Action No.: 0901- 04199

Affidavit of Gary Bentham,
Sworn March 30, 2009

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL DISTRICT OF CALGARY

IN THE MATTER OF THE
COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF
FAIRMONT RESORT PROPERTIES LTD., LAKE OKANAGAN RESORT VACATION (2001) LTD., LAKE OKANAGAN RESORT (2001) LTD., and LL DEVELOPMENTS LTD.

AFFIDAVIT OF GARY L. BENTHAM

I, Gary L. Bentham of the City of Calgary, in the Province of Alberta, MAKE OATH AND SAY AS FOLLOWS:

Overview

1. I am President of BTM Corporate Advisory Inc., which has been retained by the Applicants FRPL Finance Ltd. ("FRPL Finance") and FRPL Management Ltd. ("FRPL Management") as Loan Administration and Recovery Manager (the "Recovery Manager") with respect to certain loans provided to the Applicants by the Respondent, Fairmont Resort Properties Ltd. ("Fairmont") and other obligations owed to the Applicants by Fairmont. As such, I have a personal knowledge of the matters and facts hereinafter deposed to, except where stated to be based on information and belief. Unless otherwise indicated, matters stated to be based on information and belief are based upon my review of books and records of the Applicants kept in the ordinary course of their business.

2. Fairmont is a company engaged in the resort and hospitality industry in Alberta, British Columbia and elsewhere, its primary business being the sale of time share interests in its resort properties. I have provided to this my affidavit as Exhibit "A" the corporate ownership chart of Fairmont and its subsidiary companies.

3. Fairmont entered into a number of financial transactions with the Applicants beginning in September, 2005.

Details of the Loan Transactions

4. On September 30, 2005, Fairmont entered into the Series B Mortgage Bond Loan Agreement (the "Series B Loan") with FRPL Finance Ltd. ("FRPL Finance") pursuant to which FRPL Finance loaned to Fairmont the amount of $14,429,621.45. Continuing and unlimited guarantees for the Series B Loan were provided by Respondents Lake Okanagan Resort Vacation (2001) Ltd. ("LORV") and Lake Okanagan Resort (2001) Ltd. ("LOR"), subsidiaries of Fairmont (the "Series B Guarantees"). The following security was granted to FRPL Finance to secure the Series B Loan:

(a) A Mortgage and Assignment of Rents dated October 13, 2005 in the principal amount of $25 million given by Fairmont over certain parcels of land in the Kootenay District of British Columbia;

(b) A Mortgage and Assignment of Rents dated July 18, 2006 in the principal amount of $25 million, subsequently amended to $36 million by Mortgage Modification Agreement dated June 30, 2008, given by LOR over a parcel of land in the Osoyoos Division of Yale District of British Columbia;

(c) A Mortgage and Assignment of Rents dated September 1, 2006 in the principal amount of $25 million, given by LOR over a parcel of land in the Osoyoos Division of Yale District of British Columbia;

(d) A Mortgage and Assignment of Rents dated December 19, 2006 in the principal amount of $25 million, given by LORV over certain parcels of land in the Osoyoos Division of Yale District of British Columbia;

(e) A Mortgage and Assignment of Rents dated April 3, 2007 in the principal amount of $25 million, given by Fairmont over certain parcels of land in the Osoyoos Division of Yale District of British Columbia; and

(f) A Mortgage and Assignment of Rents dated April 23, 2007 in the principal amount of $25 million, given by LOR over certain parcels of land in the Osoyoos Division of Yale District of British Columbia.

(The above mentioned Mortgages and Assignments of Rent are collectively referred to as the "Bond B Mortgages and Assignments").

5. On July 17, 2006, Fairmont entered into the Series 1 & 2 Mortgage Bond Loan Agreement (the "Series 1 & 2 Loan") with FRPL Finance pursuant to which FRPL Finance loaned to Fairmont the principal amount of $27,013,827.90. Continuing and unlimited guarantees of Fairmont's obligations under the Series 1 & 2 Loan were provided by LORV and LOR effective July 17, 2006 (the "Series 1 & 2 Guarantees").

6. The Mortgage and Assignment of Rents dated July 18, 2006 and subsequently amended on June 30, 2008 given as security for the Series B Loan were also pledged by LOR as security for the Series 1 & 2 Loan. As further security for the Series 1 & 2 Loan, a Mortgage and Assignment of Rents dated December 19, 2006 in the principal amount of $25 million was given by Fairmont over certain parcels of land in the Osoyoos Division of Yale District of British Columbia.

7. On February 21, 2008, Fairmont entered into the REIT C Loan Agreement (the "REIT C Loan") with FRPL Management pursuant to which FRPL Management loaned to Fairmont the principal amount of $13,041,600.00. LL Developments Ltd. ("LL Developments") and Makaha Hotel and Resort, Inc. ("Makaha"), subsidiaries of Fairmont, provided continuing, unlimited guarantees for the REIT C Loan (the "REIT C Guarantees").

8. As partial security for the REIT C Loan, LL Developments provided an Assignment of Co-Ownership Interest Indenture dated February 21, 2008 (the "Assignment Indenture") whereby LL Developments assigned all of its interest in a Co-Ownership Agreement to FRPL Management. As additional security for the REIT C Loan, Makaha provided to FRPL Management a Mortgage and Security Agreement dated July 15, 2008 charging certain fractional ownership interests in Makaha's resort property.

9. The Series B Loan, the Series 1 & 2 Loan and the REIT C Loan are referred to herein collectively as the "Loan Agreements".

10. In addition to the amounts owed to the Applicants pursuant to the Loan Agreements, Makaha and another subsidiary of Fairmont, Costa Maya Reef Resort, Inc. ("Costa Maya") are obligated to indirect subsidiaries of FRPL Management in respect of lease agreements pursuant to which, upon default, Makaha and Costa Maya can be called upon to repurchase the leased assets, in amount of approximately $10.7 million US and $3.3 million respectively.

Advancement of Funds

11. As of March 30, 2009, the balances under the Loan Agreements are as follows:

(a) Series B Loan: Balance outstanding to FRPL Finance is $16,076,898.75, including unpaid interest of $1,647,277.30;

(b) Series 1 & 2 Loan: Balance outstanding to FRPL Finance is $30,545,861.27, including unpaid interest of $3,532,033.27;

(c) REIT C Loan: Balance outstanding to FRPL Management is $14,071,407.62, including unpaid interest of $1,029,807.62.

Defaults under the Loan Agreements

12. On December 31, 2008 Fairmont failed to make payments of interest due to the Applicants pursuant to the Loan Agreements. As well, Costa Maya and Makaha defaulted in payment of amounts due under the lease agreements referenced above.

13. Following discussions with Fairmont regarding the payment of those amounts, on January 18, 2008 the President and Chief Executive Officer for Fairmont advised me that Fairmont would not be paying the interest due December 31, 2008 under the Loan Agreements and requested sixty days forbearance by the Applicants during which time Fairmont would prepare a business plan and seek additional financing to resolve its financial issues.

Negotiation of Forbearance Agreement and Subsequent Defaults

14. In response to Fairmont's request for forbearance from FRPL, FRPL entered into a Forbearance Agreement with the Respondents, Makaha and Costa Maya dated February 18, 2009 (the "Forbearance Agreement"), pursuant to which FRPL agreed to forbear from accelerating the amounts due to them by the Respondents, Makaha and Costa Maya until January 31, 2010. Among other things, FRPL agreed, as a term of the Forbearance Agreement to defer payment of the interest amounts due from Fairmont on December 31, 2008, pursuant to Loan Agreements.

15. As conditions of the Forbearance Agreement, and pursuant thereto, Fairmont agreed, among other things, to:

(a) Provide to me, as the Recovery Manager, by close of business on March 14, 2009 (subsequently extended to March 20, 2009), a detailed business plan demonstrating that the Respondents will be able to resolve their ongoing financial challenges and working capital deficiencies and that they will be financially stable and viable for the foreseeable future;

(b) Provide the Applicants and the Recovery Manager with an updated projection of cash flows for the Respondents for the period of February 16, 2009 to March 27, 2009 and commencing March 31, 2009, provide on or before the end of each subsequent two month period comparable cash flow projections for the eight week period following each such date; and,

(c) Obtain a total of $11 million in additional operating cash on or before June 30, 2009, with the first $4 million to be received by March 31, 2009.

16. Each of Fairmont, LOR and LORV executed contemporaneous with the execution of the Forbearance Agreement, the following:

(a) A waiver of demands, consents to the enforcement of the FRPL Security and the GSAs, and consents to the appointment of a receiver;

(b) Acknowledgement of receipt of notices issued pursuant to s.244 of the *Bankruptcy and Insolvency Act*; and

(c) A consent order of the Court of Queen's Bench of Alberta, consenting to the appointment of a Court-appointed Receiver and Manager.

(The waiver of demands, consents to enforcement of FRPL Security and GSA, the consents to the appointment of a receiver, the acknowledgment of receipt of s.244 notices and the consent receivership order are collectively referred to as the "Consents".)

17. In conjunction with the execution of the Forbearance Agreement, Fairmont, LOR and LORV granted general security agreements to the Applicants as additional security for their indebtedness to the Applicants.

18. Upon the occurrence of any event of default under the Forbearance Agreement, the Applicants were entitled, pursuant to the terms of the Forbearance Agreement to make full use of the Consents and to generally proceed to enforce all of their rights and remedies without further notice to or opposition from the Respondents.

19. Events of default in the Forbearance Agreement included, among other things, the failure of Fairmont to raise additional capital by certain dates, the Recovery Manager having given Fairmont 72 hours written notice that it was satisfied, acting reasonably, that within seven days prior to the day such amounts are due Fairmont, LOR, LORV or Makaha will be unable to pay their employees for any regular pay period, and at the end of the 72 hour period the Recovery Manager remained satisfied, acting reasonably, that such non-payment would occur, and the failure to postpone the requirement to pay a current amount due to the first mortgage holder on the Makaha lands.

20. Pursuant to the Forbearance Agreement, Fairmont was, by March 30, 2009, to provide satisfactory evidence of the availability of $11 million of additional cash to be raised at certain dates between March 6, 2009 and June 30, 2009. $3 million of that amount was to be provided by March 31, 2009. Fairmont management has not provided me with satisfactory evidence of the availability of $11 million, and have advised me that they will be unable to provide the additional $3 million that is required by March 31, 2009. Fairmont's failure to provide satisfactory evidence of the availability of $11 million is a further event of default under the Forbearance Agreement, as is their failure to provide $3 million of capital by March 31, 2009.

21. The Forbearance Agreement provides that Fairmont and/or Makaha will make payment of USD$1,200,000 to MRGC LLC ("MRGC"), the holder of a first mortgage on Makaha's lands, on or before March 1, 2009 in accordance with the Promissory Note between Makaha and MRGC dated February 19, 2003, or will make arrangements on or before March 1, 2009 with MRGC for rescheduling of that payment to a date not earlier than September 1, 2009, such rescheduling to be evidenced by a written and legally enforceable rescheduling agreement (the "MRGC Agreement") delivered to myself as Recovery Manager by March 1, 2009. If that payment is rescheduled Fairmont and/or Makaha shall make all payments and otherwise abide by the terms of the MRGC Agreement. The Debtor reached an agreement with MRGC dated February 24, 2009 which provided for the rescheduling of accrued interest and principal amounts due at March 1, 2009, as follows:

a) Makaha would pay to MRGC interest of US $40,536.04 on March 2, 2009;

b) Makaha would pay to MRGC by February 28, 2009 US $460,000.00 of the US $1,200,000.00 principal payment that was due on March 1, 2009. MRGC agreed to hold the cheque until March 16, 2009 on which date it will present the cheque for collection; and

c) The US $740,000 balance of the principal amount due on March 1, 2009 was rescheduled for payment on March 1, 2015.

22. Fairmont advised me on March 16, 2009 that it did not have sufficient funds cover the US $460,000 cheque issued to MRGC. Management has further advised that it has not negotiated a further extension for payment of that amount, and therefore I believe that Fairmont has not abided by the terms of the MRGC Agreement and that the MRGC Agreement is null and void. Fairmont's failure to successfully negotiate an extension of the $1.2 million dollar payment that was due on March 1, 2009 is an event of default under the Forbearance Agreement.

23. On or about March 19, 2009, management of Fairmont advised me that there were payroll amounts totalling approximately $425,000 due for payment from March 31 to April 3, 2009, and that Fairmont would not have sufficient funds available to pay all of those payroll amounts when they became due. Accordingly, on March 23, 2009, I provided a written notice to Fairmont indicating that I was satisfied that within seven days prior to the day such amounts

were due, Fairmont, LOR, LORV or Makaha would be unable to pay their employees when those payroll amounts became due. To the best of my knowledge, information and belief Fairmont remains unable to make payment of the payroll amounts in question when they become due and its failure to make payment is an event of default under the Forbearance Agreement.

24. Based on the foregoing, the Applicants are or will very shortly be in a position to accelerate payment of the amounts due under the Loan Agreements and to make use of the Consents to appoint a receiver of each of Fairmont, LOR, and LORV.

25. As a result of Fairmont's failure to raise additional cash to fund its operations, it will be unable to make payrolls and other payments due on or about March 31, 2009, which are necessary to maintain operations. Further, Fairmont, LOR and LORV will be unable to make payment of approximately $1.9 million of interest due to secured creditors which is due on March 31, 2009. Accordingly, Fairmont, LOR and LORV are unable to meet their liabilities as they come due, and are insolvent. I am informed by a review of the books and records of LL Developments, maintained in the ordinary course of its business, and do verily believe that LL Developments is also unable to meet its obligations pursuant to its guarantee to FRPL Management of Fairmont's indebtedness under the REIT C obligations.

Application for CCAA Protection/ Restructuring Opportunities

26. The business of Fairmont involves a considerable amount of goodwill, and both the bookings of its resort properties and time share sales require that their customers have confidence that Fairmont will be in a position to honour its commitments. In order to continue in operation, however, Fairmont urgently requires funding to allow it to meet payroll for its 400 direct and indirect, full and part-time employees, and to meet its other day-to-day obligations.

27. While a receiver could, through the use of receiver's certificates, obtain funding to allow Fairmont to meet payrolls and other current obligations, I believe that a receivership would be damaging to the goodwill associated with the business of Fairmont, and greatly reduce the value of Fairmont's business and assets.

28. After extensive discussions with Fairmont management, an agreement has been reached pursuant to which the Applicants will seek protection under the Companies Creditors

Arrangement Act, R.S.C. 1985, c. C-36, as amended (the "CCAA") for Fairmont, LOR, LORV and LL Developments in an effort to preserve the going concern value of Fairmont's business, and obtain a better result for its stakeholders than would be available through a receivership.

29. I am advised by Murray Moore, Fairmont's chief financial officer, that Fairmont will implement an overall business and restructuring plan that will encompass the following:

(a) Continuing its timeshare program in British Columbia and in Belize. There is approximately $20 million of unsold timeshare inventory at three resorts, which Fairmont management believes can be sold over the next two years. In addition, Fairmont has completed two new buildings at Lake Okanagan Resort which, if placed in the timeshare program, can produce up to $60 million of additional time share revenue over a three to five year period, assuming market acceptance of such additional timeshare product. Further, Fairmont has land and zoning approval for two additional buildings at Fairmont Hot Springs which, if constructed, could produce up to $75 million of additional time share revenue over a 5 to 7 year period, again assuming market acceptance of such additional timeshare product;

(b) Maintaining the hotel operations at LOR which is critical to supporting the timeshare operations at that resort and planned further development opportunities;

(c) Seeking interested parties to develop, either by an outright purchase or by way of a joint venture arrangement with Fairmont, the additional lands at Lake Okanagan Resort. By virtue of a Land Use Agreement with the Province of British Columbia, Fairmont can develop an additional 287 condominium-type residential units. The revenue potential, depending upon whether the lands are developed for time share use or for whole or fractional unit ownership, and assuming market acceptance of such products, will range from $100 million to $350 million over a ten year horizon as the lands are developed;

(d) Seeking interested parties to develop, either by an outright purchase or by way of a joint venture agreement to re-develop the Makaha resort property located in Hawaii. Management has estimated potential gross revenues of up to $200 million from the redevelopment of that property, assuming market acceptance of the re-developed property;

(e) Seeking the sale of its development lands located in the Windermere Valley and owned by LL Developments;

(f) Collecting long-term contracts receivable of $17 million, of which $13.5 million have been pledged to secure approximately $8.3 million of timeshare financing. Fairmont will have access to $5.2 million of those contracts once the secured financing is repaid;

(g) Seeking the sale of certain reversionary rights held in developed timeshare properties to existing time share owners. Management believes that up to $5 million in revenue can be generated over the next two years from these sales;

(h) Repaying or satisfactory settlement of secured debt of approximately $93 million, including obligations to repurchase certain properties previously sold to Resorts International Real Estate Investment Trust ("RI REIT"); and

(i) Repaying or satisfactory settlement of $10.5 million of unsecured debt and shareholder loans.

Summary of Assets and Liabilities

30. Attached hereto as Exhibit "B" to this my Affidavit is an estimated combined statement of financial position at January 31, 2009 which includes the assets and liabilities of Fairmont, and its main operating subsidiary companies, LOR, LORV, Makaha and Costa Maya.

Cash Flow Projections

31. Fairmont has prepared a statement of the projected cash flows with respect to the Fairmont Group, on a combined basis, over the 30 days. Attached hereto as Exhibit "C" to this my Affidavit is a copy of the Projected Cash Flows Statement.

32. Also attached together as Exhibit "D" to this my Affidavit are copies of the non-consolidated financial statements of Fairmont, LOR, LORV and Makaha as at December 31,

2008 and for the year then ended, and as at January 31, 2009 and for the one month then ended, which Fairmont management advises, and I do verily believe, are the most recent financial statements prepared for these entities. Also attached and included in Exhibit "D" are the financial statements for LL Developments as at and for the year ended December 31, 2007 which Fairmont management advises, and I do verily believe, are the most recent financial statements prepared for LL Developments. I am also informed by Fairmont management, and do verily believe that the financial statements attached as Exhibit "D" represent all of the financial statements of the Respondents prepared within the past twelve months.

33. In order to successfully conclude a refinancing or a restructuring pursuant to the CCAA, I anticipate that some interim financing will be required. With the assistance of the Fairmont Group, I have analysed the Fairmont Group's financial statements and confirmed, as set out in the attached Exhibit "C", that a sum approximating $500,000 will be required in the first 30 days following this application, if this Honourable Court sees fit to grant CCAA protection to the Fairmont Group.

DIP Financing

34. Fairmont has made arrangements for short-term Debtor-in-Possession ("DIP") financing with FRPL Finance Ltd. ("FRPL") and RI REIT. Pursuant to a Commitment Letter dated March 30, 2009 between FRPL and RI REIT (together the "Lenders") and Fairmont (the "Commitment Letter"), the Lenders have agreed to advance up to $500,000 to Fairmont to finance its operating cash shortfall. This facility will expire on June 30, 2009, will bear interest at 12% per annum, and is to be secured by a first charge on security presently held by FRPL. The Commitment Letter is attached hereto and marked as Exhibit "E" to this my Affidavit.

35. Fairmont has commenced discussions with a Canadian Chartered Bank for longer-term DIP financing of up to $5 million which shall be secured by a first charge on the assets of Fairmont, LOR, LORV and LL Developments Ltd. Fairmont will provide in its Business and Restructuring Plan, to be presented in a further application to the Court, details of the longer-term facility and the use and repayment of those funds.

Chief Restructuring Officer

36. It has become apparent to both the Applicants and to management of Fairmont that management of Fairmont do not have the necessary skills and experience to effectively manage Fairmont's business in these extremely difficult times, nor to make the difficult decisions required to restructure Fairmont and return it to financial health. As a result, management of Fairmont have agreed to step down and allow a chief restructuring officer (a "CRO") to be appointed to attempt to rehabilitate Fairmont and its subsidiaries. It has been agreed between the Applicants and Fairmont that pending the selection of a CRO, Murray Moore, who is the chief financial officer of Fairmont, will act as interim CRO. It was also agreed between Fairmont and the Applicants that the interim CRO and the CRO would accept direction, subject to their duties to other creditors, from the Applicants.

Monitor

37. I am advised by Neil Narfason and do verily believe that Ernst & Young Inc. is qualified and has consented to be appointed Monitor in these proceedings. Attached as Exhibit "F" to this my Affidavit is the Consent of the Monitor to act in the within proceedings, executed by Neil Narfason.

Relief Requested

38. Without an order being made staying proceedings by the Fairmont Group's creditors and providing for a priority with respect to interim financing to an amount of $500,000, I believe that the collapse of the Fairmont Group, and significant deterioration of or damage to the value of its assets and business is imminent. If my estimates are correct, there would be deficiencies suffered by the secured creditors and nothing available for other creditors.

39. I am advised by Neil Narfason of E&Y and do verily believe that based upon his experience:

(a) It would be most efficient to serve a copy of any initial CCAA order which may be granted in these proceedings only upon creditors having claims in excess of $1,000; and

(b) Good service of such an order upon creditors having smaller claims can be effected by creating a website containing a copy of the order and sending a notification letter to the last known address of such creditors informing them of the granting of this order and the existence and address of the website.

40. I make this affidavit in support of an application by the Applicants under the provisions of the *Companies' Creditors Arrangement Act* for an order substantially in the form of the draft order which is submitted with this application, declaring that the members of the Fairmont Group are corporations to which the CCAA applies, appointing E&Y as Monitor, granting a stay of proceedings and interim financing on the terms set out in the draft order, dispensing with service of this application, and granting such other relief as is set out in the draft order.

SWORN BEFORE ME at the City of Calgary, in the Province of Alberta, this 30th day of March, 2009 A Commissioner for Oaths in and for the Province of Alberta ROBYN GUROFSKY BARRISTER & SOLICITOR	))))))))
	GARY BENTHAM

EXHIBIT "A"

FAIRMONT RESORT PROPERTIES INC.

CORPORATE ORGANIZATION CHART

(attached)

This is Exhibit " A " referred to in the Affidavit of Gary L. Bentham

Sworn before me this 30th day of March A.D. 2009

A Commissioner for Oaths in and for the Province of Alberta

ROBYN GUROFSKY
BARRISTER & SOLICITOR

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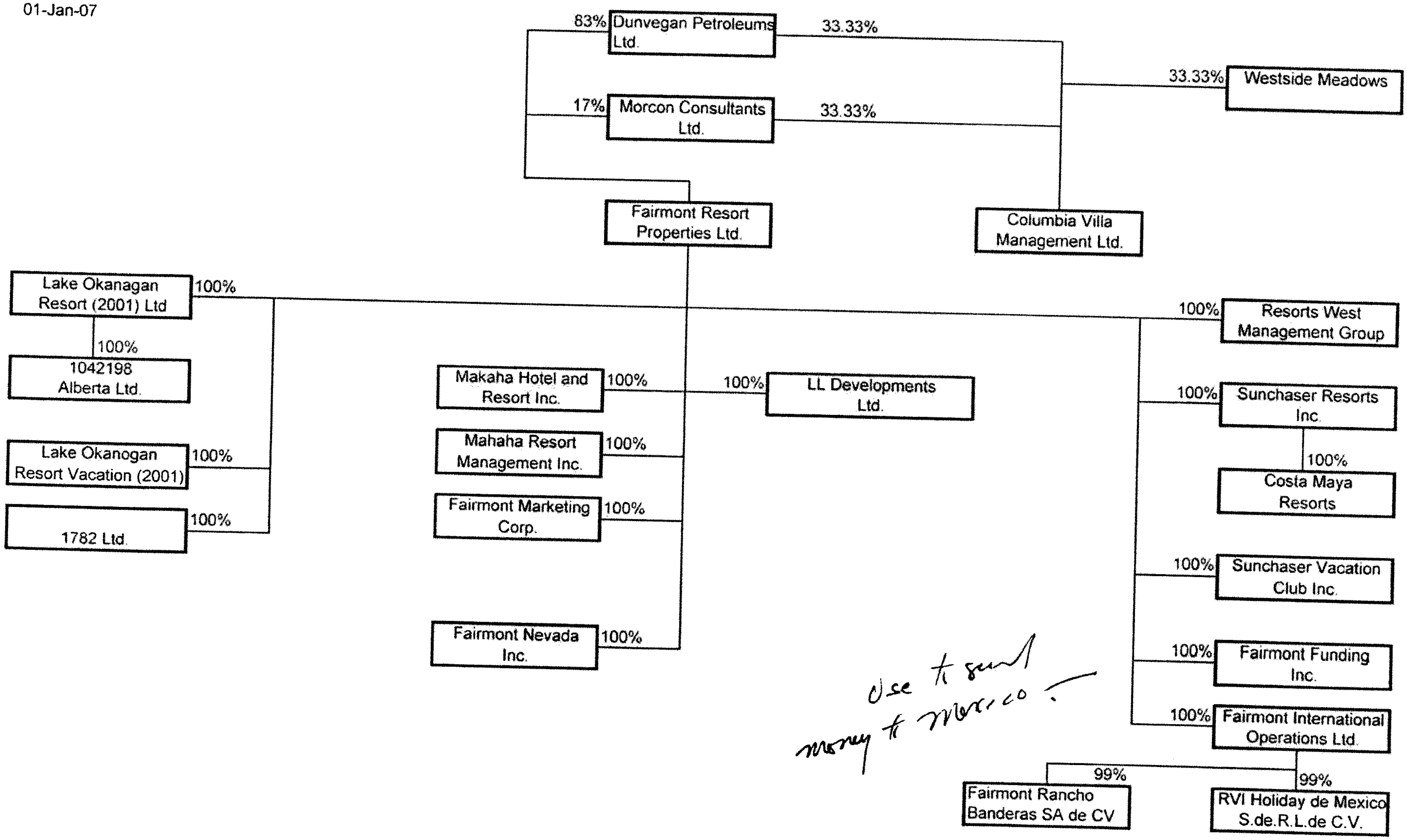
Fairmont Resort Properties Ltd.
Organizational chart
01-Jan-07



This is Exhibit " B "
referred to in the Affidavit of
Gary L. Bentham
Sworn before me this 30th
day of March A.D. 20 09

A Commissioner for Oaths in and for the Province of Alberta

ROBYN GUROFSKY
BARRISTER & SOLICITOR

EXHIBIT "B" (Page 1)

FAIRMONT RESORT PROPERTIES LTD
ESTIMATED COMBINED STATEMENT OF FINANCIAL POSITION
January 31, 2009
(Unaudited)

ASSETS

Current assets:	
Cash	$ 1,545,612
Short-term contracts and accounts receivable	1,535,328
Inventory	577,500
	1,841,288
Total current assets	5,499,729
Restricted cash	2,958,899
FRP long-term contracts receivable	17,020,164
Prepaid finance costs	5,107,399
Capital leases	328,604
Resort properties	81,929,114
Houseboats	3,119,544
Corporate office property and equipment	4,487,115
	$ 120,450,567

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EXHIBIT "B" (Page 2)

LIABILITIES AND SHAREHOLDERS' DEFICIENCY

Current liabilities:	
Accounts payable and accrued liabilities	$ 5,422,522
Interest payable	6,005,171
Total current liabilities	11,427,693
Vendor take-back mortgages	7,405,336
Mortgage bonds	41,443,439
REIT loan	13,041,600
Timeshare contract financing	8,393,111
Notes payable	2,137,357
Shareholder loans	5,105,788
Capital leases	209,617
Deferred revenue	100,873,339
Shareholders' deficiency:	
Capital stock	310,350
Deficit	(69,897,063)
	(69,586,713)
	$ 120,450,567

EXHIBIT "C"

FAIRMONT RESORT PROPERTIES LTD. AND SUBIDIARY COMPANIES
PROJECTED STATEMENT OF CASH FLOWS
TO APRIL 30, 2009

(attached)

This is Exhibit " C "
referred to in the Affidavit of
Gary L. Bentham
Sworn before me this 30th
day of March A.D. 20 09

A Commissioner for
Oaths in and for the
Province of Alberta

ROBYN GUROFSKY
BARRISTER & SOLICITOR

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Fairmont Group of Companies
Summary of income and expenses and cash flow
For the period March 30 to April 30, 2009

			Remainder March	April
Income				
	Timeshare sales		50,000	450,000
	Mangement fees			15,000
	Interest on notes receivable		15,000	175,000
	Gift shop sales		7,000	35,000
	Lake Okanagan Resort	Rooms		40,000
		F& B		25,000
		Other		70,000
			72,000	810,000
Expenses	Payroll	Fairmont including withholdings	250,000	175,000
		LORV including withholdings	30,000	30,000
		LOR including withholdings	55,000	120,000
	Fairmont Resort Properties	Insurance		40,000
		Utiliites		95,000
		Rent		44,000
		Contract services		30,000
		Operational costs		250,000
	Lake Okanagan Resort	F&B		11,000
		Operational costs		230,000
			335,000	1,025,000
Excess of revenue over expenses			-263,000	-215,000
Adjustments to cash - Source (Use)				
		Notes issued on sale of timeshare sales	-45,000	-405,000
		Collection of principal on timeshare notes		350,000
		Collection of short term receivables		300,000
		Advances to subsidiary company	-100,000	-400,000
		Professional fees		-250,000
		Administration charge (source of cash)		250,000
		Cash balance March 30/09	300,000	0
Cash shortfall for the period			-108,000	-370,000

