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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.

– and –

CHURCHILL ESTATES DEVELOPMENT LTD.

– and –

INVERNESS ESTATES DEVELOPMENT LTD.

– and –

CP DEVELOPMENT LTD.

– and –

NORTH CALGARY LAND LTD.

Debtors/Petitioners

– and –

THE ENTITIES LISTED IN APPENDIX A

Mis-en-cause

– and –

SAMSON BÉLAIR/DELOITTE & TOUCHE INC.

Monitor

**TWENTIETH 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**”)) (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 (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 additional 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 Debtors, which Stay has been extended from time to time by order of the Court. On February 6, 2013, the Court last extended the Stay up until February 28, 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 nineteen such Monitor’s reports prior to this Twentieth Monitor’s report (the “**Twentieth 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 TWENTIETH REPORT

6. This Twentieth 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 Tenth Extension of the Stay Period and approval of an Investment Proposal Process and to the Debtor’s Motion for an order for the convening, holding and conduct of a creditors’ meeting and other relief (the “**Meeting Order**”). 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 assets, the expected ranges of recoveries under the plan of compromise and reorganization (the “**Plan**”) and some of the variables affecting same, the Investment proposal process proposed by

HII, the activities of the HII Parties and the Monitor since the Nineteenth Report, and, generally, the restructuring process.

7. This Twentieth Report is structured as follows:
 - I- Restructuring Initiatives;
 - II- The Investment Proposal Process;
 - III- The Ranges of Recoveries;
 - IV- Developments with the AFM;
 - V- Debtors' cash flows from January 20 to February 16, 2013;
 - VI- Activities of the Monitor;
 - VII- Extension of the Stay Period; and
 - VIII- Conclusion and Recommendations.

TERMS OF REFERENCE

8. In preparing this Twentieth 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 Twentieth 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 Twentieth 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 AND DECISIONS ON THE COMPOSITION OF THE CORE ASSETS FORMING PART OF THE RESTRUCTURED PORTFOLIO

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 to explore alternative strategies for certain non-profitable properties with a view to possibly enhance the equity value of the HII Group's real estate portfolio for the benefit of its stakeholders.
11. As of the date hereof, the status of these discussions and negotiations, with respect to the core assets, is as follows:
 - i. Continuation of the discussions with Bank of Scotland with respect to the continuation of the financing of two properties.
 - ii. Documentation of the renegotiated terms of the loan of Falcon Private Bank Ltd to Valbonne Real Estate 5 B.V. in connexion with the Campeon Property. This refinancing will provide significant cash flow to Newco, as it will result in the present full cash sweep being removed, and the remaining balance being termed out over a five period.

- iii. Documentation of an agreement in principle entered into with Skandinaviska Enskilda Banken AB (SEB) with respect to the property portfolio. These terms and conditions would provide, amongst other things, for renegotiated rental terms, payment of a termination fee by SEB, renegotiated terms and conditions of the loan agreement including the termination of the current swap agreements and adjusted amortization schedules in consideration of a cash investment of 15 million Euros by the HII Group. The cash investment has been taken into account in the calculation of the range of recoveries.
 - iv. Finalization of an agreement with HSH North Bank AG with respect of the terms of the extension of the Credit Agreement relating to the four properties held by Coët B.V. a subsidiary of Homco 70, under a single loan. The agreement provides for a cash investment of approximately 3 million Euros and the removal of the present full cash sweep. The cash investment has been taken into account in the range of recoveries.
 - v. Continuation of the discussion with NIBC with respect with the continuation of the financing of the property.
12. As of the date hereof, the status of these discussions and negotiations, for the non-core assets, is as follows:
- i. Determination of the best course of action to remove the assets and liabilities of the relevant Homcos financed by SNS Property Finance B.V. with a view to remove these assets and liabilities from the HII Group's structure and balance sheet.
 - ii. As indicated in the Eighteenth Report, the HII Group is currently in discussion with Frankfurter Hypotheken Bank (formerly EuroHypo) to determine the course of action with a view to remove these properties from HII Group's balance sheet. The HII Group anticipates that these non-core properties will be sold prior to emergence from CCAA. Negotiations with the potential buyer have been concluded and PSA documentation is currently under preparation.
 - iii. Determination of the best course of action to remove the assets and liabilities of the relevant Homcos financed by FGH Bank N.V. with a view to remove these assets and liabilities from the HII Group's structure and balance sheet.
 - iv. Determination of the best course of action to remove the assets and liabilities of the Homco 98 financed by the noteholders, acting through their agent Hatfield Phillips ("**Hatfield**"), from HII Group's structure and balance sheet. A meeting has been scheduled for March 6, 2013 with Hatfield, the HII Group and the Monitor to discuss the different options.
 - v. HSBC is financing five (5) properties in Canada: "**Henderson Farms**" (Homco 121), Kai Mortensen Towers ("**Kai**") (Homco 88), "**Cristal Towers**" (Homco 105), "**Points North**" (NCLL) and "**Centron Park**" (CP).
 - a. With respect to Henderson Farms (Homco 121), following significant efforts to engage a broker and to maximize the value for the HII Group, the HII Group and the Monitor have concluded that there is likely no value in this property for stakeholders other than HSBC. Discussions are currently ongoing with HSBC regarding the best course of action for this property. This loan to Homco 121 is not guaranteed by HII.
 - b. Based on information available and discussions with the broker, it is expected that the sale of Kai would allow for the full reimbursement of HSBC's secured loan to

Homco 88. In fact, the amount of the debt owed to HSBC in relation to Kai is less than the debt owed in relation to Centron Park. However, Kai's value is higher than Centron Park's value according to the valuations provided by brokers.

- c. With respect to Cristal Towers (Homco 105), an execution version of a conditional agreement of purchase and sale has been signed by all the parties on February 26, 2013.
- d. The potential purchasers of Point North are continuing their due diligence process.
- e. The conditional agreements in relation to Cristal Towers and Points North contemplate the full reimbursement of HSBC's secured loans to, respectively, NCLL and Homco 105.
- f. For Centron Park, a closing is expected shortly and will allow the full reimbursement of HSBC's secured loan to CP.

HSBC has been kept informed on a regular basis on the ongoing sale processes of these non-core Canadian properties. On February 22, 2013, HSBC's counsel sent a letter to the Monitor's counsel summarizing the status of the sale process relating to each property affected by a security in its favour, and expressed its concerns with respect to the timing of the sale of Kai. The Monitor will continue to keep HSBC apprised of the sale processes and provide all relevant information supporting the Monitor's view as to the sufficiency of HSBC's security held with respect to the loans which are further guaranteed by HII (namely all loans other than the loan to Henderson Farms). Also, HSBC's secured claim against HII, as guarantor of these four loans, is an Unaffected Claim pursuant to the terms of the Plan.

SALE PROCESS OF NON-CORE ASSETS

Canadian Properties

13. The HII Group is continuing to actively market its Canadian properties, and the status of said processes in relation to the five properties financed by HSBC is presented above. As for Homburg Springs East (Homco 52) and Homco Springs West (Homco 94), the status of the sale process has not materially changed since the Nineteenth Report.

