

**VALLEY'S EDGE PARK
EDGEWATER, BRITISH COLUMBIA**

AMENDMENT TO DISCLOSURE STATEMENT

March 7, 2007

Prepared by:

**REED POPE LLP
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THE DEVELOPER: VALLEY'S EDGE PARK LTD.

**Address for service:
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Invermere, BC, V0X 1K0**

**Business address:
339 Parkview Crescent S.E.
Calgary, AB T2J 4N8**

This Disclosure Statement has been filed with the Superintendent of Real Estate, but neither the Superintendent, nor any other authority of the government of the Province of British Columbia, has determined the merits of any statement contained in the Disclosure Statement, or whether the Disclosure Statement contains a misrepresentation or otherwise fails to comply with the requirements of the Real Estate Development Marketing Act. It is the responsibility of the developer to disclose plainly all material facts, without misrepresentation.

The Developer intends to market the bare land strata interests offered for sale under this Disclosure Statement using its own employees. The employees of the Developer are not licensed under the Real Estate Services Act and are not acting on behalf of the purchaser.

LIST OF EXHIBITS

“A-3”	▪Phase 2 registered strata plan; ▪Phase 3 – proposed strata plan
“D-3”	▪Approved Phases 1 and 2 Strata Corporation Budget – including monthly assessments ▪Proposed Strata Corporation Budget inclusive of Phase 3 – including monthly assessments
“F-3”	Title Review – Chart and descriptions of Legal Notations, Charges Liens and Interests

TABLE OF CONTENTS

Title.....	1
List of Exhibits.....	2
1 Overview of the Amendments	4
2 The Development.....	4
2.1 General Description.....	4
2.4 Phasing	5
3 Strata Information	5
3.7 Budget.....	5
4 Title and Legal Matters	6
4.1 Legal Description	6
4.3 Existing Encumbrances and Legal Notations.....	6
4.4 Proposed Encumbrances.....	7
5 Construction and Warranties	8
5.1 Construction Dates	8
6 Approvals and Finances.....	9
6.1 Development Approval	9
6.2 Construction Financing	9
7 Miscellaneous.....	9
7.4 Other Material Facts.....	9
Signature Page	10

1 OVERVIEW OF THE AMENDMENTS

In this Amendment, the Disclosure Statement dated April 7, 2006 is referred to as the “Disclosure Statement”; the Amendment to Disclosure Statement dated June 14, 2006 is referred to as the “First Amendment”; the Amendment to Disclosure Statement dated October 4, 2006 is referred to as the “Second Amendment”; and this Amendment to Disclosure Statement dated March 7, 2007, is referred to as the “Third Amendment”. An overview of this Third Amendment is as follows:

- (a) The Developer is offering for sale Strata Lots in Phase 3 with this Third Amendment;
- (b) The title section of the Disclosure Statement has been updated;
- (c) There are miscellaneous amendments chiefly arising from (a) and (b) above.

Purchasers must receive a copy of the Disclosure Statement, the First Amendment, the Second Amendment, and this Third Amendment.

2 THE DEVELOPMENT

2.1 General Description

The final three paragraphs of section 2.1 of the Disclosure Statement are deleted and replaced with the following:

The Development consists of approximately forty acres. Valleys’ Edge Park is a multi-stage Development that will consist of two hundred and two (202) Strata Lots constructed in four (4) phases. Under this Disclosure Statement, the Developer is offering for sale the remaining unsold Strata Lots in Phases 1 and 2 as well as Strata Lots to be created in Phase 3.

The Strata Lots will be owned individually, together with a proportionate share as tenants in common in the common property including the common facilities (“Common Property”) and other assets of the Strata Corporation. A copy of the registered strata plan for Phase 1 is attached as the first part of **Exhibit “A-2”**. A copy of the registered strata plan for Phase 2 is attached as the first part of **Exhibit “A-3”**. A copy of the proposed strata plan showing the layout and approximate dimension of the Strata Lots in Phase 3 of the Development is attached as the second part of **Exhibit “A-3”**. The Strata Lots will not have civic addresses but will be

assigned lot numbers within Valley's Edge Park after the construction of the Development.

