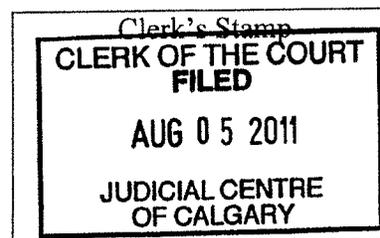


COURT FILE NO. 0901-17143
COURT **Court of Queen's Bench of Alberta**
JUDICIAL CENTRE **Calgary**

APPLICANT(S) **RSM Richter Inc., as Receiver and
Manager of the Signature Companies**



IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*
R.S.C. 1985 c. B-3, AS AMENDED

AND IN THE MATTER OF THE RECEIVERSHIP OF SIGNATURE CAPITAL INC.,
CONB DEVELOPMENT CORP., CONB FINANCE CORP., CONB CAPITAL CORP.,
URBAN ELEMENTS CENTRE GP LTD., URBAN ELEMENTS CENTRE LIMITED
PARTNERSHIP, SIGNATURE UEC CAPITAL INC., WESTSTONE DEVELOPMENT
CORP., WESTSTONE FINANCE CORP., SIGNATURE LAKESIDE RV FINANCE
CORP., ALLAN BEACH DEVELOPMENTS GP LTD., ALLAN BEACH LIMITED
PARTNERSHIP, BEACHES WEST CAPITAL CORP., POPLAR GROVE
DEVELOPMENTS GP LTD., POPLAR GROVE LIMITED PARTNERSHIP, BIRCH
BAY DEVELOPMENTS GP LTD., BIRCH BAY DEVELOPMENTS LIMITED
PARTNERSHIP, FRANCOIS CAPITAL CORP., A VIRGINIA WILSON HOLDINGS,
FIR CREST RESORT DEVELOPMENT LP, FIR CREST RESORT DEVELOPMENT GP
LTD., FIR CREST FINANCE CORP., FIR CREST CAPITAL CORP., SCI FINANCE
CORP., SIGNATURE US SUNBELT CAPITAL CORP., SIGNATURE US SUNBELT
INVESTMENT CORP., SCI BRIDGE II FINANCE CORP., SUMMERS PLACE GP LTD.,
SUMMERS PLACE LIMITED PARTNERSHIP, METRO WEST I GP LTD., METRO
WEST II GP LTD., SIGNATURE LETHBRIDGE FAIRVIEW CAPITAL CORP.,
HEARTHWOOD I LIMITED PARTNERSHIP, HEARTHWOOD II LIMITED
PARTNERSHIP, HEARTHWOOD III LIMITED PARTNERSHIP, HEARTHWOOD I
DEVELOPMENTS GP LTD., HEARTHWOOD II DEVELOPMENTS GP LTD., and
HEARTHWOOD III DEVELOPMENTS GP LTD.
(collectively the "Signature Companies")

DOCUMENT **Application**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

Fasken Martineau DuMoulin LLP
Barristers & Solicitors
Patent & Trade-mark Agents
3400 First Canadian Centre
350 - 7th Avenue S.W.
Calgary, AB T2P 3N9

Carole J. Hunter - 403 261-5362
Fax: 1-888-804-9502
File Reference 285485.00001

NOTICE TO RESPONDENT(S)

This application is made against you. You are Respondents.

You have the right to state your side of this matter before the Master/Judge.

To do so, you must be in Court when the application is heard as shown below:

Date:	August 12, 2011
Time:	11:00 a.m. on the Commercial List
Where	Calgary Courts Centre, 601 – 5 th Street SW, Calgary, AB T2P 5P7
Before Whom	Madam Justice J. Streckfuss

Go to the end of this document to see what else you can do and when you must do it.

Remedy claimed or sought:

1. The Applicant seeks an Order substantially in the form attached hereto as Schedule “A” as follows:
 - (a) declaring that service of this Application is good and sufficient and service of the Order on any party other than those set forth in the Service List is hereby dispensed with;
 - (b) approving the Agreement of Purchase and Sale between Southwest One Properties, LLC and Signature US Sunbelt LLC (“Sunbelt LLC”) dated July 15, 2011 (the “Sunbelt Agreement”);
 - (c) authorizing RSM Richter Inc., in its capacity as receiver and manager of the Signature Companies (the “Receiver”) to implement the claims process approved by this Honourable Court on January 27, 2010 in respect of Signature US Sunbelt Capital Corp. and Signature US Sunbelt Investment Corp. (“Sunbelt Investment”) upon the closing of the transaction contemplated by the Sunbelt Agreement and the distribution of the net proceeds therefrom by Sunbelt LLC to Sunbelt Investment;

- (d) approving the settlement between the Receiver and Richardson House of Fixtures and Supplies Ltd. (“Richardson”) in respect of the claim by Richardson against Urban Elements Centre GP Ltd.;
- (e) approving the distribution to creditors of Signature UEC Capital Inc. of \$200,000 held by the Receiver substantially in accordance with Appendix “C” of the Eighth Report of the Receiver dated August 5, 2011 (the “Eighth Report”); and
- (f) such further and other relief as Counsel may advise and this Honourable Court may permit.

Grounds for making this application:

- 1. It is just and equitable to do so.

Material or evidence to be relied on:

- 1. The Applicant shall rely upon the Eighth Report and all proceedings in the within Action; and
- 2. Such further and other materials as Counsel may advise and this Honourable Court permits.

Applicable rules:

- 1. *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended

Applicable Acts and regulations:

- 1. *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended

How the application is proposed to be heard or considered:

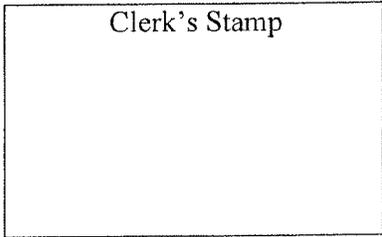
- 1. The Applicant proposes that this application be heard in the Chambers of Madam Justice J. Streckaf.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

SCHEDULE "A"

COURT FILE NO. 0901-17143
COURT **Court of Queen's Bench of Alberta**
JUDICIAL CENTRE **Calgary**
APPLICANT(S) **RSM Richter Inc., as Receiver and
Manager of the Signature Companies**



IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*
R.S.C. 1985 c. B-3, AS AMENDED

AND IN THE MATTER OF THE RECEIVERSHIP OF SIGNATURE CAPITAL INC.,
CONB DEVELOPMENT CORP., CONB FINANCE CORP., CONB CAPITAL CORP.,
URBAN ELEMENTS CENTRE GP LTD., URBAN ELEMENTS CENTRE LIMITED
PARTNERSHIP, SIGNATURE UEC CAPITAL INC., WESTSTONE DEVELOPMENT
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HEARTHWOOD I LIMITED PARTNERSHIP, HEARTHWOOD II LIMITED
PARTNERSHIP, HEARTHWOOD III LIMITED PARTNERSHIP, HEARTHWOOD I
DEVELOPMENTS GP LTD., HEARTHWOOD II DEVELOPMENTS GP LTD., and
HEARTHWOOD III DEVELOPMENTS GP LTD.
(collectively the "Signature Companies")

DOCUMENT **Order (Receiver's Eighth Report)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
Fasken Martineau DuMoulin LLP
Barristers & Solicitors
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3400 First Canadian Centre
350 – 7th Avenue S.W.
Calgary, AB T2P 3N9

Carole J. Hunter – 403 261-5362
Fax: 1-888-804-9502
File Reference 285485.00001

DATE ON WHICH ORDER WAS PRONOUNCED: August 12, 2011

NAME OF JUDGE WHO MADE THIS ORDER: Honourable Justice J. Strekaf

ORDER (RECEIVER'S EIGHTH REPORT)

UPON THE APPLICATION of RSM Richter Inc., in its capacity as Court-appointed Receiver and Manager of the Signature Companies (the "Receiver") to seek the relief contained in the Application filed in the within matter; AND UPON HEARING READ the pleadings herein, the Application of the Receiver and the Eighth Report of the Receiver dated August 5, 2011 (the "Eighth Report"); AND UPON HEARING counsel for the Receiver and such other counsel in attendance at the Application;

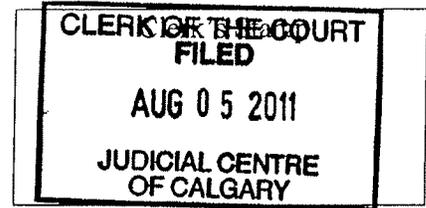
IT IS HEREBY ORDERED AND DECLARED THAT:

1. Service of this Application is good and sufficient, and service of this Order on any party other than those set forth in the Service List is hereby dispensed with;
2. The Agreement of Purchase and Sale between Southwest One Properties, LLC and Signature US Sunbelt LLC ("Sunbelt LLC") dated July 15, 2011, a copy of which is attached as Appendix "A" to the Eighth Report (the "Sunbelt Agreement") is hereby approved.
3. The Receiver is authorized to implement the claims process approved by this Honourable Court on January 27, 2010 in respect of Signature US Sunbelt Capital Corp. and Signature US Sunbelt Investment Corp. ("Sunbelt Investment") upon the closing of the transaction contemplated by the Sunbelt Agreement and the distribution of the net proceeds therefrom by Sunbelt LLC to Sunbelt Investment.
4. The settlement between the Receiver and Richardson House of Fixtures and Supplies Ltd. ("Richardson") in respect of the claim by Richardson against Urban Elements Centre GP Ltd. as described in the Eighth Report is hereby approved.

5. The distribution to creditors of Signature UEC Capital Inc. of \$200,000 held by the Receiver substantially in accordance with Appendix "C" attached to the Eighth Report is hereby directed and approved.
6. The Receiver and any interested party shall be at liberty to re-apply for further advice, assistance and direction as may be necessary to give full force and effect to the terms of this Order.
7. This Order may be served by facsimile or electronic transaction.

J.C.Q.B.A.

COURT FILE NO. 0901-17143
COURT **Court of Queen's Bench of Alberta**
JUDICIAL CENTRE **Calgary**
APPLICANT(S) **RSM Richter Inc., as Receiver and
Manager of the Signature
Companies**



IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*
R.S.C. 1985 c. B-3, AS AMENDED

AND IN THE MATTER OF THE RECEIVERSHIP OF SIGNATURE CAPITAL INC., CONB DEVELOPMENT CORP., CONB FINANCE CORP., CONB CAPITAL CORP., URBAN ELEMENTS CENTRE GP LTD., URBAN ELEMENTS CENTRE LIMITED PARTNERSHIP, SIGNATURE UEC CAPITAL INC., WESTSTONE DEVELOPMENT CORP., WESTSTONE FINANCE CORP., SIGNATURE LAKESIDE RV FINANCE CORP., ALLAN BEACH DEVELOPMENTS GP LTD., ALLAN BEACH LIMITED PARTNERSHIP, BEACHES WEST CAPITAL CORP., POPLAR GROVE DEVELOPMENTS GP LTD., POPLAR GROVE LIMITED PARTNERSHIP, BIRCH BAY DEVELOPMENTS GP LTD., BIRCH BAY DEVELOPMENTS LIMITED PARTNERSHIP, FRANCOIS CAPITAL CORP., A VIRGINIA WILSON HOLDINGS, FIR CREST RESORT DEVELOPMENT LP, FIR CREST RESORT DEVELOPMENT GP LTD., FIR CREST FINANCE CORP., FIR CREST CAPITAL CORP., SCI FINANCE CORP., SIGNATURE US SUNBELT CAPITAL CORP., SIGNATURE US SUNBELT INVESTMENT CORP., SCI BRIDGE II FINANCE CORP., SUMMERS PLACE GP LTD., SUMMERS PLACE LIMITED PARTNERSHIP, METRO WEST I GP LTD., METRO WEST II GP LTD., SIGNATURE LETHBRIDGE FAIRVIEW CAPITAL CORP., HEARTHWOOD I LIMITED PARTNERSHIP, HEARTHWOOD II LIMITED PARTNERSHIP, HEARTHWOOD III LIMITED PARTNERSHIP, HEARTHWOOD I DEVELOPMENTS GP LTD., HEARTHWOOD II DEVELOPMENTS GP LTD., and HEARTHWOOD III DEVELOPMENTS GP LTD. (collectively the "Companies")

DOCUMENT **Eighth Report to the Court of RSM
Richter Inc., as Receiver and
Manager of Signature Capital Inc.
and Related Companies, Dated
August 5, 2011**

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CONTACT
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Fasken Martineau DuMoulin LLP
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Table of Contents

- 1. INTRODUCTION..... 1
- 2. BACKGROUND INFORMATION..... 3
- 3. SUNBELT LLC..... 3
- 4. UEC GP 6
- 5. RECEIVER'S ACTIVITIES.....10
- 6. NOTICE OF THIS MOTION.....10
- 7. RECOMMENDATION 11



Index of Appendices

Biltmore Agreement..... "A"
UEC GP R&D "B"
UEC GP Distribution Schedule..... "C"

**EIGHTH REPORT OF RSM RICHTER INC.,
IN ITS CAPACITY AS RECEIVER AND MANAGER
AND NOT IN ITS PERSONAL CAPACITY**

Dated August 5, 2011

1. INTRODUCTION

- 1.1 This report ("Report") is filed by RSM Richter Inc. ("Richter"), in its capacity as receiver and manager ("Receiver"), appointed pursuant to Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended ("BIA"), of all of the property, assets and undertakings of the Companies.
- 1.2 Richter was appointed Receiver pursuant to an application made by the Companies and an order of the Court of Queen's Bench of Alberta ("Court") dated November 13, 2009 ("Receivership Order").

Purpose of this Report

- 1.3 The purpose of this Report is to:
- a) Outline the terms of a purchase and sale agreement ("Biltmore Agreement") dated July 15, 2011 between Signature US Sunbelt LLC ("Sunbelt LLC") and Southwest One Properties, LLC ("Southwest") for the sale of nine condominium units and certain other assets;
 - b) Advise this Honourable Court of a settlement ("Richardson Settlement") that has been reached between the Receiver and Richardson House of Fixtures and Supplies Ltd. ("Richardson") with respect to proceeds held by Urban Elements Centre GP Ltd. ("UEC GP");
 - c) Summarize the Receiver's activities since February 10, 2011, the date of the Seventh Report to Court ("Seventh Report");

d) Respectfully recommend that this Honourable Court make orders:

- Approving the Biltmore Agreement;
- Authorizing the Receiver to implement the claims process approved by this Honourable Court on January 27, 2010 ("Claims Process") in respect of Signature US Sunbelt Capital Corp. ("Sunbelt Capital") and Signature US Sunbelt Investment Corp. ("Sunbelt Investment") upon the sale of the remaining condominium units owned by Sunbelt LLC and distribution of the net proceeds by Sunbelt LLC to Sunbelt Capital and Sunbelt Investment;
- Approving the Richardson Settlement; and
- Approving a distribution ("UEC Distribution") of \$200,000 to creditors of Signature UEC Capital Inc. ("UEC Capital") substantially in accordance with the UEC GP Distribution Schedule (as defined in Section 4.3).

Documents Filed in these Proceedings

1.4 The Receiver has posted documents filed with the Court in these proceedings on its website at: <http://www.rsmrichter.com/restructuring.aspx>.

Terms of Reference

1.5 In developing this Report, the Receiver has relied upon unaudited financial information prepared by the Company's management, the Company's books and records and discussions with its management. The Receiver has not performed an audit or other verification of such information. An examination of the Company's financial forecasts as outlined in the *Canadian Institute of Chartered Accountants Handbook* has not been performed. The Receiver expresses no opinion or other form of assurance with respect to the accuracy of any financial information presented in this Report, or relied upon by the Receiver in preparing this Report.

2. BACKGROUND INFORMATION

- 2.1 The Companies either own real estate, or are or were directly or indirectly invested in real estate projects, located in Alberta, British Columbia, Saskatchewan, and Arizona.
- 2.2 Additional background information concerning the Companies is contained in reports to Court previously filed by the Receiver and in the affidavit of Simone Rousseau, former President of Signature Capital Inc. ("SCI"), sworn on November 12, 2009, filed with the receivership application materials.

3. SUNBELT LLC

- 3.1 The Receiver has provided background information on the "Sunbelt" entities - Sunbelt LLC, Sunbelt Capital, Sunbelt Investment and US Sunbelt Development Corp. ("USDC") - in previous reports, including the Seventh Report.
- 3.2 SCI incorporated Sunbelt Capital and Sunbelt Investment to raise funds for real estate development opportunities in the U.S. Pursuant to offering memoranda dated May 1, 2008 and October 20, 2009, Sunbelt Capital and Sunbelt Investment raised approximately \$3 million from 93 bondholders.
- 3.3 Along with the funds it raised through its own offering, Signature Investment received a loan of the funds raised by Sunbelt Capital (net of marketing costs, legal fees and management fees) in the approximate amount of \$1.84 Million. These funds were subsequently invested, as equity, in USDC, which in turn made a capital contribution in the same amount to Sunbelt LLC. USDC and Sunbelt LLC are companies related to Sunbelt Capital and Sunbelt Investment. The funds were used for the purchase of 37 residential condominium units at a property known as the "Biltmore Palms" in Phoenix, Arizona ("Biltmore").

