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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-SIXTH 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 July 5, 2013, the Court last extended the Stay up until August 31, 2013 (the “**Stay Period**”), except in respect of Homco 122.
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-five such Monitor’s reports (as well as some supplemental reports) prior to this Twenty-Sixth Monitor’s report (the “**Twenty-Sixth Report**”). Copies of all of the Monitor’s reports are available on the Monitor’s website at [www.deloitte.com/ca/homburg-invest](http://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-SIXTH REPORT

6. This Twenty-Sixth 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-Sixth Report provides an update on the developments pertaining to the implementation of the HII/Shareco Plan and the Homco 61 Plan approved by the Court on June 5, 2013 (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-Fifth Report, and, generally, the restructuring process.

7. This Twenty-Sixth Report is structured as follows:
  - I- Restructuring Initiatives;
  - II- Updates on Implementation of the Plans;
  - III- Debtors' Cash Flows from June 23 to August 10, 2013;
  - IV- Activities of the Monitor;
  - V- Extension of the Stay Period; and
  - VI- Conclusions and Recommendations.

## **TERMS OF REFERENCE**

8. In preparing this Twenty-Sixth 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-Sixth 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-Sixth 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 ("**Geneba**") 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. The HII Group met with Bank of Scotland in late July and an agreement was reached, whereby Bank of Scotland will grant the necessary consent to transfer Homco 86 and Homco 87 to Geneba. The necessary agreements are currently being drafted and execution is expected in September 2013.

- ii. Documentation of the renegotiated terms of the loan advanced by Falcon Private Bank Ltd. (“**Falcon**”) to Valbonne Real Estate 5 B.V. in respect of the Campeon Property has been completed and executed by all parties.
  - iii. As mentioned in the Twenty-Third Report, on April 24, 2013, the HII Group and Skandinaviska Enskilda Banken AB (“**SEB**”) executed a term sheet agreement. The HII Group, 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 precedents 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. As mentioned in the Twenty-Fifth Report on June 19, 2013 HII and HSH Nordbank AG executed a term sheet agreement, for extension of the credit facility until October 29, 2015.
  - v. As mentioned in the Twenty-Fifth Report, 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 terminate the credit agreement based on a default resulting from this change of control.
12. The status of the discussions and negotiations regarding the non-core properties, is as follows:
- i. At a meeting held on June 18 and 19, 2013, HII’s management and the Monitor presented a proposed course of action to SNS Property Finance B.V. (“**SNS**”) to remove non-core assets from the HII Group’s balance sheet. At the end of June 2013, SNS presented a counter-proposal which is not acceptable to the HII Group. The Monitor will update the Court as developments occur.
  - ii. As mentioned in the Twenty-Fifth Report, the HII Group Entities owning the properties financed by FGH Bank N.V. (“**FGH**”) have entered into bankruptcy proceedings. On June 14, 2013, voluntary assignments in bankruptcy were filed with the Office of the Superintendent of Bankruptcy in Nova Scotia in relation to Homco Realty Fund (102) Limited Partnership (“**Homco 102**”) and its general partner HII (102) GP Inc. (“**GP 102**”). As to Homco 142 GmbH, it is provisionally bankrupt pursuant to German law. The “vorläufige Insolvenzverwalter” has to report his findings to the Court by the end of August 2013, upon which it is expected that the Court will declare Homco 142 GmbH bankrupt.
  - iii. Discussions continue to be 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. A decision on this is expected in September 2013.
  - iv. 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. On July 9, 2013, HSBC filed a Motion for an Order Lifting the Stay in favour of Homco 121 and for the Appointment of a Receiver. The presentation of this motion was postponed sine die. Homburg Canada Inc. (“**HCI**”) is a guarantor of HSBC’s loan to Homco 121 and the Monitor understands that discussions are being held between HCI and HSBC. As mentioned in the Twenty-Fifth Report, the Monitor and the HII Group continue to analyze the entitlement of Homco 121 to certain water rights, and the proper allocation of said water rights between Homco 121 and NCLL. A report of an urban

engineer on related issues is expected shortly, and HCI and HSBC are being kept informed of the progress in this regard.

- b. With respect to Kai, the purchaser continues its due diligence on the property. Following the flooding in Calgary in June 2013, engineers released a report in early July indicating that they would need three to four weeks to resolve concrete testing required as a result of the flood. This information is critical for the pending offer to purchase Kai, and the Monitor will update the Court as further details are provided by the purchaser.
- c. While the HII Group and the Monitor accepted an offer of \$8.0 million for the sale of Cristal Towers in February 2013, an extension to the buyer's due diligence period was requested and accepted in June 2013. In early July 2013, an amended agreement between the HII Group and the purchaser of Cristal Towers was finalized, which confirmed the offeror's satisfaction with certain due diligence conditions and an extension of the due diligence period for the purpose of initiating the pre-application process with the City of Calgary Planning Department. The development permit application is being prepared, at the offeror's sole costs and expenses, and is expected to be filed by mid-September 2013. The due diligence period ends in mid-October 2013.
- d. Points North has been relisted for sale at a reduced price of \$26 million. The Monitor holds regular discussions with Colliers in regard of this property and will report any developments to the Court.
- v. HSBC has been kept informed on a regular basis on the ongoing sale process of these non-core Canadian properties.
- vi. The process relating to the non-core properties and any pending issues relating thereto will not impact the timing of the implementation of the Plans.

## ***SALE PROCESS OF NON-CORE PROPERTIES***

### ***Canadian Properties***

13. 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 provided above.
14. HII and the Monitor recently renewed the broker agreements and amended the listing prices for Homburg Springs East (Homco 52) from \$14.0 million to \$10.95 million and Homburg Springs West (Homco 94) from \$13.5 million to \$10.425 million. No firm offers have been received to date on either of these properties. The Monitor will report any developments to the Court as and when offer(s) are received.
15. HII has received and retained certain offers as summarized below:
  - i. An offer has been received on one of the two remaining condominiums units at Castello. The transaction is likely to be finalized by the end of August pending the completion of construction work to the adjoining terrace.
  - ii. An agreement has been reached to sell one of the three remaining parking stalls at Churchill, with the remaining two stalls continuing to be marketed for sale. HII and the Monitor continue to negotiate with the Churchill condominium corporation regarding building deficiencies, and the Monitor will update the Court as this matter progresses.

**Homco 83**

16. As noted in the Twenty-Fifth Report, following approval of the Court, HII agreed to the bulk sale of nine of the remaining condominium units to Kangcorp Inc. (“**Kangcorp**”). All conditions relating to the bulk sale were waived on May 21, 2013.
17. “Step closings” to conclude the sale of the nine units pursuant to the order of this Court occurred in late June and early July 2013 for all the units, and the total sale proceeds of \$1,757.4K were received in early July 2013. In addition to these sale proceeds, \$90K is being held in an escrow account with the Monitor in order to cover any deficiency expenses the purchaser may incur during a twelve month period after the closings.
18. One unit remains in the patrimony of Homco 83 and said unit is expected to be transferred to the HCI Group at the Plan Implementation Date pursuant to the terms of the purchase agreement approved by the Court on January 12, 2012.

**US Properties**

19. At the time of the Twenty-Fifth Report, Homburg Holding (U.S.) Inc. (“**HHUS**”), a subsidiary of HII, still owned ten (10) out of the twelve (12) US real estate assets, which have been marketed by CBRE. These properties have been marketed for sale since early February 2013.
20. Since the Twenty-Fifth Report, HHUS has closed sales of four (4) properties:
  - i. The sale of the Blanco property, located in San Antonio, Texas closed on July 29, 2013 with net proceeds of approximately \$861K received by HHUS.
  - ii. The sale of the Hillpoint property, located in San Antonio, Texas closed on July 29, 2013 with net proceeds of approximately \$330K received by HHUS.
  - iii. The sale of the Hilton Parkway property, located in Colorado Springs, Colorado closed on July 31, 2013 with net proceeds of approximately \$311K received by HHUS.
  - iv. The sale of 4734 Cotton Belt Drive in San Antonio, Texas closed on August 14, 2013 with net proceeds of approximately \$345K received by HHUS.
21. HHUS has received offers on two (2) properties:
  - i. Offer on 4718 Cotton Belt Drive, located in San Antonio, Texas. A purchase and sale agreement is being finalized, and due diligence is proceeding.
  - ii. Offer on 3740 Colony Drive, located in San Antonio, Texas. A purchase and sale agreement is being finalized, and due diligence is proceeding.
22. For the remaining four (4) properties, recent price reductions have been implemented in an attempt to increase interest levels. HII is currently reviewing CBRE’s marketing plan, and the Monitor will continue to report material developments to the Court.
23. Following the sale of several properties, HHUS has significant cash on hand. HHUS is a solvent entity and said cash is expected to eventually be transferred to HII. The timing of this transfer has been delayed in order to determine the optimal and most efficient way to flow up the funds.

