

NO. S148656
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

**IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT
OF PRETTY ESTATES LTD.**

MONITOR'S EIGHTH REPORT TO COURT

DECEMBER 9, 2015



PRETTY ESTATES LTD.
MONITOR'S EIGHTH REPORT TO COURT
DECEMBER 9, 2015

TABLE OF CONTENTS

Background and Purpose of Report..... 3
Monitor's Activities..... 4
Summary of Operating Results..... 5
Projected Cash Flows for 2015-2016 Operations..... 6
New DIP Facility and Outstanding Professional Fees.....7
Conclusions and Recommendations.....9

APPENDICES

- A. IHM Report on operations for October 2015**
- B. Pretty Estates Resort 2015/16 Monthly Operating Budget and Cash Flow Estimates
(including IHM Memorandum)**
- C. Outstanding professional fees as at October 31, 2015**

PRETTY ESTATES LTD.
MONITOR'S EIGHTH REPORT TO COURT
DECEMBER 9, 2015

BACKGROUND AND PURPOSE OF REPORT

1. On November 10, 2014, Pretty Estates Ltd. (the “**Company**”) commenced a proceeding under the *Companies' Creditors Arrangement Act* (“**CCAA**”), and on that same date this Honourable Court granted an Initial CCAA Order (the “**Initial Order**”). G. Powroznik Group Inc. of G-Force Group was appointed as Monitor in the CCAA proceeding (the “**Monitor**”).
2. This report represents the Eighth Report (“**Eighth Report**”) of the Monitor with respect to the CCAA filing of the Company and should be read in conjunction with the Monitor's Preliminary Report dated November 5, 2014 which included the Company's Cash Flow Statement (“**Original Cash Flow Statement**”), and the Monitor's First Report dated December 5, 2014 (“**First Report**”), the Monitor's Second Report dated January 30, 2015 (“**Second Report**”) the Monitor's Third Report (“**Third Report**”) dated February 27, 2015, the Monitor's Fourth Report dated March 31, 2015 (“**Fourth Report**”), the Monitor's Fifth Report dated April 23, 2015 (“**Fifth Report**”), the Monitor's Sixth Report dated July 21, 2015 (“**Sixth Report**”), and the Monitor's Seventh Report (“**Seventh Report**”) dated September 28, 2015. The capitalized terms used in this Eighth Report are defined herein or in earlier reports.
3. Copies of all pertinent reports, Court Orders, and other filings related to this proceeding are posted to the Monitor's website at the following URL: <http://www.g-forcegroup.ca/pretty-estates-ltd/>
4. The purposes of this report are to provide this Honourable Court with:
 - a) an update on the Monitor's activities since the Seventh Report was issued;
 - b) an update on the actual financial performance of the Company during the restructuring period and particularly for the month of October 2015 including the fiscal year ending October 31, 2015;
 - c) an update on the offers to purchase the shares and assets of the Company and the Company's development of a restructuring plan (the “**Restructuring Plan**”) under the CCAA;

- d) an overall summary of next steps in the process with estimated timing for key milestones that the Company is working toward; and
 - e) the Monitor's recommendations relating to:
 - i. the Company's request for an extension of the stay of proceedings and a process to deal with the Company's efforts to complete a transaction with one of the key prospects so that it can finalize its Restructuring Plan;
 - ii. the Company's request for increased DIP financing; and
 - iii. the Company's request for an increased Administrative Charge.
5. In preparing this report, the Monitor has relied upon information received from the Company, its legal counsel, Lawson Lundell LLP ("**Lawson**"), IHM, the Monitor's legal counsel, Borden Ladner Gervais LLP ("**BLG**"), the Company's first and second mortgagees and their respective counsel and third parties potentially interested in acquiring the Company or its assets and/or participating with the Company in its Restructuring Plan. The Monitor was given uninhibited access to information relating to the operations of the Company including financial and operations information.

MONITOR'S ACTIVITIES

6. The following is a summary, without limitation, of the Monitor's activities since the Seventh Report was submitted:
- a) maintained regular contact with the Company's first mortgagee, First West Credit Union (formerly known as Envision Credit Union) ("**First West**"), represented by Mr. Mohamed Samman, and the Company's second mortgagee and DIP lender, Mr. James Young, and their respective counsel to update them on the status of CCAA proceedings, including details of the Company's progress and the Monitor's activities to obtain acceptable offers that could close relatively quickly, and respond to their queries;
 - b) maintained regular contact with the Company and Lawson to review the improved operating results and the detailed elements and timing of a Restructuring Plan;
 - c) maintained regular contact with IHM to obtain ongoing updates on the Company's operational restructuring activities, current events at the Resort and the status of operations improvements and financial performance, including for October and year to date results, as well as reviewed the draft October 31, 2015 year end financial statements and the 2015/16 operating budget prepared by IHM;
 - d) facilitated and assisted the due diligence process by the Proposed Purchaser, including with the Share Purchase Agreement ("**SPA**") that was signed with the Company on October 28, 2015. We also facilitated and assisted the Prospective Purchaser with its additional due diligence and its efforts to remove subject conditions by November 16, 2015, when the offer lapsed;

- e) maintained regular communications with three additional prospective purchasers and their advisors, the Company and its principal, and their respective counsel in order to facilitate the timely completion of a new Asset Purchase Agreement (“**APA**”) or SPA, depending on the business and tax structure of those parties’ offers. All of those parties have made strong offers which would provide full repayment of all secured creditors and, depending on timing of closing, a recovery for unsecured creditors of the Company;
- f) assisted the Company and the prospective purchasers with related due diligence matters;
- g) continued to discuss with the Company and its principal the importance to finalize a sale on acceptable terms with one of the prospective purchasers so the Company can complete its Restructuring Plan as soon as possible;
- h) reviewed the terms of a new DIP Financing loan proposed by Varsity Capital Corporation (“**VCC**”) which is intended to repay the Company’s existing DIP facility with Mr. Young and also to pay outstanding professional fees to October 31, 2015 and fund the Resort’s operations through its slow winter season to the end of March 2016, the time a transaction is expected to close; and
- i) assisted the Company in developing a time-line for key milestones for its Restructuring Plan taking into account the feedback from the first and second mortgagees and the progress to obtain an unconditional offer.

SUMMARY OF OPERATING RESULTS

7. The Monitor summarizes its key findings and activities related to the Company’s operations as follows:
 - a) We have attached the IHM Operations and Cash Flow Report for October 2015 as **Appendix “A”**. October 31, 2015 was the end of the Company’s fiscal 2015 year. To summarize the operating results, October 2015 was a worse-than-expected month at the Resort as the “shoulder” season arrived earlier than usual. This was due in part to unsettled weather and also due to Thanksgiving which fell early on the calendar in 2015. Actual EBITDA (loss) of (\$8,638) for the month came in below targeted levels, and all revenue departments (golf, food and beverage, accommodation) also came in below expectation. However, the EBITDA performance for the month was approximately \$62,462 better than October 2014.
 - b) For the year ending October 31, 2015, EBITDA is reported as \$377,500 which is \$124,500 less than the projected EBITA of \$502,000 for the year. As documented in prior reports, IHM used its original budget prepared in August 2014 that was not modified for its late start in the management of the operation in November 2014. It lost over two months in planning and actions required to achieve all of the targeted improvements for November through to February than it could have if it started

earlier. However, it did not lower its budgeted results which resulted in a negative variance of budget to actual results for the first four months of approximately \$70,000. It remained optimistic that it could pick up this ‘built-in’ early negative variance. It was on its way to do so in September 2015 until bad weather set in during the latter part of the month and continued through to the end of October 2015. IHM reported in its report of its September 2015 that it was clear it was not going to achieve targeted EBITDA for the year. In fact, a poorer than expected October, due for the most part to very poor and unsettled weather, further eroded results against the budgeted totals.