EXHIBIT D

FINANCIAL STATEMENTS

This is Exhibit " D "
referred to in the Affidavit of
Gary L. Bentham
Sworn before me this 30th
day of March A.D. 2009

A Commissioner for
Oaths in and for the
Province of Alberta

ROBYN GUROFSKY
BARRISTER & SOLICITOR

1. FAIRMONT RESORT PROPERTIES LTD.

   - As at and for the year ended December 31, 2008
   - As at and for the month ended January 31, 2009

2. LAKE OKANAGAN RESORT (2001) LTD.

   - As at and for the year ended December 31, 2008
   - As at and for the month ended January 31, 2009

3. LAKE OKANAGAN RESORT VACATION (2001) LTD.

   - As at and for the year ended December 31, 2008
   - As at and for the month ended January 31, 2009

4. MAKAHA HOTEL & RESORT INC.

   - As at and for the year ended December 31, 2008
   - As at and for the month ended January 31, 2009

5. LL DEVELOPMENTS LTD.

   - As at and for the year ended December 31, 2007

FAIRMONT RESORT PROPERTIES
SUMMARY INCOME STATEMENT
FOR December 2008

CURRENT ACTUAL	CURRENT LAST YEAR		CURRENT YTD	LAST YTD
		TIMESHARES		
225,068.42	-6,456,990.97	01-10-410000 Timeshares (0110410000)	9,104,908.90	4,751,768.98
-87,519.08	-96,389.31	01-10-410200 Promotional & Rentals (0110410200)	187,556.62	167,821.08
0.00	0.00	01-10-410300 Outside Rental Revenue (0110410300)	0.00	0.00
-80.85	1,767.37	01-10-410400 Sampler (0110410400)	115,433.97	33,540.82
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137,468.49	-6,551,612.91	TOTAL TIMESHARE	9,407,899.49	4,953,130.88
		FEES		
0.00	0.00	01-10-420100 Fees - Cancellation (0110420100)	0.00	0.00
0.00	2,940.00	01-10-420200 Fees - Lock-Off (0110420200)	6,998.67	62,835.00
10,674.10	24,578.23	01-10-420300 Fees - Maintenance (0110420300)	218,891.03	555,408.10
0.00	-4,476.00	01-10-420400 Fees - Club (0110420400)	56,650.00	50,596.90
13,901.19	885.85	01-10-420500 Fees - Administration (0110420500)	161,267.70	8,532.21
-19,495.47	42,442.95	01-10-420600 Fees - Management (0110420600)	746,831.77	1,058,310.39
97,953.91	675.75	01-10-420700 Fees - Membership (0110420700)	662,461.52	539,112.13
690.83	468.28	01-10-421100 Fees - User & Activity (0110421100)	83,099.81	65,625.28
-3,324.77	902.55	01-10-421200 Fees - Other (0110421200)	5,174.72	24,927.54
78,173.59	50,820.69	01-10-421300 Fees - Accounting Services (011042130	926,302.93	188,303.06
0.00	0.00	01-16-421600 Transfer Fees - GLRC Canada (0116421600)	5,093.05	0.00
0.00	0.00	01-16-421700 Transfer Fees - GLRC USA (0116421700)	3,801.69	0.00
0.00	0.00	01-16-421800 Transfer Fees - LGVC II (0116421800)	1,226.67	0.00
0.00	0.00	RVIHC Transfer Fee	1,225.00	0.00
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178,573.38	119,238.30	TOTAL FEES	2,879,024.56	2,553,650.61
		RETAIL		
16,048.35	19,442.79	01-41-486000 Retail - Other (0141486000)	404,043.57	391,052.90
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16,048.35	19,442.79	TOTAL RETAIL	404,043.57	391,052.90
		OTHER REVENUE		
176,184.75	150,533.10	01-10-490100 Interest - 3rd Party (0110490100)	2,183,433.46	2,160,776.01
132.79	41.34	03-93-490200 Interest - Term Contracts (0393490200)	1,051.76	1,792.13
0.00	0.00	01-10-490300 Other Income (0110490300)	1,310.64	-6,091.65
240,220.16	172,335.88	01-82-490400 Interest - Intercompany (0182490400)	2,195,507.33	1,902,278.00
0.00	-23,302.10	01-93-490500 Commissions (0193490500)	354.17	-21,120.23
595.00	9,103.23	01-93-499900 Other Income (0193499900)	4,880.71	13,761.23
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417,132.70	308,711.45	TOTAL OTHER INCOME	4,386,538.07	4,051,395.49
749,222.92	-6,104,220.37	TOTAL REVENUE	17,077,505.69	11,949,229.88
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		COST OF SALES		
0.00	0.00	01-15-500000 Cost Of Inventory (0115500000)	38,101.39	0.00
18,027.23	7,906.45	01-41-586000 Retail - Store (0141586000)	202,021.85	191,574.02
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18,027.23	7,906.45	TOTAL COST OF SALES	240,123.24	191,574.02
731,195.69	-6,112,126.82	GROSS MARGIN	16,837,382.45	11,757,655.86
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FAIRMONT RESORT PROPERTIES
SUMMARY INCOME STATEMENT
FOR December 2008

CURRENT ACTUAL	CURRENT LAST YEAR		CURRENT YTD	LAST YTD
		EXPENSES		
		SALARIES		
285,873.88	68,573.38	01-10-710100 Salaries - Full Time (0110710100)	3,503,659.15	2,723,308.97
9,729.25	11,683.75	01-10-710300 Wages(Hourly)-Full Time (0110710300)	174,194.72	34,835.75
0.00	0.00	01-11-710400 Wages (Hourly) - Part Time (0111710400)	0.00	440.00
0.00	0.00	01-10-710500 Wages (Hourly) - Casual (0110710500)	1,968.25	11,154.00
83.25	132.00	01-11-710600 Overtime (0111710600)	562.50	132.00
62,109.32	-892,401.96	01-10-710700 Commissions & Bonuses (0110710700)	1,583,655.53	957,755.05
8,082.70	8,740.43	01-10-710800 Vacation Pay Expense (0110710800)	94,561.20	109,785.82
4,266.50	4,757.50	01-81-711100 Holiday Pay (0181711100)	31,825.50	4,757.50
13,446.19	12,363.07	01-10-712000 CPP Expense (0110712000)	168,263.32	153,957.40
7,026.77	4,240.77	01-10-712100 EI Expense (0110712100)	88,829.76	83,827.20
18,472.03	15,346.29	01-10-712200 Medical Insurance (0110712200)	207,387.18	164,501.50
0.00	246.01	01-10-712300 Worker's Compensation (0110712300)	16,075.82	19,554.65
438.00	1,930.93	01-10-713000 Associations & Memberships (0110713000)	13,067.83	7,128.88
657.85	851.41	01-10-714000 Training & Development (0110714000)	26,480.34	13,373.19
0.00	2,933.74	01-10-715000 Staff Meals (0110715000)	4,174.10	4,305.48
642.17	29,108.11	01-10-716000 Staff Appreciation (0110716000)	29,536.31	69,592.30
0.00	1,929.76	01-10-717000 Recruitment & Selection (0110717000)	25,515.59	6,563.27
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410,827.91	-729,564.81	TOTAL SALARIES	5,969,757.10	4,364,972.96
		DIRECT OPERATING		
153.03	8,112.78	01-10-720100 Entertainment - 3rd Party (0110720100	4,400.25	11,026.16
0.00	1,753.93	01-11-721000 Equipment (0111721000)	0.00	12,720.98
4,897.20	3,513.20	01-10-721100 Equipment Rental/Lease (0110721100)	26,683.86	33,880.60
133.73	0.00	01-10-722100 Direct Supplies (0110722100)	7,330.04	2,236.42
0.00	59.30	01-11-723000 Linen (0111723000)	249.19	798.80
0.00	0.00	01-10-725000 Paper Supplies (0110725000)	0.00	394.33
113.70	305.95	01-10-725500 Cleaning Supplies (0110725500)	11,123.92	6,823.51
0.00	180.09	01-11-726000 Laundry & Dry Cleaning (0111726000)	17,331.98	15,315.44
0.00	0.00	01-10-727000 Printing (0110727000)	0.00	5,192.41
0.00	0.00	01-11-727500 Uniforms (0111727500)	858.16	0.00
0.00	3,500.83	01-10-728000 Moorage (0110728000)	167,422.85	96,399.11
0.00	2,721.31	01-10-728200 Villa Misc. Costs (0110728200)	5,806.75	40,470.74
0.00	0.00	01-10-728250 Faimont Villas Mgmt-Tsf Fees (0110728250)	190.00	0.00
-803.94	144,879.50	01-10-728300 Maintenance Fees (0110728300)	446,705.14	487,669.17
13,539.44	32,789.44	01-11-728500 Accommodations (0111728500)	492,392.00	603,569.25
10,878.00	13,897.00	01-10-728700 Maintenance Fee - Cond Sale (0110728700)	210,006.19	220,940.69
0.00	0.00	01-10-729000 Misc Direct Costs (0110729000)	1,881.74	1,877.32
28,911.16	211,713.33	TOTAL DIRECT OPERATING	1,392,382.07	1,539,314.93
		CONTRACTED SERVICES		
0.00	224,597.51	01-10-731000 Legal Fees (0110731000)	681,353.74	993,318.17
0.00	48,000.00	01-92-731500 Audit Fees (0192731500)	33,300.00	83,000.00
0.00	1,143.80	01-10-732000 Payroll Fees (0110732000)	11,535.82	12,383.79
-151.59	0.00	01-11-733000 Trade Services (0111733000)	13,359.82	25,760.00
0.00	0.00	01-10-734000 Other Services (0110734000)	7,143.07	15,164.00
0.00	7,627.90	01-10-735000 Agency Fees (0110735000)	38,205.54	39,176.60
31,125.27	159,222.01	01-10-736000 Consultancy Fees (0110736000)	491,537.15	587,029.11
0.00	71,380.08	01-91-737000 Trustee Fees (0191737000)	39,672.50	89,380.08
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30,973.68	511,971.30	TOTAL CONTRACTED SERVICES	1,316,107.64	1,845,211.75

FAIRMONT RESORT PROPERTIES
SUMMARY INCOME STATEMENT
FOR December 2008

CURRENT ACTUAL	CURRENT LAST YEAR		CURRENT YTD	LAST YTD
		REPAIRS & MAINTENANCE		
0.00	3,838.47	01-10-741000 General Repairs (0110741000)	193,977.63	255,614.68
853.77	-19,326.21	01-10-741100 Building Repairs (0110741100)	9,130.37	9,068.67
208.33	1,363.90	01-10-741200 Equipment Repairs (0110741200)	2,740.98	4,382.44
0.00	0.00	01-71-741400 Portable Radio Equipment (0171741400)	0.00	0.00
0.00	0.00	01-10-741500 Vehicle Repairs (0110741500)	39.59	81.52
0.00	0.00	Vehicle Fuel Maintenance	5,159.69	0.00
52.38	566.18	01-71-741700 Motor Vehicle Repairs & Maintenance (0171741700)	8,314.00	17,450.62
455.21	1,906.18	01-71-742000 Maintenance Supplies (0171742000)	5,272.25	8,468.93
0.00	0.00	01-71-743000 Tools (0171743000)	0.00	0.00
0.00	-540.64	01-71-744000 Painting & Decorating (0171744000)	1,525.01	4,799.95
0.00	0.00	01-71-744500 Lighting Repairs (0171744500)	0.00	0.00
926.93	-11,499.05	01-10-745000 Grounds & Landscaping (0110745000)	14,777.05	4,678.96
0.00	0.00	01-71-746000 Plumbing & Mechanical (0171746000)	0.00	0.00
0.00	0.00	01-71-746500 Electrical Repairs (0171746500)	0.00	400.00
0.00	0.00	01-71-748500 First Aid & Safety (0171748500)	1,590.00	0.00
0.00	0.00	01-10-749000 Misc Repairs & Maintenance (0110749000)	1,305.74	5,177.00
2,496.62	-23,691.17	TOTAL REPAIRS & MAINTENANCE	243,832.31	310,122.77
		GENERAL & ADMINISTRATION		
4,279.24	19,929.35	01-10-751000 Office Supplies (0110751000)	104,201.28	101,215.80
0.00	973.51	01-10-752000 Resources,Dues & Subscriptions (0110752000)	14,756.18	18,303.69
31,254.86	23,566.65	01-91-753000 Credit Card Commissions (0191753000)	255,866.46	241,712.28
1,430.07	921.64	01-10-753100 Interest on Debt (0110753100)	11,295.61	9,553.25
1,883.97	5,303.51	01-10-753200 Bank Service Charges (0110753200)	12,004.14	17,239.27
54,750.11	51,056.47	01-82-753500 Interest on 3rd Party Debt AR (0182753500)	745,214.99	919,238.92
0.00	1,786.89	01-92-753600 Interest on 3rd Party Debt-ADC (0192753600)	65,208.03	397,313.90
0.00	913,432.03	01-91-753700 Interest on 3rd Party-FRPL Fin (0191753700)	3,491,187.63	4,436,703.55
95,836.43	781,193.13	01-95-753800 Commissions & Selling Expense - FRPL (0195753800)	709,543.41	1,429,445.30
1,854.63	14,360.62	01-10-754000 Postage & Shipping (0110754000)	106,837.33	101,266.02
0.00	1,429.85	01-10-755000 Photocopying (0110755000)	13,289.97	1,905.01
219.00	8,948.77	01-10-756000 Stationery (0110756000)	5,878.43	10,678.77
3,013.49	-20,689.94	01-83-756500 Office Equipment Lease/Rental (0183756500)	43,158.04	10,357.23
-1,081.79	5,068.93	01-10-757000 Travel - Accommodations (0110757000)	31,303.87	27,348.98
882.54	-119,257.14	01-10-757100 Travel - Air/Car/Mileage (0110757100)	104,637.19	11,449.35
27.86	5,721.24	01-10-757200 Travel - Meals (0110757200)	32,109.53	42,689.38
133.17	-545.21	01-17-757400 Computer Supplies (0117757400)	11,933.29	15,174.42
0.00	7,273.00	01-17-757500 Computer Software (0117757500)	12,790.92	57,196.15
0.00	0.00	01-12-758000 Licence & Permits (0112758000)	19,571.79	16,888.29
-1,422.49	0.00	01-10-759000 General & Misc (0110759000)	55,077.98	5,504.71
193,061.09	1,700,473.30	TOTAL GENERAL & ADMINISTRATION	5,845,866.07	7,871,184.27
		MARKETING		
0.00	2,515.80	01-13-760100 Advertising - General (0113760100)	0.00	8,260.80
1,854.80	4,776.00	01-10-760200 Advertising - Newspaper/Mag (0110760200)	282,657.48	68,274.48
0.00	1,003.60	01-81-760300 Advertising - Other Media (0181760300	1,510.00	2,462.53
0.00	145.00	01-81-761000 Billboard Signage (0181761000)	47,690.00	11,935.86
7,180.00	3,719.75	01-81-762500 Ad Production (0181762500)	66,383.70	58,651.46
31,869.00	42,744.43	01-10-763000 Other Promotions (0110763000)	191,272.73	242,680.99
13,100.00	-1,142,174.60	01-10-763100 Fairmont Bucks - Marketing (0110763100)	402,450.00	-749,085.93
2,500.00	500.00	01-10-763200 Fairmont Bucks - Direct (0110763200)	102,050.00	114,475.00
7,785.00	-141,534.00	01-41-763300 Premiums(Gifts) - Wildside (0141763300)	192,640.00	37,066.08
800.00	0.00	01-10-763400 Premiums(Gifts) - Spa (0110763400)	14,794.31	17,268.37
0.00	0.00	01-81-763500 Premiums (Gifts)-Golf (0181763500)	28,810.25	-8,653.14
11,950.00	23,985.00	01-10-763600 Premiums(Gifts) - Other (0110763600)	69,628.98	92,225.94
0.00	14,836.49	01-81-764000 External Entertainment (0181764000)	546.45	16,054.98
5,742.93	19,526.24	01-10-765000 II Membership Fees & Weeks (0110765000)	66,217.70	186,732.93
0.00	0.00	01-81-765500 Association & Membership Dues (0181765500)	0.00	551.00
0.00	-841.08	01-17-766000 Trade Shows (0117766000)	6,864.93	11,096.90
0.00	409.53	01-10-767000 Travel - Accommodations (0110767000)	787.84	5,071.89
122.92	27.60	01-17-767100 Travel - Air/Car/Mileage - Mkt (01177	10,014.01	17,976.73
0.00	176.27	01-10-767200 Travel - Meals (0110767200)	2,600.85	2,476.42
2,875.00	-498,239.26	01-10-767500 Printed Material (0110767500)	301,436.71	-137,700.46
5,048.00	930.00	01-10-768000 Website (0110768000)	7,703.20	37,211.24
9,092.71	43,776.82	768500 Direct Mail	192,074.77	535,570.24
14,940.43	6,170.00	768600 Direct Mail - Postage	435,669.63	334,973.56
0.00	2,807.71	01-10-769000 Other Marketing (0110769000)	3,016.63	27,926.66

FAIRMONT RESORT PROPERTIES
SUMMARY INCOME STATEMENT
FOR December 2008

CURRENT ACTUAL	CURRENT LAST YEAR		CURRENT YTD	LAST YTD
114,860.79	-1,614,738.70	TOTAL MARKETING	2,426,820.17	933,504.53

FAIRMONT RESORT PROPERTIES
SUMMARY INCOME STATEMENT
FOR December 2008

CURRENT ACTUAL	CURRENT LAST YEAR		CURRENT YTD	LAST YTD
		UTILITIES		
44,885.69	44,732.45	01-10-810500 Rent - Office Space (0110810500)	429,009.12	492,235.56
0.00	5,651.71	01-95-810600 Rent-Fairmont Waterpark (0195810600)	33,450.00	5,651.71
2,676.42	4,501.54	01-10-811000 Fuel & Propane (0110811000)	18,194.00	29,936.47
3,600.00	3,435.00	01-10-811500 Janitorial (0110811500)	31,334.00	39,670.00
114.56	289.31	01-10-812000 Cablevision (0110812000)	2,130.65	2,455.57
929.62	1,292.90	01-10-813000 Garbage Disposal (0110813000)	13,138.08	13,168.89
153.87	144.76	01-10-814000 Waste/Sewer Removal (0110814000)	5,528.00	2,375.06
1,200.00	0.00	01-10-815000 Water/Sewer (0110815000)	2,900.00	10,841.89
4,656.11	10,757.42	01-10-816000 Electricity (0110816000)	88,908.12	88,638.53
10,313.68	-60,794.46	01-10-817000 Telephone & Fax (0110817000)	141,441.17	56,466.84
11,283.11	25,197.77	01-10-817100 Telephone (Cell) (0110817100)	114,580.86	91,229.94
5,710.98	6,925.06	01-10-818000 Internet (0110818000)	72,475.14	90,333.76
0.00	161.70	01-10-819000 Security (0110819000)	461.70	1,069.85
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85,524.04	42,295.16	TOTAL UTILITIES	953,550.84	924,074.07
		OVERHEAD		
3,308.37	3,679.59	01-92-891000 Property Taxes (0192891000)	58,091.32	85,674.98
34,752.04	14,290.25	01-12-892000 Insurance (0112892000)	296,094.15	232,532.72
145,000.00	96,044.54	01-93-893000 Amortization (0193893000)	1,740,000.00	1,746,044.54
1,680.19	-10.62	01-10-895000 Cash Over/Short (0110895000)	1,489.31	-127.08
0.00	0.00	01-10-896000 Donations (0110896000)	1,100.00	5,572.90
3,058.32	71,282.57	01-93-897000 Foreign Exchange Gain /Loss (0193897000)	34,345.79	-1,374.09
825.38	-2,721.23	01-81-898000 Options/Rental/Leases (0181898000)	4,127.15	-1,977.23
668.00	5,796.30	01-93-899000 Capital Lease Interest (0193899000)	8,016.00	7,140.68
0.00	1,146,325.06	01-95-899000 Loss on Disposal (0195899000)	0.00	1,146,325.06
-36,946.46	0.00	01-93-899800 Recoverable Overhead (0193899800)	-36,946.46	0.00
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152,345.84	1,334,686.46	TOTAL OVERHEAD	2,106,317.26	3,219,812.48
1,019,001.13	1,433,144.87	TOTAL EXPENSES	20,254,633.46	21,008,197.76
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-287,805.44	-7,545,271.69	NET INCOME BEFORE TAXES	-3,417,251.01	-9,250,541.90
		NON OPERATING		
0.00	87,467.64	01-98-910000 Income Tax Expense (0198910000)	0.00	87,467.64
-287,805.44	-7,632,739.33	NET INCOME	-3,417,251.01	-9,338,009.54
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FAIRMONT RESORT PROPERTIES
BALANCE SHEET
FOR January 2009
STATED IN CDN$

	CURRENT MONTH	LAST YTD
CASH		
-00-101000 Petty Cash (0100101000)	2,892.23	3,990.04
-00-102100 CIBC - Operating (0100102100)	268,622.52	53,905.33
-00-119100 CIBC - Business Interest (0100119100)	766.93	39,964.07
-00-102200 CIBC - US (0100102200)	16,058.05	266,979.82
-00-102300 CIBC - EFT (0100102300)	9,578.00	66,692.34
-00-102400 H/B Club M/F - SLRC (0100102400)	29,360.93	4,583.76
-00-102500 H/B Club MF-Prepaid - SLRC (010010250	8,235.72	5,727.52
-00-102600 H/B Club - Reserve - SLRC (0100102600	885.73	945.73
-00-102700 H/B Club - GIC - SLRC (0100102700)	6,774.87	6,834.87
-00-103100 BMO - Construction (0100103100)	278.14	36,810.39
-00-103200 BMO - Mastercard (0100103200)	157,190.88	107,102.58
TD CanadaTrust Operating	406,333.34	0.00
TD CanadaTrust - Savings	-10.09	0.00
TD Houseboat Replacement Reserve	-10.09	0.00
01-00-104000 Lawyers Trust Fund Account (0100104000)	0.00	25,000.00
01-00-104100 Trust Funds-Reit C Funds	4,093,734.76	0.00
01-00-113300 Clearing - AMEX (0100113300)	83,241.02	118,166.09
01-00-114100 Clearing - Cash (0100114100)	-1,902.80	-4,832.80
01-00-114400 Clearing - Hawaii (0100114400)	-12,674.04	-34,072.74
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TOTAL CASH	5,069,356.10	697,797.00
INVESTMENTS		
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TOTAL INVESTMENTS	0.00	0.00
ACCOUNTS RECEIVABLE		
01-00-120500 A/R - Guest Ledger (0100120500)	34,171.08	0.00
01-00-121000 A/R - FRP 30-60-90 Contracts (0100121000)	1,223,765.91	1,491,360.86

FAIRMONT RESORT PROPERTIES
BALANCE SHEET
FOR January 2009
STATED IN CDN$

	CURRENT MONTH	LAST YTD
01-00-121100 A/R - General (0100121100)	-301,887.22	-39,853.51
01-00-121400 A/R - Maintenance Fees - SLVC (0100121400)	-968.78	817.74
01-00-121500 A/R - Club Annual Dues (0100121500)	200,841.64	213,732.32
01-00-121600 A/R - Club Membership (0100121600)	-3,045.00	1,922.68
01-00-121800 A/R - SLRC Maintenance Fees (0100121800)	14,876.52	58,886.74
01-00-122000 A/R - FRP Mini Vacations (0100122000)	-1,140.98	0.00
01-00-124500 A/R - Payroll Advances (0100124500)	6,349.90	1,750.00
01-00-124600 A/R - Travel Advance (0100124600)	0.00	2,000.00
01-00-125100 A/R - CVM (0100125100)	8,092.10	2,515.58
01-00-125200 A/R - LOR (0100125200)	8,432,097.39	8,069,055.77
01-00-125300 A/R - LORV Developer (0100125300)	10,826,490.00	4,545,074.51
01-00-125400 A/R - LORV Leaseholders (0100125400)	61,804.42	60,800.00
01-00-125500 A/R - Makaha (0100125500)	-2,714,296.88	3,277,360.94
A/R - Fairway Cottages	1,162.35	0.00
01-00-125700 A/R - CMRR (0100125700)	426,807.68	10,011.73
01-00-125800 A/R - FRPL Finance (0100125800)	2,378.81	0.00
01-00-125900 A/R - LL Developments (0100125900)	2,675,482.06	2,675,455.39
01-00-126000 A/R - Fairmont Marketing Corp. (0100126000)	798,351.98	496,716.28
01-00-126100 A/R - Farimont Funding Inc. (0100126100)	4,912,898.05	295,008.64
01-00-126200 A/R - BCS (0100126200)	94,124.43	50,654.16
01-00-126300 A/R - SUNCHASER VACATION CLUB (0100126300)	156,588.64	81,150.81
01-00-126400 A/R - Royal Host Portfolio (0100126400)	50,488.91	50,488.91
01-00-126600 A/R - Twin Anchors (0100126600)	7,766.12	7,766.12
01-00-126700 A/R - FRP Mailing Services (0100126700)	67,101.63	66,340.38
01-00-126800 A/R - Fairmont Rancho Banderas (0100126800)	450,562.78	323,498.77
01-00-127100 A/R - GLRC Canada (0100127100)	79,860.80	17,127.73
01-00-127200 A/R - GLRC USA (0100127200)	13,321.44	42,191.85
01-00-127300 A/R - LGVC II (0100127300)	118,920.92	129,190.49
01-00-127400 A/R - Royal Harbour Resort (0100127400)	2,392.20	44,398.92
01-00-127500 A/R - RVI Holiday Ltd (0100127500)	35,795.64	3,512.30
A/R - RVI Holiday de Mexico	119,455.50	0.00

FAIRMONT RESORT PROPERTIES
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	CURRENT MONTH	LAST YTD
01-00-127600 A/R - Banff Rocky Mtn Resort (0100127600)	209,136.68	100,413.97
01-00-127700 A/R - FRPL Management (0100127700)	-16,819.45	-16,819.45
01-00-126500 A/R - Resorts West Management Group (0100126500)	1,247,570.29	1,244,676.58
01-00-127800 A/R - LYTTLE LAKE COOWNERS (0100127800)	17,152.44	3,820.00
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TOTAL ACCOUNTS RECEIVABLE	29,257,650.00	23,311,027.21
PREPAID EXPENSES		
01-00-131000 Prepaid Expenses (0100131000)	361,066.94	480,967.14
01-00-131100 Prepaid Finance Cost (0100131100)	4,279,948.94	4,083,863.46
01-00-132000 Security Deposits (0100132000)	98,810.00	98,810.00
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TOTAL PREPAID EXPENSES	4,739,825.88	4,663,640.60
ADVANCES		
01-00-140100 Advances - Shareholders (0100140100)	531,082.25	50,602.41
01-00-140200 Advance for Legals (0100140200)	328,385.72	87,300.72
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TOTAL ADVANCES	859,467.97	137,903.13
INVENTORY		
01-00-151000 Inventory - Mountainside (0100151000)	164,405.13	15,722.19
01-00-151100 Inventory - Gift Premium (0100151100)	136,422.72	122,640.05
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TOTAL INVENTORY	300,827.85	138,362.24
LONG-TERM INVESTMENTS		
01-00-161000 FRP Long Term Contracts (0100161000)	3,410,316.27	3,107,495.04
01-00-162000 Term - Resort Funding - US (0100162000)	209,249.56	410,860.38
01-00-162200 Term - Resort Funding - CDN (0100162200)	12,289,322.85	13,046,693.75
01-00-163000 Investment in LOR/LORV (0100163000)	200.00	200.00