**Planned Bankruptcy Filings**

24. As mentioned in the Twenty-Fifth Report, it was intended that Homco 122 would file a voluntary assignment in bankruptcy, such that the last extension of the stay period granted by the Court specifically excluded Homco 122. After careful consideration the HII Group, in consultation with the Monitor, rather decided that it was more advantageous to proceed with the dissolution of Homco 122. HII has repaid the post-filing intercompany advances owed to Homco 122 of \$1,875.8K. Following the repayment by HII of the post-filing intercompany balance, all creditors of Homco 122 other than HII have been paid in full. The remaining cash balance has been distributed to HII as a repayment of its pre-filing intercompany balance. Homco 122 will be dissolved.

**II. UPDATES ON IMPLEMENTATION OF THE PLANS**

25. Since the approval of the HII/Shareco Plan and the Homco 61 Plan by their respective creditors and by the Court, the HII Group and the Monitor and their respective Dutch and Canadian advisors have actively worked towards the implementation of the Plans.
26. The conditions precedent to the implementation of the HII/Shareco Plan and the Homco 61 Plan are summarized in Appendix B to the Twenty-Third Report. The following are the most important items on which the HII Group, in collaboration with the Monitor, is working with a view to implement the HII/Shareco Plan and the Homco 61 Plan:
- i. Discussions and negotiations with the mortgage lenders in relation to the Core Business Assets in order to have satisfactory credit agreements in place upon the transfer of said assets to Geneba and obtain the required consents from Falcon, SEB, HSH, HBOS and NIBC acting as lenders. A status update in regard to each of them is provided above. Essentially the discussions are either completed or well advanced;
  - ii. The granting of an advanced tax ruling by the Canada Revenue Agency (“CRA”). The initial request to obtain said ruling was filed on March 19, 2013 and, since the approval of HII/Shareco Plan by the Court, the tax advisors to the HII Group and the Monitor have been in constant communications with CRA to provide any information requested regarding the transactions contemplated by the HII/Shareco Plan and their sequence. On August 19, 2013, a draft tax ruling was issued to HII. The tax advisors to the HII Group and the Monitor are continuing the discussions with CRA with the objective of receiving a satisfactory tax ruling, and these discussions are progressing well. It is the Monitors understanding that the process of obtaining a satisfactory tax ruling is in its final steps. The tax advisors and the Monitor expect that a satisfactory tax ruling from CRA should be obtained in the coming weeks;
  - iii. Geneba was incorporated on July 11, 2013. A transfer of €225K was initiated pursuant to the HII/Shareco Plan, which is the required minimum capital that Geneba is required to hold under the Dutch rules of incorporation then in force. As mentioned in our previous report, these two steps, amongst others, are key elements for the application and for the obtaining of the AFM license. Since Geneba had to respect the new AIFMD, it had to increase its minimum capital investment to €300K. With the support of the Monitor, a transfer of €75K was made on August 19, 2013 from HII to the Incorporation Foundation temporarily holding shares of Geneba. HII will be modifying the HII/Shareco Plan to increase the capital investment in Geneba from €225K to €300K;
  - iv. The Dutch counsel to the HII Group is currently finalizing the necessary documents in order for Geneba to obtain the AFM license. The initial application and all relevant documents

- were filed with the AFM on Friday July 12, 2013 under the Dutch rules that prevailed before the enactment of the European Alternative Investment Fund Managers Directive (“AIFMD”) and the three Level 2 Regulations that supplemented the Directive. The Directive and the Level 2 Regulations became law on July 22, 2013. The decision to file the application and the documents as previously mentioned was made following discussions with various parties including the AFM. Shortly after the filing of the application and the required documents, it was decided by the AFM that the application and documents had to respect AIFMD and the three Level 2 Regulations with the consequence of delaying the issuance of a license to Geneva. Consequently, the HII Group has initiated the process to comply with the AIFMD and the Level 2 Regulations. It is expected that the HII group will be able to file the additional or amended documents necessary to show compliance with the Directives and Regulations in the coming weeks. The HII group is confident that it will receive the license by the end of October or sooner;
- v. As mentioned in the Twenty-Fifth Report the HII Group, in consultation with Stichting Homburg Bonds, Catalyst and the Monitor, has now designated the trading platform on which the shares to be issued by Geneva pursuant to the HII/Shareco Plan will trade, namely the Nederlandsche Participatie Exchange (“NPEX”). The HII Group is also working on a prospectus which will need to be approved by NPEX. NPEX has already received a copy of the draft prospectus and provided its comments to HII and Geneva. The prospectus is expected to be finalized during the week of August 26, 2013. Based on the comments made by NPEX as of today and provided the final prospectus is completed as expected, the HII Group believes that the NPEX approval of the prospectus will occur at the end of August or the beginning of September 2013; and
- vi. Preparation of the necessary documents in order to complete the Pre-Plan Implementation Transactions and the Plan Implementation Transactions contemplated by the HII/Shareco Plan and H61 Plan. The HII Group’s Canadian and Dutch tax counsel, in consultation with the Monitor’s Canadian and Dutch tax counsel, have been working on said documentation and continue to do so.
27. In summary, the HII Group, in consultation with the Monitor, is actively working on the elements that are within its control in order to meet the conditions precedent to implement the HII/Shareco Plan. As for the Homco 61 Plan, the principal condition precedent is the implementation of the HII/Shareco Plan.
28. Although there are several conditions precedent to implement the Plans, only four of them could have an impact on the Plan Implementation Date: (i) the granting of the tax ruling, (ii) the approval of the prospectus by NPEX, (iii) the conclusion of the financing and other relevant agreements in relation to the core properties by the relevant banks and (iv) the issuance of the AFM license. Except for the issuance of the AFM license, the Monitor is confident that these conditions precedent will be met in the coming weeks. As it relates to the AFM license, the Monitor is not overly concerned with the eventual issuance of the license, but more with the timing of said issuance and the impact that delays lengthier than expected could potentially have on the implementation of the new financing arrangements with respect to the core properties and the implementation of the transaction with Catalyst.
29. As previously indicated by the Monitor in the Twenty-Third Report and at the Creditors’ Meetings, the timing of the cash distributions under the HII/Shareco Plan (other than the Cash-Out Pool funded by Catalyst) is subject to certain conditions which are not directly under the control of HII, Shareco and the Monitor, including in particular the necessity to obtain relevant certificates of discharge from the Canadian tax authorities. In order to avoid delays in the distribution of the Cash



Pool and Asset Realization Cash Pool, as part of the ongoing discussions with CRA, the tax advisors to the HII Group and the Monitor are also simultaneously discussing the granting of a partial certificate of discharge, at a minimum, or a full certificate of discharge, with the objective that said certificate be obtained as soon as possible following the Plan Implementation Date.

### III. DEBTORS' CASH FLOWS FROM JUNE 23 TO AUGUST 10, 2013

30. The purpose of this section is as follows:
- i. Provide budget to actual analysis highlights by Debtor for the period from June 23 to August 10, 2013; and
  - ii. Provide explanations or comments on the variances by Debtor.

