

Our File No.: 4953-013

August 6, 2019

VIA EMAIL

Pacific Shores Owner Enterprises Ltd.
c/o 5656 Dustin Place
Nanaimo, BC V9T 6A5

Attention: Kate Britton and Stuart Allen

Dear Sirs/Mesdames:

Re: Sale of Deeded Weekly Timeshare Interests at Pacific Shores Resort to 1025326 B.C. Ltd.

The purpose of this letter is to confirm the sale of 61 strata lots at Pacific Shores Resort owned by shareholders of Pacific Shores Owner Enterprises Ltd. ("PSOE"). The strata lots were sold pursuant to a vesting order of the Supreme Court of British Columbia in proceedings commenced under the *Partition of Property Act*.

The vesting order was pronounced on December 19, 2018. The transaction closed February 8, 2019 and full registration of the transfer documents was achieved in late February.

The result is that the prior owners' deeded title to fractional interests in the strata lots have been conveyed by court order. In the course of the registration, subleases between PSOE and the owners were removed from title. Thus the owners no longer have title, nor leasehold interests in the strata lots. It is our understanding that, coincidentally, PSOE discontinued its collection of maintenance fees from owners as of December 31, 2018 and management of the resort units as of February 8, 2019.

Yours truly,

REED POPE LAW CORPORATION

Per:



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