FAIRMONT RESORT PROPERTIES
BALANCE SHEET
FOR January 2009
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	CURRENT MONTH	LAST YTD
01-00-163100 Investment in Makaha (0100163100)	135.00	135.00
01-00-163200 Investment in CMRR (0100163200)	100.00	100.00
01-00-163300 Investment in Nevada (0100163300)	100.00	100.00
01-00-163400 Investment in FMC (0100163400)	100.00	100.00
01-00-163500 Investment in FFI (0100163500)	1.00	1.00
01-00-163600 Investment in LL Dev (0100163600)	1,060,001.00	1.00
01-00-164000 Investments in RVI Holiday Ltd (0100164000)	1.00	1.00
01-00-164100 Investment in FRP Mailing Ltd. (0100164100)	5.00	0.00
01-00-164500 Loan to Subsidiary - FIO (0100164500)	1,087,180.78	1,087,180.78
01-00-164900 Acquisitions (0100164900)	200,000.02	200,000.02
01-00-165000 Loan to Subsidiary - LORV (0100165000)	3,157,425.80	3,157,075.80
01-00-165100 Loan to Subsidiary - LOR (0100165100)	1,779,508.20	1,018,289.13
01-00-165200 Loan to Subsidiary - Makaha (0100165200)	11,390,112.50	9,458,267.40
01-00-165300 Loan to Subsidiary - Sunchaser (0100165300)	2,978,219.11	2,977,769.51
01-00-165400 Loan to Subsidiary - LL Devel (0100165400)	10,442.50	10,442.50
01-00-165600 Loan to Subsidiary - CMRR (0100165600)	970.87	0.00
01-00-165650 Loan to Subsidiary - F Rancho (0100165650)	190,659.53	190,659.53
01-00-165800 Loan to Subsidiary - Nevada (0100165800)	179,203.11	179,203.11
01-00-165900 I/C Interest Rec - Makaha (0100165900)	1,025,711.63	904,228.65
01-00-165910 I/C Interest Receviable - LOR (0100165910)	819,284.03	748,954.14
01-00-167000 Loan to FRP Mailing Services (0100167000)	36,846.00	125,119.50
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TOTAL LONG-TERM INVESTMENTS	39,825,095.76	36,622,877.24
DEFERRED COSTS		
01-00-172000 MGMT Contracts - Royal Host (0100172000)	457,200.00	457,200.00
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TOTAL DEFERRED COSTS	457,200.00	457,200.00
CAPITAL LEASES		
01-00-180100 Capital Leases (0100180100)	220,015.29	220,015.29

FAIRMONT RESORT PROPERTIES
BALANCE SHEET
FOR January 2009
STATED IN CDN$

	CURRENT MONTH	LAST YTD
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TOTAL CAPITAL LEASES	220,015.29	220,015.29
FIXED ASSETS		
01-00-181000 Land (0100181000)	659,992.95	659,992.95
01-00-181100 Capital Projects (0100181100)	37,500.00	37,500.00
01-00-181200 Lot A - Improvements (0100181200)	185,720.88	185,720.88
01-00-181300 Lot A - Pool (0100181300)	101,687.25	101,687.25
01-00-181400 RS Lot A (Lot 1,2,3) (0100181400)	1,029,908.35	1,029,908.35
01-00-181500 Landscaping - Lot 16 (0100181500)	199,803.19	199,803.19
01-00-181700 Riverside South (0100181700)	712,802.50	712,802.50
01-00-181800 Lot 4 HS 6000-8000 (0100181800)	386,234.30	386,234.30
01-00-181900 Land held for Development (0100181900)	403,588.13	403,588.13
01-00-183100 Recreation Centre (0100183100)	2,474,824.23	2,474,824.23
01-00-183200 Riverside 100 (0100183200)	1,643,730.98	1,643,730.98
01-00-183300 Riverside 200 (0100183300)	1,684,646.61	1,684,646.61
01-00-183400 Riverside 300 (0100183400)	1,726,438.05	1,726,438.05
01-00-183500 Riverside 400 (0100183500)	1,803,571.38	1,803,571.38
01-00-183600 Riverside 500 (0100183600)	1,554,735.31	1,554,735.31
01-00-183700 Riverside 600 (0100183700)	1,561,549.88	1,561,549.88
01-00-183800 Riverside 700 (0100183800)	1,468,552.94	1,468,552.94
01-00-183900 Riverside 800 (0100183900)	1,537,249.77	1,537,249.77
01-00-184000 Hillside 1000 (0100184000)	2,635,266.40	2,634,986.40
01-00-184100 Hillside 2000 (0100184100)	2,546,911.68	2,546,631.68
01-00-184200 Hillside 3000 (0100184200)	2,588,703.99	2,588,703.99
01-00-184300 Hillside 4000 (0100184300)	2,487,699.81	2,487,699.81
01-00-184400 Hillside 5000 (0100184400)	2,497,301.82	2,497,301.82
01-00-184500 Hillside 6000 (0100184500)	3,054,360.16	3,054,360.16
01-00-184600 Hillside 7000 (0100184600)	4,470,747.04	4,467,747.04
01-00-184650 Hillside 7000 - Retrofit Bldg (0100184650)	35,892.00	35,892.00
01-00-184700 Hillside 8000 (0100184700)	5,371,882.96	5,371,882.96

FAIRMONT RESORT PROPERTIES
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	CURRENT MONTH	LAST YTD
01-00-184800 RS South 8100 (0100184800)	7,554,397.59	7,554,397.59
01-00-184900 RS South 8200 (0100184900)	161,289.23	109,202.75
01-00-185000 RS south 8300 (0100185000)	301,838.47	50,395.73
01-00-185100 Office Building (0100185100)	508,455.92	508,455.92
01-00-185200 RS South Maintenance Shop (0100185200)	101,237.81	101,237.81
01-00-185300 RS Maintenance Shop (0100185300)	7,258.86	7,258.86
01-00-186000 Houseboats (0100186000)	3,119,544.28	3,083,539.29
01-00-187000 Leasehold Improvements (0100187000)	2,084,193.71	2,044,393.85
01-00-188000 Computers (0100188000)	642,327.54	596,864.62
01-00-188200 Furniture (0100188200)	1,067,970.49	1,057,183.67
01-00-188300 Software (0100188300)	656,199.17	0.00
01-00-188600 Equipment (0100188600)	36,424.10	34,944.65
01-00-195900 Acc Amort - Buildings (0100195900)	-19,185,678.11	-17,445,678.11
01-00-198700 Acct Amor-MGMT Cont-Royal Host (0100198700)	-152,400.00	-152,400.00
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TOTAL FIXED ASSETS	41,764,361.62	42,407,539.19
TOTAL ASSETS	122,493,800.47	108,656,361.90
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LIABILITIES		
ACCOUNTS PAYABLE		
01-00-210000 Accounts Payable (0100210000)	2,331,033.93	1,979,635.90
01-00-159900 Inventory Accrual	6,689.00	6,689.00
01-00-266000 Interest Payable-Resort Funding (0100266000)	0.00	15,038.52
01-00-216000 Fairmont Bucks (0100216000)	685,427.80	550,368.89
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TOTAL ACCOUNTS PAYABLE	3,023,150.73	2,551,732.31
OTHER PAYABLE		

FAIRMONT RESORT PROPERTIES
BALANCE SHEET
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	CURRENT MONTH	LAST YTD
01-00-231000 GST ITC (0100231000)	-8,070.15	-121,495.10
01-00-232000 GST Collected on Sales (0100232000)	18,659.59	45,071.82
01-00-233000 PST S.S.T. (0100233000)	6,643.91	3,993.35
01-00-234000 PST S.S.T Self Assess (0100234000)	76.78	112.77
01-00-235000 HST - Hotel (0100235000)	190.78	112.15
TOTAL OTHER PAYABLES	17,500.91	-72,205.01
WAGES PAYABLE		
01-00-241000 Wages Payable (0100241000)	133,326.56	134,489.84
01-00-241800 Payroll Withholding Tax Payable (0100241800)	63,593.12	61,206.91
01-00-243200 Accrued Vacation Pay (0100243200)	-19,857.44	2,750.41
TOTAL WAGES PAYABLE	177,062.24	198,447.16
ACCRUED LIABILITIES		
01-00-251000 Accrued Liabilities (0100251000)	118,581.95	48,000.00
TOTAL ACCRUED LIABILITIES	118,581.95	48,000.00
UNEARNED REVENUE		
01-00-299000 Deferred Rental Income (0100299000)	89,315,204.86	89,315,204.86
TOTAL UNEARNED REVENUE	89,315,204.86	89,315,204.86
LONG-TERM LIABILITIES		
01-00-260200 Demand Loan - Dunvegan (0100260200)	2,148,536.89	1,468,326.26
01-00-260300 Demand Loan - Morcom (0100260300)	450,000.00	450,000.00
01-00-261000 Loan Payable - Other (0100261000)	-6,363.71	-6,363.71
01-00-261500 Loan Payable - FRPL Finance (0100261500)	43,726,159.68	42,150,449.44
01-00-261600 Other Payable - FRPL Finance (0100261600)	446,381.68	944,007.36

FAIRMONT RESORT PROPERTIES
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	CURRENT MONTH	LAST YTD
01-00-261900 LOAN PAYABLE - COLLIN KNIGHT (0100261900)	2,786,613.23	460,926.23
01-00-262000 Loan Payable-REIT-Series C (010026200	13,485,243.79	0.00
Loan Payable - Cedarpointe Est	2,039,904.79	0.00
01-00-263000 Inventory Loan-Resort Funding (010026	0.00	1,757,000.00
01-00-264000 Receivable Loan-Resort Funding (0100264000)	8,307,696.62	9,118,546.92
01-00-265000 Receivable Loan - RF - US (0100265000)	85,413.96	250,516.18
01-00-270000 Capital Lease Obligation (0100270000)	184,730.51	195,228.11
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TOTAL LONG-TERM LIABILITIES	73,654,317.44	56,788,636.79
TOTAL LIABILITIES	166,305,818.13	148,829,816.11
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EQUITY

RETAINED EARNINGS

	CURRENT MONTH	LAST YTD
01-00-310000 Capital Stock (0100310000)	300,050.00	300,050.00
01-00-320000 Retained Earnings (0100320000)	-44,095,515.48	-40,655,341.09
01-00-330000 Income for Year (0100330000)	-16,552.18	181,836.88
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TOTAL RETAINED EARNINGS	-43,812,017.66	-40,173,454.21
TOTAL LIABILITIES & EARNINGS	122,493,800.47	108,656,361.90
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FAIRMONT RESORT PROPERTIES
SUMMARY INCOME STATEMENT
FOR January 2009

CURRENT ACTUAL	%	CURRENT BUDGET	%	CURRENT LAST YEAR	%		CURRENT YTD	%	BUDGET YTD	%	LAST YTD	%
						TIMESHARES						
357,822.92	0.00	0.00	0.00	617,197.12	0.00	01-10-410000 Timeshares (0110410000)	357,822.92	0.00	0.00	0.00	617,197.12	0.00
130,522.67	0.00	0.00	0.00	0.00	0.00	Timeshare Cancels	130,522.67	0.00	0.00	0.00	0.00	0.00
5,486.21	0.00	0.00	0.00	121,204.43	0.00	01-10-410200 Promotional & Rentals (0110410200)	5,486.21	0.00	0.00	0.00	121,204.43	0.00
1,689.64	0.00	0.00	0.00	1,401.81	0.00	01-10-410400 Sampler (0110410400)	1,689.64	0.00	0.00	0.00	1,401.81	0.00
234,476.10	0.00	0.00	0.00	739,803.36	0.00	TOTAL TIMESHARE	234,476.10	0.00	0.00	0.00	739,803.36	0.00
						FEES						
840.00	0.00	0.00	0.00	280.00	0.00	01-10-420200 Fees - Lock-Off (0110420200)	840.00	0.00	0.00	0.00	280.00	0.00
82,786.58	0.00	0.00	0.00	44,738.57	0.00	01-10-420300 Fees - Maintenance (0110420300)	82,786.58	0.00	0.00	0.00	44,738.57	0.00
0.00	0.00	0.00	0.00	8,700.00	0.00	01-10-420400 Fees - Club (0110420400)	0.00	0.00	0.00	0.00	8,700.00	0.00
16,544.28	0.00	0.00	0.00	1,552.98	0.00	01-10-420500 Fees - Administration (0110420500)	16,544.28	0.00	0.00	0.00	1,552.98	0.00
21,244.52	0.00	0.00	0.00	67,198.45	0.00	01-10-420600 Fees - Management (0110420600)	21,244.52	0.00	0.00	0.00	67,198.45	0.00
-524.40	0.00	0.00	0.00	101,246.08	0.00	01-10-420700 Fees - Membership (0110420700)	-524.40	0.00	0.00	0.00	101,246.08	0.00
285.37	0.00	0.00	0.00	-470.56	0.00	01-10-421100 Fees - User & Activity (0110421100)	285.37	0.00	0.00	0.00	-470.56	0.00
0.00	0.00	0.00	0.00	183.75	0.00	01-10-421200 Fees - Other (0110421200)	0.00	0.00	0.00	0.00	183.75	0.00
84,298.90	0.00	0.00	0.00	12,500.00	0.00	01-10-421300 Fees - Accounting Services (011042130	84,298.90	0.00	0.00	0.00	12,500.00	0.00
0.00	0.00	0.00	0.00	700.95	0.00	01-16-421600 Transfer Fees - GLRC Canada (0116421600)	0.00	0.00	0.00	0.00	700.95	0.00
0.00	0.00	0.00	0.00	732.42	0.00	01-16-421700 Transfer Fees - GLRC USA (0116421700)	0.00	0.00	0.00	0.00	732.42	0.00
0.00	0.00	0.00	0.00	176.67	0.00	01-16-421800 Transfer Fees - LGVC II (0116421800)	0.00	0.00	0.00	0.00	176.67	0.00
0.00	0.00	0.00	0.00	350.00	0.00	RVIHC Transfer Fee	0.00	0.00	0.00	0.00	350.00	0.00
205,475.25	0.00	0.00	0.00	237,889.31	0.00	TOTAL FEES	205,475.25	0.00	0.00	0.00	237,889.31	0.00
						RETAIL						
16,412.29	0.00	0.00	0.00	18,340.87	0.00	01-41-486000 Retail - Other (0141486000)	16,412.29	0.00	0.00	0.00	18,340.87	0.00
16,412.29	0.00	0.00	0.00	18,340.87	0.00	TOTAL RETAIL	16,412.29	0.00	0.00	0.00	18,340.87	0.00
						OTHER REVENUE						
179,281.13	0.00	0.00	0.00	150,022.20	0.00	01-10-490100 Interest - 3rd Party (0110490100)	179,281.13	0.00	0.00	0.00	150,022.20	0.00
128.12	0.00	0.00	0.00	43.37	0.00	03-93-490200 Interest - Term Contracts (0393490200)	128.12	0.00	0.00	0.00	43.37	0.00
0.07	0.00	0.00	0.00	131.87	0.00	01-10-490300 Other Income (0110490300)	0.07	0.00	0.00	0.00	131.87	0.00
227,482.14	0.00	0.00	0.00	167,956.88	0.00	01-82-490400 Interest - Intercompany (0182490400)	227,482.14	0.00	0.00	0.00	167,956.88	0.00
0.00	0.00	0.00	0.00	15.73	0.00	01-93-490500 Commissions (0193490500)	0.00	0.00	0.00	0.00	15.73	0.00
406,891.46	0.00	0.00	0.00	318,170.05	0.00	TOTAL OTHER INCOME	406,891.46	0.00	0.00	0.00	318,170.05	0.00
863,255.10	0.00	0.00	0.00	1,314,203.59	0.00	TOTAL REVENUE	863,255.10	0.00	0.00	0.00	1,314,203.59	0.00
						COST OF SALES						
-275.15	0.00	0.00	0.00	0.00	0.00	01-15-500000 Cost Of Inventory (0115500000)	-275.15	0.00	0.00	0.00	0.00	0.00
8,206.15	0.00	0.00	0.00	9,170.47	0.00	01-41-586000 Retail - Store (0141586000)	8,206.15	0.00	0.00	0.00	9,170.47	0.00
7,931.00	0.00	0.00	0.00	9,170.47	0.00	TOTAL COST OF SALES	7,931.00	0.00	0.00	0.00	9,170.47	0.00

FAIRMONT RESORT PROPERTIES
SUMMARY INCOME STATEMENT
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Account	CURRENT ACTUAL	%	CURRENT BUDGET	%	CURRENT LAST YEAR	%	CURRENT YTD	%	BUDGET YTD	%	LAST YTD	%
GROSS MARGIN	855,324.10	0.00	0.00	0.00	1,305,033.12	0.00	855,324.10	0.00	0.00	0.00	1,305,033.12	0.00
EXPENSES												
SALARIES												
01-10-710100 Salaries - Full Time (0110710100)	292,494.88	0.00	0.00	0.00	260,135.39	0.00	292,494.88	0.00	0.00	0.00	260,135.39	0.00
01-10-710300 Wages(Hourly)-Full Time (0110710300)	11,268.00	0.00	0.00	0.00	15,926.75	0.00	11,268.00	0.00	0.00	0.00	15,926.75	0.00
01-11-710600 Overtime (0111710600)	0.00	0.00	0.00	0.00	81.00	0.00	0.00	0.00	0.00	0.00	81.00	0.00
01-10-710700 Commissions & Bonuses (0110710700)	55,107.19	0.00	0.00	0.00	83,900.70	0.00	55,107.19	0.00	0.00	0.00	83,900.70	0.00
01-10-710800 Vacation Pay Expense (0110710800)	4,202.37	0.00	0.00	0.00	6,566.35	0.00	4,202.37	0.00	0.00	0.00	6,566.35	0.00
01-81-711100 Holiday Pay (0181711100)	2,065.00	0.00	0.00	0.00	2,380.00	0.00	2,065.00	0.00	0.00	0.00	2,380.00	0.00
01-10-712000 CPP Expense (0110712000)	16,906.62	0.00	0.00	0.00	16,650.40	0.00	16,906.62	0.00	0.00	0.00	16,650.40	0.00
01-10-712100 EI Expense (0110712100)	8,926.65	0.00	0.00	0.00	8,937.25	0.00	8,926.65	0.00	0.00	0.00	8,937.25	0.00
01-10-712200 Medical Insurance (0110712200)	16,433.15	0.00	0.00	0.00	16,950.92	0.00	16,433.15	0.00	0.00	0.00	16,950.92	0.00
01-10-714000 Training & Development (0110714000)	0.00	0.00	0.00	0.00	771.84	0.00	0.00	0.00	0.00	0.00	771.84	0.00
01-10-715000 Staff Meals (0110715000)	0.00	0.00	0.00	0.00	473.19	0.00	0.00	0.00	0.00	0.00	473.19	0.00
01-10-716000 Staff Appreciation (0110716000)	96.66	0.00	0.00	0.00	2,830.26	0.00	96.66	0.00	0.00	0.00	2,830.26	0.00
01-10-717000 Recruitment & Selection (0110717000)	839.24	0.00	0.00	0.00	1,220.87	0.00	839.24	0.00	0.00	0.00	1,220.87	0.00
TOTAL SALARIES	408,339.76	0.00	0.00	0.00	416,824.92	0.00	408,339.76	0.00	0.00	0.00	416,824.92	0.00
DIRECT OPERATING												
01-10-720100 Entertainment - 3rd Party (0110720100	90.90	0.00	0.00	0.00	28.84	0.00	90.90	0.00	0.00	0.00	28.84	0.00
01-10-721100 Equipment Rental/Lease (0110721100)	511.62	0.00	0.00	0.00	1,960.88	0.00	511.62	0.00	0.00	0.00	1,960.88	0.00
01-10-722100 Direct Supplies (0110722100)	21.28	0.00	0.00	0.00	0.00	0.00	21.28	0.00	0.00	0.00	0.00	0.00
01-11-723000 Linen (0111723000)	0.00	0.00	0.00	0.00	21.42	0.00	0.00	0.00	0.00	0.00	21.42	0.00
01-10-725500 Cleaning Supplies (0110725500)	945.24	0.00	0.00	0.00	957.74	0.00	945.24	0.00	0.00	0.00	957.74	0.00
01-11-726000 Laundry & Dry Cleaning (0111726000)	0.00	0.00	0.00	0.00	33.65	0.00	0.00	0.00	0.00	0.00	33.65	0.00
01-10-728000 Moorage (0110728000)	0.00	0.00	0.00	0.00	3,500.83	0.00	0.00	0.00	0.00	0.00	3,500.83	0.00
01-10-728200 Villa Misc. Costs (0110728200)	0.00	0.00	0.00	0.00	1,606.75	0.00	0.00	0.00	0.00	0.00	1,606.75	0.00
01-10-728250 Faimont Villas Mgmt-Tsf Fees (0110728250)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
01-10-728300 Maintenance Fees (0110728300)	12,539.17	0.00	0.00	0.00	-129,681.33	0.00	12,539.17	0.00	0.00	0.00	-129,681.33	0.00
01-11-728500 Accommodations (0111728500)	18,339.44	0.00	0.00	0.00	18,500.00	0.00	18,339.44	0.00	0.00	0.00	18,500.00	0.00
01-10-728700 Maintenance Fee - Cond Sale (0110728700)	9,739.00	0.00	0.00	0.00	10,112.00	0.00	9,739.00	0.00	0.00	0.00	10,112.00	0.00
01-10-729000 Misc Direct Costs (0110729000)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL DIRECT OPERATING	42,186.65	0.00	0.00	0.00	-92,959.22	0.00	42,186.65	0.00	0.00	0.00	-92,959.22	0.00
CONTRACTED SERVICES												
01-10-731000 Legal Fees (0110731000)	4,110.71	0.00	0.00	0.00	106,236.50	0.00	4,110.71	0.00	0.00	0.00	106,236.50	0.00
01-10-732000 Payroll Fees (0110732000)	859.88	0.00	0.00	0.00	1,170.53	0.00	859.88	0.00	0.00	0.00	1,170.53	0.00
01-10-734000 Other Services (0110734000)	510.00	0.00	0.00	0.00	0.00	0.00	510.00	0.00	0.00	0.00	0.00	0.00
01-10-735000 Agency Fees (0110735000)	432.00	0.00	0.00	0.00	2,518.34	0.00	432.00	0.00	0.00	0.00	2,518.34	0.00
01-10-736000 Consultancy Fees (0110736000)	3,779.47	0.00	0.00	0.00	29,044.57	0.00	3,779.47	0.00	0.00	0.00	29,044.57	0.00
01-91-737000 Trustee Fees (0191737000)	0.00	0.00	0.00	0.00	18,000.00	0.00	0.00	0.00	0.00	0.00	18,000.00	0.00
TOTAL CONTRACTED SERVICES	9,692.06	0.00	0.00	0.00	156,969.94	0.00	9,692.06	0.00	0.00	0.00	156,969.94	0.00

REPAIRS & MAINTENANCE

FAIRMONT RESORT PROPERTIES
SUMMARY INCOME STATEMENT
FOR January 2009

CURRENT ACTUAL	%	CURRENT BUDGET	%	CURRENT LAST YEAR	%		CURRENT YTD	%	BUDGET YTD	%	LAST YTD	%
0.00	0.00	0.00	0.00	393.80	0.00	01-10-741000 General Repairs (0110741000)	0.00	0.00	0.00	0.00	393.80	0.00
0.00	0.00	0.00	0.00	174.32	0.00	01-10-741100 Building Repairs (0110741100)	0.00	0.00	0.00	0.00	174.32	0.00
362.00	0.00	0.00	0.00	1,895.42	0.00	01-71-741700 Motor Vehicle Repairs & Maintenance (0171741700)	362.00	0.00	0.00	0.00	1,895.42	0.00
314.51	0.00	0.00	0.00	490.53	0.00	01-71-742000 Maintenance Supplies (0171742000)	314.51	0.00	0.00	0.00	490.53	0.00
0.00	0.00	0.00	0.00	156.83	0.00	01-71-744000 Painting & Decorating (0171744000)	0.00	0.00	0.00	0.00	156.83	0.00
998.08	0.00	0.00	0.00	2,702.91	0.00	01-10-745000 Grounds & Landscaping (0110745000)	998.08	0.00	0.00	0.00	2,702.91	0.00
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1,674.59	0.00	0.00	0.00	5,813.81	0.00	TOTAL REPAIRS & MAINTENANCE	1,674.59	0.00	0.00	0.00	5,813.81	0.00
						GENERAL & ADMINISTRATION						
4,167.84	0.00	0.00	0.00	9,482.55	0.00	01-10-751000 Office Supplies (0110751000)	4,167.84	0.00	0.00	0.00	9,482.55	0.00
416.99	0.00	0.00	0.00	2,860.00	0.00	01-10-752000 Resources,Dues & Subscriptions (0110752000)	416.99	0.00	0.00	0.00	2,860.00	0.00
17,762.58	0.00	0.00	0.00	16,900.38	0.00	01-91-753000 Credit Card Commissions (0191753000)	17,762.58	0.00	0.00	0.00	16,900.38	0.00
604.59	0.00	0.00	0.00	2,215.42	0.00	01-10-753100 Interest on Debt (0110753100)	604.59	0.00	0.00	0.00	2,215.42	0.00
597.60	0.00	0.00	0.00	2,026.53	0.00	01-10-753200 Bank Service Charges (0110753200)	597.60	0.00	0.00	0.00	2,026.53	0.00
51,590.91	0.00	0.00	0.00	75,174.46	0.00	01-82-753500 Interest on 3rd Party Debt AR (0182753500)	51,590.91	0.00	0.00	0.00	75,174.46	0.00
0.00	0.00	0.00	0.00	15,038.52	0.00	01-92-753600 Interest on 3rd Party Debt-ADC (0192753600)	0.00	0.00	0.00	0.00	15,038.52	0.00
0.00	0.00	0.00	0.00	97,270.72	0.00	01-95-753800 Commissions & Selling Expense - FRPL (0195753800)	0.00	0.00	0.00	0.00	97,270.72	0.00
2,593.70	0.00	0.00	0.00	4,581.79	0.00	01-10-754000 Postage & Shipping (0110754000)	2,593.70	0.00	0.00	0.00	4,581.79	0.00
2,141.49	0.00	0.00	0.00	0.00	0.00	01-10-755000 Photocopying (0110755000)	2,141.49	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	213.00	0.00	01-10-756000 Stationery (0110756000)	0.00	0.00	0.00	0.00	213.00	0.00
4,438.53	0.00	0.00	0.00	4,438.53	0.00	01-83-756500 Office Equipment Lease/Rental (0183756500)	4,438.53	0.00	0.00	0.00	4,438.53	0.00
157.01	0.00	0.00	0.00	16,732.38	0.00	01-10-757000 Travel - Accommodations (0110757000)	157.01	0.00	0.00	0.00	16,732.38	0.00
3,139.42	0.00	0.00	0.00	19,592.65	0.00	01-10-757100 Travel - Air/Car/Mileage (0110757100)	3,139.42	0.00	0.00	0.00	19,592.65	0.00
129.59	0.00	0.00	0.00	6,353.30	0.00	01-10-757200 Travel - Meals (0110757200)	129.59	0.00	0.00	0.00	6,353.30	0.00
0.00	0.00	0.00	0.00	1,486.86	0.00	01-17-757400 Computer Supplies (0117757400)	0.00	0.00	0.00	0.00	1,486.86	0.00
0.00	0.00	0.00	0.00	4,794.35	0.00	01-17-757500 Computer Software (0117757500)	0.00	0.00	0.00	0.00	4,794.35	0.00
0.00	0.00	0.00	0.00	38.73	0.00	01-12-758000 Licence & Permits (0112758000)	0.00	0.00	0.00	0.00	38.73	0.00
4,954.05	0.00	0.00	0.00	29.99	0.00	01-10-759000 General & Misc (0110759000)	4,954.05	0.00	0.00	0.00	29.99	0.00
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92,694.30	0.00	0.00	0.00	279,230.16	0.00	TOTAL GENERAL & ADMINISTRATION	92,694.30	0.00	0.00	0.00	279,230.16	0.00
						MARKETING						
304.80	0.00	0.00	0.00	-591.00	0.00	01-10-760200 Advertising - Newspaper/Mag (0110760200)	304.80	0.00	0.00	0.00	-591.00	0.00
15,934.50	0.00	0.00	0.00	17,740.17	0.00	01-10-763000 Other Promotions (0110763000)	15,934.50	0.00	0.00	0.00	17,740.17	0.00
18,500.00	0.00	0.00	0.00	16,750.00	0.00	01-10-763100 Fairmont Bucks - Marketing (0110763100)	18,500.00	0.00	0.00	0.00	16,750.00	0.00
6,250.00	0.00	0.00	0.00	10,050.00	0.00	01-10-763200 Fairmont Bucks - Direct (0110763200)	6,250.00	0.00	0.00	0.00	10,050.00	0.00
10,920.00	0.00	0.00	0.00	12,075.00	0.00	01-41-763300 Premiums(Gifts) - Wildside (014176330	10,920.00	0.00	0.00	0.00	12,075.00	0.00
0.00	0.00	0.00	0.00	152.38	0.00	01-10-763400 Premiums(Gifts) - Spa (0110763400)	0.00	0.00	0.00	0.00	152.38	0.00
828.75	0.00	0.00	0.00	8,719.48	0.00	01-10-763600 Premiums(Gifts) - Other (0110763600)	828.75	0.00	0.00	0.00	8,719.48	0.00
0.00	0.00	0.00	0.00	255.81	0.00	01-81-764000 External Entertainment (0181764000)	0.00	0.00	0.00	0.00	255.81	0.00
0.00	0.00	0.00	0.00	2,719.07	0.00	01-10-765000 Il Membership Fees & Weeks (0110765000)	0.00	0.00	0.00	0.00	2,719.07	0.00
0.00	0.00	0.00	0.00	3,042.43	0.00	01-17-767100 Travel - Air/Car/Mileage - Mkt (01177	0.00	0.00	0.00	0.00	3,042.43	0.00
0.00	0.00	0.00	0.00	144.04	0.00	01-10-767200 Travel - Meals (0110767200)	0.00	0.00	0.00	0.00	144.04	0.00
263.00	0.00	0.00	0.00	642.72	0.00	01-10-767500 Printed Material (0110767500)	263.00	0.00	0.00	0.00	642.72	0.00
5,492.26	0.00	0.00	0.00	11,549.83	0.00	768500 Direct Mail	5,492.26	0.00	0.00	0.00	11,549.83	0.00
22,963.32	0.00	0.00	0.00	16,486.49	0.00	768600 Direct Mail - Postage	22,963.32	0.00	0.00	0.00	16,486.49	0.00
0.00	0.00	0.00	0.00	892.00	0.00	01-10-769000 Other Marketing (0110769000)	0.00	0.00	0.00	0.00	892.00	0.00
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FAIRMONT RESORT PROPERTIES
SUMMARY INCOME STATEMENT
FOR January 2009

