



SUMMARY of the CANVEST CAPITAL II LIMITED PARTNERSHIP

November 2005

This is a real estate limited partnership investment. Investors become limited partners in the partnership. The general partner operates the business of the partnership. Information presented in this summary is taken from the Offering Memorandum, which should be referred to for complete details.

The Assets of the Limited Partnership: High quality commercial and industrial properties in Canada. The first property has been acquired - the Morgex Building, a six-storey office building at 222 - 58th Ave SW, Calgary. Purchase price: \$6.9M. Recently appraised at \$7.7M.

Minimum Investment Amount: \$5,000, in units of \$1,000.

Benefits of the Investment: Investors are to receive *quarterly cash distributions*, the benefit of *appreciation in the value* of the properties, and the tax benefits of using their RRSP funds to make the investment.

Preferred Return: Investors receive a *preferred return of 10%* per annum prior to any income or capital being shared with the general partner.

Allocation of Income: After the Preferred Return has been paid, the net income of the partnership is to be shared *80% to investors and 20% to the general partner*.

Allocation of Capital Distributions: On a sale of any real estate of the partnership, the net proceeds of sale are to be shared *60% to investors and 40% to the general partner*.

Projected Returns: The general partner has projected *overall returns of 10% to 15%* per annum.

Life of the Partnership: Five years (subject to extension).

Use of RRSP Funds: In order to enable investors to use their RRSP funds for this investment, *at the investor's option*, this investment includes the purchase by the investor's RRSP of RRSP-eligible bonds from Brazeau Enterprises Corp. Brazeau advances the funds to the limited partnership. The investor owns the limited partnership units (the RRSP does not hold the limited partnership units, just the bonds).

Distributions are paid to the limited partner, less the amount due on the bond held by the investor's RRSP. The bond earns 7% per annum inside the investor's RRSP.