Court File No. CV-12-9617-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT,* R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF First Leaside Wealth Management Inc., First Leaside Finance Inc., First Leaside Securities Inc., FL Securities Inc., First Leaside Management Inc., First Leaside Accounting and Tax Services Inc., First Leaside Holdings Inc., 2086056 Ontario Inc., First Leaside Realty Inc., First Leaside Capital Inc., First Leaside Realty II Inc., First Leaside Investments Inc., 965010 Ontario Inc., 1045517 Ontario Inc., 1024919 Ontario Inc., 1031628 Ontario Inc., 1056971 Ontario Inc., 1376095 Ontario Inc., 1437290 Ontario Ltd., 1244428 Ontario Ltd., PrestonOne Development (Canada) Inc., PrestonTwo Development (Canada) Inc., PrestonThree Development (Canada) Inc., PrestonFour Development (Canada) Inc., 2088543 Ontario Inc., 2088544 Ontario Inc., 2088545 Ontario Inc., 1331607 Ontario Inc., Queenston Manor General Partner Inc., 1408927 Ontario Ltd., 2107738 Ontario Inc., 1418361 Ontario Ltd., 2128054 Ontario Inc., 2069212 Ontario Inc., 1132413 Ontario Inc., 2067171 Ontario Inc., 2085306 Ontario Inc., 2059035 Ontario Inc., 2086218 Ontario Inc., 2085438 Ontario Inc., First Leaside Visions Management Inc., 1049015 Ontario Inc., 1049016 Ontario Inc., 2007804 Ontario Inc., 2019418 Ontario Inc., FL Research Management Inc., 970877 Ontario Inc., 1031628 Ontario Inc., 1045516 Ontario Inc., 2004516 Ontario Inc., 2192341 Ontario Inc., and First Leaside Fund Management Inc.

Applicants

FIRST REPORT TO COURT OF GRANT THORNTON LIMITED, MONITOR OF THE APPLICANTS UNDER THE *COMPANIES' CREDITORS ARRANGEMENT ACT*

MARCH 21, 2012

GrantThornton

Grant Thornton Limited,
Monitor of the Applicants under the Companies' Creditors Arrangement Act

Royal Bank Plaza
200 Bay Street, South Tower, 19th Floor
Toronto, Ontario, M5J 2P9

TABLE OF CONTENTS

APPENDICES

1. Initial Order dated February 23, 2012
2. Press release dated February 23, 2012
3. Cash Flow Projection and Management's Report on the Cash Flow Projection

Court File No. CV-12-9617-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF First Leaside Wealth Management Inc., First Leaside Finance Inc., First Leaside Securities Inc., FL Securities Inc., First Leaside Management Inc., First Leaside Accounting and Tax Services Inc., First Leaside Holdings Inc., 2086056 Ontario Inc., First Leaside Realty Inc., First Leaside Capital Inc., First Leaside Realty II Inc., First Leaside Investments Inc., 965010 Ontario Inc., 1045517 Ontario Inc., 1024919 Ontario Inc., 1031628 Ontario Inc., 1056971 Ontario Inc., 1376095 Ontario Inc., 1437290 Ontario Ltd., 1244428 Ontario Ltd., PrestonOne Development (Canada) Inc., PrestonTwo Development (Canada) Inc., PrestonThree Development (Canada) Inc., PrestonFour Development (Canada) Inc., 2088543 Ontario Inc., 2088544 Ontario Inc., 2088545 Ontario Inc., 1331607 Ontario Inc., Queenston Manor General Partner Inc., 1408927 Ontario Ltd., 2107738 Ontario Inc., 1418361 Ontario Ltd., 2128054 Ontario Inc., 2069212 Ontario Inc., 1132413 Ontario Inc., 2067171 Ontario Inc., 2085306 Ontario Inc., 2059035 Ontario Inc., 2086218 Ontario Inc., 2085438 Ontario Inc., First Leaside Visions Management Inc., 1049015 Ontario Inc., 1049016 Ontario Inc., 2007804 Ontario Inc., 2019418 Ontario Inc., FL Research Management Inc., 970877 Ontario Inc., 1031628 Ontario Inc., 1045516 Ontario Inc., 2004516 Ontario Inc., 2192341 Ontario Inc., and First Leaside Fund Management Inc.

Applicants

FIRST REPORT TO COURT OF GRANT THORNTON LIMITED, MONITOR OF THE APPLICANTS UNDER THE *COMPANIES' CREDITORS ARRANGEMENT ACT*

MARCH 21, 2012

INTRODUCTION

1. On February 23, 2012, the Applicants made an application to the Ontario Superior Court of Justice (Commercial List) (the "**Court**") to commence proceedings under the *Companies' Creditors Arrangement Act* (the "**CCAA Proceedings**"). On that date, the Court issued an order (which was amended by the Court on March 8, 2012), (the "**Initial Order**"), *inter alia*, granting the Applicants and the entities listed on Schedule A hereto (collectively, the "**Companies**" or "**First Leaside**") the protection of a stay of proceedings until

March 23, 2012, appointing Grant Thornton Limited ("**GTL**") as the Companies' monitor under the CCAA (the "**Monitor**") and confirming the appointment of G.S. MacLeod & Associates Inc., as the Companies' Chief Restructuring Officer (the "**CRO**"). A copy of the Initial Order is attached as **Appendix "1"**.

2. This report (the "**First Report**") has been prepared by GTL in its capacity as Monitor.

PURPOSE OF FIRST REPORT

3. The purpose of this First Report is to advise the Court with respect to:

   i) the activities of the Monitor since the issuance of the Initial Order;

   ii) the status of the CCAA Proceedings and the Companies' activities since the issuance of the Initial Order, including the Monitor's observations regarding the CRO's plan to realize on certain of the Companies' properties;

   iii) information obtained from First Leaside regarding Queenston Manor LP ("**Queenston Manor**") and certain affiliated entities;

   iv) the Monitor's observations regarding the Companies' proposed allocation methodology for the fees and costs of the Estate Professionals;

   v) the Companies' financial results since February 18, 2012, the Companies' liabilities incurred after February 23, 2012 and the Monitor's comments related thereto;

   vi) the Companies' updated cash flow projections to June 29, 2012;

vii) the Companies' request for an order extending the stay of proceedings from March 23, 2012, the date that the stay of proceedings currently expires, to June 29, 2012; and

viii) the Monitor's request for an order approving this First Report, the report of GTL dated February 22, 2012 prepared in its capacity as proposed monitor (the "**February 22 Report**"), and the Monitor's activities as described in this First Report and the February 22 Report.

SCOPE AND TERMS OF REFERENCE

4. In preparing this First Report, the Monitor has relied upon unaudited financial information, the Companies' records, financial information and projections and discussions with the CRO, the Companies' management and certain of its employees. While the Monitor reviewed various documents provided by the Companies and believes that the information therein provides a fair summary of the transactions as reflected in the documents, such work does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Accounting Principles. Accordingly, the Monitor expresses no opinion or other form of assurance in respect of such information.

5. Some of the information used in preparing this First Report relies on financial projections. The Monitor cautions that these projections are based upon assumptions about future events and conditions that are not ascertainable. The Companies' actual results may vary from such projections. The Monitor's review of the future oriented information used to prepare this First Report did not

constitute a review or examination of such information under Canadian Generally Accepted Auditing Standards or International Financial Reporting Standards.

6. In the course of its mandate, the Monitor has assumed the integrity and truthfulness of the information and explanations presented to it by the Companies and their management, within the context in which such information was presented. To date, nothing has come to the Monitor's attention that would cause it to question the reasonableness of this assumption. The Monitor has requested that management and the CRO bring to its attention any significant matters which were not addressed in the course of the Monitor's specific inquiries. Accordingly, this First Report is based solely on the information (financial or otherwise) made available to the Monitor by the Companies.

7. This First Report has been prepared for the use of this Court and the Companies' stakeholders as general information relating to First Leaside. Accordingly, the reader is cautioned that this First Report may not be appropriate for any other purpose. The Monitor will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this First Report contrary to the provisions of this paragraph.

8. All references to dollars are in Canadian currency unless otherwise noted. Balances denominated in U.S. currency are converted to Canadian currency at par.

9. Capitalized terms not defined in this First Report have the meanings ascribed to them in the Affidavit of Greg S. MacLeod sworn February 22, 2012, which was filed with the Court together with the Companies' CCAA application materials.

10. The CRO filed an affidavit with the Court in advance of the motion to be heard on March 23, 2012 (the "**Second MacLeod Affidavit**"). In preparing this First Report, the Monitor has not repeated information contained in the Second MacLeod Affidavit.

ACTIVITIES OF THE MONITOR

11. Since February 23, 2012, the Monitor's activities have included, among other things:

    i) meeting and corresponding regularly with the management of First Leaside, the CRO and the Companies' counsel to discuss, among other things, the Companies' activities, correspondence with stakeholders, the Companies' financial position, the proposed sales process for the Companies' assets and the cash flow projections;

    ii) meeting and corresponding regularly with the Monitor's independent counsel;

    iii) corresponding with Representative Counsel on a periodic basis to discuss among other things, communications to the investors of First Leaside and the developments in the CCAA Proceedings;

    iv) corresponding with the CRO regarding the potential sale of certain properties;

    v) corresponding with a prospective purchaser of one of First Leaside's properties regarding the impact of the CCAA Proceedings on the potential sale;

vi) corresponding with a representative of Computershare Trust Company of Canada, as Custodian, Nominee and Agent for and on behalf of Certificate holders of Merrill Lynch Financial Assets Inc. Commercial Mortgage Pass-Through Certificates, Series 2006-Canada 19 ("**Midland**"), the primary secured creditor of Queenston Manor in respect of the inclusion of Queenston Manor in the CCAA Proceedings and the Companies intention with respect to the Queenston Manor property;

vii) conducting preliminary investigations into the background, history and financial circumstances of Queenston Manor to better understand the ownership structure and its relationship within the FLEX umbrella;

viii) reviewing and commenting on the cash flow projections prepared by the Companies;

ix) reviewing the Companies' actual cash flow results on a weekly basis;

x) monitoring the Companies' ongoing operating commitments;

xi) assisting the CRO to implement a billing protocol for the Estate Professionals and assisting the CRO with the formulation of its proposed allocation methodology for the fees and costs of the Estate Professionals;

xii) reviewing the intercompany balances as between the Companies since February 23, 2012;

xiii) attending periodically at First Leaside's office in Uxbridge, Ontario;

xiv) corresponding by email and telephone with the Companies' creditors and investors;

xv) preparing and publishing a notice of the CCAA Proceedings in the Globe & Mail newspaper in accordance with the CCAA and paragraph 76 of the Initial Order;

xvi) preparing and publishing a press release on February 23, 2012, a copy of which is attached as **Appendix "2"**;

xvii) preparing and distributing a notice of these CCAA Proceedings to the Companies' creditors in accordance with paragraph 76 of the Initial Order;

xviii) assisting the Companies to provide Representative Counsel with a list of the names, addresses, and contact information of the Companies' investors to allow Representative Counsel to contact the investors, pursuant to paragraph 43 of the Initial Order;

xix) maintaining a public website for the CCAA Proceedings and updating same on a regular basis;

xx) preparing for the motion to be heard on March 23, 2012; and

xxi) reviewing all materials filed with the Court in respect of these proceedings.

STATUS OF CCAA PROCEEDINGS AND CRO'S REALIZATION PLANS

12. Since the issuance of the Initial Order, First Leaside and the CRO have been working closely with First Leaside's stakeholders, Representative Counsel and the Monitor to assess information, options and realization strategies in order to formulate and recommend to this Court a wind-down plan for First Leaside's operations and assets on an individual and/or group basis. In that regard, First Leaside has been focused on, among other things:

(i) Preparing financial and tax statements, including those in respect of client accounts;

(ii) Preparing short and medium term cash flow projections;

(iii) Developing a monitoring protocol with the Monitor, both in respect of the Companies' financial position and the wind-down process;

(iv) Developing a realization strategy for certain of the Companies assets; and

(v) Investor and creditor communications.

Proposed Sale Process for Real Property

13. First Leaside has requested that the Court grant it the authority to enter into listing agreements with real property brokers and contemplates that the following process (the "**Listing Process**") will be followed:

(i) First Leaside obtains at least two listing proposals from real property brokers and provides a copy of same to the Monitor;

(ii) First Leaside negotiates a listing agreement for each property or group of properties with one of the real property brokers having submitted a proposal and consults with the Monitor in such negotiation; and

(iii) The Monitor consents to the listing agreement.

14. First Leaside has ownership of, or an interest in, several parcels of real property. First Leaside advises that it has plans to list for sale certain of these properties, although such listing agreements may be finalized and executed over a period of several months. If approved by the Court, the proposed Listing Process would provide direct oversight and approval by the Monitor, while minimizing the number of Court attendances. The sale of any real property assets would remain subject to the approval of the Court, as required by the Initial Order.

15. In granting its consent to any particular listing agreement, the Monitor anticipates consulting with Representative Counsel and any senior secured lenders on the property to be listed for sale.

16. Given the foregoing, the Monitor supports the relief requested by First Leaside in respect of the Listing Process.

QUEENSTON MANOR LP

17. At the time of the initial CCAA application on February 23, 2012, counsel for Midland objected to the inclusion of Queenston Manor in the CCAA proceedings, citing that the specific property owned by Queenston Manor was not insolvent, notwithstanding that the umbrella entity, FLEX, was clearly insolvent. Ultimately, the Court included Queenston Manor in the Initial Order. On March 9, 2012, counsel for Midland filed a Notice of Motion for Leave to Appeal the Initial Order, as it relates to Queenston Manor.