CURRENT ACTUAL	%	CURRENT BUDGET	%	CURRENT LAST YEAR	%		CURRENT YTD	%	BUDGET YTD	%	LAST YTD	%
81,456.63	0.00	0.00	0.00	100,628.42	0.00	TOTAL MARKETING	81,456.63	0.00	0.00	0.00	100,628.42	0.00
						UTILITIES						
9,200.52	0.00	0.00	0.00	14,215.65	0.00	01-10-810500 Rent - Office Space (0110810500)	9,200.52	0.00	0.00	0.00	14,215.65	0.00
1,604.02	0.00	0.00	0.00	2,321.52	0.00	01-10-811000 Fuel & Propane (0110811000)	1,604.02	0.00	0.00	0.00	2,321.52	0.00
2,400.00	0.00	0.00	0.00	2,400.00	0.00	01-10-811500 Janitorial (0110811500)	2,400.00	0.00	0.00	0.00	2,400.00	0.00
114.56	0.00	0.00	0.00	166.29	0.00	01-10-812000 Cablevision (0110812000)	114.56	0.00	0.00	0.00	166.29	0.00
565.76	0.00	0.00	0.00	848.15	0.00	01-10-813000 Garbage Disposal (0110813000)	565.76	0.00	0.00	0.00	848.15	0.00
1,361.43	0.00	0.00	0.00	1,281.00	0.00	01-10-814000 Waste/Sewer Removal (0110814000)	1,361.43	0.00	0.00	0.00	1,281.00	0.00
7,939.67	0.00	0.00	0.00	9,024.99	0.00	01-10-816000 Electricity (0110816000)	7,939.67	0.00	0.00	0.00	9,024.99	0.00
9,340.38	0.00	0.00	0.00	8,624.36	0.00	01-10-817000 Telephone & Fax (0110817000)	9,340.38	0.00	0.00	0.00	8,624.36	0.00
3,182.54	0.00	0.00	0.00	3,055.38	0.00	01-10-817100 Telephone (Cell) (0110817100)	3,182.54	0.00	0.00	0.00	3,055.38	0.00
5,910.98	0.00	0.00	0.00	5,908.72	0.00	01-10-818000 Internet (0110818000)	5,910.98	0.00	0.00	0.00	5,908.72	0.00
41,619.86	0.00	0.00	0.00	47,846.06	0.00	TOTAL UTILITIES	41,619.86	0.00	0.00	0.00	47,846.06	0.00
						OVERHEAD						
948.00	0.00	0.00	0.00	403.00	0.00	01-92-891000 Property Taxes (0192891000)	948.00	0.00	0.00	0.00	403.00	0.00
11,697.67	0.00	0.00	0.00	74,171.92	0.00	01-12-892000 Insurance (0112892000)	11,697.67	0.00	0.00	0.00	74,171.92	0.00
145,000.00	0.00	0.00	0.00	145,000.00	0.00	01-93-893000 Amortization (0193893000)	145,000.00	0.00	0.00	0.00	145,000.00	0.00
-7.59	0.00	0.00	0.00	-101.48	0.00	01-10-895000 Cash Over/Short (0110895000)	-7.59	0.00	0.00	0.00	-101.48	0.00
0.00	0.00	0.00	0.00	650.00	0.00	01-10-896000 Donations (0110896000)	0.00	0.00	0.00	0.00	650.00	0.00
8.60	0.00	0.00	0.00	-11,949.29	0.00	01-93-897000 Foreign Exchange Gain /Loss (0193897000)	8.60	0.00	0.00	0.00	-11,949.29	0.00
825.38	0.00	0.00	0.00	0.00	0.00	01-81-898000 Options/Rental/Leases (0181898000)	825.38	0.00	0.00	0.00	0.00	0.00
668.00	0.00	0.00	0.00	668.00	0.00	01-93-899000 Capital Lease Interest (0193899000)	668.00	0.00	0.00	0.00	668.00	0.00
159,140.06	0.00	0.00	0.00	208,842.15	0.00	TOTAL OVERHEAD	159,140.06	0.00	0.00	0.00	208,842.15	0.00
836,803.91	0.00	0.00	0.00	1,123,196.24	0.00	TOTAL EXPENSES	836,803.91	0.00	0.00	0.00	1,123,196.24	0.00
18,520.19	0.00	0.00	0.00	181,836.88	0.00	NET INCOME BEFORE TAXES	18,520.19	0.00	0.00	0.00	181,836.88	0.00
						NON OPERATING						
18,520.19	0.00	0.00	0.00	181,836.88	0.00	NET INCOME	18,520.19	0.00	0.00	0.00	181,836.88	0.00

LAKE OKANAGAN RESORT
BALANCE SHEET
FOR December 2008
STATED IN CDN$

	CURRENT MONTH	LAST YTD
ASSETS		
CASH		
-00-101000 Petty Cash (0100101000)	8,800.00	9,100.00
00-103600 LOR - BMO Operations (0300103600)	25,777.48	-31,235.79
-00-103700 LOR - Scotiabank (0300103700)	0.00	113.15
-00-103800 BMO Management Fee Account (030010380	335.43	374.52
-00-103900 BMO ATM Account (0300103900)	8,168.39	7,163.30
TOTAL CASH	43,081.30	-14,484.82
INVESTMENTS		
TOTAL INVESTMENTS	0.00	0.00
ACCOUNTS RECEIVABLE		
01-00-120000 Accounts Receivable - Trade (0100120000)	153,808.32	143,472.56
01-00-120500 A/R - Guest Ledger (0100120500)	6,375.32	5,859.45
01-00-120800 A/R - House Ledger (0100120800)	49,765.43	43,133.71
01-00-120900 Allowance - Doubtful Accounts (0100120900)	-4,640.42	-4,640.42
01-00-121100 A/R - General (0100121100)	-2,935.84	-203.84
01-00-121200 A/R - Strata (0100121200)	0.00	1,300.00
01-00-121900 A/R - Magenta (0100121900)	94,480.92	94,480.92
01-00-122000 A/R - FRP Mini Vacations (0100122000)	121,252.25	121,252.25
01-00-124500 A/R - Payroll Advances (0100124500)	91.00	0.00
01-00-125000 A/R - FRP (0100125000)	-8,540,463.84	-7,867,101.24
01-00-125300 A/R - LORV Developer (0100125300)	283,597.57	58,458.54
01-00-125400 A/R - LORV Leaseholders (0100125400)	-648,795.72	-301,883.43
03-00-128500 A/R - LORV HB (0300128500)	16,823.84	16,823.84
TOTAL ACCOUNTS RECEIVABLE	-8,470,641.17	-7,689,047.66
PREPAID EXPENSES		
01-00-131000 Prepaid Expenses (0100131000)	3,475.96	3,167.79
01-00-132000 Security Deposits (0100132000)	236,140.00	236,140.00
TOTAL PREPAID EXPENSES	239,615.96	239,307.79
ADVANCES		
TOTAL ADVANCES	0.00	0.00
INVENTORY		
01-00-150000 Inventory - Retail (0100150000)	65,257.26	30,112.38
01-00-150100 Inventory - Grocery (0100150100)	9,247.77	3,017.15
01-00-150200 Inventory - Food (0100150200)	36,984.01	39,405.86
01-00-150300 Inventory - Liquor (0100150300)	5,168.92	7,550.24
01-00-150400 Inventory - Wine (0100150400)	10,147.09	20,033.14
01-00-150500 Inventory - Beer (0100150500)	996.64	2,908.48
01-00-150600 Inventory - Draft (0100150600)	0.00	125.50
01-00-150700 Inventory - Off-Sales (0100150700)	315.44	0.00
01-00-150800 Inventory - Beverages (0100150800)	2,288.64	3,070.71
TOTAL INVENTORY	130,405.77	106,223.46
LONG-TERM INVESTMENTS		
01-00-160000 Long Term Investments (0100160000)	1.00	1.00

LAKE OKANAGAN RESORT
BALANCE SHEET
FOR December 2008
STATED IN CDN$

	CURRENT MONTH	LAST YTD
03-00-161500 Cash - Lawyer Trust Account (0300161500)	595,823.28	595,823.28
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TOTAL LONG-TERM INVESTMENTS	595,824.28	595,824.28
DEFERRED COSTS		
01-00-171000 Deferred Reno Costs (0100171000)	108,496.36	135,620.89
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TOTAL DEFERRED COSTS	108,496.36	135,620.89
CAPITAL LEASES		
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TOTAL CAPITAL LEASES	0.00	0.00
FIXED ASSETS		
01-00-181000 Land (0100181000)	977,170.00	977,170.00
01-00-181100 Capital Projects (0100181100)	315,360.00	2,189,590.55
01-00-182000 F/A - Roads & Parking (0100182000)	156,544.00	156,544.00
01-00-183100 Recreation Centre (0100183100)	2,988,510.93	2,956,778.84
03-00-186400 F/A - Marina (0300186400)	41,841.99	41,841.99
03-00-186500 F/A - Reservoir (0300186500)	1,794,522.83	0.00
01-00-188000 Computers (0100188000)	151,398.63	151,398.63
01-00-188100 Vehicles (0100188100)	133,392.45	133,392.45
01-00-188300 Software (0100188300)	24,926.25	24,926.25
01-00-188600 Equipment (0100188600)	1,145,305.63	1,046,157.24
03-00-192000 Acc Amort - Roads & Parking (0300192000)	-92,892.33	-85,819.91
01-00-195900 Acc Amort - Buildings (0100195900)	-491,584.81	-428,167.92
03-00-196400 Acc Amort - Marina (0300196400)	-17,967.76	-7,735.95
03-00-1965-00 Acc Amort - Reservoir	-35,890.44	0.00
01-00-198000 Acc Amort - Computers (0100198000)	-101,001.23	-88,401.85
01-00-198100 Acc Amort - Vehicles (0100198100)	-91,001.21	-80,403.40
01-00-198300 Acc Amort - Software (0100198300)	-8,672.08	-4,608.53
01-00-198600 Acc Amort - Equipment (0100198600)	-790,924.59	-708,297.20
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TOTAL FIXED ASSETS	6,099,038.26	6,274,365.19
TOTAL ASSETS	-1,254,179.24	-352,190.87
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LIABILITIES		
ACCOUNTS PAYABLE		
01-00-210000 Accounts Payable (0100210000)	319,475.27	429,363.45
01-00-212100 A/P - Spa (0100212100)	2,940.45	498.48
01-00-212200 A/P - Marina (0100212200)	4,055.93	0.00
01-00-212300 A/P - Stables (0100212300)	2,214.72	0.00
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TOTAL ACCOUNTS PAYABLE	328,686.37	429,861.93
OTHER PAYABLE		
01-00-231000 GST ITC (0100231000)	-19,343.00	-41,829.94
01-00-232000 GST Collected on Sales (0100232000)	34,776.89	41,968.66
01-00-233000 PST S.S.T. (0100233000)	3,585.25	5,127.60
01-00-234000 PST S.S.T Self Assess (0100234000)	93.80	84.27
01-00-235000 HST - Hotel (0100235000)	2,030.62	3,021.98
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TOTAL OTHER PAYABLES	21,143.56	8,372.57

LAKE OKANAGAN RESORT
BALANCE SHEET
FOR December 2008
STATED IN CDN$

	CURRENT MONTH	LAST YTD
WAGES PAYABLE		
01-00-241000 Wages Payable (0100241000)	0.00	60,218.77
01-00-242000 Gratuities Payable (0100242000)	9,359.44	10,346.05
01-00-243200 Accrued Vacation Pay (0100243200)	46,292.80	52,873.83
01-00-243400 Workers Compensation Payable (0100243400)	5,800.92	4,344.03
TOTAL WAGES PAYABLE	61,453.16	127,782.68
ACCRUED LIABILITIES		
01-00-251000 Accrued Liabilities (0100251000)	48,201.05	81,408.47
TOTAL ACCRUED LIABILITIES	48,201.05	81,408.47
UNEARNED REVENUE		
01-00-252000 Advance Deposits (0100252000)	101,832.81	116,723.80
01-00-252500 Banquet Deposits (0100252500)	0.00	500.00
01-00-252700 Damage Deposit (0100252700)	4,710.85	6,014.11
01-00-253000 Gift Certificates (0100253000)	17,731.35	11,985.39
TOTAL UNEARNED REVENUE	124,275.01	135,223.30
LONG-TERM LIABILITIES		
03-00-260500 Mortgage VTB (0300260500)	475,572.45	475,572.45
01-00-261000 Loan Payable - Other (0100261000)	1,714,508.20	1,018,289.13
03-00-266500 Interest Payable - FRP (0300266500)	675,191.72	696,219.07
TOTAL LONG-TERM LIABILITIES	2,865,272.37	2,190,080.65
TOTAL LIABILITIES	3,449,031.52	2,972,729.60
EQUITY		
RETAINED EARNINGS		
01-00-310000 Capital Stock (0100310000)	100.00	100.00
01-00-320000 Retained Earnings (0100320000)	-3,325,020.47	-2,084,470.28
01-00-330000 Income for Year (0100330000)	-1,378,290.29	-1,240,550.19
TOTAL RETAINED EARNINGS	-4,703,210.76	-3,324,920.47
TOTAL LIABILITIES & EARNINGS	-1,254,179.24	-352,190.87

LAKE OKANAGAN RESORT
SUMMARY INCOME STATEMENT
FOR December 2008

CURRENT ACTUAL	CURRENT LAST YEAR		CURRENT YTD	LAST YTD
		FEES		
18,430.00	18,131.00	03-10-420300 Fees - Maintenance (03-10-420300) (03	402,067.00	395,023.00
8,106.00	7,407.00	03-10-420600 Fees - Management (0310420600)	177,872.00	161,375.00
21,710.83	23,750.19	19-420800 Fees - Strata (0319420800)	257,355.35	335,703.74
0.00	6,817.85	03-51-420900 Fees - Concession Rental (0351420900)	30,338.16	25,357.96
-51,510.18	0.00	03-51-421000 Fees - Moorage (0351421000)	31,899.99	19,500.27
0.00	0.00	03-19-421100 Strata Fees - User/Activity (0319421100)	0.00	0.00
16,814.46	121.00	03-51-421200 Fees - Other (0351421200)	86,328.47	3,377.09
13,551.11	56,227.04	TOTAL FEES	985,860.97	940,337.06
		GOLF FEES		
34.25	0.00	03-42-430100 Fees - Equipment Rental (0342430100)	9,904.30	12,850.20
0.00	0.00	03-42-430200 Fees - Golf Activity Plan (0342430200)	2,383.86	40.00
0.00	75.00	03-42-430300 Fees - Driving Range (0342430300)	134.50	336.22
0.03	0.00	03-42-430400 Fees - Golf Green (0342430400)	10,820.18	21,474.76
34.28	75.00	TOTAL GOLF FEES	23,242.84	34,701.18
		FOOD & BEVERAGE		
23,317.11	41,443.27	03-61-440100 Food (0361440100)	999,034.82	949,569.63
95.20	174.60	03-61-440200 Beverage & Mix (0361440200)	25,226.10	24,542.80
7,974.10	10,423.17	03-61-440300 Liquor (0361440300)	134,405.90	122,593.00
5,642.96	10,387.29	03-61-440400 Wine (0361440400)	140,361.59	135,991.23
2,197.85	3,180.99	03-61-440500 Beer (0361440500)	80,043.76	74,741.54
0.00	0.00	03-61-440600 Draft Beer (0361440600)	20.45	4,833.39
378.00	653.49	03-61-440700 Off-Sales (0361440700)	27,173.76	31,356.93
39,605.22	66,262.81	TOTAL FOOD & BEVERAGE	1,406,266.38	1,343,628.52
		BANQUETS		
551.43	-402.00	03-61-450100 Banquet Room Rental (0361450100)	35,570.88	19,318.75
0.00	0.00	03-61-450200 Rental - Equipment (0361450200)	13,847.61	9,017.40
0.00	0.00	03-61-450300 Rental - Other & Third Party (0361450300)	0.00	2,350.00
551.43	-402.00	TOTAL BANQUET	49,418.49	30,686.15
		ROOMS		
9,328.83	14,844.70	03-51-460100 Rooms - Rack Rate (0351460100)	1,334,508.58	1,598,202.05
9,646.60	22,544.25	03-51-460200 Rooms - Conventions (0351460200)	572,070.99	372,101.37
0.01	530.99	03-51-460300 Rooms - Group Tours (0351460300)	86,987.59	86,653.32
6,820.89	2,581.89	03-51-460400 Rooms - Packages (0351460400)	97,530.45	97,672.60
0.00	447.75	03-51-460500 Rooms - Owners (0351460500)	6,083.00	5,472.00
3,889.20	4,705.75	03-51-460600 Rooms - Time Share (0351460600)	107,834.47	131,948.42
29,685.53	45,655.33	TOTAL ROOM REVENUE	2,205,015.08	2,292,049.76
		ROOMS OTHER		
-956.80	227.90	03-51-460700 Rooms - Phone & Fax & Internet (0351460700)	6,790.36	14,949.10
0.00	-148.40	03-51-460800 Rooms - Meal Plan (0351460800)	-709.52	-2,966.28
0.00	1,398.00	03-51-460900 Rooms - Staff Housing (0351460900)	50,580.93	27,979.34
3,738.99	18,890.11	03-51-461000 Rooms - Misc (0351461000)	34,562.58	82,136.32
0.00	0.00	03-51-461100 Rooms - Ski/Golf Passes (0351461100)	17,819.00	5,338.68
3,194.00	1,028.00	03-51-461200 Rooms - Ski Revenue (0351461200)	6,278.00	17,620.00
5,976.19	21,395.61	TOTAL ROOM OTHER	115,321.35	145,057.16

LAKE OKANAGAN RESORT
SUMMARY INCOME STATEMENT
FOR December 2008

CURRENT ACTUAL	CURRENT LAST YEAR		CURRENT YTD	LAST YTD
		GROCERY		
4,332.24	2,339.45	03-43-470100 Grocery (0343470100)	114,017.22	113,304.27
0.00	0.00	03-43-470200 Specialty Grocery (0343470200)	0.00	0.00
1,357.98	2,015.22	03-43-470300 Cigarettes (0343470300)	49,550.51	45,816.14
3.00	0.00	03-43-470400 Sporting Goods (0343470400)	6,224.12	4,516.66
1,270.26	534.22	03-43-470500 Clothing (0343470500)	42,236.07	39,217.56
112.78	0.00	03-43-470600 Sundry (0343470600)	10,432.95	0.00
64.48	34.36	03-43-470700 Magazines & Books (0343470700)	5,995.95	6,280.17
1,204.36	956.94	03-43-470800 Souvenirs (0343470800)	38,726.09	35,065.24
140.52	198.24	03-43-470900 Movie Rentals (0343470900)	6,233.17	6,944.74
0.00	0.00	03-18-471000 Activity Passes (0318471000)	18,161.82	16,885.05
8,485.62	6,078.43	TOTAL GROCERY	291,577.90	268,029.83
		OTHER REVENUE		
0.00	0.80	03-51-490100 Interest (0351490100)	49.64	7.45
692.25	9,942.22	03-51-490200 Commissions (0351490200)	7,706.27	18,233.84
1,009.51	35,829.49	03-51-490300 Other Revenue (0351490300)	6,197.69	41,535.76
1,701.76	45,772.51	TOTAL OTHER REVENUE	13,953.60	59,777.05
99,591.14	241,064.73	TOTAL REVENUE	5,090,656.61	5,114,266.71
		COST OF SALES		
		FOOD & BEVERAGE		
9,610.70	16,270.31	03-61-540100 Food (0361540100)	356,059.12	360,827.60
662.06	1,490.21	03-61-540200 Beverages & Mix (0361540200)	17,290.62	17,457.46
1,729.09	2,706.99	03-61-540300 Liquor (0361540300)	28,608.25	25,283.57
2,491.09	4,160.72	03-61-540400 Wine (0361540400)	61,215.58	56,783.74
708.78	1,196.79	03-61-540500 Beer (0361540500)	25,884.34	25,366.27
125.50	0.00	03-61-540600 Draft Beer (0361540600)	125.50	1,228.84
298.67	801.84	03-61-540700 Off-Sales (0361540700)	24,321.27	25,342.37
284.27	1,817.00	03-62-590000 Spillage (0362590000)	3,171.49	3,865.54
15,910.16	28,443.86	TOTAL FOOD & BEVERAGE COSTS	516,676.17	516,155.39
		HOTEL		
0.00	1,550.00	03-51-560400 Golf Packages (0351560400)	5,884.00	14,887.77
1,845.00	0.00	03-51-560500 Ski Packages (0351560500)	11,816.00	20,220.62
618.07	27,687.61	03-51-564000 Rooms - Misc (0351564000)	3,829.89	72,307.16
2,463.07	29,237.61	TOTAL HOTEL	21,529.89	107,415.55
		GROCERY		
1,636.11	542.71	03-43-570100 Grocery (0343570100)	79,282.61	67,708.09
0.00	0.00	03-43-570200 Specialty Grocery (0343570200)	0.00	0.00
720.34	1,687.99	03-43-570300 Cigarettes (0343570300)	39,371.56	40,969.94
-96.47	0.00	03-43-570400 Sporting Goods (0343570400)	1,292.72	2,794.14
858.93	261.30	03-43-570500 Clothing (0343570500)	16,367.00	21,492.07
-9.93	126.91	03-43-570600 Sundry (0343570600)	8,413.50	8,630.18
-30.32	589.44	03-43-570700 Magazines & Books (0343570700)	3,884.74	12,309.47
80.53	84.17	03-43-570800 Souvenirs (0343570800)	21,768.76	23,453.75
98.36	604.23	03-43-570900 Movie Rentals (0343570900)	3,728.25	4,599.06
3,257.55	3,896.75	TOTAL GROCERY	174,109.14	181,956.70
21,630.78	61,578.22	TOTAL COST OF SALES	712,315.20	805,527.64
77,960.36	179,486.51	GROSS MARGIN	4,378,341.41	4,308,739.07

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LAKE OKANAGAN RESORT
SUMMARY INCOME STATEMENT
FOR December 2008

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CURRENT ACTUAL	CURRENT LAST YEAR		CURRENT YTD	LAST YTD
		EXPENSES		
		SALARIES		
42,357.65	119,558.77	03-10-710100 Salaries - Full Time (0310710100)	491,567.33	551,629.42
34,939.08	36,893.80	03-10-710300 Wages (Hourly) - Full Time (0310710300)	496,042.75	548,704.08
29,938.78	38,237.53	03-18-710400 Wages(Hourly)- Part Time (0318710400)	1,002,072.42	800,376.34
0.00	500.00	03-42-710500 Wages (Hourly) - Casual (0342710500)	626.36	660.00
0.00	13,447.56	03-42-710700 Commissions & Bonuses (0342710700)	8,853.12	22,626.22
0.00	2,309.43	03-10-710800 Vacation Pay Expense (0310710800)	29,466.22	75,274.17
4,145.84	5,119.33	03-10-712000 CPP Expense (0310712000)	82,062.31	73,500.92
2,316.27	2,889.83	03-10-712100 EI Expense (0310712100)	48,230.73	45,965.53
-376.23	12,919.04	03-10-712200 Medical Insurance (0310712200)	19,877.51	30,546.74
846.19	-604.20	03-10-712300 Worker's Compensation (0310712300)	23,606.37	24,106.48
0.00	492.22	03-42-713000 Assoc & Memberships (0342713000)	3,958.89	2,112.36
0.00	2,700.00	03-42-714000 Training & Development (0342714000)	500.00	7,424.11
0.00	0.00	Taxable Allowances - Cabanas	0.84	0.00
1,250.87	1,482.49	03-42-715000 Staff Meals (0342715000)	32,992.16	29,235.63
0.00	0.00	03-93-715500 Staff Promo (0393715500)	423.07	777.19
2,057.84	418.50	03-42-716000 Staff Appreciation (0342716000)	5,527.49	2,355.62
0.00	500.00	03-42-717000 Recruitment & Selection (0342717000)	7,008.56	4,553.11
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117,476.29	236,864.30	TOTAL EMPLOYEE COSTS	2,252,816.13	2,219,847.92
		DIRECT OPERATING		
5,812.39	3,585.57	03-42-720100 Entertainment - 3rd Party (0342720100)	44,220.50	41,671.66
120.03	2,249.33	03-18-721000 Equipment (0318721000)	12,798.33	29,626.67
284.80	276.78	03-42-721100 Equipment Rental/Lease (0342721100)	4,630.35	4,234.97
32.90	126.80	03-69-721500 Deposit on Containers (0369721500)	4,500.34	4,161.38
16.75	2,098.54	03-42-722000 Guest Supplies (0342722000)	28,325.59	31,112.12
0.00	851.28	03-42-722100 Direct Supplies (0342722100)	194.09	2,070.70
0.00	0.00	03-42-722300 Golf Supplies (0342722300)	0.00	1,431.66
0.00	0.00	03-42-722400 Tennis Supplies (0342722400)	0.00	34.59
433.18	6,922.19	03-42-723000 Linen (0342723000)	31,434.24	46,525.75
-1.08	610.26	03-51-724000 Smallwares (0351724000)	16,146.25	12,845.32
746.52	1,516.13	03-42-725000 Paper Supplies (0342725000)	33,875.47	39,292.72
500.78	2,158.18	03-42-725500 Cleaning Supplies (0342725500)	37,848.38	31,277.29
0.00	0.00	03-42-726000 Laundry & Dry Cleaning (0342726000)	0.00	138.40
0.00	2,152.00	03-42-727000 Printing (0342727000)	4,162.30	5,871.03
0.00	0.00	03-42-727500 Uniforms (0342727500)	7,963.90	9,133.71
0.00	0.00	03-51-728000 Moorage (0351728000)	0.00	260.57
1,089.28	4,936.26	03-42-729000 Misc. Direct Costs (0342729000)	21,731.43	27,000.59
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9,035.55	27,483.32	TOTAL DIRECT OPERATING	247,831.17	286,689.13
		CONTRACTED SERVICES		
50.52	1,445.61	03-93-731000 Legal Fees (0393731000)	19,013.49	2,109.01
2,000.00	10,000.00	03-93-731500 Audit Fees (0393731500)	12,000.00	15,000.00
229.15	353.20	03-93-732000 Payroll Fees (0393732000)	4,943.90	7,147.07
75.00	8,750.00	03-42-733000 Trade Services (0342733000)	104,669.20	98,223.86
15,607.26	63,142.88	03-42-734000 Other Services (0342734000)	177,212.48	183,542.23
0.00	0.00	03-42-735000 Agency Fees (0342735000)	0.00	150.00
0.00	150,000.00	03-93-736000 Consultancy Fees (0393736000)	1,252.20	150,000.00
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17,961.93	233,691.69	TOTAL CONTRACTED SERVICES	319,091.27	456,172.17