- c) However, it is important to remember this year’s EBITDA represents an improvement of \$663,000 over the prior fiscal year, or about 86% of the budgeted improvement, or (95% of the budgeted improvement excluding the approximately \$70,000 in early losses built into the budget due to the delayed start by IHM). It was evident that IHM has, through its management, turned the Resort into a profitable operation again during the year.
- d) IHM reports that actual DIP Financing advanced as at October 31, 2015 was \$845,368. As at that date, the Company also had unrestricted cash balances of \$99,900 and approximately \$2,500 available on its line of credit. IHM is also estimating that the November 2015 projected EBITDA (loss), from the 2015-2016 budget, discussed further below, of (\$51,500) will be achieved; and
- e) Since IHM’s contract expired on October 31, the Company has extended IHM’s contract on a month to month basis until the closing of a sale of the Company.

PROJECTED CASH FLOWS FOR 2015-2016 OPERATIONS

- 8. The Company’s new fiscal year has commenced and encompasses the period November 1, 2015 to October 31, 2016. Prior to its last year end and in preparation for the upcoming year, the Company engaged IHM to prepare a full, monthly operating budget for the Resort operations for this period. Attached hereto as **Appendix “B”** is IHM’s monthly operating budget and cash flow estimates for November 1, 2015 to October 31, 2016 (the “**Fiscal 2016 Budget**”). Included in the appendix is IHM’s memorandum to the Company on the Fiscal 2016 Budget.
- 9. Traditionally after Thanksgiving each year, the Resort enters the slow season of its operations. Golf, food and beverage, and rooms revenues all decrease dramatically during the period November to April each year, and as a result the Resort’s earnings and cash flows are in a loss and deficiency position, respectively, for those months.
- 10. Although IHM projects annual EBITDA of \$520,400 in the Fiscal 2016 Budget, the operation’s high revenue and EBITDA months occur during the period May to October and particularly during the period June to August. High EBITDA summer months more than offset the losses of the slow season. Accordingly, the Company has no way to fund operations and its restructuring activities during the current slow season in the absence of new financing.

11. Based on the Fiscal 2016 Budget, the Company will incur operating losses totalling approximately \$198,000 in the five-month period encompassing November 1, 2015 to March 31, 2016¹. During that same period, the Fiscal 2016 Budget projects that the Company will require borrowings totalling \$350,000 to fund operations, capital expenditures, and DIP and other interest costs while in the restructuring process.

NEW DIP FACILITY AND OUTSTANDING PROFESSIONAL FEES

12. In the Initial Order, the original DIP facility, provided by Mr. James Young, was approved to a maximum amount of \$725,000 inclusive of the interest reserve and with an eighteen month term. On April 28, 2015, by Court Order, the DIP facility was increased to a maximum amount of \$1,000,000. The term was reduced to 12 months and subsequently the DIP facility matured on October 30, 2015.
13. In July 2015, the Company's request for a \$95,000 advance under the DIP facility was not funded by Mr. Young as he felt that sufficient surplus funds should be available to cover outstanding payables from the July and August operating results. As a result, payables were held until surplus funds were generated. However, increased costs accumulated to October 31, 2015 without sufficient funds to pay them, although there was still significant room in the existing DIP facility.
14. The outstanding balance on the DIP, prior to its maturity, was \$845,368 exclusive of interest reserve. We understand the balance at the end of November 2015, excluding interest reserve, is approximately \$852,300.
15. The Company was able to use its cash reserves from the Resort's high season to fund operations into November 2015. Because the Company recognized it would require additional DIP financing, it made a request to Mr. Young in November as to whether he would provide a new DIP facility. We understand that Mr. Young declined the request to renew the facility.
16. Although the Company had sufficient cash remaining from the summer of 2015 to fund operations through November 2015 and into early December 2015, we now understand that the Company is now facing a critical cash shortage. IHM reports that absent any additional funding, the Company is unlikely to be able to meet its December 20, 2015 payroll. IHM reports that if the Company is able to meet that payroll, it will certainly not be able to meet its next payroll in early January 2016. The Monitor confirms, based on its understanding of the Company's operations and discussions with IHM, that the Company will not be able to continue operations substantially beyond December 31, 2015 without additional DIP financing.
17. The Company expects to complete a transaction on or before March 31, 2016. It is projected the Company will require financing totalling \$350,000 to fund the Resort's operations to that date. Based on the status of the preparation of legal documentation for sale of the Resort between the Company and two different prospective purchasers, the

¹ We expect IHM's Report on Operations for November 2015 to be issued prior to December 23, 2015.

Monitor expects the Company will have entered into a binding agreement of sale before the end of December 2015.

18. Given a sale of the Resort is not expected to complete until March 31, 2016, additional DIP Financing is required as there is no other source of cash for the Company's operations beyond December 2015.
19. We understand that the Company has agreed to terms with VCC for a DIP Loan not to exceed \$1,750,000 with a term of 12 months and an interest rate of 10% per annum with the last month of the term having an interest rate of 12% per annum. A copy of the terms of the proposed VCC DIP facility has been attached to the Company's application materials. The Company has sought loan quotations from other potential lenders and ultimately determined that VCC's terms were the most favourable for the Company and its stakeholders. Based on its review of information received from the Company, the Monitor concurs with the Company's assessment that the terms offered by VCC are the most favourable to the Company and its stakeholders of the reasonable DIP financing options it considered.
20. In addition to requiring financing to fund its operation, the Company has incurred professional fees which are unpaid and outstanding as at October 31, 2015. Total outstanding professional fees to that time, inclusive of disbursements and taxes, are \$324,297.89. Attached hereto as **Appendix "C"** is a summary of unpaid professional accounts to the end of October 2015 for the following professional firms:
 - a) G. Powroznik Group Inc., as Monitor in the CCAA process;
 - b) Lawson Lundell LLP, as legal counsel to the Company;
 - c) IHM, for services rendered in managing the Resort operations, preparing a complete 2015-16 operating budget, and other special services relating to the Company's restructuring and sale process; and
 - d) Gowlings LLP, for legal services rendered with respect to the preparation of the SPA with the original Proposed Purchaser. Gowlings performed much of the drafting work for the SPA and the Company contemplated including their services in the restructuring funding because their work was for the benefit of all the stakeholders should the transaction successfully complete. The SPA only provided for nominal consideration to be paid to the shareholders of the Company (\$1.00), with the balance of the purchase price being used to fund a Restructuring Plan by the Company.
21. The Company has not had sufficient cash to pay these accounts in full prior to October 31, 2015. Also, the Fiscal 2016 Budget does not contemplate the payment in cash of professional fees to the completion of a transaction which will bring about the need for an increased Administration Charge which is discussed further below.
22. Below is a summary of the proposed items and amounts formulating the Company's request for a new DIP facility not to exceed \$1,750,000 (amounts rounded):

- a) Repay outstanding current DIP facility including estimated interest of \$860,000;
- b) Pay Outstanding professional fees to October 31, 2015 of \$324,300;
- c) Fund the Resort operations during the slow season to March 31, 2016 estimated \$350,000 by IHM;
- d) Fund VCC commitment fee (1%) of \$17,500; and
- e) Provide for estimated VCC interest reserve of \$211,000², for a total of \$1,762,800, rounded to the requested DIP facility of \$1,750,000.