Information in possession of Centron Construction Corp.

14. As mentioned in previous Monitor's Reports, Centron Construction Corp. ("CCC"), was acting as the agent of the HII Group in relation to most of its projects in Alberta and in such capacity has been in possession of documents and information in relation to certain HII Group's properties. Since November 2012, the Monitor has requested documents and information from CCC. At the beginning of December 2012 and on January 21, 2013, the Monitor received from CCC a series of documents and information in relation to the Points North property and was informed that documents and information in relation to other properties would be forthcoming.
15. During the following weeks, no additional documents and information has been received by the Monitor.
16. On February 14, 2013, the Monitor met with CCC to address the situation, and after appropriate searches were conducted, on February 21, 2013, the Monitor through its legal counsel sent a

demand letter to CCC requesting that all relevant documents and information in its possession be provided to the Monitor.

17. On February 25, 2013, CCC's legal counsel communicated with the Monitor's legal counsel to confirm that CCC was in the process of sending all the documents and information requested by the Monitor within days. Some documents were received on February 26, 2013, and others are expected in the coming days.

US Properties

18. CBRE continues to market the HHUS portfolio and has received an offer for two of the properties.
19. HII, with the support of the Monitor, has accepted one of the offers relating to a property located in Hurst, Texas.
20. HII is currently reviewing the second offer and will determine shortly if it will accept the second offer.
21. The Monitor will continue to report on material developments to the Court.

FORENSIC REVIEW

22. At the request of the Bondholder's Trustee, on February 12, 2013, the Monitor and the Deloitte's forensic team held a meeting to present the conclusions make a presentation on the forensic analysis conducted and their findings to the Bondholders.

II. INVESTMENT PROPOSAL PROCESS

23. As mentioned in previous reports filed by the Monitor, while HII and ShareCo were developing the Plan, The Catalyst Group Inc. ("**Catalyst**") made different proposals to the Bondholders to acquire their debt.
24. Over the past several weeks, the Monitor has been made aware of a number of ads published in Dutch newspapers and/or press releases issued by Catalyst, HII and the Trustees, whereby representations/critics are made to the Bondholders regarding the Plan and the Catalyst offers and the benefit each may respectively provide to them. The Monitor has also been made aware of a recent legal proceeding instituted by Catalyst against the Trustees in the Netherlands. It is the Monitor's understanding that the object of the Catalyst proceeding, amongst others, is to force the Trustees to (i) provide Catalyst with confidential information which is subject to a NDA between the Trustees and HII, (ii) publicize texts through advertisements, website and newsletters in relation to the Plan and HII Group's restructuring process generally with which the Monitor understands that the Trustees and the HII group disagree, and (iii) allow Catalyst to communicate directly with the Bondholders, using the communication channels of the Trustees.
25. The Monitor is concerned about the potential impact of these latest developments on the restructuring process, even more so at this late stage.
26. Since October 24, 2012 and until the date hereof, Catalyst has made various public proposals to the Bondholders, that have varied, and it is the Monitor's understanding that Catalyst has purchased Bonds in this context, the volume of which remaining unknown.

27. Most recently, Catalyst delivered an investment proposal to the HII Group and the Monitor which investment proposal has been further amended and clarified. Catalyst has requested that its offer be integrated in the Plan as a “Stalking horse offer”.
28. Other interested parties have also reached out to the HII and the Monitor regarding a potential investment proposal and has had discussions with Stichting Homburg Bonds. It appears that there may in fact be additional parties who have an interest in pursuing a transaction with the HII Group Entities.
29. While not delaying the process set forth for a timely approval of the Plan, HII Group, in consultation with the Monitor, have determined that it is appropriate under the circumstances to set standardized terms and conditions to govern the delivery of investment proposals to and the consideration of such Investment Proposals by the HII Group Entities and the Monitor (the “**Investment Proposal Process**”).
30. The objective of the Investment Proposal Process is to determine, on an expedited basis, whether the HII Group Entities should pursue an investment transaction that would provide for a better alternative to their stakeholders than would be available under the Plan.
31. The HII Group Entities, with the assistance of the Monitor, have prepared terms and conditions for the Investment Proposal Process (the “**Terms and Conditions**”), which are produced in support of HII’s Motion for an extension of the stay period and approval of an investment proposal process.
32. The proposed form of Meeting Order currently contemplates that HII and ShareCo will circulate meeting materials to creditors by March 20, 2013, with a creditors’ meeting to be held concurrently in Canada and the Netherlands on April 10, 2013 (the “**Creditors’ Meeting**”). In light of this timeline, the Terms and Conditions contemplate an expedited process that would result in the selection of a superior offer, if any, by March 11, 2013, a definitive agreement by April 5, 2013, creditor approval of such transaction, if required, at the Creditors’ Meeting and the Court sanction of any such transaction.
33. The Investment Proposal Process will target those interested parties who have expressed an interest in the HII Group Entities’ assets or their business since the issuance of the Initial Order (the “**Interested Parties**”) and to any other third party who would express a potential interest in the HII Group Entities’ assets or their business following the initiation of the Investment Proposal Process, without any obligation to actively solicit any Investment Proposals.
34. In order to facilitate data room access, and under reserve of the approval of the Terms and Conditions by this Court, the HII Group and the Monitor have prepared a form of confidentiality agreement and have circulated same to the Interested Parties in advance of this motion. The Terms and Conditions contemplate that Interested Parties must sign a confidentiality agreement in form and substance similar to such form of confidentiality agreement, appended as Schedule “2” to the Terms and Conditions, should such interested wish to access the data room and continue as Qualified Investors under the Investment Proposal Process.

III. RANGES OF RECOVERIES

35. As mentioned in the Nineteenth Report, the Monitor, based on information available and a number hypotheses, has analyzed the data and multiple variables which may have an impact on the recovery of the Affected Creditors at emergence and, on that basis, has provided estimated ranges of

recoveries for the unsecured creditors and each Series of Mortgage Bonds, which were annexed to the Nineteenth Report as Appendix B.

36. For the purpose of the Management Information Circular that will be circulated by March 6, 2013, the Monitor is currently updating these estimated ranges of recoveries.
37. In the specific context described in the previous section “Investment Proposal Process”, the Monitor emphasizes that the assumptions and estimates used in the preparation of the estimated ranges of recoveries are inherently uncertain and, though considered reasonable by the HII Group and the Monitor are subject to a wide variety of significant business, economic, market, timing and competitive risk and uncertainties.
38. In addition to these inherent risks and variables, the estimated ranges of recoveries also depend on the outcome of certain specific issues pending in the context of the claims process which may have a material impact on the ranges of recoveries.
39. The following are some of the most important pending issues that may have an impact on the estimated ranges of recoveries:

- i. Taberna Junior Subordinated Notes

The estimated ranges of recoveries assume that the Taberna Junior Subordinated Notes are subordinated to payment in full of the Mortgage Bonds and Corporate Bonds (collectively, the “**Senior Creditors**”) such that any distribution allocated to the Taberna Junior Subordinated Notes would be paid over to the Senior Creditors, to the extent of their claim.