LAKE OKANAGAN RESORT
SUMMARY INCOME STATEMENT
FOR December 2008

CURRENT ACTUAL	CURRENT LAST YEAR		CURRENT YTD	LAST YTD
		REPAIRS & MAINTENANCE		
-23.81	-1,793.60	03-71-741000 General Repairs (0371741000)	17,366.36	24,208.98
2,296.13	35,370.06	03-71-741100 Building Repairs (0371741100)	41,773.56	83,756.98
0.00	1,455.00	03-71-741200 Equipment Repairs (0371741200)	12,971.79	35,598.03
0.00	0.00	03-71-741400 Portable Radio Equipment (0371741400)	0.00	1,931.23
511.87	1,023.14	03-71-741500 Motor Vehicle Lease (0371741500)	8,519.02	5,277.45
8,826.69	0.00	Vehicle Fuel Maintenance	41,262.46	0.00
0.00	2,032.10	03-71-741700 Motor Vehicle Repairs & Maintenance (0371741700)	24,345.52	32,800.35
62.90	2,641.97	03-71-742000 Maintenance Supplies (0371742000)	30,486.53	36,103.39
0.00	0.00	03-71-743000 Tools (0371743000)	0.00	558.12
0.00	80.49	03-71-744000 Painting & Decorating (0371744000)	4,722.90	1,922.78
0.00	0.00	03-71-744500 Lighting Repairs (0371744500)	0.00	753.97
5,144.71	7,205.57	03-71-745000 Grounds & Landscaping (0371745000)	58,655.87	60,871.94
0.00	0.00	03-71-746000 Plumbing & Mechanical (0371746000)	458.01	1,339.84
0.00	0.00	03-71-746500 Electrical Repairs (0371746500)	0.00	11,938.36
533.12	265.42	03-71-747000 Pest Control (0371747000)	5,383.62	3,265.26
653.93	2,497.83	03-71-748000 Pool Maintenance & Repairs (0371748000)	23,494.02	29,086.02
0.00	232.31	03-71-748500 First Aid & Safety (0371748500)	1,503.61	5,269.77
22.44	71.53	03-71-749000 Misc. Repairs & Maintenance (0371749000)	3,082.70	8,055.75
18,027.98	51,081.82	TOTAL REPAIRS & MAINTENANCE	274,025.97	342,738.22
		ADMINISTRATION & OFFICE		
481.04	1,233.47	03-51-751000 Office Supplies (0351751000)	13,584.41	9,050.98
229.19	534.36	03-93-752000 Dues & Subscriptions (0393752000)	3,520.26	3,359.09
2,559.91	1,863.25	03-93-753000 Credit Card Commissions (0393753000)	72,122.43	69,266.39
258.01	36,693.34	03-93-753100 Interest & Penalty Charges (0393753100)	2,739.92	43,563.53
287.79	465.51	03-93-753200 Bank Service Charges (0393753200)	2,924.51	4,517.75
925.43	388.12	03-93-754000 Postage & Shipping (0393754000)	8,225.54	6,952.34
95.97	629.64	03-93-755000 Photocopying (0393755000)	5,245.46	5,552.04
1,433.80	0.00	03-93-756000 Stationary (0393756000)	1,433.80	1,234.78
2,222.64	1,063.90	03-93-756500 Office Equipment Lease/Rental (0393756500)	13,421.69	12,794.52
364.09	1,120.84	03-51-756900 Travel Agent Commissions (0351756900)	15,321.01	18,865.86
0.00	0.00	03-51-757000 Travel - Accommodations (0351757000)	188.63	1,252.37
0.00	37,088.46	03-51-757100 Travel - Air/Car/Mileage (0351757100)	4,457.40	5,987.57
0.00	0.00	03-93-757200 Travel - Meals (0393757200)	259.70	1,089.97
0.00	0.00	03-93-757400 Computer Supplies (0393757400)	3,076.30	812.27
0.00	0.00	03-93-757500 Computer Software (0393757500)	17,253.84	3,204.40
1,046.30	1,669.98	03-93-758000 License & Permits (0393758000)	9,518.59	15,035.42
117.41	0.00	03-93-759000 General & Misc. Administration (0393759000)	1,186.64	75.19
10,021.58	82,750.87	TOTAL ADMIN & OFFICE	174,480.13	202,614.47
		MARKETING		
2,055.00	992.90	03-82-760100 Advertising - General (0382760100)	38,358.21	18,069.07
625.00	2,732.28	03-82-760200 Advertising - Newspaper/Magazines (0382760200)	48,626.14	30,309.59
2,393.47	-823.90	03-82-760300 Advertising - Other Media (0382760300)	28,148.86	28,280.94
2,300.00	1,050.00	03-82-761000 Billboard Signage (0382761000)	20,116.00	16,737.00
125.00	0.00	03-82-762000 Directories (0382762000)	1,884.62	9,909.27
50.00	0.00	03-82-762500 Ad Production (0382762500)	138.00	1,823.09
-823.80	897.53	03-82-763000 Other Promotions (0382763000)	194.16	3,445.13
0.00	0.00	03-82-764000 External Entertainment (0382764000)	0.00	225.25
0.00	0.00	03-82-765000 Association & Membership Dues (0382765000)	1,419.00	4,491.97
595.00	0.00	03-82-766000 Trade Shows (0382766000)	6,304.63	16,234.52
0.00	427.48	03-82-767000 Travel - Accommodations (0382767000)	1,654.38	3,415.35
22.03	201.60	03-82-767100 Travel - Air/Car/Milage (0382767100)	34,927.54	25,702.82
0.00	0.00	03-82-767200 Travel - Meals (0382767200)	28.22	1,620.73
0.00	0.00	03-82-767500 Printed Material (0382767500)	0.00	2,929.63
0.00	0.00	03-82-768000 Web Site (0382768000)	0.00	2,250.00
0.00	0.00	03-82-769000 Other Marketing (0382769000)	0.00	200.00
7,341.70	5,477.89	TOTAL MARKETING	181,799.76	165,644.36

LAKE OKANAGAN RESORT
SUMMARY INCOME STATEMENT
FOR December 2008

CURRENT ACTUAL	CURRENT LAST YEAR		CURRENT YTD	LAST YTD
		UTILITIES		
8,076.59	8,936.88	03-71-811000 Propane (0371811000)	97,535.45	118,064.48
1,324.03	2,676.67	03-51-812000 Cablevision (0351812000)	15,933.26	14,689.74
1,862.62	2,975.25	03-71-813000 Garbage Removal (0371813000)	24,538.74	35,753.19
829.00	0.00	03-71-814000 Waste/Sewer Removal (0371814000)	12,411.01	9,170.81
0.00	0.00	03-71-814500 Sewer Plant - Lakeside (0371814500)	316.45	137.53
0.00	266.00	03-71-815000 Water (0371815000)	4,273.13	5,363.49
21,795.21	7,059.03	03-71-816000 Electricity (0371816000)	214,529.94	216,014.05
1,767.31	47,300.97	03-51-817000 Telephone (Land) & Fax (0351817000)	33,072.23	33,679.59
923.72	2,804.60	03-51-817100 Telephone (Cell) (0351817100)	14,218.43	17,438.01
2,974.67	2,810.80	03-93-818000 Internet Expense (0393818000)	32,091.34	29,868.72
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39,553.15	74,830.20	TOTAL UTILITIES	448,919.98	480,179.61
		OVERHEAD		
8,106.00	7,909.30	03-10-893500 Management Fees (0310893500)	179,440.21	161,877.30
3,157.48	0.00	03-93-894000 Bad Debts Expense (0393894000)	3,244.28	2,693.02
-430.00	946.32	03-93-895000 Cash Over / Short (0393895000)	-1,136.66	0.00
0.00	0.00	03-93-896000 Donations (0393896000)	0.00	1,500.00
0.00	0.00	03-93-897000 Foreign Exchange Gain /Loss (0393897000)	-381.82	968.06
47,162.50	79,160.48	03-93-898000 Option / Rental / Leases (0393898000)	185,952.49	276,817.06
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57,995.98	88,016.10	TOTAL OVERHEAD	367,118.50	443,855.44
277,414.16	800,196.19	TOTAL EXPENSES	4,266,082.91	4,306,741.32
-199,453.80	-620,709.68	NET INCOME BEFORE FIXED CHARGES	112,258.50	1,997.75
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		FIXED CHARGES		
10,628.32	7,327.71	Property Taxes	127,539.62	87,932.96
5,811.29	5,094.23	Insurance	66,085.37	55,799.72
24,623.67	18,056.45	Amortization	253,624.22	184,736.25
30,666.67	30,666.67	Head Office Recovery	368,000.04	368,000.04
60,878.14	50,522.63	Interest Intercompany	675,299.54	546,079.01
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132,608.09	111,667.69	TOTAL FIXED CHARGES	1,490,548.79	1,242,547.98
-332,061.89	-701,710.70	NET INCOME AFTER FIXED CHARGES	-1,378,290.29	-1,240,550.23

LAKE OKANAGAN RESORT (2001) LTD.

BALANCE SHEET
JANUARY 31, 2009

	CURRENT MONTH	LAST YTD
ASSETS		
CASH		
-00-101000 Petty Cash (0100101000)	8,800.00	9,100.00
00-103600 LOR - BMO Operations (0300103600)	57,140.92	233,152.34
-00-103700 LOR - Scotiabank (0300103700)	0.00	97.15
-00-103800 BMO Management Fee Account (030010380	333.67	373.25
-00-103900 BMO ATM Account (0300103900)	8,213.89	7,214.90
01-00-114100 Clearing - Cash (0100114100)	720.00	0.00
01-00-115100 POS Clearing (0100115100)	0.00	12.17

TOTAL CASH	75,208.48	249,949.81
INVESTMENTS		

TOTAL INVESTMENTS	0.00	0.00
ACCOUNTS RECEIVABLE		
01-00-120000 Accounts Receivable - Trade (0100120000)	158,548.02	105,456.81
01-00-120500 A/R - Guest Ledger (0100120500)	-2,022.95	5,445.57
01-00-120800 A/R - House Ledger (0100120800)	50,501.79	37,745.70
01-00-120900 Allowance - Doubtful Accounts (0100120900)	-4,640.42	-4,640.42
01-00-121100 A/R - General (0100121100)	-3,279.07	-203.84
01-00-121900 A/R - Magenta (0100121900)	94,480.92	94,480.92
01-00-122000 A/R - FRP Mini Vacations (0100122000)	32,393.23	122,767.65
01-00-124500 A/R - Payroll Advances (0100124500)	91.00	0.00
01-00-125000 A/R - FRP (0100125000)	-8,432,341.86	-8,097,343.43
01-00-125300 A/R - LORV Developer (0100125300)	291,203.36	64,615.63
01-00-125400 A/R - LORV Leaseholders (0100125400)	-792,584.68	-574,320.27
03-00-128500 A/R - LORV HB (0300128500)	16,823.84	16,823.84

TOTAL ACCOUNTS RECEIVABLE	-8,590,826.82	-8,229,171.84
PREPAID EXPENSES		
01-00-131000 Prepaid Expenses (0100131000)	9,473.06	2,825.89
01-00-132000 Security Deposits (0100132000)	236,140.00	236,140.00

TOTAL PREPAID EXPENSES	245,613.06	238,965.89
ADVANCES		

TOTAL ADVANCES	0.00	0.00
INVENTORY		
01-00-150000 Inventory - Retail (0100150000)	66,269.98	35,238.13
01-00-150100 Inventory - Grocery (0100150100)	8,812.05	3,339.82
01-00-150200 Inventory - Food (0100150200)	36,994.58	37,081.15
01-00-150300 Inventory - Liquor (0100150300)	4,832.16	7,363.89
01-00-150400 Inventory - Wine (0100150400)	9,250.99	18,859.52
01-00-150500 Inventory - Beer (0100150500)	851.95	2,438.89
01-00-150600 Inventory - Draft (0100150600)	0.00	125.50
01-00-150700 Inventory - Off-Sales (0100150700)	66.18	0.00
01-00-150800 Inventory - Beverages (0100150800)	2,299.78	2,454.19

TOTAL INVENTORY	129,377.67	106,901.09

LAKE OKANAGAN RESORT (2001) LTD.

BALANCE SHEET
JANUARY 31, 2009

LONG-TERM INVESTMENTS		
01-00-160000 Long Term Investments (0100160000)	1.00	1.00
03-00-161500 Cash - Lawyer Trust Account (0300161500)	595,823.28	595,823.28

TOTAL LONG-TERM INVESTMENTS	595,824.28	595,824.28
DEFERRED COSTS		
01-00-171000 Deferred Reno Costs (0100171000)	106,235.98	135,620.89

TOTAL DEFERRED COSTS	106,235.98	135,620.89
CAPITAL LEASES		

TOTAL CAPITAL LEASES	0.00	0.00
FIXED ASSETS		
01-00-181000 Land (0100181000)	977,170.00	977,170.00
01-00-181100 Capital Projects (0100181100)	315,360.00	2,188,177.38
01-00-182000 F/A - Roads & Parking (0100182000)	156,544.00	156,544.00
01-00-183100 Recreation Centre (0100183100)	2,988,510.93	2,956,778.84
03-00-186400 F/A - Marina (0300186400)	41,841.99	41,841.99
03-00-186500 F/A - Reservoir (0300186500)	1,794,522.83	0.00
01-00-188000 Computers (0100188000)	151,398.63	151,398.63
01-00-188100 Vehicles (0100188100)	133,392.45	133,392.45
01-00-188300 Software (0100188300)	24,926.25	24,926.25
01-00-188600 Equipment (0100188600)	1,145,305.63	1,046,157.24
03-00-192000 Acc Amort - Roads & Parking (0300192000)	-93,481.70	-86,409.28
01-00-195900 Acc Amort - Buildings (0100195900)	-496,863.65	-433,436.58
03-00-196400 Acc Amort - Marina (0300196400)	-18,820.41	-8,760.60
03-00-1965-00 Acc Amort - Reservoir	-41,872.18	0.00
01-00-198000 Acc Amort - Computers (0100198000)	-102,051.18	-89,451.80
01-00-198100 Acc Amort - Vehicles (0100198100)	-91,884.36	-81,441.09
01-00-198300 Acc Amort - Software (0100198300)	-9,010.71	-4,976.22
01-00-198600 Acc Amort - Equipment (0100198600)	-798,199.40	-715,133.64

TOTAL FIXED ASSETS	6,076,789.12	6,256,777.57
TOTAL ASSETS	-1,361,778.23	-645,132.31
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LIABILITIES		
ACCOUNTS PAYABLE		
01-00-210000 Accounts Payable (0100210000)	275,959.54	285,898.83
01-00-212100 A/P - Spa (0100212100)	3,087.45	1,549.43
01-00-212200 A/P - Marina (0100212200)	110.21	0.00
01-00-212300 A/P - Stables (0100212300)	2,214.72	0.00

TOTAL ACCOUNTS PAYABLE	281,371.92	287,448.26
OTHER PAYABLE		
01-00-231000 GST ITC (0100231000)	-5,473.24	-4,119.27
01-00-232000 GST Collected on Sales (0100232000)	3,524.46	4,013.79
01-00-233000 PST S.S.T. (0100233000)	1,023.93	1,393.78
01-00-235000 HST - Hotel (0100235000)	943.67	1,200.23

TOTAL OTHER PAYABLES	18.82	2,488.53

LAKE OKANAGAN RESORT (2001) LTD.

BALANCE SHEET

JANUARY 31, 2009

	WAGES PAYABLE	
01-00-241000 Wages Payable (0100241000)	53,385.86	57,510.46
01-00-242000 Gratuities Payable (0100242000)	8,138.26	6,215.35
01-00-243200 Accrued Vacation Pay (0100243200)	43,482.77	46,752.07
01-00-243400 Workers Compensation Payable (0100243400)	3,295.61	1,436.67

TOTAL WAGES PAYABLE	108,302.50	111,914.55
	ACCRUED LIABILITIES	
01-00-251000 Accrued Liabilities (0100251000)	58,829.37	75,856.19
01-00-251500 Accrued Property Tax (0100251500)	0.00	7,500.00

TOTAL ACCRUED LIABILITIES	58,829.37	83,356.19
	UNEARNED REVENUE	
01-00-252000 Advance Deposits (0100252000)	155,937.91	178,473.64
01-00-252700 Damage Deposit (0100252700)	4,710.85	5,914.11
01-00-253000 Gift Certificates (0100253000)	17,731.35	11,984.40
01-00-254000 Unearned Revenue (0100254000)	0.00	-1,445.43

TOTAL UNEARNED REVENUE	178,380.11	194,926.72
	LONG-TERM LIABILITIES	
03-00-260500 Mortgage VTB (0300260500)	475,572.45	475,572.45
01-00-261000 Loan Payable - Other (0100261000)	1,779,508.20	1,018,289.13
03-00-266500 Interest Payable - FRP (0300266500)	735,774.01	749,044.54

TOTAL LONG-TERM LIABILITIES	2,990,854.66	2,242,906.12
TOTAL LIABILITIES	3,617,757.38	2,923,040.37
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	EQUITY	
	RETAINED EARNINGS	
01-00-310000 Capital Stock (0100310000)	100.00	100.00
01-00-320000 Retained Earnings (0100320000)	-4,719,706.43	-3,325,020.47
01-00-330000 Income for Year (0100330000)	-259,929.18	-243,252.21

TOTAL RETAINED EARNINGS	-4,979,535.61	-3,568,172.68
TOTAL LIABILITIES & EARNINGS	-1,361,778.23	-645,132.31
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LAKE OKANAGAN RESORT (2001) LTD.

INCOME STATEMENT
MONTH ENDED JANUARY 31, 2009

CURRENT ACTUAL	CURRENT LAST YEAR		CURRENT YTD	LAST YTD
		FEES		
10,778.00	9,996.00	03-10-420300 Fees - Maintenance (03-10-420300) (03	10,778.00	9,996.00
5,226.00	4,083.00	03-10-420600 Fees - Management (0310420600)	5,226.00	4,083.00
21,710.83	17,964.69	19-420800 Fees - Strata (0319420800)	21,710.83	17,964.69
0.00	50.00	03-51-421000 Fees - Moorage (0351421000)	0.00	50.00
5,499.56	11,022.76	03-51-421200 Fees - Other (0351421200)	5,499.56	11,022.76
43,214.39	43,116.45	TOTAL FEES	43,214.39	43,116.45
		GOLF FEES		
0.00	19.59	03-42-430400 Fees - Golf Green (0342430400)	0.00	19.59
0.00	19.59	TOTAL GOLF FEES	0.00	19.59
		FOOD & BEVERAGE		
8,960.85	12,710.99	03-61-440100 Food (0361440100)	8,960.85	12,710.99
41.10	63.82	03-61-440200 Beverage & Mix (0361440200)	41.10	63.82
859.32	968.21	03-61-440300 Liquor (0361440300)	859.32	968.21
1,353.69	1,444.27	03-61-440400 Wine (0361440400)	1,353.69	1,444.27
505.71	461.10	03-61-440500 Beer (0361440500)	505.71	461.10
341.04	414.70	03-61-440700 Off-Sales (0361440700)	341.04	414.70
12,061.71	16,063.09	TOTAL FOOD & BEVERAGE	12,061.71	16,063.09
		BANQUETS		
400.00	0.00	03-61-450100 Banquet Room Rental (0361450100)	400.00	0.00
50.00	450.00	03-61-450200 Rental - Equipment (0361450200)	50.00	450.00
450.00	450.00	TOTAL BANQUET	450.00	450.00
		ROOMS		
5,277.41	5,690.49	03-51-460100 Rooms - Rack Rate (0351460100)	5,277.41	5,690.49
2,016.00	1,494.00	03-51-460200 Rooms - Conventions (0351460200)	2,016.00	1,494.00
112.50	72.63	03-51-460300 Rooms - Group Tours (0351460300)	112.50	72.63
4,865.96	6,864.99	03-51-460400 Rooms - Packages (0351460400)	4,865.96	6,864.99
0.00	49.75	03-51-460500 Rooms - Owners (0351460500)	0.00	49.75
1,044.75	1,939.49	03-51-460600 Rooms - Time Share (0351460600)	1,044.75	1,939.49
13,316.62	16,111.35	TOTAL ROOM REVENUE	13,316.62	16,111.35
		ROOMS OTHER		
238.16	706.74	03-51-460700 Rooms - Phone & Fax & Internet (0351460700)	238.16	706.74
387.00	810.00	03-51-460900 Rooms - Staff Housing (0351460900)	387.00	810.00
1,814.70	1,100.18	03-51-461000 Rooms - Misc (0351461000)	1,814.70	1,100.18
1,728.00	3,084.00	03-51-461200 Rooms - Ski Revenue (0351461200)	1,728.00	3,084.00
4,167.86	5,700.92	TOTAL ROOM OTHER	4,167.86	5,700.92
		GROCERY		
2,372.20	1,612.47	03-43-470100 Grocery (0343470100)	2,372.20	1,612.47
855.98	1,287.77	03-43-470300 Cigarettes (0343470300)	855.98	1,287.77
2.00	0.00	03-43-470400 Sporting Goods (0343470400)	2.00	0.00
776.74	500.87	03-43-470500 Clothing (0343470500)	776.74	500.87
151.00	0.00	03-43-470600 Sundry (0343470600)	151.00	0.00
140.75	20.02	03-43-470700 Magazines & Books (0343470700)	140.75	20.02
658.86	464.00	03-43-470800 Souvenirs (0343470800)	658.86	464.00
142.20	102.66	03-43-470900 Movie Rentals (0343470900)	142.20	102.66
5,099.73	3,987.79	TOTAL GROCERY	5,099.73	3,987.79
		OTHER REVENUE		
455.75	494.98	03-51-490200 Commissions (0351490200)	455.75	494.98
135.03	44.09	03-51-490300 Other Revenue (0351490300)	135.03	44.09
590.78	539.07	TOTAL OTHER REVENUE	590.78	539.07
78,901.09	85,988.26	TOTAL REVENUE	78,901.09	85,988.26
		COST OF SALES		
		FOOD & BEVERAGE		
2,293.09	4,266.60	03-61-540100 Food (0361540100)	2,293.09	4,266.60
449.28	141.52	03-61-540200 Beverages & Mix (0361540200)	449.28	141.52
151.63	186.35	03-61-540300 Liquor (0361540300)	151.63	186.35
802.97	960.35	03-61-540400 Wine (0361540400)	802.97	960.35
55.12	152.77	03-61-540500 Beer (0361540500)	55.12	152.77
249.26	316.82	03-61-540700 Off-Sales (0361540700)	249.26	316.82
43.63	0.00	03-62-590000 Spillage (0362590000)	43.63	0.00
4,044.98	6,024.41	TOTAL FOOD & BEVERAGE COSTS	4,044.98	6,024.41

LAKE OKANAGAN RESORT (2001) LTD.

INCOME STATEMENT
MONTH ENDED JANUARY 31, 2009

		HOTEL		
974.00	785.00	03-51-560500 Ski Packages (0351560500)	974.00	785.00
161.53	-202.64	03-51-564000 Rooms - Misc (0351564000)	161.53	-202.64
1,135.53	582.36	TOTAL HOTEL	1,135.53	582.36
		GROCERY		
909.47	897.29	03-43-570100 Grocery (0343570100)	909.47	897.29
888.69	1,285.16	03-43-570300 Cigarettes (0343570300)	888.69	1,285.16
0.47	0.00	03-43-570400 Sporting Goods (0343570400)	0.47	0.00
-190.33	-285.10	03-43-570500 Clothing (0343570500)	-190.33	-285.10
15.11	187.69	03-43-570600 Sundry (0343570600)	15.11	187.69
0.00	-825.99	03-43-570700 Magazines & Books (0343570700)	0.00	-825.99
1,034.01	-1,373.15	03-43-570800 Souvenirs (0343570800)	1,034.01	-1,373.15
99.54	71.86	03-43-570900 Movie Rentals (0343570900)	99.54	71.86
2,756.96	-42.24	TOTAL GROCERY	2,756.96	-42.24
7,937.47	6,564.53	TOTAL COST OF SALES	7,937.47	6,564.53
70,963.62	79,423.73	GROSS MARGIN	70,963.62	79,423.73
		EXPENSES		
		SALARIES		
38,807.18	35,112.32	03-10-710100 Salaries - Full Time (0310710100)	38,807.18	35,112.32
33,911.04	35,728.07	03-10-710300 Wages (Hourly) - Full Time (0310710300)	33,911.04	35,728.07
22,033.14	24,578.37	03-18-710400 Wages(Hourly)- Part Time (0318710400)	22,033.14	24,578.37
0.00	75.00	03-42-710500 Wages (Hourly) - Casual (0342710500)	0.00	75.00
4,132.55	4,615.90	03-10-710800 Vacation Pay Expense (0310710800)	4,132.55	4,615.90
4,629.28	4,671.31	03-10-712000 CPP Expense (0310712000)	4,629.28	4,671.31
2,503.72	2,675.13	03-10-712100 EI Expense (0310712100)	2,503.72	2,675.13
4,940.76	1,919.04	03-10-712200 Medical Insurance (0310712200)	4,940.76	1,919.04
1,199.15	1,436.67	03-10-712300 Worker's Compensation (0310712300)	1,199.15	1,436.67
322.50	609.72	03-42-713000 Assoc & Memberships (0342713000)	322.50	609.72
353.00	1,666.81	03-42-715000 Staff Meals (0342715000)	353.00	1,666.81
410.33	0.00	03-42-716000 Staff Appreciation (0342716000)	410.33	0.00
113,242.65	113,088.34	TOTAL EMPLOYEE COSTS	113,242.65	113,088.34
		DIRECT OPERATING		
240.16	793.91	03-42-720100 Entertainment - 3rd Party (0342720100)	240.16	793.91
62.16	201.16	03-18-721000 Equipment (0318721000)	62.16	201.16
307.24	276.78	03-42-721100 Equipment Rental/Lease (0342721100)	307.24	276.78
-329.79	-12.00	03-69-721500 Deposit on Containers (0369721500)	-329.79	-12.00
584.26	36.94	03-42-722000 Guest Supplies (0342722000)	584.26	36.94
846.00	250.85	03-42-723000 Linen (0342723000)	846.00	250.85
0.00	-3.15	03-51-724000 Smallwares (0351724000)	0.00	-3.15
951.77	908.99	03-42-725000 Paper Supplies (0342725000)	951.77	908.99
273.35	773.67	03-42-725500 Cleaning Supplies (0342725500)	273.35	773.67
0.00	350.00	03-42-727000 Printing (0342727000)	0.00	350.00
36.99	0.00	03-42-727500 Uniforms (0342727500)	36.99	0.00
179.46	1,905.15	03-42-729000 Misc. Direct Costs (0342729000)	179.46	1,905.15
3,151.60	5,482.30	TOTAL DIRECT OPERATING	3,151.60	5,482.30
		CONTRACTED SERVICES		
188.90	292.85	03-93-732000 Payroll Fees (0393732000)	188.90	292.85
1,315.51	690.00	03-42-733000 Trade Services (0342733000)	1,315.51	690.00
15,607.26	11,778.92	03-42-734000 Other Services (0342734000)	15,607.26	11,778.92
17,111.67	12,761.77	TOTAL CONTRACTED SERVICES	17,111.67	12,761.77
		REPAIRS & MAINTENANCE		
0.00	1,424.88	03-71-741000 General Repairs (0371741000)	0.00	1,424.88
784.59	1,318.88	03-71-741100 Building Repairs (0371741100)	784.59	1,318.88
0.00	-432.60	03-71-741200 Equipment Repairs (0371741200)	0.00	-432.60
511.87	511.88	03-71-741500 Motor Vehicle Lease (0371741500)	511.87	511.88
796.04	1,154.31	03-71-741700 Motor Vehicle Repairs & Maintenance (0371741700)	796.04	1,154.31
1,479.64	541.20	03-71-742000 Maintenance Supplies (0371742000)	1,479.64	541.20
170.35	0.00	03-71-744000 Painting & Decorating (0371744000)	170.35	0.00
0.00	1,721.65	03-71-745000 Grounds & Landscaping (0371745000)	0.00	1,721.65
533.12	0.00	03-71-747000 Pest Control (0371747000)	533.12	0.00
786.47	-983.80	03-71-748000 Pool Maintenance & Repairs (0371748000)	786.47	-983.80
-22.44	997.27	03-71-749000 Misc. Repairs & Maintenance (0371749000)	-22.44	997.27
5,039.64	6,253.67	TOTAL REPAIRS & MAINTENANCE	5,039.64	6,253.67

LAKE OKANAGAN RESORT (2001) LTD.