#### OVERVIEW

31. 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 June 23 to August 10, 2013:

Cash variation for the period from June 23 to August 10, 2013 (C\$000)					
Petitioner	Opening cash balance	Adjustment to opening balance	Subtotal	Total variation in cash balance	Adjusted closing cash balance
Homburg Invest Inc. <sup>1</sup>	10,781	(2,469)	8,312	(2,577)	5,735
Homburg Shareco Inc.	39	-	39	-	39
Churchill Estates Development Ltd.	5,385	-	5,385	(37)	5,348
Inverness Estates Development Ltd.	491	-	491	-	491
CP Development Ltd.	548	-	548	(4)	544
North Calgary Land Ltd.	-	-	-	-	-
HMCI	-	-	-	-	-
<b>Total</b>	<b>17,244</b>	<b>(2,469)</b>	<b>14,775</b>	<b>(2,618)</b>	<b>12,157</b>

Note 1: The HII opening cash balance of \$10,781K has been adjusted downward by \$2,469K to reflect the removal of the non-Petitioners bank accounts as they are not currently accessible by HII for its operations. However, it is expected that the majority of these funds will eventually be available to HII.

32. For the budget to actual cash flow forecast analysis of HII, Shareco, Churchill, Inverness, CP, NCLL and HMCI for the period from June 23 to August 10, 2013, and commentary in respect of the analysis performed, please refer to Appendix B of this Twenty-Sixth Report.
33. 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

34. Total cash inflows for HII were \$7,738.4K for the period noted, while total cash outflows were \$10,315.0K, which resulted in a negative net cash variation of \$2,576.6K compared to a budgeted negative net cash variation of \$3,573.2K. This positive variance of \$996.6K is mainly due to disbursements of professional fees, office & admin and director fees which were less than planned and the non-collection of the budgeted HHUS sales proceeds partially offset by the non-budgeted GST/HST refund received. Excluding the GST/HST refund received, these differences are mainly due to timing.

Shareco

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

Churchill

36. For the period noted, total cash inflows for Churchill were \$0.1K and total cash outflows were \$36.6K, which resulted in a negative net cash variation of \$36.5K compared to a budgeted negative net cash variation of \$68.7K. The positive variance of \$32.2K is mainly due to lower than budgeted condo fees paid which was mainly due to timing.

Inverness

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

CP

38. For the period noted, total cash inflows for CP were nil and total cash outflows were \$4.2K, which resulted in a negative net cash variation of \$4.2K compared to a budgeted net cash variation of nil. The negative variance of \$4.2K is mainly due to the payment of unbudgeted administration fees related to the sale of CP which occurred in March 2013.

NCLL

39. For the period noted, total cash inflows for NCLL were nil and total cash outflows were \$0.1K, 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 office and administrative fees.

HMCI

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

Cash budgeting

41. Since the Twenty-Fifth 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.
42. 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.
43. 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.

44. The table below provides the estimated cash balance analysis as at August 31, 2013:

Homburg Invest Inc.  
 Estimated cash balance for the period ending August 31, 2013

(all amounts stated in CAD)	Amount
<b>ACTUAL OPENING CASH BALANCE AS AT August 11, 2013</b>	<b>A 12,157,322</b>
<b>Forecasted cash inflows/(outflows) - August 11 to August 31, 2013</b>	
<b>Net cash inflow/(outflow) - Debtors</b>	
Net cash inflow/(outflow) - HII	(8,769,620)
Net cash inflow/(outflow) - Shareco	-
Net cash inflow/(outflow) - Churchill	-
Net cash inflow/(outflow) - Inverness	(378,157)
Net cash inflow/(outflow) - CP	-
Net cash inflow/(outflow) - NCLL	-
Net cash inflow/(outflow) - HMCI	-
Total net cash inflow/(outflow) - Debtors	<b>B (9,147,777)</b>
Net cash inflow/(outflow) - Canadian entities excluding Debtors	<b>C (17,540)</b>
<b>Payments in transit</b>	
HII - Wires in transit as at August 31, 2013	-
HII - Estimated outstanding cheques as at August 31, 2013	-
Less: Total payments in transit	<b>D -</b>
<b>TOTAL NET CASH INFLOWS/(OUTFLOWS) - AUGUST 11 TO AUGUST 31, 2013</b>	<b>E=B+C+D (9,165,317)</b>
<b>ESTIMATED ENDING CASH BALANCE AS AT August 31, 2013, BEFORE OTHER ADJUSTMENTS</b>	<b>F=A+E 2,992,005</b>
Net adjustment for disbursements/(receipts) not expected to occur from August 11 to August 31, 2013	<b>G -</b>
<b>ESTIMATED ENDING CASH BALANCE AS AT AUGUST 31, 2013, AFTER OTHER ADJUSTMENTS</b>	<b>H =F+G 2,992,005</b>

#### IV. ACTIVITIES OF THE MONITOR

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

##### **CASH FLOW MONITORING**

46. On a weekly basis, the Monitor has continued to analyze the Debtors' cash flows. As previously indicated in this Twenty-Sixth Report, a budget to actual cash flow analysis of the Debtors, for the period from June 23 to August 10, 2013 has been prepared together with commentary of cash variances, as presented in Appendix B of this Twenty-Sixth Report.

47. 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.

48. 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**

49. 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.

50. 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**

51. 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**

52. 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, Intercompany Claims as well as duplicated Claims, filed against the HII Parties.
53. Since the Twenty-Fifth Report, the following developments have occurred with respect to the claims process:
- i. DEGI Homburg Harris LP ("**DEGI**"), which filed proofs of claim against both Homco 61 and HII, the Monitor and HII, and their respective counsel, after several months of discussions, exchanges of documents and negotiations regarding complex factual and legal issues, concluded an agreement in principle to settle the proofs of claim filed by DEGI. The parties are working on the documentation of the settlement;
  - ii. Counsel for the Taberna Noteholders, Stichting Homburg Bonds, the Monitor and HII have exchanged correspondence and discussed the timetable regarding the debate in connection with the treatment of the Taberna Claim. It is expected that a timetable will soon be filed and will provide that the matter will be ready to be heard during the month of October 2013;
  - iii. The Monitor has kept Homburg Canada Inc. apprised of the progress made regarding its review of certain issues in respect of which HCI has an interest, including any entitlement of Homco 121 to water rights and, as the case may be, the allocation of such water rights between Homco 121 and North Calgary Land, and the proof of claim of HCI. A determination in connection with these issues and HCI's Proof of claim is expected to be made in the coming weeks, failing which the parties will address these issues with the Court; and
  - iv. Counsel for the Dutch trustee to the bankruptcy of Valbonne Real Estate B.V. ("**Valbonne**") (which filed, on its behalf and on behalf of Homco Realty Fund (68) Limited Partnership ("**Homco 68**"), Motions in appeal of the Notices of Disallowance or Revision of the respective proofs of claim of Valbonne and Homco 68) and for the Monitor exchanged correspondence on the treatment of the Valbonne and Homco 68 proofs of claim. It is anticipated that these Motions will be scheduled to be heard concurrently by the Court.
54. The Monitor also pursues its review of certain proofs of claim filed against other HII Parties in the course of the claims process, in particular certain secured claims by virtue of alleged "liens" against certain non-core properties. The Monitor has requested information from certain lienholders in order to complete this review.

## V. EXTENSION OF THE STAY PERIOD

### OVERVIEW

55. Pursuant to the Thirteenth Extension Order, the Stay Period was extended until August 31, 2013.
56. The HII Parties notified the Monitor of their intention to request a fourteenth extension of the Stay Period until September 30, 2013 (the “**Fourteenth Extension Period**”). This extension will allow, amongst other things, to:
- i. Work toward meeting the conditions precedent to the implementation of the Plans and advance the preparation and execution of HII Group Entities reorganization, including the transfer of core assets to Geneva as provided in the HII/Shareco Plan, with a view to complete the implementation of the Plans;
  - ii. Finalize the ongoing negotiations with certain mortgage lenders and conclude agreements with them;
  - iii. Advance the sale process of the non-core assets;
  - iv. Participate in the final stages of the claims process conducted by the Monitor; and
  - v. Communicate frequently with key stakeholders and regulators.
57. It is the Monitor’s opinion that it is in the best interests of the stakeholders to provide the HII Parties with the Fourteenth Extension Period in order to ensure that the HII Parties continue their progress towards the implementation of the Plans. The Monitor considers that the HII Parties’ restructuring process is progressing well; however, more time is required in order to complete said restructuring and eventually emerge from CCAA.

