



COURT FILE NUMBER	1103-02937
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	EDMONTON
PLAINTIFF	ALBERTA TREASURY BRANCHES
DEFENDANT	ELABORATE HOMES LTD., ELABORATE DEVELOPMENTS INC., MANJIT (JOHN) NAGRA, JASWINDER NAGRA
DOCUMENT	FOURTH REPORT TO THE COURT SUBMITTED BY PRICEWATERHOUSECOOPERS INC. IN ITS CAPACITY AS RECEIVER OF ELABORATE HOMES LTD. AND ELABORATE DEVELOPMENTS INC.
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	

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**FOURTH REPORT TO THE COURT
SUBMITTED BY PRICEWATERHOUSECOOPERS INC.,
IN ITS CAPACITY AS RECEIVER**

INTRODUCTION

1. On February 22, 2011, PricewaterhouseCoopers Inc. was appointed as Receiver (the "Receiver") of all the current and future assets, undertakings and properties of Elaborate Homes Ltd. ("Homes") and Elaborate Developments Inc. ("Developments") (collectively referred to as "Elaborate" or the "Company") pursuant to the provisions of two orders (the "Orders") granted by the Court of Queen's Bench of Alberta (the "Court").
2. Homes was established in Grande Prairie in 1989, and is in the business of the construction and sale of new homes. Developments was established in Grande Prairie in 2000, and is in the business of commercial and residential real property development and sales.
3. On April 20, 2011, the Receiver filed its first reports on Homes and Developments with the Court.
4. On May 26, 2011, the Receiver filed its second report on Elaborate with the Court. The report reflected comments applicable to both Homes and Developments.
5. On June 3, 2011, the Court granted a Sale and Vesting Order (the "Vesting Order") approving the sale of a majority of the land and personal property of Elaborate to 1601812 Alberta Ltd. ("1601812"). On June 21, 2011, this sale of land and personal property was completed with \$9,775,850.19 in proceeds being deposited into the Receiver's accounts. On this same date, the Court also granted an order (the "Sealing Order") sealing the summary of offers received by the Receiver and provided to the Court to support the Vesting Order.
6. On July 20, 2011, pursuant to the Sealing Order, the Receiver advised the Court that the above noted sale had closed and the Sealing Order could be lifted.
7. On July 22, 2011, the Receiver filed its third report on Elaborate with the Court which set out the Receiver's recommendation to convey certain mortgaged lands back to the mortgage holder as well as a authorization to make an interim distribution to Alberta Treasury Branches ("ATB") and Servus Credit Union ("Servus").
8. On July 28, 2011, the Court granted an order (the "Vesting Order (Farm Lands)") allowing the Receiver to convey the above noted mortgaged land to the mortgage holder. In addition, the Court granted an order (the "Interim Distribution Order"), which was amended on the same day, authorizing the Receiver to provide an interim distribution to ATB and Servus with certain clawback provisions.
9. Set out herein is the fourth report (the "Fourth Report") of the Receiver. The purpose of this report is to:
 - Update the Court on the Receiver's recent activities;
 - Provide the Court with the Receiver's recommended cost allocation as amongst the assets of Elaborate and seek approval of this cost allocation;
 - Seek approval of a settlement with Canada Revenue Agency;
 - Seek approval for a distribution to Alco Industrial Inc.; and,
 - Seek approval for a final distribution of sale proceeds to ATB, Servus and Canada Revenue Agency ("CRA") from the available proceeds from the sale of the assets of Elaborate.
10. It is recommended that this Fourth Report be read in conjunction with the prior reports of the Receiver for Homes and Developments and prior orders granted by the Court.

RECEIVER'S UPDATE

Concurrent Applications

11. The Receiver is advised that counsel for ATB and Servus will be making concurrent applications to this Court asserting their priority to certain available funds in the estate of Elaborate. The Receiver provides certain comments in this report in respect of these applications.

Aquatera Utilities Inc. - Refund

12. On April 1, 2011, the Receiver received a refund cheque in the amount of \$50,373.01 from Aquatera Utilities Inc. representing Homes' 2011 share of refunded oversizing costs. This cheque was made payable to the Receiver of Homes.
13. Subsequently, the Receiver determined that this refund should have been payable to Developments as it related to an agreement between Developments, Aquatera and the City of Grande Prairie for the construction of water lines in a land development owned by Developments.
14. The Receiver has confirmed with Aquatera that the refund should have been payable to Developments. Accordingly, the Receiver has transferred the funds from the estate of Homes to the estate of Developments.
15. In addition, the Receiver has confirmed that there is an additional \$177,200.90 owing from Aquatera to Developments which is payable in annual installments over a number of years. However, the Receiver will be approaching Aquatera to determine if it is prepared to pay a discounted amount immediately based on a present value calculation.

Pensions

16. It is our understanding that Mrs. Jaswinder Nagra and Mr. Manjit (John) Nagra, directors and guarantors of Elaborate, established pension plans under Homes and Developments in 2007.
17. On November 23, 2011, Industrial Alliance Insurance and Financial Services Inc. ("Industrial") provided the Receiver with valuation reports regarding the pension plans of Mrs. Nagra and Mr. Nagra which listed certain funding and solvency deficiencies.
18. Pursuant to S.81.6 of the *Bankruptcy and Insolvency Act – Security of unpaid amounts re prescribed pension plan*, the Receiver is of the view that any amounts owing to Industrial for funding deficiencies and solvency deficiencies are unsecured claims in the estate and will be dealt with accordingly in the estates.

Bankruptcy of Developments

19. On December 8, 2011, a Bankruptcy Order was granted by the Court of Queen's Bench of Alberta adjudging Elaborate Developments Inc. to be bankrupt and appointing PricewaterhouseCoopers Inc. as trustee of the estate subject to affirmation by the creditors. The Royal Bank of Canada ("RBC") has indemnified the Trustee for a portion of its fees and expenses.

Great West Truck Lease and Rentals Ltd. ("GWT")

20. The Receiver of Developments entered into a Settlement Agreement with GWT to sell four Kenworth trucks which were subject to lease contracts between GWT and Developments. GWT has advised that they anticipate completing the sale of these trucks prior to the end of December, 2011 for estimated recoveries of \$45,000. The Receiver will update the Court in a subsequent report on the final accounting of the sale of these vehicles.

COST ALLOCATION

21. In anticipation of ATB and Servus making applications to the Court to determine priority to the funds realized by the Receiver, we have prepared a cost allocation (the "Allocation") which we submit should be applied against the funds realized, or expected to be realized, in the estates of Elaborate. The Allocation reflects both the costs incurred to date as well as the expected costs to conclude the administration of the receivership. We attach the Allocation as Exhibit 1 including our notes which set out the Receiver's methodology and various cost categories.
22. In general terms, direct costs incurred in the realization of an asset have been allocated to that specific asset and indirect costs have generally been allocated on a pro-rata basis to groups of assets that have benefited from the cost. As indicated above, for more detailed descriptions of our cost allocation methodology, refer to the notes of Exhibit 1.
23. Exhibit 1 sets out the funds available for distribution (the "Distribution") based on the Allocation after consideration of the distributions made pursuant to the Interim Distribution Order. Distributions made to Servus were allocated as described in Schedule A of the Interim Distribution Order. Distributions made to ATB were allocated on a pro-rata basis to specific assets based on the value as detailed in Exhibit 1 (Realized Amount Net of Property Taxes) or were limited to the extent of the principle amount of ATB's mortgage over the office building owned by Homes (\$285,000).
24. Subsequent to the date of receivership, the Receiver paid Servus \$694,037.56 for 4 houses sold during the receivership, representing the full payout of their mortgage security over these houses, subject to clawback provisions. Further, an additional \$1,400,000 was paid to Servus pursuant to the Interim Distribution Order for application against the debt of Homes to Servus.
25. The Receiver was able to complete the sale of the 4 houses by obtaining a release from lien holders on the condition that the priority of the sale proceeds would be determined based on the claims as at the time of the transfer of the land. In addition, the Receiver obtained the release of CRA (discussed in more detail in paragraph 32) on the condition that the priority of their claim is determined at a later date based on the priorities as they stood on the date of the land transfer.
26. The Receiver paid ATB \$2,500,000 from the proceeds of Homes and \$2,100,000 from the proceeds of Developments pursuant to the Interim Distribution Order for application against the debts of Elaborate to ATB.
27. The Receiver is advised by both legal counsel of ATB and Servus that they support the Allocation as proposed.

Homes

28. As summarized below (and detailed in Exhibit 1), the Receiver submits that there is \$1,640,720.51 available for distribution from the assets of Homes, after consideration of the Allocation and the distributions made to ATB and Servus pursuant to the Interim Distribution Order, as summarized below:

	\$
Elaborate Homes Ltd. - In Receivership	
Available proceeds from the sale of Homes assets after the cost allocation	6,234,758
Less payments made pursuant to Interim Distribution Order:	
ATB	2,500,000
Servus	1,400,000
Less payments made during receivership subject to clawback:	
Servus	<u>694,038</u>
Remaining funds available	<u>1,640,721</u>

29. Assuming that Servus has priority to the proceeds from the sale of real property in Homes over which it held specific mortgages and our Allocation is approved, we submit that there would be a further \$677,061.83 available for distribution to Servus from the assets of Homes. A detailed calculation of available funds for certain Homes creditors is attached as Exhibit 2.
30. We are advised that Servus' total debt from Homes as at December 15, 2011 is \$3,122,994 plus costs. With the prior distributions and the proposed distribution of \$677,061 discussed above, Servus will suffer a shortfall of \$351,895 plus costs plus per diem interest to the date of the final payment on its security.
31. ATB has advised that they are claiming priority to \$12,856.14 of the available proceeds from Condominium Plan No 0520263, Unit 4 as interest and a pro-rata portion of solicitor costs. Previously, the Receiver paid ATB \$285,000 pursuant to the Interim Distribution Order which is the value of its mortgage on this property. The Receiver is of the view that the additional amount claimed is reasonable and is supported by the security granted to ATB.
32. Assuming that ATB has priority to the proceeds from the sale of real property in Homes over which it held specific or collateral mortgages and our Allocation is approved, then \$674,528.65 would be available from the real property of Homes for distribution to ATB as detailed in Exhibit 2.
33. Alco Industries Inc. ("Alco") was also granted mortgage collateral against Condominium Plan No 0520263, Unit 4. The Receiver is of the view that its security is behind the security registered by ATB. After the above payments are made in priority to Alco on this property, there should be \$90,553.09 available to Alco as detailed in Exhibit 2.

