

March 2011

PricewaterhouseCoopers Inc., as Judicial Trustee (“JT”) of Eron Mortgage Corporation (“Eron”) is continuing to work on the wind-up of the Eron estate. We have completed administration of 53 of 54 trust projects, and provide an update on a few of the remaining tasks, including the final distribution of funds, as outlined below:

## **Final Distribution – Judicial Trusteeship**

Investors in the projects listed below are strongly encouraged to **provide their current contact information** to the JT by completing and submitting a Contact Form. This will enable the distribution process to be completed on a timely basis, once the Court orders are in hand. The JT anticipates that final distributions will occur on the following projects:

570 Dunsmuir*	Lee Balak	Blake Davie*
Caesar’s Landing*	Castlegar*	Fred Crampton*
Desert Springs	Discovery Ridge*	EIC
Enterprise Business Park*	Fairways	Gaetz Crossing*
Goodridge Peninsula*	GP Airport	Leewood Village
Marlat Resources*	Ezio Montagliani	Morewood
Petrochemical*	Raven	Riva Pointe
Seasons	Shopkeeper	Sterling Place*
Wilmington River		

In addition to the above projects, the JT anticipates that a distribution may also occur on the following projects:

1107 Pacific Drive (mortgage # 1142 only) *	Paulsen Road *
PG Woods (mortgage # 1158 only) *	Shuswap Falls *

\* Mailings to all lenders in the above projects who held their Eron investment in an RSP took place during October 2010. The purpose of the mailing was to notify you of your options in receiving your payment. We advise you must SIGN your election form, and send it to PwC, either by fax, PDF/email, or Canada Post.

ABC Boat Charters, Wang Building & Homer Street projects may also receive a final distribution, however, we advise our calculations are not yet complete.

If your project is not listed in this section, there will be no distribution available.

**A link to the Contact Form and a Blank RSP Election Form can be found on the home page of this website.**

### **Timing of Distribution**

We do not have a definite date for payment of the final distribution, but anticipate it could be over the months of June/July 2011.

In order to keep costs down, we ask that Eron investors not call PwC, rather, use the email links on this website if at all possible. We will endeavour to answer the emails within 48 hours, however if volumes exceed our expectation, it may be a 72 hour turnaround.

### **Update on Losses with Canada Revenue Agency (“CRA”)**

As we complete the final distribution, we will be able to confirm the exact amount of recovery/loss on each project. For lenders who filed their losses through the process initiated by the Judicial Trustee, we will be updating everyone's loss/recovery numbers directly with CRA.

This step could result in either tax being paid or refunded, depending on your actual recovery going up or down from what was claimed. We will communicate further on this step as it nears.

### **Distribution – Other Affiliated Projects**

After the above steps are completed, funds will also flow to the lenders in these affiliated Eron companies, and lenders in these projects will also receive their final distribution, and loss/recovery confirmation:

- Eron Financial Services ("EFS")
- Capital Productions Inc. ("CPI")

### **Judicial Trustee's Accounts**

Lenders may inspect the accounts of the Judicial Trustee by appointment at its offices. To book an appointment, please contact Patricia Marshall at (604) 806-7267.

We will be posting more information to this website, as it becomes available.

**PricewaterhouseCoopers Inc.  
Judicial Trustee of Eron Mortgage Corporation**