18. Following the issuance of the Initial Order, the Monitor conducted a preliminary review of the history of Queenston Manor. In particular, the Monitor reviewed

how Queenston Manor came to be under the FLEX umbrella and the direct and indirect obligations of Queenston Manor to investors. In addition, the Monitor reviewed the financial position of Queenston Manor with the management of First Leaside.

19. The Monitor is advised by First Leaside's internal legal counsel that Queenston Manor was acquired by First Leaside in 1999. At that time, the Monitor understands that Queenston Manor had its own limited partners and operated as a separate entity from the other LPs associated with First Leaside. In 2009, the Monitor understands that the limited partners of Queenston Manor were offered an exchange of their units for units of FLEX. The Monitor understands that the majority of investors accepted the exchange for FLEX units, while those investors that did not want FLEX units had their Queenston Manor units purchased by FLEX at the same exchange rate as was used for the exchange of Queenston Manor units for FLEX units. At this time, the Monitor does not have information available to it regarding the source of funds used to purchase the units from the Queenston Manor's limited partners that did not elect to exchange their Queenston Manor units for FLEX units.

20. While Queenston Manor is currently cash flow positive as a standalone entity, Queenston Manor, together with another FLEX property, Bramtree, was the only material source of positive cash flow in FLEX in the past two years, which remains so today. The income from Queenston Manor and Bramtree was historically used to satisfy, in part, the investor and other obligations of FLEX. Furthermore, while Queenston Manor forecasts being cash flow positive over the

next three months as a standalone entity, First Leaside frequently and extensively transferred funds between LPs and Queenston Manor was a significant source of funding, for FLEX in particular. However, at the time of the issuance of the Initial Order, the excess cash flow from Queenston Manor was not sufficient to enable FLEX to meet its obligations as they came due. As at the date of this First Report, First Leaside advises that there is approximately $565,000 owing by FLEX to Queenston Manor, however, until the final reconciliation is completed it is not possible to ascertain whether or not there is indebtedness owing from Queenston Manor to FLEX or to another First Leaside LP.

PROPOSED ALLOCATION METHOD FOR FEES AND COSTS OF THE ESTATE PROFESSIONALS

21. Paragraph 56 of the Initial Order provided that First Leaside and the Monitor were to endeavour to provide the Court with a recommended protocol for the allocation of the fees and costs of the Estate Professionals before March 30, 2012. Shortly after the issuance of the Initial Order, the Monitor and the CRO established a preliminary billing protocol for the Estate Professionals whereby such parties are to allocate their fees and costs to the following nine categories:

    (i) First Leaside Wealth Management Inc.;

    (ii) First Leaside Expansion Limited Partnership;

    (iii) Wimberly Apartments Limited Partnership;

    (iv) Primetime Living Limited Partnership;

    (v) First Leaside Ventures Limited Partnership;

(vi) First Leaside Securities Inc.;

(vii) First Leaside Visions I Limited Partnership and First Leaside Visions II Limited Partnership;

(viii) Other entities that are not subsidiaries of the entities noted in (i) to (vii), above; and

(ix) General CCAA administration costs not allocable to specific entities (the "**General Costs**").

22. The intention of the above billing protocol is to allow First Leaside, subject to the approval of the Court, to directly allocate fees of the Estate Professionals that are attributable to specific assets or stakeholder interests. This methodology is intended to avoid stakeholder groups or "silos" from unfairly bearing costs that are properly attributable elsewhere.

23. The allocation of the General Costs has also been considered by First Leaside and the Monitor. The Monitor's preliminary view is that a reasonable allocation of such costs may be on a pro rata basis relative to the gross realizations from assets in each "silo". The Monitor's view is preliminary and is subject to further discussions between the Monitor and the CRO, with input from Representative Counsel and other stakeholders. Ultimately the allocation of all of the fees and costs of the Estate Professionals will be the subject of a future motion to be brought by First Leaside and an order of the Court.

FINANCIAL RESULTS AND POST-INITIAL ORDER OBLIGATIONS

24. The consolidated receipts and disbursements of First Leaside for the four-week period ended March 16, 2012 (the "**Reporting Period**") as compared to the cash flow forecast attached as Appendix "1" to the Report of the Proposed Monitor dated February 22, 2012 are summarized below:

First Leaside Group of Companies
Schedule of Consolidated Receips and Disbursements as Compared to the CCAA Cash Flow Forecast
For the Period February 18, 2012 to March 16, 2012
Unaudited, ($000's)

	Actual	Forecast	Variance
Cash Inflow			
Receipts	168	145	22
Total Receipts	168	145	22
Cash Outflow			
Operating Disbursements	315	297	(18)
Professional Fees	1,102	1,590	488
Salaries	159	195	36
Capital	-	102	102
Forecast Outflow	1,576	2,184	608
Net Cash Flow	(1,408)	(2,039)	630
Cash, beginning of period (February 18, 2012)	7,528	7,528	-
Cash, end of period (March 16, 2012)	6,119	5,489	630

25. During the Reporting Period, the Company's actual receipts were approximately $22,000 higher than anticipated due in part to property management fees charged by FLWM on the FLEX properties, which were not forecasted. These amounts are immaterial and this source of revenue will terminate upon the sale of the FLEX properties.

26. The Companies' total disbursements during the Reporting Period were approximately $630,000 less than the forecasted. Of this variance, $36,000

relates to lower than projected payroll costs and $100,000 relates to capital expenditures originally forecasted to be made in Texas, which were deferred at the direction of the CRO. The balance of the variance ($488,000) relates to professional fees, which were projected to be paid during the Reporting Period and are to be paid in the week following the Reporting Period.

27. The Monitor has reviewed First Leaside's various accounts payable aging reports, which reflect that the Companies are current in respect of their post-filing obligations, with the exception of property taxes which continue to accrue.

CASH FLOW PROJECTION

28. The Companies have updated their cash flow projection, on a weekly basis, for the period ending June 29, 2012 (the "**Cash Flow Projection**"). The Cash Flow Projection together with management's report on the cash-flow projection is attached hereto as **Appendix "3"**. The Cash Flow Projection, including the notes attached thereto, has been prepared by management for the purpose described in management's report on the Cash Flow Projection, using probable and hypothetical assumptions set out in the notes to the Cash Flow Projection.

29. The Monitor makes the following comments on the Cash Flow Projection:

    i) Expenses appear to be consistent with the level of operations required by the Companies during the restructuring period;

ii) FLWM does not have sufficient liquidity to pay the cost of the administration of the CCAA Proceedings and other operating expenses. Accordingly, the Cash Flow Projection assumes that funds will be transferred from other Applicants to FLWM to pay the cost of the administration of the CCAA Proceedings as such costs are allocable to other entities comprising the Companies;

iii) The Cash Flow Projection does not contemplate servicing mortgages during the CCAA Proceedings; and

iv) The Companies project that they will be able to pay the liabilities that they incur after the date of the Initial Order.

30. The Monitor's review of the Cash Flow Projection consisted of inquiries, analytical procedures and discussions related to information supplied to the Monitor by the Companies. Since hypothetical assumptions need not be supported, the Monitor's procedures with respect to such assumptions were limited to evaluating whether they were consistent with the purpose of the Cash Flow Projection. The Monitor has also reviewed the support provided the Companies for the probable assumptions and the preparation and presentation of the Cash Flow Projection. Based on the Monitor's review, nothing has come to its attention that causes it to believe that, in all material respects:

i) the hypothetical assumptions are not consistent with the purpose of the Cash Flow Projection;

ii) as at the date of this First Report, the probable assumptions developed by the Companies are not suitably supported and consistent with the Companies' plans or do not provide a reasonable basis for the Cash Flow Projection, given the hypothetical assumptions; or

iii) the Cash Flow Projection does not reflect the probable and hypothetical assumptions.

31. The Cash Flow Projection prepared by the Companies projects that the Companies will have sufficient funds on hand to maintain operations throughout the Cash Flow Projection period.

RECOMMENDATION AND REQUESTED RELIEF

32. In the Monitor's view, the Companies and the CRO have acted in accordance with the Initial Order, as amended, and are working diligently to restructure their affairs. The Companies and the CRO have also been working cooperatively with the Monitor to facilitate the carrying out of its mandate. Accordingly, the Monitor is satisfied that the Companies are acting in good faith and with due diligence.

33. The Monitor respectfully recommends that this Court:

i) grant the Companies' request for an extension of the stay of proceedings to June 29, 2012;

ii) authorize the CRO to enter into listing agreements to sell real property owned or controlled by the Applicants, subject to following the Listing Process; and

iii) approve this First Report, the February 22 Report and the Monitor's activities as described in this First Report and in the February 22 Report.

All of which is respectfully submitted,

GRANT THORNTON LIMITED,
In its capacity as CCAA Monitor of the Applicants
under the *Companies' Creditors Arrangements Act*
and not in any other capacity

Per:

Jonathan Krieger, CA•CIRP
Senior Vice President

SCHEDULE "A"—PARTNERSHIPS ENTITLED TO THE BENEFIT OF THIS ORDER

Mill Street Limited Partnership
Development Notes Limited Partnerships Special Notes LP
First Leaside Properties LP
First Leaside Realty LP First Leaside Real Estate LP
First Leaside Global LP First Leaside Income LP First Leaside Investors LP First Leaside Optimal LP First Leaside Preferred LP First Leaside Premier LP First Leaside Progressive LP First Leaside Quality LP First Leaside Real Estate LP First Leaside Realty II LP First Leaside Retirement Residences LP First Leaside Superior LP First Leaside Ultimate LP First Leaside Universal LP Uxbridge Development LP First Leaside Retirement Residences Limited Partnership First Leaside Venture Limited Partnership
Wimberly Apartments LP
The Shores LP
Old Mill Pond LP

The Bluffs of Lakewood LP
First Leaside Spring Valley LP
First Leaside Partners LP First Leaside Opportunities LP
Preston Racquet Club Real Estate Limited Partnership Series 910 PA Preston Racquet Club Real Estate Limited Partnership Series 910 PB Preston Racquet Club Real Estate Limited Partnership Series 910 PC Preston Racquet Club Real Estate Limited Partnership Series 910 PD
FL Master Texas Ltd.
FLW Pond Master Ltd.
FLW Shores Master Ltd.
First Leaside Acquisitions LP
Queenston Manor LP
First Leaside Acquisitions 2000 LP
First Leaside Advantage LP
First Leaside Developments LP
First Leaside Elite LP First Leaside Select LP
First Leaside Enterprises LP
B&W LP First Leaside Entities LP
First Leaside Expansion LP
First Leaside Growth LP
First Leaside Operations LP
First Leaside Unity LP

First Leaside Visions I LP First Leaside Visions II LP First Leaside Visions III LP First Leaside Visions IV LP Metabacus LP Greencore LP Marksman Cellject LP OMISA LP Dossierview LP eSight LP Tyromer LP
Place Concorde East LP
Place Concorde West LP
First Leaside Wealth Management LP
First Leaside Technologies LP
F.L. Beverages Group Limited

Partnership F.L. Retirement Residences Limited Partnership First Leaside Global Limited Partnership First Leaside Ventures Limited Partnership Special U.S. Notes Limited Partnership FLWM Holdings Limited Partnership

Appendix 1

Court File No. CV-12-9617-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	THURSDAY, THE 23RD
	)	
JUSTICE DAVID M. BROWN	)	DAY OF FEBRUARY, 2012

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF First Leaside Wealth Management Inc., First Leaside Finance Inc., First Leaside Securities Inc., FL Securities Inc., First Leaside Management Inc., First Leaside Accounting and Tax Services Inc., First Leaside Holdings Inc., 2086056 Ontario Inc., First Leaside Realty Inc., First Leaside Capital Inc., First Leaside Realty II Inc., First Leaside Investments Inc., 965010 Ontario Inc., 1045517 Ontario Inc., 1024919 Ontario Inc., 1031628 Ontario Inc., 1056971 Ontario Inc., 1376095 Ontario Inc., 1437290 Ontario Ltd., 1244428 Ontario Ltd., PrestonOne Development (Canada) Inc., PrestonTwo Development (Canada) Inc., PrestonThree Development (Canada) Inc., PrestonFour Development (Canada) Inc., 2088543 Ontario Inc., 2088544 Ontario Inc., 2088545 Ontario Inc., 1331607 Ontario Inc., Queenston Manor General Partner Inc., 1408927 Ontario Ltd., 2107738 Ontario Inc., 1418361 Ontario Ltd., 2128054 Ontario Inc., 2069212 Ontario Inc., 1132413 Ontario Inc., 2067171 Ontario Inc., 2085306 Ontario Inc., 2059035 Ontario Inc., 2086218 Ontario Inc., 2085438 Ontario Inc., First Leaside Visions Management Inc., 1049015 Ontario Inc., 1049016 Ontario Inc., 2007804 Ontario Inc., 2019418 Ontario Inc., FL Research Management Inc., 970877 Ontario Inc., 1031628 Ontario Inc., 1045516 Ontario Inc., 2004516 Ontario Inc., 2192341 Ontario Inc., and First Leaside Fund Management Inc. (each, an "Applicant" and collectively, the "Applicant")

INITIAL ORDER

THIS APPLICATION, made by the Applicant, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Gregory MacLeod sworn February 22, 2012 (the "MacLeod Affidavit") and the Exhibits thereto, and the Pre-filing Report of Grant Thornton Limited as the Proposed Monitor, and on hearing the submissions of counsel for the Applicant, the proposed Monitor, the proposed Representative Counsel, the Ontario Securities Commission, the Investment Industry Regulatory Organization of Canada, the Toronto-Dominion Bank, the Canadian Imperial Bank of Commerce, and KingSett Capital, no one appearing for the other parties on the service list although duly served as appears from the affidavit of service of Patricia Hoogenband sworn February 22, 2012 and on reading the consent of Grant Thornton Limited to act as the Monitor,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. THIS COURT ORDERS AND DECLARES that the Applicant is a company to which the CCAA applies. Although not an Applicant, the limited partnerships listed in Schedule "A" to this Order (the "LPs") shall enjoy the benefits of and the protections provided to the Applicant by this Order. (The Applicant and the LPs are hereinafter referred to collectively as "First Leaside".)