- 3.4 The two Canadian companies, Sunbelt Capital and Sunbelt Investment, are subject to the Receivership Order. The two U.S. companies, USDC and Sunbelt LLC, are not subject to insolvency proceedings. Ms. Rousseau remains a director of the two U.S. companies.
- 3.5 The Receiver has been working cooperatively with Ms. Rousseau and Condo Condo Consulting Services ("CCCS"), a property management firm, in respect of the management, marketing and sale of the Biltmore units.
- 3.6 To date, the proceeds from unit sales have been used to pay:
- a) Ongoing operating costs, including insurance, condominium corporation fees, sales commission, property management fees, renovation costs and repairs and maintenance;
 - b) A mortgage to Paragon Capital Corporation Ltd. totalling approximately \$2.5 million;
 - c) CCCS pursuant to a management fee previously approved by this Honourable Court; and
 - d) The Receiver in respect of interim funding provided by other SCI entities.

Remaining Units

- 3.7 As of June 1, 2011, there were 10 remaining units for sale with an aggregate listing price of US \$1.18 million, before discounts, incentives and commission. One unit had been subject to a conditional sale.
- 3.8 Representatives of CCCS and Southwest began exploring a sale of the remaining units in June, 2011. On June 13, 2011, Ms. Rousseau executed a non-binding letter of intent on behalf of Sunbelt LLC ("LOI") with Southwest for the sale of eight of the units for a purchase price of US \$800,000. The Receiver was included in correspondence between Sunbelt LLC

and Southwest at the time the LOI was negotiated and supported execution of the LOI. A ninth unit was added to the LOI following the cancellation by a buyer of an individual unit.

3.9 On July 15, 2011, Sunbelt LLC and Southwest entered into the Biltmore Agreement. A summary of the Biltmore Agreement is provided below:

- It provides for the sale of nine condominium units substantially on an “as is” basis and certain other interests of Sunbelt LLC in Biltmore, such as furniture in a sales office and assignment of rental leases;
- The purchase price is US \$902,500¹;
- It is subject to conditions to be satisfied or waived by August 1, 2011. The conditions have been waived;
- Southwest paid deposits totalling US \$102,500;
- It is conditional on an approval order being made by this Honourable Court; and
- Closing is to occur on August 15, 2011.

3.10 A copy of the Biltmore Agreement is provided as Appendix “A”.

Recommendation

3.11 Completion of the Biltmore Agreement and the sale of one final remaining unit² would conclude the process of monetizing Sunbelt LLC’s assets. Funds on hand would then be distributed to Sunbelt Capital and Sunbelt Investment and their creditors pursuant to the Claims Process following dissolution of those two entities, including filing of tax returns.

¹ Southwest agreed to contribute \$2,500 towards the legal fees of Sunbelt LLC related to preparation of the Biltmore Agreement.

² Sunbelt LLC has entered into a sale agreement for this last unit with the onsite property manager at Biltmore for a purchase price of \$105,000.

3.12 While Sunbelt LLC is not subject to the Receivership Order, the principal economic stakeholders of it are, Sunbelt Capital and Sunbelt Investment. Accordingly, the Receiver requested that the Biltmore Agreement be subject to approval of this Honourable Court.

3.13 For the following reasons the Receiver respectfully recommends that the Biltmore Agreement be approved:

- The units at Biltmore have been marketed for sale by professional real estate brokerage firms since July, 2009, a period of more than two years. The units subject to the Biltmore Agreement represent the remaining unsold units from the original block of 37 units;
- There are a significant number of foreclosure and short sales in the Phoenix area such that continuing to sell the remaining units individually will, in the Receiver's view, take a significant amount and include attendant carrying costs, including professional fees;
- The combination of Southwest's offer and the offer for the tenth unit represent a discount of 15% of the current listing price, which in the Receiver's view is reasonable for a bulk sale; and
- In CCCS's and Sunbelt LLC's local real estate brokerage firm's view, the purchase price represents market value.

4. UEC GP

4.1 Pursuant to a transaction approved by this Honourable Court on May 19, 2010, the Receiver sold the property in Saskatoon, Saskatchewan ("UEC Property") owned by UEC GP for \$1.6 million. The sale closed on May 28, 2010. Proceeds of \$734,000, net of repayment of the first mortgage and a commission to the real estate brokerage firm, were released to the Receiver on June 4, 2010.

- 4.2 At the time of sale of the UEC Property, apart from the first mortgage, the UEC Property was subject to a second mortgage (the "Signature UEC Mortgage") to UEC Capital, a related party. The Signature UEC Mortgage was granted in respect of a loan of \$2.2 million advanced by UEC Capital to UEC GP and was registered against title to the UEC Property on April 4, 2008.
- 4.3 Fasken Martineau DuMoulin LLP ("Faskens"), the Receiver's counsel, has provided the Receiver with an opinion that, subject to various assumptions and qualifications, UEC Capital holds valid and enforceable security ranking in priority to other creditors of UEC GP.

Richardson Settlement

- 4.4 The Receiver previously reported on a caveat (the "Richardson Caveat") in favour of Richardson registered against the UEC Property. The Richardson Caveat was discharged upon the sale of the property. The amounts of \$150,000 from the sale proceeds plus \$52,000 received by the Receiver in trust from the City of Saskatoon ("Trust Funds") continue to be held by the Receiver, standing in place and stead of the Richardson Caveat pursuant to the Vesting Order granted by Madam Justice Horner on May 19, 2010.

- 4.5 The Receiver and its counsel have reviewed Richardson's claims to the sale proceeds and the Trust Funds, including draft materials prepared by Richardson's counsel in support of an application for release of the funds to Richardson. Among other things, the Receiver reviewed the agreement executed by UEC GP with the City of Saskatoon at the time UEC GP deposited the Trust Funds with it and which, in effect, authorized the City of Saskatoon to release the Trust Funds to Richardson upon Richardson's completion of certain construction work³.
- 4.6 Based on the Receiver's review of the materials and discussions with Richardson's counsel, the Receiver and Richardson entered into the Richardson Settlement. Pursuant to the Richardson Settlement, the Trust Funds would be released to Richardson in exchange for a release by Richardson of its secured claim against the funds held by the Receiver. The Richardson Settlement is subject to approval of this Honourable Court.

Receipts and Disbursements

- 4.7 A statement of receipts and disbursements with respect to UEC GP as at July 31, 2011 ("UEC GP R&D") is provided as Appendix "B". The UEC GP R&D reflects funds on hand of approximately \$220,000 (excluding the Trust Funds) prior to an allocation of the cost of the receivership proceedings.

Claims Process Results

- 4.8 The Receiver implemented the Claims Process for creditors of UEC GP following the sale of the UEC Property.

³ The work was completed prior to the date of the Receivership Order.

4.9 Proofs of claim from 70 creditors totalling \$2.5 million were filed by the claims bar date of August 18, 2010. A schedule (“UEC GP Distribution Schedule”) summarizing the claims made against UEC GP and the proposed distribution of 8.4%⁴ of proven claims⁵ is provided as Appendix “C”.

Recommendation

4.10 The Receiver respectfully recommends that this Honourable Court approve the Richardson Settlement as it provides for a fair, timely and cost effective resolution of the claims made by Richardson.

4.11 The Receiver also respectfully recommends that this Honourable Court approve the UEC GP Distribution Schedule and authorize the Receiver to make a distribution of up to \$200,000 to UEC Capital and its creditors.

4.12 The Receiver proposes to hold back the balance of funds in UEC GP on account of professional fees and other costs related directly to UEC GP and in respect of an allocation of the administration costs related to the receivership proceedings.

4.13 The Receiver will advise this Honourable Court in a subsequent report on whether additional funds, if any, are available for distribution to creditors of UEC GP.

⁴ Calculated as $\$200,000 / \$2.39 \text{ million} = 8.4\%$.

⁵ Only creditors of UEC Capital would participate in the proposed distribution.

5. RECEIVER'S ACTIVITIES

5.1 In addition to the items discussed above, the Receiver's activities since the date of the Seventh Report have included, inter alia, the following:

- Corresponding with Olympia Trust Company, which managed RSP investments made by bondholders;
- Continuing to deal with covenant registration and mortgage discharge matters related to the property formerly owned by Birch Bay Developments GP Ltd.;
- Continuing to monitor the cash flow related to each of the remaining operating entities subject to the Receivership Order;
- Preparing financial statements and tax returns for certain of the companies subject to the Receivership Order;
- Carrying out the Claims Process in respect of the entities that comprise the "Resorts" companies;
- Dealing with insurance matters;
- Corresponding on a periodic basis with Ms. Rousseau;
- Paying for post-filing goods and services;
- Drafting this Report; and
- Other matters pertaining to the administration of this mandate.

6. NOTICE OF THIS MOTION

6.1 In addition to the parties on the service list, the Receiver will be advising bondholders of UEC GP, UEC Capital, Sunbelt Capital and Sunbelt Investments of the Receiver's motion. Bondholders will be directed to the Receiver's website to review the motion materials.

7. RECOMMENDATION

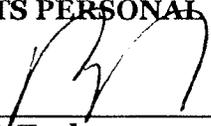
7.1 Based on the foregoing, the Receiver recommends that this Honourable Court grant the relief detailed in Section 1.1 herein.

* * *

All of which is respectfully submitted,

**RSM RICHTER INC.
IN ITS CAPACITY AS RECEIVER AND MANAGER OF
SIGNATURE CAPITAL INC. AND RELATED COMPANIES
AND NOT IN ITS PERSONAL CAPACITY**

Per: _____


Robert J. Taylor

PURCHASE AND SALE AGREEMENT

Project Name: 9 Condominium Units in Biltmore Palms
4343 North 21st Street
Phoenix, Arizona 85016
Effective Date: July 15, 2011

TABLE OF CONTENTS

<u>Article</u>	<u>Page</u>
ARTICLE 1 CERTAIN DEFINITIONS	1
ARTICLE 2 SALE OF PROPERTY	5
ARTICLE 3 PURCHASE PRICE	6
3.1 <u>Deposit Money</u>	6
3.2 <u>Expense Payment</u>	6
3.3 <u>Cash at Closing</u>	6
ARTICLE 4 TITLE MATTERS	6
4.1 <u>Title Review</u>	6
4.2 <u>Title Policy</u>	7
ARTICLE 5 BUYER’S DUE DILIGENCE	8
5.1 <u>Buyer’s Inspections</u>	8
5.2 <u>Termination of Agreement Based on Inspections</u>	8
5.3 <u>Assumed Contracts</u>	9
5.4 <u>Intrusive Testing</u>	9
5.5 <u>Property Sold “As Is”</u>	9
5.6 <u>Survival</u>	10
ARTICLE 6 ADJUSTMENTS AND PRORATIONS	10
6.1 <u>Lease Rentals</u>	10
6.2 <u>Real Estate and Personal Property Taxes and Other Fees and Assessments</u>	10
6.3 <u>Property Operating Expenses</u>	11
6.4 <u>Tenant Deposits, Fees and Charges</u>	11
6.5 <u>Assessments</u>	11
6.6 <u>Other Association Fees</u>	11
6.7 <u>Closing Costs</u>	12
ARTICLE 7 CLOSING	12
7.1 <u>Closing Date</u>	12
7.2 <u>Title Transfer and Payment of Purchase Price</u>	12
7.3 <u>Seller’s Closing Deliveries</u>	12
7.4 <u>Buyer’s Closing Deliveries</u>	14
ARTICLE 8 CONDITIONS TO CLOSING.....	15
8.1 <u>Conditions to Seller’s Obligations</u>	15
8.2 <u>Conditions to Buyer’s Obligations</u>	15
8.3 <u>Waiver of Failure of Conditions Precedent</u>	16

8.4	<u>Approvals Not a Condition to Buyer's Performance</u>	16
8.5	<u>Approval Order a Condition to Seller's Performance</u>	16
ARTICLE 9 REPRESENTATIONS AND WARRANTIES		17
9.1	<u>Buyer's Representations</u>	17
9.1.1	<u>Buyer's Authorization</u>	17
9.1.2	<u>Buyer's Financial Condition</u>	17
9.1.3	<u>Executive Order 13224</u>	17
9.2	<u>Seller's Representations</u>	18
9.2.1	<u>Seller's Authorization</u>	18
9.2.2	<u>Litigation</u>	18
9.2.3	<u>Contracts</u>	18
9.2.4	<u>Violations</u>	18
9.2.5	<u>Pending Condemnation</u>	18
9.2.6	<u>Condition of the Property</u>	18
9.3	<u>General Provisions</u>	18
9.3.1	<u>Seller's Representations Deemed Modified</u>	18
9.3.2	<u>Survival; Limitation on Seller's Liability</u>	19
ARTICLE 10 COVENANTS		19
10.1	<u>Seller's Covenants</u>	19
10.1.1	<u>Contracts</u>	19
10.1.2	<u>Maintenance of Property</u>	19
10.1.3	<u>Notices</u>	20
10.2	<u>Mutual Covenants</u>	20
10.2.1	<u>Publicity</u>	20
10.2.2	<u>Broker</u>	20
10.2.3	<u>Seller's Legal Counsel</u>	21
10.2.4	<u>Tax Protests; Tax Refunds and Credits</u>	21
10.2.5	<u>Survival</u>	21
ARTICLE 11 DEFAULT		21
11.1	<u>Buyer's Default</u>	21
11.2	<u>Seller's Default</u>	21
ARTICLE 12 CONDEMNATION/CASUALTY		22
12.1	<u>Condemnation</u>	22
12.1.1	<u>Right to Terminate</u>	22
12.1.2	<u>Assignment of Proceeds</u>	22
12.2	<u>Destruction or Damage</u>	23
12.3	<u>Effect of Termination</u>	23
ARTICLE 13 ESCROW		23
ARTICLE 14 MISCELLANEOUS		25
14.1	<u>Assignment</u>	25

14.2	<u>Designation Agreement</u>	25
14.3	<u>Survival/Merger</u>	25
14.4	<u>Integration; Waiver</u>	26
14.5	<u>Governing Law</u>	26
14.6	<u>Captions Not Binding; Exhibits</u>	26
14.7	<u>Binding Effect</u>	26
14.8	<u>Severability</u>	26
14.9	<u>Notices</u>	26
14.10	<u>Counterparts; Facsimile Signatures</u>	28
14.11	<u>No Recordation</u>	28
14.12	<u>Additional Agreements; Further Assurances</u>	28
14.13	<u>Construction</u>	28
14.14	<u>Business Day</u>	28
14.15	<u>WAIVER OF JURY TRIAL</u>	28
14.16	<u>Attorneys' Fees</u>	29
14.17	<u>Maximum Aggregate Liability</u>	29
14.18	<u>Acknowledgement</u>	29
ARTICLE 15 WAIVERS.....		29
15.1	<u>Status as "Declarant"</u>	29
15.2	<u>Right to Sue</u>	29
15.3	<u>Warranties</u>	29

EXHIBITS

Exhibit A	Legal Description
Exhibit B	List of Contracts
Exhibit C	Form of Deed
Exhibit D	Form of Bill of Sale
Exhibit E	Form of Assignment of Leases
Exhibit F	Form of Assignment of Contracts
Exhibit G	Form of Assignment of Intangible Property
Exhibit H	Form of Notice to Tenants
Exhibit I	Form of FIRPTA Affidavit
Exhibit J	Form of Assignment of Declarant's Rights and Assumption of Obligations
Exhibit K	Permitted Exceptions
Exhibit L	Rent Roll

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is made to be effective as of July 15, 2011 (the "Effective Date"), by and between SIGNATURE US SUNBELT LLC, a Delaware limited liability company ("Seller"), and SOUTHWEST ONE PROPERTIES, LLC, an Arizona limited liability company, or its permitted assignee ("Buyer").

WITNESSETH:

In consideration of the mutual covenants and agreements set forth herein the parties hereto do hereby agree as follows:

ARTICLE 1

CERTAIN DEFINITIONS

As used herein, the following terms shall have the following meanings:

"Additional Deposit" shall have the meaning set forth in Section 3.1.

"Approval Order" shall have the meaning set forth in Section 8.5.