Homes – Canada Revenue Agency

34. On April 15, 2011, CRA provided the Receiver with deemed trust notices for \$217,886.87 in respect of source deduction arrears. On July 20, 2011 a second deemed trust claim was filed in the amount of \$34,532.51 for Goods and Services Tax arrears, copies of these claims are attached as Exhibit 3. In addition, CRA has assessed interest and penalties of \$74,323.94 and \$1,022.16, respectively, for these claims.
35. In addition, prior to the receivership, CRA issued Irrevocable Assignments to Homes. Consequently, ATB postponed its security on certain terms and conditions on the sale proceeds of 3 homes. One home was sold prior to the receivership. One home was sold by the Receiver prior to the Vesting Order, specifically Plan 0728514 Block 3 Lot 2, (listed as McGahey in Exhibit 1), with the Receiver agreeing to hold the funds in place of CRA's Irrevocable Assignment. The third home associated with CRA's Irrevocable Assignment was registered in the name of Developments and was sold by Developments via the Vesting Order and no funds are available to satisfy CRA's demand.
36. The Receiver proposed a settlement with CRA to avoid the additional costs and time requirements of placing Homes into bankruptcy and the time delays required to further examine the timing of loan

advances as against CRA's deemed trust amounts as well as penalties and interest assessments. ATB and Servus supported this settlement arrangement.

37. Consequently, pursuant to Directive 12R of the *Bankruptcy and Insolvency Act*, the Receiver of Homes entered into an Administrative Agreement with CRA to allocate a portion of its reasonable costs in priority to the claims of CRA on the personal property of Homes, a copy of which is attached as Exhibit 4.
38. As set out in Exhibits 1 and 2, the Receiver is of the view, that subject to court approval of the settlement agreement with CRA, CRA should be paid \$198,576.95 based on the following:
 - CRA should be paid \$167,806.93 in priority to all other creditors with claims to the personal property of Homes as settlement of its deemed trust claims in Homes, subject to confirmation by the Court.
 - CRA should be paid \$30,770.02 in priority to all other creditors with claims to the remaining proceeds of Plan 0728514 Block 3 Lot 2 as settlement of its deemed trust claims in Homes, subject to confirmation by the Court.
39. CRA has agreed that with the above settlement that the remaining claims of CRA in both Homes and Developments (as discussed further below), will be unsecured and will be addressed in the administration of the estate.
40. The Receiver is of the view that the above settlement is commercially reasonable and it is in the best interest of the estate to move this issue toward completion. Also, it does not prejudice other creditors as CRA would have priority over other creditors for its deemed trust claims and demand amounts.

Developments

41. As summarized below, the Receiver submits that there is \$1,341,086.76 available for distribution from the assets of Developments, after consideration of the Allocation and the distributions made pursuant to the Interim Distribution Order, as summarized below:

Elaborate Developments Inc. - In Receivership	\$
Available proceeds from the sale of Developments assets after the cost allocation	3,441,087
Less payments made pursuant to Interim Distribution Order:	
ATB	<u>2,100,000</u>
Remaining funds available	<u>1,341,087</u>

42. Assuming that ATB has priority to the proceeds from the sale of real property in Developments pursuant to its cross collateralized security and assuming ATB applies the payments from Homes to its debt first, then there would be \$1,239,833.50 available from the real property of Developments for distribution to ATB which the Receiver submits should be paid on a pro-rata basis from the available funds of the real property.
43. The remaining balance of \$101,253.26, being the total funds available of \$1,341,086.76 less the real property funds of \$1,239,833.50, represents the available funds expected from the personal property of Developments.
44. We are advised that ATB's total debt from Elaborate is estimated to be \$5,220,000 plus interest and costs for an approximate total of \$5,590,000 as at December 9, 2011. With the prior distributions and the proposed payment of approximately \$675,000 from the available funds in Homes, approximately \$315,000 would be required to pay out the balance of Elaborate's debt to ATB on a pro-rata basis.

45. Assuming the above amounts are correct, there should be approximately \$1,026,000 available for distribution to other secured creditors of Developments which include the land proceeds of approximately \$925,000 and the personal property proceeds of \$101,253.26.

Developments – Canada Revenue Agency

46. On October 5, 2011, CRA provided the Receiver with a claim of \$183.76 representing penalty and interest from source deductions assessed in 2009 and an unsecured claim of \$34,532.51 for corporate tax arrears. Further, on October 7, 2011, CRA provided the Receiver with a deemed trust claim of \$17,601.09 for GST arrears

47. As part of the settlement described above, CRA has agreed to submit its deemed trust claim in Developments as unsecured. Consequently, on November 18, 2011, CRA provided a revised claim of \$18,096.71 for GST arrears, penalties and interest. Copies of all the unsecured claims are attached as Exhibit 5.

48. The Receiver is of the view that the claims of CRA in Developments are unsecured and accordingly, should be dealt with in the administration of the estate.

Legal Opinions

49. The Receiver has received from its independent legal counsel, Miller Thomson LLP, an opinion on the validity and enforceability of the ATB security granted by Homes and Developments, and they opine that this security is valid and enforceable and is cross-collateralized to the extent that any surplus funds realized from the land sales of Developments can be applied to any shortfall in relation to Homes'.

50. The Receiver has also received from its independent legal counsel, an opinion on the validity of the Servus security granted by Homes, and they opine that the Servus security is valid and enforceable.

51. The Receiver has also received from its independent legal counsel, an opinion on the validity of the Alco security as it relates to the mortgage granted on Condominium Plan No 0520263, Unit 4, and they opine that this Alco security is valid and enforceable.

Costs to Close

52. As detailed in Exhibit 1, the Estimated Costs to Close in Homes are estimates and may change, we propose that should the Allocation be approved by the Court and the estimated costs to close be less than anticipated, any surplus funds will be provided to Servus, Alco and CRA pursuant to their security.

53. Further, since Developments would be funding any shortfall on Homes debt to ATB pursuant to ATB's cross collateralized security, we will provide Developments with any costs savings relating to ATB secured assets in Homes.

REMAINING SECURED CREDITORS

54. There are a number of secured creditors who are claiming either all or a portion of the balance that will be held by the Receiver once ATB, Servus and CRA are paid, as proposed in this report. However, there will be insufficient remaining funds to pay all of these secured creditors in full. As the Court has not yet approved the proposed payment to ATB, Servus and CRA, and as the Court has not yet approved the proposed Allocation, and as there appears to be a number of priority issues as between these remaining secured creditors, the Receiver is not, at this time, proposing any payments to these remaining secured creditors. Once this Court has approved any priority issues and payments to ATB, Servus and CRA, and the Receiver's legal counsel has opined on the validity, enforceability and

potential priority of these claims, the Receiver will discuss with legal counsel for these secured creditors, an appropriate means of dealing with the priority to the remaining funds in the estate.

Homes

55. Alco was granted a number of security agreements in both Homes and Developments including promissory notes and general security agreements. A land mortgage collateral to a guarantee was granted by Homes on August 24, 2010 against the property with legal description Condominium Plan No 0520263, Unit 4 which the Receiver's counsel has determined is valid and enforceable. The Receiver is discussing with its independent counsel Alco's remaining security and its validity and enforceability as against the Receiver.
56. Assuming the available funds in Homes are distributed as contemplated above, there would be no funds available to the remaining secured creditors in the estate of Homes. Accordingly, the Receiver will not discuss the many remaining secured creditors in Homes at this time.

Developments

57. 1362737 Alberta Ltd. ("136") holds a guarantee by Developments and was granted a mortgage over properties of Developments. As at the date of receivership, 136 had not registered their security at the Personal Property Registry but had registered its mortgage against the land titles of Developments. Legal counsel for the Receiver is currently reviewing the validity and enforceability of the mortgage security as the mortgage was granted just prior to the receivership and the Receiver has some initial concerns about its validity and enforceability.
58. N.P.A Ltd. carries on business as Wapiti Gravel Suppliers ("Wapiti") and on March 7, 2011, Wapiti registered builder's liens as instrument 112 062 706, 112 062 752 and 112 062 775 on properties in Signature Falls Phase 2, Signature Falls Phase 3A and Copperwood Phase 1, respectively. The values of the liens are \$80,240, \$531,425.73 and \$310,235.66, respectively. Wapiti has filed the full value of their claim against each property in the corresponding subdivision which represents 93 properties in Developments and 22 properties in Homes. Wapiti has issued a Statement of Claim to enforce its liens, and legal counsel for the Receiver is currently reviewing the Wapiti liens in order to determine the position the Receiver should take with respect to these liens.
59. Prairie Disposal filed liens on March 7, 2011 on three properties with a total aggregate amount of approximately \$800. Legal counsel for the Receiver will be reviewing this security to determine its validity and enforceability.
60. Developments granted the following creditors security which was registered at the Personal Property Registry as at March 28, 2011:

Elaborate Developments Inc.