3. THIS COURT ORDERS that, for greater certainty, the terms of this order shall not apply to the following limited partnerships (collectively, the "Excluded LPs"):

(a) First Leaside Retirement Residences (Ottawa) Limited Partnership

(b) First Leaside Retirement Residences (Okanagan) Limited Partnership

(c) Cherry Park Retirement Residences Limited Partnership

(d) Orchard Valley Retirement Residences Limited Partnership

(e) The Shores Retirement Residences Limited Partnership

(f) Redwood Retirement Residences (Ottawa) Limited Partnership

(g) 100 Isabella Street (Ottawa) Limited Partnership and

(h) 480 Metcalfe Street (Ottawa) Limited Partnership

(hereafter, the Excluded LPs identified in (a), (f), (g), and (h) above shall be referred to as the "Ottawa Excluded LPs" and the Excluded LPs identified in (b), (c), (d), and (e) above shall be referred to as the "Okanagan Excluded LPs").

4. THIS COURT ORDERS that the provisions of this order shall not extend to any general partner of the Excluded LPs to the extent that such general partner exercises powers for or on behalf of the Excluded LPs, holds property on behalf of the Excluded LPs, or owes liabilities in respect of the Excluded LPs

5. THIS COURT ORDERS that, for greater certainty, Canadian Imperial Bank of Commerce ("CIBC"), KingSett Mortgage Corporation ("KingSett") and Toronto-Dominion Bank ("TD") shall be unaffected creditors and not stayed by or otherwise subject to the terms of this Order in respect of the Excluded LPs.

6. THIS COURT ORDERS that that no payments, funds or other transfers of value shall be accepted or received by First Leaside from the Excluded LPs, save and except to the extent approved by agreement in writing by CIBC and KingSett with respect to the Ottawa Excluded LPs and by TD with respect to the Okanagan Excluded LPs.

7. THIS COURT ORDERS that the Applicant is at liberty, at any time, on seven days' notice to CIBC, KingSett, and TD, to seek an order extending the scope of these proceedings and the provisions of this order to include the Excluded LPs.

PLAN OF ARRANGEMENT

8. THIS COURT ORDERS that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan or plans of compromise or arrangement (hereinafter referred to as the "Plan").

POSSESSION OF PROPERTY AND OPERATIONS

9. THIS COURT ORDERS that First Leaside shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "Property"). Subject to further Order of this Court, First Leaside shall continue to carry on its business in a manner consistent with the preservation of its business (the "Business") and Property. First Leaside shall be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "Assistants") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

10. THIS COURT ORDERS that First Leaside shall be entitled to implement a central cash management system as described in the MacLeod Affidavit or replace it with another substantially similar central cash management system (the "Cash Management System") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by First Leaside of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than First Leaside, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System. The bank accounts of First Leaside Securities Inc. ("FLSI") shall not form part of the Cash Management System.

11. THIS COURT ORDERS that First Leaside shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

(a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and

(b) the fees and disbursements of any Assistants retained or employed by First Leaside in respect of these proceedings, at their standard rates and charges.

12. THIS COURT ORDERS that, except as otherwise provided to the contrary herein, First Leaside shall be entitled but not required to pay all reasonable expenses incurred by First Leaside in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

(a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services;

(b) payment for goods or services actually supplied to First Leaside following the date of this Order; and

(c) payments of principal and interest in respect of real property mortgages.

13. THIS COURT ORDERS that First Leaside shall remit, in accordance with legal requirements, or pay:

(a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;

(b) all goods and services or other applicable sales taxes (collectively, "Sales Taxes") required to be remitted by First Leaside in connection with the sale of goods and services by First Leaside, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and

(c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by First Leaside.

14. THIS COURT ORDERS that until a real property lease is disclaimed in accordance with the CCAA, First Leaside shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between First Leaside and the landlord from time to time ("Rent"), for the period commencing from and including the date of this Order, in equal monthly payments on the first day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

15. THIS COURT ORDERS that, except as specifically permitted herein, First Leaside is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by First Leaside to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

16. THIS COURT ORDERS that First Leaside shall, subject to such requirements as are imposed by the CCAA, have the right to:

(a) permanently or temporarily cease, downsize or shut down any of its business or operations, and to dispose of redundant or non-material assets not exceeding $50,000 in any one transaction or $250,000 in the aggregate;

(b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate;

(c) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing; and

(d) pursue all avenues for the potential sale of the Business or Property, in whole or part, subject to further approval of such sale by this Court,

all of the foregoing to permit First Leaside to proceed with an orderly restructuring of the Business (the "Restructuring").

17. THIS COURT ORDERS that First Leaside shall provide each of the relevant landlords with notice of First Leaside's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes First Leaside's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and First Leaside, or by further Order of this Court upon application by First Leaside on at least two (2) days notice to such landlord and any such secured creditors. If First Leaside disclaims the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to First Leaside's claim to the fixtures in dispute.

18. THIS COURT ORDERS that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective

tenants during normal business hours, on giving First Leaside and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against First Leaside in respect of such lease or leased premises and such landlord shall be entitled to notify First Leaside of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST FIRST LEASIDE OR THE PROPERTY

19. THIS COURT ORDERS that until and including March 23, 2012, or such later date as this Court may order (the "Stay Period"), no proceeding or enforcement process in any court or tribunal (each, a "Proceeding") shall be commenced or continued against or in respect of First Leaside or the Monitor, or affecting the Business or the Property, except with the written consent of First Leaside and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of First Leaside or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

20. THIS COURT ORDERS that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "Persons" and each being a "Person") against or in respect of First Leaside or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of First Leaside and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower First Leaside to carry on any business which First Leaside is not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

21. THIS COURT ORDERS that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by First Leaside, except with the written consent of First Leaside and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

22. THIS COURT ORDERS that during the Stay Period, all Persons having oral or written agreements with First Leaside or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or First Leaside, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by First Leaside, and that First Leaside shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by First Leaside in accordance with normal payment practices of First Leaside or such other practices as may be agreed upon by the supplier or service provider and each of First Leaside and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

23. THIS COURT ORDERS that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to First Leaside. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

24. THIS COURT ORDERS that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of First Leaside with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicant whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

CHIEF RESTRUCTURING OFFICER

25. THIS COURT ORDERS that the appointment of G.S. MacLeod & Associates Inc. as chief restructuring officer of First Leaside (the "CRO") is hereby confirmed and approved and the CRO is hereby authorized and empowered to operate and manage the affairs of First Leaside during the pendency of these CCAA proceedings.

26. THIS COURT ORDERS that the CRO shall be paid its fees and disbursements (the "CRO Fees") in accordance with the CRO's engagement letter with First Leaside dated December 21, 2011.

27. THIS COURT ORDERS that the CRO and its officers, directors, employees, and servants shall incur no liability or obligation as a result of the appointment of the CRO or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on their part.

TRANSFER OF CLIENT ACCOUNTS

28. THIS COURT ORDERS that, to the extent that any client of FLSI ("FLSI Client") holds a "security" as defined in section 253 of the *Bankruptcy and Insolvency Act* and/or cash in an account or accounts with Penson Financial Services Canada Inc. (each, a "Client Account"), such FLSI Client shall immediately have the right to transfer any such

security or cash or the entire Client Account with Penson Financial Services Canada Inc. to another licensed securities dealer (an "FLSI Client Account Transfer").

29. THIS COURT ORDERS that FLSI and Penson Financial Services Canada Inc. shall take all reasonable steps to facilitate an FLSI Client Account Transfer.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

30. THIS COURT ORDERS that the Applicant shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicant after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

31. THIS COURT ORDERS that the directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "Directors' Charge") on the Property, which charge shall not exceed an aggregate amount of $250,000, as security for the indemnity provided in paragraph 30 of this Order as well as the fees and disbursements of counsel to the Independent Committee of the Board of Directors ("Independent Committee Counsel") to the extent that such fees and disbursements relate to services provided in respect of First Leaside. The Directors' Charge shall have the priority set out in paragraphs 50 and 52 herein. The Applicant is hereby authorized and directed to pay a $50,000 retainer to Independent Committee Counsel.

32. THIS COURT ORDERS that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicant's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 30 of this Order.

APPOINTMENT OF MONITOR

33. THIS COURT ORDERS that Grant Thornton Limited is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of First Leaside with the powers and obligations set out in the CCAA or set forth herein and that First Leaside and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by First Leaside pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

34. THIS COURT ORDERS that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

(a) monitor First Leaside's receipts and disbursements;

(b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;

(c) advise First Leaside in its preparation of First Leaside's cash flow statements;

(d) advise and assist First Leaside concerning the potential sale of the Property and an orderly wind-down of the Business;

(e) advise First Leaside in its development of the Plan and any amendments to the Plan;

(f) assist First Leaside, to the extent required by First Leaside, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;

(g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of First Leaside, to the extent that is necessary to adequately assess First

Leaside's business and financial affairs or to perform its duties arising under this Order;

(h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;

(i) perform such other duties as are required by this Order or by this Court from time to time; and

(j) consult with and assist First Leaside in its negotiations and discussions with investors, creditors, and other stakeholders.

35. THIS COURT ORDERS that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

36. THIS COURT ORDERS that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to

be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

37. THIS COURT ORDERS that the Monitor shall provide any creditor of First Leaside with information provided by First Leaside in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by First Leaside is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and First Leaside may agree.

38. THIS COURT ORDERS that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

39. THIS COURT ORDERS that the Monitor, counsel to the Monitor, and counsel to First Leaside shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by First Leaside as part of the costs of these proceedings. First Leaside is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for First Leaside on a bi-weekly basis and, in addition, First Leaside is hereby authorized to pay retainers of $150,000 to the Monitor, $100,000 to counsel to the Monitor, and $150,000 to counsel to First Leaside, to be held by each of them as security for payment of their respective fees and disbursements outstanding from time to time.

40. THIS COURT ORDERS that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

41. THIS COURT ORDERS that the Monitor, counsel to the Monitor, First Leaside's counsel, and Representative Counsel (defined below) shall be entitled to the benefit of and are hereby granted a charge (the "Administration Charge") on the Property, which charge shall not exceed an aggregate amount of $1,000,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 50 and 52 hereof.

APPOINTMENT OF REPRESENTATIVE COUNSEL

42. THIS COURT ORDERS that Fraser Milner Casgrain LLP ("Representative Counsel") is appointed as representative counsel in these proceedings to represent the interests of clients of FLSI (the "Clients"), unless and until written notice is provided by a particular Client to Representative Counsel that such Client does not wish to be represented by Representative Counsel.

43. THIS COURT ORDERS that First Leaside shall provide to Representative Counsel the last known e-mail addresses (to the extent available) or other available contact information for each Client and, within ten days of the date of this Order, Representative Counsel shall provide the Clients with a copy of this Order, which shall constitute sufficient notice to Clients of this Order and the appointment of Representative Counsel and such step shall relieve the Monitor of its duty to provide notice to such Clients under section 23 of the CCAA.

44. THIS COURT ORDERS that Representative Counsel shall be paid its reasonable fees and disbursements by First Leaside, up to an initial maximum amount of $150,000 (the "Representative Counsel Allowance") with any subsequent increases to the Representative Counsel Allowance being determined by further Order of this Court. Representative Counsel shall be paid by First Leaside in a timely manner for fulfilling its mandate in accordance with this Order, upon the provision of invoices to First Leaside, subject to such redactions to the invoices as are necessary to maintain solicitor-client privilege between Representative Counsel and the Clients.

45. THIS COURT ORDERS that First Leaside shall pay to Representative Counsel a retainer of $25,000 to be held by it as security for payment of its fees and disbursements outstanding from time to time.

46. THIS COURT ORDERS that Representative Counsel is hereby authorized to take all steps and do all acts necessary or desirable to carry out the terms of this Order.

47. THIS COURT ORDERS that Representative Counsel shall be at liberty, and is hereby authorized, at any time, to apply to this Court for advice and directions in respect of its appointment or the fulfillment of its duties in carrying out the provisions of this Order or any variation of the powers and duties of Representative Counsel, which shall be brought on notice to First Leaside, the Monitor, and other interested parties, unless the Court orders otherwise.

48. THIS COURT ORDERS that Representative Counsel shall have no personal liability or obligations as a result of the performance of its duties in carrying out the provisions of this Order, save and except for liability arising out of gross negligence or wilful misconduct.

49. THIS COURT ORDERS that no action or other proceeding may be commenced against Representative Counsel in respect of the performance of its duties under this Order without leave of the Court on seven days' notice to Representative Counsel.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

50. THIS COURT ORDERS that the priorities of the Directors' Charge and the Administration Charge, as between them, shall be as follows:

First – Administration Charge (to the maximum amount of $1,000,000);

Second – Directors' Charge (to the maximum amount of $250,000).