CONCLUSIONS AND RECOMMENDATIONS

23. In the Monitor's opinion, the Company should be ready to sign an agreement of sale with one of two parties before the end of December 2015. The Monitor understands that neither of the pending transactions will be subject to financing. In that regard, the Monitor has received copies of banking documentation from each of the parties indicating that both parties have the ability to fund the purchase. Both offers will be subject to a 60 day due diligence period with a 30 day period to closing thereafter. Draft sale documentation is currently being circulated between legal counsel for the Company and respective legal counsel for the prospective purchasers. As of the date of writing this Eighth Report, the Company has already made significant strides with respect to reaching a new agreement of sale with respect to the Resort. The Monitor recommends that the Company consider entering into a sale agreement with one of these parties as a back up in case the chosen one does not complete. Further, a third party is considered a back up to these two purchasers.
24. The Company requires additional DIP Financing in order to allow it to continue to operate in the Resort's slow season, to work toward completion of the sale of the Resort, and to finalize its restructuring plan to the creditors. It is projected the Company will not be able to fund its operations in the 2nd half of December 2015 in the absence of any new DIP funding. If the Company does not have funding, it will have to cease operations of the Resort which the Monitor expects will have a materially-negative impact on the value of the Resort and ultimately be prejudicial to all stakeholders.
25. The Monitor recommends to the Company that it files its Restructuring Plan forthwith immediately on removal of subject conditions in whatever offer is accepted by the Company. This should occur approximately in the latter half of February 2016.
26. The Monitor recommends that the stay of proceedings is extended to March 31, 2016 to allow the Company to continue efforts to complete an unconditional sale with one of the prospective purchasers. This date is selected as the Company expects that a sale of the Resort will be completed, and its Restructuring Plan will have been voted on by the creditors, by this time. If the stay of proceedings is lifted, a forced-sale liquidation of the

² The VCC interest reserve is calculated assuming the full 12 month term. To the extent the DIP is repaid earlier, for example on March 31, 2016, the actual interest will be considerably lower.

assets will occur which in the Monitor's view will significantly impair recoveries for several stakeholders including the unsecured creditors. As noted above, currently, all of the serious offers that have been advanced will result in full payment of all secured claims and, depending on timing of closing, a recovery for the unsecured creditors. Additionally, the Monitor recommends an increase in the Company's DIP Financing from a maximum of \$1,000,000 to a maximum of \$1,750,000 under the new proposed DIP facility of VCC.

27. The Monitor also recommends an increase in the Administration Charge from \$25,000 to \$250,000. Even if the Company is granted additional DIP Financing, it will not have sufficient cash, after funding its operations, over the next four months in order to pay the critical professional fees required in order to complete a transaction and allow the Company to complete its Restructuring Plan by March 31, 2016.
28. The Company and its principal, Mrs. Faulkner, have been very co-operative with the Monitor in the process to finalize a SPA or an APA. The Monitor continues to be of the opinion that the Company has acted, and is acting, in good faith and with due diligence during the restructuring process with the intention of preparing and presenting its Restructuring Plan as soon as reasonably possible.

All of which is respectfully submitted this 9th day of December, 2015.

**G. Powroznik Group Inc. of G-Force Group
In its capacity as Court Appointed Monitor
of Pretty Estates Ltd.**



Per: Mr. Gary D. Powroznik
Managing Director

Appendix "A"

**IHM Report on operations for October 2015
(including exhibits)**



INTEGRATED HOSPITALITY MANAGEMENT LTD

Memorandum

To: Betty-Anne Faulkner, Pretty Estates Ltd.
CC: G. Powroznik Group Inc. as Court Appointed Monitor of Pretty Estates Ltd.
Bonita Lewis-Hand, Lawson Lundell LLP
From: Ralph Miller, Inntegrated Hospitality Management Ltd.
Date: November 23, 2015
Re: Pretty Estate Resort – Operations and Cash Flow Report, October 2015

Betty-Anne:

As you are aware, IHM took control of the management of Pretty Estate Resort (the “Resort”) on November 10, 2014, with the mandate to implement cost containment, operations efficiency, and revenue enhancement initiatives, which we originally identified in October 2014 and continue to monitor and reinforce these initiatives based on implementation experience. All of the initiatives previously identified have been actioned and as reported in previous months have been integrated into the operation of the Resort.

For the 12 month period ended October 31, 2015 we provide the following summary:

	2015	2014	Improvement
	\$	\$	\$
Total Revenue	2,732,379	2,592,022	140,400
Labour Costs	1,322,100	1,484,048	162,000
Other Costs	<u>1,032,766</u>	<u>1,393,378</u>	<u>360,600</u>
EBITDA (Loss) Before Restructuring Costs	<u>377,513</u>	<u>(285,404)</u>	<u>663,000</u>

Our revenue enhancement, cost control and mitigation, and efficiency programs continue to be focused on each of the Company’s operations; during the height of the busy season we work to maintain the management team’s attention on the operating principles established and consistently monitor performance. Moving into the winter season, we focus on reducing costs as revenues fall off with seasonal demand.

On a comparative basis for the 12 month period ended October 31, revenues have been increased \$140,400, labour costs have been reduced \$162,000, and other operating costs have been reduced by \$360,600, resulting in an increase in operating earnings (decrease in the operating loss) reported for the 12 month period of \$663,000.

Suite 313, 223 Mountain Highway
North Vancouver, BC V7J 3V3
Telephone: 704.982.0888
Facsimile: 704.982.0999

Box 14, Site 17, RR 8
Calgary, AB T2J 2T9
Telephone 403.719.9777
Facsimile: 403.938.1724

The labour costs reported for October 2015 do not include the retirement package (“Retirement Package”) negotiated with the former General Manager. The Retirement Package has been included in the accounts of the Resort however is classified as a restructuring cost.

Labour cost, the single most important expense in any hospitality business, is monitored and managed on a daily and weekly basis. When compared against the same period last year, \$162,000 in labour cost savings, approximately 10.9% of the prior year labour cost, has been achieved in the 12 months ended October 31, 2015 without any significant sacrifice in guest satisfaction.

Other cost savings have been recorded in and across multiple expense classifications. For example, for the 12 months ended October 31, 2015 the cost of food and beverage was 35.9% of food and beverage revenues, 6.2 percentage points better than the 42.1% cost of food and beverage revenues reported in the 12 months ended October 31, 2014 (measured in absolute dollars, the food and beverage cost reduction is approximately \$65,000 over the 12 month period).

Our business and operating philosophy continues to promote changes that improve the business paradigm at the Resort. We operate the business on a go-forward basis making suitable arrangements for the continued operations of the Resort.

Operating Earnings for the Month Ended October 31, 2015

The weather during October was unsettled; wind and rain storms were more common, negatively impacting golf play and recreational food & beverage business volumes. Revenues declined very quickly after Thanksgiving, which was early this year.

In respect of the financial performance of the Resort for October 2015 we attach a Summary Operating Statement (Exhibit 1.0) for the period ended October 31, 2015, and provide the following discussion thereon.

Total Operating Revenue recorded for October 2015 was \$166,837, (\$93,000) less than the projected levels, with rooms revenue (\$7,400) below expectations, food and beverage revenue (\$57,400) below expectations, and golf revenue (\$27,200) below expectations; Earnings (Loss) Before Interest Taxes Depreciation and Amortization (“EBITDA”) and Restructuring Costs for the month of October 2015 was (\$8,638), (\$62,900) less than the projected EBITDA and Restructuring Costs of \$54,300.

Our cost control / efficiency initiatives responded to the nearly 40% shortfall from projected revenues; actual to projected cost savings of \$30,000 were achieved in relation to the revenue shortfall of (\$93,000), representing a cost recovery equal to 33% of the revenue shortfall.