Secured Party	Date of Registration	Description of Registration
Alberta New Home Warranty Program Canadian Western Bank	June 22, 2001 May 27, 2005	All present and after acquired personal property. All debts and liabilities of 1094047 Alberta Inc. to the debtor.
Alberta Treasury Branches Royal Bank of Canada	March 17, 2008 August 26, 2008	All present and after acquired personal property. All debts and liabilities of 1342648 Alberta Ltd. to the debtor.
Servus Credit Union Ltd.	September 10, 2008	All present and after acquired personal property and all debts and liabilities of 858093 Alberta Ltd. to the debtor.
Alberta Treasury Branches	May 6, 2009	All debts and liabilities of Elaborate Homes Ltd. to the debtor.
De Lage Landen Financial Services Canada Inc. Great West Truck Lease & Rentals Ltd. Ford Credit Canada Limited Pan-Canadian Mortgage Group III Inc.	June 4, 2009 June 12, 2009 November 19, 2009 August 18, 2010	Various pieces of equipment. Various pieces of equipment. Ford F350 truck. All debts and liabilities of New View Alliance Ltd. to the debtor.
Alco Industrial Inc.	August 31, 2010	All present and after acquired personal property.

61. Alberta New Home Warranty Program (“ANHWP”) holds a \$15,000 Letter of Guarantee (“LG”) granted by ATB. ATB’s contingent liability is secured pursuant to a \$15,000 GIC, plus interest, deposited by Homes with ATB, and is charged under ATB’s security. ANHWP has provided the Receiver with a claim for Homes in the amount of \$20,489.40. The Receiver has received from its independent legal counsel, an opinion on the validity of the ANHWP security, and they opine that the security is valid and enforceable.
62. Canadian Western Bank has not contacted the Receiver to advance a claim.
63. RBC holds guarantees by both Developments and Elaborate which are supported by a General Security Agreement for each. We are advised that RBC is claiming \$2,794,903.69 against Developments. Further, we are advised that RBC has registered a caveat evidencing their floating charge on land against the real property of Developments. The Receiver has received from its independent legal counsel, an opinion on the validity of the RBC security, and they opine that the RBC security is valid and enforceable.
64. The Receiver has returned the assets or entered into settlement agreements with De Lage Landon, Great West Truck and Ford Credit. Accordingly, the Receiver is of the view that any claim these creditors may have for a deficiency in the estate would be an unsecured claim.
65. Pan-Canadian Mortgage Group III Inc. (“Pan”) holds guarantees from both Developments and Elaborate which are supported by a General Security Agreement for each. We are advised that Pan is claiming \$10,151,751.12 against Developments as the guarantee of debts due to Pan from New View Alliance Ltd. The Receiver has received from its independent legal counsel, an opinion on the validity of the Pan security, and they opine that the Pan security is valid and enforceable.

RECEIVER’S RECOMMENDATIONS

66. The Receiver submits that based on the above comments, it recommends the following:
 - The Court approve the proposed Allocation attached as Exhibit 1 hereto.
 - The Court approve the CRA settlement as described in this report and approve the recommended payment to CRA.

- The Court approve the proposed payment to Alco.
- The Court approve the payment of the balance of the indebtedness owing to ATB.
- The Court approve the proposed payment to Servus.

CONCLUSION

67. The Receiver respectfully requests that this Honourable Court provide direction to it regarding:

- a) Priority over the assets of Elaborate relating to ATB's and Servus' security;
- b) An Order approving the Allocation as proposed by the Receiver;
- c) An Order approving the CRA settlement and proposed payment to CRA; and,
- d) Distribution Orders directing the Receiver to pay funds to Alco, ATB and Servus in satisfaction of the security granted by Elaborate to them.

The Receiver will provide further reports to the Court seeking authorization to further distribute sale proceeds once the validity and priority of various other creditors including lien claimants is determined.

All of which is respectfully submitted on this 16th day of December, 2011.

PricewaterhouseCoopers Inc.

In its Capacity as Court Appointed

Receiver of Elaborate Homes Ltd. and Elaborate Developments Inc.

Andrew J. Burnett
Vice President

A handwritten signature in blue ink, appearing to read "Andrew J. Burnett", with a horizontal line drawn through the end of the signature.

EXHIBIT 1

Elaborate Homes Ltd. - In Receivership
Proposed Allocation of Costs and Estimated Available Funds

For the Period Ended November 2, 2011

Description	Legal	ATB Affidavit Exhibit	Realized Amount Net of Property Taxes		Allocated Cost to November 2, 2011	Estimated Costs to Close	Incurred and Estimated Costs to November 2, 2011		Available for Distribution	Interim Payment to Servus	Interim Payment to ATB	Estimated Funds Available to Creditors
			Paid	\$			\$	\$				
996	L4BLK2 082-2807	A	167,756.66	-	12,899.62	2,405.37	15,304.99	152,451.67			121,435.82	31,015.85
998	L5BLK5 082-2807	A	191,507.44	-	14,725.94	2,745.92	17,471.85	174,035.59			138,628.55	35,407.04
1006	L10BLK5 082-2807	A	197,853.99	-	15,213.95	2,836.92	18,050.87	179,803.12			143,222.70	36,580.42
			557,118.09	-	42,839.51	7,988.20	50,827.71	506,290.38			403,287.07	103,003.31
Office Condo	520263; 4	B	427,402.57	-	32,865.05	6,128.28	38,993.34	388,409.23			285,000.00	103,409.23
Land	L45BLK2 072-2113	C	33,861.85	-	2,603.80	485.53	3,089.33	30,772.52			24,511.94	6,260.58
Land	L10BLKB 082-8732	C	29,300.42	-	2,253.05	420.12	2,673.17	26,627.25			21,210.01	5,417.24
Land	L11BLKB 082-8732	C	29,189.07	-	2,244.49	418.53	2,663.01	26,526.05			21,129.40	5,396.65
Land	L12BLKB 082-8732	C	29,070.54	-	2,235.37	416.83	2,652.20	26,418.34			21,043.61	5,374.73
Land	L14BLKB 082-8732	C	29,044.29	-	2,233.36	416.45	2,649.81	26,394.48			21,024.60	5,369.88
Land	L33BLKB 102-1627	C	26,073.94	-	2,004.95	373.86	2,378.81	23,695.13			18,874.43	4,820.71
			176,540.12	-	13,575.03	2,531.31	16,106.33	160,433.78			127,794.00	32,639.79
1042	L19BLK1 062-5802	G	178,480.67	-	13,724.24	2,559.13	16,283.38	162,197.29			129,198.72	32,998.57
1045	L26BLK5 062-7628	G	161,946.06	-	12,452.82	2,322.05	14,774.87	147,171.19			117,229.64	29,941.55
1046	L14BLK6 062-7628	G	96,441.09	-	7,415.82	1,382.81	8,798.64	87,642.45			69,811.85	17,830.60
1022	L39BLK2 072-2113	G	196,507.29	-	15,110.40	2,817.61	17,928.00	178,579.28			142,247.85	36,331.44
1025	L42BLK2 072-2113	G	175,607.99	-	13,503.35	2,517.94	16,021.29	159,586.69			127,119.24	32,467.45
1075	L34BLK7 072-7993	G	130,985.51	-	10,072.11	1,878.13	11,950.24	119,035.27			94,817.89	24,217.38
1080	L6BLK2 082-2807	G	101,861.03	-	7,832.59	1,460.53	9,293.12	92,567.92			73,735.24	18,832.67
1081	L7BLK2 082-2807	G	108,825.11	-	8,368.09	1,560.38	9,928.47	98,896.64			78,776.41	20,120.23
1082	L8BLK2 082-2807	G	107,070.38	-	8,233.16	1,535.22	9,768.38	97,302.00			77,506.19	19,795.81
1084	L11BLK2 082-2807	G	109,101.94	-	8,389.38	1,564.35	9,953.73	99,148.21			78,976.80	20,171.42
1088	L1BLK4 082-2807	G	109,001.72	-	8,381.67	1,562.91	9,944.58	99,057.14			78,904.25	20,152.89
1089	L2BLK4 082-2807	G	131,628.78	-	10,121.57	1,887.35	12,008.93	119,619.86			95,283.55	24,336.31
1079	L12BLK2 092-6206	G	116,706.64	-	8,974.14	1,673.39	10,647.53	106,059.11			84,481.69	21,577.42
			1,724,164.22	-	132,579.34	24,721.82	157,301.16	1,566,863.06			1,248,089.32	318,773.74
1037	L9BLK17 062-6807	H	125,710.48	-	9,666.49	1,802.49	11,468.98	114,241.50			90,999.40	23,242.10
1040	L12BLK17 062-6807	H	121,525.04	-	9,344.65	1,742.48	11,087.13	110,437.91			87,969.64	22,468.27
1041	L14BLK17 062-6807	H	123,395.80	-	9,486.50	1,769.30	11,257.80	112,138.00			89,323.85	22,814.15
1052	L28BLK1 062-7628	H	98,024.28	-	7,537.56	1,405.51	8,943.08	89,081.20			70,957.89	18,123.31
1078	L9BLK2 092-6206	H	133,418.16	-	10,259.17	1,913.01	12,172.18	121,245.99			96,578.84	24,667.14
			602,073.76	-	46,296.37	8,632.80	54,929.16	547,144.60			435,829.62	111,314.98
Fixed Assets			120,001.00	3,424.15	8,455.79	1,720.63	13,600.57	106,400.43				106,400.43
Other Personal Property			57,061.72	-	3,993.76	818.18	4,811.94	52,249.78				52,249.78
Holdback Receivable			10,000.00	-	699.90	143.38	843.29	9,156.71				9,156.71
			187,062.72	3,424.15	13,149.46	2,662.39	19,255.79	167,806.93				167,806.93
Tremblay	L10BLK17 062-6807	D	259,827.47	28,011.62	18,285.38	3,725.52	50,022.52	209,804.95	180,041.91			29,763.04
Neustaeter	L11BLK17 062-6807	D	270,260.72	26,864.44	19,015.60	3,875.12	49,755.16	220,505.56	179,744.24			40,761.32
Weibe	L5BLK8 082-8732	D	229,252.80	26,463.56	16,145.45	3,287.13	45,896.14	183,356.66	157,940.33			25,416.33
			759,340.99	81,339.62	53,446.44	10,887.76	145,673.82	613,667.17	517,726.48			95,940.69
1048	L16BLK6 062-7628	E	151,101.15	-	11,618.90	2,166.55	13,785.45	137,315.70	92,554.77			44,760.93
1049	L17BLK6 062-7628	E	159,588.32	-	12,271.52	2,288.25	14,559.77	145,028.56	97,753.46			47,275.10
1068	L4BLK1 072-8514	E	142,833.21	-	10,983.14	2,048.00	13,031.14	129,802.06	87,480.36			42,311.70
1063	L5BLK1 072-8514	E	139,768.48	-	10,747.48	2,004.06	12,751.54	127,016.94	85,613.11			41,403.83
1064	L6BLK1 072-8514	E	141,281.79	-	10,863.84	2,025.76	12,889.60	128,392.19	86,540.06			41,852.13
1061	L18BLK7 072-7993	E	144,261.16	-	11,092.94	2,068.48	13,161.42	131,099.74	88,365.03			42,734.71
1070	L30BLK7072-7993	E	176,245.75	-	13,552.39	2,527.09	16,079.48	160,166.27	107,956.72			52,209.55
1086	L5BLK1 082-2807	E	108,966.98	-	8,379.00	1,562.42	9,941.41	99,025.56	66,746.11			32,279.45
1087	L18BLK3 082-2807	E	114,108.27	-	8,774.34	1,636.13	10,410.47	103,697.80	69,895.33			33,802.47
1072	L4BLK10 092-6206	E	130,735.36	-	10,052.88	1,874.54	11,927.42	118,807.94	80,080.00			38,727.94
			1,408,890.46	-	108,336.41	20,201.29	128,537.70	1,280,352.76	862,994.95			417,357.81
1069	L31BLK7 072-7993	F	184,246.42	-	14,167.60	2,641.81	16,809.41	167,437.01	112,857.41			54,579.60
McGahey	L2BLK3 072-8514	F	254,975.65	26,292.80	17,945.80	3,655.95	47,894.55	207,081.10	176,311.08			30,770.02
1033	L1BLK3 082-2807	F	201,378.54	-	15,484.97	2,887.45	18,372.42	183,006.11	123,351.43			59,654.68
1035	L4BLK3 082-2807	F	171,936.76	-	13,221.05	2,465.30	15,686.35	156,250.40	105,317.31			50,933.09
1036	L5BLK3 082-2807	F	171,158.86	-	13,161.23	2,454.15	15,615.38	155,543.47	104,840.82			50,702.65
1071	L15BLK2 092-6206	F	147,972.04	-	11,378.29	2,121.69	13,499.97	134,472.07	90,638.08			43,833.99
			1,131,668.26	26,292.80	85,358.94	16,226.35	127,878.10	1,003,790.17	713,316.13			290,474.04
Total Homes			6,974,261.19	111,056.57	528,446.55	100,000.00	739,503.12	6,234,758.07	2,094,037.56	2,500,000.00	1,640,720.51	

