

Our File: 4953-013

December 7, 2017

VIA REGULAR MAIL
(copy by email to katenalan@hotmail.com)

Pacific Shores Owner Enterprises Ltd.
P.O. Box 128
Nanoose Bay STN Main
Nanoose Bay BC V9P 9J9

Attention: Kate Britton

Dear Sirs/Mesdames:

Re: Sale of Pacific Shores Owner Enterprises Ltd. ("PSOE") Strata Lots at Pacific Shores Resort

We write to report the status of the sale of the PSOE strata lots at Pacific Shores Resort (the "Resort").

As you know, in July 2017, a Special General Meeting of PSOE members resolved, by a very substantial majority, to seek the sale of the PSOE strata lots.

The sale is to be coordinated with an offering for sale by Transtide Investments Limited Partnership ("Transtide"), the owner of the commercial center and the 200 Block at the Resort.

Given the very large number of PSOE owners, the only practical way to offer the strata lots for sale and to complete a transaction is to do so by way of court order. Accordingly, we commenced a petition proceeding in the British Columbia Supreme Court under the *Partition of Property Act* and the *Property Law Act* to fulfill the July resolution of PSOE's members.

On November 24, 2017, the court granted PSOE an order approving the conduct of a sale. This order authorizes PSOE to list the strata lots for sale and to enter into a listing agreement with a realtor. The order provides that any sale, once negotiated, would be subject to court approval at a subsequent hearing.

PSOE has negotiated a listing agreement with a realtor in Vancouver with expertise in resort offerings. This listing will be in conjunction with Transtide and Vacation Internationale.

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The sale process will almost certainly take at least until late 2018. For that reason, owners are obliged to honour their 2018 maintenance fee obligation as required under the subleases. Current payment is also a prerequisite to use of weeks, exchange for RCI points and to sharing in sale proceeds.

We will report further developments to you.

Yours truly,

REED POPE LAW CORPORATION

Per:



JAIME A. HALL *, Lawyer

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JAH/lg

* Practicing as James A. Hall Law Corporation