By comparison the Total Operating Revenue and EBITDA reported for the month of October 2014 was \$164,500 and (\$71,100) respectfully.



Rooms' department revenue for October was \$26,000, approximately (\$7,400) less than projected levels. 154 guest rooms were sold, (14) less than the projected guest room sales of 168; the average room rate achieved was \$167.54, approximately (\$30.67) worse than the projection of \$198.21.

Food & Beverage department revenues for October were \$78,200, approximately (\$57,400) less than the projected levels.

Golf department revenues for October were \$62,700, approximately (\$27,200) less favourable than the golf revenues projected; 1,239 green fee paid rounds and 379 membership/golf card rounds of golf were recorded for a total of 1,618 golf rounds, (432) fewer golf rounds than projected (2,050 green fee paid and 0 membership/golf card rounds); the average green fee realized was \$36.03, \$5.03 more than the \$31.00 green fee projected.

Non-Operating Income for October was \$2,833; \$2,333 more than projected.

Total recurring labour costs for the month of October 2015 were \$114,060, (\$7,207) less favourable than the projected labour costs of \$106,853, and (\$15,224) less favourable than the labour costs incurred in the month of October 2014. For October 2015 labour costs represented 68.4% of total operating revenues, up significantly from the projected labour costs of 41.1% of total projected revenue; by comparison labour costs reported for October 2014 were 58.5% of total revenue.

Overall, operating earnings (loss), represented by EBITDA before Restructuring Costs, of (\$8,600) was recorded for the month of October 2015, (\$62,900) worse than the projected operating earnings for the month of \$54,300.

On a year to date basis (12 months to October 31, 2015):

- EBITDA before restructuring costs of \$377,500 has been reported; (\$125,200) worse than the projected EBITDA before restructuring costs of \$502,700; but \$663,000 better than the EBITDA (Loss) before restructuring costs of (\$285,404) reported for 12 months ended October 30, 2014.
- Total revenues of \$2,732,000 were recorded in the 12 month period, (\$257,000) less than the projected operating revenue of \$2,989,000, but \$140,000 more than the \$2,592,000 in total revenue reported for the 12 month period ended October 30 2014.

In our report on the operations for September 2015, dated October 20, 2015, we provided an estimate for the anticipated operating earnings for October 2015 at \$20,000 based on the daily revenue and labour cost reporting to October 19, 2015, implemented at the Resort. An actual operating (loss) earnings of (\$8,600) was recorded, approximately (\$28,600) worse than the mid-October estimate.



Statement of Monthly Cash Flow from Operations

In respect of the cash flow for the Resort, we attach a Statement of Monthly Cash Flow from Operations (Exhibit 2.0) for the period ended October 31, 2015, and provide the following discussion thereon.

On April 20, 2015 we issued a revised projection for monthly cash flow for the year ending October 31, 2015. The revised projection for monthly cash flow is based on the actual results of operations for the 5 month period from November 1, 2014 to March 31, 2015 and projected operating results for the period from April 1, 2015 to October 31, 2015. These projections were based on the assumption that the Company will continue operations in the normal course, except where otherwise stated, and will incorporate the initiatives outlined in the Integrated Hospitality Management Ltd. report dated October 29, 2014, and revised estimates for debt service requirements (including DIP Financing costs) and restructuring costs.

The Cash Flow from Operations is determined after considering changes in the working capital accounts and before interest, depreciation, and other non-operating items. The EBITDA (Loss) before Restructuring Costs for October 2015 was (\$8,638).

The adjusted cash flow (deficiency) surplus from operations for October 2015 was (\$32,290), and considers all of the changes in the working capital accounts for the Resort. Overall, there is an unfavorable cash flow from operations variance of (\$77,059), when compared against the projected operating cash flow requirements, largely as a result of the increase in operating loss incurred during the month.

Non-Operating cash flow items generally include the cost of capital replacements and all of the costs related to interest payments required to maintain the secured creditor positions and the payments related to restructuring costs.

- Included in the legal restructuring costs is \$3,921 charged by Envision Financial and applied to the outstanding loan balance.
- No capital replacements were made in October 2015.

The Non-Operating cash flow items totaled \$6,522 in respect of charges to debt and debt service and (\$51,673) in respect of restructuring costs.

Overall a cash flow deficiency of (\$77,442) was recorded for the month, approximately (\$46,800) worse than the projected cash flow deficiency of (\$30,660).

On a year to date basis (12 months to October 31, 2015), a cash flow deficiency of (\$771,455) has been incurred, approximately (\$54,762) worse than the revised projection for the cash flow deficiency of (\$716,693).

Our cash flow projections anticipated that no changes would be made to the Envision Line of Credit, which was effectively fully drawn down as at November 10, 2014. As at October 31, 2015 cash



balances in the Royal Bank accounts totaled \$111,754, including \$11,836 related to wedding and event customer deposits received since November 10, 2014, which are segregated from regular operating funds and held in trust in anticipation of the booked events.

DIP Financing

As at October 31, 2015 DIP Financing totaling \$845,368 had been advanced, approximately \$137,770 more than the \$707,598 estimated in the revised projection. Our DIP Funding cycle is estimated semi-monthly in advance and the timing of any specific month-end can indicate potential over/under borrowing or additional short term cash flow deficiencies. As at October 31, 2015, unrestricted cash balances of \$99,918 were available in the Royal Bank of Canada accounts, and \$2,460 was available on the Envision Financial Line of Credit.

The Resort did not make any DIP repayment during the month of October 2015, reserving the cash balances for the payment of operating accounts.

As at November 23, 2015 the DIP Financing balance remained unchanged at \$845,368; allowing for the November 2015 DIP interest, and the three month interest reserve, there is approximately \$117,000 in remaining borrowing available under the approved DIP Financing of \$1,000,000.

As at November 23, 2015, professional fees of \$219,835 relating to legal and monitor billings for August, September, and October 2015 remained unsettled.

Outlook for November 2015

According to the revenue and labour cost tracking/monitoring systems installed at the Resort, as of November 19, 2015, the Resort is reporting an actual revenue to projection shortfalls in the range of \$7,000 month-to-date, and an actual labour cost approximately equal to our projection.

Weather conditions during the first part of November have been wet with a significant storm occurring on November 17, resulting the golf course being closed for clean-up for a couple of days; golf play and recreational food & beverage sales are both lower than expected. Although seasonally cool, better weather is forecasted through the balance of the month and Eagle fest patrons are attending at the Resort to watch the annual Eagle migration.

For November 2015 we have projected an EBITDA (Loss) of (\$51,500); based on the experience to November 19, 2015, we anticipate achieving the EBITDA (Loss) projected for November.

Conclusion

The foregoing represents our report on the operations and cash flow for the Resort for October 2015 and the 12 months then ended.

We are pleased to report a \$663,000 improvement in the 12 month period EBIDTA (before restructuring costs), when compared to the same 12 month period of 2014. This improvement in



EBITDA is more than 3 times the IHM operational restructuring fees recorded in the 12 month period.

We are pleased to review our report with you, the Monitor, or the Resort's legal advisors, at your convenience.

If you have any questions related to this memorandum please do not hesitate to contact me directly by email or at 403.619.9767 (mobile).