In the event that the relevant subordination provisions are determined to be inapplicable or treated differently, the respective Bondholders’ recovery will differ accordingly.

- ii. Capital Securities A

The estimated ranges of recoveries also assume that the Capital Securities A Debentures are fully subordinated to payment in full of all unsecured creditors. Thus, for the purpose of the estimated range of recoveries it was assumed that either the Capital Securities A Debentureholders would not receive any dividend pursuant to the Plan or any dividend allocated to them would be paid over to the other unsecured creditors to the extent of their claims.

In the event that the relevant subordination provisions are determined to be inapplicable or treated differently, the respective creditors’ recovery will differ accordingly.

- iii. Recovery by Series 6 Mortgage Bondholders

Following an Order of the Court rendered on February 6, 2013, Homco 61 was added as an Applicant Partnership pursuant to the Initial Order. The Claims Process Order was also amended to include Homco 61. As also mentioned in the Nineteenth Report, due to HII Group’s complex structure, its centralized cash management and the numerous intercompany transactions within the HII Group, a thorough exercise of revision of all intercompany claims involving the HII Parties was undertaken. This exercise was completed in respect of the vast majority of the HII Group entities and has led to HII Group amending certain proof of claims file (downward (mainly) or upward as the case may be), withdrawing others and seeking the

authorization of the Court to file “Late Proofs of Claim”, given the context and in the best interest of the HII Group stakeholders.

The situation of the intercompany claims regarding Homco 61 has yet to be fully completed in light of the claim process initiated with respect thereof, which provided that the claims bar date, as regard to Homco 61 only, would be February 22, 2013.

Prior to the claims bar dates (of HII or Homco 61, as applicable), the Monitor has received various proof of claims, including claims with respect of intercompany advances and claims as between HII and Homco 61, namely:

- a. An unsecured proof of claim filed by HII against Homco 61 for an amount of \$71,597,837 relating to a promissory note signed by Homco 61 in favor of HII (the “**Homco 61 Note**”).
- b. An unsecured proof of claim filed by Stichting Homburg Mortgage Bond (the “**Trustee**”) against Homco 61 in the amount of €37,992,672 with respect to the guarantee granted by Homco 61 in favor of the Trustee with respect to the obligations of HII and ShareCo towards the Series 6 Mortgage Bondholders.
- c. A proof of claim filed by Homco 61 against HII for an amount of \$51,547,000, such proof of claim relating to amounts recorded in HII’s internal ledgers as loans or advances extended by Homco 61 to HII.
- d. An unsecured proof of claim filed by DEGI Homburg Harris LP against Homco 61 in the amount of \$11,191,349.
- e. Various proof of claims filed by trade creditors against Homco 61 in the aggregate amount of approximately \$143,000.

The Monitor is in the process of completing its review and analysis of the Homco 61 related proofs of claims with a view to determine the best course of action to adopt for the treatment of same.

The outcome of the analysis pertaining to the Homco 61 related proofs of claims and their treatment may result in a significant increase of Series 6 Bonds, recovery and, accordingly, have a negative impact on the recovery of all the other unsecured creditors.

- iv. Treatment of the “double claims” filed by Stichting Homburg Bond on behalf of the Mortgage Bondholders

Various proofs of claims have been filed by Stichting Homburg Mortgage Bond on behalf of Series 4, 5, 6 and 7 Mortgage Bondholders against ShareCo, HII and various HII Parties (approximately \$150M).

The Monitor is currently completing its review and analysis of these “double claims” and will determine shortly the best course of action with a view to obtain final determination on same prior to the Plan implementation date. The ultimate treatment may have a material impact on the respective creditors’ recovery.

v. Valuation of Newco

The recovery rates calculation assumes a value for Newco of which the creditors will become the shareholders under the terms of the Plan. As a result, most assets and liabilities transferred to Newco are comprised in Newco's opening balance sheet at a value equal to their current value as per HII's financial statements.

Should financial statements of Newco subsequently be prepared based on different assumptions (e.g. considering that Newco effected a business combination or asset acquisition of the Core Business Assets) then the estimated value of Newco's liabilities could likely be lower than the amounts currently used and, consequently, the equity value of the dividend payable pursuant to the Plan may be higher than estimated. This may have a material impact on the respective creditors' recovery rates.

IV. DEVELOPMENTS WITH THE AFM

40. On February 12, 2013 HII and its counsel presented the Plan to AFM. On that date the Monitor also presented the outcome of the forensics review to AFM. AFM did not raise any concerns on either the Plan or the forensics review.

V. DEBTORS' CASH FLOWS FROM JANUARY 20 TO FEBRUARY 16, 2013

41. The purpose of this section is as follows:
- i. Provide budget to actual analysis highlights by Debtor for the period from January 20 to February 16, 2013; and
 - ii. Provide commentary on the variances by Debtor.

OVERVIEW

42. 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 January 20 to February 16, 2013:

Cash variation for the period from January 20 to February 16, 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.	18,480	(6,886)	11,594	(9)	-	11,585
Homburg Shareco Inc.	39	-	39	-	-	39
Churchill Estates Development Ltd.	2,654	(51)	2,603	-	-	2,603
Inverness Estates Development Ltd.	488	-	488	-	-	488
CP Development Ltd.	436	7	443	-	-	443
North Calgary Land Ltd.	1	-	1	-	-	1
Total	<u>22,098</u>	<u>(6,930)</u>	<u>15,168</u>	<u>(9)</u>	<u>-</u>	<u>15,159</u>

43. For the budget to actual cash flow forecast analysis of HII, ShareCo, Churchill, Inverness, CP and NCLL for the period from January 20 to February 16, 2013, and commentary in respect of the analysis performed, please refer to Appendix B.

44. The following significant transaction, excluding the normal receipts and disbursements arising from operations, have occurred subsequent to the last day of the budget to actual analysis, between February 16 and February 22, 2013:

i. Payment of restructuring related professional fees of \$1,051.9K

45. 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

46. Total cash inflows for HII were \$1,014.8K for the period noted, while total cash outflows were \$7,900.7K, which resulted in a negative net cash variation of \$6,885.9K compared to a budgeted negative net cash variation of \$7,400.9K. This positive variance of \$515.0K is mainly due to the favorable variance from the receipt of GST/HST refunds of \$992.1K, partially offset by the payment of higher than budgeted professional fees.

ShareCo

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

Churchill

48. For the period noted, total cash inflows for Churchill were \$0.2K and total cash outflows were \$51.4K, which resulted in a negative net cash variation of \$51.2K compared to a budgeted negative net cash variation of \$14.3K. The negative variance of \$36.9K is mainly due to timing.

Inverness

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

CP

50. For the period noted, total cash inflows for CP were \$7.0K and total cash outflows were \$(0.9)K (reimbursement of a deposit), which resulted in a positive net cash variation of \$7.9K compared to a budgeted negative net cash variation of \$10.0K. The favorable variance of \$17.9K is mainly due to timing.

NCLL

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

Cash budgeting

52. Since the Nineteenth Report, the HII Group, with the support of the Monitor, has continued to perform budget to actual analysis for the six Debtors on a weekly basis.