51. THIS COURT ORDERS that the filing, registration or perfection of the Directors' Charge or the Administration Charge (collectively, the "Charges") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to

the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

52. THIS COURT ORDERS that each of the Directors' Charge and the Administration Charge (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "Encumbrances") in favour of any Person, provided, however, that

(a) the Directors' Charge shall not attach to any monies or other Property of FLSI ("FLSI Property") including, without limitation, property which constitutes "risk adjusted capital" plus the $250,000 "minimum capital requirement" in accordance with applicable securities laws and regulations; and

(b) the Administration Charge shall not attach to the FLSI Property in an amount exceeding the lesser of (A) $1 million and (B) the portion of costs secured by the Administration Charge which are attributable to, or for the benefit of, FLSI.

53. THIS COURT ORDERS that except as otherwise expressly provided for herein, or as may be approved by this Court, First Leaside shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Directors' Charge, or the Administration Charge, unless First Leaside also obtains the prior written consent of the Monitor and the beneficiaries of the Directors' Charge and the Administration Charge and further Order of this Court.

54. THIS COURT ORDERS that the Directors' Charge and the Administration Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "Chargees") shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e)

any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds First Leaside, and notwithstanding any provision to the contrary in any Agreement:

(a) the creation of the Charges shall not create or be deemed to constitute a breach by First Leaside of any Agreement to which it is a party;

(b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by the creation of the Charges; and

(c) the payments made by First Leaside pursuant to this Order, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

55. THIS COURT ORDERS that any Charge created by this Order over leases of real property in Canada shall only be a Charge in First Leaside's interest in such real property leases.

56. THIS COURT ORDERS that the CRO Fees and the professional fees and expenses of the Monitor, counsel to the Monitor, First Leaside's counsel and Representative Counsel paid or incurred in accordance with the provisions of this Order shall be allocated by First Leaside with the assistance of the Monitor to the various business units pursuant to a protocol to be proposed by First Leaside with the assistance of the Monitor, which protocol shall be approved upon motion to this Court. First Leaside and the Monitor shall endeavour to make recommendations in respect of a protocol on or before March 30, 2012.

SERVICE AND NOTICE

57. THIS COURT ORDERS that the Monitor shall (i) without delay, publish in the national edition of the *Globe and Mail* a notice containing the information prescribed

under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against First Leaside of more than $1000, and (C) prepare a list showing the aggregate amounts owed to equity investors, debt investors, and employees, but not names and addresses of those creditors, and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

58. THIS COURT ORDERS that First Leaside, Representative Counsel, and the Monitor be at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to First Leaside's creditors or other interested parties at their respective addresses as last shown on the records of First Leaside and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

59. THIS COURT ORDERS that First Leaside, Representative Counsel, and the Monitor, and any party who has filed a Notice of Appearance may serve any court materials in these proceedings by e-mailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, and the Monitor may post a copy of any or all such materials on its website at www.grantthornton.ca/firstleaside.

GENERAL

60. THIS COURT ORDERS that First Leaside or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

61. THIS COURT ORDERS that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of First Leaside, the Business or the Property.

62. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist First Leaside, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to First Leaside and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist First Leaside and the Monitor and their respective agents in carrying out the terms of this Order.

63. THIS COURT ORDERS that each of First Leaside and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

64. THIS COURT ORDERS that any interested party (including First Leaside and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

65. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard Time on the date of this Order.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

FEB 24 2012

NB

NBrown

Natasha Brown
Registrar

SCHEDULE "A"—PARTNERSHIPS ENTITLED TO THE BENEFIT OF THIS ORDER

Mill Street Limited Partnership
Development Notes Limited Partnerships Special Notes LP
First Leaside Properties LP
First Leaside Realty LP First Leaside Real Estate LP
First Leaside Global LP First Leaside Income LP First Leaside Investors LP First Leaside Optimal LP First Leaside Preferred LP First Leaside Premier LP First Leaside Progressive LP First Leaside Quality LP First Leaside Real Estate LP First Leaside Realty II LP First Leaside Retirement Residences LP First Leaside Superior LP First Leaside Ultimate LP First Leaside Universal LP Uxbridge Development LP First Leaside Retirement Residences Limited Partnership First Leaside Venture Limited Partnership
Wimberly Apartments LP
The Shores LP
Old Mill Pond LP

The Bluffs of Lakewood LP
First Leaside Spring Valley LP
First Leaside Partners LP First Leaside Opportunities LP
Preston Racquet Club Real Estate Limited Partnership Series 910 PA Preston Racquet Club Real Estate Limited Partnership Series 910 PB Preston Racquet Club Real Estate Limited Partnership Series 910 PC Preston Racquet Club Real Estate Limited Partnership Series 910 PD
FL Master Texas Ltd.
FLW Pond Master Ltd.
FLW Shores Master Ltd.
First Leaside Acquisitions LP
Queenston Manor LP
First Leaside Acquisitions 2000 LP
First Leaside Advantage LP
First Leaside Developments LP
First Leaside Elite LP First Leaside Select LP
First Leaside Enterprises LP
B&W LP First Leaside Entities LP
First Leaside Expansion LP
First Leaside Growth LP
First Leaside Operations LP
First Leaside Unity LP

First Leaside Visions I LP First Leaside Visions II LP First Leaside Visions III LP First Leaside Visions IV LP Metabacus LP Greencore LP Marksman Celliect LP OMISA LP Dossierview LP eSight LP Tyromer LP	Partnership F.L. Retirement Residences Limited Partnership First Leaside Global Limited Partnership First Leaside Ventures Limited Partnership Special U.S. Notes Limited Partnership FLWM Holdings Limited Partnership
Place Concorde East LP	
Place Concorde West LP	
First Leaside Wealth Management LP	
First Leaside Technologies LP	
F.L. Beverages Group Limited	

Court File No. CV-12-9617-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF First Leaside Wealth Management Inc., First Leaside Finance Inc., First Leaside Securities Inc., FL Securities Inc., First Leaside Management Inc., First Leaside Accounting and Tax Services Inc., First Leaside Holdings Inc., 2086056 Ontario Inc., First Leaside Realty Inc., First Leaside Capital Inc., First Leaside Realty II Inc., First Leaside Investments Inc., 965010 Ontario Inc., 1045517 Ontario Inc., 1024919 Ontario Inc., 1031628 Ontario Inc., 1056971 Ontario Inc., 1376095 Ontario Inc., 1437290 Ontario Ltd., 1244428 Ontario Ltd., PrestonOne Development (Canada) Inc., PrestonTwo Development (Canada) Inc., PrestonThree Development (Canada) Inc., PrestonFour Development (Canada) Inc., 2088543 Ontario Inc., 2088544 Ontario Inc., 2088545 Ontario Inc., 1331607 Ontario Inc., Queenston Manor General Partner Inc., 1408927 Ontario Ltd., 2107738 Ontario Inc., 1418361 Ontario Ltd., 2128054 Ontario Inc., 2069212 Ontario Inc., 1132413 Ontario Inc., 2067171 Ontario Inc., 2085306 Ontario Inc., 2059035 Ontario Inc., 2086218 Ontario Inc., 2085438 Ontario Inc., First Leaside Visions Management Inc., 1049015 Ontario Inc., 1049016 Ontario Inc., 2007804 Ontario Inc., 2019418 Ontario Inc., FL Research Management Inc., 970877 Ontario Inc., 1031628 Ontario Inc., 1045516 Ontario Inc., 2004516 Ontario Inc., 2192341 Ontario Inc., and First Leaside Fund Management Inc. (the "**Applicants**")

ORDER
(Amending Initial Order to Add Paragraph 41A)

THIS MOTION, made by Grant Thornton Limited ("**GTL**"), in its capacity as court appointed Monitor of the Applicants (the "**Monitor**") for an order (a) validating and abridging the time for service of the Motion Record; and (b) amending the order of Mr. Justice Brown, dated Thursday, February 23, 2012 (the "**Initial Order**") to add a new paragraph 41A, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Jonathan Krieger, sworn March 5, 2012, and on hearing the submissions of counsel for the Monitor, no one appearing for any other person on the service list, although properly served as appears from the affidavit of service of Maria Konidis, dated March 5, 2012, filed:

SERVICE

1. **THIS COURT ORDERS AND DECLARES** that the filing and service of the Notice of Motion and the Motion Record, including the method and timing of notice, service to the service list by way of email shall be and is hereby abridged and validated, so that this Motion is properly returnable today and any further service thereof upon any interested party other than the persons served with the Motion Record is hereby dispensed with.

AMENDMENT TO INITIAL ORDER

2. **THIS COURT ORDERS** that the Initial Order is hereby amended to include the following new paragraph as paragraph 41A:

> THIS COURT ORDERS THAT, notwithstanding its appointment as Monitor herein, Grant Thornton Limited is hereby permitted to enter into retainers outside of these CCAA Proceedings with any or all of Canadian Imperial Bank of Commerce ("CIBC"), Toronto-Dominion Bank ("TD") and KingSett Mortgage Corporation ("KingSett") to monitor the business and affairs of any or all of the Excluded LPs, on such terms as may be agreed amongst such parties, provided that any costs incurred by Grant Thornton Limited in such capacity shall be paid by CIBC, TD and/or KingSett, as applicable, and not by First Leaside. Such retainers shall furthermore not prevent Grant Thornton Limited from acting as a monitor, an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Excluded LPs, their businesses and property, if so appointed by further Order of this Court obtained on reasonable notice to CIBC, TD and KingSett.

ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO.
LE / DANS LE REGISTRE NO.:

MAR 0 8 2012

MB

Court File No. CV-12-9617-00CL

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C., 1985 c. C-36
AND IN THE MATTER of First Leaside Wealth Management Inc., et al.

Applicants

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

ORDER

(AMENDING INITIAL ORDER)

BLAKE, CASSELS & GRAYDON LLP
Box 25, Commerce Court West
Toronto, Ontario M5L 1A9

Pamela Huff LSUC#: 27344V
Tel: (416) 863-2958

Chris Burr LSUC#: 55172H
Tel: (416) 863-3301
Fax: (416) 863-2653

Lawyers for the Monitor

12546331.1

Court File No. CV-12-9617-00CL

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C., 1985 c. C-36
AND IN THE MATTER OF FIRST LEASIDE WEALTH MANAGEMENT INC., ET AL.

Applicants

Mar 8/12

March 8/12

C. Prophet for CIBC

C. Burr for the Monitor

~~D. Sobel for the~~

The arrangement contemplated hereunder that any information received by the Monitor in respect of the Excluded LP's is available to Applicant but any non-public information regarding the Applicant is not available to the secured creditors of the Excluded LP's.

No objections have been received after notice has been given of the proposed relief. Order to go in the form attached.

[signature] J.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

MOTION RECORD
(RETURNABLE MARCH 8, 2012)

BLAKE, CASSELS & GRAYDON LLP
Box 25, Commerce Court West
Toronto, Ontario M5L 1A9

Pamela Huff LSUC#: 27344V
Tel: (416) 863-2958

Chris Burr LSUC#: 55172H
Tel: (416) 863-3301
Fax: (416) 863-2653

Lawyers for the Monitor

Appendix 2

Grant Thornton

First Leaside Wealth Management Inc., granted protection under Companies' Creditors Arrangement Act

For Immediate Release

TORONTO – On February 23, 2012, First Leaside Wealth Management Inc. and certain of its affiliates (collectively, the "FL Group") obtained protection under the *Companies' Creditors Arrangement Act* ("CCAA"). Pursuant to the order issued by the Ontario Superior Court of Justice (Commercial List) (the "Court") on February 23, 2012 (the "Initial Order"), Grant Thornton Limited was appointed the FL Group's monitor (the "Monitor").

A copy of the Initial Order and a listing of the entities that obtained protection pursuant to the Initial Order are available on the Monitor's website at: www.grantthornton.ca/firstleaside. Parties wishing to contact the Monitor should call: 1-855-883-2474 or email: firstleaside@ca.gt.com.

During the FL Group's restructuring proceedings, the FL Group is continuing under the direction of G.S. MacLeod & Associates Inc., which was appointed by the Independent Committee of the FL Group's Board of Directors, and affirmed by the Court as the FL Group's Chief Restructuring Officer ("CRO").

"The stay of proceedings granted by the Court is intended to provide the FL Group with the opportunity to develop, refine and implement a restructuring or wind-up plan aimed at maximizing recovery for all stakeholders. In due course, the FL Group and the CRO will consult with the FL Group's various stakeholders for the purpose of developing a restructuring or wind-up plan," said Jonathan Krieger, Senior Vice-President of Grant Thornton Limited.

- ends -

Further enquiries, please contact

Tania Freedman
T 416.607.2745
E tania.freedman@ca.gt.com
Issued on: February 23, 2012

Notes to editors

Grant Thornton Limited is a Canadian Member of Grant Thornton International Ltd.