Elaborate Developments Inc. - In Receivership
Proposed Allocation of Costs and Estimated Available Funds

For the Period Ended November 2, 2011

Description	Legal	ATB Affidavit Exhibit	Realized Amount Net of Property Taxes Paid		Allocated Cost to November 2, 2011	Estimated Costs to Close	Incurred and Estimated Costs to November 2, 2011			Interim Payment to Servus	Interim Payment to ATB	Estimated Funds Available to Creditors
			\$	\$			\$	\$	\$			
Land	L14BLK1 062-5802		57,943.43	-	5,249.53	3,702.54	8,952.07	48,991.36		31,337.17		17,654.19
Land	L26BLK6 072-7993		49,302.23	-	4,466.66	3,150.37	7,617.03	41,685.20		26,663.81		15,021.40
Land	L37BLK6 072-7993		44,306.28	-	4,014.04	2,831.14	6,845.17	37,461.11		23,961.88		13,499.23
Land	L43BLK6 072-7993		44,310.34	-	4,014.40	2,831.40	6,845.80	37,464.54		23,964.07		13,500.47
Land	L44BLK6 072-7993		45,708.97	-	4,141.12	2,920.77	7,061.88	38,647.09		24,720.49		13,926.60
1074	L19BLK7 072-7993		103,378.57	-	9,365.84	6,605.81	15,971.65	87,406.92		55,909.56		31,497.36
Land	L29BLK7 072-7993		47,019.67	-	4,259.86	3,004.52	7,264.38	39,755.29		25,429.34		14,325.95
Land	L32BLK7 072-7993		53,667.32	-	4,862.12	3,429.30	8,291.42	45,375.90		29,024.55		16,351.35
1076	L33BLK7 072-7993		131,131.98	-	11,880.23	8,379.23	20,259.46	110,872.52		70,919.25		39,953.27
Land	L40BLK7 072-7993		47,019.66	-	4,259.86	3,004.52	7,264.38	39,755.28		25,429.34		14,325.94
Land	L42BLK7 072-7993		42,137.82	-	3,817.58	2,692.57	6,510.15	35,627.66		22,789.12		12,838.54
Commercial	L1BLK2 082-2807		66,167.57	-	5,994.62	4,228.06	10,222.67	55,944.90		35,784.98		20,159.92
1083	L9BLK2 082-2807		116,127.21	-	10,520.83	7,420.44	17,941.27	98,185.94		62,804.32		35,381.62
1085	L12BLK2 082-2807		107,715.53	-	9,758.76	6,882.94	16,641.69	91,073.84		58,255.09		32,818.75
Land	L13BLK2 082-2807		37,877.76	-	3,431.63	2,420.36	5,851.99	32,025.77		20,485.18		11,540.59
Land	L14BLK2 082-2807		37,840.29	-	3,428.23	2,417.96	5,846.20	31,994.09		20,464.92		11,529.17
Land	L15BLK2 082-2807		37,774.44	-	3,422.27	2,413.76	5,836.03	31,938.41		20,429.30		11,509.11
Land	L16BLK2 082-2807		37,820.49	-	3,426.44	2,416.70	5,843.14	31,977.35		20,454.21		11,523.14
Land	L17BLK2 082-2807		37,820.49	-	3,426.44	2,416.70	5,843.14	31,977.35		20,454.21		11,523.14
Land	L18BLK2 082-2807		37,866.55	-	3,430.61	2,419.64	5,850.26	32,016.29		20,479.12		11,537.17
Land	L19BLK2 082-2807		37,820.49	-	3,426.44	2,416.70	5,843.14	31,977.35		20,454.21		11,523.14
Land	L20BLK2 082-2807		37,820.49	-	3,426.44	2,416.70	5,843.14	31,977.35		20,454.21		11,523.14
Land	L21BLK2 082-2807		37,820.49	-	3,426.44	2,416.70	5,843.14	31,977.35		20,454.21		11,523.14
Land	L22BLK2 082-2807		37,866.55	-	3,430.61	2,419.64	5,850.26	32,016.29		20,479.12		11,537.17
Land	L23BLK3 082-2807		39,298.32	-	3,560.33	2,511.13	6,071.46	33,226.86		21,253.45		11,973.40
Land	L8BLK3 082-2807		37,891.29	-	3,432.86	2,421.22	5,854.08	32,037.21		20,492.50		11,544.71
Land	L9BLK3 082-2807		39,216.04	-	3,555.82	2,505.87	6,058.75	33,157.29		21,208.96		11,948.34
Land	L10BLK3 082-2807		37,871.53	-	3,431.07	2,419.96	5,851.03	32,020.50		20,461.81		11,538.69
Land	L12BLK3 082-2807		37,773.05	-	3,422.14	2,413.67	5,835.81	31,937.24		20,428.55		11,508.69
Land	L13BLK3 082-2807		39,280.38	-	3,558.70	2,509.99	6,068.69	33,211.69		21,243.75		11,967.94
Land	L14BLK3 082-2807		37,961.45	-	3,439.21	2,425.71	5,864.92	32,096.53		20,530.44		11,566.09
Land	L15BLK3 082-2807		38,014.58	-	3,444.03	2,429.10	5,873.13	32,141.45		20,559.18		11,582.28
Land	L16BLK3 082-2807		38,014.58	-	3,444.03	2,429.10	5,873.13	32,141.45		20,559.18		11,582.28
Land	L22BLK3 082-2807		35,984.89	-	3,260.14	2,299.41	5,559.55	30,425.35		19,461.48		10,963.87
Land	L23BLK3 082-2807		35,942.47	-	3,256.30	2,296.70	5,552.99	30,389.47		19,438.53		10,950.94
Land	L24BLK3 082-2807		34,592.92	-	3,134.03	2,210.46	5,344.49	29,248.43		18,708.67		10,539.77
Land	L25BLK3 082-2807		34,666.66	-	3,140.71	2,215.17	5,355.88	29,310.78		18,748.55		10,562.23
Land	L27BLK3 082-2807		34,585.89	-	3,133.39	2,210.01	5,343.41	29,242.49		18,704.86		10,537.62
Land	L28BLK3 082-2807		34,682.91	-	3,142.18	2,216.21	5,358.40	29,324.52		18,757.34		10,567.18
Land	L29BLK3 082-2807		32,638.31	-	2,956.95	2,085.56	5,042.51	27,595.80		17,651.57		9,944.23
Land	L30BLK3 082-2807		33,944.92	-	3,075.32	2,169.05	5,244.38	28,700.54		18,358.21		10,342.33
Land	L31BLK3 082-2807		33,916.44	-	3,072.74	2,167.23	5,239.98	28,676.46		18,342.81		10,333.65
Land	L33BLK3 082-2807		33,892.53	-	3,070.58	2,165.71	5,236.28	28,656.24		18,329.87		10,326.37
Land	L34BLK3 082-2807		33,892.53	-	3,070.58	2,165.71	5,236.28	28,656.24		18,329.87		10,326.37
1090	L3BLK4 082-2807		120,450.19	-	10,912.48	7,696.67	18,609.15	101,841.03		65,142.29		36,698.74
Land	L4BLK4 082-2807		32,819.29	-	2,973.34	2,097.13	5,070.47	27,748.82		17,749.44		9,999.37
Land	L5BLK4 082-2807		32,757.79	-	2,967.77	2,093.20	5,060.97	27,696.82		17,716.18		9,980.64
Land	L6BLK4 082-2807		32,723.54	-	2,964.67	2,091.01	5,055.68	27,667.86		17,697.66		9,970.20
Land	L7BLK4 082-2807		32,851.56	-	2,976.27	2,099.19	5,075.46	27,776.10		17,766.90		10,009.21
Land	L8BLK4 082-2807		32,794.13	-	2,971.07	2,095.52	5,066.58	27,727.55		17,735.84		9,991.71
Land	L9BLK4 082-2807		34,815.54	-	3,154.20	2,224.69	5,378.89	29,436.65		18,829.06		10,607.59
Land	L11BLK4 082-2807		34,907.21	-	3,162.51	2,230.54	5,393.05	29,514.16		18,878.64		10,635.52
Land	L15BLK5 082-2807		34,663.70	-	3,140.44	2,214.98	5,355.43	29,308.27		18,746.94		10,561.33
Land	L2BLK5 082-2807		34,629.79	-	3,137.37	2,212.82	5,350.19	29,279.60		18,728.61		10,551.00
Land	L3BLK5 082-2807		34,577.29	-	3,132.62	2,209.46	5,342.08	29,235.22		18,700.21		10,535.00
Land	L4BLK5 082-2807		34,566.70	-	3,131.66	2,208.78	5,340.44	29,226.26		18,694.48		10,531.77
Land	L14BLK2 092-6206		41,935.77	-	3,799.27	2,679.66	6,478.94	35,456.83		22,679.85		12,776.98
Land	L16BLK2 092-6206		42,038.82	-	3,808.61	2,686.25	6,494.86	35,543.97		22,735.58		12,808.38
Land	L23BLK4 092-6206		41,131.82	-	3,726.44	2,628.29	6,354.73	34,777.09		22,245.06		12,532.04
Land	L32BLK4 092-6206		39,099.25	-	3,542.29	2,498.41	6,040.70	33,058.55		21,145.79		11,912.75
Land	L33BLK4 092-6206		36,851.86	-	3,338.69	2,354.80	5,693.49	31,158.37		19,930.35		11,228.02
Land	L1BLK8 092-6206		34,991.66	-	3,170.16	2,235.94	5,406.10	29,585.57		18,924.31		10,661.25
Land	L1ABL9 092-6206		25,608.57	-	2,320.07	1,636.37	3,956.44	21,652.13		13,849.72		7,802.41
Land	L1BBLK9 092-6206		25,697.82	-	2,328.16	1,642.07	3,970.23	21,727.59		13,897.98		7,829.61
Land	L2ABL9 092-6206		25,871.64	-	2,343.91	1,653.18	3,997.08	21,874.56		13,991.99		7,882.57
Land	L2BBLK9 092-6206		25,842.22	-	2,341.24	1,651.30	3,992.54	21,849.68		13,976.08		7,873.60
Land	L3ABL9 092-6206		25,847.69	-	2,341.74	1,651.65	3,993.38	21,854.31		13,979.04		7,875.27
Land	L3BBLK9 092-6206		25,847.69	-	2,341.74	1,651.65	3,993.38	21,854.31		13,979.04		7,875.27
Land	L4ABL9 092-6206		25,853.13	-	2,342.23	1,651.99	3,994.22	21,858.90		13,981.98		7,876.93
Land	L4BBLK9 092-6206		25,839.49	-	2,340.99	1,651.12	3,992.12	21,847.38		13,974.61		7,872.77
Land	L5ABL9 092-6206		25,830.68	-	2,340.19	1,650.56	3,990.76	21,839.93		13,969.84		7,870.09
Land	L5BBLK9 092-6206		25,836.17	-	2,340.69	1,650.91	3,991.60	21,844.57		13,972.81		7,871.76
Land	L6ABL9 092-6206		25,861.34	-	2,342.97	1,652.52	3,995.49	21,865.85		13,986.42		7,879.43
Land	L6BBLK9 092-6206		25,878.33	-	2,344.51	1,653.60	3,998.12	21,880.21				