### EXTENDED 4-WEEK CASH FLOW FORECASTS

58. Management has provided the Monitor with new cash flow forecasts for the Fourteenth Extension Period. Management has adjusted the projected cash flows for the Debtors to September 30, 2013, corresponding to the end of the Fourteenth Extension Period.
59. The extended 4-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 C.
60. Presented in the table below is a summary of the forecasted cash variations for each of the Debtors:

Extension - 4-week period ending September 30, 2013					
(C\$000)	Forecasted opening cash balance (Appendix C) as at September 1, 2013	Forecasted cash variation for the 4-week period (Appendix C)	Funding between HII and its non-Petitioners	Adjustment for intercompany funding	Forecasted closing cash balance as at September 30, 2013
Homburg Invest Inc.	(3,052)	(2,355)	(24)	-	(5,431)
Shareco Inc.	39	-	-	-	39
Churchill Estates Development Ltd.	5,348	-	-	-	5,348
Inverness Estates Development Ltd.	113	-	-	-	113
CP Development Ltd.	544	(95)	-	(1,170)	(721)
NCLL	-	-	-	-	-
HMCI	-	-	-	-	-
<b>Total</b>	<b>2,992</b>	<b>(2,450)</b>	<b>(24)</b>	<b>(1,170)</b>	<b>(652)</b>

### HII

61. Forecasted cash inflows for the period are nil and forecasted cash outflows for the period are \$2,355K, resulting in a net cash outflow of \$2,355K. This net outflow mainly results from important restructuring outflows, composed primarily of professional fees, payroll, office & administrative and other expenditures.
62. The payroll figures included in the cash flow forecast reflect updated HII salaries.
63. 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.
64. As of the date of this Twenty-Sixth Report, all expenses incurred to date and going forward during the Fourteenth Extension Period have been or will be paid out of the funds available to HII.

### Shareco

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

### Churchill

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

### Inverness

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

### CP

71. The Monitor does not anticipate any cash inflows during the Fourteenth Extension Period for CP. However, the Monitor does anticipate the payment of \$92K from the CP operating account to the Monitor's trust account for CP (which currently holds \$10,750K) as well as the payment of \$3K in professional fees. In addition, the Monitor understands that a notional non-cash adjustment of \$1,170K will be recorded within the proposed Fourteenth Extension Period, which is necessary to account for HII's payment to HCI in satisfaction of CP's payables to HCI. The net impact of these transactions reflects a balance owing from CP to HII of \$721K.

72. At the time of this Twenty-Sixth Report, although the CP projected cash flow statement shows a negative allocated cash position, there is nothing that would lead the Monitor to believe that CP will need additional financing during the Fourteenth Extension Period, as it is anticipated that CP will be bankrupted during the Fourteenth Extension Period.

NCLL

73. The Monitor does not anticipate any cash inflows or outflows pertaining to NCLL during the Fourteenth Extension Period.

74. At the time of this Twenty-Sixth Report, there is nothing that would lead the Monitor to believe that NCLL will need additional financing to meet current obligations during the Fourteenth Extension Period.

HMCI

75. The Monitor does not anticipate any cash inflows or outflows pertaining to HMCI during the Fourteenth Extension Period.

76. At the time of this Twenty-Sixth Report, nothing would lead the Monitor to believe that HMCI will need additional financing to meet current obligations during the Fourteenth Extension Period.

**CASH POSITION AND USE OF RESTRICTED CASH**

Restricted Cash

77. Pursuant to the Twenty-Fifth Report, no additional funding was requested from Restricted Cash during the Thirteenth Extension Period. For reference purposes, the table presented below provides a breakdown of the Restricted Cash requests since its inception following the sale of the Canmarc REIT Units. The restricted cash balance as at August 20, 2013 has increased since the Twenty-Fifth Report as a result of interest earned of approximately \$141K.

<b>Summary of Restricted Cash Requests (C\$000)</b>			
<b>Monitor's Report</b>		<b>Date</b>	<b>Amount Requested</b>
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)
<b>Net funds available from Cominar sale proceeds</b>			<b>A</b>
			<b>123,074</b>
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)
<b>Total requests from Restricted Cash</b>			<b>B</b>
			<b>(43,300)</b>
<b>Interest on Restricted Cash</b>	Cumulative interest received		<b>C</b>
			<b>1,453</b>
<b>Ending balance of Restricted Cash as at August 20, 2013</b>			<b>=A+B+C</b>
			<b>81,227</b>

Note 1: The majority of these funds have been released in accordance with the Cominar Global Settlement. As indicated in paragraph 77 of the Twentieth Report an amount of \$2M still remains in Osler's trust account.

Analysis of HII's cash funding requirements and results

78. 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 on September 30, 2013.
79. The table below provides an overview of the estimated cash position of HII as at September 30, 2013:

Number of weeks presented: 4 weeks		September 1 to September 30, 2013 (4-week period)
(all amounts stated in CAD)		Forecast
<b>Estimated opening cash balance as at August 31, 2013</b>	<b>A</b>	<b>2,992,005</b>
<b>Net cash flow by Debtor - September 1 to September 30, 2013</b>		
Net cash inflow/(outflow) - HII		(2,355,000)
Net cash inflow/(outflow) - Shareco		-
Net cash inflow/(outflow) - Churchill		-
Net cash inflow/(outflow) - Inverness		(95,000)
Net cash inflow/(outflow) - CP		-
Net cash inflow/(outflow) - NCLL		-
Net cash inflow/(outflow) - HMCI		-
<b>Net cash inflow/(outflow) - Debtors</b>	<b>B</b>	<b>(2,450,000)</b>
<b>Net cash flow by other Canadian entities - September 1 to September 30, 2013</b>		
Net cash inflow/(outflow) - Others Canada		(24,140)
<b>Net cash inflow/(outflow) - HII Group excluding Debtors</b>	<b>C</b>	<b>(24,140)</b>
<b>ESTIMATED TOTAL CASH INFLOW/(OUTFLOW) - ALL ENTITIES</b>	<b>D=B+C</b>	<b>(2,474,140)</b>
<b>ESTIMATED Surplus (Deficit) CASH from September 1 to September 30, 2013</b>	<b>E=A+D</b>	<b>517,865</b>
Non cash adjustment for intercompany funding for CP		(1,170,000)
<b>Adjusted ESTIMATED Surplus (Deficit) CASH from September 1 to September 30, 2013</b>		<b>(652,135)</b>
<b>Less amounts unavailable for HII's use:</b>		
Other Petitioner's current cash balance	<b>F</b>	(4,081,116)
Intercompany transfer from HII	<b>G</b>	(1,376,951)
<b>ESTIMATED Surplus/(Deficit) CASH from September 1 to September 30, 2013</b>	<b>H=E+F+G</b>	<b>(6,110,202)</b>
Non cash adjustment for intercompany funding	<b>I</b>	1,170,000
<b>Adjusted ESTIMATED Surplus/(Deficit) CASH from September 1 to September 30, 2013</b>	<b>J = H + I</b>	<b>(4,940,202)</b>

80. The opening forecasted cash balance as at August 31, 2013 only includes the bank accounts controlled by the Debtors. European Euros and American dollars accounts have been converted to Canadian dollars at the foreign exchange rate as at August 20, 2013.
81. As noted above, for the period ending September 30, 2013, it is forecasted that the Petitioners will have a cash deficit of \$652,135. 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 September 30, 2013, please refer to Appendix C of this Twenty-Sixth Report. Please note that the analysis does not account for timing variances that may have occurred prior to the extended period. The amount of such variances cannot be estimated as the information to complete the analysis, such as bank statements for the month of September 2013 for the HII Group entities, is not yet available to Management and the Monitor.
82. The cash balances held by the other Petitioners are not available for use by HII during the proposed Fourteenth Extension Period. Accordingly, an amount of \$4,081,116 is being deducted from the estimated cash deficit balance. In addition, in order to repay the intercompany balance owed from



HII to Churchill, HII is hereby requesting an amount of \$1,376,951 to facilitate this payment. The majority of this amount will be returned to HII following the bankruptcy process of the Canadian development companies. The net amount of these adjustments results in an estimated overall cash deficit of HII of \$4,940,202 at September 30, 2013, which consist in a timing difference as these funds will mostly be available to HII in the coming months.

