

The Instructions accompanying the Letter of Transmittal should be read carefully before completion. The Depositary (see last page for addresses and telephone number) or your broker or other financial advisor will assist you in completing this Letter of Transmittal.

LETTER OF TRANSMITTAL

for deposit of Units of

PADDINGTON PROPERTIES PARTNERSHIP

**pursuant to the Offer dated April 14, 2009,
made by**

**QUICK DRAW MORTGAGES LTD.
a wholly-owned direct subsidiary of
AMALGAMATED INCOME LIMITED PARTNERSHIP**

**THE OFFER WILL BE OPEN FOR ACCEPTANCE UNTIL 10:00 A.M. (CALGARY TIME) ON
May 25, 2009 UNLESS THE OFFER IS EXTENDED OR WITHDRAWN.**

This Letter of Transmittal, properly completed and duly executed, together with all other required documents, must accompany certificates ("**Unit Certificates**") representing limited partnership units ("**Units**") of Paddington Properties Partnership ("**Paddington**") deposited pursuant to the offer to purchase ("**Offer**") dated April 14, 2009, made by Quick Draw Mortgages Ltd. (the "**Offeror**") to purchase the Units. **The Offer will be open for acceptance until 10:00 a.m. (Calgary time), on May 25, 2009 (the "Expiry Time"), unless withdrawn or extended.**

The terms and conditions of the Offer are incorporated by reference into this Letter of Transmittal. Capitalized terms used but not defined in this Letter of Transmittal have their respective meanings set out in the Offer and the take-over bid circular accompanying and forming part of the Offer (the "**Circular**") dated April 14, 2009.

TO: QUICK DRAW MORTGAGES LTD. (the "Offeror")

AND TO: AMALGAMATED GENERAL PARTNER LTD. (the "Depositary"), Calgary, Alberta.

The undersigned delivers to you the enclosed certificate(s) for Units (the "**Unit Certificates**") and, subject only to the provisions of the Offer regarding withdrawal, irrevocably accepts the Offer for such Units upon the terms and conditions contained in the Offer. The following are the details of the enclosed certificate(s):

Certificate Number(s)	Name in which Registered	Number of Units Represented by Unit Certificate(s)	Number of Units Deposited (see Section 5 of the Instructions for partial tenders)
TOTAL			

(If space is insufficient, please attach list in above form)

The undersigned acknowledges receipt of the Offer and the accompanying Circular and acknowledges that there will be a binding agreement between the undersigned and the Offeror, effective immediately following the time at which the Offeror takes up Units deposited by the undersigned pursuant to this Letter of Transmittal, in accordance with the terms and conditions of the Offer. The undersigned represents and warrants that (a) the undersigned has full power and authority to deposit, sell, assign and transfer the Units covered by this Letter of Transmittal delivered to the Depositary (the "**Deposited Units**") and all rights and benefits arising from such Deposited Units including, without limitation, any and all dividends, distributions, payments, securities, property or other interests that may be declared, paid, accrued, issued, distributed, made or transferred on or in respect of the Deposited Units or any of them on and after the date of the Offer, including any dividends, distributions or payments on such dividends, distributions, payments, securities, property or other interests (collectively, "**Distributions**"), (b) the undersigned owns the Deposited Units and any Distributions deposited under the Offer, (c) the Deposited Units and Distributions have not been sold, assigned or transferred, nor has any agreement been entered into to sell, assign or transfer any of the Deposited Units or Distributions to any other person, (d) the deposit of the Deposited Units and Distributions complies with applicable Securities Laws, and (e) when the Deposited Units and Distributions are taken up and paid for by the Offeror, the Offeror will acquire good title thereto (and to any Distributions), free and clear of all liens, restrictions, charges, encumbrances, claims and rights of others.

