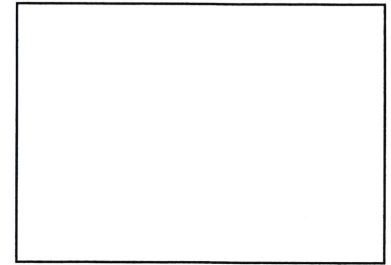


COURT FILE NUMBER 1801-06804
COURT Queen's Bench of Alberta
JUDICIAL CENTRE Calgary
PLAINTIFF Connect First Credit Union Ltd



DEFENDANTS Safeguard Real Estate Investment Fund IV Limited Partnership and CEP LP Investment Corp.

DOCUMENT **AFFIDAVIT**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **Carscallen LLP**
900, 332 6 Avenue SW
Calgary AB T2P 0B2
Telephone: (403) 262-3775
Attention: Grant W.D. Cameron
File No.: 26952.018

AFFIDAVIT OF RYAN MURPHY
Sworn on November 27, 2020.

I, RYAN MURPHY, of the City of Calgary, in the Province of Alberta, MAKE OATH AND SAY as follows:

1. I am the Judicial Listing Realtor in the within foreclosure action, being a realtor with Jones Lang LaSalle Real Estate Services, Inc., and as such have personal knowledge of the facts and matters hereinafter deposed to, save and except where stated to be based upon information and belief, and wherso stated I do verily believe the same to be true.
2. Jones Lang LaSalle Real Estate Services, Inc. became the Judicial Listing Realtor with respect to CE Place, being an office building located at 396 - 11th Avenue SW, Calgary, Alberta (the "Property"), by way of a Judicial Listing Agreement which agreement was accepted by our office on or about June 20, 2019. Attached hereto and marked as **Exhibit "A"** to this my Affidavit is a copy of the executed and accepted Judicial Listing Agreement regarding the Property. As a real estate agent with Jones Lang LaSalle Real Estate Services, Inc. I have been continuously involved with the Property as the Judicial Listing Realtor throughout various listing terms.
3. The Property has been listed through three separate Judicial Listing terms. The latest term expired in September, 2020. During the various Judicial Listing terms, the prices were reduced on one occasion by 20%, pursuant to an Order granted on December 20, 2019. That was the only price reduction that occurred during the course of the three Judicial Listing terms.
4. Despite continuously and actively listing the various units in the Property for sale, we were only able to complete a sale with respect to the two retail units located on the first floor of the Property.
5. It is my opinion, and I do verily believe, that the office of Jones Lang LaSalle Real Estate Services, Inc., as the Judicial Listing Realtor, did not receive cooperation from the current property manager involved with the Property, and prior listing agent, being Avenue Commercial. In fact, it is in my opinion, and I do verily believe that, at times,

Avenue Commercial impeded our ability to advance the Judicial Listing in a reasonable and proper manner. Examples of the referenced conduct include but are not limited to the following:

- (a) Avenue Commercial did not permit external signage to be placed on the Property in support of the Judicial Listing, despite repeated requests by the Judicial Listing Realtor in this regard. This frustrated and impacted our ability to fully and properly market the Property;
- (b) Pertinent information with respect the Property was commonly delayed by Avenue Commercial, to the prejudice of the ongoing Judicial Listing. This included but is not limited to information pertaining to the condominium corporation, rent rolls, and related information and materials;
- (c) Avenue Commercial competed directly with the Judicial Listing process by, on at least one occasion, bringing a competing purchaser to the Property while Jones Lang LaSalle Real Estate Services, Inc. was attempting to market and close sale transactions. The competing offeror had ready access to information and documentation, provided by Avenue Commercial, which information and documentation was not readily available to the Judicial Listing Realtor.

6. As the Judicial Listing Realtor with respect to the Property, it is my opinion and do verily believe that the actions of Avenue Commercial impeded or diminished the marketability of the Property, to the prejudice of the Judicial Listing process, and to the prejudice of the Mortgagee, Connect First Credit Union Ltd. It is my further opinion and I do verily believe that, if the status quo is maintained, and if Avenue Commercial continues to be directly involved with the management and administration of the building, any marketing and sales processes by another agent will continue to be delayed and frustrated.

7. To my knowledge, Avenue Commercial was working to lease the various units during the Judicial Listing terms referenced in this Affidavit, without success. With that said, Avenue Commercial did not contact the Judicial Listing Realtor to address a Non-Disturbance Agreement, or related issues or considerations with respect to any potential incoming tenants.

SWORN BEFORE ME at the City of Calgary,)
in the Province of Alberta, this 27th day of)
November, 2020)

A Commissioner for Oaths for the Province)
of Alberta.)