Respectfully submitted



Exhibit 1.0

Pretty Estates Ltd.
 Summary Operating Statement
 For the Period Ended October 31, 2015

	Month End October 31, 2015						12 Months - Ended October 31, 2015					
	Actual		Projection		Variance		Actual		Projection		Variance	
Rooms Available:	279		279		0		3285		3285		0	
Rooms Sold:	154		168		-14		1888		2061		-173	
Occupancy:	55%		60%		(5.0%)		57%		63%		(5.3%)	
ADR:	\$167.54		\$198.21		(\$30.67)		\$199.92		\$203.30		(\$3.39)	
Rooms RevPAR:	\$92.96		\$119.35		(\$26.39)		\$115.56		\$127.55		(\$12.00)	

	Month End October 31, 2015						12 Months - Ended October 31, 2015					
	Actual		Projection		Variance		Actual		Projection		Variance	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
Operating Revenue												
Rooms	25,936	15.5%	33,300	12.8%	(7,364)	(22.1%)	379,599	14.0%	419,005	14.0%	(39,406)	(9.4%)
Food and Beverage	78,188	46.9%	135,595	52.2%	(57,407)	(42.3%)	1,237,014	45.7%	1,561,840	52.4%	(324,826)	(20.8%)
Golf Course	62,713	37.6%	89,913	34.6%	(27,200)	(30.3%)	1,079,572	39.9%	989,995	33.2%	89,577	9.0%
Miscellaneous Income	-	0.0%	1,000	0.4%	(1,000)	(100.0%)	7,810	0.3%	12,000	0.4%	(4,190)	(34.9%)
Total Operating Revenue	166,837	100.0%	259,808	100.0%	(92,971)	(35.8%)	2,703,994	100.0%	2,982,840	100.0%	(278,847)	(9.3%)
Departmental Expenses												
Rooms	8,015	30.9%	8,763	26.3%	(748)	(8.5%)	142,112	37.4%	109,148	26.0%	32,964	30.2%
Food and Beverage	59,932	76.7%	84,918	62.6%	(24,986)	(29.4%)	919,288	74.3%	1,081,108	69.2%	(161,820)	(15.0%)
Golf Course	40,713	64.9%	52,477	58.4%	(11,764)	(22.4%)	590,504	54.7%	575,171	58.1%	15,333	2.7%
Total Departmental Expenses	108,661	65.1%	146,158	56.3%	(37,497)	(25.7%)	1,651,904	61.1%	1,765,427	59.2%	(113,523)	(6.4%)
Total Departmental Profit	58,177	34.9%	113,650	43.7%	(55,473)	(48.8%)	1,052,090	38.9%	1,217,413	40.8%	(165,324)	(13.6%)
Undistributed Operating Expenses												
Administrative and General	41,849	25.1%	28,622	11.0%	13,227	46.2%	359,236	13.3%	337,102	11.3%	22,134	6.6%
Information and Telecommunications Systems	55	0.0%	2,652	1.0%	(2,597)	(97.9%)	33,268	1.2%	31,824	1.1%	1,444	4.5%
Sales and Marketing	774	0.5%	8,585	3.3%	(7,811)	(91.0%)	69,647	2.6%	111,520	3.7%	(41,873)	(37.5%)
Property Operation and Maintenance	12,201	7.3%	7,715	3.0%	4,486	58.1%	89,007	3.3%	94,343	3.2%	(5,336)	(5.7%)
Utilities	7,779	4.7%	5,233	2.0%	2,546	48.7%	68,238	2.5%	61,797	2.1%	6,441	10.4%
Total Undistributed Expenses	62,658	37.6%	52,807	20.3%	9,851	18.7%	619,395	22.9%	636,585	21.3%	(17,190)	(2.7%)
Gross Operating Profit	(4,481)	(2.7%)	60,843	23.4%	(65,324)	(107.4%)	432,695	16.0%	580,828	19.5%	(148,133)	(25.5%)
Income Before Non-Operating Income and Expenses	(4,481)	(2.7%)	60,843	23.4%	(65,324)	(107.4%)	432,695	16.0%	580,828	19.5%	(148,133)	(25.5%)
Non-Operating Income and Expenses												
Income	2,833	1.7%	500	0.2%	2,333	466.6%	28,385	1.0%	6,000	0.2%	22,385	373.1%
Rent	119	0.1%	-	0.0%	119	100.0%	715	0.0%	-	0.0%	715	100.0%
Property and Other Taxes	3,539	2.1%	4,039	1.6%	(500)	(12.4%)	44,342	1.6%	48,083	1.6%	(3,741)	(7.8%)
Insurance	3,332	2.0%	3,028	1.2%	304	10.0%	38,547	1.4%	36,002	1.2%	2,545	7.1%
Other	-	0.0%	-	0.0%	-	0.0%	(37)	(0.0%)	-	0.0%	(37)	0.0%
Total Non-Operating Income and Expenses	(4,157)	(2.5%)	(6,567)	(2.5%)	2,410	(36.7%)	(55,182)	(2.0%)	(78,085)	(2.6%)	22,904	(29.3%)
Earnings Before Interest, Taxes, Depreciation, and Amortization	(8,638)	(5.2%)	54,276	20.9%	(62,914)	(115.9%)	377,513	14.0%	502,743	16.9%	(125,230)	(24.9%)
Interest												
Envision	7,174		7,561		(387)		88,451		90,730		(2,279)	
2nd Mortgage	6,431		6,116		315		75,714		73,892		1,822	
DIP Financing	7,119		-		7,119		82,368		-		82,368	
Total Interest	20,724		13,677		7,047		246,533		164,622		81,911	
Restructuring Costs												
Legal	64,972		3,000		61,972		377,575		93,000		284,575	
Appraisal	-		-		-		-		10,000		(10,000)	
Severance	50,000		-		50,000		50,000		-		50,000	
Monitor	91,498		5,400		86,098		398,067		73,300		324,767	
Management	47,752		18,000		29,752		213,700		238,000		(24,300)	
Total Restructuring Costs	254,222		26,400		227,822		1,039,342		414,300		625,042	
Depreciation & Amortization												
Income Taxes												
Net Income (Loss)	(283,584)		14,199		(297,783)		(908,361)		(76,179)		(832,182)	