"Appurtenances" means all rights, privileges, easements, hereditaments, tenements and rights-of-way owned by Seller and appurtenant to, or used in connection with, the beneficial use and enjoyment of the Real Property, including, but not limited to, all right, title and interest, if any, of Seller in and to all water and mineral rights, open or proposed highways, streets, roads, avenues, alleys, easements, strips, gores or rights-of-way in, on, across, in front of, contiguous to, abutting, adjoining or otherwise benefiting the Real Property.

"Arizona Division" shall mean the Arizona Department of Real Estate.

"Assignment of Declarant's Rights and Assumption of Obligations" shall have the meaning set forth in Section 7.3.

"Assignment of Leases" shall have the meaning set forth in Section 7.3.

"Assignment of Intangible Property" shall have the meaning set forth Section 7.3.

"Association" shall mean Biltmore Palms Homeowners Association, Inc., an Arizona non-profit corporation, organized pursuant to the Condominium Declaration.

"Assumed Contracts" shall have the meaning set forth in Section 5.3.

"Bill of Sale" shall have the meaning set forth in Section 7.3.

"Business Day" shall have the meaning set forth in Section 14.14.

“Buyer’s Representatives” shall mean Buyer, its partners and members, and any officers, directors, employees, agents, representatives and attorneys of Buyer, its partners or members.

“Claims Survival Period” shall have the meaning set forth in Section 9.3.2.

“Closing” shall mean the closing of the Transaction.

“Closing Date” shall mean on or before thirty (30) days after the Effective Date, or such other date on which Seller and Buyer may mutually agree in writing for the closing of the Transaction.

“Condominium Declaration” means that certain Declaration of Condominium and Covenants, Conditions and Restrictions and Grant of Easements for Biltmore Palms Condominiums, a Condominium, and any exhibits annexed thereto, recorded on January 20, 2006 as Document No. 2006-0088703, and re-recorded on February 14, 2006 as Document No. 2006-0205273, as amended by that certain First Amendment to Declaration of Condominium and Covenants, Conditions and Restrictions and Grant of Easements, recorded on March 3, 2006 as Document No. 2006-0291730, that certain Second Amendment to Declaration of Condominium and Covenants, Conditions and Restrictions and Grant of Easements, recorded on April 7, 2006 as Document No. 2006-0468145, and that certain Third Amendment to Declaration of Condominium and Covenants, Conditions and Restrictions and Grant of Easements, recorded on April 21, 2006 as Document No. 2006-0534651, and as shown on the plat of said Condominium as recorded in Book 805 of Maps, Page 26, and Affidavit recorded as Document No. 2006-0128785, in the office of the County Recorder of Maricopa County, Arizona.

“Contracts” shall mean all service, supply, maintenance and utility agreements, all equipment leases, and all other contracts, subcontracts and agreements relating to the Project, as described in Exhibit B attached hereto and incorporated herein by this reference, and any additional contracts, subcontracts and agreements entered into in accordance with the terms of Section 10.1.1 hereof.

“Contracts Assignment” shall have the meaning set forth in Section 7.3.

“Deed” shall have the meaning set forth in Section 7.3.

“Deposit” shall have the meaning set forth in Section 3.1.

“Documents” shall mean the documents and instruments applicable to the Property or any portion thereof in the possession or control of Seller, including, but not limited to, the Title Commitment, the Title Documents, and the Property Documents.

“Due Diligence” shall mean Buyer’s evaluations and/or investigations with respect to the Property, the Documents, and other information and documents regarding the Property.

“Due Diligence Period” shall have the meaning set forth in Section 5.2.

“Effective Date” shall have the meaning set forth in the Preamble to this Agreement.

“Escrow Agent” shall mean Magnus Title Company, attention Vicki Etherton, 2525 East Camelback Road, Suite 136, Phoenix, Arizona 85016, (602) 748-2810, in its capacity as escrow agent.

“Escrow Deposits” shall have the meaning set forth in Article 13.

“Initial Deposit” shall have the meaning set forth in Section 3.1.

“Laws” shall mean all municipal, county, state or federal statutes, codes, ordinances, laws, rules or regulations, including, without limitation environmental laws, rules or regulations.

“Leases” shall mean all leases for tenants of the Real Property in existence on the Closing Date, including those tenants identified on Exhibit L attached hereto and incorporated herein by reference, such exhibit to be updated prior to Closing.

“Other Property Rights” shall mean, collectively, Seller’s interest in and to all of the following, if and to the extent the same are assignable by Seller without any expense or other liability to Seller: (a) to the extent elected to be assumed by Buyer, the Contracts, (b) to the extent that the same are in effect as of the Closing Date, any licenses, permits and other written authorizations necessary for the use, operation or ownership of the Real Property, (c) those guaranties and warranties in effect with respect to any right to any portion of the Property as of the Closing Date, and (d) the “Assigned Rights” and the “Assumed Obligations” as defined in the Assignment of Declarant’s Rights and Assumption of Obligations (as such document is defined in Section 7.3(c)), including, but not limited to, the right to use the Sales Office.

“Owner’s Title Policy” shall have the meaning set forth in Section 4.2.

“Permitted Exceptions” shall mean and include all of the following: (a) applicable zoning and building ordinances and land use regulations, (b) the title exceptions listed on Exhibit K attached hereto and made a part hereof, such exhibit to be updated as of the issuance of the Title Commitment and as of Closing Date based on the final Owner’s Title Policy to be issued, (c) the lien of taxes and assessments not yet due and payable, (d) any exceptions to title caused by Buyer, its agents, representatives or employees, (e) the rights of the tenants under the Leases, and (f) the Condominium Declaration.

“Personal Property” shall mean, all furniture, appliances, equipment and other tangible personal property owned by Seller (excluding any computer software or programs which either (i) are licensed to Seller, or (ii) Seller deems proprietary) located on the Real Property and used in (a) the ownership, operation and maintenance of the Property or (b) the marketing and sale of the individual condominium units that are part of the Real Property, including, but not limited to, any furnishings, equipment and appliances located in any model units owned by Seller as of the date hereof, all furnishings, equipment and appliances in the condominium units (excluding personal property of any tenants), all books, records and files of Seller relating to the Property, all furnishings, computers,

equipment and other materials located in the Sales Office, all Sales and Marketing Materials and all Plans and Specifications, such property to be set forth in an exhibit to the Bill of Sale conveying ownership to Buyer.

“Plans and Specifications” means all existing architectural and engineering plans, specifications and drawings, engineering reports, as-built drawings, floor plans and surveys, if any, located on the Real Property as of the Effective Date.

“Project” shall mean the residential condominium project constructed at 4343 North 21st Street, Phoenix, Arizona in Maricopa County, commonly known as Biltmore Palms, which in the aggregate includes 80 condominium units.

“Property” shall mean, collectively, (a) the Real Property, (b) the Appurtenances, (c) the Personal Property, (d) Seller’s interest as landlord in all Leases, and (e) the Other Property Rights.

“Property Documents” shall mean, collectively, (a) the Leases, (b) the Contracts, (c) any other documents or instruments which constitute or otherwise create any portion of the Property, and (d) all documents and items made available to Buyer by Seller prior to Closing, including the Condominium Declaration.

“Purchase Price” has the meaning as set forth in Article 3.

“Real Property” shall mean that certain property legally described in Exhibit A, attached hereto and incorporated herein by this reference, owned by Seller as of the Closing Date, which includes 9 of the 80 condominium units within the Project, along with parking spaces, parking garages and other interests in and to the common elements assigned to the 9 condominium units under the Condominium Declaration.

“Release” shall have the meaning set forth in Section 10.2.1.

“Reporting Person” shall have the meaning set forth in Section 14.2.

“Reporting Requirements” shall have the meaning set forth in Section 14.2.

“Rent” shall mean all amounts paid under Leases, including current month and prepaid rents, real estate taxes and assessments, and Association dues, and all other charges paid by tenants under their Leases.

“Sales and Marketing Materials” shall mean all documents and materials located in the Sales Office as of the Effective Date and used in the sales and marketing of the individual condominium units that are a part of the Real Property, including, but not limited to, any (a) sales and marketing plans, (b) form purchase and sales agreements and any exhibits thereto, (c) brochures, flyers, signs, banners and other marketing collateral, and (d) website domain name and underlying website computer files for the condominium website (if any).

“Sales Office” shall mean that certain portion of the clubhouse in the Project licensed to Declarant (as defined in the Condominium Declaration) as a sales, marketing and management office for the sale, marketing and renting of condominium units, as further described in the Condominium Declaration.

“Seller Parties” shall mean and include, collectively, (a) Seller; (b) its counsel; (c) any direct or indirect equity owner, officer, director, employee, or agent of Seller or its counsel; and (d) any other entity or individual affiliated or related in any way to any of the foregoing.

“Seller’s Legal Counsel” shall mean Kingsley Law Firm PLC.

“Seller’s Warranties” shall mean Seller’s representations and warranties set forth in Section 9.2 hereof or elsewhere herein or contained in any documents executed by Seller for the benefit of Buyer in connection with Closing.

“Survey” shall mean that certain survey of the Project dated July 29, 2009, prepared by D.N.A. Inc., Job No. 09-076.

“Tax Year” shall mean the real estate tax assessment year for Maricopa County, Arizona.

“Title Commitment” shall mean the commitment to issue to Buyer an owner’s policy of title insurance with respect to the Real Property.

“Title Company” shall mean Magnus Title Company, attention Vicki Etherton, 2525 East Camelback Road, Suite 136, Phoenix, Arizona 85016, (602) 748-2810, writing on behalf of First American Title Insurance Company.

“Title Cure Period” shall have the meaning set forth in Section 4.1.

“Title Documents” shall mean all recorded documents referred to on Schedule B of the Title Commitment as exceptions to coverage and any other recorded documents that have been made available to Buyer.

“Title Objections” shall have the meaning set forth in Section 4.1.

“Transaction” shall mean the purchase and sale transaction contemplated by this Agreement.

ARTICLE 2

SALE OF PROPERTY

Seller agrees to sell, transfer and assign, and Buyer agrees to purchase, accept and assume, subject to the Permitted Exceptions and the terms and conditions set forth in this Agreement and the Exhibits attached hereto, all of Seller’s right, title and interest in and to the Property.

form commitment for title insurance (the "Title Commitment"), setting forth the status of title to the Real Property and all exceptions which would appear in a standard owner's policy of title insurance, specifying the Buyer as the named insured and showing the Purchase Price as the policy amount and including copies of all instruments shown by the Title Commitment as exceptions.

- (b) No later than the expiration of the Due Diligence Period, Buyer shall deliver in writing its disapproval of the Survey, Title Commitment, Title Documents or portions thereof and/or such objections as Buyer may have to anything contained in the Survey, Title Commitment or Title Documents (collectively, the "Title Objections"). Buyer's failure to timely submit Title Objections to Seller shall constitute approval of all Permitted Exceptions and of the condition of title to the Real Property, subject to this Section 4.1. If Title Objections are delivered to Seller by Buyer, Seller shall have five (5) days thereafter (the "Title Cure Period") to give Buyer, with respect to each Title Objection, (i) evidence satisfactory to Buyer of the removal of the Title Objection or that the Title Objection will be removed or cured on or before the Closing; or (ii) notice that Seller elects not to remove or cure such Title Objection. If Seller elects not to remove or cure any Title Objection, following the Title Cure Period, Buyer shall have three (3) days from receipt of notice thereof to elect either of the following: (i) waive such Title Objection and proceed with the Closing, or (ii) terminate this Agreement by written notice to Seller whereupon the entire Deposit shall be refunded to Buyer immediately and neither Seller nor Buyer shall have any further obligations under this Agreement except for those obligations that expressly survive such termination. Buyer's failure to notify Seller of its termination of this Agreement in the timeframe as set forth above shall constitute a waiver of such Title Objection(s) and shall be deemed to constitute a Permitted Exception.

- 4.2 Title Policy. It shall be a condition precedent to Buyer's obligation to close the Transaction that, at Closing, the Title Company shall issue to Buyer an owner's title insurance policy with any endorsements as may be reasonably requested by Buyer (collectively, the "Owner's Title Policy"), in the amount of the Purchase Price, insuring as of the date and time of Closing that fee simple title to the Real Property is vested in Buyer, subject only to the Permitted Exceptions. Buyer shall be entitled to request that the Title Company provide endorsements or amendments to the Owner's Title Policy as Buyer may reasonably require, provided (a) such endorsements or amendments shall be at no cost to, and shall impose no additional liability on, Seller, (b) Buyer's obligations under this Agreement shall not be conditioned upon Buyer's ability to obtain such endorsements or amendments and, if Buyer is unable to obtain such endorsements or amendments, Buyer shall nevertheless be obligated to proceed to close the Transaction without reduction of or set off against the Purchase Price, and (c) the Closing shall not be delayed as a result of Buyer's request.

ARTICLE 3

PURCHASE PRICE

The purchase price (the "Purchase Price") to be paid by Buyer for the purchase of the Property is Nine Hundred Two Thousand Five Hundred and no/100ths Dollars (\$902,500.00). The Purchase Price shall be paid in the following manner:

- 3.1 Deposit Money. Within two (2) Business Days following the Effective Date, Buyer shall deposit with the Escrow Agent earnest money in the amount of Fifty Thousand and no/100ths Dollars (\$50,000.00) (the "Initial Deposit"). Unless this Agreement is earlier terminated, within two (2) Business Days following expiration of the Due Diligence Period, Buyer shall deposit with the Escrow Agent additional earnest money in the amount of Fifty Thousand and no/100ths Dollars (\$50,000.00) (the "Additional Deposit", and together with the Initial Deposit, the "Deposit"). The Deposit shall be held and delivered by Escrow Agent in accordance with the provisions of this Section 3.1, Section 3.2, Article 11, Article 12 and Article 13. Any interest earned on the Deposit shall be considered a part of the Deposit. The Deposit shall be non-refundable to Buyer, except as otherwise provided in Section 5.2, Article 8, Article 11 and Article 12, and shall be applied against the Purchase Price upon Closing.
- 3.2 Expense Payment. Within three (3) Business Days following the Effective Date, Buyer shall deposit with the Escrow Agent an amount equal to Two Thousand Five Hundred and no/100ths Dollars (\$2,500.00) (the "Expense Payment"). Buyer and Seller direct Escrow Agent to hold the Expense Payment in escrow for transfer to Seller's Legal Counsel to offset a portion of legal expenses incurred by Seller for the Transaction. Such Expense Payment shall be distributed by Escrow Agent to Seller's Legal Counsel by wire transfer upon the earlier of (a) Closing or (b) termination of this Agreement automatically or by either party for any reason, without requirement of notice or demand by Seller's Legal Counsel. Buyer and Seller hereby acknowledge and agree that the Expense Payment shall be non-refundable and shall be credited against the Purchase Price upon Closing.
- 3.3 Cash at Closing. On the Closing Date, Buyer shall pay to Seller an amount equal to the balance of the Purchase Price in immediately available funds by wire transfer as more particularly set forth in Section 7.2, subject to the prorations and adjustments set forth in Article 6 or as otherwise provided under this Agreement. TIME IS OF THE ESSENCE FOR CLOSING TO OCCUR ON THE CLOSING DATE.

ARTICLE 4

TITLE MATTERS

- 4.1 Title Review.
- (a) Within five (5) Business Days after the Effective Date, Seller shall deliver to Buyer the Survey and shall cause Title Company to deliver to Buyer an owner's

ARTICLE 5

BUYER'S DUE DILIGENCE

5.1 Buyer's Inspections.

- (a) Commencing on the Effective Date and continuing to the Closing Date or earlier termination of this Agreement, Seller will make available to Buyer for review such due diligence materials as Buyer reasonably deems necessary or appropriate, including, but not limited to, Leases, Sales and Marketing Materials, Plans and Specifications, licenses, permits, certificates of occupancy, and tax and utility bills, all to the extent that such items are located on the Real Property or held by Seller in a format transmittable electronically to Buyer. Seller shall provide reasonable access to the records of the Association, including without limitation maintenance records, to the extent such records are in Seller's possession or control. Seller shall provide copies of such materials, to the extent they are in a form transmittable by email, on or before three (3) days following the Effective Date.
- (b) In addition, commencing on the Effective Date and continuing to the Closing Date or earlier termination of this Agreement, Seller has and will continue to allow Buyer's Representatives access to the Property upon reasonable prior notice at reasonable times provided (i) such access does not interfere with the operation of the Property or the rights of tenants; (ii) Buyer shall coordinate with Seller and Seller's property manager prior to and during each visit to the Property by any of Buyer's Representatives and representatives of Seller shall accompany Buyer's Representatives during each such visit; and (iii) Buyer's Representatives shall not contact any tenant without Seller's prior written consent.
- (c) Buyer shall indemnify, defend, and hold Seller free and harmless from any loss, injury, damage, claim, lien, cost or expense, including attorney's fees and costs, arising out of Buyer's Due Diligence, which indemnification obligation shall survive Closing or termination of this Agreement. Buyer shall maintain the confidentiality of the Due Diligence, and, if this Agreement terminates without Closing occurring for any reason, shall return all originals of any Due Diligence in Buyer's possession or control and shall destroy all copies of any Due Diligence in Buyer's possession or control that was not in the public domain prior to Buyer obtaining such possession or control. Buyer and its agents shall not interfere with the activity of other condominium owners, tenants or any persons occupying or providing goods or services at the Real Property or Project.