Appendix 3

First Leaside Group of Companies
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

Week	Note	1	2	3	4	5	6	7	8	9
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Week Ended		03/23/2012	03/30/2012	04/06/2012	04/13/2012	04/20/2012	04/27/2012	05/04/2012	05/11/2012	05/18/2012
Opening bank balance		6,119,487.72	5,343,957.78	5,253,656.56	5,305,269.56	5,099,548.34	4,995,317.34	4,757,714.12	4,639,582.12	4,489,776.12
Receipts	1,2	900.00	2,125.00	103,136.00	6,237.00	2,366.00	33,316.00	110,276.00	9,524.00	11,802.00
Disbursements										
Operating		107,503.00	36,783.00	18,023.00	22,815.00	56,597.00	75,276.00	42,408.00	29,330.00	21,015.00
Professional Fees		668,926.94	-	32,500.00	130,000.00	50,000.00	140,000.00	32,500.00	130,000.00	50,000.00
Salaries		-	55,643.22	-	55,643.22	-	55,643.22	-	-	55,643.22
Intercompany transfers		-	-	-	-	-	-	-	-	-
Capital	3	-	-	1,000.00	3,500.00	-	-	153,500.00	-	-
Mortgage payment		-	-	-	-	-	-	-	-	-
Total Disbursements		776,429.94	92,426.22	51,523.00	211,958.22	106,597.00	270,919.22	228,408.00	159,330.00	126,658.22
Net cash flows		(775,529.94)	(90,301.22)	51,613.00	(205,721.22)	(104,231.00)	(237,603.22)	(118,132.00)	(149,806.00)	(114,856.22)
Closing bank balance		5,343,957.78	5,253,656.56	5,305,269.56	5,099,548.34	4,995,317.34	4,757,714.12	4,639,582.12	4,489,776.12	4,374,919.90

Notes:

1 The cash flow may be positively impacted from the closing of certain properties or sale transactions, but due to the imprecision of a closing date and the requirement for Court approval, these sales have not been reflected in this cash flow
2 Receipts are primarily related to rental income from the various properties in the First Leaside portfolio
3 Relates to a contingency for capital expenditures in WALP.

First Leaside Group of Companies
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

Week	Note	10	11	12	13	14	15	
Week Ended		Forecast 05/25/2012	Forecast 06/01/2012	Forecast 06/08/2012	Forecast 06/15/2012	Forecast 06/22/2012	Forecast 06/29/2012	Total Forecast
Opening bank balance		4,374,919.90	4,212,475.90	4,216,710.68	4,063,895.68	3,929,737.46	3,747,737.46	6,119,487.72
Receipts	1,2	33,399.00	84,279.00	30,985.00	2,500.00	3,500.00	28,914.00	463,259.00
Disbursements								
Operating		54,343.00	24,401.00	17,800.00	31,015.00	44,500.00	20,243.00	602,052.00
Professional Fees		140,000.00	-	162,500.00	50,000.00	140,000.00	-	1,726,426.94
Salaries		-	55,643.22	-	55,643.22	-	55,643.22	389,502.54
Intercompany transfers		-	-	-	-	-	-	-
Capital	3	1,500.00	-	3,500.00	-	1,000.00	-	164,000.00
Mortgage payment		-	-	-	-	-	-	-
Total Disbursements		195,843.00	80,044.22	183,800.00	136,658.22	185,500.00	75,886.22	2,881,981.48
Net cash flows		(162,444.00)	4,234.78	(152,815.00)	(134,158.22)	(182,000.00)	(46,972.22)	(2,418,722.48)
Closing bank balance		4,212,475.90	4,216,710.68	4,063,895.68	3,929,737.46	3,747,737.46	3,700,765.24	3,700,765.24

Notes:

1 The cash flow may be positively impacted from the closing of certain properties or sale transactions, but due to the imprecision of a closing date and the requirement for Cour cash flow
2 Receipts are primarily related to rental income from the various properties in the First Leaside portfolio
3 A majority of the amount relates to a contingency for capital expenditures in WALP.

First Leaside Group of Companies
First Leaside Securities Inc. ("FLSI")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

Week Ended	Note	1 Forecast 03/23/2012	2 Forecast 03/30/2012	3 Forecast 04/06/2012	4 Forecast 04/13/2012	5 Forecast 04/20/2012	6 Forecast 04/27/2012	7 Forecast 05/04/2012	8 Forecast 05/11/2012	9 Forecast 05/18/2012
Opening bank balance		1,270,360.09	1,114,011.14	1,100,925.20	1,095,925.20	1,082,839.26	1,027,839.26	964,753.31	959,753.31	954,753.31
Receipts		-	-	-	-	-	-	-		
Disbursements										
Operating	1	70,000.00	5,000.00	5,000.00	5,000.00	5,000.00	55,000.00	5,000.00	5,000.00	5,000.00
Professional Fees	2	86,348.95				50,000.00				50,000.00
Salaries			8,085.94		8,085.94		8,085.94			8,085.94
Intercompany transfers										
Capital										
Mortgage payment										
Total Disbursements		156,348.95	13,085.94	5,000.00	13,085.94	55,000.00	63,085.94	5,000.00	5,000.00	63,085.94
Net cash flows		(156,348.95)	(13,085.94)	(5,000.00)	(13,085.94)	(55,000.00)	(63,085.94)	(5,000.00)	(5,000.00)	(63,085.94)
Closing bank balance		1,114,011.14	1,100,925.20	1,095,925.20	1,082,839.26	1,027,839.26	964,753.31	959,753.31	954,753.31	891,667.37

Notes:

1 Operating expenses include Sutton Boyce Gilkes in week 1 & 6 (CFO of the dealer), Penson Financial Services in weeks 1, 6, 10, & 14 (carrying dealer), and normal operating expenses.

2 Professional fees are projected to be paid to FLSI's counsel for work directly related to FLSI

First Leaside Group of Companies
First Leaside Securities Inc. ("FLSI")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

Week Ended	Note	10 Forecast 05/25/2012	11 Forecast 06/01/2012	12 Forecast 06/08/2012	13 Forecast 06/15/2012	14 Forecast 06/22/2012	15 Forecast 06/29/2012	Total Forecast
Opening bank balance		891,667.37	866,667.37	853,581.43	848,581.43	785,495.49	760,495.49	1,270,360.09
Receipts								-
Disbursements								
Operating	1	25,000.00	5,000.00	5,000.00	5,000.00	25,000.00	5,000.00	230,000.00
Professional Fees	2				50,000.00			236,348.95
Salaries			8,085.94		8,085.94		8,085.94	56,601.60
Intercompany transfers								-
Capital								-
Mortgage payment								-
Total Disbursements		25,000.00	13,085.94	5,000.00	63,085.94	25,000.00	13,085.94	522,950.55
Net cash flows		(25,000.00)	(13,085.94)	(5,000.00)	(63,085.94)	(25,000.00)	(13,085.94)	(522,950.55)
Closing bank balance		866,667.37	853,581.43	848,581.43	785,495.49	760,495.49	747,409.54	747,409.54

Notes:

1 Operating expenses include Sutton Boyce Gilkes in week 1 & 6 (CFO of the dealer), Penson Financial Services in weeks 1, 6, 10, & 14 (carrying dealer), and normal operating expenses.

2 Professional fees are projected to be paid to FLSI's counsel for work directly related to FLSI

First Leaside Group of Companies
First Leaside Wealth Management Inc. ("FLWM")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

	Note	1 Forecast 03/23/2012	2 Forecast 03/30/2012	3 Forecast 04/06/2012	4 Forecast 04/13/2012	5 Forecast 04/20/2012	6 Forecast 04/27/2012	7 Forecast 05/04/2012	8 Forecast 05/11/2012	9 Forecast 05/18/2012
Week Ended										
Opening bank balance		1,121,933.03	548,434.76	490,877.48	448,377.48	260,820.21	250,820.21	53,262.93	10,762.93	(129,237.07)
Receipts	1	-	-	-	-	-	-	-		
Disbursements										
Operating		10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Professional Fees	2	563,498.27	-	32,500.00	130,000.00	-	140,000.00	32,500.00	130,000.00	-
Salaries			47,557.28	-	47,557.28		47,557.28			47,557.28
Intercompany transfers		-	-	-	-	-	-	-		
Capital										
Mortgage payment										
Total Disbursements		573,498.27	57,557.28	42,500.00	187,557.28	10,000.00	197,557.28	42,500.00	140,000.00	57,557.28
Net cash flows		(573,498.27)	(57,557.28)	(42,500.00)	(187,557.28)	(10,000.00)	(197,557.28)	(42,500.00)	(140,000.00)	(57,557.28)
Closing bank balance		548,434.76	490,877.48	448,377.48	260,820.21	250,820.21	53,262.93	10,762.93	(129,237.07)	(186,794.35)

Notes:

1 The cash flow may be positively impacted from the closing of certain properties or sale transactions, but due to the imprecision of a closing date and the requirement for Court approval, these sales have not been reflected in this cash flow.

2 The FLWM cash flow projection presently bears the burden of the majority of the professional fees projected to be incurred by the FL Group during the projection period. Such costs would be allocated to other entities in the FL Group in accordance with the draft Initial Order, should it be issued by the Court.

Professional fees:	1	2	3	4	5	6	7	8	9
CCAA Legal Fees	549,224.67			90,000.00		100,000.00		90,000.00	
Grant Thornton	14,273.60			40,000.00		40,000.00		40,000.00	
Chief Restructuring Officer			32,500.00				32,500.00		
	563,498.27	-	32,500.00	130,000.00	-	140,000.00	32,500.00	130,000.00	-

First Leaside Group of Companies
First Leaside Wealth Management Inc. ("FLWM")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

Week Ended	Note	10 Forecast 05/25/2012	11 Forecast 06/01/2012	12 Forecast 06/08/2012	13 Forecast 06/15/2012	14 Forecast 06/22/2012	15 Forecast 06/29/2012	Total Forecast
Opening bank balance		(186,794.35)	(336,794.35)	(394,351.63)	(566,851.63)	(624,408.90)	(774,408.90)	**1,121,933.03**
Receipts	1							-
Disbursements								
Operating		10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	150,000.00
Professional Fees	2	140,000.00	-	162,500.00	-	140,000.00	-	1,470,998.27
Salaries			47,557.28		47,557.28		47,557.28	332,900.94
Intercompany transfers								-
Capital								-
Mortgage payment								-
Total Disbursements		150,000.00	57,557.28	172,500.00	57,557.28	150,000.00	57,557.28	1,953,899.21
Net cash flows		(150,000.00)	(57,557.28)	(172,500.00)	(57,557.28)	(150,000.00)	(57,557.28)	**(1,953,899.21)**
Closing bank balance		(336,794.35)	(394,351.63)	(566,851.63)	(624,408.90)	(774,408.90)	(831,966.18)	**(831,966.18)**

Notes:

1 The cash flow may be positively impacted from the closing of certain properties or sale transactions, but due to the imprecision of a closing date and the requirement for Court approval, these sales have not been reflected in this cash flow.

2 The FLWM cash flow projection presently bears the burden of the majority of the professional fees projected to be incurred by the FL Group during the projection period. Such costs would be allocated to other entities in the FL Group in accordance with the draft Initial Order, should it be issued by the Court.

Professional fees:	10	11	12	13	14	15	Total
CCAA Legal Fees	100,000.00		90,000.00		100,000.00		1,119,224.67
Grant Thornton	40,000.00		40,000.00		40,000.00		254,273.60
Chief Restructuring Officer			32,500.00				97,500.00
	140,000.00	-	162,500.00	-	140,000.00	-	1,470,998.27

First Leaside Group of Companies
Primetime Living
Limited Partnership ("PTL")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

		1	2	3	4	5	6	7	8	9
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Week Ended	Note	03/23/2012	03/30/2012	04/06/2012	04/13/2012	04/20/2012	04/27/2012	05/04/2012	05/11/2012	05/18/2012
Opening bank balance		139,205.91	139,205.91	139,205.91	139,205.91	139,205.91	139,205.91	139,205.91	139,205.91	139,205.91
Receipts										
Disbursements										
Operating										
Professional Fees										
Salaries										
Intercompany transfers										
Capital			-	-	-	-	-	-		
Mortgage payment										
Total Disbursements		-	-	-	-	-	-	-	-	-
Net cash flows		-	-	-	-	-	-	-	-	-
Closing bank balance		139,205.91	139,205.91	139,205.91	139,205.91	139,205.91	139,205.91	139,205.91	139,205.91	139,205.91

First Leaside Group of Companies
Primetime Living
Limited Partnership ("PTL")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

Week Ended	10 Forecast 05/25/2012	11 Forecast 06/01/2012	12 Forecast 06/08/2012	13 Forecast 06/15/2012	14 Forecast 06/22/2012	15 Forecast 06/29/2012	**Total Forecast**
Opening bank balance	139,205.91	139,205.91	139,205.91	139,205.91	139,205.91	139,205.91	**139,205.91**
Receipts							-
Disbursements							
Operating							-
Professional Fees							-
Salaries							-
Intercompany transfers							-
Capital							-
Mortgage payment							-
Total Disbursements	-	-	-	-	-	-	-
Net cash flows	-	-	-	-	-	-	-
Closing bank balance	139,205.91	139,205.91	139,205.91	139,205.91	139,205.91	139,205.91	**139,205.91**

First Leaside Group of Companies
First Leaside Expansion
Limited Partnership ("FLEX")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

		1	2	3	4	5	6	7	8	9
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Week Ended	Note	03/23/2012	03/30/2012	04/06/2012	04/13/2012	04/20/2012	04/27/2012	05/04/2012	05/11/2012	05/18/2012
Opening bank balance		818,640.60	777,093.70	763,720.70	848,865.70	845,710.70	809,513.70	832,814.70	906,067.70	899,601.70
Receipts	1, 2	-	300.00	89,068.00	4,660.00	-	29,914.00	95,668.00	7,864.00	9,312.00
Disbursements										
Operating	3	27,003.00	13,673.00	2,923.00	7,815.00	36,197.00	6,613.00	22,415.00	14,330.00	5,915.00
Professional Fees		14,543.90	-	-	-	-	-	-	-	-
Salaries		-	-	-	-	-	-	-	-	-
Intercompany Transfers		-	-	-	-	-	-	-	-	-
Capital		-	-	1,000.00	-	-	-	-	-	-
Mortgage payment	4	-	-	-	-	-	-	-	-	-
Total Disbursements		41,546.90	13,673.00	3,923.00	7,815.00	36,197.00	6,613.00	22,415.00	14,330.00	5,915.00
Net cash flows		(41,546.90)	(13,373.00)	85,145.00	(3,155.00)	(36,197.00)	23,301.00	73,253.00	(6,466.00)	3,397.00
Closing bank balance		777,093.70	763,720.70	848,865.70	845,710.70	809,513.70	832,814.70	906,067.70	899,601.70	902,998.70