Elaborate Developments Inc. - In Receivership
Proposed Allocation of Costs and Estimated Available Funds

For the Period Ended November 2, 2011

Description	Legal	ATB Affidavit Exhibit	Realized Amount Net of Property Taxes Paid	Direct Costs to November 2, 2011	Allocated Cost to November 2, 2011	Estimated Costs to Close	Incurred and Estimated Costs to November 2, 2011		Interim Payment to Servus	Interim Payment to ATB	Estimated Funds Available to Creditors
							Estimated Costs to November 2, 2011	Available for Distribution			
Land	L10ABLK9 092-6206	I	25,836.17	-	2,340.69	1,650.91	3,991.60	21,844.57	-	13,972.81	7,871.76
Land	L10BLK9 092-6206	I	25,836.17	-	2,340.69	1,650.91	3,991.60	21,844.57	-	13,972.81	7,871.76
Land	L11ABLK9 092-6206	I	25,794.63	-	2,336.93	1,648.26	3,985.18	21,809.45	-	13,950.34	7,859.10
Land	L11BLK9 092-6206	I	25,614.66	-	2,320.62	1,636.76	3,957.38	21,657.28	-	13,853.01	7,804.27
Land	L1BLK10 092-6206	I	37,423.37	-	3,390.46	2,391.32	5,781.79	31,641.58	-	20,239.44	11,402.14
Land	L2BLK10 092-6206	I	37,448.53	-	3,392.74	2,392.93	5,785.67	31,662.86	-	20,253.05	11,409.81
Land	L3BLK10 092-6206	I	35,059.63	-	3,176.31	2,240.28	5,416.60	29,643.04	-	18,961.07	10,681.96
Land	L5BLK10 092-6206	I	33,450.69	-	3,030.55	2,137.47	5,168.02	28,282.67	-	18,090.92	10,191.75
Land	L7BLK10 092-6206	I	33,423.37	-	3,028.07	2,135.73	5,163.80	28,259.57	-	18,076.14	10,183.43
Land	L8BLK10 092-6206	I	37,450.69	-	3,392.94	2,393.07	5,786.01	31,664.68	-	20,254.21	11,410.47
Land	L9BLK10 092-6206	I	37,400.90	-	3,388.43	2,389.89	5,778.32	31,622.59	-	20,227.29	11,395.30
Land	L10BLK10 092-6206	I	33,403.63	-	3,026.28	2,134.47	5,160.75	28,242.88	-	18,065.47	10,177.41
Land	L11BLK10 092-6206	I	33,089.69	-	2,997.84	2,114.40	5,112.25	27,977.44	-	17,895.68	10,081.76
Land	L12BLK10 092-6206	I	37,428.81	-	3,390.96	2,391.67	5,782.63	31,646.18	-	20,242.38	11,403.80
Land	L1BLK11 092-6206	I	38,037.15	-	3,446.07	2,430.54	5,876.61	32,160.53	-	20,571.38	11,589.15
Land	L7BLK11 092-6206	I	33,298.66	-	3,016.78	2,127.76	5,144.53	28,154.13	-	18,008.70	10,145.43
Land	L1BLK12 092-6206	I	33,528.33	-	3,037.58	2,142.43	5,180.02	28,348.31	-	18,132.91	10,215.40
Land	L2BLK12 092-6206	I	33,605.45	-	3,044.57	2,147.36	5,191.93	28,413.52	-	18,174.61	10,238.90
Land	L3BLK12 092-6206	I	33,605.45	-	3,044.57	2,147.36	5,191.93	28,413.52	-	18,174.61	10,238.90
Land	L6BLK12 092-6206	I	66,800.66	-	5,760.43	4,268.51	10,028.94	56,771.72	-	-	56,771.72
			3,949,768.02	-	357,547.48	252,387.05	609,934.52	3,339,833.50	-	2,100,000.00	1,239,833.50
Great West Settlement - estimate only			45,000.00	-	3,880.49	2,875.46	6,755.96	38,244.04			38,244.04
Personal Property			74,140.03	-	6,383.33	4,737.49	11,130.82	63,009.21			63,009.21
			119,140.03	-	10,273.82	7,612.95	17,886.77	101,253.26	-	-	101,253.26
Total Developments Assets			4,068,908.05	-	367,821.30	260,000.00	627,821.30	3,441,086.76	-	2,100,000.00	1,341,086.76

NOTES TO COST ALLOCATION ANALYSIS

Set out below is an overview of the methodology used by Receiver in preparing the cost allocation schedule (the “Schedule”) in support of an application by ATB and Servus for a final distribution (the “Final Distribution”) of the sale proceeds subject to its security.