53. As previously discussed, 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 does not equal the actual cash contained in the Debtors' bank accounts.
54. 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.
55. The table below provides the estimated cash balance analysis as at March 2, 2013:

Homburg Invest Inc.
 Estimated cash balance for the period ending March 2, 2013

(all amounts stated in CAD)		Amount
ACTUAL OPENING CASH BALANCE AS AT FEBRUARY 17, 2013	A	15,158,745
Forecasted cash inflows/(outflows) - February 17 to March 2, 2013		
Net cash inflow/(outflow) - Debtors		
Net cash inflow/(outflow) - HII		(2,194,462)
Net cash inflow/(outflow) - ShareCo		-
Net cash inflow/(outflow) - Churchill		-
Net cash inflow/(outflow) - Inverness		-
Net cash inflow/(outflow) - CP		-
Net cash inflow/(outflow) - NCLL		-
Total net cash inflow/(outflow) - Debtors	B	<u>(2,194,462)</u>
Net cash inflow/(outflow) - Canadian entities excluding Debtors	C	<u>23,613</u>
Payments in transit		
HII - Wires in transit as at February 17, 2013		-
HII - Estimated outstanding cheques as at February 17, 2013		(1,145,298)
Holman - Estimated outstanding cheques as at February 17, 2013		(1,014)
Less: Total payments in transit	D	<u>(1,146,312)</u>
TOTAL NET CASH INFLOWS/(OUTFLOWS) - FEBRUARY 17 to MARCH 2, 2013	E=B+C+D	<u>(3,317,161)</u>
ESTIMATED ENDING CASH BALANCE AS AT MARCH 2, 2013, BEFORE OTHER ADJUSTMENTS	F=A+E	11,841,584
Net adjustment for disbursements/(receipts) not expected to occur from February 17 to March 2, 2013	G	<u>-</u>
ESTIMATED ENDING CASH BALANCE AS AT MARCH 2, 2013, AFTER OTHER ADJUSTMENTS	H=F+G	<u>11,841,584</u>

VI. ACTIVITIES OF THE MONITOR

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

CASH FLOW MONITORING

57. On a weekly basis, the Monitor continues to analyze the Debtors' cash flows. As previously indicated in this Twentieth Report, a budget to actual cash flow forecast analysis of the Debtors, for the period from January 20 to February 16, 2013 has been prepared together with commentary of cash variances, as presented in Appendix B.
58. As part of this process, the Monitor, on a daily basis, also analyzes cash inflows and cash outflows from all of the HII Parties' bank accounts.
59. 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

60. 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.
61. In accordance with the Initial Order, the Monitor assisted Management in its analysis of disbursements to be made pertaining to the HII Group.

NOTIFYING AND REPORTING DUTIES PERFORMED BY THE MONITOR

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

STAY NOTICES

63. 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's records. As at the date of this Twentieth Report and since the Nineteenth 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.

UPDATE ON CLAIMS PROCESS

64. As elaborated in previous Monitor's Reports, the Monitor initially received, for all HII Parties, 233 claims representing a total of \$2,066,727,037, including Intercompany Claims as well as Duplicate Claims.
65. As of the date hereof, the Monitor has sent 54 Notices of review or disallowance of claims, of which: (i) 51 are deemed to be finally determined as no appeal was filed within the applicable delay, and (ii) three (3) are the object of an appeal (as elaborated hereunder).
66. Out of the three motions in appeal of Notices of Review or Disallowance of claims, one was filed prior to the Nineteenth Report (Statoil Motion – as elaborated in the Nineteenth Report) and the two others have been received since the filing of the Nineteenth Report.
67. One appeal is in relation with the "Capital Securities Claim" and was filed on February 12, 2013 by Stichting Homburg Capital Securities (HCSA). HCSA contests the Monitor's Notice of Review or Disallowance with respect to, namely (i) the portion of HCSA's claim pertaining to accrued interest which the Monitor believes should reduce to the amount of interest accrued up to September 9, 2011 (filing date), excluding any interest accrued thereafter (approximately \$2.9M), (ii) the portions of HCSA's claim pertaining to "Expenses" representing the portion of the advances made by the HII Group pursuant to the Funding Order (rendered by the Court on February 15, 2012) attributed to the holders of the Homburg Capital Securities A which, in the opinion of the Monitor, should be reimbursed to HII pursuant to and in accordance with the Funding Order (approximately \$107K), and (iii) the note regarding the subordination applicable to the Homburg Capital Security A Bonds on the voting and distribution rights of the holder thereof.
68. The other motion in appeal was filed on February 14, 2013 by Stichting Homburg Bonds and contests the Monitor's disallowance of a claim filed by Stichting Homburg Bonds and Stichting Homburg Capital Securities (the "**Stichting**") with respect to the alleged expenses and fees incurred

by the Stichtings for the period between August 20, 2011 and December 3, 2011 (namely prior to the period covered by the Funding Order rendered by the Court on February 15, 2012), which, in the opinion of the Monitor and based on information available, do not qualify as an obligation of HII under the relevant Trust Indentures entered into between HII, ShareCo and the Stichtingen.

69. In accordance with the Order rendered by the Court on February 6, 2013, the Monitor has sent and published notices to the creditors of Homco 61 and Castello in the form and manner prescribed by the Claim Process Order. The Claim Bar Date for Homco 61 and Castello's creditors was February 22, 2013.
70. The Monitor, along with the HII Group, is still in the process of finalizing the review of certain claims received, including those claims recently received as Additional Intercompany Claims and claims pertaining to Homco 61 and Castello. The Monitor expects that its review will be completed within the coming weeks.

VII. EXTENSION OF THE STAY PERIOD

OVERVIEW

71. Pursuant to the Ninth Extension Order, the Stay Period was extended until February 28, 2013.
72. The HII Parties notified the Monitor of their intention to request a tenth extension of the Stay Period until April 26, 2013 (the "**Tenth Extension Period**"). This extension will allow, amongst other things, (i) to complete the drafting of the Management Information Circular, (ii) to mail the material to the creditors and to hold the creditors' meeting, (iii) to complete the Investment Proposal Process, (iv) to finalize the analysis of the corporate structure and tax issues relating to the Plan, (v) to run and complete the review of all or most of the claims not being finally determined, (vi) to continue the negotiations with the mortgage lenders and, (vii) to pursue the sale processes of the non-core assets.
73. It is the Monitor's opinion that it is necessary to provide the HII Parties with the Tenth 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 8-WEEK CASH FLOW FORECASTS

74. Management has provided the Monitor with new cash flow forecasts for the Tenth Extension Period. Management has adjusted the projected cash flows for the Debtors to April 27, 2013, corresponding to the end of the Tenth Extension Period.
75. The extended 8-week cash flow forecasts for HII, ShareCo, Churchill, Inverness, CP and NCLL, as well as additional commentary identifying the primary assumptions, are attached as Appendix C.
76. Presented in the table below is a summary of the forecasted cash variations for each of the Debtors:

Extension - 8-week period ending April 27, 2013				
(C\$000)	Forecasted opening cash balance (Appendix C) as at March 3, 2013	Forecasted cash variation for the 8-week period (Appendix C)	Funding between HII and its non-Petitioners	Forecasted closing cash balance as at April 27, 2013
Homburg Invest Inc.	8,268	3,314	777	12,359
ShareCo Inc.	39	-	-	39
Churchill Estates Development Ltd.	2,603	372	-	2,975
Inverness Estates Development Ltd.	487	-	-	487
CP Development Ltd.	443	10,304	-	10,747
NCLL	1	-	-	1
Total	11,841	13,990	777	26,608

HII

77. Forecasted cash inflows for the period are \$21,415K and forecasted cash outflows for the period are \$18,101K, resulting in a net cash inflow of \$3,314K. This net outflow mainly results from an inflow to Homco 199 coming from the funds held in trust at Osler pursuant to the order rendered by the Court on January 20, 2012 authorizing the sale of the Canmarc REIT Units and released in accordance with the Cominar Global Settlement, partially offset by a payment to Cominar pursuant to the Cominar Global Settlement and important restructuring related outflows, composed primarily of professional fees, payroll, office and administrative expenditures. As per an agreement with Cominar, an amount of \$2,000K will remain held in trust up and until a claim against Cominar being indemnified by Homco 199 is satisfactorily settled.
78. The Monitor was notified by Management that CRA has once again begun to hold HII's GST/HST refunds, which represented a significant cash inflow in recent months. As a result, HII does not have any cash inflows for the 8-week period. Management is currently in contact with CRA to determine the reason why refunds are being held.
79. The payroll figures included in the cash flow forecast reflect the salaries of HII's employees.
80. 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.
81. As of the date of this Twentieth Report, all expenses incurred to date and going forward during the Tenth Extension Period have been or will be paid out of the funds available to HII.

ShareCo

82. The Monitor does not anticipate any cash inflows or outflows pertaining to ShareCo for the Tenth Extension Period.
83. At the time of this Twentieth Report, there is nothing that would lead the Monitor to believe that ShareCo will need additional financing to meet current obligations during the Tenth Extension Period.

Churchill

84. Forecasted cash inflows for the period are \$420K and forecasted cash outflows for the period are \$47.7K, resulting in a net cash inflow of \$372.3K. The net inflow mainly results from the sale of a condominium expected to close in week 80.

85. At the time of this Twentieth Report, there is nothing that would lead the Monitor to believe that Churchill will need additional financing to meet current obligations during the Tenth Extension Period.

Inverness

86. The Monitor does not anticipate any cash inflows or outflows pertaining to Inverness for the Tenth Extension Period.
87. At the time of this Twentieth Report, there is nothing that would lead the Monitor to believe that Inverness will need additional financing to meet current obligations during the Tenth Extension Period.

CP

88. Recognizing the planned closure of the sale of CP, the Monitor anticipates cash inflows of \$20,652K, partially offset by the repayment of the outstanding mortgage and interest and the payment of the secured liens, to the extent same are valid and have been the object of proofs of claim filed in conformity with the Claims Process Order.
89. At the time of this Twentieth Report, there is nothing that would lead the Monitor to believe that CP will need additional financing to meet current obligations during the Tenth Extension Period.

NCLL

90. The Monitor does not anticipate any cash inflows or outflows pertaining to NCLL during the Tenth Extension Period.
91. At the time of this Twentieth Report, nothing would lead the Monitor to believe that NCLL will need additional financing to meet current obligations during the Tenth Extension Period.

CASH POSITION AND USE OF RESTRICTED CASH

Restricted Cash

92. Pursuant to the Nineteenth Report, no additional funding was requested from Restricted Cash during the Ninth Extension Period. For reference purposes, the table presented below provides a breakdown of the Restricted Cash requests since the start of the proceedings. The restricted cash balance as at February 15, 2013 has increased from the time of the Nineteenth Report as a result of interest earned of approximately \$71K.

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
			1,019
Ending balance of Restricted Cash as at December February 15, 2013			=A+B+C
			80,793

Note 1: Subject to the Monitor's Motion for Directions in relation to security granted to Canmarc REIT.

Analysis of HII's cash funding requirements and results

93. HII, with the assistance of the Monitor, conducted an analysis of the HII Group entities' cash flows to evaluate the cash position of the HII Group for the proposed extension to the Stay Period ending April 26, 2013.
94. The table below provides an overview of the estimated cash position of HII as at April 27, 2013:

Number of weeks presented: 8 weeks		March 3 to April 27, 2013
(all amounts stated in CAD)		(8-week period)
		Forecast
Estimated opening cash balance as at March 3, 2013	A	11,841,584
Net cash flow by Debtor - March 3 to April 27, 2013		
Net cash inflow/(outflow) - HII		3,313,652
Net cash inflow/(outflow) - ShareCo		-
Net cash inflow/(outflow) - Churchill		372,309
Net cash inflow/(outflow) - Inverness		-
Net cash inflow/(outflow) - CP		10,304,000
Net cash inflow/(outflow) - NCLL		-
Net cash inflow/(outflow) - Debtors	B	13,989,961
Net cash flow by other Canadian entities - March 3 to April 27, 2013		
Net cash inflow/(outflow) - Others Canada		776,681
Net cash inflow/(outflow) - HII Group excluding Debtors	C	776,681
ESTIMATED TOTAL CASH INFLOW/(OUTFLOW) - ALL ENTITIES	D=B+C	14,766,642
ESTIMATED Surplus (Deficit) CASH from March 3 to April 27, 2013	E=A+D	26,608,226

95. The opening forecasted cash balance as at March 3, 2013 only includes the bank accounts controlled by the Debtors. European Euro and American dollar accounts have been converted to Canadian dollars at the foreign exchange rate as at February 15, 2013.
96. For the period ending April 27, 2013, it is forecasted that HII will have a cash surplus of \$26,608.2K. This amount is calculated based on the net cash flow variations as indicated in the table above. For additional information regarding the Debtors forecasted cash inflows and outflows

to April 27, 2013, please refer to Appendix C of this Twentieth Report. Please note that the analysis does not account for timing variances that may have occurred prior to the proposed Ninth 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 February 2013 for the HII Group entities, is not available to Management and the Monitor at this time of this report.

97. Based on the analysis performed, it appears that the HII Group possesses sufficient funds to accomplish the various steps that are required to advance the restructuring of the HII Group until the expiry of the proposed Tenth Extension.

VIII. CONCLUSIONS AND RECOMMENDATIONS

98. 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.
99. It is the Monitor's opinion that, for the reasons further elaborated in this Twentieth Report:
- i. an extension of the Stay Period to **April 26, 2013** should be granted to ensure that the HII Parties are able to implement certain essential restructuring initiatives and hold the creditors' meeting on the Plan;
 - ii. the Terms and Conditions of the Investment Proposal Process should be approved; and
 - iii. the Meeting Order should be granted.
100. Based on discussions with Management and general supervision of the affairs of the HII Parties, it is the Monitor's opinion that the HII Parties have acted and continue to act in good faith and with due diligence, and that they will likely be able to get the Plan approved by its creditors.