83. The Monitor is of the view that HII should be allowed to use an incremental amount of \$4,950,000 from the Restricted Cash in order to accomplish the various steps that are required to advance the restructuring of the HII Group until the expiry of the proposed Fourteenth Extension Period.

## VI. CONCLUSIONS AND RECOMMENDATIONS

84. 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.
85. It is the Monitor's opinion that, for the reasons further elaborated in this Twenty-Sixth Report:
- i. the Fourteenth Extension (up to September 30, 2013) should be granted to ensure that the HII Parties are able to implement certain essential restructuring reorganization steps and to advance towards the implementation of the Plans; and
  - ii. the use of the Restricted Cash for an incremental amount of \$4,950,000 should be authorized.

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

DATED AT MONTREAL, this 27<sup>th</sup> day of August, 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 (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 7-week period of June 23 to August 10, 2013		
	Actual	Budget	Variance
<b>Cash inflows</b>			
REIT distributions	-	-	-
REIT unit sale proceeds	-	-	-
GST/HST received	1,254.3	-	1,254.3
Intercompany receipts (Petitioners and Mis-en-cause)	-	-	-
Other receipts	6,484.1	8,244.8	(1,760.7)
<b>Total cash inflows</b>	<b>7,738.4</b>	<b>8,244.8</b>	<b>(506.4)</b>
<b>Cash outflows</b>			
Payroll	329.2	350.0	20.8
Rent expense	40.0	50.0	10.0
Restructuring related professional fees	7,017.0	9,898.7	2,881.7
Insurance	246.9	250.0	3.1
Office & admin	100.8	310.0	209.2
Director fees	76.0	175.0	99.0
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	-	-	-
Other expenditures	2,505.1	784.3	(1,720.8)
<b>Total cash outflows</b>	<b>10,315.0</b>	<b>11,818.0</b>	<b>1,503.0</b>
<b>Opening cash balance</b>	<b>10,781.2</b>	<b>10,781.2</b>	-
Adjustment for non-Petitioners bank balances	(2,469.6)	-	(2,469.6)
Variation in cash balance	(2,576.6)	(3,573.2)	996.6
Exchange rate (Gain / Loss)	-	-	-
<b>Ending cash balance</b>	<b>5,735.0</b>	<b>7,208.0</b>	<b>(1,473.0)</b>
<b>Surplus (funding) between HII and its Petitioners</b>	<b>(0.1)</b>	-	<b>(0.1)</b>
<b>Adjusted ending cash balance</b>	<b>5,734.9</b>	<b>7,208.0</b>	<b>(1,473.1)</b>

### 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:

#### *Opening cash balance*

- The opening cash balance of \$10,781.2K has been adjusted downward by \$2,469.6K to reflect the removal of the non-Petitioners bank accounts as they are not currently accessible by HII for its operations. However, it is expected that the majority of these funds will eventually be available to HII.

#### *Ending cash balance*

- In addition to the ending cash balance presented of \$5,734.9K, please note that \$1,614.4K is currently held in the Monitor's trust accounts as at August 9, 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 \$1,254.3K compared to a budgeted amount of nil, resulting in a favorable variance of \$1,254.3K. The favorable variance is due to unbudgeted GST/HST refunds from the CRA.
- Other receipts were \$6,484.1K compared to a budgeted amount of \$8,244.8K, resulting in an unfavorable variance of \$1,760.7K. The unfavorable variance is mainly due to the budgeted amount not received from the proceeds of sale of HHUS properties for \$3,848.1K and the receipt of an unbudgeted pre-filing intercompany reimbursement of Homco 122 for \$1,939.0K. HII has decided to not yet distribute the HHUS funds as it is still determining the most cost effective solution to repatriate the funds to HII.

#### *Outflows*

- Restructuring related professional fees were \$7,017.0K compared to a budgeted amount of \$9,898.7K, which includes \$3,107.8K of professional fees presented as payments in transit in the HII extended cash flow of the Monitor's Twenty-Fifth Report. This resulted in a favorable variance of \$2,881.7K, which is mainly due to timing.
- Office and administrative expenditures were \$100.8K compared to a budgeted amount of \$310.0K, resulting in a favorable variance of \$209.2K. This favorable variance is mainly due to over-budgeting of the office and administrative expenses.
- Director fees were \$76.0K compared to a budgeted amount of \$175.0K, resulting in a favorable variance of \$99.0K. This favorable variance is mainly due to over-budgeting of the director fees expenses, which will result in a permanent variance.
- Other expenditures were \$2,505.1K compared to a budgeted amount of \$784.3K, resulting in an unfavorable variance of \$1,720.8K. The unfavorable variance is mainly due to the non-budgeted other expenditures of \$1,875.8K which was paid by HII to H122 as a repayment of the post-filing

intercompany balance. As previously mentioned in this report, Management has decided to proceed with the dissolution of H122 once all creditors other than HII are fully paid. The excess funds were returned to HII as a repayment of the pre-filing intercompany balance, as shown in the other receipts category noted above. The unfavorable variance was partially offset by an unbudgeted reimbursement by entities composing Geneba of €175K (approximately \$238.4K) previously paid by HII for the funding of Geneba, as well as the unpaid funding of other budgeted Geneba expenses which will now be also assumed by the entities composing Genaba.

- 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
INVOICE nr 34.2013	May 1, 2013 - May 31, 2013	\$	593,466	\$ 593,466
INVOICE nr 36.2013	June 1, 2013 - June 30, 2013	\$	249,762	\$ 249,762
VAT Refund <sup>1</sup>	Invoices 3, 4 & 5	€	(70,352)	\$ (86,667)
VAT Refund <sup>1</sup>	Invoices 6, 8 & 10	€	(59,975)	\$ (74,993)
VAT Refund <sup>2</sup>	Invoices 7, 9 & 11	€	(13,800)	\$ (17,256)
VAT Refund <sup>1</sup>	Invoices 12, 15 & 17	€	(54,455)	\$ (70,536)
VAT Refund <sup>2</sup>	Invoices 13 & 16	€	(3)	\$ (4)
VAT Refund <sup>2</sup>	Invoices 19 & 21	€	(73,072)	\$ (98,969)
VAT Refund <sup>3</sup>	Invoices 23 & 25	€	(40,046)	\$ (54,238)
VAT Refund <sup>4</sup>	Invoices 21, 23, 25, 26 & 28	€	(120,803)	\$ (161,115)
VAT Refund <sup>5</sup>	Invoices 30, 32, 34 & 36	€	(127,837)	\$ (176,338)
<b>Total (Converted on date paid)</b>				<b>\$ 6,484,379</b>
<b>Note 1:</b> VAT refunds were received for Invoices 3, 4, 5, 6, 8, 10, 12, 15 and 17 as no EU VAT was applicable.				
<b>Note 2:</b> 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.				
<b>Note 3:</b> A portion of the VAT refunds were received for Invoices 23 & 25, and the remaining portion is due to be received shortly.				
<b>Note 4:</b> Additional portions of VAT refunds for Invoices 21, 23 and 25 were received. In addition, VAT refunds were received related to Invoices 26 & 28.				
<b>Note 5:</b> VAT refunds for Invoices 30, 32, 34 and 36 were received. An additional VAT refund related to Invoice 36 is expected to be received in Q3.				

