FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1. ***Name and Address of Company***

BIRD CONSTRUCTION INCOME FUND
5403 Eglinton Avenue West,
Toronto, ON M9C 5K6

Item 2. ***Date of Material Change***

March 27, 2008

Item 3. ***News Release***

A news release dated March 27, 2008 was issued through Canada Newswire and subsequently filed on SEDAR. A copy of the news release is attached.

Item 4. ***Summary of Material Change***

The Fund announced that it has restated its financial statements and the related Management Discussion and Analysis for the three months ended March 31, 2007; the six months ended June 30, 2007 and the nine months ended September 30, 2007. The restatement in each interim period reflects the accrual of an additional income tax liability of $2.5 million in the first quarter of 2007.

Item 5. ***Full Description of Material Change***

In 2007, the Fund completed certain transactions related to the stated capital of the common shares of a wholly-owned subsidiary (the “Company”) in a manner that resulted in unintended current income tax liabilities of the Fund totaling $6.6 million in 2007. Approximately $2.5 million of the total amount of the additional income taxes related to transactions that were effected in the first quarter of 2007, resulting in the need to restate the interim financial statements that were previously issued in 2007. The transactions were intended by the Fund and the Company to be tax free returns of stated capital and, accordingly, the current income tax liabilities resulting therefrom were inadvertent. The Fund and the Company have reviewed alternatives, including applying to the Saskatchewan Court of Queen’s Bench to request an order rectifying the relevant documentation in order to correctly reflect the intentions of the Fund and the Company in respect of these transactions and thereby eliminate the resulting income tax liabilities. No assurance can be given that the Court will grant the order in whole or in part or that taxation authorities will not oppose the request.

In the first quarter of 2008, the Fund and the Company completed additional transactions on the same basis as those completed in 2007. If the Court does not grant an order, the Fund would incur an additional current income tax liability of $1.9 million in 2008.

Item 6. ***Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102***

This report is not being filed on a confidential basis.

Item 7. ***Omitted Information***

No significant facts have been omitted in this report.

Item 8. Executive Officer

The following executive officer of the company is knowledgeable about the material change and the Report.

P.A. Charette
Chairman & C.E.O.
Telephone Number: (416) 620-7122

Item 9. Date of Report

DATED at Toronto, Ontario, this 2nd day of April, 2008

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P.A. Charette
Chairman & C.E.O.
Bird Construction Company Limited
as Administrator of Bird Construction Income Fund

BIRD

COMPANY: **BIRD CONSTRUCTION INCOME FUND**
LISTING: TORONTO STOCK EXCHANGE
SYMBOL: **BDT.UN**
DATE: March 27, 2008
SUBJECT: BIRD CONSTRUCTION INCOME FUND ANNOUNCES RECORD RESULTS FOR THE YEAR ENDED DECEMBER 31, 2007

Bird Construction Income Fund today reported record results for the year ended December 31, 2007. Paul Charette, the Fund's Chairman, is quoted as saying, "We are very encouraged by the significant increases in revenues, pre-tax income and net income. The 50% increase in net income was achieved in spite of recording an increase in income taxes of $6.6 million. The additional income tax provision resulted from an unintended technical tax matter for which the Fund will be seeking relief from the Courts and the relevant taxation authorities. Although no assurance can be given concerning our success in seeking relief, the Fund has received advice that the Fund should achieve a full recovery of the income taxes. A doubling of the Fund's level of backlog is also very promising for the future."

Restated results for the three months ended March 31, 2007, the six months ended June 30, 2007 and the nine months ended September 30, 2007 and supporting MD&A's reflecting the impact of the income tax liability can be found on Sedar at www.sedar.com.

Results for the Year Ended December 31, 2007
Highlights
($000 except per unit data)

	Three months ended December 31		Year ended December 31	
	2007	2006	2007	2006
Revenue:				
Construction	222,262	146,062	753,905	530,188
Investment income	1,189	927	2,974	3,181
Total revenues	223,451	146,989	756,879	533,369
Income before income taxes	20,774	8,728	51,342	27,415
Income tax expense	9,567	1,647	17,930	5,241
Net income	11,207	7,081	33,412	22,174
Earnings per unit	0.81	0.51	2.42	1.65

- Construction revenue increased 42.2% to $753.9 million compared to $530.2 million for the year ended December 31, 2006.
- Income before income taxes increased 87.3% to $51.3 million compared to $27.4 million for the year ended December 31, 2006.
- Income tax expense of $17.9 million for the year ended December 31, 2007 includes the accrual of $6.6 million related to transactions between the Fund and a subsidiary.

In 2007, the Company completed certain transactions related to the stated capital of its common shares held by the Fund in a manner that resulted in unintended current income tax liabilities of the Fund, totaling $6.6 million in 2007. The current income tax liability of $6.6 million for 2007 has been accrued as a current income tax expense in the Fund's consolidated financial statements for the year ended December 31, 2007. These transactions were intended by the Company and the Fund to be tax free returns of stated capital and, accordingly, the current income tax liabilities resulting therefrom were inadvertent. The Company and the Fund have reviewed alternatives, including applying to the Saskatchewan Court of Queen's Bench (the "Court") to request (the "Request") an order (the "Order") rectifying the relevant documentation in order to correctly reflect the intentions of the Company and the Fund in respect of these transactions and thereby eliminate the resulting income tax liabilities. No assurance can be given that the Court will grant the Order in whole or in part or that taxation authorities will not oppose the Request.

In the first quarter of 2008, the Company completed additional transactions with the Fund on the same basis as those described above. If the Court does not grant the Order, the Fund would incur an additional current income tax liability of $1.9 million.

- Net income increased 50.7% to $33.4 million compared to $22.2 million in the year ended December 31, 2006.
- Working capital of $49.8 million has improved significantly in comparison to the $34.5 million position as of December 31, 2006.
- Backlog has also increased significantly to $969.3 million as at December 31, 2007 compared to $464.7 million as at December 31, 2006.

Bird Construction Income Fund also announced that its Board of Trustees has approved its regular cash distribution for the month of April 2008, in the amount of $0.1209 per unit to be paid May 20, 2008 to the unitholders of record as of the close of business on April 30, 2008.

Bird Construction is an international general contractor providing general contracting, construction management and design-build services to institutional, commercial, industrial and residential sectors from offices in Calgary, Edmonton, Halifax, Saint John, Seattle, Toronto, Vancouver and Winnipeg.

For further information contact:
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