INCOME STATEMENT
MONTH ENDED JANUARY 31, 2009

		ADMINISTRATION & OFFICE
880.67	581.09	03-51-751000 Office Supplies (0351751000)
88.51	376.00	03-93-752000 Dues & Subscriptions (0393752000)
1,863.97	-2,504.86	03-93-753000 Credit Card Commissions (0393753000)
3,607.48	265.37	03-93-753100 Interest & Penalty Charges (0393753100)
321.72	298.87	03-93-753200 Bank Service Charges (0393753200)
507.76	1,071.59	03-93-754000 Postage & Shipping (0393754000)
320.98	486.13	03-93-755000 Photocopying (0393755000)
1,013.98	1,064.53	03-93-756500 Office Equipment Lease/Rental (0393756500)
1,786.70	986.10	03-51-756900 Travel Agent Commissions (0351756900)
0.00	88.68	03-51-757100 Travel - Air/Car/Mileage (0351757100)
94.99	0.00	03-93-757400 Computer Supplies (0393757400)
2,141.97	0.00	03-93-758000 License & Permits (0393758000)
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12,628.73	2,713.50	TOTAL ADMIN & OFFICE
		MARKETING
2,106.00	2,236.03	03-82-760100 Advertising - General (0382760100)
5,965.00	5,035.00	03-82-760200 Advertising - Newspaper/Magazines (0382760200)
1,950.00	2,103.50	03-82-760300 Advertising - Other Media (0382760300)
1,350.00	400.00	03-82-761000 Billboard Signage (0382761000)
300.00	0.00	03-82-762000 Directories (0382762000)
64.00	0.00	03-82-762500 Ad Production (0382762500)
55.00	33.39	03-82-763000 Other Promotions (0382763000)
700.00	0.00	03-82-766000 Trade Shows (0382766000)
782.64	1,860.80	03-82-767100 Travel - Air/Car/Milage (0382767100)
80.59	0.00	03-82-767200 Travel - Meals (0382767200)
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13,353.23	11,668.72	TOTAL MARKETING
		UTILITIES
1,905.44	8,795.40	03-71-811000 Propane (0371811000)
1,324.03	1,324.03	03-51-812000 Cablevision (0351812000)
627.71	0.00	03-71-814000 Waste/Sewer Removal (0371814000)
75.69	0.00	03-71-814500 Sewer Plant - Lakeside (0371814500)
0.00	1,826.65	03-71-815000 Water (0371815000)
16,913.69	42,352.65	03-71-816000 Electricity (0371816000)
2,384.17	2,480.73	03-51-817000 Telephone (Land) & Fax (0351817000)
991.18	837.41	03-51-817100 Telephone (Cell) (0351817100)
2,974.67	2,810.45	03-93-818000 Internet Expense (0393818000)
------------	------------	
27,196.58	60,427.32	TOTAL UTILITIES
		OVERHEAD
5,226.00	5,473.99	03-10-893500 Management Fees (0310893500)
330.17	-236.48	03-93-895000 Cash Over / Short (0393895000)
1,414.45	-6,579.55	03-93-898000 Option / Rental / Leases (0393898000)
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6,970.62	-1,342.04	TOTAL OVERHEAD
198,694.72	211,053.58	TOTAL EXPENSES
-127,731.10	-131,629.85	NET INCOME BEFORE FIXED CHARGES
==============	==============	
		FIXED CHARGES
10,628.32	7,500.00	Property Taxes
5,811.28	4,455.77	Insurance
24,509.52	16,174.45	Amortization
30,666.67	30,666.67	Head Office Recovery
60,582.29	52,825.47	Interest Intercompany
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132,198.08	111,622.36	TOTAL FIXED CHARGES
-259,929.18	-243,252.21	NET INCOME AFTER FIXED CHARGES

880.67	581.09
88.51	376.00
1,863.97	-2,504.86
3,607.48	265.37
321.72	298.87
507.76	1,071.59
320.98	486.13
1,013.98	1,064.53
1,786.70	986.10
0.00	88.68
94.99	0.00
2,141.97	0.00
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12,628.73	2,713.50
2,106.00	2,236.03
5,965.00	5,035.00
1,950.00	2,103.50
1,350.00	400.00
300.00	0.00
64.00	0.00
55.00	33.39
700.00	0.00
782.64	1,860.80
80.59	0.00
------------	------------
13,353.23	11,668.72
1,905.44	8,795.40
1,324.03	1,324.03
627.71	0.00
75.69	0.00
0.00	1,826.65
16,913.69	42,352.65
2,384.17	2,480.73
991.18	837.41
2,974.67	2,810.45
------------	------------
27,196.58	60,427.32
5,226.00	5,473.99
330.17	-236.48
1,414.45	-6,579.55
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6,970.62	-1,342.04
198,694.72	211,053.58
-127,731.10	-131,629.85
==============	==============
10,628.32	7,500.00
5,811.28	4,455.77
24,509.52	16,174.45
30,666.67	30,666.67
60,582.29	52,825.47
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132,198.08	111,622.36
-259,929.18	-243,252.21

LAKE OKANAGAN
RESORT VACATION
BALANCE SHEET
FOR December 2008
STATED IN CDN$

	CURRENT MONTH	LAST YTD
ASSETS		
CASH		
-00-102100 CIBC - Operating (0100102100)	10,852.64	-10,141.09
	---------------	---------------
TOTAL CASH	10,852.64	-10,141.09
INVESTMENTS		
	---------------	---------------
TOTAL INVESTMENTS	0.00	0.00
ACCOUNTS RECEIVABLE		
04-00-120600 LORV 30-60-90 Contracts (0400120600)	288,931.99	713,023.35
01-00-121100 A/R - General (0100121100)	169,224.15	0.00
01-00-124500 A/R - Payroll Advances (0100124500)	400.00	0.00
01-00-124600 A/R - Travel Advance (0100124600)	1,000.00	0.00
01-00-125000 A/R - FRP (0100125000)	-10,890,694.74	-4,702,359.47
01-00-125200 A/R - LOR (0100125200)	-283,322.57	-58,458.54
	---------------	---------------
TOTAL ACCOUNTS RECEIVABLE	-10,714,461.17	-4,047,794.66
PREPAID EXPENSES		
01-00-131000 Prepaid Expenses (0100131000)	12,253.91	0.00
01-00-132000 Security Deposits (0100132000)	136,586.88	136,586.88
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TOTAL PREPAID EXPENSES	148,840.79	136,586.88
ADVANCES		
	---------------	---------------
TOTAL ADVANCES	0.00	0.00
INVENTORY		
	---------------	---------------
TOTAL INVENTORY	0.00	0.00
LONG-TERM INVESTMENTS		
04-00-161100 LORV Long Term Contracts (0400161100)	1,122,795.43	950,737.97
	---------------	---------------
TOTAL LONG-TERM INVESTMENTS	1,122,795.43	950,737.97
DEFERRED COSTS		
	---------------	---------------
TOTAL DEFERRED COSTS	0.00	0.00
CAPITAL LEASES		
	---------------	---------------
TOTAL CAPITAL LEASES	0.00	0.00
FIXED ASSETS		
04-00-180900 Land (0400180900)	2,271,147.81	2,271,147.81
04-00-185400 Buildings - LORV (0400185400)	3,228,746.16	3,228,746.16
04-00-185500 Pointe Beach Building (0400185500)	7,519,515.11	7,391,446.81
04-00-185600 2000 Building - LORV (0400185600)	7,537,318.45	530,659.30
04-00-188700 Houseboat Rights (0400188700)	136,805.00	136,805.00
01-00-188100 Vehicles (0100188100)	87,274.86	87,274.86
01-00-188600 Equipment (0100188600)	1,698,434.32	1,695,070.81
01-00-195900 Acc Amort - Buildings (0100195900)	-2,305,482.91	-1,945,482.91
	---------------	---------------
TOTAL FIXED ASSETS	20,173,758.80	13,395,667.84
TOTAL ASSETS	10,741,786.49	10,425,056.94
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LAKE OKANAGAN
RESORT VACATION
BALANCE SHEET
FOR December 2008
STATED IN CDN$

	CURRENT MONTH	LAST YTD
LIABILITIES		
ACCOUNTS PAYABLE		
01-00-210000 Accounts Payable (0100210000)	634,250.67	551,967.76
01-00-217000 Construction Holdback (0100217000)	53,735.00	0.00
TOTAL ACCOUNTS PAYABLE	687,985.67	551,967.76
OTHER PAYABLE		
01-00-231000 GST ITC (0100231000)	-123.84	-33,275.17
01-00-232000 GST Collected on Sales (0100232000)	1,971.43	6,092.12
TOTAL OTHER PAYABLES	1,847.59	-27,183.05
WAGES PAYABLE		
01-00-241000 Wages Payable (0100241000)	11,011.33	25,967.21
01-00-241800 Payroll Withholding Tax Payable (0100241800)	4,202.04	12,684.83
01-00-243200 Accrued Vacation Pay (0100243200)	9,600.73	796.76
TOTAL WAGES PAYABLE	24,814.10	39,448.80
ACCRUED LIABILITIES		
TOTAL ACCRUED LIABILITIES	0.00	0.00
UNEARNED REVENUE		
04-00-255200 Deferred Leases - LORV (0400255200)	11,558,133.77	11,558,133.77
TOTAL UNEARNED REVENUE	11,558,133.77	11,558,133.77
LONG-TERM LIABILITIES		
01-00-261000 Loan Payable - Other (0100261000)	3,157,075.80	3,157,075.80
TOTAL LONG-TERM LIABILITIES	3,157,075.80	3,157,075.80
TOTAL LIABILITIES	15,429,856.93	15,279,443.08
EQUITY		
RETAINED EARNINGS		
01-00-310000 Capital Stock (0100310000)	100.00	100.00
01-00-320000 Retained Earnings (0100320000)	-4,854,486.14	-3,963,972.09
01-00-330000 Income for Year (0100330000)	166,315.70	-890,514.05
TOTAL RETAINED EARNINGS	-4,688,070.44	-4,854,386.14
TOTAL LIABILITIES & EARNINGS	10,741,786.49	10,425,056.94

LAKE OKANAGAN
RESORT VACATION
SUMMARY INCOME STATEMENT
FOR December 2008

CURRENT ACTUAL	CURRENT LAST YEAR		CURRENT YTD	LAST YTD
		TIMESHARES		
41,867.29	-2,626,176.16	01-10-410000 Timeshares (0110410000)	2,806,486.93	512,328.00
0.00	0.00	01-10-410200 Promotional & Rentals (0110410200)	-1,490.00	-2,185.00
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41,867.29	-2,626,176.16	TOTAL TIMESHARE	2,804,996.93	510,143.00
		FEES		
0.00	0.00	01-10-420500 Fees - Administration (0110420500)	4,284.12	0.00
0.00	0.00	RVIHC Transfer Fee	0.00	0.00
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0.00	0.00	TOTAL FEES	4,284.12	0.00
		RETAIL		
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0.00	0.00	TOTAL RETAIL	0.00	0.00
		OTHER REVENUE		
5,680.98	9,688.17	01-10-490100 Interest - 3rd Party (0110490100)	121,948.45	101,658.78
702.86	4,492.08	01-10-490300 Other Income (0110490300)	3,493.35	10,544.26
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6,383.84	14,180.25	TOTAL OTHER INCOME	125,441.80	112,203.04
48,251.13	-2,611,995.91	TOTAL REVENUE	2,934,722.85	622,346.04
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		COST OF SALES		
0.00	0.00	01-15-500000 Cost Of Inventory (0115500000)	0.00	0.00
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0.00	0.00	TOTAL COST OF SALES	0.00	0.00
48,251.13	-2,611,995.91	GROSS MARGIN	2,934,722.85	622,346.04
==============	==============		==============	==============
		EXPENSES		
		SALARIES		
7,800.00	15,200.00	01-10-710100 Salaries - Full Time (0110710100)	267,527.17	80,282.00
14,206.00	-509,261.75	01-10-710700 Commissions & Bonuses (0110710700)	398,193.41	72,653.00
486.56	-2,868.09	01-10-710800 Vacation Pay Expense (0110710800)	11,194.54	2,325.27
785.76	1,718.70	01-10-712000 CPP Expense (0110712000)	19,822.01	60,557.91
416.73	1,161.40	01-10-712100 EI Expense (0110712100)	11,091.26	1,924.96
1,453.23	-355.05	01-10-712200 Medical Insurance (0110712200)	3,148.66	-927.66
0.00	0.00	01-10-712300 Worker's Compensation (0110712300)	0.00	1,383.27
0.00	0.00	01-10-717000 Recruitment & Selection (0110717000)	0.00	2,172.73
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25,148.28	-494,404.79	TOTAL SALARIES	710,977.05	220,371.48
		DIRECT OPERATING		
1,636.11	0.00	01-10-721100 Equipment Rental/Lease (0110721100)	4,461.92	0.00
0.00	0.00	01-10-728250 Faimont Villas Mgmt-Tsf Fees (0110728250)	0.00	0.00
0.00	0.00	01-10-728300 Maintenance Fees (0110728300)	589.99	0.00
1,752.00	-33,639.00	01-10-728700 Maintenance Fee - Cond Sale (0110728700)	42,776.00	0.00
900.00	0.00	01-10-729000 Misc Direct Costs (0110729000)	4,312.63	0.00
4,288.11	-33,639.00	TOTAL DIRECT OPERATING	52,140.54	0.00
		CONTRACTED SERVICES		
0.00	30.00	01-10-731000 Legal Fees (0110731000)	22,091.13	5,780.58
0.00	0.00	01-92-731500 Audit Fees (0192731500)	6,000.00	6,500.00
0.00	0.00	01-10-732000 Payroll Fees (0110732000)	4,525.43	0.00

LAKE OKANAGAN
RESORT VACATION
SUMMARY INCOME STATEMENT
FOR December 2008

CURRENT ACTUAL	CURRENT LAST YEAR		CURRENT YTD	LAST YTD
4,186.73	9,575.00	01-10-734000 Other Services (0110734000)	280,821.95	322,911.46
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4,186.73	9,605.00	TOTAL CONTRACTED SERVICES	313,438.51	335,192.04
		REPAIRS & MAINTENANCE		
0.00	0.00	01-10-741000 General Repairs (0110741000)	8,959.68	0.00
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0.00	0.00	TOTAL REPAIRS & MAINTENANCE	8,959.68	0.00
		GENERAL & ADMINISTRATION		
114.06	3,680.47	01-10-751000 Office Supplies (0110751000)	11,673.88	15,242.46
83,155.93	47,132.20	01-10-753100 Interest on Debt (0110753100)	716,912.78	431,687.34
282.37	19.76	01-10-753200 Bank Service Charges (0110753200)	397.31	660.31
503.34	0.00	01-10-754000 Postage & Shipping (0110754000)	1,621.96	291.10
210.89	0.00	01-10-755000 Photocopying (0110755000)	2,551.94	0.00
0.00	0.00	01-10-757000 Travel - Accommodations (0110757000)	21,502.46	281.50
0.00	1,405.14	01-10-757100 Travel - Air/Car/Mileage (0110757100)	3,520.67	1,951.65
0.00	0.00	01-10-757200 Travel - Meals (0110757200)	3,999.22	169.73
0.00	0.00	01-17-757400 Computer Supplies (0117757400)	300.00	0.00
-400.00	0.00	01-12-758000 Licence & Permits (0112758000)	656.06	0.00
0.00	-282.43	01-10-759000 General & Misc (0110759000)	3,156.82	-282.43
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83,866.59	51,955.14	TOTAL GENERAL & ADMINISTRATION	766,293.10	450,001.66
		MARKETING		
352.62	177.83	01-13-760100 Advertising - General (0113760100)	10,467.17	38,980.43
0.00	0.00	01-10-760200 Advertising - Newspaper/Mag (0110760200)	35,582.66	0.00
0.00	0.00	01-81-760300 Advertising - Other Media (0181760300	6,492.00	0.00
0.00	0.00	01-81-762500 Ad Production (0181762500)	145.00	0.00
0.00	1,152.00	01-10-763000 Other Promotions (0110763000)	0.00	1,152.00
1,368.29	-89,149.76	01-10-763100 Fairmont Bucks - Marketing (0110763100)	186,861.74	0.00
0.00	0.00	01-10-763400 Premiums(Gifts) - Spa (0110763400)	5,000.00	0.00
0.00	0.00	01-10-763600 Premiums(Gifts) - Other (0110763600)	0.00	0.00
128.90	189.79	04-10-764500 RCI Fees (0410764500)	24,412.18	22,771.00
0.00	0.00	01-81-764000 External Entertainment (0181764000)	1,680.00	0.00
0.00	0.00	01-10-765000 II Membership Fees & Weeks (0110765000)	0.00	0.00
0.00	0.00	01-17-766000 Trade Shows (0117766000)	14,504.73	449.87
0.00	0.00	01-10-767000 Travel - Accommodations (0110767000)	0.00	0.00
0.00	0.00	01-17-767100 Travel - Air/Car/Mileage - Mkt (01177	387.67	0.00
0.00	0.00	01-10-767500 Printed Material (0110767500)	20,061.52	0.00
0.00	0.00	01-10-768000 Website (0110768000)	0.00	0.00
0.00	68,124.00	768500 Direct Mail	36,016.83	68,124.00
-25,044.56	-260,159.54	01-10-769000 Other Marketing (0110769000)	-44,595.00	-39,430.30
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-23,194.75	-279,665.68	TOTAL MARKETING	297,016.50	92,047.00
		UTILITIES		
655.55	655.55	01-10-810500 Rent - Office Space (0110810500)	7,866.90	7,866.60
592.82	330.00	01-10-817000 Telephone & Fax (0110817000)	8,457.42	3,960.00
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1,248.37	985.55	TOTAL UTILITIES	16,324.32	11,826.60
		OVERHEAD		
15,126.01	0.00	01-12-892000 Insurance (0112892000)	103,007.61	38,425.00
30,000.00	9,165.31	01-93-893000 Amortization (0193893000)	360,000.00	339,165.31
2,093.36	-130,837.24	01-10-893500 Management Fees (0110893500)	140,249.84	25,831.00
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47,219.37	-121,671.93	TOTAL OVERHEAD	603,257.45	403,421.31
142,762.70	-866,835.71	TOTAL EXPENSES	2,768,407.15	1,512,860.09

LAKE OKANAGAN
RESORT VACATION
SUMMARY INCOME STATEMENT
FOR December 2008

CURRENT ACTUAL	CURRENT LAST YEAR		CURRENT YTD	LAST YTD
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-94,511.57	-1,745,160.20	NET INCOME BEFORE TAXES	166,315.70	-890,514.05
		NON OPERATING		
-94,511.57	-1,745,160.20	NET INCOME	166,315.70	-890,514.05
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BALANCE SHEET
FOR January 2009
STATED IN CDN$

	CURRENT MONTH	LAST YTD
ASSETS		
CASH		
-00-102100 CIBC - Operating (0100102100)	162,764.94	7,608.07
TD CanadaTrust Operating	22,192.69	0.00
TD CanadaTrust - Savings	-10.09	0.00
TOTAL CASH	184,947.54	7,608.07
INVESTMENTS		
TOTAL INVESTMENTS	0.00	0.00
ACCOUNTS RECEIVABLE		
04-00-120600 LORV 30-60-90 Contracts (0400120600)	201,245.22	614,763.18
01-00-121100 A/R - General (0100121100)	509.12	27,528.05
01-00-124500 A/R - Payroll Advances (0100124500)	2,900.00	0.00
01-00-124600 A/R - Travel Advance (0100124600)	1,000.00	0.00
01-00-125000 A/R - FRP (0100125000)	-10,827,662.86	-4,557,470.08
01-00-125200 A/R - LOR (0100125200)	-291,203.36	-64,615.63
TOTAL ACCOUNTS RECEIVABLE	-10,913,211.88	-3,979,794.48
PREPAID EXPENSES		
01-00-131000 Prepaid Expenses (0100131000)	12,253.91	0.00
01-00-132000 Security Deposits (0100132000)	138,785.73	136,586.88
TOTAL PREPAID EXPENSES	151,039.64	136,586.88
ADVANCES		
TOTAL ADVANCES	0.00	0.00
INVENTORY		
TOTAL INVENTORY	0.00	0.00
LONG-TERM INVESTMENTS		
04-00-161100 LORV Long Term Contracts (0400161100)	1,111,274.92	982,252.04
TOTAL LONG-TERM INVESTMENTS	1,111,274.92	982,252.04
DEFERRED COSTS		
TOTAL DEFERRED COSTS	0.00	0.00

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BALANCE SHEET
FOR January 2009
STATED IN CDN$

	CURRENT MONTH	LAST YTD
CAPITAL LEASES		
TOTAL CAPITAL LEASES	0.00	0.00
FIXED ASSETS		
04-00-180900 Land (0400180900)	2,271,147.81	2,271,147.81
04-00-185400 Buildings - LORV (0400185400)	3,228,746.16	3,228,746.16
04-00-185500 Pointe Beach Building (0400185500)	7,519,515.11	7,391,446.81
04-00-185600 2000 Building - LORV (0400185600)	7,543,818.45	1,051,683.60
04-00-188700 Houseboat Rights (0400188700)	136,805.00	136,805.00
01-00-188100 Vehicles (0100188100)	87,274.86	87,274.86
01-00-188600 Equipment (0100188600)	1,698,434.32	1,695,070.81
01-00-195900 Acc Amort - Buildings (0100195900)	-2,305,482.91	-1,975,482.91
TOTAL FIXED ASSETS	20,180,258.80	13,886,692.14
TOTAL ASSETS	10,714,309.02	11,033,344.65
LIABILITIES		
ACCOUNTS PAYABLE		
01-00-210000 Accounts Payable (0100210000)	627,621.29	557,532.76
01-00-159900 Inventory Accrual	0.00	520,724.30
01-00-217000 Construction Holdback (0100217000)	53,735.00	0.00
TOTAL ACCOUNTS PAYABLE	681,356.29	1,078,257.06
OTHER PAYABLE		
01-00-231000 GST ITC (0100231000)	-368.20	-362.54
01-00-232000 GST Collected on Sales (0100232000)	-367.06	12,994.82
TOTAL OTHER PAYABLES	-735.26	12,632.28
WAGES PAYABLE		
01-00-241000 Wages Payable (0100241000)	14,659.22	20,409.80
01-00-241800 Payroll Withholding Tax Payable (0100241800)	5,055.67	8,643.16
01-00-243200 Accrued Vacation Pay (0100243200)	3,321.25	1,297.37
TOTAL WAGES PAYABLE	23,036.14	30,350.33
ACCRUED LIABILITIES		
TOTAL ACCRUED LIABILITIES	0.00	0.00
UNEARNED REVENUE		

BALANCE SHEET
FOR January 2009
STATED IN CDN$

	CURRENT MONTH	LAST YTD
04-00-255200 Deferred Leases - LORV (0400255200)	11,558,133.77	11,558,133.77

TOTAL UNEARNED REVENUE	11,558,133.77	11,558,133.77
	LONG-TERM LIABILITIES	
01-00-261000 Loan Payable - Other (0100261000)	3,157,075.80	3,157,075.80

TOTAL LONG-TERM LIABILITIES	3,157,075.80	3,157,075.80
TOTAL LIABILITIES	15,418,866.74	15,836,449.24
		===============
	EQUITY	
	RETAINED EARNINGS	
01-00-310000 Capital Stock (0100310000)	100.00	100.00
01-00-320000 Retained Earnings (0100320000)	-4,675,152.37	-4,854,486.14
01-00-330000 Income for Year (0100330000)	-29,505.35	51,281.55

TOTAL RETAINED EARNINGS	-4,704,557.72	-4,803,104.59
TOTAL LIABILITIES & EARNINGS	10,714,309.02	11,033,344.65
		===============

LAKE OKANAGAN RESORT VACATION
SUMMARY INCOME STATEMENT
FOR January 2009

CURRENT ACTUAL	CURRENT LAST YEAR		CURRENT YTD	LAST YTD
		TIMESHARES		
28,570.00	261,925.94	01-10-410000 Timeshares (0110410000)	28,570.00	261,925.94
31,861.70	0.00	Timeshare Cancels	31,861.70	0.00
-3,291.70	261,925.94	TOTAL TIMESHARE	-3,291.70	261,925.94
		FEES		
0.00	0.00	RVIHC Transfer Fee	0.00	0.00
0.00	0.00	TOTAL FEES	0.00	0.00
		RETAIL		
0.00	0.00	TOTAL RETAIL	0.00	0.00
		OTHER REVENUE		
12,361.82	10,731.23	01-10-490100 Interest - 3rd Party (0110490100)	12,361.82	10,731.23
2,594.38	0.00	01-10-490300 Other Income (0110490300)	2,594.38	0.00
14,956.20	10,731.23	TOTAL OTHER INCOME	14,956.20	10,731.23
11,664.50	272,657.17	TOTAL REVENUE	11,664.50	272,657.17
		COST OF SALES		
0.00	0.00	01-15-500000 Cost Of Inventory (0115500000)	0.00	0.00
0.00	0.00	TOTAL COST OF SALES	0.00	0.00
11,664.50	272,657.17	GROSS MARGIN	11,664.50	272,657.17
		EXPENSES		
		SALARIES		
18,800.00	26,000.00	01-10-710100 Salaries - Full Time (0110710100)	18,800.00	26,000.00
5,864.00	26,702.23	01-10-710700 Commissions & Bonuses (0110710700)	5,864.00	26,702.23
363.75	500.61	01-10-710800 Vacation Pay Expense (0110710800)	363.75	500.61
1,080.52	1,973.08	01-10-712000 CPP Expense (0110712000)	1,080.52	1,973.08
758.26	1,191.70	01-10-712100 EI Expense (0110712100)	758.26	1,191.70
1,497.33	-355.05	01-10-712200 Medical Insurance (0110712200)	1,497.33	-355.05
28,363.86	56,012.57	TOTAL SALARIES	28,363.86	56,012.57
		DIRECT OPERATING		
0.00	0.00	01-10-728250 Faimont Villas Mgmt-Tsf Fees (0110728250)	0.00	0.00
960.00	2,480.00	01-10-728700 Maintenance Fee - Cond Sale (0110728700)	960.00	2,480.00
0.00	0.00	01-10-729000 Misc Direct Costs (0110729000)	0.00	0.00
960.00	2,480.00	TOTAL DIRECT OPERATING	960.00	2,480.00
		CONTRACTED SERVICES		
297.78	0.00	01-10-732000 Payroll Fees (0110732000)	297.78	0.00
0.00	26,192.59	01-10-734000 Other Services (0110734000)	0.00	26,192.59
297.78	26,192.59	TOTAL CONTRACTED SERVICES	297.78	26,192.59
		REPAIRS & MAINTENANCE		
0.00	0.00	TOTAL REPAIRS & MAINTENANCE	0.00	0.00

LAKE OKANAGAN RESORT VACATION
SUMMARY INCOME STATEMENT
FOR January 2009

CURRENT ACTUAL	CURRENT LAST YEAR		CURRENT YTD	LAST YTD
		GENERAL & ADMINISTRATION		
439.32	660.68	01-10-751000 Office Supplies (0110751000)	439.32	660.68
2,749.57	0.00	01-10-752000 Resources,Dues & Subscriptions (0110752000)	2,749.57	0.00
0.00	46,598.29	01-10-753100 Interest on Debt (0110753100)	0.00	46,598.29
26.12	9.32	01-10-753200 Bank Service Charges (0110753200)	26.12	9.32
3,025.65	211.71	01-10-754000 Postage & Shipping (0110754000)	3,025.65	211.71
508.47	184.40	01-10-755000 Photocopying (0110755000)	508.47	184.40
0.00	2,116.92	01-10-757000 Travel - Accommodations (0110757000)	0.00	2,116.92
0.00	506.95	01-10-757100 Travel - Air/Car/Mileage (0110757100)	0.00	506.95
0.00	1,278.14	01-10-757200 Travel - Meals (0110757200)	0.00	1,278.14
85.00	0.00	01-12-758000 Licence & Permits (0112758000)	85.00	0.00
6,834.13	51,566.41	TOTAL GENERAL & ADMINISTRATION	6,834.13	51,566.41
		MARKETING		
189.53	927.39	01-13-760100 Advertising - General (0113760100)	189.53	927.39
0.00	675.00	01-10-760200 Advertising - Newspaper/Mag (0110760200)	0.00	675.00
918.00	0.00	01-10-763000 Other Promotions (0110763000)	918.00	0.00
1,715.83	3,380.33	01-10-763100 Fairmont Bucks - Marketing (0110763100)	1,715.83	3,380.33
0.00	5,000.00	01-10-763400 Premiums(Gifts) - Spa (0110763400)	0.00	5,000.00
869.00	237.00	04-10-764500 RCI Fees (0410764500)	869.00	237.00
0.00	7,656.45	01-17-766000 Trade Shows (0117766000)	0.00	7,656.45
0.00	4,110.00	01-10-767500 Printed Material (0110767500)	0.00	4,110.00
0.00	18,851.79	01-10-769000 Other Marketing (0110769000)	0.00	18,851.79
3,692.36	40,837.96	TOTAL MARKETING	3,692.36	40,837.96
		UTILITIES		
655.55	655.55	01-10-810500 Rent - Office Space (0110810500)	655.55	655.55
366.17	534.24	01-10-817000 Telephone & Fax (0110817000)	366.17	534.24
1,021.72	1,189.79	TOTAL UTILITIES	1,021.72	1,189.79
		OVERHEAD		
0.00	30,000.00	01-93-893000 Amortization (0193893000)	0.00	30,000.00
0.00	13,096.30	01-10-893500 Management Fees (0110893500)	0.00	13,096.30
0.00	43,096.30	TOTAL OVERHEAD	0.00	43,096.30
41,169.85	221,375.62	TOTAL EXPENSES	41,169.85	221,375.62
-29,505.35	51,281.55	NET INCOME BEFORE TAXES	-29,505.35	51,281.55
		NON OPERATING		
-29,505.35	51,281.55	NET INCOME	-29,505.35	51,281.55

Fairmont Resort Properties
Makaha Resort
Balance Sheet
December 31, 2008
In US Dollars