Notes:

1 Receipts include rental revenue earned at Queenston Manor, 168 Brock Street, Bramtree
2 The cash flow may be positively impacted from the closing of certain properties or sale transactions, but due to the imprecision of a closing date and the requirement for Court approval, these sales have not been reflected in this cash flow
3 Operating expenses for Queenston, Bramtree, 168 Brock - significant amounts are utilities, repairs, property taxes
4 No mortgage payments are projected to be made (interest to be accrued)

First Leaside Group of Companies
First Leaside Expansion
Limited Partnership ("FLEX")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

Week Ended	Note	10 Forecast 05/25/2012	11 Forecast 06/01/2012	12 Forecast 06/08/2012	13 Forecast 06/15/2012	14 Forecast 06/22/2012	15 Forecast 06/29/2012	**Total Forecast**
Opening bank balance		902,998.70	918,169.70	981,248.70	1,007,833.70	991,918.70	986,918.70	818,640.60
Receipts	1, 2	29,914.00	69,132.00	29,385.00	-	-	28,914.00	394,131.00
Disbursements								
Operating	3	13,243.00	6,053.00	2,800.00	15,915.00	4,000.00	1,743.00	180,638.00
Professional Fees		-	-	-	-	-	-	14,543.90
Salaries		-	-	-	-	-	-	-
Intercompany Transfers		-	-	-	-	-	-	-
Capital		1,500.00	-	-	-	1,000.00	-	3,500.00
Mortgage payment	4	-	-	-	-	-	-	-
Total Disbursements		14,743.00	6,053.00	2,800.00	15,915.00	5,000.00	1,743.00	198,681.90
Net cash flows		15,171.00	63,079.00	26,585.00	(15,915.00)	(5,000.00)	27,171.00	195,449.10
Closing bank balance		918,169.70	981,248.70	1,007,833.70	991,918.70	986,918.70	1,014,089.70	1,014,089.70

Notes:

1 Receipts include rental revenue earned at Queenston Manor, 168 Brock Street, Bramtree
2 The cash flow may be positively impacted from the closing of certain properties or sale transactions, but due to the imprecision of a closing date and the requirement for Court approval, these sales have not been reflected in this cash flow

3 Operating expenses for Queenston, Bramtree, 168 Brock - significant amounts are utilities, repairs, property taxes
4 No mortgage payments are projected to be made (interest to be accrued)

First Leaside Group of Companies
Wimberly Apartments Limited Partnership ("WALP")
(Canadian Entities only)
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

Week Ended	Note	1 Forecast 03/23/2012	2 Forecast 03/30/2012	3 Forecast 04/06/2012	4 Forecast 04/13/2012	5 Forecast 04/20/2012	6 Forecast 04/27/2012	7 Forecast 05/04/2012	8 Forecast 05/11/2012	9 Forecast 05/18/2012
Opening bank balance		1,653,278.19	1,653,278.19	1,653,278.19	1,653,278.19	1,653,278.19	1,653,278.19	1,653,278.19	1,503,278.19	1,503,278.19
Receipts		-	-	-	-	-	-	-	-	-
Disbursements										
Operating		-	-	-	-	-	-	-	-	-
Professional Fees		-	-	-	-	-	-	-	-	-
Salaries		-	-	-	-	-	-	-	-	-
Intercompany Transfers		-	-	-	-	-	-	-	-	-
Capital	1	-	-		-	-	-	150,000.00	-	-
Mortgage payment		-	-	-	-	-	-	-	-	-
Total Disbursements		-	-	-	-	-	-	150,000.00	-	-
Net cash flows		-	-	-	-	-	-	(150,000.00)	-	-
Closing bank balance		1,653,278.19	1,653,278.19	1,653,278.19	1,653,278.19	1,653,278.19	1,653,278.19	1,503,278.19	1,503,278.19	1,503,278.19

Notes:

1 Amounts represent contingency for capital expenditures for the WALP properties in Texas.

First Leaside Group of Companies
Wimberly Apartments Limited Partnership ("WALP")
(Canadian Entities only)
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

Week Ended	Note	10 Forecast 05/25/2012	11 Forecast 06/01/2012	12 Forecast 06/08/2012	13 Forecast 06/15/2012	14 Forecast 06/22/2012	15 Forecast 06/29/2012	**Total Forecast**
Opening bank balance		1,503,278.19	1,503,278.19	1,503,278.19	1,503,278.19	1,503,278.19	1,503,278.19	**1,653,278.19**
Receipts		-	-	-	-	-	-	-
Disbursements								
Operating		-	-	-	-	-	-	-
Professional Fees		-	-	-	-	-	-	-
Salaries		-	-	-	-	-	-	-
Intercompany Transfers		-	-	-	-	-	-	-
Capital	1	-	-	-	-	-	-	150,000.00
Mortgage payment		-	-	-	-	-	-	-
Total Disbursements		-	-	-	-	-	-	150,000.00
Net cash flows		-	-	-	-	-	-	**(150,000.00)**
Closing bank balance		1,503,278.19	1,503,278.19	1,503,278.19	1,503,278.19	1,503,278.19	1,503,278.19	**1,503,278.19**

Notes:

1 Capital amounts represent transfers to WALP's US accounts for the purposes of capital expenditures/repairs.

First Leaside Group of Companies
First Leaside Investors Limited Partnership
("Investors")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 -
June 29, 2012

		1	2	3	4	5	6	7	8	9
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Week Ended	Note	03/23/2012	03/30/2012	04/06/2012	04/13/2012	04/20/2012	04/27/2012	05/04/2012	05/11/2012	05/18/2012
Opening bank balance		20,971.16	21,371.16	17,148.16	29,199.16	27,276.16	24,242.16	23,981.16	30,141.16	31,801.16
Receipts	1	900.00	1,825.00	12,051.00	1,577.00	2,366.00	3,402.00	12,591.00	1,660.00	2,490.00
Disbursements										
Operating	2	500.00	6,048.00	-	-	5,400.00	3,663.00	2,931.00	-	-
Professional Fees		-	-	-	-	-	-	-	-	-
Salaries		-	-	-	-	-	-	-	-	-
Intercompany Transfers		-	-	-	-	-	-	-	-	-
Capital		-	-	-	3,500.00	-	-	3,500.00	-	-
Mortgage payment		-	-	-	-	-	-	-	-	-
Total Disbursements		500.00	6,048.00	-	3,500.00	5,400.00	3,663.00	6,431.00	-	-
Net cash flows		400.00	(4,223.00)	12,051.00	(1,923.00)	(3,034.00)	(261.00)	6,160.00	1,660.00	2,490.00
Closing bank balance		21,371.16	17,148.16	29,199.16	27,276.16	24,242.16	23,981.16	30,141.16	31,801.16	34,291.16

Note:

1 Receipts include rental revenue earned at Mill Street & Harmony Townhomes.

2 Operating expenses for Mill St. and Harmony - significant amounts are utilities, repairs, property taxes

First Leaside Group of Companies
First Leaside Investors Limited Partnership
("Investors")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 -
June 29, 2012

		10	11	12	13	14	15	
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	**Total**
Week Ended	Note	05/25/2012	06/01/2012	06/08/2012	06/15/2012	06/22/2012	06/29/2012	**Forecast**
Opening bank balance		34,291.16	31,676.16	41,458.16	39,558.16	42,058.16	40,058.16	**20,971.16**
Receipts	1	3,485.00	13,130.00	1,600.00	2,500.00	3,500.00	-	63,077.00
Disbursements								
Operating	2	6,100.00	3,348.00	-	-	5,500.00	3,500.00	36,990.00
Professional Fees		-	-	-	-	-	-	-
Salaries		-	-	-	-	-	-	-
Intercompany Transfers		-	-	-	-	-	-	-
Capital		-	-	3,500.00	-	-	-	10,500.00
Mortgage payment		-	-	-	-	-	-	-
Total Disbursements		6,100.00	3,348.00	3,500.00	-	5,500.00	3,500.00	47,490.00
Net cash flows		(2,615.00)	9,782.00	(1,900.00)	2,500.00	(2,000.00)	(3,500.00)	**15,587.00**
Closing bank balance		31,676.16	41,458.16	39,558.16	42,058.16	40,058.16	36,558.16	**36,558.16**

Note:

1 Receipts include rental revenue earned at Mill Street & Harmony Townhomes

2 Operating expenses for Mill St. and Harmony - significant amounts are utilities, repairs, property taxes

First Leaside Group of Companies
First Leaside Progressive Limited Partnership
("Progressive")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 -
June 29, 2012

Week Ended	Note	1 Forecast 03/23/2012	2 Forecast 03/30/2012	3 Forecast 04/06/2012	4 Forecast 04/13/2012	5 Forecast 04/20/2012	6 Forecast 04/27/2012	7 Forecast 05/04/2012	8 Forecast 05/11/2012	9 Forecast 05/18/2012
Opening bank balance		8,082.31	8,082.31	6,020.31	7,937.31	7,937.31	7,937.31	7,937.31	7,892.31	7,892.31
Receipts	1, 2	-	-	2,017.00	-	-	-	2,017.00	-	-
Disbursements										
Operating	3	-	2,062.00	100.00	-	-	-	2,062.00	-	100.00
Professional Fees		-	-	-	-	-	-	-	-	-
Salaries		-	-	-	-	-	-	-	-	-
Intercompany Transfers		-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-
Mortgage payment	4	-	-	-	-	-	-	-	-	-
Total Disbursements		-	2,062.00	100.00	-	-	-	2,062.00	-	100.00
Net cash flows		-	(2,062.00)	1,917.00	-	-	-	(45.00)	-	(100.00)
Closing bank balance		8,082.31	6,020.31	7,937.31	7,937.31	7,937.31	7,937.31	7,892.31	7,892.31	7,792.31

Notes:

1 The cash flow may be positively impacted from the closing of certain properties or sale transactions, but due to the imprecision of a closing date and the requirement for Court approval, these sales have not been reflected in this cash flow.
2 Receipts include rental revenue earned at Cemetery Road, Uxbridge
3 Operating expenses for Cemetery Road - significant amounts are property taxes
4 No mortgage payments are scheduled to be made (interest being accrued)

First Leaside Group of Companies
First Leaside Progressive Limited Partnership
("Progressive")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

Week Ended	Note	10 Forecast 05/25/2012	11 Forecast 06/01/2012	12 Forecast 06/08/2012	13 Forecast 06/15/2012	14 Forecast 06/22/2012	15 Forecast 06/29/2012	**Total Forecast**
Opening bank balance		7,792.31	7,792.31	9,809.31	9,809.31	9,709.31	9,709.31	**8,082.31**
Receipts	1, 2	-	2,017.00	-	-	-	-	6,051.00
Disbursements								
Operating	3	-	-	-	100.00	-	-	4,424.00
Professional Fees		-	-	-	-	-	-	-
Salaries		-	-	-	-	-	-	-
Intercompany Transfers		-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-
Mortgage payment	4	-	-	-	-	-	-	-
Total Disbursements		-	-	-	100.00	-	-	4,424.00
Net cash flows		-	2,017.00	-	(100.00)	-	-	**1,627.00**
Closing bank balance		7,792.31	9,809.31	9,809.31	9,709.31	9,709.31	9,709.31	**9,709.31**

Notes:

1 The cash flow may be positively impacted from the closing of certain properties or sale transactions, but due to the imprecision of a closing date and the requirement for Court approval, these sales have not been reflected in this cash flow.
2 Receipts include rental revenue earned at Cemetery Road, Uxbridge
3 Operating expenses for Cemetery Road - significant amounts are property taxes
4 No mortgage payments are scheduled to be made (interest being accrued)

First Leaside Group of Companies
First Leaside Universal
Limited Partnership ("Universal")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

		1	2	3	4	5	6	7	8	9
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Week Ended	Note	03/23/2012	03/30/2012	04/06/2012	04/13/2012	04/20/2012	04/27/2012	05/04/2012	05/11/2012	05/18/2012
Opening bank balance		238.88	238.88	238.88	238.88	238.88	238.88	238.88	238.88	238.88
Receipts										
Disbursements										
Operating										
Professional Fees										
Salaries										
Intercompany Transfer										
Capital										
Mortgage payment										
Total Disbursements		-	-	-	-	-	-	-	-	-
Net cash flows		-	-	-	-	-	-	-	-	-
Closing bank balance		238.88	238.88	238.88	238.88	238.88	238.88	238.88	238.88	238.88

First Leaside Group of Companies
First Leaside Universal
Limited Partnership ("Universal")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 -
June 29, 2012

Week Ended	10 Forecast 05/25/2012	11 Forecast 06/01/2012	12 Forecast 06/08/2012	13 Forecast 06/15/2012	14 Forecast 06/22/2012	15 Forecast 06/29/2012	**Total Forecast**
Opening bank balance	238.88	238.88	238.88	238.88	238.88	238.88	**238.88**
Receipts							-
Disbursements							
Operating							-
Professional Fees							-
Salaries							-
Intercompany Transfer							-
Capital							-
Mortgage payment							-
Total Disbursements	-	-	-	-	-	-	-
Net cash flows	-	-	-	-	-	-	-
Closing bank balance	238.88	238.88	238.88	238.88	238.88	238.88	**238.88**