The Developer will register the strata plan for the Development and complete the servicing for the utilities and construct common property roadways.

Exhibit "A-2" is attached to the Second Amendment. **Exhibit "A-3"** is attached to this Third Amendment.

In the Second Amendment, heading 2.1 and all associated paragraphs are deleted.

2.4 Phasing

The last sentence of the second paragraph at section 2.4 of the Disclosure Statement is deleted and replaced with the following:

The Developer is currently marketing for sale remaining strata lots in Phases 1 and 2 as well as the sixty-five (65) Phase 3 strata lots.

In the Second Amendment, heading 2.4 and all associated paragraphs are deleted.

3 STRATA INFORMATION

3.7 Budget

The first paragraph under section 3.7 of the Disclosure Statement is deleted and replaced with the following:

At the most recent Annual General Meeting held January 31, 2007, the Strata Corporation approved the budget and monthly assessments for Phases 1 and 2, copies of which are attached as the first part of **Exhibit "D-3"**. Based on the approved Strata Corporation budget for Phases 1 and 2, and assuming similar expenses, the Developer has prepared a proposed budget and monthly assessments inclusive of Phase 3 which is attached as the second part of **Exhibit "D-3"**.

Exhibit "D-3" is attached to this Second Amendment.

4 TITLE AND LEGAL MATTERS

4.1 Legal Description

The paragraphs under section 4.1 of the Disclosure Statement are deleted and replaced with the following:

The Strata Lots in Phases 1 and 2 have the following legal description:

East Kootenay Assessment Area

PID: (different for each Strata Lot)

Strata Lot: 1 to 69

District Lot [348 or 353 or 7569]

Kootenay District

Strata Plan NES3039

Together with an interest in the common property in the proportion to the unit entitlement of the strata lot as shown on Form V

The Strata Lots in Phase 3 will be created from land having the following legal description:

East Kootenay Assessment Area

PID: 024-783-153

Lot 1,

District Lots 348, 353 and 7569

Kootenay District,

Plan NEP66755

Except Strata Plan NES3039 (Phases 1 & 2)

(the "Remainder Lands")

4.3 Existing Encumbrances and Legal Notations

All of the paragraphs at section 4.3 of the Disclosure Statement are deleted and replaced with the following:

A detailed list of all legal notations and encumbrances as of March 7, 2007 is provided in **Exhibit "F-3"**.

Exhibit "F-3" is attached to this Third Amendment.

4.4 Proposed Encumbrances

Heading 4.4 of the Second Amendment and all associated paragraphs are deleted.

Paragraphs (a) through (l) inclusive at section 4.4 of the Disclosure Statement are deleted and replaced with the following:

- (a) The Developer will register a Statutory Building Scheme on title to each of the Strata Lots. The Statutory Building Scheme will provide guidelines and restrictions on structures to be built and recreational vehicles to be placed on the Strata Lots. The document restricts the construction of a habitable structure on a Strata Lot unless the Strata Lot has been designated as a "cottage lot" in the Statutory Building Scheme. The Developer has designated Strata Lots 1 to 21, 24 and 29 to 44 in Phase 1 as "cottage lots". The Developer has designated Strata Lots 60 to 69 in Phase 2 as "cottage lots". The Developer's present intention is to designate Phase 3 Strata Lots 70 to 94, 104 to 108 and 117 to 119 inclusive as "cottage lots". The form of Statutory Building Scheme that will be registered against the Strata Lot will be substantially in the form attached as **Exhibit "G"** to this Disclosure Statement. However, the form of Statutory Building Scheme that will be registered against title to the Strata Lot will not provide for a security deposit at section 4 of Schedule 1 of the Statutory Building Scheme. These security deposit requirements are now found in the registered strata corporation bylaws at section 38;
- (b) The Developer will register a Restrictive Covenant against those Strata Lots that will be designated "Recreational Vehicle Lots". This Covenant will not permit "Cottages" to be constructed on Recreational Vehicle Lots and will enforceable by the remainder parcel owned by the Developer until such time as Strata Lot 202 is created, being the Lodge Strata Lot (described further as section 7.3.2 below). Upon the creation of Strata Lot 202, the Developer intends to arrange for Strata Lot 202 to have the benefit of and the ability to enforce this Covenant. Respecting Phase 1, the Developer has registered the Restrictive Covenant against Strata Lots 22, 23, 25 to 28 and 45 to 49. Respecting Phase 2, the Developer has registered the Restrictive Covenant against Strata Lots 50 to 59. For Phase 3, the Developer's present intention is to register the Restrictive Covenant against Strata Lots 95 to 103, 109 to 116, and 120 to 134 inclusive;

