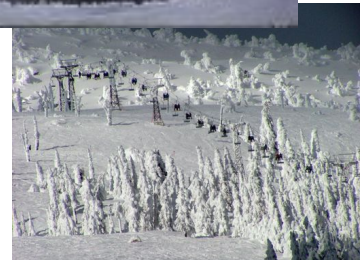
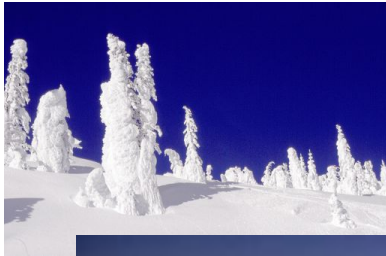


Sale of Assets Mount Baldy Ski Corporation & Related Companies under Foreclosure



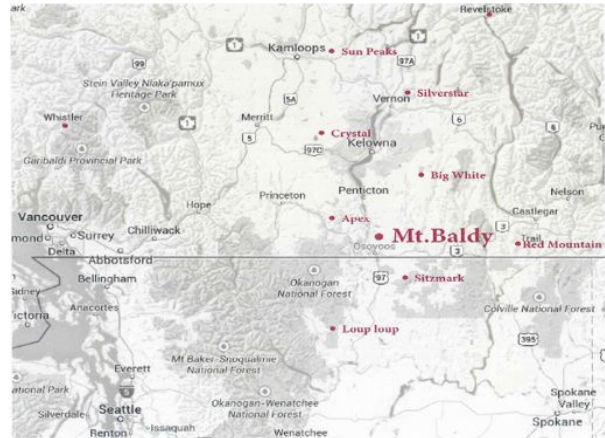
LOCATION

Mount Baldy Resort (“Resort”) is a 4-season resort located in the Okanagan Valley of British Columbia.

Known for fruit, wine and tourism, the Okanagan is one of Canada’s fastest growing and most desirable places to live, work, play and visit.

With lakes and mountains, and warm summers and temperate winters, the Okanagan is an outdoor recreation paradise—with untapped market potential.

The Resort is located on the south side of Mount Baldy in the south Okanagan, just north of the Canada-USA border. It’s less than an hour’s drive east of Oliver (38 km) and Osoyoos (58 km). Air service is from Kelowna (international) and Penticton (regional).



RECREATION DEVELOPMENT OPPORTUNITY

The Mount Baldy Resort Expansion Master Plan, which the Province of British Columbia (“Province”) has approved, envisions a unique 4-season destination resort experience for visitors and residents.

The Resort will blend “traditional lift serviced skiing with backcountry adventure...all designed to reinforce and further build (its) reputation as a mountain play oriented resort that celebrates the outdoor environment.”



Visitors and residents can experience winter alpine and Nordic skiing, snowmobiling and snow shoeing, and summer hiking and mountain biking. A winter tube park, a summer/winter water park, and an 18-hole golf course will round out the recreation activities.

With a base at 5,700 feet above sea level, the Resort boasts one of the highest elevations, the most sunshine and lightest powder of any ski resort in the Okanagan. It is ideal for skiing, offering reliable snow from December through April, and varying terrain for fall-line skiing.

The layout and design of the runs, trails and other recreation improvements for the “Mountain Recreation Area” in the Master Plan maximize these unique qualities. The mix of beginner, intermediate and expert ski runs almost perfectly matches the market.

The 4-season recreation experience at Mount Baldy Resort will equal or exceed those of other major mountain resorts in the Okanagan—Big White near Kelowna, Silver Star near Vernon, and Sun Peaks near Kamloops. Other resorts like Apex, Crystal Mountain and Revelstoke in BC, and Loup Loup and Sitzmark in Washington State are limited to winter activities, or too far away from major population centres.