IN CONSIDERATION OF THE OFFER AND FOR VALUE RECEIVED upon the terms and subject to the conditions set forth in the Offer and in this Letter of Transmittal, subject only to the withdrawal rights set out in the Offer, the undersigned irrevocably accepts the Offer for and in respect of the Deposited Units and delivers to the Offeror the enclosed Unit Certificate(s) representing the Deposited Units and, on and subject to the terms and conditions of the Offer, deposits, sells, assigns and transfers to the Offeror all right, title and interest in and to the Deposited Units, and in and to all rights and benefits arising from the Deposited Units and any and all Distributions.

If, on or after the date of the Offer, Paddington should divide, combine, reclassify, consolidate, convert or otherwise change any of the Units, or should disclose that it has taken or intends to take any such action, then the Offeror may, in its sole discretion and without prejudice to its rights under Section 5 of the Offer, "Conditions of the Offer", make such adjustments as it considers appropriate to the Offer Price and other terms of the Offer (including, without limitation, the type of securities offered to be purchased and the amount payable therefor) to reflect such division, combination, reclassification, consolidation, conversion, issuance, grant, sale or other change.

Deposited Units and any Distributions acquired under the Offer shall be transferred by the Unitholder and acquired by the Offeror free and clear of all liens, restrictions, charges, encumbrances, claims and equities and together with all rights and benefits arising therefrom, including, without limitation, the right to any and all Distributions which may be accrued, declared, paid, issued, distributed, made or transferred on or after the date of the Offer on or in respect of the Units, whether or not separated from the Units. If, on or after the date of the Offer, Paddington should declare, set aside or pay any dividend or declare, make or pay any other distribution or payment on or declare, allot, reserve or issue any securities, rights or other interests with respect to any Units, which is or are payable or distributable to Unitholders on a record date prior to the date of transfer into the name of the Offeror or its nominee or transferee on the securities registers maintained by or on behalf of Paddington in respect of Units accepted for purchase under the Offer, then (and without prejudice to its rights under "Conditions of the Offer" in Section 5 of the Offer), (a) in the case of cash dividends, distributions or payments, the amount of dividends, distributions or payments shall be received and held by the depositing Unitholders for the account of the Offeror until the Offeror pays for such Units, and to the extent that the value of such dividends, distributions or payments do not exceed the value of the Offer Price per Unit payable by the Offeror pursuant to the Offer, the Offer Price per Unit, as the case may be, pursuant to the Offer will be reduced by the amount of any such dividend, distribution or payment; (b) in the case of non-cash dividends, distributions, payments, securities, property, rights, assets or other interests, the whole of any such non-cash dividends, distributions, payments, securities, property, rights, assets or other interests shall be received and held by the depositing Unitholder for the account of the Offeror and shall be required to be promptly remitted and transferred by the depositing Unitholder to the Depositary for the account of the Offeror, accompanied by appropriate documentation of transfer; and (c) in the case of any cash dividends, distributions or payments, the aggregate value of which exceeds the value of the Offer Price per Unit payable by the Offeror pursuant to the Offer, the whole of any such cash dividend, distribution or payment shall be received and held by the depositing Unitholders for the account of the Offeror and shall be required to be promptly remitted and transferred by the depositing Unitholders to the Depositary for the account of the Offeror, accompanied by appropriate documentation of transfer. Pending such remittance, the Offeror will be entitled to all rights and privileges as the owner of any such dividend, distribution, payment, securities, property, rights, assets or other interests and may withhold the entire Offer Price payable by the Offeror under the Offer or deduct from the Offer Price payable by the Offeror under the Offer the amount or value thereof, as determined by the Offeror in its sole discretion.