## 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 7-week period of June 23 to August 10, 2013		
	Actual	Budget	Variance
<b>Cash inflows</b>			
Mortgage bond issuance	-	-	-
Intercompany transfers (Petitioners)	-	-	-
<b>Total cash inflows</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash outflows</b>			
Interest payments - mortgage bonds	-	-	-
Repayment of Bonds	-	-	-
Intercompany transfers (Petitioners)	-	-	-
<b>Total cash outflows</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Opening cash balance</b>	<b>39.1</b>	<b>39.1</b>	-
Variation in cash balance	-	-	-
Exchange rate (Gain / Loss)	-	-	-
<b>Ending cash balance</b>	<u><b>39.1</b></u>	<u><b>39.1</b></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 7-week period of June 23 to August 10, 2013		
	Actual	Budget	Variance
<b>Cash inflows</b>			
Condo sales proceeds	-	-	-
GST collected	-	-	-
GST ITC refund	-	-	-
Rent	-	-	-
Other Receipts	0.1	-	0.1
<b>Total cash inflows</b>	<b>0.1</b>	<b>-</b>	<b>0.1</b>
<b>Cash outflows</b>			
Commissions	-	-	-
Advertising	-	-	-
R&M	0.6	-	(0.6)
Property tax	3.0	-	(3.0)
Professional fees	1.7	-	(1.7)
Insurance	0.2	-	(0.2)
Mortgage principal	-	-	-
Mortgage interest	-	-	-
Office & admin	-	-	-
Condo fees	-	37.6	37.6
GST remitted	31.1	31.1	-
<b>Total cash outflows</b>	<b>36.6</b>	<b>68.7</b>	<b>32.1</b>
<b>Opening cash balance</b>	<b>5,384.8</b>	<b>5,384.8</b>	<b>-</b>
Variation in cash balance	(36.5)	(68.7)	32.2
Exchange rate (Gain / Loss)	-	-	-
<b>Ending cash balance</b>	<b>5,348.3</b>	<b>5,316.1</b>	<b>32.2</b>

### 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 nil compared to a budgeted amount of \$37.6K, resulting in a favorable variance of \$37.6K. This favorable variance is mainly due to timing as disbursements were incurred in the following reporting period.

## 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 7-week period of June 23 to August 10, 2013		
	Actual	Budget	Variance
<b>Cash inflows</b>			
Condo sales proceeds	-	-	-
Other receipts	-	-	-
GST collected	-	-	-
GST ITC refund	-	-	-
<b>Total cash inflows</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash outflows</b>			
Commissions	-	-	-
R&M	-	-	-
Property tax	-	-	-
Professional fees	-	-	-
Insurance	-	-	-
Mortgage principal	-	-	-
Mortgage interest	-	-	-
Office & admin	-	-	-
Condo fees	-	-	-
GST remitted	-	-	-
Other expenditures	-	-	-
<b>Total cash outflows</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Funded opening cash balance</b>	<b>491.0</b>	<b>491.0</b>	-
Adjustment for receipt in prior period	-	-	-
Variation in cash balance	-	-	-
Exchange rate (Gain / Loss)	-	-	-
<b>Ending cash balance</b>	<u><b>491.0</b></u>	<u><b>491.0</b></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 7-week period of June 23 to August 10, 2013		
	Actual	Budget	Variance
<b>Cash inflows</b>			
Costs reimbursed from escrow	-	-	-
GST refund from previous months	-	-	-
Other receipts	-	-	-
<b>Total cash inflows</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash outflows</b>			
Construction costs (1,2&3)	-	-	-
Construction costs (4&5)	-	-	-
Professional fees	-	-	-
Insurance	-	-	-
Mortgage principal	-	-	-
Mortgage interest	-	-	-
Payment of secured liens	-	-	-
Property tax	-	-	-
Other expenditures	4.2	-	(4.2)
<b>Total cash outflows</b>	<u>4.2</u>	<u>-</u>	<u>(4.2)</u>
<b>Opening cash balance</b>	<b>548.0</b>	<b>548.0</b>	-
Variation in cash balance	(4.2)	-	(4.2)
Exchange rate (Gain / Loss)	-	-	-
<b>Ending cash balance</b>	<u><b>543.8</b></u>	<u><b>548.0</b></u>	<u><b>(4.2)</b></u>

### 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:

#### ***Ending cash balance***

- In addition to the funded ending cash balance presented of \$543.8K, please note that \$10,750K is currently held in the Monitor's trust accounts as at August 9, 2013. This amount represents net proceeds of sale of the CP sale.

#### ***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 7-week period of June 23 to August 10, 2013		
	Actual	Budget	Variance
<b>Cash inflows</b>			
GST/HST received	-	-	-
Other receipts	-	-	-
<b>Total cash inflows</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash outflows</b>			
Professional fees	-	-	-
Property tax	-	-	-
Insurance	-	-	-
Office & administrative	0.1	-	(0.1)
GST/HST paid	-	-	-
Other expenditures	-	-	-
<b>Total cash outflows</b>	<u>0.1</u>	<u>-</u>	<u>(0.1)</u>
<b>Funded opening cash balance</b>	-	-	-
Variation in cash balance	(0.1)	-	(0.1)
Exchange rate (Gain / Loss)	-	-	-
<b>Ending cash balance</b>	<u>(0.1)</u>	<u>-</u>	<u>(0.1)</u>
<b>Funding from HII</b>	<u>0.1</u>	<u>-</u>	<u>(0.1)</u>
<b>Funded ending cash balance</b>	<u>-</u>	<u>-</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 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 7-week period of June 23		
	to August 10, 2013		
	Actual	Budget	Variance
<b>Cash inflows</b>			
Other receipts	-	-	-
<b>Total cash inflows</b>	-	-	-
<b>Cash outflows</b>			
Other expenditures	-	-	-
<b>Total cash outflows</b>	-	-	-
<b>Opening cash balance</b>	-	-	-
Variation in cash balance	-	-	-
Exchange rate (Gain / Loss)	-	-	-
<b>Ending cash balance</b>	-	-	-

### 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 C

### HII Extended 4-week cash flow forecast (\$C)

Updated as of August 11, 2013

Homburg Invest Inc.

Extended cash flow statement from September 1 to September 30, 2013

Number of weeks:	<b>25th report AMENDED</b>				<b>26th report</b>				
	101	102	103	TOTAL	104	105	106	107	TOTAL
Beginning period:	11-Aug-13	18-Aug-13	25-Aug-13		1-Sep-13	8-Sep-13	15-Sep-13	22-Sep-13	
Ending period:	17-Aug-13	24-Aug-13	31-Aug-13	3-Week Period	7-Sep-13	14-Sep-13	21-Sep-13	30-Sep-13	4-Week Period
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Cash inflows</b>									
GST/HST/VAT received	-	-	-	-	-	-	-	-	-
Other receipts	378,157	-	-	378,157	-	-	-	-	-
<b>Total cash inflows</b>	<b>378,157</b>	<b>-</b>	<b>-</b>	<b>378,157</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash outflows</b>									
Payroll	-	85,000	-	85,000	-	85,000	-	85,000	170,000
Rent expense	-	25,000	-	25,000	-	-	-	25,000	25,000
Restructuring related professional fees	3,381,700	1,613,258	3,163,012	8,157,970	500,000	500,000	500,000	500,000	2,000,000
Insurance	-	-	-	-	-	-	-	-	-
Office & administrative	40,000	40,000	40,000	120,000	40,000	40,000	40,000	40,000	160,000
Director fees	-	-	-	-	-	-	-	-	-
KERP	-	-	-	-	-	-	-	-	-
Hotel insurance	-	-	-	-	-	-	-	-	-
Other expenditures	424,700	335,107	-	759,807	-	-	-	-	-
<b>Total cash outflows</b>	<b>3,846,400</b>	<b>2,098,365</b>	<b>3,203,012</b>	<b>9,147,777</b>	<b>540,000</b>	<b>625,000</b>	<b>540,000</b>	<b>650,000</b>	<b>2,355,000</b>
<b>Opening balance</b>	<b>5,734,922</b>	<b>2,266,679</b>	<b>168,314</b>	<b>5,734,922</b>	<b>(3,052,238)</b>	<b>(3,592,238)</b>	<b>(4,217,238)</b>	<b>(4,757,238)</b>	<b>(3,052,238)</b>
Payments in transit	-	-	-	-	-	-	-	-	-
Variation in cash balance (Petitioners)	(3,468,243)	(2,098,365)	(3,203,012)	(8,769,620)	(540,000)	(625,000)	(540,000)	(650,000)	(2,355,000)
Variation in cash balance (Non-Petitioners)	-	-	(17,540)	(17,540)	-	-	-	(24,140)	(24,140)
Exchange rate	-	-	-	-	-	-	-	-	-
<b>Adjusted ending cash balance</b>	<b>2,266,679</b>	<b>168,314</b>	<b>(3,052,238)</b>	<b>(3,052,238)</b>	<b>(3,592,238)</b>	<b>(4,217,238)</b>	<b>(4,757,238)</b>	<b>(5,431,378)</b>	<b>(5,431,378)</b>

Notes:

- 1) Other receipts of \$378.2K reflected in week 101 relate to the receipt from Inverness of a repayment of a post-filing intercompany balance owed to HII.
- 2) The opening cash balance reflects the allocated cash balance as at August 11, 2013. In addition to the opening cash balance presented of \$5,734.9K, please note that \$1,614.4K is currently held in the Monitor's trust accounts as at August 15, 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.
- 3) Professional fees in week 101 are composed of the weekly budget of \$500K plus the favorable variance of \$2,881.7K presented in the budget to actual at Appendix B which is being carried forward.