- (c) As in Phases 1 and 2, a 3 metre easement has been granted across the frontage of all Strata Lots in favour of the common property of the Strata Corporation. The width of a similar easement in Phase 3 is expected to measure 1 metre in certain locations and 3 metres in other locations. This easement permits the construction of a utilities service corridor and permit snow that is cleared from the common property roadways to be stored in the easement area;
- (d) There may be other utilities easements aside from the above-noted 3-metre frontage easement required for Phase 3 because of the layout of the Phase 3 lands;
- (e) It is possible that additional encumbrances including statutory rights of way, covenants and easements required by local government authorities, including the Ministry of Transportation, and utility service providers may be necessary;
- (f) As provided in section 7.2, the Contract of Purchase and Sale will require the buyer to grant to the Developer an Option to Purchase, in respect of Cottage Strata Lots, and a Right of First Refusal, each to be registered concurrently with the conveyance of the Strata Lot to the buyer.

5 CONSTRUCTION AND WARRANTIES

5.1 Construction Dates

The paragraph at section 5.1 of the Disclosure Statement is deleted and replaced with the following:

The construction of servicing and utilities within Phase 1 and Phase 2 is complete. The Phase 3 construction of servicing and utilities is estimated to be completed by July 31, 2007. The date is an estimate only and completion could occur sooner or later than estimated.

Heading 5.1 in the Second Amendment and all paragraphs associated with that heading are deleted.

6 APPROVALS AND FINANCES

6.1 Development Approval

The paragraph at section 6.1 of the Disclosure Statement is deleted and replaced with the following:

The Ministry of Transportation has granted Preliminary Layout Approval for Phases 1, 2 and 3.

Heading 6.1 in the Second Amendment and all paragraphs associated with that heading are deleted.

6.2 Construction Financing

In the First Amendment, heading *3 Construction Financing* and all paragraphs associated with that heading are deleted. In the Second Amendment, heading 6.2 and all paragraphs associated with that heading are deleted.

The paragraph at section 6.2 of the Disclosure Statement is deleted and replaced with the following:

The Developer will complete construction of servicing and utilities. The Developer has arranged unconditional financing with CareVest Capital Corp. for the completion of this construction for Phases 1, 2 and 3. The Developer has made arrangements with its lender to provide partial discharges of the mortgage financing from title to each Strata Lot upon the conveyance of such Strata Lot to a purchaser.

7 MISCELLANEOUS

7.4 Other Material Facts

In Phase 3, the Developer rehabilitated or reconstructed the surface and fill of portions of certain Strata Lots to build up areas of a slope or bank, or to eliminate areas where water might pool. A Purchaser of a Strata Lot in Phase 3 who intends to construct a permanent structure upon the Strata Lot should make its own inquiries and satisfy itself regarding ground stability that is appropriate to the location and the nature of the structure within the Strata Lot.

SIGNATURES

Section 22 of the Real Estate Development Marketing Act provides that every purchaser who is entitled to receive this Disclosure Statement is deemed to have relied on any false or misleading statement of a material fact contained in this Disclosure Statement, if any, and any omission to state a material fact. The developer, its directors and any person who has signed or authorized the filing of this Disclosure Statement are liable to compensate the purchaser for any misrepresentation, subject to any defences available under section 22 of the Act.

The foregoing statements disclose, without misrepresentation, all material facts relating to the Development referred to above, as required by the Real Estate Development Marketing Act of British Columbia, as of March 7, 2007.

SIGNED THIS 20 DAY OF MARCH, 2007.

VALLEY'S EDGE RESORT LTD.

Per:

Glen Ortt
Authorized Signatory

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Glen Ortt
Glen Ortt
Director