As the Court and the secured creditors may be aware, the majority of assets of Elaborate have been sold pursuant to the Vesting Order and it is anticipated that the debt due to ATB by Elaborate can be fully paid out of the sale proceeds. It is not anticipated that all of the estate issues will be resolved prior to making the Final Distribution; accordingly, the Schedule illustrates the estimated costs to close the estates and the pro-rata allocation of these costs to the assets of the estates.

Overview

1. The Schedule sets out the allocation of the purchase price amongst the assets purchased by 1601812 Alberta Ltd. (“1601812”), amounts realized by the Receiver from other assets of Elaborate and the estimated realizable amount from a settlement with Great West Truck Lease & Rental Ltd. (“Great West Settlement”).
2. The Schedule only considers the net available to distribute, after consideration of direct, allocated and estimated costs of the estates of Elaborate.
3. As mentioned previously, the Schedule includes other assets that were not purchased by 1601812 (the “Personal Property”). The Receiver has assumed that it is appropriate for certain costs in these proceedings to be allocated to these assets, as set out below.

Allocation/Estimated Value of Assets

4. The Schedule sets out the value of the assets subject to the interests of the various secured creditors of Elaborate. These values are based on the following:
 - i) For the land and properties sold to 1601812, the amount of the purchase price as was allocated by 1601812 in its offer for lands and properties, and is net of the property taxes paid at the time of closing the sale transaction;
 - ii) For the fixed assets sold to 1601812, the amount of the purchase price has been allocated based on the offer of 1601812 for the fixed assets;
 - iii) For the Personal Property, the net amount realized from the recovery of the assets by the Receiver has been used;

- iv) For the assets listed as "Holdback Receivable" and "L13BLK2 092-6206" in Exhibit 1, the net amount released by Elaborate's counsel upon lifting the terms and conditions of the sale. The terms and conditions were lifted after the date of receivership, so funds were provided to the Receiver rather than the mortgage holder;
- v) For the assets listed as "Tremblay, Neustaeter, Weibe and McGahey" in Exhibit 1, the net amount released to the Receiver upon lifting the terms and conditions of the sale post receivership,
- vi) For the Great West Settlement, we have estimated the recoverable amount under the Settlement Agreement reached between the Receiver and Great West Truck Lease & Rentals Ltd. for the sale of certain equipment. No funds have been provided to the Receiver to date.

5. As discussed further below, these values are used as the basis for the allocation of indirect costs.

Direct Costs

6. Direct costs consist of the costs that the Receiver can allocate to the realization of a specific asset in the estate and are set out as follows:

- i) Direct Receiver's Fess - the Receiver reviewed its separate accounts (as discussed below), and allocated the amount of time spent dealing with the realization of certain specific assets and has reduced the Allocated Receiver Fees by an appropriate amount and allocated those fees to the specific asset;
- ii) Direct Legal Fees - the Receiver was provided a statement of account from legal counsel or was allocated a certain cost from the statement of adjustments when the sale of a specific asset was sold. These costs have been applied to the specific asset; and,
- iii) Other Direct Cost – mainly consists of Realtors Commissions for the sale of a property or a cost that was required to allow the Receiver to sell a specific asset. These costs have been applied to the specific asset that they relate to.

Indirect Costs

7. We have summarized below the indirect costs to be allocated to the assets of Elaborate, and the assumption used in the Schedule for their allocation:

- i) Allocated Receiver Fees – pursuant to the Receivership Order, the professional fees of the Receiver form a first charge over the assets of Elaborate. The Receiver confirms that when it recorded fees and disbursements, it recorded them in relation to either work performed for Homes or work performed for Developments, and separate accounts were rendered for each of Homes and Developments. These fees were incurred in the administration of the estates and are not specific to an individual asset recovered in the estate. We submit that the provision for this cost should be allocated across all assets on a pro-rata basis;
- ii) Allocated Legal Fees – pursuant to the Receivership Order, the costs of the Receiver form a first charge over the assets of the Elaborate. These costs are in respect of work incurred on behalf of the Receiver in the administration of the estate including, but not limited to, concluding the sale to 1601812 and providing legal opinions for security granted by Elaborate. We submit that the provision for these costs should be allocated across all assets on a pro-rata basis. We have been advised by our legal counsel that when it recorded fees and disbursements, it recorded them in relation to either work performed for Homes or work performed for Developments, and separate accounts were rendered for each of Homes and Developments;
- iii) Allocated Insurance Fees – the Receiver has incurred insurance fees of \$18,088 for the insurance of the assets of Homes. The assets of Developments had adequate existing insurance in place at the time of the receivership. We submit that the provision for this cost should be allocated only to Homes assets and generally on a pro-rata basis;
- iv) Allocated Contractor Costs – as indicated in the Receiver's first reports, the Receiver retained some prior employees on a contract basis to assist in its realization efforts. A majority of the time spent by these contractors was in the preservation of the assets of Homes, accordingly, the Receiver submits that these costs be allocated to Homes and Developments assets on a 75% and 25% pro-rata basis respectively;
- v) Allocated Appraisal Costs – the Receiver commissioned an appraisal of the real estate and fixed assets of Elaborate at a cost of \$28,710. We submit that these costs should to be allocated across only the assets appraised on a pro-rata basis;

- vi) Allocated Utility Costs – the Receiver paid utility costs to maintain the assets of Homes. We submit that these costs should be allocated only to Homes assets generally on a pro-rata basis;
- vii) Allocated Advertising Costs – the Receiver advertised the opportunity for purchasing the real property and fixed assets of Elaborate in numerous papers across the country at numerous times during our marketing process. We submit that these costs should be allocated across those assets sold pursuant to the Vesting Order on a pro-rata basis;
- viii) Other Receivership Costs – these costs represent all the remaining administrative costs of the Receiver. We submit that these costs should be allocated across all the assets on a pro-rata basis;

8. Indirect costs are attributed to each of the assets in the noted group on a pro-rata basis using the allocation of the Realized Amount for these assets described above. Put another way:

- i) The realized amount from the asset divided by the total realized amount of the assets being allocated a cost = "Asset %"
- ii) The "Asset %" is then multiplied by the Indirect Cost = Asset's Share of the Indirect Cost

9. By utilizing the foregoing methodology, an asset's obligation to contribute to certain costs can be determined. Set out below is an example using Land with the legal description of L14BLK1 062-5802 and the Allocated Receiver's Fees:

Realized Amount for Land - L14BLK1 062-5802	\$ 57,943.43
Divided by: total realized amount of the assets of Developments	<u>\$ 4,068,908.05</u>
Percentage of total Developments Assets	<u>1.42%</u>
Allocated Receiver's Fees for Developments Assets	\$ 237,922.40
Multiplied by: percentage of total Developments Assets	<u>1.42%</u>
Land - L14BLK1 062-5802 share of the Receiver's Fees for Developments Assets	<u>\$ 3,388.14</u>

Estimated Costs to Close

10. In addition to the Direct and Indirect Costs, the Receiver proposes to withhold funds in anticipation of future costs to complete the administration of the receivership. As the final costs in the estate remain undetermined, these withholdings are the Receiver's best estimate

of additional costs that may be incurred. These amounts should not be taken as a binding number, but are an estimate of future anticipated costs.

11. It is not expected that monies released to ATB, Servus or CRA as part of the Final Distribution to them will be clawed back as a result of future changes to the cost allocation. Accordingly, any changes to the estimated costs to close that could negatively impact this cost allocation will be allocated only to the remaining funds held by the Receiver once final distributions are made to ATB, Servus and CRA.

EXHIBIT 2

Elaborate Homes Ltd. - In Receivership
Proposed Allocation of Costs and Estimated Available Funds