The Monitor respectfully submits this Twentieth Report to the Court.

DATED AT MONTREAL, this 27th day of February, 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 (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

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 4-week period of January 20 to February 16, 2013		
	Actual	Budget	Variance
Cash inflows			
REIT distributions	-	-	-
REIT unit sale proceeds	-	-	-
GST/HST received	992.1	-	992.1
Intercompany receipts (Petitioners and Mis-en-cause)	-	-	-
Other receipts	22.7	-	22.7
Total cash inflows	1,014.8	-	1,014.8
Cash outflows			
Payroll	193.1	188.9	(4.2)
Rent expense	55.1	25.0	(30.1)
Restructuring related professional fees	7,602.8	6,900.0	(702.8)
Insurance	-	-	-
Office & admin	49.6	200.0	150.4
Director fees	-	85.0	85.0
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	0.1	-	(0.1)
Total cash outflows	7,900.7	7,400.9	(499.8)
Opening cash balance	18,480.4	18,480.4	-
Variation in cash balance	(6,885.9)	(7,400.9)	515.0
Exchange rate (Gain / Loss)	-	-	-
Ending cash balance	11,594.5	11,079.5	515.0
Surplus (funding) between HII and its non-Petitioners	(9.0)	-	(9.0)
Surplus (funding) between HII and its Petitioners	-	-	-
Adjusted ending cash balance	11,585.5	11,079.5	506.0

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 \$11,585.5K, please note that \$1,624.9K is currently held in the Monitor's trust account as at February 16, 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

- GST/HST received was \$992.1K compared to a budgeted amount of nil, resulting in a favorable variance of \$992.1K. The favorable variance is due to unbudgeted GST/HST refunds from the CRA previously delayed during the prior months.
- Other receipts were \$22.7K compared to a budgeted amount of nil, resulting in a favorable variance of \$22.7K. The favorable variance is mainly due to receipt of interest on funds held.

Outflows

- Rent expense was \$55.1K compared to a budgeted amount of \$25.0K, resulting in an unfavorable variance of \$30.1K. The unfavorable variance is due to timing.
- Restructuring related professional fees were \$7,602.8K compared to a budgeted amount of \$6,900.0K, resulting in an unfavorable variance of \$702.8K. This unfavorable variance is due as a result of the payment of fees that were previously under budgeted. Cheques and wires for professional fees totaling approximately \$1,061.7K were outstanding as of February 15, 2013.
- 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
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)			\$ 3,688,297
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.			

- Office and administrative expenditures were \$49.6K compared to a budgeted amount of \$200.0K, resulting in a favorable variance of \$150.4K. 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 GP accounts.
- Director fees were nil compared to a budgeted amount of 85.0K, which resulted in a favorable variance of \$85.0K. This variance is mainly due to timing.

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 4-week period of January 20 to February 16, 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 4-week period of January 20 to February 16, 2013		
	Actual	Budget	Variance
Cash inflows			
Condo sales proceeds	-	-	-
GST collected	-	-	-
GST ITC refund	-	-	-
Rent	-	-	-
Other Receipts	0.2	-	0.2
Total cash inflows	0.2	-	0.2
Cash outflows			
Commissions	-	-	-
Advertising	-	-	-
R&M	0.2	2.0	1.8
Property tax	3.2	4.2	1.0
Professional fees	-	-	-
Insurance	-	0.3	0.3
Mortgage principal	-	-	-
Mortgage interest	-	-	-
Office & admin	-	-	-
Condo fees	25.2	7.8	(17.4)
GST remitted	22.8	-	(22.8)
Total cash outflows	51.4	14.3	(37.1)
Opening cash balance	2,653.8	2,653.8	-
Variation in cash balance	(51.2)	(14.3)	(36.9)
Exchange rate (Gain / Loss)	-	-	-
Ending cash balance	2,602.6	2,639.5	(36.9)

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

- Condo fees were \$25.2K compared to a budgeted amount of 7.8K, which resulted in an unfavorable variance of \$17.4K. This variance is mainly due to timing.
- GST remitted was \$22.8K compared to a budgeted amount of nil, which resulted in an unfavorable variance of \$22.8K. This variance is due to timing.

Inverness

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

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

	For the 4-week period of January 20 to February 16, 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	487.2	487.2	-
Adjustment for receipt in prior period	-	-	-
Variation in cash balance	-	-	-
Exchange rate (Gain / Loss)	-	-	-
Ending cash balance	<u>487.2</u>	<u>487.2</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 4-week period of January 20 to February 16, 2013		
	Actual	Budget	Variance
Cash inflows			
Costs reimbursed from escrow	-	-	-
GST refund from previous months	-	-	-
Other receipts	7.0	-	7.0
Total cash inflows	7.0	-	7.0
Cash outflows			
Construction costs (1,2&3)	-	-	-
Construction costs (4&5)	-	10.0	10.0
Professional fees	-	-	-
Insurance	-	-	-
Mortgage principal	-	-	-
Mortgage interest	-	-	-
Property tax ¹	(0.9)	-	0.9
Other expenditures	-	-	-
Total cash outflows	(0.9)	10.0	10.9
Opening cash balance	435.3	435.3	-
Variation in cash balance	7.9	(10.0)	17.9
Exchange rate (Gain / Loss)	-	-	-
Ending cash balance	443.2	425.3	17.9

Note 1: A deposit of \$0.9K was reimbursed during the period.

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:

	For the 4-week period of January 20 to February 16, 2013		
	Actual	Budget	Variance
Cash inflows			
GST/HST received	-	-	-
Other receipts	-	-	-
Total cash inflows	<u>-</u>	<u>-</u>	<u>-</u>
Cash outflows			
Professional fees	-	-	-
Property tax	-	-	-
Insurance	-	-	-
Office & administrative	-	-	-
GST/HST paid	-	-	-
Other expenditures	-	-	-
Total cash outflows	<u>-</u>	<u>-</u>	<u>-</u>
Funded opening cash balance	0.6	0.6	-
Variation in cash balance	-	-	-
Exchange rate (Gain / Loss)	-	-	-
Ending cash balance	<u>0.6</u>	<u>0.6</u>	<u>-</u>

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 transactions occurred during the period in North Calgary Land.

APPENDIX C

HII Extended 8-week cash flow forecast (\$C)

Updated as of February 17, 2013

Homburg Invest Inc.