Exhibit 2.0

**Pretty Estate Resort Ltd.
Statement of Monthly Cash Flow from Operations
for the Period Ended October 31, 2015**

	Month Ended October 31, 2015			12 Months Ended October 31, 2015		
	Actual	Revised Projection	Variance	Actual	Revised Projection	Variance
Rooms Occupied	154	168	(14)	1,888	2,061	(173)
Average Room Rate	\$ 167.54	\$ 198.21	\$ (30.67)	\$ 199.92	\$ 203.30	\$ (3.38)
Total Golf Rounds Played	1,618	2,050	(432)	24,550	21,350	3,200
Golf Average Paid Green Fee	\$ 36.03	\$ 31.00	\$ 5.03	\$ 36.13	\$ 31.44	\$ 4.69
EBITDA before Restructuring Costs	(8,638)	54,279	(62,917)	377,513	425,754	(48,241)
(Earnings before Interest, Taxes, Depreciation & Amortization)						
Cash Flow Adjustments						
Change Accounts Receivable	6,671	1,299	5,372	(3,369)	(3,779)	410
Change in Inventory	5,993	5,791	202	63,800	68,131	(4,331)
Change in Prepaid Insurance (P, C, BI)	0	2,438	(2,438)	18,576	(871)	19,447
Change in Prepaid Insurance (Auto)	0	0	0	856	856	0
Change in Prepaid Property Tax	3,539	4,039	(500)	308	(12,807)	13,115
Change in Prepaid Other	1,409	0	1,409	(6,046)	(16,288)	10,242
Change in General Accounts Payable	8,261	(11,296)	19,557	(9,841)	(12,669)	2,828
Change in Current Crown Claims	(28,741)	(11,781)	(16,960)	(49,806)	(31,266)	(18,540)
Change in Customer Deposits	(20,784)	0	(20,784)	(68,551)	(42,810)	(25,741)
Change in Delinquent Crown Claims	0	0	0	(88,056)	(88,000)	(56)
Adjusted Cash Flow from Operations	(23,652)	(9,510)	(14,142)	(142,129)	(139,503)	(2,626)
	(32,290)	44,769	(77,059)	235,384	286,251	(50,867)
Non-Operating Cash Flow items						
Capital Replacements	0	0	0	(24,046)	(67,491)	43,445
Envision Financial LOC Interest	(1,170)	(1,174)	4	(14,099)	(14,023)	(76)
Envision Financial LOC Advance (Repayment)	13,261	0	13,261	44,010	37,135	6,875
Envision Financial - Loan Interest	(6,004)	(6,387)	383	(74,352)	(76,059)	1,707
Envision Financial - Loan Principal Payment	4,104	0	4,104	30,467	10,239	20,228
Equipment Lease Payments	11,196	(8,647)	19,843	(38,273)	(64,376)	26,103
Car Loan Payments	(1,315)	(1,208)	(107)	7,231	6,414	817
2nd Mortgage Interest	(6,431)	(6,116)	(315)	(75,714)	(74,135)	(1,579)
DIP Commitment Fee	0	0	0	(19,500)	(19,500)	0
DIP Financing Interest	(7,119)	(5,897)	(1,222)	(62,868)	(59,646)	(3,222)
Shareholder Loans	0	0	0	0	0	0
	6,522	(29,429)	35,951	(227,144)	(321,442)	94,298
Restructuring Costs						
Restructuring Legal	3,921	9,000	5,079	292,784	264,387	(28,397)
Appraisal	0	0	0	0	0	0
Severance	0	0	0	0	0	0
Operations Restructuring / Management	47,752	12,000	(35,752)	213,700	173,690	(40,010)
CCAA Monitor	0	25,000	25,000	273,211	243,425	(29,786)
	51,673	46,000	(5,673)	779,695	681,502	(98,193)
Cash Flow Surplus (Deficiency)	(77,442)	(30,660)	(46,782)	(771,455)	(716,693)	(54,762)
Cash Balance						
Beginning Cash Balance (RBC Accounts)	182,076	59,406	(122,670)	37,841	37,841	0
DIP Financing Advanced (Repaid)	7,119	0	(7,119)	845,368	707,598	(137,770)
Ending Cash Balance (RBC Accounts)	111,754	28,746	(83,008)	111,754	28,746	(83,008)
Represented by:						
Unrestricted Cash	99,918					
Post November 10, 2014 Event Deposits, in Trust	11,836					
	111,754					

Appendix "B"

**Pretty Estates Resort 2015/16 Monthly Operating Budget and Cash Flow Estimates
(including IHM Memorandum)**



INTEGRATED HOSPITALITY MANAGEMENT LTD

Memorandum

To: Betty-Anne Faulkner, Pretty Estates Ltd.
CC: G. Powroznik Group Inc. as Court Appointed Monitor of Pretty Estates Ltd.
Bonita Lewis-Hand, Lawson Lundell LLP
From: Ralph Miller, Inntegrated Hospitality Management Ltd.
Date: November 23, 2015
Re: Pretty Estate Resort – 2015/2016 Monthly Operating Budget and Cash Flow Estimates

Betty-Anne:

In this memorandum we provide a narrative summary of the 2015/2016 monthly operating budget and cash flow estimates for the continued operation of Pretty Estate Resort (the “Resort”) for the 12 month period ending October 31, 2016. As you are aware the Resort continues to operate under a court ordered stay of proceedings under the *Corporate Creditors Arrangement Act*. Originally, we believed that the plan of arrangement for Pretty Estates Ltd. (“Company”) would have been approved and wrapped up before now, however due to changing circumstances that has not come to pass as contemplated. As a result, you engaged IHM to compile a full monthly operating budget for the current 2015/16 fiscal year.

The monthly operating budget (Exhibit 2.0) and cash flow estimates (Exhibit 1.0) for the 12 month period ending October 31, 2016 have been compiled based on the following assumptions:

Monthly Operating Budget

Long range weather forecast anticipates an El Nino effect in the Pacific causing wetter than average weather through the spring and a dryer summer. We anticipate limited growth opportunities for golf play through the winter and early spring periods.

The continuation of the CCAA process has delayed our ability to build market confidence for the Resort until the emergence of a new investor can be announced. This further delays our expected growth in seasons pass golf sales and pre-booking major weddings and functions / events at the Resort, through the early part of the budget cycle.

We continue to recommend to operate the golf, food & beverage and rooms departments through the winter season. The Resort has high fixed overhead costs (due to senior salaried employees) and our analyses indicates that careful management of operating schedules and labour cost will provide sufficient contribution to reduce the negative cash flow which would

Suite 313, 223 Mountain Highway
North Vancouver, BC V7J 3V3
Telephone: 704.982.0888
Facsimile: 704.982.0999

Box 14, Site 17, RR 8
Calgary, AB T2J 2T9
Telephone 403.719.9777
Facsimile: 403.938.1724

otherwise be incurred if operations were ceased for January and February 2016. In addition, continuing the operation of the business avoids the potential negative market impact of shutting down the business (even temporarily) while under court protection, and retaining the core management team in place avoids the potential loss of key resources needed for effectively managing the operation into and through the high season.

We continue to build on the revenue enhancement, cost control and mitigation, and efficiency programs which were implemented over the last 12 months. The operating principles established should allow the Resort to better control low season costs, while being able to respond to short term fluctuations in business volume.

During the fall and winter season, only a skeleton staff will be maintained for golf course maintenance (except if the need arises to respond to storm clean-up). Golf course maintenance personnel will be laid off during November, after effectively putting the golf course to bed, and will be rehired to wake the golf course up in March, to prepare the golf course for spring and summer play.

The green fee dynamic pricing model developed for 2014/2015 will be updated and to the extent practical, automated. This pricing model was a key feature in enhancing the level of golf rounds played and the overall energy levels achieved on the golf course during the year.

For the Inn rooms and cottages, additional attention to detail for condition of guest room linens and general state of repair and cleanliness will increase the value proposition and support incremental increases in achieved guest room occupancy levels and rate realizations.

In the food & beverage area, new programs are planned to increase repeat patronage at River's Edge, featured special Sunday evening dining at Rowena's Inn, and provide more on-course food & beverage opportunities for golfers.

For Events, additional effort will be made to sell all available function space opportunities, including the Lower Drawing Room, Rowena's dining area, the seasonal function tent, and "Star-Light" (relatively level grassed areas) venues for seasonal social functions.

Sales & marketing initiatives will continue to focus on building and sharing experiential content through social media and featuring specials and promotions through the Resort website and electronic media channels.

For the year ending October 31, 2016 we provide the following summary:

	2016 Budget \$	2015 Actual \$	2014 Actual \$
Total Revenue	2,971,200	2,732,379	2,592,022
Labour Costs	1,370,400	1,322,100	1,484,048
Other Costs	<u>1,080,400</u>	<u>1,032,766</u>	<u>1,393,378</u>
EBITDA (Loss) Before Restructuring Costs	<u>520,400</u>	<u>377,513</u>	<u>(285,404)</u>



The operating budget for the year ending October 31, 2016 anticipates continued growth in annual business volume and revenues while maintaining control of labour and other operating costs, resulting in improved EBITDA of \$143,000 on increased revenues of \$239,000.

Operating losses of approximately (\$231,000) are budgeted during the first six months of the year (the winter period from November 2015 to April 2016), offset by the operating earnings of \$751,000 budgeted during the second six months of the year (the summer period from May to October 2016).