	Existing	At Build-out
Mountain Recreation Area		
• Controlled Recreation Area	6,895 acres	Same as existing
• Other	3,039 “	“
	9,924 “	
Skiable Terrain	750 acres	4,400 acres, with 1,550 acres of lift-served runs
Vertical	1,300 ft	2,300 ft from the peak (elev. 7,575 ft)
Lifts		
• Number	2 chair lifts (installed 2007-08) 1 Magic Carpet (installed in 2007-08) 1 T-bar (de-commissioned)	13 lifts (includes existing)
• Carrying Capacity	1,200 skiers per day	6,750 skiers per day
Runs	30 runs	150 runs (some with snowmaking & night skiing)
Day Lodge	6,450 sf in 3-storey building Cafeteria, fully serviced lounge, ski rental shop, ski ticket office, and ski school office.	15,000 sf New all-season lodge for day visitors that will also include an outdoor swimming pool.

REAL ESTATE DEVELOPMENT OPPORTUNITY

Residential and commercial development will be an integral part of creating a unique and memorable experience for the Resort’s visitors and residents. The Master Plan envisions a “retreat” and “escape” ambience to complement the natural surroundings and recreation experience of the Resort.

EXISTING

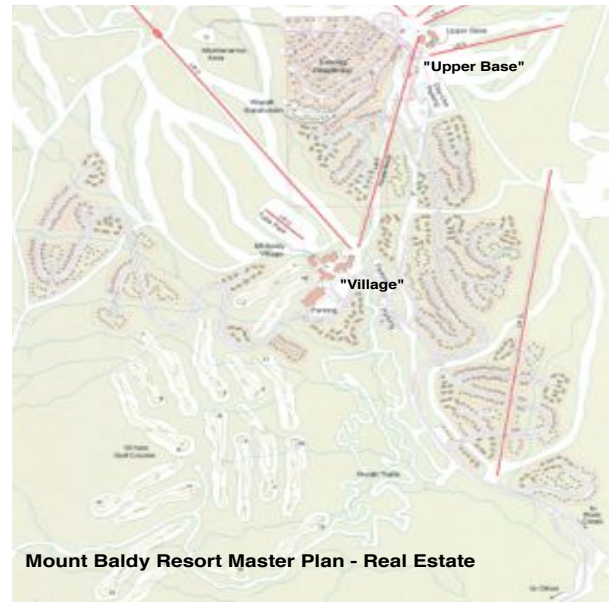
The existing development at the Resort consists of about 100 single family cabins, 20 condominiums in two buildings and a bed’n’breakfast, plus the day lodge used for ski operations. This development pre-dates the involvement of the current developer, “Mount Baldy.” It purchased the remainder of the Resort, largely the ski operation, in 2004. The Resort currently does not have a hotel.

Since 2004, Mount Baldy has: (i) entered in a Master Development Agreement (“MDA”) with the Province for expanding and improving the Resort, and a related agreement with the Osoyoos Indian Band (“OIB”); (ii) expanded and improved the ski lifts and runs; (iii) obtained OCP and rezoning approvals for the entire Resort (iv) acquired Crown Land for the Phase 1 development, and, (v) developed and sold the first 25 lots in this phase. The remainder of Phase 1 is under development.

AT BUILD-OUT

The Master Plan emphasizes creating a compact pedestrian-oriented development footprint with ski access throughout. New buildings will be designed according to approved design guidelines.

The focus of development will be the two base areas for the Resort’s recreation activities—the “Upper Base” and the “Village” respectively.



The existing “Upper Base” will remain primarily day-use oriented. It will expand to include a core of buildings for visitor services, intimate restaurants and lounges, and a small number of accommodation units.

- The new “Village” will be located about one kilometer from the Upper Base. It will include buildings for hotels, retail outlets, convention seminar facilities, the mountain resort spa, and resort services. All will be designed to meet the needs of destination and day-use visitors.
- Various types of public and private accommodation and housing will infill around and between the two base areas.

PHASING OF DEVELOPMENT

Real estate development will occur in four phases in accordance with the Master Plan. Before building construction starts, each phase first requires: (i) purchasing associated Crown Land, which is based upon the number of “bed units” earned from expanding and increasing the recreation capacity of the Resort; (ii) obtaining development approvals for subdivision, servicing, and building and other permits; and, (iii) constructing the required servicing.