- 4) Professional fees in week 102 are composed of the weekly budget of \$500K plus the professional fee payments in transit of \$3,994.9K as of August 10, 2013, less the favorable variance of \$2,881.7K which is reflected in the week 101 professional fee amount.
- 5) Professional fees in week 103 are composed of the weekly budget of \$500K plus the accounts payable of \$2,663.0K.
- 6) Other expenditures of €10K (\$424.7K) will be paid in week 101 as funding to the Baltics. Other expenditures of \$335.1K reflect the payment of post-filling intercompany balances owed to H71 in the amount of €134.1K and H102 in the amount of €13.7K.
- 7) At September 30, 2013, it is estimated that a professional fee accrual of approximately \$5.1M will be outstanding and payable. These payables, even though not yet budgeted in HII's cash flow have been taken into consideration while establishing the estimated recovery rates presented in the Information Circular.

## 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
<b><u>Opening cash balance</u></b>	Based on allocated closing cash balances as at August 10, 2013	X	
<b><u>Exchange rates</u></b>	All cash flows are in Canadian dollars		X
<b><u>Forecast cash receipts</u></b>			
GST/HST/VAT received	GST/HST/VAT refunds: based on management assessments.	X	
Other receipts	Other receipts consists of the repayment of an intercompany balance from Inverness	X	
<b><u>Forecast cash disbursements</u></b>			
Payroll	Based on updated reduced payroll	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	Includes funding to the Baltics and repayment of intercompany balances owed to bankrupt entities	X	
<b><u>Ending cash balance</u></b>	Based on allocated cash transactions		X

## Shareco Extended 4-week cash flow forecast (\$C)

Updated as of August 11, 2013

Homburg ShareCo Inc.

Extended cash flow statement from September 1 to September 30, 2013

	<b>25th report PUBLISHED</b>				<b>26th report</b>				
Number of weeks:	101	102	103		104	105	106	107	
Beginning period:	11-Aug-13	18-Aug-13	25-Aug-13	TOTAL	1-Sep-13	8-Sep-13	15-Sep-13	22-Sep-13	TOTAL
Ending period:	17-Aug-13	24-Aug-13	31-Aug-13	3-Week Period	7-Sep-13	14-Sep-13	21-Sep-13	30-Sep-13	4-Week Period
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Cash inflows</b>									
Mortgage bond issuance	-	-	-	-	-	-	-	-	-
<b>Total cash inflows</b>	-	-	-	-	-	-	-	-	-
<b>Cash outflows</b>									
Interest payments - mortgage bonds	-	-	-	-	-	-	-	-	-
Repayment of Bonds	-	-	-	-	-	-	-	-	-
<b>Total cash outflows</b>	-	-	-	-	-	-	-	-	-
<b>Opening cash balance</b>	<b>39,100</b>	<b>39,100</b>	<b>39,100</b>	<b>39,100</b>	<b>39,100</b>	<b>39,100</b>	<b>39,100</b>	<b>39,100</b>	<b>39,100</b>
Variation in cash balance	-	-	-	-	-	-	-	-	-
Exchange rate	-	-	-	-	-	-	-	-	-
<b>Ending cash balance</b>	<b>39,100</b>	<b>39,100</b>	<b>39,100</b>	<b>39,100</b>	<b>39,100</b>	<b>39,100</b>	<b>39,100</b>	<b>39,100</b>	<b>39,100</b>

Notes:

- 1) The opening cash balance reflects the allocated cash balance as at August 11, 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
<b><u>General cash flow assumptions</u></b>	<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	
<b><u>Opening cash balance</u></b>	Based on allocated closing cash balances as at August 10, 2013	X	
<b><u>Forecast cash receipts</u></b>	No cash inflows are projected for this period	X	
<b><u>Forecast cash disbursements</u></b>	No cash outflows are projected for this period	X	
<b><u>Ending cash balance</u></b>	Based on allocated cash transactions		X

## Churchill Extended 4-week cash flow forecast (\$C)

Updated as of August 11, 2013

Churchill Estates Development Ltd.

Extended cash flow statement from September 1 to September 30, 2013

Number of weeks	<b>25th report PUBLISHED</b>				<b>26nd report</b>				
	101	102	103	TOTAL	104	105	106	107	TOTAL
Beginning period:	11-Aug-13	18-Aug-13	25-Aug-13	TOTAL	1-Sep-13	8-Sep-13	15-Sep-13	22-Sep-13	TOTAL
Ending period:	17-Aug-13	24-Aug-13	31-Aug-13	3-Week Period	7-Sep-13	14-Sep-13	21-Sep-13	30-Sep-13	4-Week Period
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Cash inflows</b>	-	-	-	-	-	-	-	-	-
<b>Total cash inflows</b>	-	-	-	-	-	-	-	-	-
<b>Cash outflows</b>									
Condo fees	-	-	-	-	-	-	-	-	-
GST remitted	-	-	-	-	-	-	-	-	-
<b>Total cash outflows</b>	-	-	-	-	-	-	-	-	-
<b>Opening cash balance</b>	<b>5,348,300</b>	<b>5,348,300</b>	<b>5,348,300</b>	<b>5,348,300</b>	<b>5,348,300</b>	<b>5,348,300</b>	<b>5,348,300</b>	<b>5,348,300</b>	<b>5,348,300</b>
Variation in cash balance	-	-	-	-	-	-	-	-	-
Exchange rate	-	-	-	-	-	-	-	-	-
<b>Ending cash balance</b>	<b>5,348,300</b>	<b>5,348,300</b>	<b>5,348,300</b>	<b>5,348,300</b>	<b>5,348,300</b>	<b>5,348,300</b>	<b>5,348,300</b>	<b>5,348,300</b>	<b>5,348,300</b>

Notes:

- 1) The opening cash balance reflects the allocated cash balance as at August 11, 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
<b><u>Opening cash balance</u></b>	Based on allocated closing cash balances as at August 10, 2013	X	
<b><u>Exchange rates</u></b>	All cash flows are in Canadian dollars		X
<b><u>Forecast cash receipts</u></b>	No activity has been forecasted during the period	X	
<b><u>Forecast cash disbursements</u></b>	No activity has been forecasted during the period	X	
Condo fees	No activity has been forecasted during the period	X	
GST remitted	No activity has been forecasted during the period	X	
<b><u>Closing cash balance</u></b>	Based on allocated cash transactions		X

## Inverness Extended 4-week cash flow forecast (\$C)

Updated as of August 11, 2013

Inverness Estates Development Ltd.