Extended cash flow statement from February 17 to April 27, 2013

	19th report PUBLISHED			20th report								
Number of weeks:	76	77		78	79	80	81	82	83	84	85	
Beginning period:	17-Feb-13	24-Feb-13	TOTAL	3-Mar-13	10-Mar-13	17-Mar-13	24-Mar-13	31-Mar-13	7-Apr-13	14-Apr-13	21-Apr-13	TOTAL
Ending period:	23-Feb-13	2-Mar-13	2-Week Period	9-Mar-13	16-Mar-13	23-Mar-13	30-Mar-13	6-Apr-13	13-Apr-13	20-Apr-13	27-Apr-13	8-Week Period
	Forecast	Forecast		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
Cash inflows												
GST/HST/VAT received	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	21,415,000	-	-	-	-	-	-	-	21,415,000
Total cash inflows	-	-	-	21,415,000	-	-	-	-	-	-	-	21,415,000
Cash outflows												
Payroll	94,462	-	94,462	94,462	-	127,962	-	94,462	-	94,462	-	411,348
Rent expense	-	-	-	25,000	-	-	-	25,000	-	-	-	50,000
Restructuring related professional fees	1,000,000	1,000,000	2,000,000	1,262,500	1,262,500	1,262,500	1,262,500	1,262,500	1,262,500	1,262,500	1,262,500	10,100,000
Insurance	-	-	-	-	-	-	-	-	-	-	-	-
Office & administrative	50,000	50,000	100,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	400,000
Director fees	-	-	-	-	-	-	-	-	-	-	-	-
KERP	-	-	-	-	-	-	-	-	-	-	-	-
Hotel insurance	-	-	-	2,000	-	-	-	2,000	-	-	-	4,000
Other expenditures	-	-	-	6,636,000	-	-	-	-	500,000	-	-	7,136,000
Total cash outflows	1,144,462	1,050,000	2,194,462	8,069,962	1,312,500	1,440,462	1,312,500	1,433,962	1,812,500	1,406,962	1,312,500	18,101,348
Opening balance	11,585,545	9,294,771	11,585,545	8,268,384	21,613,422	20,300,922	18,860,460	17,547,960	16,113,998	14,301,498	12,894,536	8,268,384
Payments in transit	(1,146,312)	-	(1,146,312)	-	-	-	-	-	-	-	-	-
Variation in cash balance (Petitioners)	(1,144,462)	(1,050,000)	(2,194,462)	13,345,038	(1,312,500)	(1,440,462)	(1,312,500)	(1,433,962)	(1,812,500)	(1,406,962)	(1,312,500)	3,313,652
Variation in cash balance (Non-Petitioners)	-	23,613	23,613	-	-	-	-	-	-	-	776,681	776,681
Exchange rate	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted ending cash balance	9,294,771	8,268,384	8,268,384	21,613,422	20,300,922	18,860,460	17,547,960	16,113,998	14,301,498	12,894,536	12,358,717	12,358,717

Notes:

- 1) The opening cash balance reflects the allocated cash balance as at February 17, 2013.
- 2) The \$21,415K of other receipts and the \$6,636K of other expenditures relate to a net inflow to Homco 199 coming from the funds held in trust at Osler pursuant to the order rendered by the Court on January 20, 2012, authorizing the sale of the Canmarc REIT units and released in accordance with the Cominar Global Settlement.

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 cash balances as at February 17, 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 have been placed on hold by CRA due to a system issue. Management is required to follow up with CRA in order to receive its reimbursements.		X
Other receipts	Other receipts; during the period, the receipt of funds previously held in trust at Osler relating to the security granted to Canmarc REIT	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		X
Other expenditures	Miscellaneous costs not covered by the other line items listed, which are mainly composed of the claim amount of the Cominar Group against the HII Parties that are to be settled in the Cominar Global Settlement (\$4.6M), a provision to settle a certain outstanding contingent claim (\$2M) and payment of the Baltic	X	

Assumptions	Source	Probable Assumption	Hypothetical Assumption
	restructuring fees (\$500K).		
<u>Ending cash balance</u>	Based on allocated cash transactions		X

ShareCo Extended 8-week cash flow forecast (\$C)

Updated as of February 17, 2013

Homburg ShareCo Inc.

Extended cash flow statement from February 17 to April 27, 2013

Number of weeks:	19th report PUBLISHED			20th report								
	76	77		78	79	80	81	82	83	84	85	
Beginning period:	17-Feb-13	24-Feb-13	TOTAL	3-Mar-13	10-Mar-13	17-Mar-13	24-Mar-13	31-Mar-13	7-Apr-13	14-Apr-13	21-Apr-13	TOTAL
Ending period:	23-Feb-13	2-Mar-13	2-Week Period	9-Mar-13	16-Mar-13	23-Mar-13	30-Mar-13	6-Apr-13	13-Apr-13	20-Apr-13	27-Apr-13	8-Week Period
	Forecast	Forecast	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	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	39,100	39,100

Notes:

- 1) The opening cash balance reflects the allocated cash balance as at February 17, 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 February 17, 2013	X	
<u>Ending cash balance</u>	Based on allocated cash transactions		X

Churchill Extended 8-week cash flow forecast (\$C)

Updated as of February 17, 2013

Churchill Estates Development Ltd.

Extended cash flow statement from February 17 to April 27, 2013

Number of weeks	19th report PUBLISHED			20th report								
	76	77	TOTAL	78	79	80	81	82	83	84	85	TOTAL
Beginning period:	17-Feb-13	24-Feb-13		3-Mar-13	10-Mar-13	17-Mar-13	24-Mar-13	31-Mar-13	7-Apr-13	14-Apr-13	21-Apr-13	
Ending period:	23-Feb-13	2-Mar-13	2-Week Period	9-Mar-13	16-Mar-13	23-Mar-13	30-Mar-13	6-Apr-13	13-Apr-13	20-Apr-13	27-Apr-13	8-Week Period
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Cash inflows												
Condo sales proceeds	-	-	-	-	-	400,000	-	-	-	-	-	400,000
GST collected	-	-	-	-	-	20,000	-	-	-	-	-	20,000
GST ITC refund	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total cash inflows	-	-	-	-	-	420,000	-	-	-	-	-	420,000
Cash outflows												
Commissions	-	-	-	-	-	20,000	-	-	-	-	-	20,000
R&M	-	-	-	2,000	-	-	-	2,000	-	-	-	4,000
Property tax	-	-	-	4,200	-	-	-	3,570	-	-	-	7,770
Professional fees	-	-	-	-	-	1,000	-	-	-	-	-	1,000
Insurance	-	-	-	250	-	-	-	250	-	-	-	500
Office & administrative	-	-	-	-	-	-	-	-	-	-	-	-
Condo fees	-	-	-	7,795	-	-	-	6,626	-	-	-	14,421
GST remitted	-	-	-	-	-	-	-	-	-	-	-	-
Total cash outflows	-	-	-	14,245	-	21,000	-	12,446	-	-	-	47,691
Opening cash balance	2,602,600	2,602,600	2,602,600	2,602,600	2,588,355	2,588,355	2,987,355	2,987,355	2,974,909	2,974,909	2,974,909	2,602,600
Variation in cash balance	-	-	-	(14,245)	-	399,000	-	(12,446)	-	-	-	372,309
Exchange rate	-	-	-	-	-	-	-	-	-	-	-	-
Ending cash balance	2,602,600	2,602,600	2,602,600	2,588,355	2,588,355	2,987,355	2,987,355	2,974,909	2,974,909	2,974,909	2,974,909	2,974,909

Notes:

- 1) The opening cash balance reflects the allocated cash balance as at February 17, 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 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 cash balances as at February 17, 2013	X	
<u>Exchange rates</u>	All cash flows are in Canadian dollars		X
<u>Forecast cash receipts</u>			
Condo sales proceeds	One condominium sales is projected to close in the period noted.		X
GST collected	Based on applicable taxes on forecasted condo sales		X
GST ITC refund	Based on the previous months' taxable disbursements and the applicable tax rates. Refund is received approximately six weeks after it is submitted. No activity has been forecasted during the period.	X	
Other receipts	No activity has been forecasted during the period	X	
<u>Forecast cash disbursements</u>			
Commissions	Commissions are based on 5% of the projected sales		X
R&M	Repairs and maintenance expenses are based on historical amounts	X	
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 8-week cash flow forecast (\$C)

Updated as of February 17, 2013

Inverness Estates Development Ltd.