- 5.2 Termination of Agreement Based on Inspections. From the Effective Date until 5:00 p.m. Pacific Time on the date that is fifteen (15) days following the Effective Date (the "Due Diligence Period"), Buyer may, in Buyer's sole discretion, cancel this Agreement at any time by giving written notice of such cancellation to Seller and Escrow Agent, in which event Escrow Agent will promptly return the Deposit to Buyer and this Agreement will be terminated and of no further force and effect. In the event that Buyer does not deliver

such notice of termination prior to the expiration of the Due Diligence Period, all matters will be deemed approved, and the Deposit will become non-refundable to Buyer.

- 5.3 Assumed Contracts. On or before the expiration of the Due Diligence Period, Buyer shall notify Seller in writing as to which of the Contracts (which are by their terms assignable), if any, Buyer elects to assume at Closing (such Contracts referred to herein as the "Assumed Contracts"). If the Buyer fails to notify the Seller of which Contracts Buyer elects to assume at Closing, then any Contracts relating to the Property shall be deemed not assumed by the Buyer.
- 5.4 Intrusive Testing. BUYER SHALL NOT CONDUCT OR ALLOW ANY PHYSICALLY INTRUSIVE TESTING OF, ON OR UNDER THE REAL PROPERTY.
- 5.5 Property Sold "As Is".
- (a) Buyer acknowledges and agrees that (i) the Property is being sold, and Buyer shall accept possession of the Property on the Closing Date, "AS IS, WHERE IS, WITH ALL FAULTS", with no right of setoff or reduction in the Purchase Price; (ii) except for Seller's Warranties, none of the Seller Parties have or shall be deemed to have made any verbal or written representations, warranties, promises or guarantees (whether express, implied, statutory or otherwise) to Buyer with respect to the Property, any matter set forth, contained or addressed in the Documents (including, but not limited to, the accuracy and completeness thereof) or the results of Buyer's Due Diligence; and (iii) Buyer has confirmed independently all information that it considers material to its purchase of the Property or the Transaction. Buyer specifically acknowledges that, except for Seller's Warranties, Buyer is not relying on (and Seller and each of the other Seller Parties does hereby disclaim and renounce) any representations or warranties of any kind or nature whatsoever, whether oral or written, express, implied, statutory or otherwise, from Seller or any other Seller Parties, as to any matter whatsoever. Buyer further acknowledges and agrees that, except for Seller's Warranties, Seller is under no duty to make any affirmative disclosures or inquiry regarding any matter which may or may not be known to Seller or any of the other Seller Parties, and Buyer, for itself and for its successors and assigns, hereby expressly waives and releases Seller and each of the other Seller Parties from any such duty that otherwise might exist.
- (b) Any reports, repairs or work required by Buyer are the sole responsibility of Buyer, and Buyer agrees that there is no obligation on the part of Seller to make any changes, alterations or repairs to the Property or to cure any violations of Law or to comply with the requirements of any insurer.
- (c) Except as expressly provided herein below in this subsection (c) or as otherwise provided by Law, Buyer hereby releases Seller and each of the other Seller Parties from, and waives all claims and liability against Seller and each of the other Seller Parties for or attributable to, the following:

- (i) any and all statements or opinions heretofore or hereafter made, or information furnished, by the Seller Parties to Buyer or any of Buyer's Representatives; and
- (ii) any and all losses, costs, claims, liabilities, expenses, demands or obligations of any kind or nature whatsoever attributable to the Property, whether arising or accruing before, on or after the Closing Date and whether attributable to events or circumstances which have heretofore or may hereafter occur, including, without limitation, all losses, costs, claims, liabilities, expenses, demands and obligations with respect to the structural, physical, or environmental condition of the Property;

provided, however, that the release and waiver set forth in this Section 5.5(c) is not intended and shall not be construed to affect or impair Seller's Warranties or other obligations expressly set forth in this Agreement or in the documents to be delivered by Seller in connection with the Transaction.

- (d) Buyer acknowledges and agrees that the provisions of this Article 5 were a material factor in Seller's acceptance of the Purchase Price and that while Seller has provided the Documents and cooperated with Buyer, Seller is unwilling to sell the Property unless Seller and the other Seller Parties are expressly released as set forth in Section 5.5(c).

5.6 Survival. Notwithstanding anything to the contrary herein, the provisions of this Article 5 shall survive the Closing and shall not be merged therein.

ARTICLE 6

ADJUSTMENTS AND PRORATIONS

The following adjustments and prorations shall be made for the Property as of 12:01 a.m. on the Closing Date:

- 6.1 Lease Rentals. Seller shall be entitled to all Rents attributable to any period through the day immediately preceding the Closing Date. Buyer shall be entitled to all Rents attributable to any period on and after the Closing Date. Prorations for Rents shall be calculated and paid at Closing; provided that there shall be no credit to Buyer for Rents delinquent as of the calculation date. After Closing, Buyer shall make a good faith, reasonable effort to collect any Rents due but not collected as of the Closing Date on Seller's behalf and, if Buyer so collects such Rents, Buyer shall tender the same to Seller upon receipt (which obligation of Buyer shall survive the Closing and not be merged therein).
- 6.2 Real Estate and Personal Property Taxes and Other Fees and Assessments. Real estate and personal property taxes assessed for the Tax Year in which Closing occurs shall be prorated based upon the actual number of days in such Tax Year, with Seller being

responsible for that portion of such Tax Year occurring prior to 12:01 a.m. on the Closing Date and Buyer being responsible for that portion of such Tax Year occurring on and after 12:01 a.m. on the Closing Date. If, at Closing, the real estate and/or personal property tax rate and assessments have not been set for the Tax Year in which the Closing occurs, then the proration of such taxes shall be based upon the most current information available. Assessments owed to the Association shall be prorated based upon the actual number of days in the month of the Closing with Seller being responsible for that portion of such month occurring prior to 12:01 a.m. on the Closing Date and Buyer being responsible for that portion of such month occurring on and after 12:01 a.m. on the Closing Date.

6.3 Property Operating Expenses.

- (a) All utility charges and other operating expenses for the Property shall be prorated as of 12:01 a.m. on the Closing Date. Seller shall pay all such charges and expenses attributable to the Property before the Closing Date (except for those charges and expenses payable directly by tenants to the providers thereof), and Buyer shall pay all such charges and expenses attributable to the Property on and after the Closing Date.
- (b) Seller shall not assign to Buyer any deposits, which Seller has with any of the utility services or companies servicing the Property, all of which, together with any amounts on deposit with governmental authorities in connection with development of or improvements to the Property, shall remain the property of Seller. Buyer shall arrange with such services and companies to have accounts opened in Buyer's name beginning at 12:01 a.m. on the Closing Date.

6.4 Tenant Deposits, Fees and Charges. Tenant deposits, and prorations for all fees and charges shall be calculated and paid at Closing. Seller shall give Buyer a credit against the Purchase Price in the aggregate amount of all cash security deposits then held by Seller under the Leases. Except as otherwise expressly provided in this Agreement, all prorations provided for herein shall be final.

6.5 Assessments. Assessments and Association dues owed by Seller to the Association on the Property shall be prorated based upon the actual number of days in the month of the Closing, with Seller being responsible for that portion of such month occurring prior to 12:01 a.m. on the Closing Date and Buyer being responsible for that portion of such month occurring on and after 12:01 a.m. on the Closing Date.

6.6 Other Association Fees. Any payment to the Initial Working Capital Fund, Reserve Contribution, Transfer Fee (each as set forth in the Condominium Declaration) or other fee assessed by the Association under the Condominium Declaration arising from the Transaction shall be owed by Buyer to the Association and shall be paid by Buyer in addition to the Purchase Price at Closing to the Escrow Agent for distribution to the Association by Escrow Agent.

6.7 Closing Costs.

- (a) Except as expressly provided to the contrary in this Section 6.7, Buyer shall pay all costs and expenses associated with the Transaction, including, without limitation, (i) all premiums and charges of the Title Company for any endorsements (including any extended coverage endorsement) requested by Buyer to the Owner's Title Policy, (ii) half of all escrow or closing charges, (iii) all costs of Buyer's Due Diligence, including fees due its consultants and attorneys, and (iv) all recording and filing charges in connection with the Deed.
- (b) Seller shall pay (i) all fees due its attorneys in connection with the sale of the Property (except as offset by the Expense Payment), (ii) the premium for the Owner's Title Policy (without extended coverage), (iii) half of all escrow or closing charges, and (iv) the brokerage commissions set forth in Section 10.2.2 hereof.

ARTICLE 7

CLOSING

Buyer and Seller hereby agree that the Transaction shall be consummated as follows:

- 7.1 Closing Date. Closing shall occur on the Closing Date through escrow. Time is of the essence with respect to the Closing Date.
- 7.2 Title Transfer and Payment of Purchase Price. Provided all conditions precedent to Seller's obligations hereunder have been satisfied, Seller agrees to convey the Property to Buyer against payment of the Purchase Price as set forth below. Provided all conditions precedent to Buyer's obligations hereunder have been satisfied, Buyer agrees to pay the amount specified in Section 3.3, and any additional amounts owed hereunder, by wire transfer of immediately available funds to the Escrow Agent no later than 10:00 a.m. Pacific Time on the Closing Date.
- 7.3 Seller's Closing Deliveries. At Closing, Seller shall deliver or cause to be delivered the following:
 - (a) Deed. A deed for the Real Property in the form of Exhibit C attached hereto and incorporated herein by this reference (the "Deed") executed and acknowledged by Seller.
 - (b) Bill of Sale. A bill of sale for the Personal Property in the form of Exhibit D attached hereto and incorporated herein by this reference (the "Bill of Sale") executed by Seller.
 - (c) Assignment of Declarant's Rights and Assumption of Obligations. An assignment of declarant's rights and assumption of obligations in the form of Exhibit J

The items to be delivered by Seller in accordance with the terms of Section 7.3(a) through (k) shall be delivered to Escrow Agent no later than 10:00 a.m. Pacific Time on the Closing Date, and the items to be delivered by Seller in accordance with the terms of Section 7.3(l) and Section 7.3(m) shall be delivered outside of escrow and shall be deemed delivered if the same are located at the Property on the Closing Date.

7.4 Buyer's Closing Deliveries. At the Closing, Buyer shall deliver or cause to be delivered the following:

- (a) Purchase Price. The balance of the Purchase Price, as adjusted for apportionments and other adjustments required under this Agreement, plus any other amounts required to be paid by Buyer at Closing hereunder.
- (b) Assignment of Declarant's Rights and Assumption of Obligations. The Assignment of Declarant's Rights and Assumption of Obligations executed and acknowledged by Buyer.
- (c) Assignment of Leases. The Assignment of Leases executed by Buyer.
- (d) Assignment of Intangible Property. The Assignment of Intangible Property executed by Buyer.
- (e) Assignment and Assumption of Contracts. If there are any Assumed Contracts, the Contracts Assignment executed by Buyer.
- (f) Evidence of Authority. Documentation to establish to Seller's reasonable satisfaction the due authorization of Buyer's acquisition of the Property, and Buyer's execution of all documents contemplated by this Agreement.
- (g) Other Documents. A closing statement executed by Buyer and such other documents as may be reasonably required by the Title Company in order to issue the Owner's Title Policy or may be agreed upon by Seller and Buyer to consummate the Transaction.
- (h) Affidavit of Value. Duly completed and signed Affidavit of Value.

The Purchase Price shall be paid in accordance with the terms of Section 7.2 hereof, and the items to be delivered by Buyer in accordance with the terms of Sections 7.4(b) through (h) shall be delivered to Escrow Agent no later than 10:00 a.m. Pacific Time on the Closing Date.

attached hereto and incorporated herein by this reference (the "Assignment of Declarant's Rights and Assumption of Obligations") executed and acknowledged by Seller.

- (d) Assignment of Tenant Leases. An assignment and assumption of tenant leases for the Real Property, in the form of Exhibit E attached hereto and incorporated herein by this reference (collectively, the "Assignment of Leases") executed by Seller.
- (e) Assignment and Assumption of Contracts. If there are any Assumed Contracts, an Assignment and Assumption of Contracts in the form of Exhibit F attached hereto and incorporated herein by this reference (the "Contracts Assignment") executed by Seller.
- (f) Assignment of Intangible Property. An assignment and assumption of the Other Property Rights (to the extent the same are not transferred by the Deed, Contracts Assignment, Bill of Sale or Assignment of Leases) in the form of Exhibit G attached hereto and incorporated herein by this reference (collectively, the "Assignment of Intangible Property") executed by Seller.
- (g) Notice to Tenants. A single form letter for the Property in the form of Exhibit H attached hereto and incorporated herein by this reference, executed by Seller, duplicate copies of which shall be sent by Buyer after Closing to each tenant under the Leases.
- (h) Non-Foreign Status Affidavit. A non-foreign status affidavit for the Real Property in the form of Exhibit I attached hereto and incorporated herein by this reference, as required by Section 1445 of the Internal Revenue Code, executed by Seller.
- (i) Evidence of Authority. If required by the Title Company, documentation to establish the due authorization of Seller's execution of this Agreement and all documents contemplated by this Agreement, together with any other documentation required to establish, to the reasonable satisfaction of the Title Company, Seller's organization, existence and good standing.
- (j) Other Documents. A closing statement executed by Seller and such other documents as may be reasonably required by the Title Company to satisfy the Section B Requirements set forth in the Title Commitment or as may be agreed upon by Seller and Buyer to consummate the Transaction.
- (k) Affidavit of Value. Duly completed and signed Affidavit of Value.
- (l) Possession. Possession and occupancy of the Property, subject to existing tenants' rights under the Leases.
- (m) Keys and Original Documents. Keys to all locks on the Real Property and to the Sales Office, originals or, if originals are not available, copies, of all Documents, to the extent not previously delivered to Buyer.

agency of competent jurisdiction which would prevent Seller from closing the Transaction and making Seller's closing deliveries set forth herein.

