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NOTICE OF STATEMENT OF RECEIVER

(Subsections 245(1) and 246(1) of the Act)

IN THE MATTER OF THE RECEIVERSHIP OF LREIT HOLDINGS 34 CORPORATION

The receiver gives notice and declares that:

1. On February 28, 2019, an Order was granted by the Court of Queen's Bench of Alberta (the "Receivership Order") and pursuant to section 243 (1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, C.B-3 ("BIA"), section 13(2) of the *Judicature Act*, R.S.A. 2000, C.J-2, and 49 of the *Law of Property Act*, RSA 200, C.-7, Alvarez & Marsal Canada Inc. was appointed Receiver and manager ("Receiver") of LREIT Holdings 34 Corporation's ("LREIT 34") and Lanesborough Real Estate Investment Trust ("Lanesborough"). For purposes of the Receivership Order, "Lanesborough" means the Lanesborough Real Estate Investment Trust, solely with respect to it beneficial interest in the property (defined below). LREIT 34 and Lanesborough are collectively referred to as the "Debtor". The Receiver has been appointed over the Debtor's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, as legally described as:

PLAN 0425943 BLOCK 11 LOT 1

CONTAINING 2.25 HECTARES (5.56 ACRES) MORE OR LESS EXCEPT THEREOUT ALL MINES AND MINERALS ("Lands");

Lanus

AND

all of the RIGHT, TITLE, and INTEREST of the Debtor, in all CHATTELS located on the Lands (the "Chattels")

(commonly referred to as "Woodland Park" (the "Property"))

2. The Receiver understands that the accounting records for LREIT 34 as at February 28, 2019 indicates the following assets:

	Estimated Net Book Value (Note 2)			
Cash	\$	9,143		
Security deposits (Note 1)		155,200		
Accounts receivable		26,910		
Other current assets		468		
Land & building		23,384,442		
Related party receivable		3,628,715		
Furniture & equipment		482,701		
Total	\$	27,687,579		



Note 1: Security deposits held in trust with respect to tenant security deposits

Note 2: Realizable values may materially differ from the above estimated net book value

- 3. A&M became the Receiver in respect of the Property described above by virtue of the Receivership Order, a copy of which may be found on the Receiver's website at: www.alvarezandmarsal.com/LREIT34.
- 4. Upon receiving the entered Receivership Order, the Receiver took possession and control of the Property described above on February 28, 2019.
- 5. The following information relates to the receivership:

a) Civic Address: 230 Wilson Drive, commonly known as "Woodland Park"

b) Principal line of business: LREIT Holdings 34 Corporation's principal business activity

is the ownership and rental of apartment units and town house

units.

c) Location of business: Fort McMurray, Alberta

6. Amounts owed by the Debtor to each creditor, according to books and records as at February 28, 2019 are shown below:

	Outstanding Amount		
Secured creditors (Note 1)	\$	24,646,436	
Unsecured creditors (Note 1)		29,719	
Total	\$	24,676,155	

Note 1: See attached listing for details

7. The Receiver's contact information is:

Alvarez & Marsal Canada Inc. Suite 1110, 250 6th Ave SW

Calgary, AB T2P 3H7 Telephone: (403) 538-7555

Facsimile: (403) 538-7551



Attention: Mr. Chad Artem

Email: cartem@alvarezandmarsal.com

Attention: Mr. Steven Chu

Email: steven.chu@alvarezandmarsal.com

8. To date, no claims procedure has been approved by the Court that instructs the creditors to prove their claims against the Debtor. As a result, creditors are not required to file a proof of claim with the Receiver at this time. The Receiver will notify each known creditor if a claims procedure order has been granted by the Court that instructs creditors to prove their claim(s).

Dated at Calgary, Alberta this 11th day of March, 2019.

Alvarez & Marsal Canada Inc., in its capacity as the Court Appointed Receiver of LREIT Holdings 34 Corporation., and not in its personal or corporate capacity

Orest Konowalchuk, CPA, CA, CIRP, LIT Senior Vice President

Enclosure

IN THE MATTER OF THE RECEIVERSHIP OF

LREIT Holdings 34 Corporation (the "Debtor")

Preliminary List of Creditors as at February 28, 2019, as submitted by the Debtor without Admission as to any Liabilities or Privilege Herein Shown

			Province /				
Secured Creditors	Address City		State	Postal Code	Country	Amount Outstanding	
	C/O: Fasken Martineau DuMoulin						
	LLP						
Connect First Credit Union Ltd.	Mr. Travis Lysak					\$	24,646,436
	3400 350 - 7th Avenue SW						
	Calgary, AB, T2P 3N9						
Total secured creditors						\$	24,646,436
			Province /				
Unsecured Creditors	Address	City	State	Postal Code	Country	Amou	nt Outstanding
Norton Rose Fulbright LLP	400 3 Ave SW	Calgary	AB	T2P 4H2	Canada	\$	410
ENMAX Energy Corporation	PO Box 2988 Station M	Calgary	AB	T2P 3C3	Canada		9,403
Shaw Cablesystems G.P.	PO Box 2468 Station Main	Calgary	AB	T2P 4Y2	Canada		3,717
Telus Communications	PO Box 8950 Station Main	Vancouver	BC	V6B 3C3	Canada		94
Select Communications Inc D.B.A Select Call Centre	201 - 10368 82 Avenue NW	Edmonton	AB	T6E 1Z8	Canada		85
AMRE Supply Canada Inc.	201, 1259 - 91 Street SW	Edmonton	AB	T6X 1E9	Canada		568
Aqua-Tech Ltd.	10120 Manning Avenue	Fort McMurray	AB	T9H 2C3	Canada		599
The Brick Warehouse LP	Malton Station, PO Box 132	Mississauga	ON	L4T 4E2	Canada		458
City Wide Electric Ltd.	PO Box 23154	Fort McMurray	AB	T9H 5B7	Canada		207
RJ Rice Enterprises Ltd	7925 Franklin Avenue	Fort McMurray	AB	T9H 2H5	Canada		306
Henley Bobcat	180 Wilson Drive	Fort McMurray	AB	T9H 5R4	Canada		481
McMurray Steam Carpet	PO Box 6616	Fort McMurray	AB	T9H 5N4	Canada		263
St Croix Group	118 Smallwood Bay	Fort McMurray	AB	T9K 2J6	Canada		917
T&B's Glass & Door	5B - 235 MacAlpine Crescent	Fort McMurray	AB	T9H 4A5	Canada		4,670
Top Knotch Doors	Bay 11 - 266 MacKay Crescent	Fort McMurray	AB	T9H 5C6	Canada		729
End of the Roll Fort McMurray	Bay 1 - 925 Memorial Drive	Fort McMurray	AB	T9K 0K4	Canada		2,680
TransUnion of Canada	PO Box 15613, Station A	Toronto	ON	M5W 1C1	Canada		99
Charlie's Security	Bay 13B - 30 Riedel Street	Fort McMurray	AB	T9H 3E1	Canada		278
Direct Energy Regulated Services	PO Box 1520, Station M	Calgary	AB	T2P 5R6	Canada		687
Johnston Controls	104 6046-12 Street, SE	Fort McMurray	AB	T2H 2X2	Canada		2,796

Fort McMurray

AB

T9H 5L9

Canada

273 29,719

PO Box 30169

Aurora Locksmith

Total unsecured creditors