

NARRATIVE ADDENDUM CONTINUED

SITE DESCRIPTION - Feathertop Estates

The subject properties include 26 bareland strata chalet lots, of moderate sloping topography off the northeast end of Feathertop Way cul-de-sac. Panhandle access to the site is from Feathertop Way under a 15 metre (49 foot) bridge for skiers using the Short Cut ski trac. The lots and site are characterized by a 10% to +35% upward gradient from south to north, rising +/- 230 vertical feet from +/- 5,790 feet above sea level at the south boundary to approximately 6,000 feet at the north lot line of the subject in the vicinity of Lot 24. The Feathertop Estates subdivision will include 81 bareland strata chalet lots, although the subject lots consist of 26 large lots on the perimeter.

The majority of the lots in the subdivision offer unobstructed views of the Christian Valley and Monashee Mountain Range to the south, east and west. The lots and future chalets will be ski-in, ski-out with direct access to ski runs of the existing Big White ski lift system. The subject development is unique in that it is surrounded by existing ski runs on all 4 sides with superior skier access to the limited number of chalet lots at Big White. It should be noted that the existing Rock Ridge, White Forest and Snow Pine Estates chalet lot subdivisions are now 98% built up with only a few vacant lots remaining. These subdivisions are all considered much inferior to the 26 subject lots.

The subject lots are shown on the attached Subdivision Plan, prepared by Runnalls Denby, British Columbia Land Surveyors. The individual lots, that are the subject of this report and their market values, are summarized as follows:

Lot No.	Lot Dimensions (Frontage x Depth) (Imperial)	Lot Area		Market Values
		Sq.Ft.	Acre	
1	134 x 255	19,159	.43	\$1,000,000
2	65 x 255	17,006	.39	\$ 725,000
3	70 x 264	15,392	.35	\$ 650,000
4	69 x 200	11,086	.25	\$ 575,000
5	61 x 139	6,789	.15	\$ 475,000
6	183 x 92	5,709	.13	\$ 425,000
7	31 x 158	9,685	.22	\$ 625,000
8	46 x 158	12,808	.29	\$ 675,000
9	14 x 175	15,176	.34	\$ 700,000
10	46 x 176	15,369	.35	\$ 700,000
11	46 x 201	16,683	.38	\$ 750,000
12	71 x 234	15,607	.35	\$ 675,000

13	120 x 234	16,508	.38	\$ 675,000
14	93 x 267	17,652	.40	\$ 675,000
15	82 x 251	19,052	.43	\$ 675,000
16	67 x 305	18,837	.43	\$ 675,000
17	46 x 133	17,724	.39	\$ 750,000
18	46 x 115	10,244	.23	\$ 750,000
19	44 x 115	12,523	.29	\$ 750,000
20	70 x 166	11,840	.27	\$ 725,000
21	66 x 120	10,240	.23	\$ 725,000
22	66 x 120	8,972	.20	\$ 725,000
23	66 x 108	7,701	.18	\$ 725,000
24	150 x 148	12,378	.28	\$ 1,000,000
25	173 x 150	11,840	.27	\$ 675,000
26	51 x 165	13,239	.30	\$ 675,000

The above market value estimates are based on the attached sales and give consideration to the following factors:

- 1) Location within the subdivision, lot size and ski run frontage. Note that Lots 1 and 24 have considerably higher market values than the other lots due to their wide frontage on Millie's Mile Ski Run and their excellent views;
- 2) Ongoing expansion at Big White with continued infrastructure upgrades - most recently the new Snow Ghost 6 seat chairlift and additional chairs installed on the Black Forest lift that increased lift capacity to 2,600 skiers per hour;
- 3) Proposed Chateau Blanc construction to commence this summer to include 600 rooms, restaurants and retail stores and possibly a future casino. It is anticipated that this project will be a catalyst in moving Big White to a 4 season destination resort by 2010.
- 4) February 27, 2007 Big White announced they are conducting on-going negotiations with a British Columbian developer, who is speaking with Greg Norman golf course design regarding a construction of a proposed Greg Norman Signature Championship Golf Course to be developed in the Happy Valley area at Big White Ski Resort. The proposed golf course is currently subject to a series of planning agreements and proposals before the design process can commence. The market value estimates included herein are not conditional on this golf course being developed.
- 5) The subject properties provide skiers and snow boarders with the best location of ski in/out homes that have ever been released at Big White. The subdivision is located at an elevation of 1,750 metres or 5,700 feet. The subject lots are the highest elevation freehold lots available on any mountain in Canada providing superior quality snow conditions.

COMPARABLE SALES

1. Legal Description: Strata Lot 13, Plan KAS 2211, SDYD.		
Location: Lot 13 Moonshine Crescent, Big White		
Zoning: R4 Medium Density	Domestic Water: Yes	Disposal: Sewer
Lot Size: .41 Acres	Date Of Sale: Dec 2006	Sale Price: \$375,000
<p>Comments: This property is located in the White Forest development area at Big White. This large lot slopes below Moonshine Crescent to Big White Road and as such is susceptible to traffic noise from Big White Road. It is located roughly 1 km southwest of the subject in an area developed with newer single family chalets. This lot also sold in March 2006 for \$327,000 and then sold previously January 2002 for \$175,000.</p>		