- 8.3 Waiver of Failure of Conditions Precedent. At any time or times on or before the date specified for the satisfaction of any condition, Seller or Buyer may elect in writing to waive the benefit of any such condition set forth in Section 8.1 or Section 8.2, respectively. By closing the Transaction, Buyer shall be conclusively deemed to have waived the benefit of any remaining unfulfilled conditions set forth in Section 8.2 hereof. Provided no default shall have occurred hereunder (in which event the terms of Article 11 shall govern and control), in the event any of the conditions set forth in Section 8.1 or 8.2 are neither waived nor fulfilled or there is a material change in the representations and warranties made by Seller in this Agreement, Seller or Buyer (as appropriate) may either (a) elect to close in accordance with this Agreement notwithstanding the existence of the such unfulfilled condition(s), in which event the electing party shall irrevocably be deemed to have waived the applicable unfulfilled condition(s), or (b) elect to terminate this Agreement, in which event the entire Deposit shall be returned to Buyer, and the parties shall have no further rights or obligations hereunder other than those which expressly survive termination of this Agreement.
- 8.4 Approvals Not a Condition to Buyer's Performance. Buyer acknowledges and agrees that its obligation to perform under this Agreement is not contingent upon Buyer's ability to obtain any (a) governmental or quasi-governmental approval of changes or modifications in use or zoning, or (b) modification of any existing land use restriction, or (c) consents to assignments of any service contracts or other agreements which Buyer requests, (d) endorsements to the Owner's Title Policy, or (e) approval from the Arizona Division for the sale of condominium units or with respect to any filing or submission (including, but not limited to, any successor declarant filing) as may be required or sought by Buyer or Buyer's Representatives under the Arizona Condominium Act or other applicable Arizona Law.
- 8.5 Approval Order a Condition to Seller's Performance. Seller and Buyer acknowledge and agree that Seller's obligation to perform under this Agreement is contingent upon Seller receiving an order by the Court of Queen's Bench of Alberta approving the Transaction; and such order being not stayed or varied or under appeal at the time of Closing (the "Approval Order"), and that failure to receive such approval shall not be a default by Seller hereunder. Seller agrees to diligently apply (through Seller Parties) for such Approval Order after the Effective Date and Buyer agrees to diligently provide in a timely matter whatever assistance, information or other documentation as is reasonably requested by the court for such Approval Order. Absent an agreement in writing between Seller and Buyer to the contrary, if the Approval Order has not been received as of the Closing Date, this Agreement shall automatically terminate, in which event the entire Deposit shall be returned to Buyer, and the parties shall have no further rights or obligations hereunder other than those which expressly survive termination of this Agreement

ARTICLE 8

CONDITIONS TO CLOSING

- 8.1 Conditions to Seller's Obligations. Seller's obligation to close the Transaction on or before the Closing Date is conditioned on all of the following, any or all of which may be waived by Seller by an express written waiver, at its sole option:
- (a) Representations True. All representations and warranties made by Buyer in this Agreement shall be true and correct in all material respects on and as of the Closing Date, as if made on and as of such date except to the extent that they expressly relate to an earlier date;
 - (b) Buyer's Financial Condition. No petition shall have been filed by or against Buyer under the Federal Bankruptcy Code or any similar state or federal Law, whether now or hereafter existing;
 - (c) Buyer's Deliveries Complete. Buyer shall have delivered the funds required hereunder and all of the documents to be executed by Buyer set forth in Section 7.4 and shall have performed all other covenants, undertakings and obligations, and complied with all conditions required by this Agreement, to be performed or complied with by Buyer at or prior to the Closing.
 - (d) Approval Order. Seller shall have received the Approval Order as further set forth in Section 8.5 below.
- 8.2 Conditions to Buyer's Obligations. Buyer's obligation to close the Transaction on or before the Closing Date is conditioned on all of the following, any or all of which may be expressly waived by Buyer in writing, at its sole option:
- (a) Representations True. Subject to the provisions of Section 9.3, all representations and warranties made by Seller in this Agreement, as the same may be amended to reflect any changes in matters after the Effective Date and as provided in Section 9.3, shall be true and correct in all material respects on and as of the Closing Date, as if made on and as of such date except to the extent that they expressly relate to an earlier date;
 - (b) Title Conditions Satisfied. At the time of the Closing, title to the Property shall be as required by Article 4 of this Agreement;
 - (c) Seller's Deliveries Complete. Seller shall have delivered all of the documents to be executed by Seller and other items required pursuant to Section 7.3 and shall have performed all other covenants, undertakings and obligations, and complied with all conditions required by this Agreement, to be performed or complied with by Seller at or prior to the Closing; and
 - (d) No Prohibition. Seller is not subject to any regulatory restriction or other governmental requirement or order or injunction of any court or administrative

ARTICLE 9

REPRESENTATIONS AND WARRANTIES

- 9.1 Buyer's Representations. Buyer represents and warrants to and covenants with Seller that each of the following representations are true as of the date of this Agreement and will be true on and as of the Closing Date:
- 9.1.1 Buyer's Authorization. Buyer (a) if a company, is duly organized, validly existing and in good standing under the laws of its state of organization and, to the extent required by Law, the state in which the Property is located, (b) if an individual, is a natural person residing in the State of Arizona and a United States citizen, (c) is authorized to consummate the Transaction and fulfill all of its obligations hereunder and under all documents contemplated hereunder to be executed by Buyer, and (d) has all necessary power to execute and deliver this Agreement and all documents contemplated hereunder to be executed by Buyer, and to perform all of its obligations hereunder and thereunder. This Agreement and all documents contemplated hereunder to be executed by Buyer have been duly authorized by all requisite partnership, corporate or other required action on the part of Buyer and are the valid and legally binding obligation of Buyer, enforceable in accordance with their respective terms. Neither the execution and delivery of this Agreement and all documents contemplated hereunder to be executed by Buyer, nor the performance of the obligations of Buyer hereunder or thereunder, will result in the violation of any Law or any provision of the organizational documents of Buyer or will conflict with any order or decree of any court or governmental instrumentality of any nature by which Buyer is bound.
- 9.1.2 Buyer's Financial Condition. Buyer has adequate financial resources to consummate the transactions contemplated hereby, including the payment of the Purchase Price. No petition has been filed by or against Buyer under the Federal Bankruptcy Code or any similar state or federal Law.
- 9.1.3 Executive Order 13224. Neither Buyer, nor any assignee of Buyer, nor any person or entity holding any legal or beneficial interest whatsoever in Buyer, or in any assignee of Buyer, is included in, owned by, controlled by, acting for or on behalf of, providing assistance, support, sponsorship, or services of any kind to, or otherwise associated with any of the persons or entities referred to or described in Executive Order 13224 – Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, as amended.

9.2 Seller's Representations. Seller represents and warrants to and covenants with Buyer that each of the following representations are true as of the date of this Agreement and will be true on and as of the Closing Date:

9.2.1 Seller's Authorization. Seller (a) is duly organized, validly existing and in good standing under the laws of its state of organization and is qualified to do business in the state in which the Property is located, (b) is authorized to consummate the Transaction and fulfill all of its obligations hereunder and under all documents contemplated hereunder to be executed by Seller, and (c) has all necessary power to execute and deliver this Agreement and all documents contemplated hereunder to be executed by Seller, and to perform all of its obligations hereunder and thereunder. This Agreement and all documents contemplated hereunder to be executed by Seller have been duly authorized by all requisite partnership, corporate or other required action on the part of Seller and are the valid and legally binding obligation of Seller, enforceable in accordance with their respective terms. Neither the execution and delivery of this Agreement and all documents contemplated hereunder to be executed by Seller, nor the performance of the obligations of Seller hereunder or thereunder, will result in the violation of any Law or any provision of the organizational documents of Seller or will conflict with any order or decree of any court or governmental instrumentality of any nature by which Seller is bound.

9.2.2 Litigation. To Seller's knowledge, there is no current or pending litigation against Seller which would, if determined adversely to Seller, materially and adversely affect Buyer or the Property following Closing.

9.2.3 Contracts. As of the date of this Agreement, to Seller's knowledge, there are no material contracts or agreements for services to or for the Project which will be binding upon Buyer after the Closing other than the Assumed Contracts.

9.2.4 Violations. As of the date of this Agreement, to Seller's knowledge, Seller has not received any notice of violation of any Law or change in zoning applicable to the Property.

9.2.5 Pending Condemnation. To Seller's knowledge, Seller has not been served with legal process in connection with any pending condemnation or eminent domain proceeding affecting the Property.

9.2.6 Condition of the Property. To Seller's knowledge, units being sold as part of the Real Property are in habitable and "rent-ready" condition, with the electrical, plumbing, HVAC systems in good working condition.

9.3 General Provisions.

9.3.1 Seller's Representations Deemed Modified. To the extent that Buyer has actual knowledge on the date of this Agreement that Seller's representations and warranties are inaccurate, untrue or incorrect in any way, such representations and warranties shall be deemed modified to reflect Buyer's actual knowledge.

- 9.3.2 Survival; Limitation on Seller's Liability. The representations and warranties made by Seller in Section 9.2 shall survive the Closing and not be merged therein for a period of thirty (30) days (the "Claims Survival Period"), and Seller shall only be liable to Buyer hereunder for a breach of a representation and warranty made herein or in any of the documents executed by Seller at the Closing with respect to which a claim is made by Buyer against Seller on or before the expiration of the Claims Survival Period. Anything in this Agreement to the contrary notwithstanding, the maximum aggregate liability of Seller for Seller's breaches of representations and warranties herein or in any documents executed by Seller at Closing shall be limited as set forth in Section 14.17 hereof. Notwithstanding the foregoing, however, if the Closing occurs, Buyer hereby expressly waives, relinquishes and releases any right or remedy available to it at law, in equity, under this Agreement or otherwise to make a claim against Seller for damages that Buyer may incur, or to rescind this Agreement and the Transaction, as the result of any of Seller's representations or warranties being untrue, inaccurate or incorrect if Buyer knew that such representation or warranty was untrue, inaccurate or incorrect at the time of the Closing.

ARTICLE 10

COVENANTS

- 10.1 Seller's Covenants. Seller hereby covenants as follows:
- 10.1.1 Contracts. Without Buyer's prior consent, which consent shall not be unreasonably withheld, between the date hereof and the Closing Date, Seller shall not (a) extend, renew, replace or modify any Contract unless such Contract (as so extended, renewed, replaced or modified) can be terminated by Seller without penalty on not more than thirty (30) days' advance notice or (b) enter into any new contract binding on the Property or the Project.
- 10.1.2 Maintenance of Property.
- (a) Except to the extent Seller is relieved of such obligations by Article 12 hereof, between the date hereof and the Closing Date, Seller shall maintain and keep the Property in a manner consistent with Seller's past practices with respect to the Property; provided, however, that Buyer hereby agrees that it shall accept the Property subject to, and Seller shall have no obligation to cure, (i) any violations of Laws, and (ii) any physical conditions which would give rise to such violations, which exist on the date of this Agreement.
- (b) During the period from the Effective Date until the Closing, Seller will continue to manage and lease the Property in accordance with all existing management and leasing practices, including its qualification criteria and

offering such move-in and renewal concessions as Seller deems prudent in its reasonable business judgment.

- (c) The units that are part of the Real Property shall be delivered to Buyer at Closing in habitable and "rent-ready" condition.

- 10.1.3 Notices. Promptly after receipt, Seller shall provide Buyer with copies of any written notices that Seller receives with respect to (a) any special assessments or proposed increases in the valuation of the Property; (b) any condemnation or eminent domain proceedings affecting the Property; (c) any violation of any environmental Law or any zoning, health, fire, safety or other Law applicable to the Property, or (d) any litigation or governmental proceeding to which Seller becomes a party which affects the Property. In addition, Seller shall deliver or cause to be delivered to Buyer, promptly upon receipt thereof by Seller, copies of any written notices of default given or received by Seller under any of the Leases, Assumed Contracts or Permitted Exceptions.

10.2 Mutual Covenants.

- 10.2.1 Publicity. Seller and Buyer each hereby covenant that: (a) prior to the Closing neither Seller, Seller Parties nor Buyer or Buyer's Representatives shall issue any Release (as hereinafter defined) with respect to the Transaction without the prior consent of the other, except to the extent required by applicable Law, and (b) after the Closing, any Release issued by either Seller or Buyer that provides more information than would be available in the public records as a result of the Closing shall be subject to the review and approval of both parties, which approval shall not be unreasonably withheld. As used herein, the term "Release" shall mean any press release or public statement with respect to the Transaction or this Agreement, but shall exclude any report, statement or filing required by applicable Law. To the extent either Seller or Buyer is required by applicable Law to issue a Release, such party shall, at least two (2) Business Days prior to the issuance of the same, deliver a copy of the proposed Release to the other party for its review. Notwithstanding the foregoing, Seller Parties are expressly permitted to disclose and file this Agreement, ancillary documentation and other information related to the Transaction with the Court of Queen's Bench of Alberta for the purpose of obtaining the Approval Order. Seller and Buyer acknowledge that such filings will be made a part of the public record.
- 10.2.2 Broker. Seller and Buyer expressly acknowledge that Keith Mishkin of Cambridge Properties has acted as Seller's broker with respect to the Transaction and this Agreement ("Seller's Broker"), and Joseph Dietz of US Investment Realty has acted as Buyer's broker with respect to the Transaction and with respect to this Agreement ("Buyer's Broker"). Seller agrees to pay, and shall cause Escrow Agent to deliver at Closing out of proceeds of the Transaction, the following: (a) to Seller's Broker a commission in an amount set forth pursuant to a separate agreement, and (b) to Buyer's Broker a commission

in an amount equal to three percent (3%) of the Purchase Price. Buyer agrees to hold Seller harmless and indemnify Seller from and against any and all damages, losses, costs, claims, liabilities, expenses, demands and obligations (including, but not limited to, reasonable attorneys' fees and disbursements) suffered or incurred by Seller as a result of any claims by any party, other than Buyer's Broker, claiming to have represented Buyer as broker in connection with the Transaction. Seller agrees to hold Buyer harmless and indemnify Buyer from and against any and all damages, losses, costs, claims, liabilities, expenses, demands and obligations (including, but not limited to, reasonable attorneys' fees and disbursements) suffered or incurred by Buyer as a result of any claims by any party claiming to have represented Seller as broker in connection with the Transaction.

- 10.2.3 Seller's Legal Counsel. Seller agrees to pay, and shall cause Escrow Agent to deliver at Closing out of proceeds of the Transaction, to Seller's Legal Counsel legal fees in an amount agreed upon between Seller and Seller's Legal Counsel by separate agreement (such fees to be offset by the Expense Payment delivered to Seller's Legal Counsel hereunder).
- 10.2.4 Tax Protests; Tax Refunds and Credits. Buyer shall have the right to control the progress of and to make all decisions with respect to any tax contest of the real estate taxes and personal property taxes for the Property. All tax reductions or refunds applicable to the period prior to Closing shall belong to Seller. All tax refunds applicable to the period from and after Closing shall belong to Buyer.
- 10.2.5 Survival. The provisions of this Article 10 shall survive the Closing (and not be merged therein) or earlier termination of this Agreement.

ARTICLE 11

DEFAULT

- 11.1 Buyer's Default. If, on or before the Closing Date, (i) Buyer is in default of any of its obligations hereunder, or (ii) the Closing otherwise fails to occur by reason of Buyer's failure or refusal to perform its obligations hereunder in a prompt and timely manner, then Seller may elect, as its sole and exclusive remedy, to (a) waive the condition(s) and proceed to close the Transaction, or (b) terminate this Agreement in its entirety by written notice to Buyer and to retain the entire Deposit as liquidated damages, and thereafter neither party to this Agreement shall have any further rights or obligations hereunder other than any arising under any section herein that expressly provides that it survives the termination of this Agreement. Buyer and Seller agree that it would be difficult or impossible to ascertain the actual damages suffered by Seller as a result of any default by Buyer and agree that the Deposit constitutes a reasonable estimate of such damages.
- 11.2 Seller's Default. If, at the Closing, (i) Seller is in default of any of its obligations hereunder, or (ii) the Closing otherwise fails to occur by reason of Seller's failure or

refusal to perform its obligations hereunder in a prompt and timely manner, then Buyer may elect, as its sole and exclusive remedy, to (a) terminate this Agreement in its entirety by written notice to Seller, promptly after which the entire Deposit shall be returned to Buyer or (b) waive the condition and proceed to close the Transaction; provided, that if Buyer elects to terminate this Agreement pursuant to this section, Seller shall reimburse Buyer for its actual out-of-pocket expenses incurred in this Transaction, not to exceed \$5,000.

ARTICLE 12

CONDEMNATION/CASUALTY

12.1 Condemnation.

12.1.1 Right to Terminate. If, prior to the Closing Date, all or any significant portion (as hereinafter defined) of the Property is taken by condemnation or eminent domain (or is the subject of a pending taking in which Seller has been served with legal process, but which has not yet been consummated), Seller shall notify Buyer in writing of such fact promptly after obtaining knowledge thereof, and, thereafter either Buyer or Seller shall have the right to terminate this Agreement in its entirety by giving written notice to the other party no later than ten (10) days after the giving of Seller's notice, and the Closing Date shall be extended, if necessary, to provide sufficient time for Buyer or Seller to make such election. The failure by Buyer or Seller to so elect in writing to terminate this Agreement within such ten (10)-day period shall be deemed an election not to terminate this Agreement. For purposes hereof, a "significant portion" of the Property shall mean any interest in the Property except a de minimis interest, the taking of which has no material effect on the use or operation of the Property.

12.1.2 Assignment of Proceeds. If Buyer or Seller elects not to terminate this Agreement as permitted in Section 12.1.1, there shall be no abatement of the Purchase Price and this Agreement shall remain in full force and effect; provided, however, that, at the Closing, Seller shall pay or credit to Buyer the amount of any award for or other proceeds on account of such taking (less all reasonable out-of-pocket costs and expenses, including attorney's fees and costs incurred by Seller as of the Closing Date in obtaining payment of such award or proceeds) which have been actually paid to Seller prior to the Closing Date as a result of such taking and, to the extent such award or proceeds have not been paid, Seller shall assign to Buyer at the Closing (without recourse to Seller) the rights of Seller to, and Buyer shall be entitled to receive and retain, all awards and proceeds for the taking of the Property or such portion thereof; provided, however, that Buyer shall credit to Seller at Closing reasonable out-of-pocket costs and expenses, including attorney's fees and costs, incurred by Seller as of the Closing Date in pursuit of payment of such awards or proceeds and shall be responsible for continuing the pursuit of such claims at its expense following Closing.