The undersigned irrevocably constitutes and appoints, effective at and after the time (the "**Effective Time**") that the Offeror takes up the Deposited Units, each director or officer of the Offeror, and any other person designated by the Offeror in writing, as the true and lawful agent, attorney, attorney-in-fact and proxy of the holder of the Deposited Units covered by this Letter of Transmittal (which Deposited Units upon being taken up are, together with any Distributions thereon, hereinafter referred to as the "**Purchased Securities**") with respect to such Purchased Securities, with full powers of substitution (such powers of attorney, being coupled with an interest, being irrevocable), in the name of and on behalf of such Unitholder:

- (a) to register or record the transfer and/or cancellation of such Purchased Securities to the extent consisting of securities on the appropriate securities registers maintained by or on behalf of Paddington;
- (b) for so long as any such Purchased Securities are registered or recorded in the name of such Unitholder, to exercise any and all rights of such Unitholder including, without limitation, the right to vote, to execute and deliver (provided the same is not contrary to applicable Securities Laws), as and when requested by the Offeror, any and all instruments of proxy, authorizations or consents in form and on terms satisfactory to the Offeror in respect of any or all Purchased Securities, to revoke any such instruments, authorizations or consents given prior to or after the Effective Time, to designate in such instruments, authorizations or consents any person or persons as the proxy of such Unitholder in respect of such Purchased Securities for all purposes including, without limitation, in connection with any meeting or meetings (whether annual, special or otherwise, or any adjournment thereof, including, without limitation, any meeting to consider a Subsequent Acquisition Transaction) of holders of relevant securities of Paddington;
- (c) to execute, endorse and negotiate, for and in the name of and on behalf of such Unitholder, any and all cheques or other instruments representing any Distributions payable to or to the order of, or endorsed in favour of, such Unitholder; and
- (d) to exercise any other rights of a Unitholder with respect to such Purchased Securities.

The undersigned accepts the Offer under the terms of this Letter of Transmittal and revokes any and all other authority, whether as agent, attorney-in-fact, attorney, proxy or otherwise, previously conferred or agreed to be conferred by such Unitholder at any time with respect to the Deposited Units or any Distributions. The undersigned agrees that no subsequent authority, whether as agent, attorney-in-fact, attorney, proxy or otherwise will be granted with respect to the Deposited Units or any Distributions by or on behalf of the depositing Unitholder unless the Deposited Units are not taken up and paid for under the Offer or are properly withdrawn in accordance with Section 6 of the Offer, "Withdrawal of Deposited Units".

The undersigned also agrees not to vote any of the Purchased Securities at any meeting (whether annual, special or otherwise, or any adjournments thereof, including, without limitation, any meeting to consider a Subsequent Acquisition Transaction) of holders of relevant securities of Paddington and, except as may otherwise be agreed to with the Offeror, not to exercise any of the other rights or privileges attached to the Purchased Securities, and agrees to execute and deliver to the Offeror any and all instruments of proxy, authorizations or consents in respect of all or any of the Purchased Securities, and agrees to designate or appoint in any such instruments of proxy, authorizations or consents, the person or persons specified by the Offeror as the proxy of the holder of the Purchased Securities. **Upon such appointment, all prior proxies and other authorizations (including, without limitation, all appointments of any agent, attorney or attorney-in fact) or consents given by the holder of such Purchased Securities with respect thereto will be revoked and no subsequent proxies or other authorizations or consents may be given by such person with respect thereto.** The undersigned covenants under the terms of this Letter of Transmittal to execute, upon request of the Offeror, any additional documents, transfers and other assurances as may be necessary or desirable to complete the sale, assignment and transfer of the Purchased Securities to the Offeror. Each authority herein conferred or agreed to be conferred is, to the extent permitted by applicable Securities Laws, irrevocable and may be exercised during any subsequent legal incapacity of the undersigned and shall, to the extent permitted by applicable Securities Laws, survive the death or incapacity, bankruptcy or insolvency of the undersigned and all obligations of the undersigned herein shall be binding upon the heirs, executors, administrators, attorneys, personal representatives, successors and assigns of the undersigned.

