicating, on a weekly basis, the projected cash flow of Shareco, as defined in Subsection 2(1) of the Act, based on probable and hypothetical assumptions that reflect Shareco's planned course of action for the period covered.

HYPOTHETICAL ASSUMPTIONS

Meaning assumptions with respect to a set of economic conditions or courses of action which are not necessarily the most probable in Shareco's judgment, but are consistent with the purpose of the Cash Flow Statement.

PROBABLE ASSUMPTIONS

Meaning assumptions that:

- (i) Shareco's cash flow reflects the most probable set of economic conditions and planned courses of action, **Suitably Supported**, that are consistent with the plans of Shareco; and
- (ii) Provide a reasonable basis for the Cash Flow Statement.

SUITABLY SUPPORTED

Meaning that the assumptions are based on either one or more of the following factors:

- (i) The past performance of Shareco;

- (ii) The performance of other industry/market participants engaged in similar activities as Shareco;
- (iii) Feasibility studies;
- (iv) Marketing studies; or
- (v) Any other reliable source of information that provides objective corroboration of the reasonableness of the Assumptions.

The extent of detailed information supporting each assumption, and an assessment as to the reasonableness of each assumption, will vary according to circumstances and will be influenced by factors such as the significance of the assumption and the availability and quality of the supporting information.

ASSUMPTIONS

Assumptions	Source	Probable Assumption	Hypothetical Assumption
<u>General cash flow assumptions</u>	<p>This entity holds four series of asset-backed mortgage bonds. The Mortgage Bonds are 7-year bonds issued in series and secured by a first or second charge over specific assets and a corporate guarantee.</p> <p>As the debt is entirely affected by the Stay Period, there will not be any cash inflows or outflows relating to the debt in Shareco for the period noted. Occasionally, certain funds are transferred between HII and Shareco.</p>	X	
<u>Opening cash balance</u>	Based on allocated closing cash balances as at May 19, 2013	X	
<u>Forecast cash receipts</u>	No cash inflows are projected for this period	X	
<u>Forecast cash disbursements</u>	No cash outflows are projected for this period	X	
<u>Ending cash balance</u>	Based on allocated cash transactions		X

Churchill Extended 5-week cash flow forecast (\$C)

Updated as of May 19, 2013

Churchill Estates Development Ltd.

Extended cash flow statement from May 19 to July 13, 2013

	22nd report PUBLISHED				24nd report					
Number of weeks	89	90	91		92	93	94	95	96	
Beginning period:	19-May-13	26-May-13	2-Jun-13	TOTAL	9-Jun-13	16-Jun-13	23-Jun-13	30-Jun-13	7-Jul-13	TOTAL
Ending period:	25-May-13	1-Jun-13	8-Jun-13	3-Week Period	15-Jun-13	22-Jun-13	29-Jun-13	6-Jul-13	13-Jul-13	5-Week Period
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast		Forecast
Cash inflows										
Other receipts	-	-	-	-	-	-	-	-	-	-
Total cash inflows	-	-	-	-	-	-	-	-	-	-
Cash outflows										
Property tax	-	-	-	-	-	-	-	-	-	-
Professional fees	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-
Office & administrative	-	-	-	-	-	-	-	-	-	-
Condo fees	-	1,325	-	1,325	30,000	-	-	-	-	30,000
GST remitted	-	127,286	-	127,286	-	-	-	-	-	-
Total cash outflows	-	128,611	-	128,611	30,000	-	-	-	-	30,000
Opening cash balance	5,446,500	5,446,500	5,317,889	5,446,500	5,317,889	5,287,889	5,287,889	5,287,889	5,287,889	5,317,889
Variation in cash balance	-	(128,611)	-	(128,611)	(30,000)	-	-	-	-	(30,000)
Exchange rate	-	-	-	-	-	-	-	-	-	-
Ending cash balance	5,446,500	5,317,889	5,317,889	5,317,889	5,287,889	5,287,889	5,287,889	5,287,889	5,287,889	5,287,889

Notes:

- 1) The opening cash balance reflects the allocated cash balance as at May 19, 2013.

NOTES AND REPRESENTATIONS TO THE CASH FLOW STATEMENT

NOTE A – PURPOSE AND WARNINGS

The cash flow projections have been prepared solely for the purpose of the CCAA proceedings. Consequently, readers are cautioned that they may not be appropriate for other purposes.