Extended cash flow statement from February 17 to April 27, 2013

Number of weeks:	19th report PUBLISHED			20th report								
	76	77	TOTAL	78	79	80	81	82	83	84	85	TOTAL
Beginning period:	17-Feb-13	24-Feb-13		3-Mar-13	10-Mar-13	17-Mar-13	24-Mar-13	31-Mar-13	7-Apr-13	14-Apr-13	21-Apr-13	
Ending period:	23-Feb-13	2-Mar-13	2-Week Period	9-Mar-13	16-Mar-13	23-Mar-13	30-Mar-13	6-Apr-13	13-Apr-13	20-Apr-13	27-Apr-13	8-Week Period
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Cash inflows	-	-	-	-	-	-	-	-	-	-	-	-
Total cash inflows	-	-	-	-	-	-	-	-	-	-	-	-
Cash outflows	-	-	-	-	-	-	-	-	-	-	-	-
Total cash outflows	-	-	-	-	-	-	-	-	-	-	-	-
Opening cash balance	487,200	487,200	487,200	487,200	487,200	487,200	487,200	487,200	487,200	487,200	487,200	487,200
Variation in cash balance	-	-	-	-	-	-	-	-	-	-	-	-
Exchange rate	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted Ending cash balance	487,200	487,200	487,200	487,200	487,200	487,200	487,200	487,200	487,200	487,200	487,200	487,200

Notes:

- 1) The opening cash balance reflects the allocated cash balance as at February 17, 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 cash balances as at February 17, 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 8-week cash flow forecast (\$C)

Updated as of February 17, 2013

CP Development Ltd.
Extended cash flow statement from February 17 to April 27, 2013

Number of weeks:	19th report PUBLISHED			20th report								
	76	77	TOTAL	78	79	80	81	82	83	84	85	TOTAL
Beginning period:	17-Feb-13	24-Feb-13	TOTAL	3-Mar-13	10-Mar-13	17-Mar-13	24-Mar-13	31-Mar-13	7-Apr-13	14-Apr-13	21-Apr-13	TOTAL
Ending period:	23-Feb-13	2-Mar-13	2-Week Period	9-Mar-13	16-Mar-13	23-Mar-13	30-Mar-13	6-Apr-13	13-Apr-13	20-Apr-13	27-Apr-13	8-Week Period
	Forecast	Forecast		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Cash inflows												
Costs reimbursed from escrow	-	-	-	-	-	-	-	152,000	-	-	-	152,000
GST refund from previous month	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	20,500,000	-	-	-	-	20,500,000
Total cash inflows	-	-	-	-	-	-	20,500,000	152,000	-	-	-	20,652,000
Cash outflow												
Construction costs (1,2&3)	-	-	-	-	-	-	-	-	-	-	-	-
Construction costs (4&5)	-	-	-	-	-	-	-	-	-	-	-	-
Professional fees	-	-	-	-	-	-	-	-	-	-	-	-
Mortgage principal	-	-	-	-	-	-	9,095,000	-	-	-	-	9,095,000
Mortgage interest	-	-	-	-	-	-	550,000	-	-	-	-	550,000
Payment of secured liens	-	-	-	-	-	-	703,000	-	-	-	-	703,000
Property tax	-	-	-	-	-	-	-	-	-	-	-	-
Total cash outflows	-	-	-	-	-	-	10,348,000	-	-	-	-	10,348,000
Opening cash balance	443,200	443,200	443,200	443,200	443,200	443,200	443,200	10,595,200	10,747,200	10,747,200	10,747,200	443,200
Variation in cash balance	-	-	-	-	-	-	10,152,000	152,000	-	-	-	10,304,000
Exchange rate	-	-	-	-	-	-	-	-	-	-	-	-
Ending cash balance	443,200	443,200	443,200	443,200	443,200	443,200	10,595,200	10,747,200	10,747,200	10,747,200	10,747,200	10,747,200

Notes:

- 1) The opening cash balance reflects the allocated cash balance as at February 17, 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 cash balances as at February 17, 2013	X	
<u>Exchange rates</u>	All cash flows are in Canadian dollars		X
<u>Forecast cash receipts</u>			
Costs reimbursed from escrow	Funds in escrow received from Cominar REIT following the sale of three of the CP Development Ltd. properties. The funds are released from the escrow account once the construction costs have been paid.		X
GST refund from previous month	CRA has indicated that ongoing refunds will be released; however, no activity has been forecasted during the period		X
Other receipts	Proceeds from the sale of the remaining buildings to Cominar	X	
<u>Forecast cash disbursements</u>			
Construction costs (1, 2 & 3)	Projected construction costs provided by Cuthbert & Smith (consulting), including GST, no activity has been forecasted during the period		X
Construction costs (4&5)	Carrying costs for properties 4 and 5 for which construction has been halted (insurance, taxes and maintenance), including GST		X
Professional fees	No professional fees as per Management's assumptions, no activity has been forecasted during the period	X	
Mortgage principal	Capital payment to mortgage lender following the sale of the remaining buildings to Cominar	X	
Mortgage interest	Interest payment to mortgage lender following the sale of the remaining buildings to Cominar	X	
Payment of secured liens	Secured liens to be paid following the sale of the assets	X	
Property tax	Based on previous property expenses, no activity has been forecasted during the period	X	
<u>Ending cash balance</u>	Based on allocated cash transactions		X

NCLL Extended 8-week cash flow forecast (\$C)

Updated as of February 17, 2013

NCLL
Extended cash flow statement from February 17 to April 27, 2013

Number of weeks:	19th report PUBLISHED			20th report								
	38	39		40	41	42	43	44	45	46	47	
Beginning period:	17-Feb-13	24-Feb-13	TOTAL	3-Mar-13	10-Mar-13	17-Mar-13	24-Mar-13	31-Mar-13	7-Apr-13	14-Apr-13	21-Apr-13	TOTAL
Ending period:	23-Feb-13	2-Mar-13	2-Week Period	9-Mar-13	16-Mar-13	23-Mar-13	30-Mar-13	6-Apr-13	13-Apr-13	20-Apr-13	27-Apr-13	8-Week Period
	Forecast	Forecast	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	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Funding from HII												
Variation in cash balance	-	-	-	-	-	-	-	-	-	-	-	-
Exchange rate	-	-	-	-	-	-	-	-	-	-	-	-
Adjust ending cash balance	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100

Notes:

- 1) The opening cash balance reflects the allocated cash balance as at February 17, 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 cash balances as at February 17, 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