Cash Flow Estimates

We have prepared estimates for monthly cash flow for the Resort based on the monthly operating budget, described above, anticipated changes in working capital accounts, the cost of necessary capital improvement and replacement costs, costs related to debt service, and professional fees related to the CCAA restructuring process.

For the first 6 months of the year (November 2015 to April 30, 2016) a cash flow deficiency from operating activities of (\$173,000) is projected; however in the second six months of the year (May 2016 to October 2016) a cash flow surplus from operating activities of \$728,000 is projected, resulting in estimated cash flow from operating activities of \$555,000 for the year ending October 31, 2016.

Debt service requirements for secured creditors (DIP Financing, Envision 1st Mortgage, Jim Young 2nd Mortgage, and financing leases) average approximately \$26,000 per month and result in an additional cash flow requirement of (\$161,000) during the first six months of the year (November 2015 to April 2016).

Estimates for capital improvements and replacement, include provisions for costs related to certain improvements required to specific buildings, the buy-out of the 2012 golf cart lease, improvements required in guest rooms (mattresses, window treatments, soft seating), improvements required to cart paths and golf course drainage, and equipment requirements for food & beverage areas. In addition a provision of \$20,000 has been provided in the period from December 2015 to March 2016 for repairs and replacements related to storm damage which occurred in November 2015. For the first six months these costs are estimated to result in an additional cash flow requirement of (\$125,000).

The cash flow estimates anticipate that professional fees related to legal and monitor services will be accrued and only paid in June 2016 out of proceeds advanced from a new investor / purchaser; however the professional fees related to the management of the operations restructuring will be paid monthly in the normal course. For the six month period from November 2015 through April 2016 the fees related to the operations management are estimated at \$100,000. As at October 31, 2015 the unpaid legal and monitor accounts total \$219,835; the balances of unpaid professional fees are projected to grow to approximately \$590,000 by June 2016, before they will be settled from proceeds advanced from a new investor / purchaser.

DIP Financing will continue to be required to support the operation of the Resort through the slow winter months. For the six month period from November 2015 through April 2016 additional DIP Financing in the range of \$480,000 will be required , which together with the outstanding DIP



Financing as at November 1, 2015 of \$845,000, results in a total DIP Financing requirement of approximately \$1,325,000 to April 30, 2016 (total requirement is rounded to \$1,350,000). Although professional fees are shown in the operating budget, these financing figures discussed above assume that there is no payment of professional fees during this period as we understand the Company intends to apply to increase the Administration Charge under the CCAA.

Fundamental to the monthly cash flow estimates are the assumptions related to the continuation of the CCAA restructuring process. The cash flow estimates assume that:

- a new investor / purchaser will be approved by the court by January 31, 2016;
- the transaction will close before April 30, 2016;
- the restructuring plan will be approved by the court and all of the pre CCAA creditors will be settled, with the stay of proceedings lifted, and the monitor discharged by June 30, 2016.

On that basis, the cash flow estimates include provision for the settlement of pre November 10, 2014, non-shareholder secured and unsecured liabilities, the repayment of the DIP Financing, and the settlement of the professional services accounts, from proceeds advanced from a new investor / purchaser.

On a post CCAA basis, positive operating earnings generated from the summer period are anticipated to provide sufficient cash reserves to operate through the 2016/2017 winter period, without requiring additional funding.

Conclusion

Once you have had the opportunity to review the monthly operating budget and cash flow estimates, I would be pleased to meet with you, the monitor or other professional advisors to discuss and issues that you have with the attachments.

Respectfully submitted.



Exhibit 1.0

Pretty Estate Resort Ltd.
 Projection for Monthly Cash Flow from Operations
 for the 12 Month Period Ending October 31, 2016
 (Prepared by Management)

2015-2016 Financial Forecast	Nov 2015	Dec 2015	Jan 2016	Feb 2016	Mar 2016	Apr 2016	May 2016	June 2016	July 2016	Aug 2016	Sept 2016	Oct 2016	Total
Rooms Occupied	135	136	132	132	151	96	168	182	207	237	196	160	1,932
Average Room Rate	\$ 187.04	\$ 202.35	\$ 194.24	\$ 190.45	\$ 193.84	\$ 211.88	\$ 199.88	\$ 242.47	\$ 267.25	\$ 269.45	\$ 226.45	\$ 185.00	\$ 219.56
Green Fee Rounds Sold:	325	100	225	700	1,200	1,500	2,500	3,000	3,400	3,300	2,125	1,800	20,175
Member Card Rounds Played	150	75	100	150	250	450	700	650	750	750	450	350	4,825
Total Golf Rounds Played:	475	175	325	850	1,450	1,950	3,200	3,650	4,150	4,050	2,575	2,150	25,000
Golf Average Realization	\$ 30.00	\$ 30.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 35.00	\$ 40.00	\$ 42.00	\$ 42.00	\$ 42.00	\$ 42.00	\$ 35.00	\$ 31.00
Forecasted EBITDA	(51,500)	(33,792)	(47,945)	(42,269)	(22,403)	(33,453)	71,249	148,490	203,503	215,525	87,243	25,733	520,379
Cash Flow Adjustments													
Change Accounts Receivable	(1,029)	882	701	(998)	1,302	(852)	(5,026)	(8,428)	4,967	5,068	1,675	1,054	(684)
Change in Inventory	(1,146)	18	926	2,189	(6,266)	(9,979)	(3,080)	403	686	10,429	4,913	536	(373)
Change in Prepaid Expenses - General	1,404	1,771	1,531	250	621	(1,059)	254	621	(2,033)	270	637	637	4,902
Change in Prepaid Property Tax	3,539	3,539	3,539	3,539	3,539	3,539	3,539	(41,061)	3,894	3,894	3,894	3,894	(712)
Change in Current Accounts Payable and Accruals	(1,868)	(3,513)	(2,301)	(377)	11,045	4,354	25,103	5,927	11,438	(7,234)	(19,047)	(16,842)	6,684
Change in Current Crown Claims	10,607	1,726	(2,139)	4,162	2,389	4,466	16,471	9,179	8,601	1,008	(15,827)	(14,378)	26,265
Change in Customer Deposits	1,000	(2,200)	1,500	4,000	5,000	2,000	1,000	(3,000)	(3,000)	(3,000)	-	(1,000)	2,300
Change in Gift Certificates	500	13,000	(4,000)	(1,000)	(2,000)	1,000	(3,000)	3,000	(6,000)	(3,000)	(2,000)	-	(3,500)
	13,006	15,222	(243)	11,764	15,629	3,469	35,260	(33,359)	18,553	7,435	(25,755)	(26,099)	34,882
Adjusted Cash Flow from Operations	(38,494)	(18,570)	(48,188)	(30,505)	(6,774)	(29,984)	106,509	115,131	222,056	222,960	61,487	(367)	555,261
Non-Operating Cash Flow items (Notes 4, 5 & 6)													
Capital Replacements	(2,000)	(28,000)	(5,000)	(10,000)	(17,000)	(63,000)	(85,000)	(32,500)	(17,500)	(5,000)	(5,000)	-	(270,000)
DIP Financing Interest	(6,948)	(7,180)	(22,859)	(8,306)	(9,558)	(9,825)	(11,257)	(11,140)	-	-	-	-	(87,072)
DIP Financing Advance (Repayment)	-	80,000	120,000	80,000	70,000	130,000	30,000	(1,355,368)	-	-	-	-	(845,368)
Envision Financial LOC Interest	(1,278)	(1,278)	(1,278)	(1,278)	(1,278)	(1,278)	(1,278)	(1,278)	-	-	-	-	(10,228)
Envision Financial LOC Advance (Repayment)	-	-	-	-	-	-	-	(347,540)	-	-	-	-	(347,540)
Envision Financial - Loan Interest	(6,441)	(6,655)	(6,655)	(6,226)	(6,655)	(6,441)	(6,655)	(6,441)	-	-	-	-	(52,169)
Envision Financial - Loan Principal Payment	-	-	-	-	-	-	-	(1,437,296)	-	-	-	-	(1,437,296)
Change in Pre November 10, 2014 Trade Accounts	-	-	-	-	-	-	-	(175,099)	-	-	-	-	(175,099)
Settlement of Chris Lepine Retirement Package	-	-	-	-	-	-	-	(50,000)	-	-	-	-	(50,000)
Settlement Loan Payable Charlotte Faulkner	-	-	-	-	-	-	-	(104,813)	-	-	-	-	(104,813)
Equipment Lease Payments	(654)	(654)	(654)	(654)	(654)	(654)	(16,240)	(16,240)	(16,240)	(16,240)	(16,240)	(16,240)	(101,364)
Car Loan Payments	(1,208)	(1,399)	(1,208)	(1,208)	(1,208)	(1,621)	(1,399)	(1,208)	(1,208)	(1,208)	(1,621)	(1,208)	(15,701)
2nd Mortgage Interest	(6,223)	(6,431)	(6,431)	(6,016)	(6,431)	(6,223)	(6,431)	(6,223)	0	0	0	0	(50,407)
2nd Mortgage Principle - Advance (Repayment)	-	-	-	-	-	-	-	(2,523,815)	-	-	-	-	(2,523,815)
	(24,752)	28,403	75,915	46,312	27,216	40,958	(98,260)	(6,068,960)	(34,948)	(22,448)	(22,861)	(17,448)	(6,070,871)
Professional Fees													
Operations Restructuring / Management	26,119	20,000	17,000	13,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	172,119
CCAA Monitor	-	-	-	-	-	-	-	326,087	-	-	-	-	326,087
Restructuring Legal	-	-	-	-	-	-	-	263,747	-	-	-	-	263,747
	26,119	20,000	17,000	13,000	12,000	12,000	12,000	601,835	12,000	12,000	12,000	12,000	761,954
Restructuring Cash Investment	-	-	-	-	-	-	-	6,550,000	-	-	-	-	6,550,000
Cash Flow Surplus (Deficiency)	(89,366)	(10,167)	10,726	2,808	8,442	(1,026)	(3,750)	(5,664)	175,108	188,512	26,627	(29,814)	272,436
Cash Balance													
Beginning Cash Balance (RBC Accounts)	111,754	22,388	12,221	22,947	25,755	34,197	33,171	29,421	23,757	198,865	387,377	414,004	111,754
Ending Cash Balance (RBC Accounts)	22,388	12,221	22,947	25,755	34,197	33,171	29,421	23,757	198,865	387,377	414,004	384,190	384,190
Represented by:													
Restricted Cash	12,836	10,636	12,136	16,136	21,136	23,136	24,136	21,136	18,136	15,136	15,136	14,136	
Unrestricted Cash Balances	9,552	1,585	10,811	9,619	13,061	10,035	5,285	2,621	180,729	372,241	398,868	370,054	
	22,388	12,221	22,947	25,755	34,197	33,171	29,421	23,757	198,865	387,377	414,004	384,190	
DIP Funding Advanced (Repaid)	-	80,000	120,000	80,000	70,000	130,000	30,000	(510,000)	-	-	-	-	-