Since the cash flow projections are based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

NOTE B – DEFINITIONS

CASH FLOW STATEMENT

A statement indicating, on a weekly basis, the projected cash flow of Churchill, as defined in Subsection 2(1) of the Act, based on probable and hypothetical assumptions that reflect Churchill's planned course of action for the period covered.

HYPOTHETICAL ASSUMPTIONS

Meaning assumptions with respect to a set of economic conditions or courses of action which are not necessarily the most probable in Churchill's judgment, but are consistent with the purpose of the Cash Flow Statement.

PROBABLE ASSUMPTIONS

Meaning assumptions that:

- (i) Churchill's cash flow reflects the most probable set of economic conditions and planned courses of action, **Suitably Supported**, that are consistent with the plans of Churchill; and
- (ii) Provide a reasonable basis for the Cash Flow Statement.

SUITABLY SUPPORTED

Meaning that the assumptions are based on either one or more of the following factors:

- (i) The past performance of Churchill;

- (ii) The performance of other industry/market participants engaged in similar activities as Churchill;
- (iii) Feasibility studies;
- (iv) Marketing studies; or
- (v) Any other reliable source of information that provides objective corroboration of the reasonableness of the Assumptions.

The extent of detailed information supporting each assumption, and an assessment as to the reasonableness of each assumption, will vary according to circumstances and will be influenced by factors such as the significance of the assumption and the availability and quality of the supporting information.

ASSUMPTIONS

Assumptions	Source	Probable Assumption	Hypothetical Assumption
<u>Opening cash balance</u>	Based on allocated closing cash balances as at May 19, 2013	X	
<u>Exchange rates</u>	All cash flows are in Canadian dollars		X
<u>Forecast cash receipts</u>			
Other receipts	No activity has been forecasted during the period	X	
<u>Forecast cash disbursements</u>			
Property tax	Property tax is paid in monthly installments	X	
Professional fees	Legal and closing costs for sale of a condominium		X
Insurance	Insurance expense for unsold condominiums	X	
Office & administrative	Bank fees and other miscellaneous costs. No activity has been forecasted during the period		
Condo fees	Condominium fees based on previous expenses	X	
GST remitted	GST paid based on applicable taxes on forecasted condo sales	X	
<u>Ending cash balance</u>	Based on allocated cash transactions		X

Inverness Extended 5-week cash flow forecast (\$C)

Updated as of May 19, 2013

Inverness Estates Development Ltd.

Extended cash flow statement from May 19 to July 13, 2013

	22nd report PUBLISHED				24th report					
Number of weeks:	89	90	91		92	93	94	95	96	
Beginning period:	19-May-13	26-May-13	2-Jun-13	TOTAL	9-Jun-13	16-Jun-13	23-Jun-13	30-Jun-13	7-Jul-13	TOTAL
Ending period:	25-May-13	1-Jun-13	8-Jun-13	3-Week Period	15-Jun-13	22-Jun-13	29-Jun-13	6-Jul-13	13-Jul-13	5-Week Period
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Cash inflows	-	-	-	-	-	-	-	-	-	-
Total cash inflows	-	-	-	-	-	-	-	-	-	-
Cash outflows	-	-	-	-	-	-	-	-	-	-
Total cash outflows	-	-	-	-	-	-	-	-	-	-
Opening cash balance	491,000	491,000	491,000	491,000	491,000	491,000	491,000	491,000	491,000	491,000
Variation in cash balance	-	-	-	-	-	-	-	-	-	-
Exchange rate	-	-	-	-	-	-	-	-	-	-
Adjusted Ending cash balance	<u>491,000</u>	<u>491,000</u>	<u>491,000</u>	<u>491,000</u>	<u>491,000</u>	<u>491,000</u>	<u>491,000</u>	<u>491,000</u>	<u>491,000</u>	<u>491,000</u>

Notes:

- 1) The opening cash balance reflects the allocated cash balance as at May 19, 2013.

NOTES AND REPRESENTATIONS TO THE CASH FLOW STATEMENT

NOTE A – PURPOSE AND WARNINGS

The cash flow projections have been prepared solely for the purpose of the CCAA proceedings. Consequently, readers are cautioned that they may not be appropriate for other purposes.

Since the cash flow projections are based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

NOTE B – DEFINITIONS

CASH FLOW STATEMENT

A statement indicating, on a weekly basis, the projected cash flow of Inverness, as defined in Subsection 2(1) of the Act, based on probable and hypothetical assumptions that reflect Inverness' planned course of action for the period covered.