The Resort is approved for almost 7,900 bed units. Mount Baldy has already earned 1,974 bed units for the Phase 1 development, of which 1,012 are developed so far. OCP and zoning approval for the remaining 962 undeveloped bed units is already 100% in place.

Development Program at Build-out	Bed Units	Units, Area, or Stalls
Accommodation (units)		
Public		
hotel	758	379
condo	1,212	303
bed’n’breakfast	520	52
cabin	1,100	275
	<u>3,590</u>	<u>1,009</u>
Private		
single family	2,568	428
condo	904	226
rv	60	30
employee	770	385
	<u>4,302</u>	<u>1,069</u>
	<u>7,892</u>	<u>2,078</u>
Commercial (sf)		
Skier-related		57,000
Destination Visitor		<u>49,500</u>
		<u>106,500</u>
Parking (stalls)		2,200
Comfortable Carrying Capacity	7,775	



OFFERED FOR SALE

LIST OF ASSETS

G-Force is offering for sale on an as-is/where-is basis the right, title and interest of substantially all of the assets (collectively, the “Assets”) of Mount Baldy Ski Corporation; Mount Baldy Real Estate, ULC; and, Winter Recreation, ULC (collectively, “Mount Baldy”). The sale is subject to Court approval in British Columbia.

1. “Subject Lands”

Name	Lot No.	PID	Land (acres)	Interest for Sale	Status of Approvals & Servicing
McKinney I & II	“Lot 1”	027-328-759	21.03	fee simple	90% completed
Wapiti	“Lot 13”	026-938-081	0.16	“	completed
Wapiti	“Lot 25”	026-938-201	0.44	“	completed
Wapiti South	“Block C”	027-507-106	22.39	“	OCP and zoning approved
			44.02		

2. “Other Assets” –

- a) “Personal Property” – Including inventory, equipment, chattels, fixtures, and business records.
- b) “Material Contracts” – Including:
 - Master Development Agreement (“MDA”) with the Province of British Columbia.
Specifies the terms and conditions permitting Mount Baldy: (i) exclusive use of 6,895 acres of Crown Land in the Controlled Recreation Area (“CRA”) to develop and operate improvements for skiing and other recreation activities; and, (ii) purchase Crown Land for private real estate development of commercial, residential and other uses.
 - Mount Baldy Resort Expansion Master Plan, February 2006 (“Master Plan”).
Describes the approved master plan for developing the Resort’s recreation and real estate development areas. The Master Plan forms Schedule A of the MDA.
 - Licence of Occupation No. 343536 with Province.
Specifies the terms and conditions permitting Mount Baldy non-exclusive use of 3,039 acres adjacent to the CRA for non-guided recreational activities (e.g. for snowmobiling and cross-country skiing).
 - Mount Baldy Benefits Agreement (“Benefits Agreement”) with Osoyoos Indian Band.
Specifies the terms and conditions for OIB and Mount Baldy to share the benefits from developing the Resort.

MARKETING & SALE PROCESS

The proposed marketing and sale process will enable the new owner of the Assets to open the Resort for skiing at the start of the upcoming 2014-15 ski season in December. For this to occur, the new owner will need to arrange to acquire the Assets by November, 2014, and support any pre-opening work that will need to be conducted concurrently while finalizing the sale of the Assets. This work will include maintenance of the ski lifts and runs, and sales of season ski passes.

PURCHASE PRICE

All reasonable offers to purchase the Assets will be considered. Serious expressions of interest should be submitted by August 21, 2014.

G-Force Real Estate Inc. (“G-Force”) is “Marketing Agent” for a secured creditor who has received conduct of sale from the Supreme Court of British Columbia under a foreclosure action to sell the Assets of Mount Baldy.

Interested parties (principals only) in acquiring the Assets should contact G-Force Real Estate Inc. to obtain, sign and return a Confidentiality Agreement to obtain further confidential information, including access to an online Data Room and a site tour. Courtesy offered to qualified brokers associated with an interested party.

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DISCLAIMER: Any and all information or documentation obtained by any Interested Party has been prepared solely for their convenience and is not warranted to be accurate or complete.