The Depositary will act as the agent of persons who have deposited Units in acceptance of the Offer for the purposes of receiving payment from the Offeror and transmitting such payment to such persons, and receipt of payment by the Depositary will be deemed to constitute receipt of payment by persons depositing Units under the Offer. Any Deposited Units that are not taken up and paid for by the Offeror pursuant to the terms and conditions of the Offer for any reason will be returned, at the Offeror's expense, to the depositing Unitholder as soon as practicable after the

Expiry Time or withdrawal or termination of the Offer, by either (i) sending Unit Certificates representing the Units not purchased by first class insured mail to the address of the depositing Unitholder specified in this Letter of Transmittal or, if such name or address is not so specified, in such name and to such address as shown on the securities registers maintained by or on behalf of Paddington.

Unitholders will not be required to pay any fee or commission if they accept the Offer by depositing their Units directly with the Depository.

This Letter of Transmittal is available in the French language. *Cette lettre d'envoi est disponible en version française.* If notwithstanding you choose to execute only the English language version of this Letter of Transmittal, you will be deemed to have required that the Letter of Transmittal, the Offer, the Circular and all related documents be drafted in English only. Should you, however, sign both the French and English versions thereof, the French language version shall prevail. *Si toutefois, vous choisissez de signer la version anglaise seulement de cette lettre d'envoi, vous serez réputé avoir exigé que cette lettre d'envoi, l'offre, la note d'information et tous les documents s'y rapportant soient rédigés en langue anglaise seulement. Si toutefois, vous signez tant la version anglaise que la version française de celle-ci, la version française prévaudra.*

UNITHOLDER SIGNATURE

Under the Offer, the undersigned hereby agrees to receive for the Deposited Units \$2.50 in cash for each deposited Unit payable in Canadian funds by cheque make payable as per the instructions in this Letter of Transmittal. **Before signing this Letter of Transmittal, please carefully review and complete the following boxes, as appropriate.**

BOX A	BOX B
CHEQUE(S) WILL BE ISSUED IN THE NAME OF:	PLEASE <u>DELIVER</u> CHEQUE(S) TO:
Name: _____ (please print)	<input type="checkbox"/> Same address as in Box A or to:
Address: _____ (Street Address and Number)	_____
_____	(Name)
(City and Province, include postal code)	_____
Telephone: _____ (include area code)	(Street Address and Number)
Tax Info: _____ (Social Insurance Number)	_____
	(City and Province, include postal code)

BOX C

INVESTMENT DEALER OR BROKER SOLICITING ACCEPTANCE OF THE OFFER
(see Section 7 of the Instructions)

The Unitholder signing below represents that the member of the soliciting dealer group who solicited and obtained this deposit is: (please print or type)

(Firm)

(Registered Representative) (Telephone Number)

CHECK HERE IF LIST OF BENEFICIAL HOLDERS IS ATTACHED

UNITHOLDER SIGNATURE

Signature guaranteed by
(if required under Section 3 of the Instructions):

Authorized Signature

Name of Guarantor (please print or type)

Address (please print or type)

Dated: _____, 2009.

Signature of Unitholder or Authorized Representative
(see Section 4 of the Instructions)

Name of Unitholder (please print or type)

Name of Authorized Representative,
if applicable (please print or type)

Area Code & Telephone Number during Business Hours:

(____) _____

INSTRUCTIONS

1. Use of Letter of Transmittal

- (a) This Letter of Transmittal, properly completed and duly executed, or a manually executed facsimile copy thereof, relating to the Deposited Units (and any Distributions) with the signatures guaranteed by an Eligible Institution, if required under Section 3 below, together with the accompanying Unit Certificate(s) and all other documents required by this Letter of Transmittal must be received by the Depository at one of the addresses specified herein prior to the Expiry Time, unless the Offer is extended or withdrawn.
- (b) The method used to deliver this Letter of Transmittal, any accompanying Unit Certificate(s) and all other documents required by this Letter of Transmittal is at the option and risk of the Unitholder, and delivery will be deemed effective only when such documents are actually received by the Depository. The Offeror recommends that such documents be delivered by hand to the Depository, at its hand delivery address specified herein, and a receipt obtained or, if mailed, that registered mail with return receipt requested be used and that proper insurance be obtained. It is suggested that any such mailing be made sufficiently in advance of the Expiry Time to permit delivery to the Depository prior to the Expiry Time.