- 12.2 Destruction or Damage. In the event any of the Property is damaged or destroyed prior to the Closing Date, (i) Seller shall notify Buyer in writing of such fact promptly after obtaining knowledge thereof, (ii) this Agreement shall remain in full force and effect, (iii) Buyer shall acquire the Property upon the terms and conditions set forth herein, and (iv) Seller shall assign to Buyer all of Seller's right, title and interest in and to all proceeds of insurance on account of such damage or destruction; provided, however, in the event the unit owners within the Project and their respective mortgagees resolve not to repair or restore the damage or destroyed property as more specifically set forth in the Condominium Declaration, then, notwithstanding anything to the contrary set forth above in this section, Buyer shall have the right, at its option, to terminate this Agreement in its entirety by written notice to Seller prior to the Closing Date. In the event Buyer elects not to terminate this Agreement as set forth above, this Agreement shall remain in full force and effect, and Seller shall assign to Buyer all of Seller's right, title and interest in and to any and all proceeds of insurance on account of such damage or destruction, if any (less all reasonable out-of-pocket costs and expenses, including attorney's fees and costs incurred by Seller as of the Closing Date in pursuing the payment of such award or proceeds).
- 12.3 Effect of Termination. If this Agreement is terminated pursuant to Section 12.1 or Section 12.2, the entire Deposit shall be returned to Buyer and this Agreement shall terminate in its entirety and neither party to this Agreement shall have any further rights or obligations hereunder except as provided in any section herein which expressly provides that it shall survive the termination of this Agreement.

ARTICLE 13

ESCROW

The Deposit and any other sums which the parties agree shall be held in escrow (herein collectively called the "Escrow Deposits"), together with all interest earned thereon, shall be held by the Escrow Agent, in trust, and disposed of only in accordance with the following provisions:

- (a) The Escrow Agent shall invest the Escrow Deposits in government insured interest-bearing instruments satisfactory to both Buyer and Seller, shall not commingle the Escrow Deposits with any funds of the Escrow Agent or others, and shall promptly provide Buyer and Seller with confirmation of the investments made.
- (b) If the Closing occurs, the Escrow Agent shall (i) deliver the Escrow Deposits to Seller or other designated parties on the Closing Date as set forth in the closing statement approved by both Buyer and Seller, (ii) cause the Deed, and any other documents required to be recorded, to be recorded in the Maricopa County Recorder's Office on the Closing Date, and (iii) distribute any other documents to designated parties as provided in this Agreement, all as more fully described in escrow instructions to be delivered by the parties to the Escrow Agent prior to Closing.

- (c) If for any reason the Closing does not occur, the Escrow Agent shall deliver the Escrow Deposits and all interest earned thereon to Seller or Buyer only upon receipt of a written demand therefore from such party indicating grounds for such release hereunder (except as otherwise set forth herein), subject to the following provisions of this Subsection (c). If for any reason the Closing does not occur and either party makes a written demand upon the Escrow Agent for payment of the Escrow Deposits and the interest earned thereon, the Escrow Agent shall give written notice to the other party of such demand. If the Escrow Agent does not receive a written objection from the other party to the proposed payment within five (5) Business Days after the giving of such notice, the Escrow Agent is hereby authorized to make such payment. If the Escrow Agent does receive such written objection within such period, the Escrow Agent shall continue to hold such amount until otherwise directed by written instructions signed by Seller and Buyer or a final judgment of a court.
- (d) The parties acknowledge that the Escrow Agent is acting solely as a stakeholder at their request and for their convenience, that the Escrow Agent shall not be deemed to be the agent of either of the parties, and that the Escrow Agent shall not be liable to either of the parties for any action or omission on its part taken or made in good faith, and not in disregard of this Agreement, but shall be liable for its negligent acts and for any loss, cost or expense incurred by Seller or Buyer resulting from the Escrow Agent's mistake of law respecting the Escrow Agent's scope or nature of its duties. Seller and Buyer shall jointly and severally indemnify and hold the Escrow Agent harmless from and against all damages, losses, costs, claims, liabilities, expenses, demands and obligations, including reasonable attorneys' fees, incurred in connection with the performance of the Escrow Agent's duties hereunder, except with respect to actions or omissions taken or made by the Escrow Agent in bad faith, in disregard of this Agreement or involving negligence on the part of the Escrow Agent.
- (e) Buyer shall pay any income taxes on any interest earned on the Escrow Deposits. Buyer shall provide its taxpayer identification number to Escrow Agent on or prior to Closing for such purpose.
- (f) The Escrow Agent has executed this Agreement in the place indicated on the signature page hereof in order to confirm that the Escrow Agent has received and shall hold the Escrow Deposits and the interest earned thereon, in escrow, and shall disburse the Escrow Deposits, and the interest earned thereon, and take such other actions as described herein pursuant to the provisions of this Agreement.

The provisions of this Article 13 shall survive the Closing (and not be merged therein) or earlier termination of this Agreement.

ARTICLE 14

MISCELLANEOUS

- 14.1 Assignment. No party to this Agreement shall have the right to assign any of its rights and obligations hereunder without the prior written consent of the other parties hereto, except that Buyer may assign all or part of its rights hereunder to an entity that is majority-owned or controlled by Buyer or its principal Dale Fuller. To the extent that any such assignment occurs in accordance with the terms hereof, this Agreement and all provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.
- 14.2 Designation Agreement. Section 6045(e) of the United States Internal Revenue Code and the regulations promulgated thereunder (herein collectively called the “Reporting Requirements”) require an information return to be made to the United States Internal Revenue Service, and a statement to be furnished to Seller, in connection with the Transaction. Escrow Agent is either (x) the person responsible for closing the Transaction (as described in the Reporting Requirements) or (y) the disbursing title or escrow company that is most significant in terms of gross proceeds disbursed in connection with the Transaction (as described in the Reporting Requirements). Accordingly:
- (a) Escrow Agent is hereby designated as the “Reporting Person” (as defined in the Reporting Requirements) for the Transaction. Escrow Agent shall perform all duties that are required by the Reporting Requirements to be performed by the Reporting Person for the Transaction.
 - (b) Seller and Buyer shall furnish to Escrow Agent, in a timely manner, any information requested by Escrow Agent and necessary for Escrow Agent to perform its duties as Reporting Person for the Transaction.
 - (c) Escrow Agent hereby requests Seller to furnish to Escrow Agent Seller’s correct taxpayer identification number. Seller acknowledges that any failure by Seller to provide Escrow Agent with Seller’s correct taxpayer identification number may subject Seller to civil or criminal penalties imposed by law. Accordingly, Seller hereby certifies to Escrow Agent, under penalties of perjury, that Seller’s correct taxpayer identification number is 98-0630195.
 - (d) Each of the parties hereto shall retain this Agreement for a period of four (4) years following the calendar year during which Closing occurs.
- 14.3 Survival/Merger. Except for the provisions of this Agreement which are explicitly stated to survive the Closing and any matters which are to be performed or completed following Closing, (a) none of the terms of this Agreement shall survive the Closing, and (b) the delivery of the Deed and any other documents and instruments by Seller and the acceptance thereof by Buyer shall effect a merger, and be deemed the full performance and discharge of every obligation on the part of Buyer and Seller to be performed hereunder.

- 14.4 Integration; Waiver. This Agreement, together with the Exhibits hereto, embodies and constitutes the entire understanding among the parties with respect to the Transaction and all prior agreements, understandings, representations and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provision hereof may be waived, modified, amended, discharged or terminated except by an instrument signed by the party against whom the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument. No waiver by any party hereto of any failure or refusal by the other party to comply with its obligations hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
- 14.5 Governing Law. This Agreement shall be governed by, and construed in accordance with, the Laws of the State of Arizona, without reference to the conflicts of laws or choice of law provisions thereof.
- 14.6 Captions Not Binding; Exhibits. The captions in this Agreement are inserted for reference only and in no way define, describe or limit the scope or intent of this Agreement or of any of the provisions hereof. All Exhibits attached hereto shall be incorporated by reference as if set out herein in full.
- 14.7 Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns.
- 14.8 Severability. If any term or provision of this Agreement or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.
- 14.9 Notices. Any notice, request, demand, consent, approval and other communications under this Agreement shall be in writing, and shall be deemed duly given or made at the time and on the date when received by facsimile or electronic mail (provided that the sender of such communication shall request electronic confirmation of receipt or, if not available, oral confirmation of receipt from the receiving party, which shall not be withheld or delayed) or when personally delivered as shown on a receipt therefor (which shall include delivery by a nationally recognized overnight delivery service) or upon receipt (or refusal of delivery) after being mailed by prepaid certified mail, return receipt requested, to the address for each party set forth below. Any party, by written notice to the other in the manner herein provided, may designate an address different from that set forth below.

IF TO BUYER:

Southwest One Properties, LLC
Attn: Dale Fuller
3030 N. 3rd Street, Suite 200
Phoenix, AZ 85012
Telephone: (248) 559-3434
Email: dbf@buyland.com

COPY TO:

Stoops Denious Wilson & Murray, PLC
Attn: Michael T. Denious
350 E. Virginia Avenue
Phoenix, AZ 85004
Telephone: (602) 274-9417
Telecopy: (602) 274-6708
Email: mdenious@stoopsazlaw.com

IF TO SELLER:

Signature US Sunbelt LLC
c/o RSM Richter Inc.
200 King St.W., Suite 1100, P.O.Box 48
Toronto, ON M5H 3T4
CANADA
Attn: Simone Rousseau and Mitch Vininsky
Telephone: (416) 932-6013
Telecopy: (416) 932-6200
Email: simonerousseau@shaw.ca and mvininsky@rsmrichter.com

COPY TO:

KINGSLEY LAW FIRM PLC
2942 North 24th Street
Suite 114
Phoenix, Arizona 85016
Attention: Paul P. Kingsley, Esq.
Telephone: (602) 814-0716
Telecopy: (480) 287-9301
Email: paul@kingsleylawaz.com

IF TO ESCROW AGENT:

Magnus Title Agency
2525 E. Camelback Road
Suite 136
Phoenix, AZ 85016
Attn: Vicki Etherton
Telephone: (602) 748-2810
Telecopy: (602) 748-2710
Email: vicki.etherton@magnustitle.com

- 14.10 Counterparts; Facsimile Signatures. This Agreement may be executed by facsimile signatures and/or in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- 14.11 No Recordation. Seller and Buyer each agrees that neither this Agreement nor any memorandum or notice hereof shall be recorded, and Buyer agrees (a) not to file any notice of pendency (other than in connection with an action for specific performance) or other instrument (other than a judgment) against the Property or any portion thereof in connection herewith and (b) to indemnify Seller against all damages, losses, costs, claims, liabilities, expenses, demands and obligations, including, without limitation, reasonable attorneys' fees and disbursements, incurred by Seller by reason of the filing by Buyer of such notice of pendency or other instrument.
- 14.12 Additional Agreements; Further Assurances. Subject to the terms and conditions herein provided, each of the parties hereto shall execute and deliver such documents as the other party shall reasonably request in order to consummate and make effective the Transaction; provided, however, that the execution and delivery of such documents by such party shall not result in any additional liability or cost to such party.
- 14.13 Construction. The parties acknowledge that each party and its counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendment hereof or Exhibit hereto.
- 14.14 Business Day. As used herein, the term "Business Day" shall mean any day other than a Saturday, Sunday, or any federal or state of Arizona holiday. If any period hereunder expires on a day which is not a Business Day or any event or condition is required by the terms of this Agreement to occur or be fulfilled on a day which is not a Business Day, such period shall expire or such event or condition shall occur or be fulfilled, as the case may be, on the next succeeding Business Day.
- 14.15 WAIVER OF JURY TRIAL. EACH PARTY HEREBY WAIVES TRIAL BY JURY IN ANY PROCEEDINGS BROUGHT BY THE OTHER PARTY IN CONNECTION WITH ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE TRANSACTION, THIS AGREEMENT, THE PROPERTY OR THE RELATIONSHIP OF BUYER AND SELLER HEREUNDER.

- 14.16 Attorneys' Fees. Should either party employ attorneys to enforce any of the provisions hereof, the party against whom any final judgment is entered agrees to pay the prevailing party all reasonable costs, charges and expenses, including attorneys' fees and expenses and court costs, expended or incurred in connection therewith.
- 14.17 Maximum Aggregate Liability. Prior to Closing, the liabilities of the parties shall be governed by Article 9 hereof. Once Closing has occurred, notwithstanding any provision to the contrary contained in this Agreement or any documents executed by Seller pursuant hereto or in connection herewith, the maximum aggregate liability of Seller and the Seller Parties, and the maximum aggregate amount which may be awarded to and collected by Buyer, in connection with the Transaction or the Property, under this Agreement and under any and all documents executed pursuant hereto or in connection herewith (including, without limitation, in connection with the breach of any of Seller's Warranties for which a claim is timely made by Buyer) shall not exceed Thirty Thousand Dollars (\$30,000.00) in actual damages suffered by Buyer arising directly as a result of Seller's breach, the parties agreeing that Seller shall have no liability whatsoever for consequential or punitive damages. The provisions of this section shall survive the Closing (and not be merged therein) or any earlier termination of this Agreement.
- 14.18 Acknowledgement. Buyer acknowledges that Seller owns one additional unit at the Project that Seller anticipates selling to a third party and which shall not be included as part of the Real Property or Property hereunder.

ARTICLE 15 WAIVERS

- 15.1 Status as "Declarant". Buyer, for Buyer and Buyer's successors and assigns, hereby waives all claims and liability it may have against Seller and each of the other Seller Parties for or attributable to any and all losses, costs, claims, liabilities, expenses, demands or obligations of any kind or nature whatsoever, direct or indirect, arising from and after the Closing Date as a result of Buyer's status as a "Declarant" of the Project or as a result of the amount of reserves held by the Association, regardless of whether or not Buyer files any documentation with the Arizona Division as to such status.
- 15.2 Right to Sue. Buyer, for Buyer and Buyer's successors and assigns, hereby waives any right it may have to commence a judicial proceeding or arbitration naming Seller or any other Seller Parties as a defendant arising from and after the Closing Date as a result of Buyer's status as a "Declarant" of the Project, through Buyer's control of the Association or as a result of the amount of reserves held by the Association, regardless of whether or not Buyer files any documentation with the Arizona Division as to such status or control.
- 15.3 Warranties. Seller disclaims all express or implied warranties of fitness and merchantability to the extent such may be disclaimed under applicable law.

**[Remainder of Page Intentionally Left Blank.
Signature Page Follows.]**

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be duly executed as of the Effective Date.

SELLER:

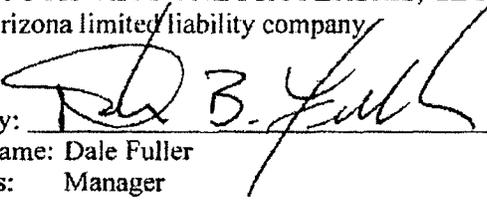
SIGNATURE US SUNBELT LLC, a Delaware limited liability company

By: US Sunbelt Development Corp., its sole Member

By: _____
Name: Simone Rousseau
Its: President

BUYER:

SOUTHWEST ONE PROPERTIES, LLC, an Arizona limited liability company

By: 
Name: Dale Fuller
Its: Manager

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be duly executed as of the Effective Date.

SELLER:

SIGNATURE US SUNBELT LLC, a Delaware limited liability company

By: US Sunbelt Development Corp., its sole Member

By: Simone Rousseau
Name: Simone Rousseau
Its: President

BUYER:

SOUTHWEST ONE PROPERTIES, LLC, an Arizona limited liability company

By: _____
Name: Dale Fuller
Its: Manager

AGREEMENT OF ESCROW AGENT

The undersigned has executed this Agreement solely to confirm its agreement to (a) hold the Escrow Deposits in escrow in accordance with the provisions hereof and (b) comply with the provisions of Article 13 and Section 14.2.

MAGNUS TITLE COMPANY

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A

LEGAL DESCRIPTION

Units 133, 145, 146, 157, 229, 237, 242, 244, 249, Biltmore Palms Condominiums, a Condominium, as created by that certain Declaration recorded January 20, 2006, as Document No. 2006-0088703, and re-recorded on February 14, 2006 as Document No. 2006-0205273, as amended by that certain First Amendment to Declaration of Condominium and Covenants, Conditions and Restrictions and Grant of Easements, recorded on March 3, 2006 as Document No. 2006-0291730, that certain Second Amendment to Declaration of Condominium and Covenants, Conditions and Restrictions and Grant of Easements, recorded on April 7, 2006 as Document No. 2006-0468145, and that certain Third Amendment to Declaration of Condominium and Covenants, Conditions and Restrictions and Grant of Easements, recorded on April 21, 2006 as Document No. 2006-0534651, and as shown on the plat of said Condominium as recorded in Book 805 of Maps, Page 26, and Affidavit recorded as Document No. 2006-0128785, in the office of the County Recorder of Maricopa County, Arizona; TOGETHER WITH each Unit's undivided interest in and to the common elements as set forth in said Declaration and on said Plat.