First Leaside Group of Companies
First Leaside Venture
Limited Partnership ("Venture")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

		1	2	3	4	5	6	7	8	9
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Week Ended	Note	03/23/2012	03/30/2012	04/06/2012	04/13/2012	04/20/2012	04/27/2012	05/04/2012	05/11/2012	05/18/2012
Opening bank balance		4,900.23	364.41	364.41	364.41	364.41	364.41	364.41	364.41	364.41
Receipts			-							
Disbursements										
Operating										
Professional Fees		4,535.82								
Salaries										
Intercompany Transfer				-						
Capital										
Mortgage payment			-		-					
Total Disbursements		4,535.82	-	-	-	-	-	-	-	-
Net cash flows		(4,535.82)	-	-	-	-	-	-	-	-
Closing bank balance		364.41	364.41	364.41	364.41	364.41	364.41	364.41	364.41	364.41

First Leaside Group of Companies
First Leaside Venture
Limited Partnership ("Venture")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

Week Ended	10 Forecast 05/25/2012	11 Forecast 06/01/2012	12 Forecast 06/08/2012	13 Forecast 06/15/2012	14 Forecast 06/22/2012	15 Forecast 06/29/2012	**Total Forecast**
Opening bank balance	364.41	364.41	364.41	364.41	364.41	364.41	**4,900.23**
Receipts							-
Disbursements							
Operating							-
Professional Fees							4,535.82
Salaries							-
Intercompany Transfer							-
Capital							-
Mortgage payment							-
Total Disbursements	-	-	-	-	-	-	4,535.82
Net cash flows	-	-	-	-	-	-	**(4,535.82)**
Closing bank balance	364.41	364.41	364.41	364.41	364.41	364.41	**364.41**

First Leaside Group of Companies
F.L. Spring Valley Limited Partnership
("Spring Valley") (Canadian entity only)
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

Week Ended	Note	1 Forecast 03/23/2012	2 Forecast 03/30/2012	3 Forecast 04/06/2012	4 Forecast 04/13/2012	5 Forecast 04/20/2012	6 Forecast 04/27/2012	7 Forecast 05/04/2012	8 Forecast 05/11/2012	9 Forecast 05/18/2012
Opening bank balance		3,848.87	3,848.87	3,848.87	3,848.87	3,848.87	3,848.87	3,848.87	3,848.87	3,848.87
Receipts										
Disbursements										
Operating										
Professional Fees										
Salaries										
Intercompany Transfer										
Capital										
Mortgage payment										
Total Disbursements		-	-	-	-	-	-	-	-	-
Net cash flows		-	-	-	-	-	-	-	-	-
Closing bank balance		3,848.87	3,848.87	3,848.87	3,848.87	3,848.87	3,848.87	3,848.87	3,848.87	3,848.87

First Leaside Group of Companies
F.L. Spring Valley Limited Partnership
("Spring Valley") (Canadian entity only)
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 -
June 29, 2012

	10	11	12	13	14	15	
Week Ended	Forecast 05/25/2012	Forecast 06/01/2012	Forecast 06/08/2012	Forecast 06/15/2012	Forecast 06/22/2012	Forecast 06/29/2012	**Total Forecast**
Opening bank balance	3,848.87	3,848.87	3,848.87	3,848.87	3,848.87	3,848.87	**3,848.87**
Receipts							-
Disbursements							
Operating							-
Professional Fees							-
Salaries							-
Intercompany Transfer							-
Capital							-
Mortgage payment							-
Total Disbursements	-	-	-	-	-	-	-
Net cash flows	-	-	-	-	-	-	-
Closing bank balance	3,848.87	3,848.87	3,848.87	3,848.87	3,848.87	3,848.87	**3,848.87**

First Leaside Group of Companies
First Leaside Global
Limited Partnership ("Global")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

		1	2	3	4	5	6	7	8	9
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Week Ended	Note	03/23/2012	03/30/2012	04/06/2012	04/13/2012	04/20/2012	04/27/2012	05/04/2012	05/11/2012	05/18/2012
Opening bank balance		252,020.15	252,020.15	252,020.15	252,020.15	252,020.15	252,020.15	252,020.15	252,020.15	252,020.15
Receipts										
Disbursements										
Operating										
Professional Fees										
Salaries										
Intercompany Transfer										
Capital										
Mortgage payment										
Total Disbursements		-	-	-	-	-	-	-	-	-
Net cash flows		-	-	-	-	-	-	-	-	-
Closing bank balance		252,020.15	252,020.15	252,020.15	252,020.15	252,020.15	252,020.15	252,020.15	252,020.15	252,020.15

First Leaside Group of Companies
First Leaside Global
Limited Partnership ("Global")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

Week Ended	10 Forecast 05/25/2012	11 Forecast 06/01/2012	12 Forecast 06/08/2012	13 Forecast 06/15/2012	14 Forecast 06/22/2012	15 Forecast 06/29/2012	**Total Forecast**
Opening bank balance	252,020.15	252,020.15	252,020.15	252,020.15	252,020.15	252,020.15	**252,020.15**
Receipts							-
Disbursements							
Operating							-
Professional Fees							-
Salaries							-
Intercompany Transfer							-
Capital							-
Mortgage payment							-
Total Disbursements	-	-	-	-	-	-	-
Net cash flows	-	-	-	-	-	-	-
Closing bank balance	252,020.15	252,020.15	252,020.15	252,020.15	252,020.15	252,020.15	**252,020.15**

First Leaside Group of Companies
First Leaside Visions I Limited Partnership
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

	Note	1 Forecast	2 Forecast	3 Forecast	4 Forecast	5 Forecast	6 Forecast	7 Forecast	8 Forecast	9 Forecast
Week Ended		03/23/2012	03/30/2012	04/06/2012	04/13/2012	04/20/2012	04/27/2012	05/04/2012	05/11/2012	05/18/2012
Opening bank balance		127,270.71	127,270.71	127,270.71	127,270.71	127,270.71	127,270.71	127,270.71	127,270.71	127,270.71
Receipts										
Disbursements										
Operating										
Professional Fees										
Salaries										
Intercompany Transfer										
Capital										
Mortgage payment										
Total Disbursements		-	-	-	-	-	-	-	-	-
Net cash flows		-	-	-	-	-	-	-	-	-
Closing bank balance		127,270.71	127,270.71	127,270.71	127,270.71	127,270.71	127,270.71	127,270.71	127,270.71	127,270.71

First Leaside Group of Companies
First Leaside Visions I Limited Partnership
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

Week Ended	10 Forecast 05/25/2012	11 Forecast 06/01/2012	12 Forecast 06/08/2012	13 Forecast 06/15/2012	14 Forecast 06/22/2012	15 Forecast 06/29/2012	**Total Forecast**
Opening bank balance	127,270.71	127,270.71	127,270.71	127,270.71	127,270.71	127,270.71	**127,270.71**
Receipts							-
Disbursements							
Operating							-
Professional Fees							-
Salaries							-
Intercompany Transfer							-
Capital							-
Mortgage payment							-
Total Disbursements	-	-	-	-	-	-	-
Net cash flows	-	-	-	-	-	-	-
Closing bank balance	127,270.71	127,270.71	127,270.71	127,270.71	127,270.71	127,270.71	**127,270.71**

First Leaside Group of Companies
First Leaside Visions II Limited Partnership
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 -
June 29, 2012

		1	2	3	4	5	6	7	8	9
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Week Ended	Note	03/23/2012	03/30/2012	04/06/2012	04/13/2012	04/20/2012	04/27/2012	05/04/2012	05/11/2012	05/18/2012
Opening bank balance		637,720.74	637,720.74	637,720.74	637,720.74	637,720.74	637,720.74	637,720.74	637,720.74	637,720.74
Receipts										
Disbursements										
Operating										
Professional Fees										
Salaries										
Intercompany Transfer										
Capital										
Mortgage payment										
Total Disbursements		-	-	-	-	-	-	-	-	-
Net cash flows		-	-	-	-	-	-	-	-	-
Closing bank balance		637,720.74	637,720.74	637,720.74	637,720.74	637,720.74	637,720.74	637,720.74	637,720.74	637,720.74

First Leaside Group of Companies
First Leaside Visions II Limited Partnership
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

Week Ended	10 Forecast 05/25/2012	11 Forecast 06/01/2012	12 Forecast 06/08/2012	13 Forecast 06/15/2012	14 Forecast 06/22/2012	15 Forecast 06/29/2012	**Total Forecast**
Opening bank balance	637,720.74	637,720.74	637,720.74	637,720.74	637,720.74	637,720.74	**637,720.74**
Receipts							-
Disbursements							
Operating							-
Professional Fees							-
Salaries							-
Intercompany Transfer							-
Capital							-
Mortgage payment							-
Total Disbursements	-	-	-	-	-	-	-
Net cash flows	-	-	-	-	-	-	-
Closing bank balance	637,720.74	637,720.74	637,720.74	637,720.74	637,720.74	637,720.74	**637,720.74**

First Leaside Group of Companies
First Leaside Beverages
Limited Partnership ("Beverages")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

		1	2	3	4	5	6	7	8	9
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Week Ended	Note	03/23/2012	03/30/2012	04/06/2012	04/13/2012	04/20/2012	04/27/2012	05/04/2012	05/11/2012	05/18/2012
Opening bank balance		1,341.43	1,341.43	1,341.43	1,341.43	1,341.43	1,341.43	1,341.43	1,341.43	1,341.43
Receipts	1	-	-	-	-	-	-	-		
Disbursements										
Operating		-	-	-	-	-	-			
Professional Fees		-	-	-	-	-	-			
Salaries		-	-	-	-	-	-			
Intercompany Transfer		-	-	-	-	-	-			
Capital		-	-	-	-	-	-			
Mortgage payment		-	-	-	-	-	-			
Total Disbursements		-	-	-	-	-	-	-	-	-
Net cash flows		-	-	-	-	-	-	-	-	-
Closing bank balance		1,341.43	1,341.43	1,341.43	1,341.43	1,341.43	1,341.43	1,341.43	1,341.43	1,341.43

Note:

1 The cash flow may be positively impacted from the closing of certain properties or sale transactions, but due to the imprecision of a closing date and the requirement for Court approval, these sales have not been reflected in this cash flow

First Leaside Group of Companies
First Leaside Beverages
Limited Partnership ("Beverages")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

Week Ended	Note	10 Forecast 05/25/2012	11 Forecast 06/01/2012	12 Forecast 06/08/2012	13 Forecast 06/15/2012	14 Forecast 06/22/2012	15 Forecast 06/29/2012	**Total Forecast**
Opening bank balance		1,341.43	1,341.43	1,341.43	1,341.43	1,341.43	1,341.43	**1,341.43**
Receipts	1							-
Disbursements								
Operating								-
Professional Fees								-
Salaries								-
Intercompany Transfer								-
Capital								-
Mortgage payment								-
Total Disbursements		-	-	-	-	-	-	-
Net cash flows		-	-	-	-	-	-	-
Closing bank balance		1,341.43	1,341.43	1,341.43	1,341.43	1,341.43	1,341.43	**1,341.43**

Note:

1 The cash flow may be positively impacted from the closing of certain properties or sale transactions, but due to the imprecision of a closing date and the requirement for Court approval, these sales have not been reflected in this cash flow

First Leaside Group of Companies
First Leaside Realty
Limited Partnership ("Realty")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

		1	2	3	4	5	6	7	8	9
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Week Ended	Note	03/23/2012	03/30/2012	04/06/2012	04/13/2012	04/20/2012	04/27/2012	05/04/2012	05/11/2012	05/18/2012
Opening bank balance		44,700.02	44,700.02	44,700.02	44,700.02	44,700.02	44,700.02	44,700.02	44,700.02	44,700.02
Receipts										
Disbursements										
Operating										
Professional Fees										
Salaries										
Intercompany Transfers										
Capital										
Mortgage payment										
Total Disbursements		-	-	-	-	-	-	-	-	-
Net cash flows		-	-	-	-	-	-	-	-	-
Closing bank balance		44,700.02	44,700.02	44,700.02	44,700.02	44,700.02	44,700.02	44,700.02	44,700.02	44,700.02

First Leaside Group of Companies
First Leaside Realty
Limited Partnership ("Realty")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

Week Ended	10 Forecast 05/25/2012	11 Forecast 06/01/2012	12 Forecast 06/08/2012	13 Forecast 06/15/2012	14 Forecast 06/22/2012	15 Forecast 06/29/2012	**Total Forecast**
Opening bank balance	44,700.02	44,700.02	44,700.02	44,700.02	44,700.02	44,700.02	**44,700.02**
Receipts							-
Disbursements							
Operating							-
Professional Fees							-
Salaries							-
Intercompany Transfers							-
Capital							-
Mortgage payment							-
Total Disbursements	-	-	-	-	-	-	-
Net cash flows	-	-	-	-	-	-	-
Closing bank balance	44,700.02	44,700.02	44,700.02	44,700.02	44,700.02	44,700.02	**44,700.02**

First Leaside Group of Companies
First Leaside Acquisition
Limited Partnership ("Acquisition")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