2. Signatures

This Letter of Transmittal must be completed and signed by the Unitholder of Units accepting the Offer or by such Unitholder's duly authorized representative (in accordance with Section 4 below).

- (a) If this Letter of Transmittal is signed by the registered owner(s) of the accompanying certificate(s), such signature(s) on this Letter of Transmittal must correspond with the name(s) as registered or as written on the face of such certificate(s) without any change whatsoever, and the certificate(s) need not be endorsed. If such transmitted certificate(s) are owned of record by two or more joint owners, all such owners must sign the Letter of Transmittal.
- (b) If this Letter of Transmittal is signed by a Person other than the registered owner(s) of the accompanying Unit Certificate(s), or if cheque(s) are to be issued to a Person other than the registered owner(s), or if the Unit Certificate(s) for which the Offer has not been accepted are to be returned to a Person other than such registered owner(s) or sent to an address other than the address of the registered owner(s) as shown on the register of Unitholders maintained by Paddington General Partner:
 - (i) such deposited certificate(s) must be accompanied by an appropriate security transfer power of attorney duly and properly completed by the registered owner(s); and
 - (ii) the signature(s) on such power of attorney must correspond exactly to the name(s) of the registered owner(s) as registered or as appearing on such certificate(s) and must be guaranteed as noted in Section 3 of the Instructions below.

3. Guarantee of Signatures

If this Letter of Transmittal is executed by a Person other than the registered owner(s) of the Deposited Units, if the cheque(s) are to be issued to a Person other than such registered owner(s), or if the Unit Certificate(s) not purchased by the Offeror are to be returned to a Person other than such registered owner(s) or sent to an address other than the address of the registered owner(s) as shown on the register of Unitholders maintained by Paddington General Partner, such signature must be guaranteed by an Eligible Institution, in another manner satisfactory to the Depository (except that no guarantee is required if the signature is that of an Eligible Institution) or the registrar and transfer agent of Paddington.

4. Fiduciaries, Representatives and Authorizations

Where this Letter of Transmittal is executed by a Person on behalf of an executor, administrator, trustee, guardian, corporation, partnership or association or is executed by any other Person acting in a representative capacity, such Person should so indicate when signing and this Letter of Transmittal must be accompanied by

satisfactory evidence of the authority to act. The Offeror or the Depository, at its discretion, may require additional evidence of such authority or additional documentation.

5. Partial Tenders

If less than the total number of Units evidenced by any Unit Certificate submitted is to be deposited, fill in the number of Units to be deposited in the appropriate space on this Letter of Transmittal. In such case, new Unit Certificate(s) for the number of Units not deposited will be sent to the registered Unitholder unless otherwise provided as soon as practicable after the Expiry Time. The total number of Units evidenced by all certificates delivered will be deemed to have been deposited unless otherwise indicated.

6. Delivery Instructions

If any cheque(s) are to be sent to or, if Unit Certificate(s) are to be returned to a Person at an address other than the address of the Unitholder as it appears in Box A of this Letter of Transmittal, then the Unitholder must complete Box B of this Letter of Transmittal. If Box B is not completed, such cheque(s) and/or certificate(s) will be mailed to the depositing Unitholder at the address of such holder as it appears in Box A or, if no address is provided in Box A, then it will be mailed to the address of such holder as it appears on the register of Unitholders maintained by Paddington General Partner. Any cheque(s) and/or certificate(s) mailed in accordance with the Offer and this Letter of Transmittal will be deemed to be delivered at the time of mailing.

7. Solicitation

Identify the investment dealer, broker or advisor, if any, who solicited acceptance of the Offer by completing Box C on this Letter of Transmittal and present a list of beneficial holders, if applicable.