HYPOTHETICAL ASSUMPTIONS

Meaning assumptions with respect to a set of economic conditions or courses of action which are not necessarily the most probable in Inverness' judgment, but are consistent with the purpose of the Cash Flow Statement.

PROBABLE ASSUMPTIONS

Meaning assumptions that:

- (i) Inverness's cash flow reflects the most probable set of economic conditions and planned courses of action, **Suitably Supported**, that are consistent with the plans of Inverness; and
- (ii) Provide a reasonable basis for the Cash Flow Statement.

SUITABLY SUPPORTED

Meaning that the assumptions are based on either one or more of the following factors:

- (i) The past performance of Inverness;
- (ii) The performance of other industry/market participants engaged in similar activities as Inverness;

- (iii) Feasibility studies;
- (iv) Marketing studies; or
- (v) Any other reliable source of information that provides objective corroboration of the reasonableness of the Assumptions.

The extent of detailed information supporting each assumption, and an assessment as to the reasonableness of each assumption, will vary according to circumstances and will be influenced by factors such as the significance of the assumption and the availability and quality of the supporting information.

ASSUMPTIONS

Assumptions	Source	Probable Assumption	Hypothetical Assumption
<u>Opening cash balance</u>	Based on allocated closing cash balances as at May 19, 2013	X	
<u>Exchange rates</u>	All cash flows are in Canadian dollars		X
<u>Forecast cash receipts</u>	Inverness was sold and no cash inflows are projected for this period	X	
<u>Forecast cash disbursements</u>	Inverness was sold and no cash outflows are projected for this period	X	
<u>Closing cash balance</u>	Based on allocated cash transactions		X

CP Extended 5-week cash flow forecast (\$C)

Updated as of May 19, 2013

CP Development Ltd.

Extended cash flow statement from May 19 to July 13, 2013

	22nd report PUBLISHED				24th report					
Number of weeks:	88	89	89		90	91	92	93	94	
Beginning period:	19-May-13	26-May-13	2-Jun-13	TOTAL	9-Jun-13	16-Jun-13	23-Jun-13	30-Jun-13	7-Jul-13	TOTAL
Ending period:	25-May-13	1-Jun-13	8-Jun-13	3-Week Period	15-Jun-13	22-Jun-13	29-Jun-13	6-Jul-13	13-Jul-13	5-Week Period
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Cash inflows	-	-	-	-	-	-	-	-	-	-
Total cash inflows	-	-	-	-	-	-	-	-	-	-
Cash outflow	-	-	-	-	-	-	-	-	-	-
Total cash outflows	-	-	-	-	-	-	-	-	-	-
Opening cash balance	549,000	549,000	549,000	549,000	549,000	549,000	549,000	549,000	549,000	549,000
Variation in cash balance	-	-	-	-	-	-	-	-	-	-
Exchange rate	-	-	-	-	-	-	-	-	-	-
Ending cash balance	<u>549,000</u>	<u>549,000</u>	<u>549,000</u>	<u>549,000</u>	<u>549,000</u>	<u>549,000</u>	<u>549,000</u>	<u>549,000</u>	<u>549,000</u>	<u>549,000</u>

Notes:

- 1) The opening cash balance reflects the allocated cash balance as at May 19, 2013.

NOTES AND REPRESENTATIONS TO THE CASH FLOW STATEMENT

NOTE A – PURPOSE AND WARNINGS

The cash flow projections have been prepared solely for the purpose of the CCAA proceedings. Consequently, readers are cautioned that they may not be appropriate for other purposes.

Since the cash flow projections are based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

NOTE B – DEFINITIONS

CASH FLOW STATEMENT

A statement indicating, on a weekly basis, the projected cash flow of CP, as defined in Subsection 2(1) of the Act, based on probable and hypothetical assumptions that reflect CP's planned course of action for the period covered.

HYPOTHETICAL ASSUMPTIONS

Meaning assumptions with respect to a set of economic conditions or courses of action which are not necessarily the most probable in CP's judgment, but are consistent with the purpose of the Cash Flow Statement.

PROBABLE ASSUMPTIONS

Meaning assumptions that:

- (i) CP's cash flow reflects the most probable set of economic conditions and planned courses of action, **Suitably Supported**, that are consistent with the plans of CP; and
- (ii) Provide a reasonable basis for the Cash Flow Statement.