		1	2	3	4	5	6	7	8	9
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Week Ended	Note	03/23/2012	03/30/2012	04/06/2012	04/13/2012	04/20/2012	04/27/2012	05/04/2012	05/11/2012	05/18/2012
Opening bank balance		9,559.34	9,559.34	9,559.34	9,559.34	9,559.34	9,559.34	9,559.34	9,559.34	9,559.34
Receipts										
Disbursements										
Operating										
Professional Fees										
Salaries										
Intercompany Transfers										
Capital										
Mortgage payment										
Total Disbursements		-	-	-	-	-	-	-	-	-
Net cash flows		-	-	-	-	-	-	-	-	-
Closing bank balance		9,559.34	9,559.34	9,559.34	9,559.34	9,559.34	9,559.34	9,559.34	9,559.34	9,559.34

First Leaside Group of Companies
First Leaside Acquisition
Limited Partnership ("Acquisition")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 -
June 29, 2012

Week Ended	10 Forecast 05/25/2012	11 Forecast 06/01/2012	12 Forecast 06/08/2012	13 Forecast 06/15/2012	14 Forecast 06/22/2012	15 Forecast 06/29/2012	**Total Forecast**
Opening bank balance	9,559.34	9,559.34	9,559.34	9,559.34	9,559.34	9,559.34	**9,559.34**
Receipts							-
Disbursements							
Operating							-
Professional Fees							-
Salaries							-
Intercompany Transfers							-
Capital							-
Mortgage payment							-
Total Disbursements	-	-	-	-	-	-	-
Net cash flows	-	-	-	-	-	-	-
Closing bank balance	9,559.34	9,559.34	9,559.34	9,559.34	9,559.34	9,559.34	**9,559.34**

First Leaside Group of Companies
FLWM Holdings Limited Partnership
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

		1	2	3	4	5	6	7	8	9
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Week Ended	Note	03/23/2012	03/30/2012	04/06/2012	04/13/2012	04/20/2012	04/27/2012	05/04/2012	05/11/2012	05/18/2012
Opening bank balance		1,122.05	1,122.05	1,122.05	1,122.05	1,122.05	1,122.05	1,122.05	1,122.05	1,122.05
Receipts	1									
Disbursements										
Operating										
Professional Fees										
Salaries										
Intercompany Transfers										
Capital										
Mortgage payment										
Total Disbursements		-	-	-	-	-	-	-	-	-
Net cash flows		-	-	-	-	-	-	-	-	-
Closing bank balance		1,122.05	1,122.05	1,122.05	1,122.05	1,122.05	1,122.05	1,122.05	1,122.05	1,122.05

Note:

1 The cash flow may be positively impacted from the closing of certain properties or sale transactions, but due to the imprecision of a closing date and the requirement for Court approval, these sales have not been reflected in this cash flow.

First Leaside Group of Companies
FLWM Holdings Limited Partnership
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

Week Ended	Note	10 Forecast 05/25/2012	11 Forecast 06/01/2012	12 Forecast 06/08/2012	13 Forecast 06/15/2012	14 Forecast 06/22/2012	15 Forecast 06/29/2012	**Total Forecast**
Opening bank balance		1,122.05	1,122.05	1,122.05	1,122.05	1,122.05	1,122.05	**1,122.05**
Receipts	1							-
Disbursements								
Operating								-
Professional Fees								-
Salaries								-
Intercompany Transfers								-
Capital								-
Mortgage payment								-
Total Disbursements		-	-	-	-	-	-	-
Net cash flows		-	-	-	-	-	-	-
Closing bank balance		1,122.05	1,122.05	1,122.05	1,122.05	1,122.05	1,122.05	**1,122.05**

Note:

1 The cash flow may be positively impacted from the closing of certain properties or sale transactions, but due to the imprecision of a closing date and the requirement for Court approval, these sales have not been reflected in this cash flow.

First Leaside Group of Companies
First Leaside Select
Limited Partnership ("Select")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

		1	2	3	4	5	6	7	8	9
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Week Ended	Note	03/23/2012	03/30/2012	04/06/2012	04/13/2012	04/20/2012	04/27/2012	05/04/2012	05/11/2012	05/18/2012
Opening bank balance		15.91	15.91	15.91	15.91	15.91	15.91	15.91	15.91	15.91
Receipts										
Disbursements										
Operating										
Professional Fees										
Salaries										
Intercompany Transfers										
Capital										
Mortgage payment										
Total Disbursements		-	-	-	-	-	-	-	-	-
Net cash flows		-	-	-	-	-	-	-	-	-
Closing bank balance		15.91	15.91	15.91	15.91	15.91	15.91	15.91	15.91	15.91

First Leaside Group of Companies
First Leaside Select
Limited Partnership ("Select")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

	10	11	12	13	14	15	
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	**Total**
Week Ended	05/25/2012	06/01/2012	06/08/2012	06/15/2012	06/22/2012	06/29/2012	**Forecast**
Opening bank balance	15.91	15.91	15.91	15.91	15.91	15.91	**15.91**
Receipts							-
Disbursements							
Operating							-
Professional Fees							-
Salaries							-
Intercompany Transfers							-
Capital							-
Mortgage payment							-
Total Disbursements	-	-	-	-	-	-	-
Net cash flows	-	-	-	-	-	-	-
Closing bank balance	15.91	15.91	15.91	15.91	15.91	15.91	**15.91**

First Leaside Group of Companies
First Leaside Elite
Limited Partnership ("Elite")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

		1	2	3	4	5	6	7	8	9
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Week Ended	Note	03/23/2012	03/30/2012	04/06/2012	04/13/2012	04/20/2012	04/27/2012	05/04/2012	05/11/2012	05/18/2012
Opening bank balance		970.47	970.47	970.47	970.47	970.47	970.47	970.47	970.47	970.47
Receipts										
Disbursements										
Operating										
Professional Fees										
Salaries										
Intercompany Transfers										
Capital										
Mortgage payment										
Total Disbursements		-	-	-	-	-	-	-	-	-
Net cash flows		-	-	-	-	-	-	-	-	-
Closing bank balance		970.47	970.47	970.47	970.47	970.47	970.47	970.47	970.47	970.47

First Leaside Group of Companies
First Leaside Elite
Limited Partnership ("Elite")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

Week Ended	10 Forecast 05/25/2012	11 Forecast 06/01/2012	12 Forecast 06/08/2012	13 Forecast 06/15/2012	14 Forecast 06/22/2012	15 Forecast 06/29/2012	**Total Forecast**
Opening bank balance	970.47	970.47	970.47	970.47	970.47	970.47	**970.47**
Receipts							-
Disbursements							
Operating							-
Professional Fees							-
Salaries							-
Intercompany Transfers							-
Capital							-
Mortgage payment							-
Total Disbursements	-	-	-	-	-	-	-
Net cash flows	-	-	-	-	-	-	-
Closing bank balance	970.47	970.47	970.47	970.47	970.47	970.47	**970.47**

First Leaside Group of Companies
First Leaside Premier
Limited Partnership ("Premier")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

		1	2	3	4	5	6	7	8	9
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Week Ended	Note	03/23/2012	03/30/2012	04/06/2012	04/13/2012	04/20/2012	04/27/2012	05/04/2012	05/11/2012	05/18/2012
Opening bank balance		(8.56)	(8.56)	(8.56)	(8.56)	(8.56)	(8.56)	(8.56)	(8.56)	(8.56)
Receipts										
Disbursements										
Operating										
Professional Fees										
Salaries										
Intercompany Transfers										
Capital										
Mortgage payment										
Total Disbursements		-	-	-	-	-	-	-	-	-
Net cash flows		-	-	-	-	-	-	-	-	-
Closing bank balance		(8.56)	(8.56)	(8.56)	(8.56)	(8.56)	(8.56)	(8.56)	(8.56)	(8.56)

First Leaside Group of Companies
First Leaside Premier
Limited Partnership ("Premier")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

Week Ended	10 Forecast 05/25/2012	11 Forecast 06/01/2012	12 Forecast 06/08/2012	13 Forecast 06/15/2012	14 Forecast 06/22/2012	15 Forecast 06/29/2012	**Total Forecast**
Opening bank balance	(8.56)	(8.56)	(8.56)	(8.56)	(8.56)	(8.56)	**(8.56)**
Receipts							-
Disbursements							
Operating							-
Professional Fees							-
Salaries							-
Intercompany Transfers							-
Capital							-
Mortgage payment							-
Total Disbursements	-	-	-	-	-	-	-
Net cash flows	-	-	-	-	-	-	-
Closing bank balance	(8.56)	(8.56)	(8.56)	(8.56)	(8.56)	(8.56)	**(8.56)**

First Leaside Group of Companies
First Leaside Ultimate
Limited Partnership ("Ultimate")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 -
June 29, 2012

		1	2	3	4	5	6	7	8	9
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Week Ended	Note	03/23/2012	03/30/2012	04/06/2012	04/13/2012	04/20/2012	04/27/2012	05/04/2012	05/11/2012	05/18/2012
Opening bank balance		(2.96)	(2.96)	(2.96)	(2.96)	(2.96)	(2.96)	(2.96)	(2.96)	(2.96)
Receipts										
Disbursements										
Operating										
Professional Fees										
Salaries										
Intercompany Transfers										
Capital										
Mortgage payment										
Total Disbursements		-	-	-	-	-	-	-	-	-
Net cash flows		-	-	-	-	-	-	-	-	-
Closing bank balance		(2.96)	(2.96)	(2.96)	(2.96)	(2.96)	(2.96)	(2.96)	(2.96)	(2.96)

First Leaside Group of Companies
First Leaside Ultimate
Limited Partnership ("Ultimate")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

	10	11	12	13	14	15	
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	**Total**
Week Ended	05/25/2012	06/01/2012	06/08/2012	06/15/2012	06/22/2012	06/29/2012	**Forecast**
Opening bank balance	(2.96)	(2.96)	(2.96)	(2.96)	(2.96)	(2.96)	**(2.96)**
Receipts							-
Disbursements							
Operating							-
Professional Fees							-
Salaries							-
Intercompany Transfers							-
Capital							-
Mortgage payment							-
Total Disbursements	-	-	-	-	-	-	-
Net cash flows	-	-	-	-	-	-	-
Closing bank balance	(2.96)	(2.96)	(2.96)	(2.96)	(2.96)	(2.96)	**(2.96)**

First Leaside Group of Companies
First Leaside Mortgage Fund ("Mortgages")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 - June 29, 2012

		1	2	3	4	5	6	7	8	9
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Week Ended	Note	03/23/2012	03/30/2012	04/06/2012	04/13/2012	04/20/2012	04/27/2012	05/04/2012	05/11/2012	05/18/2012
Opening bank balance		3,319.15	3,319.15	3,319.15	3,319.15	3,319.15	3,319.15	3,319.15	3,319.15	3,319.15
Receipts										
Disbursements										
Operating										
Professional Fees										
Salaries										
Intercompany Transfers										
Capital										
Mortgage payment										
Total Disbursements		-	-	-	-	-	-	-	-	-
Net cash flows		-	-	-	-	-	-	-	-	-
Closing bank balance		3,319.15	3,319.15	3,319.15	3,319.15	3,319.15	3,319.15	3,319.15	3,319.15	3,319.15

First Leaside Group of Companies
First Leaside Mortgage Fund ("Mortgages")
Combined
Cash Flow Projection
As at March 22, 2012 (unaudited)
For the period March 19, 2012 -
June 29, 2012

Week Ended	10 Forecast 05/25/2012	11 Forecast 06/01/2012	12 Forecast 06/08/2012	13 Forecast 06/15/2012	14 Forecast 06/22/2012	15 Forecast 06/29/2012	**Total Forecast**
Opening bank balance	3,319.15	3,319.15	3,319.15	3,319.15	3,319.15	3,319.15	**3,319.15**
Receipts							-
Disbursements							
Operating							-
Professional Fees							-
Salaries							-
Intercompany Transfers							-
Capital							-
Mortgage payment							-
Total Disbursements	-	-	-	-	-	-	-
Net cash flows	-	-	-	-	-	-	-
Closing bank balance	3,319.15	3,319.15	3,319.15	3,319.15	3,319.15	3,319.15	**3,319.15**

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF FIRST LEASIDE WEALTH MANAGEMENT INC. AND THE OTHER APPLICANTS LISTED ON EXHIBIT "A"

Applicants

REPORT ON CASH FLOW STATEMENT
(Section 10(2)(b) of the *Companies' Creditors Arrangement Act* ("CCAA"))

First Leaside Wealth Management Inc. and the other Applicants and limited partnerships listed on Schedule A hereto (collectively, the **"First Leaside Group"**) have prepared the attached statement of projected cash flow of the First Leaside Group as of March 21, 2012 (the "**Cash Flow Statement**") consisting of a 15 week cash flow for the period March 19, 2012 to June 29, 2012. The First Leaside Group developed the assumptions contained in the Notes to the Cash Flow Statement (the "**Notes**"). The purpose of the Cash Flow Statement is to determine the liquidity requirements for the First Leaside Group during the CCAA proceedings.

The hypothetical assumptions are reasonable and consistent with the purpose of the projections described herein, and the probable assumptions are suitably supported and consistent with the plans of the First Leaside Group and provide a reasonable basis for the projections. All such assumptions are disclosed in the Notes.

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

The projections have been prepared solely for the purpose described herein, using the probable and hypothetical assumptions set out in the Notes. Consequently, readers are cautioned that the Cash Flow Statement may not be appropriate for other purposes.

Dated: March 21, 2012

FIRST LEASIDE WEALTH MANAGEMENT INC.

Per: Greg S MacLeod CA•CIRP, on behalf of G.S. MacLeod & Associates Inc.
in its capacity as Chief Restructuring Officer of
First Leaside Wealth Management Inc., et al.
and not in any other capacity