8. Miscellaneous

- (a) If the space on this Letter of Transmittal is insufficient to list all Unit Certificate(s) for the Deposited Units, additional certificate numbers and the number of Units in the capital of Paddington may be included on a separate signed list affixed to this Letter of Transmittal.
- (b) If the Deposited Units are registered in different forms (e.g., “John Doe” and “J. Doe”), a separate Letter of Transmittal should be signed for each different registration.
- (c) If Unit Certificate(s) representing the Deposited Units are forwarded separately in multiple deliveries to the Depository, a properly completed and duly executed Letter of Transmittal (or a manually executed facsimile copy thereof) must accompany each such delivery.
- (d) No alternative, conditional or contingent deposits will be accepted. All depositing Unitholders, by execution of this Letter of Transmittal, waive any right to receive any notice of acceptance of the Deposited Units for payment.
- (e) The Offer and any agreement resulting from the acceptance of the Offer will be governed by and construed in accordance with the laws of the Province of Alberta and all laws of Canada applicable therein. Each party to any agreement resulting from the acceptance of the Offer unconditionally and irrevocably attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta and the courts of appeal therefrom.
- (f) Additional copies of the Offer and Circular, and the Letter of Transmittal may be obtained from the Depository at its office at the addresses listed on the last page of this Letter of Transmittal or through the Internet at www.sedar.com under the issuer filings of Paddington.
- (g) Before completing this Letter of Transmittal, Unitholders are urged to read the accompanying Offer and Circular.
- (h) The Offeror reserves the right, in accordance with applicable law, to permit a Unitholder to accept the Offer in a manner other than as set out herein.

9. Commissions and Security Transfer Taxes

No brokerage fees or commissions will be payable if the Offer is accepted by depositing Units directly with the Depository. The Offeror will pay any security transfer taxes with respect to the transfer and sale of Deposited Units (and any Distributions) to it or its order by the registered owner pursuant to the Offer. If, however, cheques to be received pursuant to the Offer are to be issued to, or if certificate(s) representing Deposited Units not deposited or purchased are to be registered in the name of, any person other than the registered owner(s), or if certificate(s) representing Deposited Units are registered in the name of any person other than the person(s) signing this Letter of Transmittal, the amount of any security transfer taxes (whether imposed on the registered owner or such other person) payable on account of the transfer to such person will be payable by such person or the registered owner which may include a deduction from the Offer Price unless satisfactory evidence of the payment of such taxes or an exemption therefrom is submitted.

10. Lost Certificates

If a any Unit Certificate(s) has been lost or destroyed, this Letter of Transmittal should be completed as fully as possible and forwarded, together with a letter describing the loss, to the Depository. The Depository will respond with the replacement requirements.

11. Assistance

The Depository or your broker or other financial advisor can assist you in completing this Letter of Transmittal (see back page of this Letter of Transmittal for contact information).

THIS LETTER OF TRANSMITTAL OR A MANUALLY EXECUTED FACSIMILE THEREOF (TOGETHER WITH UNIT CERTIFICATE(S) AND ALL OTHER DOCUMENTS REQUIRED BY THIS LETTER OF TRANSMITTAL) MUST BE RECEIVED BY THE DEPOSITARY PRIOR TO THE EXPIRY TIME.

The Depositary for the Offer is:

Amalgamated General Partner Ltd.

Via Courier

Unit 1, 606 Meredith Road NE
Calgary, Alberta T2E 5A8
Attention: Sean McPherson

Via Mail

P.O. Box 1290, Station 'M'
Calgary, Alberta T2P 2L2
Attention: Sean McPherson

Toll Free Telephone (within Canada): 1-888-708-5757

Direct Dial Number: (403) 265-6540

Fax: (403) 206-7185

Email: info@aiun.ca

Any questions and requests for assistance may be directed by Unitholders to the Depositary at its telephone numbers and location set out above.