	Closing Balance Dec 31 2008	Closing Balance Dec 31 2007
ASSETS		
Petty Cash	8,000.00	8,000.00
First Hawaiian Bank Operating	-9,100.20	170,509.26
First Hawaiian Bank Payroll	-356.16	-1,672.49
First Hawaiian Bank - Fractional	473.84	0.00
Clearing - Cash	49,454.63	5,567.07
Certificate of Deposit	$0.00	$164,216.45
Total Cash	$48,472.11	$346,620.29
Accounts Receivable - Trade	91,687.66	221,385.76
A/R - Guest Ledger	269,420.61	89,133.68
Misc. Receivables	240,147.35	0.00
Fractional Notes Receivable	6,132.53	331,526.70
A/R - Misc Adj City Ledger	37,018.30	0.00
A/R Makaha Resort Mgmt LTD	72,039.89	0.00
Total Accounts Receivable	$716,446.34	$642,046.14
Prepaid Expenses	173,256.15	75,644.79
Prepaid Finance Cost	606,897.10	$0.00
Total Prepaid Expenses	$780,153.25	$75,644.79
Inventory - Pro Shop	35,112.26	26,078.33
Inventory - Food	40,019.75	40,539.76
Inventory - Liquor	3,705.07	6,680.45
Inventory - Wine	2,683.25	7,472.45
Inventory - Beer	931.45	2,464.64
Inventory - Draft Beer	558.15	1,399.33
Inventory - Beverages./Mixes	2,230.33	0.00
Total Inventory	$85,240.26	$84,634.96
Fractional Setup Costs (Legal)	220,552.57	213,037.57
Capital Leases	181,696.76	181,696.76
Accum Amort - Capital Leases	-77,039.43	-43,779.87
Total Capital Leases	$104,657.33	$137,916.89
Fixed Assets		
Land - Under Units	856,686.52	939,835.62
Land - Common Areas	492,221.17	492,221.17
Land - Future Development	1,547,865.33	1,547,865.33

	Closing Balance Dec 31 2008	Closing Balance Dec 31 2007
Land - Golf Course	2,579,775.56	2,579,775.56
Golf Course - Irrigation	771,313.27	771,313.27
Buildings - Common	2,083,145.59	2,039,474.04
Buildings - Accomodation	3,670,017.91	4,026,076.95
Building - Nalu's Grill	183,757.17	65,460.26
Tennis Court	115,078.72	105,561.05
Building Refurbishing/Reno	131,110.21	0.00
Office Equipment	252,943.15	252,943.15
Maintenance Equipment	477,014.73	477,014.73
Housekeeping Equipment	34,046.77	34,046.77
Other Equipment	257,697.17	229,437.92
Golf Course Equipment	240,024.29	240,024.29
Furniture & Fixtures - Common	122,465.55	121,613.96
Furniture & Fixtures - Accom	1,065,570.38	1,050,415.38
Less: Accumulated Depreciation	-2,951,153.14	-2,438,506.82

Fairmont Resort Properties
Makaha Resort
Balance Sheet
December 31, 2008
In US Dollars

TOTAL ASSETS	$13,885,102.21	$14,034,473.27

Fairmont Resort Properties
Makaha Resort
Balance Sheet
December 31, 2008
In US Dollars

LIABILILITIES		
Accounts Payable - Trade	-332,767.75	-450,144.13
General Excise Tax Payable	-430,427.93	-89,349.45
Transient Accomodation Tax	-11,401.99	-15,423.16
Interest Payable	-2,219.72	0.00
Wages Payable	27,733.35	-145,931.33
Benefits Payable	$0.00	$0.00
Gratuities Payable	-33,360.52	-2,687.66
Commissions	$0.00	$0.00
TOTAL ACCOUNTS PAYABLE	-$782,444.56	-$703,535.73
Accrued Liabilities	-28,000.00	-116,394.52
Advance Deposits	-63,027.64	-41,479.92
Due to FRP	-13,853,750.43	-12,742,583.64
Interest Payable - FRP	-804,367.44	-845,668.59
Loan Payable - Ziiber	-116,956.67	-416,956.67
Loan Payable - MRGC	-$7,313,379.20	-$8,513,379.20
Capital Leases	-29,707.72	-89,986.57
TOTAL LONG TERM LIABILITIES	-$22,118,161.46	-$22,608,574.67

	Closing Balance Dec 31 2008	Closing Balance Dec 31 2007
Capital Stock	-$100.00	-$100.00
Total Retained Earnings	7,987,081.83	7,043,341.28
2008 YTD Income	-328,980.12	943,740.55
Unrealized G/L on Foreign Exchange	$1,448,529.74	$1,448,529.74
TOTAL RETAINED EARNINGS	$9,106,531.45	$9,435,511.57
TOTAL LIABILITIES	**-$13,885,102.21**	**-$14,034,473.27**

DS Blackhall
January 30 2009

Fairmont Resort Properties
Makaha Resort
Total Resort Income Stmt
In US Dollars

CURRENT ACTUAL	CURRENT LAST YEAR		CURRENT YTD	LAST YTD
		REVENUE		
$ -	$ 1,180,734.42	**FRACTIONAL SALES**	$ 5,797,837.46	$ 3,867,055.41
		FOOD & BEVERAGE		
$ 96,148.32	$ 154,082.28	Food (440100)	$ 1,691,782.77	$ 1,582,182.06
$ -	$ -	Beverage & Mix (440200)	$ -	$ -
$ 13,182.70	$ 11,529.86	Liquor (440300)	$ 313,112.43	$ 337,455.47
$ 4,892.75	$ -	Wine (440400)	$ 25,288.25	$ -
$ 7,497.98	$ -	Beer (440500)	$ 37,324.48	$ -
$ 1,526.53	$ -	Draft Beer (440600)	$ 23,573.36	$ -
$ -	$ -	Off Sales (440700)	$ -	$ -
$ 123,248.28	$ 165,612.14	TOTAL FOOD & BEVERAGE REVENUE	$ 2,091,081.29	$ 1,919,637.53
		BANQUET RENTALS		
$ 5,150.00	$ 5,127.50	Rental - Rooms (450100)	$ 96,059.72	$ 64,104.31
$ 670.00	$ (7.05)	Rental - Equipment (450200)	$ 8,594.77	$ 6,341.31
$ -	$ 1,387.00	Rental - Other & Third Party (450300)	$ 8,194.58	$ 12,051.30
$ 5,820.00	$ 6,507.45	TOTAL BANQUET REVENUE	$ 112,849.07	$ 82,496.92
		GOLF		
$ 2,005.00	$ 3,670.00	Golf Fees - Other	$ 43,101.77	$ 39,191.96
$ -	$ 5,750.00	Golf Fees - Equipment Rental	$ -	$ 5,750.00
$ 1,849.25	$ 2,127.81	Golf Fees - Driving Range	$ 27,191.20	$ 28,383.31
$ 95,857.52	$ 140,033.09	Golf Fees - Golf Greens Fees	$ 1,524,650.82	$ 1,655,508.82
$ 13,509.42	$ 11,943.73	Pro Shop Retail Revenue	$ 175,425.26	$ 144,635.17
$ 113,221.19	$ 163,524.63	TOTAL GOLF REVENUES	$ 1,770,369.05	$ 1,873,469.26
		ROOMS		
$ 136,349.92	$ 362,690.03	Rooms - Rack Rate (460100)	$ 1,890,845.91	$ 2,000,201.65
$ -	$ -	Rooms - Conventions (460200)	$ -	$ -
$ 22,092.50	$ 19,802.00	Rooms - Group Tours (460300)	$ 811,009.72	$ 693,104.26
$ -	$ -	Rooms - Packages (460400)	$ -	$ -
$ 1,085.41	$ 1,812.27	Rooms - Phone & Fax & Internet (460700)	$ 15,764.76	$ 17,559.78
$ 3,289.39	$ 9,198.56	Rooms - Misc (461000)	$ 25,218.20	$ 35,119.27
$ 162,817.22	$ 393,502.86	TOTAL ROOMS	$ 2,742,838.59	$ 2,745,984.96
		OTHER REVENUE		
$ 276.69	$ (836.95)	Commissions (490200)	$ 5,211.27	$ (1,291.57)
$ 6,287.73	$ 9,198.56	Other Revenue (490300)	$ 65,506.45	$ 90,206.98
$ 6,564.42	$ 8,361.61	TOTAL OTHER REVENUE	$ 70,717.72	$ 88,915.41

Fairmont Resort Properties
Makaha Resort
Total Resort Income Stmt
In US Dollars

$ 411,671.11	**$ 1,918,243.11**	**TOTAL REVENUE**	**$ 12,585,693.18**	**$ 10,577,559.49**
		COST OF GOODS SOLD		
$ -	$ 100,285.51	FRACTIONAL SALES - COGS	$ 552,755.26	$ 335,110.10
		FOOD & BEVERAGE		
$ 45,540.25	$ 60,136.07	Food (540100)	$ 632,244.79	$ 623,471.17
$ 1,032.16	$ -	Beverages / Mixers (540200)	$ 25,122.13	$ -
$ 4,627.47	$ 10,665.22	Liquor (540300)	$ 102,157.83	$ 100,265.33
$ 4,002.68	$ -	Wine (540400)	$ 13,410.00	$ -
$ 3,075.11	$ -	Beer (540500)	$ 16,577.73	$ -
$ 2,163.99	$ -	Draft Beer (540600)	$ 9,368.37	$ -
$ -	$ -	Off Sales (540700)	$ 350.00	$ -
$ -	$ -	Spillage (590000)	$ -	$ 2,869.24
$ 60,441.66	$ 70,801.29	TOTAL FOOD & BEVERAGE COGS	$ 799,230.85	$ 726,605.74
$ 20,458.04	$ 8,737.83	COGS - GOLF PRO SHOP	$ 113,331.50	$ 76,557.82
$ (5,479.09)	$ 315.38	COGS - ROOMS (564000)	$ -	$ 1,213.82
$ 75,420.61	**$ 180,140.01**	**TOTAL COST OF GOODS SOLD**	**$ 1,465,317.61**	**$ 1,139,487.48**
$ 336,250.50	**$ 1,738,103.10**	**GROSS MARGIN**	**$ 11,120,375.57**	**$ 9,438,072.01**
		EXPENSES		
		PAYROLL		
$ 95,069.17	$ 153,008.29	Salaries - Full Time	$ 1,154,732.81	$ 823,312.80
$ 163,118.97	$ 188,201.44	Wages (Hourly) - Full Time	$ 2,682,504.28	$ 2,027,463.66
$ -	$ 5,494.69	Overtime	$ 7,858.05	$ 41,016.95
$ -	$ 1,196.25	Commissions & Bonuses	$ 14,022.37	$ 23,671.25
$ -	$ 7,055.74	Vacation Pay	$ 13,283.48	$ 99,077.25
$ -	$ 1,778.40	Sick Pay	$ 732.22	$ 21,199.63
$ -	$ 6,704.84	Holiday Pay	$ 4,580.03	$ 21,029.68
$ 21,394.86	$ 19,664.42	Pension Plan	$ 288,849.75	$ 177,037.64
$ -	$ 5,465.02	Employment Insurance	$ 10,634.86	$ 63,945.78
$ 17,928.41	$ 45,037.08	Medical Insurance	$ 132,873.35	$ 344,720.20
$ -	$ -	Worker's Compensation	$ 42,543.11	$ 207,714.75
$ -	$ -	Assoc & Memberships	$ 221.67	$ 592.00
$ -	$ 2,434.34	Training & Development	$ 2,023.00	$ 13,174.37
$ -	$ 438.47	Staff Meals	$ 255.89	$ 10,489.78
$ 39.09	$ 1,595.58	Staff Appreciation	$ 2,000.35	$ 2,196.00
$ -	$ 1,804.00	Recruitment & Selection	$ 8,311.20	$ 21,129.33
$ 297,550.50	$ 439,878.56	TOTAL PAYROLL EXPENSES	$ 4,365,426.42	$ 3,897,771.07

Fairmont Resort Properties
Makaha Resort
Total Resort Income Stmt
In US Dollars

		DIRECT OPERATING EXPENSES		
$ 3,800.00	$ 4,750.00	Entertainment (720100)	$ 45,287.57	$ 34,734.26
$ -	$ 1,517.49	Equipment (721000)	$ 18,139.31	$ 43,148.24
$ 3,086.28	$ 6,327.20	Equipment Rental/Lease (721100)	$ 61,649.30	$ 56,964.52
$ -	$ -	Anemities (721500)	$ -	$ -
$ 2,011.61	$ -	In-Room Coffee (721700)	$ 2,061.32	$ 31.35
$ 808.60	$ 3,532.35	Guest Supplies (722000)	$ 31,046.99	$ 35,028.59
$ 202.02	$ 5,318.36	Direct Supplies (722100)	$ 34,055.59	$ 43,071.81
$ 29.30	$ 137.93	Guest Satisfaction/Complaint (722500)	$ 4,545.20	$ 14,720.95
$ -	$ -	Linen (723000)	$ -	$ 2,664.02
$ 7,487.22	$ 6,300.23	Smallwares (724000)	$ 100,337.09	$ 82,842.28
$ -	$ 205.12	Paper Supplies (725000)	$ 14,616.32	$ 9,670.45
$ 1,815.42	$ 3,936.21	Cleaning Supplies (725500)	$ 56,646.30	$ 46,805.85
$ 4,992.58	$ 2,074.53	Laundry & Dry Cleaning (727600)	$ 35,174.23	$ 23,548.48
$ 427.48	$ 1,469.72	Printing (727000)	$ 14,312.95	$ 10,266.20
$ -	$ -	Uniforms (727500)	$ (4,210.08)	$ 10,351.48
$ 3,071.97	$ 3,818.39	Golf Supplies	$ 15,225.79	$ 16,678.47
$ 108.69	$ 3,827.99	Misc. Direct Costs (729000)	$ 22,312.80	$ 33,399.37
$ 27,841.17	$ 43,215.52	TOTAL DIRECT OPERATING EXPENSES	$ 451,200.68	$ 463,926.32
		CONTRACTED SERVICES		
$ 1,328.10	$ 32,981.76	Legal Fees (731000)	$ 20,313.95	$ 43,855.83
$ -	$ 101,100.00	Audit Fees (731500)	$ 33,237.04	$ 117,235.91
$ 7,502.42	$ 734.84	Payroll Fees (732000)	$ 14,567.25	$ 8,618.39
$ 16,690.26	$ 19,204.03	Trade Services (733000)	$ 158,883.55	$ 236,505.64
$ 1,336.00	$ 2,676.18	Other Services (734000)	$ 28,658.36	$ 27,463.19
$ -	$ -	Agency Fees (735000)	$ 810.00	$ 5,750.00
$ 384.00	$ 150,000.00	Consultant Fees (736000)	$ 1,434.00	$ 150,000.00
$ 27,240.78	$ 306,696.81	TOTAL CONTRACTED SERVICES EXPENSES	$ 257,904.15	$ 589,428.96
		REPAIR & MAINTENANCE		
$ 4,270.34	$ 4,441.26	General Repairs (741000)	$ 56,931.11	$ 47,830.15
$ 115.58	$ 1,773.98	Building Repairs (741100)	$ 7,284.00	$ 20,012.41
$ 3,363.39	$ 4,440.87	Equipment Repairs (741200)	$ 63,118.91	$ 70,102.41
$ 460.04	$ (1,438.13)	Vehicle Repairs (741500)	$ 30,894.10	$ 7,751.56
$ 177.46	$ 595.08	Maintenance Supplies (742000)	$ 4,075.41	$ 28,953.77
$ -	$ -	Tools (743000)	$ 885.12	$ 3,111.08
$ 1,702.08	$ 977.91	Painting & Decorating (744000)	$ 17,267.70	$ 136,442.38
$ 16,405.20	$ 19,008.24	Grounds & Landscaping (745000)	$ 213,420.37	$ 210,631.10
$ 101.63	$ 638.70	Plumbing & Mechanical (746000)	$ 16,490.19	$ 26,143.02
$ 3,521.65	$ 2,541.63	Pest Control (747000)	$ 35,229.45	$ 26,420.48
$ 561.26	$ 728.77	Pool Maintenance & Repairs (748000)	$ 10,883.83	$ 7,014.79
$ -	$ 161.35	First Aid & Safety (748500)	$ 546.48	$ 2,270.81
$ -	$ 15.67	Misc. Repairs & Maintenance (717490)	$ 241.35	$ 3,673.09
$ 30,678.63	$ 33,885.33	TOTAL REPAIR & MAINTENANCE EXPENSES	$ 457,268.02	$ 590,357.05

Fairmont Resort Properties
Makaha Resort
Total Resort Income Stmt
In US Dollars

		OVERHEAD		
$ (1,800.99)	$ -	Bad Debts Expense (894000)	$ (830.17)	$ 17,080.80
$ (2,649.79)	$ (1,128.30)	Cash Over / Short (895000)	$ 3,383.34	$ 4,635.90
$ -	$ 81.68	Donations (896000)	$ 548.60	$ 6,364.53
$ -	$ 858,655.94	Foreign Exchange Gain /Loss (897000)	$ 24,371.73	$ 858,655.94
$ 16,084.34	$ 9,796.19	Option / Rental / Leases (898000)	$ 166,822.06	$ 87,321.20
$ -	$ 590.21	Capital Lease Interest (899000)	$ 3,172.03	$ 9,450.46
$ 2,426.22	$ -	Loan Interest Expense	$ 2,426.22	$ -
$ 14,059.78	$ 867,995.72	TOTAL OVERHEAD EXPENSES	$ 199,893.81	$ 983,508.83
$ 506,886.96	**$ 2,181,508.12**	**TOTAL EXPENSES**	**$ 8,242,102.17**	**$ 9,282,919.55**
$ (170,636.46)	**$ (443,405.02)**	**NET INCOME**	**$ 2,878,273.40**	**$ 155,152.46**
		FIXED CHARGES		
$ 9,913.61	$ 31,450.98	Property Taxes (891000)	$ 120,336.34	$ 160,794.99
$ 51,980.52	$ (11,066.92)	Insurance (892000)	$ 422,284.11	$ 313,018.76
$ 95,469.03	$ 34,237.54	Amortization (893000)	$ 591,345.88	$ 625,079.26
$ 50,514.33	$ -	Head office Recovery	$ 516,408.07	$ -
$ 78,841.06	$ -	Interest - InterCompany	$ 884,981.50	$ -
$ 286,718.55	$ 54,621.60	TOTAL FIXED CHARGES	$ 2,535,355.90	$ 1,098,893.01
$ (457,355.01)	**$ (498,026.62)**	**NET INCOME AFTER FIXED CHARGES**	**$ 342,917.50**	**$ (943,740.55)**

DS Blackhall
January 30 2009

	Closing Balance Jan 31 2009	Closing Balance Jan 31 2008
Accrued Liabilities	-47,000.00	-135,722.95
Advance Deposits	-41,488.99	-21,967.57
Due to FRP	-14,089,618.14	-12,877,322.67
Interest Payable - FRP	-882,683.50	-913,850.14
Loan Payable - Zilber	-91,956.67	-391,956.67
Loan Payable - MRGC	-7,313,379.20	-8,513,379.20
Capital Leases	-24,886.10	-85,512.30
TOTAL LONG TERM LIABILITIES	-22,491,012.60	-22,782,020.98
Capital Stock	-100.00	-100.00
Total Retained Earnings	7,629,536.67	7,967,144.05
2008 YTD Income	419,961.47	167,178.42
Unrealized G/L on Foreign Exchange	1,448,529.74	1,448,529.74
TOTAL RETAINED EARNINGS	9,497,927.88	9,582,752.21
TOTAL LIABILITIES	-13,878,796.76	-13,962,466.13

DS Blackhall
February 23 2009

MAKAHA HOTEL & RESORT INC.
INCOME STATEMENT
31-Jan-09
In United States Dollars

CURRENT ACTUAL	CURRENT LAST YEAR		CURRENT YTD	LAST YTD
		REVENUE		
$ -	$ -	FRACTIONAL SALES	$ -	$ -
		FOOD & BEVERAGE		
$ 120,144.24	$ 151,635.49	Food (440100)	$ 120,144.24	$ 151,635.49
$ -	$ -	Beverage & Mix (440200)	$ -	$ -
$ 10,652.11	$ 32,420.79	Liquor (440300)	$ 10,652.11	$ 32,420.79
$ 5,441.26	$ -	Wine (440400)	$ 5,441.26	$ -
$ 5,636.45	$ -	Beer (440500)	$ 5,636.45	$ -
$ 3,779.18	$ -	Draft Beer (440600)	$ 3,779.18	$ -
$ -	$ -	Off Sales (440700)	$ -	$ -
$ 145,653.24	$ 184,056.28	TOTAL FOOD & BEVERAGE REVENUE	$ 145,653.24	$ 184,056.28
		BANQUET RENTALS		
$ 11,675.00	$ 2,500.00	Rental - Rooms (450100)	$ 11,675.00	$ 2,500.00
$ 750.00	$ 200.00	Rental - Equipment (450200)	$ 750.00	$ 200.00
$ -	$ 715.00	Rental - Other & Third Party (450300)	$ -	$ 715.00
$ 12,425.00	$ 3,415.00	TOTAL BANQUET REVENUE	$ 12,425.00	$ 3,415.00
		GOLF		
$ -	$ -	Golf Fees - Other	$ -	$ -
$ 5,855.00	$ 3,853.70	Golf Fees - Equipment Rental	$ 5,855.00	$ 3,853.70
$ 2,790.23	$ 2,806.99	Golf Fees - Driving Range	$ 2,790.23	$ 2,806.99
$ 143,108.46	$ 181,044.64	Golf Fees - Golf Greens Fees	$ 143,108.46	$ 181,044.64
$ 19,027.47	$ 14,280.66	Pro Shop Retail Revenue	$ 19,027.47	$ 14,280.66
$ 170,781.16	$ 201,985.99	TOTAL GOLF REVENUES	$ 170,781.16	$ 201,985.99
		ROOMS		
$ 104,609.03	$ 157,992.87	Rooms - Rack Rate (460100)	$ 104,609.03	$ 157,992.87
$ -	$ -	Rooms - Conventions (460200)	$ -	$ -
$ 86,973.98	$ 50,648.29	Rooms - Group Tours (460300)	$ 86,973.98	$ 50,648.29
$ -	$ -	Rooms - Packages (460400)	$ -	$ -
$ 1,189.68	$ 2,812.85	Rooms - Phone & Fax & Internet (460700)	$ 1,189.68	$ 2,812.85
$ 1,318.29	$ 2,860.56	Rooms - Misc (461000)	$ 1,318.29	$ 2,860.56
$ 194,090.98	$ 214,314.57	TOTAL ROOMS	$ 194,090.98	$ 214,314.57
		OTHER REVENUE		
$ 306.53	$ 167.41	Commissions (490200)	$ 306.53	$ 167.41
$ 5,911.89	$ 5,118.21	Other Revenue (490300)	$ 5,911.89	$ 5,118.21
$ 6,218.42	$ 5,285.62	TOTAL OTHER REVENUE	$ 6,218.42	$ 5,285.62
$ 529,168.80	$ 609,057.46	TOTAL REVENUE	$ 529,168.80	$ 609,057.46
		COST OF GOODS SOLD		
$ -	$ 2,058.99	FRACTIONAL SALES - COGS	$ -	$ 2,058.99
		FOOD & BEVERAGE		
$ 41,928.35	$ 57,175.60	Food (540100)	$ 41,928.35	$ 57,175.60
$ 2,145.63	$ -	Beverages / Mixers (540200)	$ 2,145.63	$ -
$ 3,811.16	$ 15,305.74	Liquor (540300)	$ 3,811.16	$ 15,305.74
$ 3,574.06	$ -	Wine (540400)	$ 3,574.06	$ -
$ 2,044.71	$ -	Beer (540500)	$ 2,044.71	$ -
$ 1,941.71	$ -	Draft Beer (540600)	$ 1,941.71	$ -
$ -	$ -	Off Sales (540700)	$ -	$ -
$ -	$ -	Spillage (590000)	$ -	$ -

$	55,445.62	$	72,481.34	TOTAL FOOD & BEVERAGE COGS	$	55,445.62	$	72,481.34

$ 4,405.64	$ 5,544.10	COGS - GOLF PRO SHOP	$ 4,405.64	$ 5,544.10
$ -	$ 188.01	COGS - ROOMS (564000)	$ -	$ 188.01
$ 59,851.26	$ 80,272.44	TOTAL COST OF GOODS SOLD	$ 59,851.26	$ 80,272.44
$ 469,317.54	$ 528,785.02	GROSS MARGIN	$ 469,317.54	$ 528,785.02
		EXPENSES		
		PAYROLL		
$ 125,544.28	$ 83,381.38	Salaries - Full Time	$ 125,544.28	$ 83,381.38
$ 297,411.97	$ 184,729.89	Wages (Hourly) - Full Time	$ 297,411.97	$ 184,729.89
$ -	$ 3,607.23	Overtime	$ -	$ 3,607.23
$ -	$ 4,845.59	Commissions & Bonuses	$ -	$ 4,845.59
$ -	$ 6,654.93	Vacation Pay	$ -	$ 6,654.93
$ -	$ 66.68	Sick Pay	$ -	$ 66.68
$ -	$ 3,536.27	Holiday Pay	$ -	$ 3,536.27
$ 43,140.85	$ 18,681.01	Pension Plan	$ 43,140.85	$ 18,681.01
$ -	$ 6,841.06	Employment Insurance	$ -	$ 6,841.06
$ 11,642.40	$ 20,849.87	Medical Insurance	$ 11,642.40	$ 20,849.87
$ -	$ 12,073.95	Worker's Compensation	$ -	$ 12,073.95
$ -	$ -	Assoc & Memberships	$ -	$ -
$ -	$ -	Training & Development	$ -	$ -
$ -	$ -	Staff Meals	$ -	$ -
$ 14.73	$ 500.00	Staff Appreciation	$ 14.73	$ 500.00
$ -	$ 1,025.00	Recruitment & Selection	$ -	$ 1,025.00
$ 477,754.23	$ 346,792.86	TOTAL PAYROLL EXPENSES	$ 477,754.23	$ 346,792.86
		DIRECT OPERATING EXPENSES		
$ 450.00	$ 3,495.00	Entertainment (720100)	$ 450.00	$ 3,495.00
$ -	$ 847.46	Equipment (721000)	$ -	$ 847.46
$ 6,156.87	$ 8,081.47	Equipment Rental/Lease (721100)	$ 6,156.87	$ 8,081.47
$ 1,102.72	$ -	Anemities (721500)	$ 1,102.72	$ -
$ -	$ -	In-Room Coffee (721700)	$ -	$ -
$ 2,621.01	$ 5,276.76	Guest Supplies (722000)	$ 2,621.01	$ 5,276.76
$ 1,265.09	$ 3,511.21	Direct Supplies (722100)	$ 1,265.09	$ 3,511.21
$ -	$ -	Guest Satisfaction/Complaint (722500)	$ -	$ -
$ 7,887.65	$ 7,474.32	Linen (723000)	$ 7,887.65	$ 7,474.32
$ -	$ 1,536.96	Smallwares (724000)	$ -	$ 1,536.96
$ 5,669.40	$ 4,727.37	Paper Supplies (725000)	$ 5,669.40	$ 4,727.37
$ 1,316.76	$ 3,533.65	Cleaning Supplies (725500)	$ 1,316.76	$ 3,533.65
$ 26.37	$ 1,634.44	Laundry & Dry Cleaning (727600)	$ 26.37	$ 1,634.44
$ -	$ 90.92	Printing (727000)	$ -	$ 90.92
$ (182.24)	$ 342.04	Uniforms (727500)	$ (182.24)	$ 342.04
$ -	$ -	Golf Supplies	$ -	$ -
$ -	$ 7,567.06	Misc. Direct Costs (729000)	$ -	$ 7,567.06
$ 26,313.63	$ 48,118.66	TOTAL DIRECT OPERATING EXPENSES	$ 26,313.63	$ 48,118.66
		CONTRACTED SERVICES		
$ -	$ 7,584.63	Legal Fees (731000)	$ -	$ 7,584.63
$ -	$ -	Audit Fees (731500)	$ -	$ -
$ 7,612.92	$ 1,377.01	Payroll Fees (732000)	$ 7,612.92	$ 1,377.01
$ 11,210.31	$ 4,864.66	Trade Services (733000)	$ 11,210.31	$ 4,864.66
$ 2,073.50	$ 2,303.72	Other Services (734000)	$ 2,073.50	$ 2,303.72
$ -	$ -	Agency Fees (735000)	$ -	$ -
$ 3,118.00	$ -	Consultant Fees (736000)	$ 3,118.00	$ -
$ 24,014.73	$ 16,130.02	TOTAL CONTRACTED SERVICES EXPENSES	$ 24,014.73	$ 16,130.02
		REPAIR & MAINTENANCE		
$ 1,279.90	$ 1,800.11	General Repairs (741000)	$ 1,279.90	$ 1,800.11
$ -	$ 188.98	Building Repairs (741100)	$ -	$ 188.98
$ 4,554.08	$ 1,684.02	Equipment Repairs (741200)	$ 4,554.08	$ 1,684.02
$ 650.25	$ 2,509.28	Vehicle Repairs (741500)	$ 650.25	$ 2,509.28
$ 243.26	$ 142.56	Maintenance Supplies (742000)	$ 243.26	$ 142.56
$ -	$ -	Tools (743000)	$ -	$ -
$ 180.87	$ 1,252.58	Painting & Decorating (744000)	$ 180.87	$ 1,252.58
$ 10,290.18	$ 7,834.00	Grounds & Landscaping (745000)	$ 10,290.18	$ 7,834.00
$ 375.52	$ 1,010.88	Plumbing & Mechanical (746000)	$ 375.52	$ 1,010.88
$ 3,698.26	$ 2,276.20	Pest Control (747000)	$ 3,698.26	$ 2,276.20
$ 534.03	$ 523.64	Pool Maintenance & Repairs (748000)	$ 534.03	$ 523.64
$ 163.35	$ 260.26	First Aid & Safety (748500)	$ 163.35	$ 260.26