Extended cash flow statement from September 1 to September 30, 2013

	<b>25th report AMENDED</b>				<b>26th report</b>				
Number of weeks:	101	102	103		104	105	106	107	
Beginning period:	11-Aug-13	18-Aug-13	25-Aug-13	TOTAL	1-Sep-13	8-Sep-13	15-Sep-13	22-Sep-13	TOTAL
Ending period:	17-Aug-13	24-Aug-13	31-Aug-13	3-Week Period	7-Sep-13	14-Sep-13	21-Sep-13	30-Sep-13	4-Week Period
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Cash inflows</b>	-	-	-	-	-	-	-	-	-
<b>Total cash inflows</b>	-	-	-	-	-	-	-	-	-
<b>Cash outflows</b>	378,157	-	-	378,157	-	-	-	-	-
<b>Total cash outflows</b>	378,157	-	-	-	-	-	-	-	-
<b>Opening cash balance</b>	491,000	112,843	112,843	491,000	112,843	112,843	112,843	112,843	112,843
Variation in cash balance	(378,157)	-	-	(378,157)	-	-	-	-	-
Exchange rate	-	-	-	-	-	-	-	-	-
<b>Adjusted Ending cash balance</b>	<b>112,843</b>	<b>112,843</b>	<b>112,843</b>	<b>112,843</b>	<b>112,843</b>	<b>112,843</b>	<b>112,843</b>	<b>112,843</b>	<b>112,843</b>

Notes:

- 1) The opening cash balance reflects the allocated cash balance as at August 11, 2013.
- 2) The entry shown in week 101 as a cash outflow reflects the repayment to HII of intercompany amounts owing since the Initial Order.

## 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
<b><u>Opening cash balance</u></b>	Based on allocated closing cash balances as at August 10, 2013	X	
<b><u>Exchange rates</u></b>	All cash flows are in Canadian dollars		X
<b><u>Forecast cash receipts</u></b>	Inverness was sold and no cash inflows are projected for this period	X	
<b><u>Forecast cash disbursements</u></b>	Repayment to HII of intercompany amounts owing since the Initial Order.	X	
<b><u>Closing cash balance</u></b>	Based on allocated cash transactions		X

## CP Extended 4-week cash flow forecast (\$C)

Updated as of August 11, 2013

CP Development Ltd.

Extended cash flow statement from September 1 to September 30, 2013

Number of weeks:	<b>25th report PUBLISHED</b>				<b>26th report</b>				
	99	100	101	TOTAL	102	103	104	105	TOTAL
Beginning period:	11-Aug-13	18-Aug-13	25-Aug-13	TOTAL	1-Sep-13	8-Sep-13	15-Sep-13	22-Sep-13	TOTAL
Ending period:	17-Aug-13	24-Aug-13	31-Aug-13	3-Week Period	7-Sep-13	14-Sep-13	21-Sep-13	30-Sep-13	4-Week Period
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Cash inflows</b>	-	-	-	-	-	-	-	-	-
<b>Total cash inflows</b>	-	-	-	-	-	-	-	-	-
<b>Cash outflow</b>	-	-	-	-	95,000	-	-	-	95,000
<b>Total cash outflows</b>	-	-	-	-	95,000	-	-	-	-
<b>Opening cash balance</b>	544,000	548,000	544,000	544,000	544,000	(721,000)	(721,000)	(721,000)	544,000
Adjustment for intercompany funding	-	-	-	-	(1,170,000)	-	-	-	(1,170,000)
Variation in cash balance	-	-	-	-	(95,000)	-	-	-	(95,000)
Exchange rate	-	-	-	-	-	-	-	-	-
<b>Ending cash balance</b>	544,000	548,000	544,000	544,000	(721,000)	(721,000)	(721,000)	(721,000)	(721,000)

Notes:

- 1) The opening cash balance reflects the allocated cash balance as at August 11, 2013.
- 2) In addition to the opening cash balance presented of \$544.0K, please note that \$10,750K is currently held in the Monitor's trust accounts as at August 11, 2013. This amount represents the net proceeds of the CP sale.
- 3) The cash outflow relates to payment of \$3K for professional fees and a transfer of \$92K from CP's operating account to the Monitor's trust account noted in #2 above.
- 4) The adjustment for intercompany funding reflects an adjustment of \$1,170K presented in week 102 relates to the payment made by HII as part of the HCI settlement agreement, on behalf of CP to eliminate amounts owed by CP to HCI.

## 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
<b><u>Opening cash balance</u></b>	Based on allocated closing cash balances as at August 10, 2013	X	
<b><u>Exchange rates</u></b>	All cash flows are in Canadian dollars		X
<b><u>Forecast cash receipts</u></b>	CP was sold and no cash inflows are projected for this period	X	
<b><u>Forecast cash disbursements</u></b>	Adjustment for intercompany activity since the Initial Order	X	
<b><u>Closing cash balance</u></b>	Based on allocated cash transactions		X

**NCLL Extended 4-week cash flow forecast (\$C)**

**Updated as of August 11, 2013**

NCLL

Extended cash flow statement from September 1 to September 30, 2013

	<b><u>25th report PUBLISHED</u></b>				<b><u>26th report</u></b>				
Number of weeks:	63	64	65		66	67	68	69	
Beginning period:	11-Aug-13	18-Aug-13	25-Aug-13	TOTAL	1-Sep-13	8-Sep-13	15-Sep-13	22-Sep-13	TOTAL
Ending period:	17-Aug-13	24-Aug-13	31-Aug-13	3-Week Period	7-Sep-13	14-Sep-13	21-Sep-13	30-Sep-13	4-Week Period
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Cash inflows</b>									
GST/HST received	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
<b>Total cash inflows</b>	-	-	-	-	-	-	-	-	-
<b>Cash outflows</b>									
Professional fees	-	-	-	-	-	-	-	-	-
Property tax	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-
Mortgage principal	-	-	-	-	-	-	-	-	-
Mortgage interest	-	-	-	-	-	-	-	-	-
GST/HST paid	-	-	-	-	-	-	-	-	-
Other expenditures	-	-	-	-	-	-	-	-	-
<b>Total cash outflows</b>	-	-	-	-	-	-	-	-	-
<b>Opening cash balance</b>	-	-	-	-	-	-	-	-	-
<b>Funding from HII</b>									
Variation in cash balance	-	-	-	-	-	-	-	-	-
Exchange rate	-	-	-	-	-	-	-	-	-
<b>Adjust ending cash balance</b>	-	-	-	-	-	-	-	-	-

Notes:

- 1) The opening cash balance reflects the allocated cash balance as at August 11, 2013. In addition to the opening cash balance presented of \$nil, please note that \$3,120.2K is currently held in the Monitor's trust accounts as at August 11, 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
<b><u>Opening cash balance</u></b>	Based on allocated closing cash balances as at August 10, 2013	X	
<b><u>Exchange rates</u></b>	All cash flows are in Canadian dollars		X
<b><u>Forecast cash receipts</u></b>			
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	
<b><u>Forecast cash disbursements</u></b>			
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	
<b><u>Ending cash balance</u></b>	Based on allocated cash transactions		X

## HMCI Extended 4-week cash flow forecast (\$C)

Updated as of August 11, 2013

Homburg Management Canada Inc.

Extended cash flow statement from September 1 to September 30, 2013

Number of weeks:	<b><u>25th report PUBLISHED</u></b>				<b><u>26th report</u></b>				
	23	24	25	TOTAL	26	27	28	29	TOTAL
Beginning period:	11-Aug-13	18-Aug-13	25-Aug-13	TOTAL	1-Sep-13	8-Sep-13	15-Sep-13	22-Sep-13	TOTAL
Ending period:	17-Aug-13	24-Aug-13	31-Aug-13	3-Week Period	7-Sep-13	14-Sep-13	21-Sep-13	30-Sep-13	4-Week Period
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Cash inflows</b>									
Other Receipts	-	-	-	-	-	-	-	-	-
<b>Total cash inflows</b>	-	-	-	-	-	-	-	-	-
<b>Cash outflows</b>									
Other Disbursements	-	-	-	-	-	-	-	-	-
<b>Total cash outflows</b>	-	-	-	-	-	-	-	-	-
<b>Opening cash balance</b>	-	-	-	-	-	-	-	-	-
Variation in cash balance	-	-	-	-	-	-	-	-	-
Exchange rate	-	-	-	-	-	-	-	-	-
<b>Ending cash balance</b>	-	-	-	-	-	-	-	-	-

Notes:

- 1) The opening cash balance reflects the allocated cash balance as at August 11, 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
<b><u>Opening cash balance</u></b>	Based on allocated closing cash balances as at August 10, 2013	X	
<b><u>Forecast cash receipts</u></b>	No cash inflows are projected for this period	X	
<b><u>Forecast cash disbursements</u></b>	No cash outflows are projected for this period	X	
<b><u>Ending cash balance</u></b>	Based on allocated cash transactions		X