SUITABLY SUPPORTED

Meaning assumptions are based on either one or more of the following factors:

- (i) The past performance of CP;

- (ii) The performance of other industry/market participants engaged in similar activities as CP;
- (iii) Feasibility studies;
- (iv) Marketing studies; or
- (v) Any other reliable source of information that provides objective corroboration of the reasonableness of the Assumptions.

The extent of detailed information supporting each assumption, and an assessment as to the reasonableness of each assumption, will vary according to circumstances and will be influenced by factors such as the significance of the assumption and the availability and quality of the supporting information.

ASSUMPTIONS

Assumptions	Source	Probable Assumption	Hypothetical Assumption
<u>Opening cash balance</u>	Based on allocated closing cash balances as at May 19, 2013	X	
<u>Exchange rates</u>	All cash flows are in Canadian dollars		X
<u>Forecast cash receipts</u>	CP was sold and no cash inflows are projected for this period	X	
<u>Forecast cash disbursements</u>	CP was sold and no cash outflows are projected for this period	X	
<u>Closing cash balance</u>	Based on allocated cash transactions		X

NCLL Extended 5-week cash flow forecast (\$C)

Updated as of May 19, 2013

NCLL

Extended cash flow statement from May 19 to July 13, 2013

	22nd report PUBLISHED				24th report					
Number of weeks:	51	52	53		54	55	56	57	58	
Beginning period:	19-May-13	26-May-13	2-Jun-13	TOTAL	9-Jun-13	16-Jun-13	23-Jun-13	30-Jun-13	7-Jul-13	TOTAL
Ending period:	25-May-13	1-Jun-13	8-Jun-13	3-Week Period	15-Jun-13	22-Jun-13	29-Jun-13	6-Jul-13	13-Jul-13	5-Week Period
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Cash inflows										
GST/HST received	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total cash inflows	-	-	-	-	-	-	-	-	-	-
Cash outflows										
Professional fees	-	-	-	-	-	-	-	-	-	-
Property tax	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-
Mortgage principal	-	-	-	-	-	-	-	-	-	-
Mortgage interest	-	-	-	-	-	-	-	-	-	-
GST/HST paid	-	-	-	-	-	-	-	-	-	-
Other expenditures	-	-	-	-	-	-	-	-	-	-
Total cash outflows	-	-	-	-	-	-	-	-	-	-
Opening cash balance	-	-	-	-	-	-	-	-	-	-
Funding from HII										
Variation in cash balance	-	-	-	-	-	-	-	-	-	-
Exchange rate	-	-	-	-	-	-	-	-	-	-
Adjust ending cash balance	-	-	-	-	-	-	-	-	-	-

Notes:

- 1) The opening cash balance reflects the allocated cash balance as at May 19, 2013.

NOTES AND REPRESENTATIONS TO THE CASH FLOW STATEMENT

NOTE A – PURPOSE AND WARNINGS

The cash flow projections have been prepared solely for the purpose of the CCAA proceedings. Consequently, readers are cautioned that they may not be appropriate for other purposes.

Since the cash flow projections are based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

NOTE B – DEFINITIONS

CASH FLOW STATEMENT

A statement indicating, on a weekly basis, the projected cash flow of NCLL, as defined in Subsection 2(1) of the Act, based on probable and hypothetical assumptions that reflect NCLL's planned course of action for the period covered.

HYPOTHETICAL ASSUMPTIONS

Meaning assumptions with respect to a set of economic conditions or courses of action which are not necessarily the most probable in NCLL's judgment, but are consistent with the purpose of the Cash Flow Statement.

PROBABLE ASSUMPTIONS

Meaning assumptions that:

- (i) NCLL's cash flow reflects the most probable set of economic conditions and planned courses of action, **Suitably Supported**, that are consistent with the plans of NCLL; and
- (ii) Provide a reasonable basis for the Cash Flow Statement.

SUITABLY SUPPORTED

Meaning assumptions are based on either one or more of the following factors:

- (i) The past performance of NCLL;
- (ii) The performance of other industry/market participants engaged in similar activities as NCLL;

(iii) Feasibility studies;

(iv) Marketing studies; or

(v) Any other reliable source of information that provides objective corroboration of the reasonableness of the Assumptions.

The extent of detailed information supporting each assumption, and an assessment as to the reasonableness of each assumption, will vary according to circumstances and will be influenced by factors such as the significance of the assumption and the availability and quality of the supporting information.