$	11,105.88	$	-	Misc. Repairs & Maintenance (717490)	$	11,105.88	$	-
$	33,075.58	$	19,482.51	TOTAL REPAIR & MAINTENANCE EXPENSES	$	33,075.58	$	19,482.51

		ADMINISTRATION & OFFICE		
$ 469.16	$ 2,531.71	Office Supplies (751000)	$ 469.16	$ 2,531.71
$ 1,879.62	$ 1,500.78	Dues & Subscriptions (752000)	$ 1,879.62	$ 1,500.78
$ 8,305.77	$ 8,441.98	Credit Card Commissions (753000)	$ 8,305.77	$ 8,441.98
$ 14,152.45	$ 18,874.98	Interest & Penalty Charges (753100)	$ 14,152.45	$ 18,874.98
$ 1,446.53	$ 1,628.03	Bank Service Charges (753200)	$ 1,446.53	$ 1,628.03
$ 323.10	$ 17.72	Postage & Shipping (754000)	$ 323.10	$ 17.72
$ 731.85	$ 87.95	Photocopying (755000)	$ 731.85	$ 87.95
$ -	$ -	Stationary (756000)	$ -	$ -
$ -	$ -	Office Equipment Lease/Rental (756500)	$ -	$ -
$ 1,876.92	$ 825.15	Travel Agent Commissions	$ 1,876.92	$ 825.15
$ -	$ -	Travel - Accommodations (757000)	$ -	$ -
$ 509.72	$ 115.31	Travel - Air/Car/Milage (757100)	$ 509.72	$ 115.31
$ -	$ 14.14	Travel - Meals (757200)	$ -	$ 14.14
$ 3,038.79	$ -	Computer Software (757500)	$ 3,038.79	$ -
$ 1,319.25	$ 8,583.65	License & Permits (758000)	$ 1,319.25	$ 8,583.65
$ 1,132.21	$ 2,918.81	General & Misc. Administration (759000)	$ 1,132.21	$ 2,918.81
$ 35,185.37	$ 45,540.21	TOTAL ADMINISTRATION & OFFICE EXPENSES	$ 35,185.37	$ 45,540.21
		MARKETING		
$ -	$ 2,224.39	Advertising (760100)	$ -	$ 2,224.39
$ 3,575.83	$ 2,784.42	Advertising - Newspaper/Magazines (760200)	$ 3,575.83	$ 2,784.42
$ -	$ 1,503.40	Advertising - Other Media (760300)	$ -	$ 1,503.40
$ -	$ -	Directories (762000)	$ -	$ -
$ -	$ -	Ad Production (762500)	$ -	$ -
$ -	$ 127.58	Other Promotions (763000)	$ -	$ 127.58
$ 575.00	$ -	Association & Membership Dues (765000)	$ 575.00	$ -
$ -	$ 719.47	Trade Shows (766000)	$ -	$ 719.47
$ -	$ 384.00	Travel - Accommodations (767000)	$ -	$ 384.00
$ 3,661.02	$ 10,253.91	Travel - Air/Car/Milage (767100)	$ 3,661.02	$ 10,253.91
$ -	$ 321.55	Travel - Meals (767200)	$ -	$ 321.55
$ -	$ -	Printed Material (767500)	$ -	$ -
$ 1,347.84	$ -	Web Site (768000)	$ 1,347.84	$ -
$ (1,318.96)	$ -	Direct Mail (768500)	$ (1,318.96)	$ -
$ 4,809.21	$ 1,199.79	Other Marketing (769000)	$ 4,809.21	$ 1,199.79
$ 12,649.94	$ 19,518.51	TOTAL MARKETING EXPENSES	$ 12,649.94	$ 19,518.51
		UTILITIES		
$ -	$ -	Rent - REIT Units	$ -	$ -
$ 10,468.63	$ 16,747.10	Propane (811000)	$ 10,468.63	$ 16,747.10
$ 1,774.81	$ 3,312.45	Cablevision (812000)	$ 1,774.81	$ 3,312.45
$ 3,280.70	$ 588.72	Garbage Removal (813000)	$ 3,280.70	$ 588.72
$ 13,850.92	$ 1,663.81	Waste/Sewer Removal (814000)	$ 13,850.92	$ 1,663.81
$ 7,955.84	$ 11,882.41	Water (815000)	$ 7,955.84	$ 11,882.41
$ 1,708.38	$ 41,252.10	Electricity (816000)	$ 1,708.38	$ 41,252.10
$ 7,784.12	$ 3,590.91	Telephone/Fax (817000)	$ 7,784.12	$ 3,590.91
$ 1,709.89	$ -	Telephone (Cell) (817100)	$ 1,709.89	$ -
$ 2,994.63	$ 3,477.32	Internet Expense (818000)	$ 2,994.63	$ 3,477.32
$ 682.40	$ -	Security (819000)	$ 682.40	$ -
$ 52,210.32	$ 82,514.82	TOTAL UTILITIES EXPENSES	$ 52,210.32	$ 82,514.82
		OVERHEAD		
$ -	$ -	Bad Debts Expense (894000)	$ -	$ -
$ 2,054.39	$ 6,206.60	Cash Over / Short (895000)	$ 2,054.39	$ 6,206.60
$ -	$ -	Donations (896000)	$ -	$ -
$ -	$ -	Foreign Exchange Gain /Loss (897000)	$ -	$ -
$ 14,172.06	$ 9,796.19	Option / Rental / Leases (898000)	$ 14,172.06	$ 9,796.19
$ -	$ 562.42	Capital Lease Interest (899000)	$ -	$ 562.42
$ 397.33	$ -	Loan Interest Expense	$ 397.33	$ -
$ 16,623.78	$ 16,565.21	TOTAL OVERHEAD EXPENSES	$ 16,623.78	$ 16,565.21
$ 677,827.58	$ 594,662.80	TOTAL EXPENSES	$ 677,827.58	$ 594,662.80
$ (208,510.04)	$ (65,877.78)	NET INCOME	$ (208,510.04)	$ (65,877.78)

				FIXED CHARGES				
$	10,000.00	$	(60,919.12)	Property Taxes (891000)	$	10,000.00	$	(60,919.12)
$	35,020.96	$	39,361.78	Insurance (892000)	$	35,020.96	$	39,361.78
$	46,864.41	$	47,100.70	Amortization (893000)	$	46,864.41	$	47,100.70
$	41,250.00	$	-	Head office Recovery	$	41,250.00	$	-
$	78,316.06	$	75,757.28	Interest - InterCompany	$	78,316.06	$	75,757.28
$	211,451.43	$	101,300.64	TOTAL FIXED CHARGES	$	211,451.43	$	101,300.64
$	(419,961.47)	$	(167,178.42)	NET INCOME AFTER FIXED CHARGES	$	(419,961.47)	$	(167,178.42)
$	(300,395.41)	$	(91,421.14)	NET INCOME (Excl H/O Recov & I/C Int)	$	(300,395.41)	$	(91,421.14)

DS Blackhall
February 23 2009

Grant Thornton

Financial Statements

(Unaudited)

LL Developments Ltd.

December 31, 2007

Contents

Grant Thornton

Review Engagement Report

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To the Shareholder of

LL Developments Ltd.

We have reviewed the balance sheet of LL Developments Ltd. as at December 31, 2007 and the statements of loss and deficit and cash flows for the year then ended. These financial statements have been prepared, with the unanimous consent of the Company's shareholder, in accordance with the Canadian generally accepted accounting principles using differential reporting options available to non-publicly accountable enterprises, as outlined in Note 2 to the financial statements. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the Company.

A review does not constitute an audit and consequently we do express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

Grant Thornton LLP

Calgary, Alberta
March 14, 2008

Chartered Accountants

LL Developments Ltd.
Statements of Loss and Deficit

(Unaudited)

Year Ended December 31		2007		2006
Revenue				
Interest	$	931	$	2,062
Other revenue		-		23,192
		931		25,254
Expenses				
Interest and bank charges		44		2,753
Office supplies		-		34
Professional fees		7,000		23,323
		7,044		26,110
Net loss	$	(6,113)	$	(856)
Deficit, beginning of the year	$	(25,040)	$	(24,184)
Net loss		(6,113)		(856)
Deficit, end of year	$	(31,153)	$	(25,040)

See accompanying notes to the financial statements.

LL Developments Ltd.
Balance Sheet
(Unaudited)

December 31		2007		2006
Assets				
Current				
Cash and cash equivalents	$	**45,447**	$	22,295
Receivables		**29,106**		169,698
		74,553		191,993
Land held for development		**2,585,707**		2,473,378
	$	**2,660,260**	$	2,665,371
Liabilities				
Current				
Payables and accruals	$	**6,000**	$	4,998
Due to related parties (Note 4)		**2,685,412**		2,685,412
		2,691,412		2,690,410
Shareholders' Deficiency				
Capital stock (Note 5)		**1**		1
Deficit		**(31,153)**		(25,040)
		(31,152)		(25,039)
	$	**2,660,260**	$	2,665,371

On behalf of the Board

_______________________ Director _______________________ Director

See accompanying notes to the financial statements.

LL Developments Ltd.
Statement of Cash Flows
(Unaudited)

Year Ended December 31		2007		2006
Increase (decrease) in cash and cash equivalents				
Operating activities				
Net loss	$	**(6,113)**	$	(856)
Changes in non-cash operating working capital				
Receivables		**140,592**		618,999
Payables and accruals		**1,002**		(347,733)
		135,481		270,410
Investing activities				
Land held for development		**(112,329)**		-
Financing activities				
Advances from related parties		**-**		(423,050)
Net increase (decrease) in cash equivalents		**23,152**		(152,640)
Cash and cash equivalents,				
Beginning of year		**22,295**		174,935
End of year	$	**45,447**	$	22,295
Supplemental cash flow information				
Interest earned during the year	$	**931**	$	2,062

See accompanying notes to the financial statements.

LL Developments Ltd.
Notes to the Financial Statements

(Unaudited)
December 31, 2007

1. Nature of operations

The Company was incorporated under the Business Corporations Act of Alberta on December 29, 2004 and commenced operations in 2005. The Company's principal business is the acquisition of land for future development.

2. Summary of significant accounting policies

Differential reporting

The Company, with the unanimous consent of its shareholder, has elected to prepare its financial statements using differential reporting policies available to non-publicly accountable enterprises in accordance with Canadian generally accepted accounting principles.

a) Income taxes

The Company has elected to apply the differential reporting measurement option allowed for income taxes and accordingly, has accounted for income taxes using the taxes payable method.

b) Financial Instruments

The Company has elected not to disclose the fair value information about financial assets and liabilities for which fair value is not readily available.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short-term deposits with original maturities of three months or less.

Revenue recognition

Revenue is recognized when land is sold.

Land held for development

Land held for development is stated at cost. Capitalized costs on land included all expenditures incurred in connection with the acquisition, development and maintenance of the property.

LL Developments Ltd.
Notes to the Financial Statements

(Unaudited)
December 31, 2007

2. Summary of significant accounting policies (Continued)

Use of estimates

The preparation of the financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Financial instruments

The Company's financial instruments consist of cash and cash equivalents, receivables, and payables and accruals, and due to related parties. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

3. Recent Canadian accounting pronouncements

As at January 1, 2007, the Company adopted the recommendations of the CICA Handbook Section 1506 "Accounting Changes". Section 1506 provides expanded disclosures for changes in accounting policies, accounting estimates and correction of errors. The recommendations permit voluntary changes in accounting policies only if they result in financial statements which provide more reliable and relevant information. Accounting policy changes are applied retrospectively unless otherwise permitted or where impractical to determine. Correction of prior period errors are applied retrospectively and changes in accounting estimates are applied prospectively in the period of change. There was no significant impact to the Company's financial statements as a result of implementing this standard.

As of January 1, 2008, the Company will be required to adopt the five new Canadian accounting standards referred to as CICA Handbook Section 3855 "Financial Instruments – Recognition and Measurement", Section 3862 "Financial Instruments – Disclosures", Section 3863 "Financial Instruments – Presentation", Section 3865 "Hedges" and Section 1530 "Comprehensive Income". Section 3855 requires that all financial assets be classified as "held-for-trading", "available-for-sale", "held-to-maturity" or "loans and receivables". Financial liabilities must be classified as "held-for-trading" or "other". In accordance with the new standards, all financial instruments including both financial derivatives and non-financial derivatives and certain imbedded derivatives qualify as assets or liabilities and need to be recorded on the balance sheet initially at fair value. Embedded derivatives are components within a host contract that have features that are similar to a derivative. Comprehensive income is comprised of net earnings and other comprehensive income.

LL Developments Ltd.
Notes to the Financial Statements
(Unaudited)
December 31, 2007

3. Recent Canadian accounting pronouncements (Continued)

The adoption of these standards requires classifying all the Company financial assets and liabilities in categories for which clearly defined rules determine the standards to be applied. The Company is currently assessing the impact from these additional accounting standards on its financial statements.

As of January 1, 2008, the Company will be required to adopt the CICA Handbook Section 1535 "Capital Disclosures" which will require entities to disclose their objectives, policies and processes for managing capital. In addition, disclosures are to include whether entities have complied with externally imposed requirements. The Company is currently assessing the impact from this additional accounting standard on its financial statements.

4. Due to related parties

The balance due to related parties is non-interest bearing, unsecured and has no fixed terms of repayment.

5. Capital stock

	2007	2006
Authorized:		
Unlimited number of Common Shares		
Issued:		
1 Common Share	$ **1**	$ 1

6. Income taxes

Income tax expense differs from the amount, which would be obtained by applying the basic income tax rate to the respective years' earnings before income taxes. These differences result from the following terms:

	2007	2006
Expected income tax (recovery) at 2007 – 32.12% (2006 – 34.12%)	$ **(1,963)**	$ (292)
Other	**(359)**	(398)
Non-capital loss carry-forward	**2,322**	690
	$ **-**	$ -

LL Developments Ltd.
Notes to the Financial Statements
(Unaudited)
December 31, 2007

6. **Income taxes** (Continued)

As at December 31, 2007, the Company has non-capital losses available for carry-forward to future years totalling $10,678 (2006 - $3,480).

Grant Thornton

www.GrantThornton.ca

This is Exhibit "E" referred to in the Affidavit of Gary L. Bentham Sworn before me this 30th Day of March A.D. 2009

A Commissioner for Oaths in and for the Province of Alberta

ROBYN GUROFSKY
BARRISTER & SOLICITOR

COMMITMENT LETTER

WHEREAS, Fairmont Resort Properties Ltd. ("Fairmont") has requested that FRPL Finance Ltd. provide it with funding in order to assist with certain restructuring obligations of Fairmont and its subsidiaries in accordance with the terms set out herein;

NOW THEREFORE, the parties, in consideration of the foregoing and the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged), agree as follows:

Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Initial Order of the Court in the filing under the *Companies' Creditors Arrangement Act* in respect of the Borrowers (the "Initial Order").

Borrowers:	Fairmont Resort Properties Ltd., Lake Okanagan Resort (2001) Ltd., Lake Okanagan Resort Vacation (2001) Ltd. and LL Developments Ltd. (the "Borrowers")
Lender:	FRPL Finance Ltd (the "Lender")
Facility:	Revolving Facility (the "Revolving DIP Facility").
Purpose:	To fund the day to day operating expenses of the Borrowerss, necessary for the preservation of the Borrowers' assets and the administrative and professional costs of the filing under the *Companies' Creditors Arrangement Act ("CCAA")* concerning the Borrowers; all as set out in the Approved Cash Flow Projections (as defined below).
Availability Period:	The Revolving DIP Facility will be repayable on the earliest of (i) July 1, 2009, (ii) the date replacement DIP Financing is obtained, (the earlier of (i) and (ii) being referred to herein as the "Maturity Date") and (iii) such earlier date (the "Termination Date") upon which repayment is required due to the occurrence of an Event of Default (as defined below). The Maturity Date may be extended at the request of the Borrowers and with the consent of the Lender for such period and on such terms and conditions as the Borrowers and Lender may agree.
Operating Expense Cash Flow Projections:	The Borrowers shall provide to the Lender prior to the execution of this Commitment Letter, the cash flow projections for the Operating Expenses, which have been approved by the Lender and which projections reflect the projected cash requirements of the Borrowers between Closing Date and the Maturity Date (the "Approved Cash Flow Projections").
Credit Limit:	The maximum principal amount outstanding at any time under the Revolving DIP Facility shall not exceed $500,000.

Advances:	Advances under the Revolving DIP Facility shall be made by the Lender within 24 hours of receipt by the Lender of a written Notice of Request for Advance submitted by the Borrowers to the Lender at any time and from time to time during the Availability Period, in denominations of not less than $25,000. Each Revolving DIP Facility Advance (together with all other prior Revolving DIP Facility Advances) must be in an amount equal to or less than 110% of the then cumulative bi-weekly projected cash borrowing indicated in the Approved Cash Flow Projections, subject always to the Credit Limits established hereunder and the terms and conditions hereof.
Voluntary Repayment:	Advances may be repaid in whole or in part at any time. Repaid Advances may be redrawn, subject to the terms herein.
Mandatory Repayment:	All outstanding Advances, together with all accrued and unpaid interest thereon, shall be repaid in full on the Maturity Date or 3 business days after demand by the Lender, following the occurrence of an Event of Default. In addition, the Borrowers shall, promptly on actual receipt by the Borrowers of the same, apply all proceeds arising from the disposal of the Property (net only of the costs incurred directly in connection with such collection or, as applicable, disposal) in repayment of any Advances then outstanding, unless otherwise agreed by the Lender, but without prejudice to the Borrowers's right to re-draw any Revolving DIP Facility Advances so repaid, subject to the terms contained herein.
Interest:	Twelve per cent (12%) per annum, accruing daily on the outstanding principal amount of Advances and payable in arrears on the last business day of every calendar month and on the Maturity Date (unless otherwise agreed by the Lender in writing). Interest on Advances may be automatically debited by the Lender from the Revolving DIP Facility on such due date(s) and shall constitute an Advance under the Revolving DIP Facility.
Expenses:	The Borrowers will pay on demand by the Lender all the reasonable costs and expenses (including, without limitation, all legal fees on a full indemnity basis) incurred by the Lender in connection with the Revolving DIP Facility, including (i) the negotiation and documentation thereof and registration of the security relating thereto and (ii) enforcement thereof and of any security in connection therewith ("Lender Expenses").
DIP Security:	All sums at any time owing to the Lender in respect of the Revolving DIP Facility (including, without limitation, Lender expenses) shall be secured by: (i) security held by the Lender (the "Security") and (ii) a

fixed and specific charge on all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wheresoever situate, and all proceeds thereof, of the Borrowers pursuant to a court ordered charge in the CCAA Proceedings ranking subordinate only to the Administration Charge (the "DIP Charge", and collectively with the Security, the "DIP Security").

Funding Conditions	Advances will be available to the Borrowers (subject to all other terms and conditions of this Commitment Letter, after the Court enters an order approving the terms of the Revolving DIP Facility (in form and substance acceptable to the Lender in its sole and absolute discretion) (the "Initial Order"). The Lender shall not be obligated to provide any DIP Funding whatsoever if any one or more of the following occurs: (a) the Initial Order has been vacated, stayed or otherwise caused to become ineffective or is amended in a manner not acceptable to the Lender (such consent not to be unreasonably withheld where any such amendment does not pertain to the Revolving DIP Facility), (b) an Event of Default has occurred and is continuing, (c) the Court has not entered the Initial Order on or before April 3, 2009,
Initial Order:	The Initial Order shall be in form and substance satisfactory to the Lender, which order shall, without limitation, include: (i) provisions approving this Commitment Letter and the Revolving DIP Facility created herein and the execution and delivery by the Borrowers of such other documents as the Lender deems necessary or appropriate, acting reasonably; (ii) provisions granting to the Lender the DIP Charge; (iii) provisions authorizing and directing the Borrowers to execute and deliver such loan and security documents relating to the Revolving DIP Facility and such security documents evidencing the DIP Charge in such form and substance as the Lender may reasonably require; (iv) provisions authorizing the Lender to effect registrations, filings and recordings wherever in its discretion it deems appropriate regarding the DIP Charge; (v) provisions confirming that the DIP Charge shall have priority over all present and future charges, encumbrances and security, whether legal or equitable, other than (i) any charge, encumbrance or security arising by operation of, and given priority over the DIP Security by, any applicable statutory law, and (ii) the Administration Charge; (vi) provisions providing that the DIP Charge shall be valid and

effective to secure all of the obligations of the Borrowers to the Lender without the necessity of the making of any registrations or filings and whether or not any other documents are executed by the Borrowers and/or the Lender pursuant hereto;

(vii) provisions declaring that the granting of the DIP Charge and all other documents executed and delivered to the Lender as contemplated herein, including, without limitation, all actions taken to perfect, record and register the DIP Charge, do not constitute conduct meriting an oppression remedy, settlements, fraudulent preferences, fraudulent conveyances or other challengeable or reviewable transactions under any applicable federal or provincial legislation;

(viii) provisions restricting the granting of any additional liens or encumbrances on the assets of the Borrowers other than as permitted herein and in the Initial Order;

(ix) provisions ordering and declaring the Lender solely in that capacity to be treated as an unaffected creditor in any CCAA plan and providing that the stay of proceedings under the CCAA Order shall not apply to:

A. prevent the Lender from exercising its right to terminate the Revolving DIP Facility and make demands thereunder; or

B. prevent the Lender from applying to the Court for the appointment of a receiver and manager and/or for the appointment of a trustee in bankruptcy in connection with the enforcement of the DIP Charge or to seek other relief in connection with and for purposes of payment of the Revolving DIP Facility;

Covenants:

During the Availability Period, the Borrowers:

(a) will, promptly on the receipt or earlier issue by the Borrowers of the same, give the Lender a copy of any Notice of Motion or Application to vary, supplement, revoke, terminate or discharge the Initial Order, including (without limitation) any application to the Court for the granting of new security that will or may have priority over the DIP Charge or otherwise for the variation of the priority of the DIP Charge;

(b) will use the proceeds of the Revolving DIP Facility only for the purposes of the short-term Operating Expenses of the Borrowers consistent with the restrictions set out herein and, to the extent reasonably practicable in the circumstances, consistent with the Approved Cash Flow Projections in all material respects;

(c) will not pay or enter into any agreements the payment of bonuses or other additional compensation to shareholders, directors, officers or employees of the Borrowers whatsoever, including, without limitation, payments in the nature of a success bonus or an employee retention bonus without the prior written consent of the Lender;

(d) will promptly on request by the Lender for the same provide the Lender with any information or documents reasonably requested by the Lender in connection with the Property or the Business;

(e) will provide prior written notice to the Lender and obtain the prior written approval of the Monitor to the scope and timelines of marketing process in respect of .any material portion of .the Property of the Borrowers;

(f) will not, without the prior written consent of the Lender, incur any borrowings or other indebtedness, obligations or liabilities, other than pursuant to the Revolving DIP Facility, or create, grant or suffer to exist any security over any of the Property, whether ranking in priority to or subordinate to the DIP Charge.

Payments: All Advances shall be made available by credit to an account of the Borrowers with a branch of a Canadian chartered bank or otherwise as the Lender and the Borrowers may agree. All sums payable by the Borrowers to the Lender in connection with the Revolving DIP Facility shall be made by credit to such bank account of the Lender as the Lender may from time to time designate, and shall be paid without set-off or deduction. Unless otherwise specified by the Borrowers at the time of making such payment, any payment made by the Borrowers to the Lender shall be appropriated, to the extent of such payment, to the discharge of whichever. item owing by the Borrowers to the Lender in respect of the Revolving DIP Facility the Lender may in its discretion determine.

Default: Each of the following shall constitute an "Event of Default" hereunder:

(a) if any of the Borrowers fails to comply with any of the provisions or covenants set out herein or in the Definitive Documents;

(b) if the Borrowers fail to comply with any of the provisions of the Initial Order;

(c) if the Initial Order is at any time varied, supplemented, revoked, terminated or discharged, whether in part or in whole, without the prior written consent of the Lender; or

(d) if at any time the Lender in its discretion shall determine (and the Monitor shall not dispute such determination) that the value (on a forced sale basis) of the Borrowers' assets at that time is less than 150% of the aggregate outstanding amount owing under the Revolving DIP Facility, after taking account of the amounts then secured by the Administration Charge (as defined in the Initial Order) and any other prior encumbrances.

Remedies: Upon the occurrence of an Event of Default, the Lender may (i) terminate its commitment hereunder, and, if such Event of Default continues for 3 business days, (ii) upon five days notice to the Borrowers and the Monitor declare the obligations outstanding in respect of the Revolving DIP Facility to be immediately due and payable, and exercise all of its rights and remedies against the Borrowers or the Property under or pursuant to this Commitment Letter, the Definitive Documents and the DIP Charge, including applying to a court for the appointment of an interim receiver or a receiver and manager of the undertaking, property and assets of the Borrowers, or for the appointment of a trustee in bankruptcy of any of the Borrowers, and (iii) exercise the powers and rights of a secured party under the *Personal Property Security Act* (Alberta) or any legislation of similar effect applicable to the DIP Security.

Further Assurances: The Borrowers will, at their own expense and promptly on demand by the Lender at any time, do such acts and things and execute and deliver such deeds and documents as the Lender may request to give effect to any other provisions set out hereunder.

Assignment: The Borrowers shall not assign the benefit of any of the provisions set out herein. The Lender may at any time assign all or any of its rights and benefits herein.

Renewal: The Lender may, in its absolute discretion, extend or renew the Revolving DIP Facility beyond the Maturity Date on such terms and conditions as the Lender may in its absolute discretion determine, but no such extension or renewal shall be effective until set forth in writing, signed by the Lender and delivered to the Borrowers.

Governing Law: The Revolving DIP Facility and the provisions set out herein shall be governed and construed in all respects in accordance with the laws of Alberta and the laws of Canada applicable therein.

Acceptance: The Revolving DIP Facility shall not become available to the Borrowers until and unless the Borrowers return a copy of this Commitment Letter to the Lender (by facsimile transmission or personal delivery), countersigned by the Borrowers pursuant to the authority granted to the Borrowers by the Initial Order, provided that the Lender receives the same within three days of the making of the Initial Order by the Court.

Dated this ______day of March, 2009.

FRPL Finance Ltd.

By: ______________________________

Name:

Title:

ACCECEPTANCE

TO: FRPL FINANCE LTD

We accept and agree to comply with and cause our subsidiaries to comply with the provisions of the Commitment Letter set out above.

Dated this ______day of March, 2009.

FAIRMONT RESORT PROPERTIES LTD.

By:___________________________

Name:

Title:

Action No. 0801-__________

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL DISTRICT OF CALGARY

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF
FAIRMONT RESORT PROPERTIES LTD., LAKE OKANAGAN RESORT VACATION (2001) LTD., LAKE OKANAGAN RESORT (2001) LTD., AND LL DEVELOPMENTS LTD.

BEFORE THE HONOURABLE	) **AT THE CALGARY COURTS CENTRE,**
	) **IN THE CITY OF CALGARY, IN THE**
MADAM JUSTICE B.E.C. ROMAINE	) **PROVINCE OF ALBERTA, ON MONDAY,**
	) **THE 30TH DAY OF MARCH 2009.**
IN CHAMBERS	

CONSENT OF MONITOR

Ernst & Young Inc. does hereby consent to act as Monitor for Fairmont Resort Properties Ltd., Lake Okanagan Resort Vacation (2001) Ltd., Lake Okanagan Resort (2001) Ltd. and LL Developments Ltd. in these proceedings if so appointed by this Honourable Court.

DATED at the City of Calgary, in the Province of Alberta, this 28th day of March, 2009.

This is Exhibit "F"
referred to in the Affidavit of
Gary L. Bentham
Sworn before me this 30th
day of March A.D. 2009

A Commissioner for Oaths in and for the Province of Alberta
ROBYN GUROFSKY
BARRISTER & SOLICITOR

Name: H. Neil Narfason
Title: Senior Vice President

Action No.: 0901- 04199 2009

IN THE COURT OF QUEEN'S BENCH
OF ALBERTA
JUDICIAL DISTRICT OF CALGARY

IN THE MATTER OF THE
COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF
FAIRMONT RESORT PROPERTIES LTD., LAKE OKANAGAN RESORT VACATION (2001) LTD., LAKE OKANAGAN RESORT (2001) LTD., and LL DEVELOPMENTS LTD.

AFFIDAVIT OF GARY L. BENTHAM
SWORN MARCH 30, 2009

BORDEN LADNER GERVAIS LLP
#1000, 400 – 3rd Avenue S.W.
Calgary, AB T2P 4H2

Attention: Patrick T. McCarthy Q.C./
John Ircandia

Telephone: (403) 232-9500
Fax: (403) 266-1395

File No. 437748-000001