2. Legal Description: Strata Lot 3, Plan KAS 2476, SDYD.		
Location: 371 Rock Ridge Court, Big White		
Zoning: R4 Medium Density	Domestic Water: Yes	Disposal: Sewer
Lot Size: .12 Acres	Date Of Sale: Feb 2007	Sale Price: \$349,900
<p>Comments: This property is located fronting Rock Ridge Court off Whitehorse Lane and Big White Road. It borders a ski track and is located a short distance from Big White Village. It is located in an area of higher density development being situated in close proximity to several multi family apartment chalet style buildings and on a street that also includes several custom quality duplexes. It does enjoy good access to the village, but is smaller in size than most of the subject properties and in addition will require blasting and site preparation to facilitate construction. This lot also sold in April 2004 for \$325,000 and February 2003 for \$200,000.</p>		

3. Legal Description: Lot 22, Plan KAS 938, SDYD.		
Location: 4891 Snow Pines Road, Big White		
Zoning: R2 Snow Pines Residential	Domestic Water: Yes	Disposal: Sewer
Lot Size: .141 Acres	Date Of Sale: Dec 20, 2006	Sale Price: \$180,200
<p>Comments: This property is located approximately 3 km southwest of the subject lot in the Snow Pine Estates subdivision. Snow Pine Estates properties traditionally take longer to sell and have considerably lower market values than properties located in or close to Big White Village due to the distance of this subdivision from commercial services and their inferior accessibility to ski runs. This lot previously sold in December 2003 for \$129,500.</p>		

Comparables 1 through 3 demonstrate that land values have been appreciating at Big White for the past several years, although over the last 2 years, prices have generally been stable for improved properties in particular, apartment condominiums. There are 2 other subdivisions slated to come on stream at Big White. Both of those subdivisions are located in the Snow Pine Estates area and are therefore considerably inferior in terms of location to the subject 26 large Feathertop Estates lots. After a review of Okanagan Mainline Real Estate Board listing data, there are no vacant building lots offered for sale in close proximity to the Big White Village Core that are available for comparison purposes.

4. Legal Description: Strata Lot 8, Plan 13519, Land District 37.			
Location:	6530 Balsam Way, Whistler		
Zoning:	RS1	Domestic Water: Yes	Disposal: Sewer
Lot Size:	.19 Acres	Date Of Sale: Jan 2006	Sale Price: \$742,500
Comments: This property is located in the Whistler Kay Estates neighbourhood, roughly 2 km south of the Creekside Village area of Whistler. This is one of the older subdivision areas in the Municipality of Whistler. The zoning restricts the chalets to single family uses only. Nightly rentals are not allowed as is the norm in most areas of Whistler in terms of chalet type properties excepting those properties that are designated TA Tourist Accommodation, that can then have nightly rentals. I was advised that the purchaser of this comparable intends to demolish the existing older chalet and construct a new building on this lot.			

5. Legal Description: Lot 70, Plan 19202, Land District 37.			
Location:	6339 Easy Street, Whistler		
Zoning:	RS1	Domestic Water: Yes	Disposal: Sewer
Lot Size:	.28 Acres	Date Of Sale: Oct 31, 2005	Sale Price: \$700,000
Comments: This property is located 2 blocks west of Comparable 4 in the same subdivision and is a dated sale. That photo demonstrates that the cabin that existed at the sale date has been demolished and a new cabin is under construction on this lot. It should be noted that at Whistler the only future chalet lots, to be developed, are located in the Kadenwood subdivision situated to the northeast of the Creekside Village area. The municipal sewer and water infrastructure will be at maximum capacity once Kadenwood is completed.			

6. Legal Description: Lot 24, Plan LMS 4695			
Location:	2951 High Point Drive, Whistler		
Zoning:	RTA 11	Domestic Water: Yes	Disposal: Sewer
Lot Size: .48 Acres	Date Of Sale: Dec 2006		Sale Price: \$1,950,000
<p>Comments: This property is located in Phase 2 of the Kadenwood development. Kadenwood is located above the Creekside Village area of Whistler. It is located at an elevation of 750 metres or 2,460 feet. Access to commercial amenities from Kadenwood is available by way of a 5 km drive from Creekside Village or alternately by a future gondola that will allow residents to travel from Kadenwood to and from the Creekside Village area. Kadenwood can also be accessed by way of either, "Home Run" or "Peak to Creek" ski runs. The lots in Kadenwood afford views of the Whistler Valley as well as the mountains to the south and ski in access. Given the relatively low elevation of Kadenwood, ski conditions utilizing the two above noted ski in runs, are often marginal. Icy conditions are common and in many instances rain or extremely wet snow is falling at this elevation. This sale in Kadenwood as well as other recent Phase 2 sales demonstrate the large premium applicable to chalet building lots that provide ski in/out access and good views at Whistler.</p>			

Summary and Reconciliation

Based on the above comparables, considerable premiums are applicable for lots providing direct ski in/out access and views as demonstrated by the Whistler sales. The preceding market value estimates for the subject Feathertop lots are based largely on the price differentials indicated by sales evidence from Whistler.

It should also be noted that the zoning applicable to the Whistler Comparables 4 and 5, preclude nightly or weekly rentals. Only monthly rentals are allowed under these zoning categorizations. This then detracts from the appeal of these lots to investor/owners. It should be noted that the subject Feathertop Estates lots and their R3 Chalet Residential 3 zone does not include any restrictions with regards to nightly or weekly rentals nor does the Strata Disclosure Statement.