GRANT WILLIAM DUNCAN CAMERON
Barrister & Solicitor



RYAN MURPHY - Judicial Listing Realtor,
Jones Lang LaSalle Real Estate Services,
Inc.

THIS IS EXHIBIT "A"
referred to in the Affidavit of
RYAN MURPHY

Sworn before me this 27
day of November A.D. 2020

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JUDICIAL LISTING AGREEMENT

A Commissioner in and for
the Province of Alberta
GRANT WILLIAM DUNCAN CAMERON
Barrister & Solicitor

TO: The Realtor

1. You are hereby given authority as an officer of the Court to list for sale the mortgaged lands with the Multiple Listing Service, if any, in effect in the area in which the property is located.
2. The mortgaged lands shall be offered for sale subject to registered encumbrances, liens and interests prior to the Plaintiff's mortgage but free and clear of all registered encumbrances, liens and interests subsequent to the Plaintiff's mortgage.
3. The listing price shall be in the aggregate amount of \$24,000,000.00 or such higher price as you may recommend after a comparative market analysis is conducted by you prior to the commencement of this Judicial Listing, with the listing price to be suitably allocated between the units or floors, as the parties hereto may agree. If the parties are unable to agree on the referenced allocation, either party may apply on notice for an Order directing the same.
4. The listing shall take effect on the later of the day after the Redemption Date or the date the listing is accepted in writing by the realtor, and shall continue for a period of 90 days thereafter.
5. Within a reasonable time of receiving any offer, you shall forward a true copy of the said offer to counsel for the Plaintiff. If the offer is insufficient to pay out the Plaintiff it may be rejected by the Plaintiff. Otherwise counsel for the Plaintiff shall either apply without notice to reject an offer or apply on notice for the Court to consider that offer. Where the Plaintiff rejects an offer, or obtains an Order without notice rejecting an offer, it shall forthwith serve the Defendants and subsequent encumbrancers with a copy of such offer.
6. If no offers are received during the listing period, you shall so advise counsel for the Plaintiff in writing, immediately following the expiry of the judicial listing.
7. In the event that, as a result of the listing, a Purchaser is introduced by the Judicial Listing realtor whose offer is accepted by the Court, and the transaction is completed by the Purchaser paying the full purchase price and title is registered in the name of the Purchaser or its nominee, then, in such event, you will receive a commission as follows:
1.5% of the gross sale price, prior to adjustments – or such lesser amount as may agreed by you – plus applicable taxes thereon.
8. You shall have a first charge against the sale proceeds in the amount of any commission payable hereunder. If the Court accepts an offer to purchase and the Purchaser fails to complete the purchase, and the Court does not order relief from forfeiture of the deposit, you will retain, as compensation for services rendered, fifty per cent (50%) of the said deposit (provided such amount does not exceed the commission payable had the sale been fully completed) and you will pay the balance of the deposit to counsel for the Plaintiff to be applied against the Indebtedness.

Mr. J.W.D.C.

Mr. J.W.D.C.

Mr. J.W.D.C.

Mr. J.W.D.C.

9. If the Defendants, any subsequent encumbrancer, or anyone else entitled to do so, pays all principal, interest and other amounts owing under the mortgage at any time after the Judicial Listing takes effect, or brings the mortgage current after the Judicial Listing takes effect, there shall be paid as part of the costs of redemption, the reasonable expenses incurred by you as the realtor during this Judicial Listing.
10. All offers submitted pursuant to the Judicial Listing shall, subject to further Order of the Court:
 - (a) be in writing and shall be signed by the offeror; and
 - (b) be subject to the approval and acceptance by the Court on such terms as the Court considers appropriate; and
 - (c) provide for a possession date to be determined by the Court; and
 - (d) contain and be subject to the terms and conditions as are contained in Schedule "A" which is attached to these directions; and
 - (e) be accompanied by a certified cheque or money order payable to your real estate company for the deposit amount referred to in the offer.
11. Nothing in the listing shall:
 - (a) affect the right of the Defendants or anyone else entitled to do so to pay all principal, interest and other amounts owing under the mortgage, or to bring the mortgage current or to privately sell the mortgaged lands;
 - (b) affect the Plaintiff's right to make a proposal to purchase the mortgaged property, if applicable or otherwise acquire the mortgaged property after the expiry of the Judicial Listing without liability for any real estate commission or any other compensation payable to the Realtor hereunder;
 - (c) create or impose any liability on the Plaintiff or the Court for the payment of any real estate commission or other compensation arising out of this listing.
12. The terms of the listing may be modified by the Court on application of any party or subsequent encumbrancer on two days' notice.

ACCEPTED THIS 20th DAY OF JUNE, 2018 19

By: _____

An Agent licensed pursuant to the *Real Estate Act*, R. S. A.
2000, c. R-5

APPROVED this 12 day of October, 2018.

M.C.C.Q.B.A.