EXHIBIT C
FORM OF DEED

When recorded return to:

Mail tax bill and assessment notice to:

SPECIAL WARRANTY DEED

In consideration of Ten and 00/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Signature US Sunbelt LLC, a Delaware limited liability company ("Grantor") hereby conveys to _____, an _____ ("Grantee"), the real property located in Maricopa County, Arizona and described in Exhibit A attached hereto and incorporated herein by this reference;

Together with all rights and privileges appurtenant thereto;

Subject to non-delinquent taxes and other assessments, reservations in patents and all easements, rights of way, encumbrances, liens, covenants, conditions, restrictions, obligations and liabilities as appear on Exhibit B attached hereto and made a part hereof.

Grantor binds itself and its successors to warrant and defend the title as against the acts of Grantor herein and no other, subject to the matters referred to above.

**[Remainder of Page Intentionally Left Blank.
Signature Page Follows.]**

EXHIBIT B

LIST OF CONTRACTS

Management Agreement between Biltmore Palms Homeowner's Association, Inc. and Consolidated Asset Management, Inc., dated September __, 2009.

Exhibit A

Legal Description

Units 133, 145, 146, 157, 229, 237, 242, 244, 249, Biltmore Palms Condominiums, a Condominium, as created by that certain Declaration recorded January 20, 2006, as Document No. 2006-0088703, and re-recorded on February 14, 2006 as Document No. 2006-0205273, as amended by that certain First Amendment to Declaration of Condominium and Covenants, Conditions and Restrictions and Grant of Easements, recorded on March 3, 2006 as Document No. 2006-0291730, that certain Second Amendment to Declaration of Condominium and Covenants, Conditions and Restrictions and Grant of Easements, recorded on April 7, 2006 as Document No. 2006-0468145, and that certain Third Amendment to Declaration of Condominium and Covenants, Conditions and Restrictions and Grant of Easements, recorded on April 21, 2006 as Document No. 2006-0534651, and as shown on the plat of said Condominium as recorded in Book 805 of Maps, Page 26, and Affidavit recorded as Document No. 2006-0128785, in the office of the County Recorder of Maricopa County, Arizona; TOGETHER WITH each Unit's undivided interest in and to the common elements as set forth in said Declaration and on said Plat.

Exhibit B

Permitted Exceptions

[TO BE ATTACHED BY TITLE COMPANY FOLLOWING EFFECTIVE DATE BASED ON
TITLE COMMITMENT AND OWNER'S TITLE POLICY]

EXHIBIT D

FORM OF BILL OF SALE

THIS BILL OF SALE ("Bill of Sale"), is made as of the ___ day of _____, 2011 by and between SIGNATURE US SUNBELT LLC, a Delaware limited liability company ("Seller") and [_____] ("Buyer").

WITNESSETH:

WHEREAS, by that certain Purchase and Sale Agreement ("Sale Agreement") dated as of _____, 2011 by and between Seller and Buyer (or its assignor), Seller agreed to sell to Buyer certain units and appurtenant common elements within Biltmore Palms Condominiums, a Condominium, as more particularly described in Exhibit A attached hereto and incorporated herein by this reference ("Real Property"); and

WHEREAS, by deed of even date herewith, Seller conveyed the Real Property to Buyer; and

WHEREAS, in connection with the above described conveyance Seller desires to sell, transfer and convey to Buyer certain items of tangible personal property as hereinafter described.

NOW, THEREFORE, in consideration of the receipt of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration paid in hand by Buyer to Seller, the receipt and sufficiency of which are hereby acknowledged, Seller has GRANTED, CONVEYED, SOLD, TRANSFERRED, SET OVER and DELIVERED and by these presents does hereby GRANT, SELL, TRANSFER, SET OVER and DELIVER to Buyer, its legal representatives, successors and assigns, free and clear of all liens, claims and encumbrances, all of its right, title and interest in and to all furniture, appliances, equipment and other tangible personal property owned by Seller (excluding any computer software or programs which either (i) are licensed to Seller, or (ii) Seller deems proprietary) located on the Real Property and used in (a) the ownership, operation and maintenance of the Property or (b) the marketing and sale of the individual condominium units that are part of the Real Property, including, but not limited to the items set forth in Exhibit B attached hereto (herein collectively called the "Personal Property"), to have and to hold, all and singular, the Personal Property unto Buyer forever.

This Bill of Sale is made without any covenant, warranty or representation by, or recourse against, Seller except as expressly set forth in the Sale Agreement and the documents executed in connection therewith.

Seller agrees that, from time to time after the delivery hereof, it will, upon the reasonable request of Buyer, take all such action and execute and deliver all such documents, instruments and conveyances which may be reasonably necessary or desirable to carry out the provisions of this Bill of Sale.

If any term or provision of this Bill of Sale or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Bill of Sale or the application of such term or provision to persons or circumstances other than those as to

which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of this Bill of Sale shall be valid and enforced to the fullest extent permitted by law.

**[Remainder of Page Intentionally Left Blank.
Signature Page Follows.]**

IN WITNESS WHEREOF, the undersigned have executed this Bill of Sale as of the date first set forth hereinabove.

SIGNATURE US SUNBELT LLC, a Delaware limited liability company

By: US Sunbelt Development Corp., its sole Member

By: _____

Name: _____

Its: _____

Exhibit A

Legal Description

Units 133, 145, 146, 157, 229, 237, 242, 244, 249, Biltmore Palms Condominiums, a Condominium, as created by that certain Declaration recorded January 20, 2006, as Document No. 2006-0088703, and re-recorded on February 14, 2006 as Document No. 2006-0205273, as amended by that certain First Amendment to Declaration of Condominium and Covenants, Conditions and Restrictions and Grant of Easements, recorded on March 3, 2006 as Document No. 2006-0291730, that certain Second Amendment to Declaration of Condominium and Covenants, Conditions and Restrictions and Grant of Easements, recorded on April 7, 2006 as Document No. 2006-0468145, and that certain Third Amendment to Declaration of Condominium and Covenants, Conditions and Restrictions and Grant of Easements, recorded on April 21, 2006 as Document No. 2006-0534651, and as shown on the plat of said Condominium as recorded in Book 805 of Maps, Page 26, and Affidavit recorded as Document No. 2006-0128785, in the office of the County Recorder of Maricopa County, Arizona; TOGETHER WITH each Unit's undivided interest in and to the common elements as set forth in said Declaration and on said Plat.

Exhibit B

List of Personal Property

[TO BE ATTACHED PRIOR TO CLOSING]

EXHIBIT E

FORM OF ASSIGNMENT OF LEASES

THIS ASSIGNMENT OF LEASES ("Assignment"), is made as of the ___ day of _____, 2011 by and between SIGNATURE US SUNBELT LLC, a Delaware limited liability company ("Assignor"), and [_____] ("Assignee").

WITNESSETH:

WHEREAS, by Purchase and Sale Agreement ("Sale Agreement") dated as of ___, 2011, by and between Assignor and Assignee (or its predecessor), Assignor agreed to sell to Assignee certain units and appurtenant common elements ("Property") located within Biltmore Palms Condominiums, a Condominium as more particularly described in the Sale Agreement; and

WHEREAS, the Sale Agreement provides, *inter alia*, that Assignor shall assign to Assignee certain leases and Assignee shall assume all of the obligations of Assignor under such leases from and after the date of such assignment, and that Assignor and Assignee shall enter into this Assignment.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto hereby agree as follows:

1. Assignment. Assignor hereby assigns, sets over and transfers to Assignee all of its right, title and interest in, to and under all leases to which Assignor is a party with the tenants of the Property, including, but not limited to, those identified on Exhibit A attached hereto and incorporated herein by this reference ("Leases").

2. Assumption and Indemnity. Assignee hereby (a) assumes all liabilities and obligations of Assignor under the Leases arising or accruing after the date hereof, and (b) agrees to indemnify, defend and hold harmless Assignor and each of the other Seller Parties (as such term is defined in the Sale Agreement) from any and all damages, losses, costs, claims, liabilities, expenses, demands and obligations under or with respect to the Leases, arising or accruing after the date hereof, including, without limitation, all liability and obligations of the landlord thereunder to return any security deposits or other deposits made by tenants in connection with or pursuant to such Leases.

3. Miscellaneous. This Assignment and the obligations of the parties hereunder shall survive the closing of the transaction referred to in the Sale Agreement and shall not be merged therein, shall be binding upon and inure to the benefit of the parties hereto, their respective legal representatives, successors and assigns and may not be modified or amended in any manner other than by a written agreement signed by the party to be charged therewith.

4. Severability. If any term or provision of this Assignment or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Assignment or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be

affected thereby, and each term and provision of this Assignment shall be valid and enforced to the fullest extent permitted by law.

5. Governing Law. This instrument shall be governed by and construed in accordance with the laws of the State of Arizona, without reference to the conflicts of laws or choice of law provisions thereof.

6. Counterparts; Facsimile Signatures. This Assignment may be executed by facsimile signatures and/or in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

**[Remainder of Page Intentionally Left Blank.
Signature Page Follows.]**

IN WITNESS WHEREOF, the undersigned have executed this Assignment as of the date first set forth hereinabove.

ASSIGNOR:

SIGNATURE US SUNBELT LLC, a Delaware limited liability company

By: US Sunbelt Development Corp., its sole Member

By: _____

Name: _____

Its: _____

ASSIGNEE:

By: _____

Name: _____

Title: _____

Exhibit A

Tenants

Unit No.	Tenant	Rent	Lease Expiration	Notes
133	VACANT			
145	VACANT			
146	VACANT			
157	VACANT			
229	Alex William Brownlee	\$900	7/30/2011	Tenant has indicated he will move out following lease expiration.
237	Thomas Swanson	\$575	Month to Month	Tenant performs on-site property management in exchange for reduced rent.
242	VACANT			
244	VACANT			
249	Cameron Creel	\$1,250	Month to Month	Tenant has indicated he wishes to sign long-term lease following Closing.

[TO BE UPDATED AT CLOSING]

EXHIBIT F

FORM OF ASSIGNMENT AND ASSUMPTION OF CONTRACTS

THIS ASSIGNMENT is made as of the ____ day of _____, 2011, by and between SIGNATURE US SUNBELT LLC, a Delaware limited liability company ("Assignor"), and [_____] ("Assignee").

WITNESSETH:

WHEREAS, by Purchase and Sale Agreement ("Sale Agreement") dated as of ____, 2011, by and between Assignor and Assignee (or its predecessor), Assignor agreed to sell to Assignee certain units and appurtenant common elements ("Property") located within Biltmore Palms Condominiums, a Condominium as more particularly described in the Sale Agreement;

WHEREAS, the Sale Agreement provides, *inter alia*, that Assignor shall assign to Assignee all right, title and interest of Assignor in and to all contracts, which are listed on Exhibit A attached hereto and incorporated herein by reference (the "Contracts"); and

WHEREAS, Assignor and Assignee have further agreed that Assignee shall expressly assume all of the obligations of Assignor arising under the Contracts from and after the date of this Assignment;

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each party hereto, Assignor and Assignee hereby agree as follows:

1. Assignment. Assignor hereby sells, transfers and assigns to Assignee, its successors and assigns, all right, title and interest of Assignor in, to and under the Contracts.

2. Assumption and Indemnity. Assignee hereby (a) assumes and takes responsibility for all damages, losses, costs, claims, liabilities, expenses, demands, and obligations of any kind or nature whatsoever attributable to the Contracts arising or accruing after the date hereof, and (b) agrees to indemnify, defend and hold harmless Assignor and the other Seller Parties (as such term is defined in the Sale Agreement) from all damages, losses, costs, claims, liabilities, expenses, demands, and obligations of any kind or nature whatsoever attributable to the Contracts arising out of events occurring or accruing after the date hereof.

3. Miscellaneous. This Assignment and the obligations of the parties hereunder shall survive the closing of the transaction referred to in the Sale Agreement and shall not be merged therein, shall be binding upon and inure to the benefit of the parties hereto, their respective legal representatives, successors and assigns and may not be modified or amended in any manner other than by a written agreement signed by the party to be charged therewith.

4. Severability. If any term or provision of this Assignment or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Assignment or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be

affected thereby, and each term and provision of this Assignment shall be valid and enforced to the fullest extent permitted by law.

5. Counterparts; Facsimile Signatures. This Assignment may be executed by facsimile signatures and/or in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

6. Governing Law. This Assignment shall be governed by and construed in accordance with the internal laws of the State of Arizona, without reference to the conflicts of laws or choice of law provisions thereof.

**[Remainder of Page Intentionally Left Blank.
Signature Page Follows.]**

IN WITNES WHEREOF, each of Assignor and Assignee has caused this Assignment to be executed under seal by its duly authorized signatory as of the day and year first above written.

ASSIGNOR:

SIGNATURE US SUNBELT LLC, a Delaware limited liability company

By: US Sunbelt Development Corp., its sole Member

By: _____
Name: _____
Its: _____

ASSIGNEE:

[_____]

By: _____
Name: _____
Title: _____

Exhibit A

CONTRACTS

[TO BE ATTACHED PRIOR TO CLOSING]

EXHIBIT G

FORM OF ASSIGNMENT OF INTANGIBLE PROPERTY

THIS ASSIGNMENT OF INTANGIBLE PROPERTY ("Assignment"), is made as of the ___ day of _____, 2011 by and between SIGNATURE US SUNBELT LLC, a Delaware limited liability company ("Assignor"), and [_____] ("Assignee").

WITNESSETH:

WHEREAS, by Purchase and Sale Agreement ("Sale Agreement") dated as of ___, 2011, by and between Assignor and Assignee (or its predecessor), Assignor agreed to sell to Assignee units and appurtenant common elements located within Biltmore Palms Condominiums, a Condominium ("Property"), as more particularly described in the Sale Agreement; and

WHEREAS, the Sale Agreement provides, *inter alia*, that Assignor shall assign to Assignee rights to certain intangible property and that Assignee shall assume all of the obligations of Assignor under such intangible property from and after the date of such assignment, and that Assignor and Assignee shall enter into this Assignment strictly subject to the terms of the Sale Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto hereby agree as follows:

1. Assignment of Intangibles. Assignor hereby assigns, sets over and transfers to Assignee all of its right, title and interest in, to and under (if and to the extent assignable by Assignor without expense to Assignor), to the extent that the same are in effect as of the date hereof, (a) any licenses, permits and other written authorizations necessary for the use, operation or ownership of the Property, (b) those guaranties and warranties in effect with respect to any right to any portion of the Property, and (c) all right to any and all websites and domain names maintained by Assignor or the property manager with respect to the Property (herein collectively called the "Intangible Property").

2. Assumption and Indemnity. Assignee hereby (a) assumes and takes responsibility for all damages, losses, costs, claims, liabilities, expenses, demands, and obligations of any kind or nature whatsoever attributable to the Intangible Property arising or accruing after the date hereof, and (b) agrees to indemnify, defend and hold harmless Assignor and the other Seller Parties (as such term is defined in the Sale Agreement) from all damages, losses, costs, claims, liabilities, expenses, demands, and obligations of any kind or nature whatsoever attributable to the Intangible Property arising out of events occurring or accruing after the date hereof.

3. Miscellaneous. This Assignment and the obligations of the parties hereunder shall survive the closing of the transaction referred to in the Sale Agreement and shall not be merged therein, shall be binding upon and inure to the benefit of the parties hereto, their respective legal representatives, successors and assigns and may not be modified or amended in any manner other than by a written agreement signed by the party to be charged therewith.

4. Severability. If any term or provision of this Assignment or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Assignment or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of this Assignment shall be valid and enforced to the fullest extent permitted by law.

5. Counterparts; Facsimile Signatures. This Assignment may be executed by facsimile signatures and/or in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

6. Governing Law. This Assignment shall be governed by and construed in accordance with the internal laws of the State of Arizona, without reference to the conflicts of laws or choice of law provisions thereof.

**[Remainder of Page Intentionally Left Blank.
Signature Page Follows.]**

IN WITNESS WHEREOF, the undersigned have executed this Assignment as of the date first set forth hereinabove.

ASSIGNOR:

SIGNATURE US SUNBELT LLC, a Delaware limited liability company

By: US Sunbelt Development Corp., its sole Member

By: _____
Name: _____
Its: _____

ASSIGNEE:

[_____]

By: _____
Name: _____
Title: _____

EXHIBIT H

FORM OF NOTICE TO TENANTS

Date

Re: Notice of Change of Ownership of
Biltmore Palms
4343 North 21st Street
Phoenix, Arizona 85016

Dear Tenant:

You are hereby notified as follows:

1. That as of the date hereof, Signature US Sunbelt LLC ("Signature"), a Delaware limited liability company, has sold all of its ownership interests in and to certain units located within Biltmore Palms (the "Property") to _____, a _____ (the "New Owner"), including all of Signature's rights as "Landlord", "Lessor", and "Owner" and non-applied security deposits under your current lease.