For the Period Ended November 2, 2011

Description	Legal	ATB Affidavit Exhibit	Estimated Funds Available to Creditors		Available for Distribution to ATB	Available for Distribution to Servus	Funds Available to CRA	Funds Available to Alco	Funds Available to Remaining Creditors
			\$	\$					
996	L4BLK2 082-2807	A	31,015.85	31,015.85					-
998	L5BLK5 082-2807	A	35,407.04	35,407.04					-
1006	L10BLK5 082-2807	A	36,580.42	36,580.42					-
			<u>103,003.31</u>	<u>103,003.31</u>					
Office Condo	520263; 4	B	103,409.23	12,856.14				90,553.09	-
Land	L45BLK2 072-2113	C	6,260.58	6,260.58					-
Land	L10BLK8 082-8732	C	5,417.24	5,417.24					-
Land	L11BLK8 082-8732	C	5,396.65	5,396.65					-
Land	L12BLK8 082-8732	C	5,374.73	5,374.73					-
Land	L14BLK8 082-8732	C	5,369.88	5,369.88					-
Land	L33BLK8 102-1627	C	4,820.71	4,820.71					-
			<u>32,639.79</u>	<u>32,639.79</u>					
1042	L19BLK1 062-5802	G	32,998.57	32,998.57					-
1045	L26BLK5 062-7628	G	29,941.55	29,941.55					-
1046	L14BLK6 062-7628	G	17,830.60	17,830.60					-
1022	L39BLK2 072-2113	G	36,331.44	36,331.44					-
1025	L42BLK2 072-2113	G	32,467.45	32,467.45					-
1075	L34BLK7 072-7993	G	24,217.38	24,217.38					-
1080	L6BLK2 082-2807	G	18,832.67	18,832.67					-
1081	L7BLK2 082-2807	G	20,120.23	20,120.23					-
1082	L8BLK2 082-2807	G	19,795.81	19,795.81					-
1084	L11BLK2 082-2807	G	20,171.42	20,171.42					-
1088	L1BLK4 082-2807	G	20,152.89	20,152.89					-
1089	L2BLK4 082-2807	G	24,336.31	24,336.31					-
1079	L12BLK2 092-6206	G	21,577.42	21,577.42					-
			<u>318,773.74</u>	<u>318,773.74</u>					
1037	L9BLK17 062-6807	H	23,242.10	23,242.10					-
1040	L12BLK17 062-6807	H	22,468.27	22,468.27					-
1041	L14BLK17 062-6807	H	22,814.15	22,814.15					-
1052	L28BLK1 062-7628	H	18,123.31	18,123.31					-
1078	L9BLK2 092-6206	H	24,667.14	24,667.14					-
			<u>111,314.98</u>	<u>111,314.98</u>					
Fixed Assets			106,400.43		106,400.43				-
Other Personal Property			52,249.78		52,249.78				-
Holdback Receivable			9,156.71		9,156.71				-
			<u>167,806.93</u>		<u>167,806.93</u>				
Tremblay	L10BLK17 062-6807	D	29,763.04	29,763.04					-
Neustaeter	L11BLK17 062-6807	D	40,761.32	40,761.32					-
Weibe	L5BLK8 082-8732	D	25,416.33	25,416.33					-
			<u>95,940.69</u>	<u>95,940.69</u>					
1048	L16BLK6 062-7628	E	44,760.93		44,760.93				-
1049	L17BLK6 062-7628	E	47,275.10		47,275.10				-
1068	L4BLK1 072-8514	E	42,311.70		42,311.70				-
1063	L5BLK1 072-8514	E	41,403.83		41,403.83				-
1064	L6BLK1 072-8514	E	41,852.13		41,852.13				-
1061	L18BLK7 072-7993	E	42,734.71		42,734.71				-
1070	L30BLK7072-7993	E	52,209.55		52,209.55				-
1086	L5BLK1 082-2807	E	32,279.45		32,279.45				-
1087	L18BLK3 082-2807	E	33,802.47		33,802.47				-
1072	L4BLK10 092-6206	E	38,727.94		38,727.94				-
			<u>417,357.81</u>		<u>417,357.81</u>				
1069	L31BLK7 072-7993	F	54,579.60		54,579.60				-
McGahey	L2BLK3 072-8514	F	30,770.02		30,770.02				-
1033	L1BLK3 082-2807	F	59,654.68		59,654.68				-
1035	L4BLK3 082-2807	F	50,933.09		50,933.09				-
1036	L5BLK3 082-2807	F	50,702.65		50,702.65				-
1071	L15BLK2 092-6206	F	43,833.99		43,833.99				-
			<u>290,474.04</u>		<u>259,704.02</u>		<u>30,770.02</u>		
Total Homes			1,640,720.51	674,528.65	677,061.83	198,576.94	90,553.09		

EXHIBIT 3



Edmonton Tax Services Office
Edmonton AB T5J 4C8

April 15, 2011

PRICEWATERHOUSECOOPERS INC.
1501 TORONTO DOMINION TOWER
10088 - 102 AVENUE
EDMONTON AB T5J 3N5

RECEIVED

APR 16 2011

PRICEWATERHOUSECOOPERS
EDMONTON

Dear Sir/Madam

Re: ELABORATE HOMES LTD
Account number: 13644 0831 RP0001

We have been advised that you have been appointed Receiver for the above referenced. At present there is an indebtedness to Canada Revenue Agency for employee source deductions amounting to \$307,983.29.

The amended particulars of this liability are as follows:

Date of Assessment	Tax Deductions	CPP	EI	Penalty & Interest	Total
2010-01-28	\$ 1,515.48	\$ 0.00	\$ 0.00	\$13,157.46	\$ 14,672.94
2010-07-20	11,370.67	0.00	0.00	33.81	11,404.48
2010-07-22	9,432.40	0.00	0.00	2,997.48	12,429.88
2011-01-13	120,531.57	0.00	0.00	30,373.26	150,904.83
2011-01-13	48,050.03	20,405.10	9,108.10	24,635.10	102,198.33
2011-03-04	2,909.91	0.00	0.00	240.99	3,150.90
2011-04-04	9,844.00	362.30	129.79	2,838.49	13,174.58
Law Costs	0.00	0.00	0.00	47.35	47.35
	=====	=====	=====	=====	=====
	\$203,654.06	\$20,767.40	\$ 9,237.89	\$74,323.94	\$307,983.29

Pursuant to the provisions of subsection 227(4) of the "Income Tax Act" of Canada, subsection 23(3) of the "Canada Pension Plan," subsection 57(2) of the "Unemployment Insurance Act" and subsection 86(2) of the "Employment Insurance Act," the following amounts, which are included in the above totals, are trust funds and form no part of the property, business, or estate of ELABORATE HOMES LTD in receivership.

.../2



Prairies Regional
Collections/Compliance Centre
9700 Jasper Avenue
Edmonton AB T5J 4C8

Local : 780-495-3444 Ext. : 3443
Toll Free : 1-877-331-3524 Ext. : 1689
Fax : 780-495-4381
Web site : www.cra.gc.ca

Income Tax		CPP Employee Portion	EI Employee Portion	Total
Federal	Provincial			
\$179,420.13	\$ 24,233.93	\$ 10,383.70	\$ 3,849.11	\$217,886.87

Payment of the total amount of this trust, namely \$217,886.87 should be made to the Receiver General out of the realization of any property that is subject to these statutory trusts in priority to all other creditors. Please forward payment by return mail. In the event this is not possible, please indicate when payment will be forthcoming.

Please advise when payment of the remaining balance of \$90,096.42 plus interest to date of payment may be forthcoming. Your attention is drawn to section 159 of the "Income Tax Act," subsection 23(5) of the "Canada Pension Plan," subsection 57(4.1) of the "Unemployment Insurance Act" and subsection 86(4) of the "Employment Insurance Act."

This letter also serves as notice that should payment be made of any amount described in subsection 153(1) of the "Income Tax Act" for periods prior or subsequent to your appointment, tax deductions must be withheld and remitted in accordance with this subsection and Income Tax Regulations 101 and 108. Your attention is also directed to section 3 of the "Unemployment Insurance Act" (Collection of Premiums) Regulations, section 5 of the "Employment Insurance Act" and section 8 of the "Canada Pension Plan" Regulations.

Yours truly,



Amy Force (1225)
Collections Officer



Edmonton Tax Services Office
Edmonton AB T5J 4C8

July 20, 2011

PRICEWATERHOUSECOOPERS INC.
1501 TORONTO DOMINION TOWER
10088-102 AVENUE
EDMONTON AB T5J 3N5

RECEIVED
Aug 1 2011

Dear Sir/Madam

PRICEWATERHOUSECOOPERS
EDMONTON

Re: ELABORATE HOMES LTD

We understand that you have been appointed (Receiver or Receiver and Manager) for the above GST/HST registrant. Presently, the registrant owes us goods and services tax/harmonized sales tax (GST/HST) of \$35,554.67.

Period outstanding	GST/HST payable	Penalty & Interest	Total payable
2010-11-30	\$ 5,754.07	\$ 219.77	\$ 5,973.84
2010-12-31	10,098.86	237.91	10,336.77
2011-01-31	0.00	254.90	254.90
2011-02-22	18,679.58	309.58	18,989.16
TOTAL	\$34,532.51	\$1,022.16	\$35,554.67

Under subsection 222(3) of the "Excise Tax Act," \$34,532.51 which is included in the above totals, is held in trust and forms no part of the property, business, or estate of ELABORATE HOMES LTD in receivership. This is the case whether or not those funds have in fact, been kept separate and apart from the person's own money or from the assets of the estate.

The Receiver General should be paid the total amount of this trust, namely \$34,532.51, out of the realization of any property subject to these statutory trusts. This should take priority over all other creditors. Please forward your payment by return mail as soon as possible. If this is not possible, please indicate when payment will be forthcoming.

.../2

Canada

Prairies Regional
Collections/Compliance Centre
9700 Jasper Avenue
Edmonton AB T5J 4C8

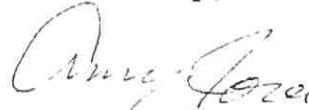
Local : 780-495-3444 Ext. : 3443
Toll Free : 1-877-331-3524 Ext. : 1689
Fax : 780-495-4381
Web site : www.cra.gc.ca

Please indicate when you can pay the remaining balance of \$ 1,022.16, plus penalty and interest accrued to the date of payment. We draw your attention to sections 266 and 270 of the "Excise Tax Act."

This letter will also serve to notify you that as a (Receiver or Receiver and Manager) you are required to collect and remit GST/HST according to paragraph 266(2)(d) and to file any applicable returns as provided in paragraphs 266(2)(f) and (g) of the "Excise Tax Act."

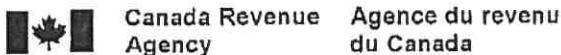
If you have any questions, please contact Amy Force (1225) of the Revenue Collection Division at one of the telephone numbers provided in this letter.

Yours truly,



Amy Force (1225)
Collections Officer

EXHIBIT 4



Edmonton Tax Services Office
Edmonton AB T5J 4C8

December 14, 2011

ATTENTION: ANDREW BURNETT
PRICEWATERHOUSECOOPERS INC.
1501 TORONTO DOMINION TOWER
10088-102 AVENUE
EDMONTON AB T5J 3N5

Dear Sir

Re: Elaborate Homes Ltd.
#107 10530 117 AVENUE
GRANDE PRAIRIE AB
T8V 7N7

The Bankruptcy of ELABORATE HOMES LTD
Date of Receivership: February 22, 2011

Thank you for your request of November 22, 2011, asking for the Crown's consent to permit that reasonable fees and expenses associated with the estate for ELABORATE HOMES LTD be paid ahead of the Crown's priority claim.

After reviewing the information you provided in your request, we are writing to inform you that we agree to allow the reasonable fees and expenses you requested, up to \$67,150.35, as quoted in your request.