ASSUMPTIONS

Assumptions	Source	Probable Assumption	Hypothetical Assumption
<u>Opening cash balance</u>	Based on allocated closing cash balances as at May 19, 2013	X	
<u>Exchange rates</u>	All cash flows are in Canadian dollars		X
<u>Forecast cash receipts</u>			
GST/HST received	Based on previous GST/HST reimbursements, no activity has been forecasted during the period		X
Other receipts	Other receipts, no activity has been forecasted during the period	X	
<u>Forecast cash disbursements</u>			
Professional fees	Legal and closing costs for sale of property, no activity has been forecasted during the period		X
Property tax	Property tax is paid in one annual installment, and no activity has been forecasted during the period	X	
Insurance	Insurance has been pre-paid for the year, and no activity has been forecasted during the period	X	
Mortgage principal	Amount stayed by proceedings	X	
Mortgage interest	Amount stayed by proceedings	X	
GST/HST paid	Based on previous GST/HST payments, and no activity has been forecasted during the period	X	
Other expenditures	Other expenditures incurred, and no activity has been forecasted during the period	X	
<u>Ending cash balance</u>	Based on allocated cash transactions		X

HMCI Extended 5-week cash flow forecast (\$C)

Updated as of May 19, 2013

Homburg Management Canada Inc.

Extended cash flow statement from May 19 to July 13, 2013

	22nd report PUBLISHED				24th report					
Number of weeks:	11	12	13		14	15	16	17	18	
Beginning period:	19-May-13	26-May-13	2-Jun-13	TOTAL	9-Jun-13	16-Jun-13	23-Jun-13	30-Jun-13	7-Jul-13	TOTAL
Ending period:	25-May-13	1-Jun-13	8-Jun-13	3-Week Period	15-Jun-13	22-Jun-13	29-Jun-13	6-Jul-13	13-Jul-13	5-Week Period
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Cash inflows										
Other Receipts	-	-	-	-	-	-	-	-	-	-
Total cash inflows	-	-	-	-	-	-	-	-	-	-
Cash outflows										
Other Disbursements	-	-	-	-	-	-	-	-	-	-
Total cash outflows	-	-	-	-	-	-	-	-	-	-
Opening cash balance	-	-	-	-	-	-	-	-	-	-
Variation in cash balance	-	-	-	-	-	-	-	-	-	-
Exchange rate	-	-	-	-	-	-	-	-	-	-
Ending cash balance	-	-	-	-	-	-	-	-	-	-

Notes:

- 1) The opening cash balance reflects the allocated cash balance as at May 19, 2013.

NOTES AND REPRESENTATIONS TO THE CASH FLOW STATEMENT

NOTE A – PURPOSE AND WARNINGS

The cash flow projections have been prepared solely for the purpose of the CCAA proceedings. Consequently, readers are cautioned that they may not be appropriate for other purposes.

Since the cash flow projections are based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

NOTE B – DEFINITIONS

CASH FLOW STATEMENT

A statement indicating, on a weekly basis, the projected cash flow of HMCI, as defined in Subsection 2(1) of the Act, based on probable and hypothetical assumptions that reflect HMCI's planned course of action for the period covered.

HYPOTHETICAL ASSUMPTIONS

Meaning assumptions with respect to a set of economic conditions or courses of action which are not necessarily the most probable in HMCI's judgment, but are consistent with the purpose of the Cash Flow Statement.

PROBABLE ASSUMPTIONS

Meaning assumptions that:

- (i) HMCI's cash flow reflects the most probable set of economic conditions and planned courses of action, **Suitably Supported**, that are consistent with the plans of HMCI; and
- (ii) Provide a reasonable basis for the Cash Flow Statement.

SUITABLY SUPPORTED

Meaning that the assumptions are based on either one or more of the following factors:

- (i) The past performance of HMCI;

- (ii) The performance of other industry/market participants engaged in similar activities as HMCI;
- (iii) Feasibility studies;
- (iv) Marketing studies; or
- (v) Any other reliable source of information that provides objective corroboration of the reasonableness of the Assumptions.

The extent of detailed information supporting each assumption, and an assessment as to the reasonableness of each assumption, will vary according to circumstances and will be influenced by factors such as the significance of the assumption and the availability and quality of the supporting information.

ASSUMPTIONS

Assumptions	Source	Probable Assumption	Hypothetical Assumption
<u>Opening cash balance</u>	Based on allocated closing cash balances as at May 19, 2013	X	
<u>Forecast cash receipts</u>	No cash inflows are projected for this period	X	
<u>Forecast cash disbursements</u>	No cash outflows are projected for this period	X	
<u>Ending cash balance</u>	Based on allocated cash transactions		X