2. The new property manager will be _____.

3. Future rental payments with respect to your leased premises at the Property should be made payable to _____ in accordance with your lease terms, and shall be delivered, along with any future notices under your lease, to the following address:

Attention: _____

4. Your security deposit, if any, has been transferred to the New Owner and as such the New Owner shall be responsible for holding the same in accordance with the terms of your lease.

5. All other terms and provisions of your lease will remain in full force and effect.

Sincerely,

SIGNATURE US SUNBELT LLC

By: _____

EXHIBIT I

FORM OF FIRPTA AFFIDAVIT

Section 1445 of the Internal Revenue Code provides that a transferee of a United States real property interest must withhold tax if the transferor is a foreign person. For U.S. tax purposes (including Section 1445 of the Code), the owner of a disregarded entity (which holds legal title to a U.S. real property interest under local law) will be the transferor of the property and not the disregarded entity. To inform the transferee that withholding of tax is not required upon the disposition of a United States real property interest by SIGNATURE US SUNBELT LLC, a Delaware limited liability company and disregarded entity ("Seller"), the undersigned 100% owner of Seller hereby certifies the following:

1. The undersigned is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations); and
2. The undersigned is not a disregarded entity as defined in Section 1.1445-2(b)(2)(iii) of the Income Tax Regulations.
3. The undersigned's U.S. employer tax identification number is 42-1768533; and
4. The undersigned's office address is c/o RSM Richter Inc., 200 King St. W., Suite 1100, Toronto, ON M5H 3T4 CANADA.

The undersigned understands that this certification may be disclosed to the Internal Revenue Service by transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

The undersigned declares that she/he has examined this certification and to the best of her/his knowledge and belief it is true, correct and complete, and she/he further declares that she/he has authority to sign this document on behalf of Seller.

Dated: _____, 2011.

US SUNBELT DEVELOPMENT CORP., a
Delaware corporation

By: _____
Name: _____
Its: _____

EXHIBIT J

FORM OF ASSIGNMENT OF DECLARANT'S RIGHTS AND ASSUMPTION OF OBLIGATIONS

When recorded return to:

ASSIGNMENT OF DECLARANT'S RIGHTS AND ASSUMPTION OF OBLIGATIONS UNDER DECLARATION OF CONDOMINIUM AND COVENANTS, CONDITIONS AND RESTRICTIONS AND GRANT OF EASEMENTS FOR BILTMORE PALMS CONDOMINIUMS, A CONDOMINIUM

THIS ASSIGNMENT OF DECLARANT'S RIGHTS AND ASSUMPTION OF OBLIGATIONS UNDER DECLARATION OF CONDOMINIUM AND COVENANTS, CONDITIONS AND RESTRICTIONS AND GRANT OF EASEMENTS FOR BILTMORE PALMS CONDOMINIUMS, A CONDOMINIUM, is made as of _____, 2011 (this "Assignment") by SIGNATURE US SUNBELT LLC, a Delaware limited liability company ("Assignor"), in favor of [_____] ("Assignee").

WITNESSETH:

WHEREAS, Assignor is the successor declarant of Biltmore Palms Condominiums, a Condominium (the "Condominium"), a residential condominium development located in Maricopa County, Arizona, as legally described on Exhibit A attached hereto and incorporated herein by this reference, created pursuant to that certain Declaration of Condominium and Covenants, Conditions and Restrictions and Grant of Easements for Biltmore Palms Condominiums, a Condominium, and any exhibits annexed thereto, recorded on January 20, 2006 as Document No. 2006-0088703, and re-recorded on February 14, 2006 as Document No. 2006-0205273, as amended by that certain First Amendment to Declaration of Condominium and Covenants, Conditions and Restrictions and Grant of Easements, recorded on March 3, 2006 as Document No. 2006-0291730, that certain Second Amendment to Declaration of Condominium and Covenants, Conditions and Restrictions and Grant of Easements, recorded on April 7, 2006 as Document No. 2006-0468145, and that certain Third Amendment to Declaration of Condominium and Covenants, Conditions and Restrictions and Grant of Easements, recorded on April 21, 2006 as Document No. 2006-0534651, and as shown on the plat of said Condominium as recorded in Book 805 of Maps, Page 26, and Affidavit recorded as Document No. 2006-0128785, in the office of the County Recorder of Maricopa County, Arizona, (hereinafter the "Declaration");

WHEREAS, Assignor, of even date herewith, has conveyed to Assignee certain units and appurtenant common elements located within the Condominium, which units and appurtenant common elements comprise all of the unsold unit inventory within the Condominium owned by Assignor;

WHEREAS, Assignor has agreed to assign to Assignee all of Assignor's rights, duties and obligations as the Declarant (as defined in the Declaration) under the Declaration as more particularly set forth below; and

WHEREAS, Assignee agrees to accept such assignment and assume such rights, duties and obligations of Assignor as of the date hereof.

NOW, THEREFORE, for and in consideration of the payment of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignee and Assignor hereby covenant and agree as follows:

1. The recitals set forth above are incorporated herein by reference and made a part of this Assignment.

2. Assignor hereby assigns, transfers and conveys to Assignee all of Assignor's rights, title and interest as Declarant (including, but not limited to, "Development Rights" and "Special Declarant Rights" as those terms are defined in the Arizona Revised Statutes §33-1202) under the Declaration and all of the rights, benefits and privileges of the Declarant and all easements reserved by the Declarant thereunder (collectively, the "Assigned Rights").

3. Assignee hereby accepts the aforementioned assignment of the Assigned Rights and hereby assumes and agrees to perform all of the covenants, agreements, obligations, duties and liabilities of the Declarant under the Declaration, arising or accruing after the date hereof (collectively, the "Assumed Obligations").

4. This Assignment is an absolute assignment. This Assignment is without recourse, representation or warranty, express or implied, upon Assignor, except as specifically provided herein or in that certain Purchase and Sale Agreement by and between Assignor and Assignee (or its predecessor), dated _____, 2011.

5. This Assignment shall bind and inure to the benefit of the parties hereto and their respective successors and assigns.

6. This Assignment shall be governed by and construed in accordance with the laws of the State of Arizona applicable to agreements made and to be performed entirely within said State.

**[Remainder of Page Intentionally Left Blank.
Signature Page Follows.]**

Exhibit A

Legal Description

Biltmore Palms Condominiums, a Condominium, as created by that certain Declaration recorded January 20, 2006, as Document No. 2006-0088703, and re-recorded on February 14, 2006 as Document No. 2006-0205273, as amended by that certain First Amendment to Declaration of Condominium and Covenants, Conditions and Restrictions and Grant of Easements, recorded on March 3, 2006 as Document No. 2006-0291730, that certain Second Amendment to Declaration of Condominium and Covenants, Conditions and Restrictions and Grant of Easements, recorded on April 7, 2006 as Document No. 2006-0468145, and that certain Third Amendment to Declaration of Condominium and Covenants, Conditions and Restrictions and Grant of Easements, recorded on April 21, 2006 as Document No. 2006-0534651, and as shown on the plat of said Condominium as recorded in Book 805 of Maps, Page 26, and Affidavit recorded as Document No. 2006-0128785, in the office of the County Recorder of Maricopa County, Arizona; TOGETHER WITH each Unit's undivided interest in and to the common elements as set forth in said Declaration and on said Plat.

EXHIBIT K

PERMITTED EXCEPTIONS

[TO BE ATTACHED BY TITLE COMPANY FOLLOWING EFFECTIVE DATE BASED ON
TITLE COMMITMENT AND OWNER'S TITLE POLICY]

EXHIBIT L

RENT ROLL

Unit No.	Tenant	Rent	Lease Expiration	Notes
133	VACANT			
145	VACANT			
146	VACANT			
157	VACANT			
229	Alex William Brownlee	\$900	7/30/2011	Tenant has indicated he will move out following lease expiration.
237	Thomas Swanson	\$575	Month to Month	Tenant performs on-site property management in exchange for reduced rent.
242	VACANT			
244	VACANT			
249	Cameron Creel	\$1,250	Month to Month	Tenant has indicated he wishes to sign long-term lease following Closing.

Urban Elements Centre GP Ltd.
Statement of Receipts and Disbursements
As at July 31, 2011
(\$: Unaudited)

Receipts:	
Sale of assets	1,488,398.24
Interest Income	1,133.15
Miscellaneous refunds	768.13
Funds in company's bank account	381.10
	<u>1,490,680.62</u>
Disbursements:	
Repayment of first mortgage	754,414.32
Contribution to receivership costs, subject to re-allocation*	502,511.19
Legal fees	8,259.00
Utilities	500.62
GST paid on disbursements	437.98
PST paid on disbursements	410.70
Filing fees paid to Official Receiver	140.00
Bank charges	33.17
	<u>1,266,706.98</u>
Total	<u><u>223,973.64</u></u>

* Represents a preliminary contribution to the costs of the Signature Capital Inc. receivership proceedings, including direct fees and costs related to Urban Elements Centre GP Ltd. A final allocation of the fees and costs amongst the entities subject to the Receivership Order will be prepared and may result in an adjustment to this amount.

Urban Elements Centre GP Ltd.
Proposed Interim Distribution
As at July 31, 2011
(\$)

	Full Name	Investment Type	Claim			Distribution Amount	RRSP Number
			Principal	Interest	Total		
Secured creditor (Creditors of Signature UEC Capital Inc.)							
	Randall Anderson	Cash	10,000	549.04	10,549.04	884.13	
	Chris and Jean Ashdown	Cash	60,000	3,843.29	63,843.29	5,350.79	
	Severina Balba	Cash	10,000	549.04	10,549.04	884.13	
	Bob Barfuss	Cash	10,000	549.04	10,549.04	884.13	
	B A Berg Investments Ltd.	Cash	10,000	549.04	10,549.04	884.13	
	Craig Bisschop	Cash	10,000	549.04	10,549.04	884.13	
	Jim Broadhead	Cash	40,000	2,379.18	42,379.18	3,551.86	
	Heliographics Ltd.	Cash	500,000	32,027.40	532,027.40	44,589.93	
	Lily Chui	Cash	30,000	1,784.38	31,784.38	2,663.89	
	Warren Dmyterko	Cash	10,000	549.04	10,549.04	884.13	
	James and Linda Dyck	Cash	20,000	1,098.08	21,098.08	1,768.26	
	Diana Fraser	Cash	10,000	549.04	10,549.04	884.13	
	Maragathavalli Govindaraj	Cash	10,000	549.04	10,549.04	884.13	
	Calvin Grafton	Cash	77,000	4,932.22	81,932.22	6,866.85	
	Andrew Hanna	Cash	30,000	1,784.38	31,784.38	2,663.89	
	Don and Anne Hildebrand	Cash	60,000	3,843.29	63,843.29	5,350.79	
	Kari Hill	Cash	21,000	1,152.99	22,152.99	1,856.67	
	Malvinder and Inderjit Khaira	Cash	60,000	3,843.29	63,843.29	5,350.79	
	Sunrose Ko	Cash	10,000	549.04	10,549.04	884.13	
	Gary Leong	Cash	10,000	549.04	10,549.04	884.13	
	Myrna Longson	Cash	10,000	549.04	10,549.04	884.13	
	Simone Martin	Cash	40,000	2,379.18	42,379.18	3,551.86	
	Melville McDonald	Cash	30,000	1,784.38	31,784.38	2,663.89	
	852535 Alberta Ltd	Cash	10,000	549.04	10,549.04	884.13	
	Simon Okkerse	Cash	20,000	1,281.10	21,281.10	1,783.60	
	Alana Robertson	Cash	88,000	5,636.82	93,636.82	7,847.83	
	Cheryl Rodin	Cash	10,000	549.04	10,549.04	884.13	
	Isabele and Rodrigo San Agustin	Cash	10,000	549.04	10,549.04	884.13	
	Anicia Seda Valencia	Cash	10,000	549.04	10,549.04	884.13	
	Chad Stefura	Cash	10,000	549.04	10,549.04	884.13	
	John Wiebe	Cash	15,000	823.56	15,823.56	1,326.19	
	Ron and Judy Woolf	Cash	10,000	549.04	10,549.04	884.13	
	Frank Yee	Cash	30,000	1,784.38	31,784.38	2,663.89	
	Bob Ellison and Linda Lucyk	Cash	100,000	6,405.48	106,405.48	8,917.99	
	686811 Alberta Ltd.	Cash	30,000	1,784.38	31,784.38	2,663.89	
	Nancy Rivers and Lyn Murray	Cash	10,000	549.04	10,549.04	884.13	
	Ron and Nancy Jean Evans	Cash	15,000	823.56	15,823.56	1,326.19	
	Brent Mathie	Cash	30,000	1,784.38	31,784.38	2,663.89	
Olympia Trust - In Trust for	Allan Potyondi	RSP	10,000	549.04	10,549.04	884.13	30586
Olympia Trust - In Trust for	Bernice Ott	RSP	60,000	3,843.29	63,843.29	5,350.79	21315
Olympia Trust - In Trust for	Brent Rowat	RSP	30,000	1,784.38	31,784.38	2,663.89	22394
Olympia Trust - In Trust for	Curtis Potyondi	RSP	20,500	1,125.53	21,625.53	1,812.47	26978
Olympia Trust - In Trust for	David Sugden	RSP	20,000	1,098.08	21,098.08	1,768.26	23051
Olympia Trust - In Trust for	Dennis Schram	RSP	10,000	549.04	10,549.04	884.13	19362
Olympia Trust - In Trust for	Desmond Gouveia	RSP	30,000	1,784.38	31,784.38	2,663.89	22076
Olympia Trust - In Trust for	Fred Schaerer	RSP	30,000	1,784.38	31,784.38	2,663.89	20596
Olympia Trust - In Trust for	Glenn MacGregor	RSP	10,000	549.04	10,549.04	884.13	19364
Olympia Trust - In Trust for	Grant Zuidhof	RSP	10,000	549.04	10,549.04	884.13	21694
Olympia Trust - In Trust for	Ilona von Sass	RSP	50,000	2,973.97	52,973.97	4,439.82	18511

Urban Elements Centre GP Ltd.
Proposed Interim Distribution
As at July 31, 2011
(\$)

			Claim					
	Full Name	Investment Type	Principal	Interest	Total	Distribution Amount	RRSP Number	
								Olympia Trust - In Trust for Iver Leroy
Olympia Trust - In Trust for Jackaline	Ward	RSP	10,000	549.04	10,549.04	884.13	21497	
Olympia Trust - In Trust for Janet	Zuidhof	RSP	30,000	1,784.38	31,784.38	2,663.89	27106	
Olympia Trust - In Trust for Janet	Zuidhof	RSP	10,000	549.04	10,549.04	884.13	21687	
Olympia Trust - In Trust for Janne	Kneller	RSP	10,000	549.04	10,549.04	884.13	14181	
Olympia Trust - In Trust for Joe	Dobson	RSP	30,000	1,784.38	31,784.38	2,663.89	25579	
Olympia Trust - In Trust for Ken	Laing	RSP	36,500	2,171.00	38,671.00	3,241.07	23099	
Olympia Trust - In Trust for Larry	Friesen	RSP	20,000	1,098.08	21,098.08	1,768.26	21691	
Olympia Trust - In Trust for Larry	Gerstmar	RSP	12,000	658.85	12,658.85	1,060.96	22133	
Olympia Trust - In Trust for Myrna	Longson	RSP	6,300	345.90	6,645.90	557.00	23477	
Olympia Trust - In Trust for Peter	von Sass	RSP	180,000	11,529.86	191,529.86	16,052.38	18467	
Olympia Trust - In Trust for Rick	Campbell	RSP	30,000	1,784.38	31,784.38	2,663.89	28126	
Olympia Trust - In Trust for Simon	Okkerse	RSP	40,000	2,562.19	42,562.19	3,567.19	62937	
Olympia Trust - In Trust for Valerie	Friesen	RSP	10,000	549.04	10,549.04	884.13	20213	
Olympia Trust - In Trust for Vivian	Coderre	RSP	10,000	549.04	10,549.04	884.13	22738	
	Condo Condo Consulting Services Ltd.				39,800.68	3,335.75		
			2,211,300	135,211	2,386,312	200,000.00		
Unsecured creditors								
	Polson Environmental				2,100.00	-		
	Sask Energy				525.65	-		
	Silverado Demolition Inc.				14,038.23	-		
	Warren Tettensor Amantea LLP				476.70	-		
	Frank Yee				50,000.00	-		
	Sandi and Dennis Saunier				75,994.52	-		
					143,135.10	-		
					2,529,446.76	200,000.00		