The allowance for these fees and expenses is based on the information you provided. Any changes that occur in the administration of this file (i.e., conversion from a summary administration to ordinary administration) or in the realization of assets being administered by the trustee that may result in fees and costs in excess of the amounts noted above must be brought to the attention of the Canada Revenue Agency (CRA) before such costs are incurred. In these circumstances, we require that you submit a new request for our review that details the changes involved and provides the additional information prescribed as well as the revised estimates of fees and costs, including fees and costs of realization per category of assets. Failure to obtain a revised agreement may result in the CRA limiting the allowance to the amount given above.

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Canada

Prairies Regional
Collections/Compliance Centre
9700 Jasper Avenue
Edmonton AB T5J 4C8

Local : 780-495-3444 Ext. : 3443
Toll Free : 1-877-331-3524 Ext. : 1689
Fax : 780-495-4381
Web site : www.cra.gc.ca

- 2 -

This agreement is contingent on compliance with the duties and obligations set out in the CRA's policy on Administrative Agreements with Trustees and Receivers.

As a result of this agreement, we require that you send progress reports every 90 days following the date of this approval. In addition, please report any material change or anticipated cost over-run to the CRA immediately so that we can review and consider changes to this agreement.

If you have any questions or need additional information, please contact Amy Force at 780-495-3444.

Yours truly,



Christine Hill
Manager
Revenue Collections

EXHIBIT 5



Edmonton Tax Services Office
Edmonton AB T5J 4C8

October 05, 2011

PRICEWATERHOUSECOOPERS INC.
1501 TORONTO DOMINION TOWER
10088 - 102 AVENUE
EDMONTON AB T5J 3N5

RECEIVED
OCT 07 2011

PRICEWATERHOUSECOOPERS INC.
EDMONTON

Dear Sir/Madam

Re: ELABORATE DEVELOPMENTS INC
Account number: 86021 6738 RP0001

We have been advised that you have been appointed Receiver for the above referenced. At present there is an indebtedness to Canada Revenue Agency for employee source deductions amounting to \$183.76.

Particulars of this liability are as follows:

Date of Assessment	Tax Deductions	CPP	EI	Penalty & Interest	Total
2009-04-28	\$ 0.00	\$ 0.00	\$ 0.00	\$ 183.76	\$ 183.76

Pursuant to the provisions of subsection 227(4) of the "Income Tax Act" of Canada, subsection 23(3) of the "Canada Pension Plan," subsection 57(2) of the "Unemployment Insurance Act" and subsection 86(2) of the "Employment Insurance Act," the following amounts, which are included in the above totals, are trust funds and form no part of the property, business, or estate of ELABORATE DEVELOPMENTS INC in receivership.

Income Federal	Tax Provincial	CPP Employee Portion	EI Employee Portion	Total
\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

Payment of the total amount of this trust, namely \$0.00 should be made to the Receiver General out of the realization of any property that is subject to these statutory trusts in priority to all other creditors. Please forward payment by return mail. In

.../2

Canada

Prairies Regional
Collections/Compliance Centre
9700 Jasper Avenue
Edmonton AB T5J 4C8

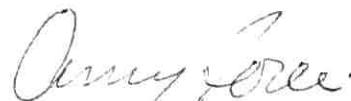
Local : 780-495-3444 Ext. : 3443
Toll Free : 1-877-331-3524 Ext. : 1689
Fax : 780-495-4381
Web site : www.cra.gc.ca

the event this is not possible, please indicate when payment will be forthcoming.

Please advise when payment of the remaining balance of \$183.76 plus interest to date of payment may be forthcoming. Your attention is drawn to section 159 of the "Income Tax Act," subsection 23(5) of the "Canada Pension Plan," subsection 57(4.1) of the "Unemployment Insurance Act" and subsection 86(4) of the "Employment Insurance Act."

This letter also serves as notice that should payment be made of any amount described in subsection 153(1) of the "Income Tax Act" for periods prior or subsequent to your appointment, tax deductions must be withheld and remitted in accordance with this subsection and Income Tax Regulations 101 and 108. Your attention is also directed to section 3 of the "Unemployment Insurance Act" (Collection of Premiums) Regulations, section 5 of the "Employment Insurance Act" and section 8 of the "Canada Pension Plan" Regulations.

Yours truly,



Amy Force (1225)
Collections Officer



Edmonton Tax Services Office
Edmonton AB T5J 4C8

November 18, 2011

PRICEWATERHOUSECOOPERS INC.
1501 TORONTO DOMINION TOWER
10088 - 102 AVENUE
EDMONTON AB T5J 3N5

RECEIVED
NOV 20 2011

PRICEWATERHOUSECOOPERS
EDMONTON

Dear Sir/Madam

Re: ELABORATE DEVELOPMENTS INC

We understand that you have been appointed (Receiver or Receiver and Manager) for the above GST/HST registrant. Presently, the registrant owes us goods and services tax/harmonized sales tax (GST/HST) of \$18,096.71.

Period outstanding	GST/HST payable	Penalty & Interest	Total payable
2011-02-01 to 2011-02-22	\$ 17,221.46	\$ 875.25	\$18 096.71

Under subsection 222(3) of the "Excise Tax Act," \$0.00 which is included in the above totals, is held in trust and forms no part of the property, business, or estate of ELABORATE DEVELOPMENTS INC in receivership. This is the case whether or not those funds have in fact, been kept separate and apart from the person's own money or from the assets of the estate.

The Receiver General should be paid the total amount of this trust, namely \$0.00, out of the realization of any property subject to these statutory trusts. This should take priority over all other creditors. Please forward your payment by return mail as soon as possible. If this is not possible, please indicate when payment will be forthcoming.

.../2

Canada

Prairies Regional
Collections/Compliance Centre
9700 Jasper Avenue
Edmonton AB T5J 4C8

Local : 780-495-3444 Ext. : 3443
Toll Free : 1-877-331-3524 Ext. : 1689
Fax : 780-495-4381
Web site : www.cra.gc.ca

Please indicate when you can pay the remaining balance of \$ 18,096.71, plus penalty and interest accrued to the date of payment. We draw your attention to sections 266 and 270 of the "Excise Tax Act."

This letter will also serve to notify you that as a (Receiver or Receiver and Manager) you are required to collect and remit GST/HST according to paragraph 266(2)(d) and to file any applicable returns as provided in paragraphs 266(2)(f) and (g) of the "Excise Tax Act."

If you have any questions, please contact Amy Force (1225) of the Revenue Collection Division at one of the telephone numbers provided in this letter.

Yours truly,



Amy Force (1225)
Collections Officer



Edmonton Tax Services Office
Edmonton AB T5J 4C8

October 05, 2011

PRICEWATERHOUSECOOPERS INC.
1501 TORONTO DOMINION TOWER
10088 - 102 AVENUE
EDMONTON AB T5J 3N5

RECEIVED
OCT 07 2011

PRICEWATERHOUSECOOPERS
EDMONTON

Dear Sir/Madam

Re: Elaborate Developments Inc.
GRANDE PRAIRIE AB
Date of Receivership: February 22, 2011

To support our claim for unpaid Income tax in the above - noted receivership, we are enclosing a proof of claim, with Schedule "A," as an unsecured creditor for \$38,553.04.

If you need more information about this claim, please contact the undersigned at one of the telephone numbers provided in this letter.

Yours truly,

Amy Force (1225)
Collections Officer

Enclosure(s)

Canada

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Edmonton AB T5J 4C8

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Proof of Claim (Form 31)
Bankruptcy and Insolvency Act

All notices or correspondence regarding this claim must be forwarded to the following address:

Prairies Regional
Collections/Compliance Centre
9700 Jasper Avenue
Edmonton AB T5J 4C8
Attention: Amy Force (1225)

In the matter of the receivership of Elaborate Developments Inc. of the City of GRANDE PRAIRIE in the Province of Alberta, and the claim of Her Majesty the Queen in Right of Canada as represented by the Minister of National Revenue, creditor.

I, Amy Force (1225), of the City of Edmonton in the Province of Alberta, do hereby certify:

1. That I am a Collections Officer of the Canada Revenue Agency.
2. That I have knowledge of all the circumstances connected with the claim referred to below.
3. That the debtor was, at the date of receivership namely the February 22, 2011, and still is, indebted to the creditor in the sum of \$38,553.04, as specified in the statement of account attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled.
4. (X) UNSECURED CLAIM of \$38,553.04.

That in respect of this debt, I do not hold any assets of the debtor as security and

(X) Regarding the amount of \$38,553.04, I do not claim a right to priority.

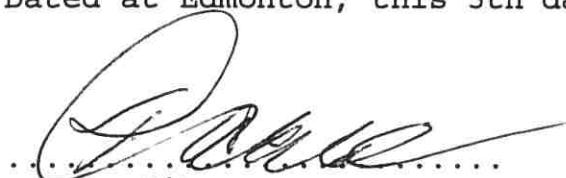
5. That, to the best of my knowledge, the above-named creditor is not related to the debtor within the meaning of section 4 of the Bankruptcy and Insolvency Act.

6. That the following are the payments that I have received from, and the credits that I have allowed to the debtor within the three months immediately before the date of the initial bankruptcy event within the meaning of Section 2 of the Bankruptcy and Insolvency

Act.

\$10,400 received December 22, 2010

Dated at Edmonton, this 5th day of October, 2011.


.....
Witness

.....
Creditor
(Signature of person completing
this Proof of Claim)

SCHEDULE "A"

Name : Elaborate Developments Inc.
Account Number: 860216738RC0001

Date of Assessment	Taxation Year	Tax	Penalty and Interest	Total
February 12, 2010	2009	\$ 27,351.30	\$ 4,503.53	\$ 31,854.83
January 25, 2011	2010	5,901.00	797.21	6,698.21
TOTAL		\$ 33,252.30	\$ 5,300.74	\$ 38,553.04