This cash flow projection is based on currently-available information and estimates which may prove to be incorrect. All projections involve risks, variables, and uncertainties; the actual operating results may differ from the projection. Consequently, no guarantee or other form of assurance is provided or implied as to the achievability of this cash flow projection. The accompanying notes are an integral part of this projection.

Pretty Estate Resort Ltd.
Projection for Monthly Cash Flow from Operations
for the 12 Month Period Ending October 31, 2016

2015-2016 Financial Forecast

	Nov 2015	Dec 2015	Jan 2016	Feb 2016	Mar 2016	Apr 2016	May 2016	June 2016	July 2016	Aug 2016	Sept 2016	Oct 2016	TOTAL
--	-------------	-------------	-------------	-------------	-------------	-------------	-------------	--------------	--------------	-------------	--------------	-------------	-------

Working Capital Accounts
Current Asset Accounts

Accounts Receivable													
Beginning Balance	4,263	5,292	4,410	3,709	4,707	3,405	4,257	9,283	17,711	12,745	7,676	6,001	4,263
Current Revenue	102,870	92,176	70,052	99,832	130,238	170,346	335,080	421,406	496,652	506,849	335,032	210,706	2,971,238
A/R Collections	(101,841)	(93,058)	(70,752)	(98,833)	(131,541)	(169,495)	(330,054)	(412,978)	(501,619)	(511,917)	(336,707)	(211,760)	(2,970,554)
Ending Balance	5,292	4,410	3,709	4,707	3,405	4,257	9,283	17,711	12,745	7,676	6,001	4,947	4,947
Net Source (Use) of Cash	(1,029)	882	701	(998)	1,302	(852)	(5,026)	(8,428)	4,967	5,068	1,675	1,054	(684)

Inventory													
Beginning Balance	55,112	56,258	56,241	55,315	53,126	59,392	69,371	72,451	72,048	71,362	60,933	56,021	55,112
Purchases	21,727	15,713	10,912	13,035	26,580	33,434	58,536	64,464	75,902	68,668	49,621	32,779	471,370
Cost of Sales	(20,580)	(15,731)	(11,839)	(15,224)	(20,314)	(23,455)	(55,456)	(64,866)	(76,588)	(79,097)	(54,533)	(33,315)	(470,998)
Ending Balance	56,258	56,241	55,315	53,126	59,392	69,371	72,451	72,048	71,362	60,933	56,021	55,485	55,485
Net Source (Use) of Cash	(1,146)	18	926	2,189	(6,266)	(9,979)	(3,080)	403	686	10,429	4,913	536	(373)

Prepaid Property Tax, Property Tax Payable													
Beginning Balance	7,078	3,539	-	(3,539)	(7,078)	(10,617)	(14,156)	(17,695)	23,366	19,472	15,578	11,684	7,078
Property Tax Payment								44,600					44,600
Amortization	3,539	3,539	3,539	3,539	3,539	3,539	3,539	3,539	3,894	3,894	3,894	3,894	43,888
Ending Balance	3,539	-	(3,539)	(7,078)	(10,617)	(14,156)	(17,695)	23,366	19,472	15,578	11,684	7,790	7,790
Net Source (Use) of Cash	3,539	3,539	3,539	3,539	3,539	3,539	3,539	(41,061)	3,894	3,894	3,894	3,894	(712)

Prepaid Expenses - General (T/O, Sage, T/A)													
Beginning Balance	7,829	6,426	4,655	3,124	2,874	2,253	3,312	3,059	2,438	4,471	4,201	3,564	7,078
Payments	368		240	1,468		1,680	368		2,670	368			7,160
Amortization	1,771	1,771	1,771	1,717	621	621	621	621	637	637	637	637	12,062
Ending Balance	6,426	4,655	3,124	2,874	2,253	3,312	3,059	2,438	4,471	4,201	3,564	2,927	2,176
Net Source (Use) of Cash	1,404	1,771	1,531	250	621	(1,059)	254	621	(2,033)	270	637	637	4,902

Current Liability Accounts

Current Accounts Payable and Accruals													
Beginning Balance	98,238	96,369	92,856	90,555	90,178	101,222	105,576	130,679	136,606	148,044	140,810	121,763	98,238
Net Additions	21,727	15,713	10,912	13,035	26,580	33,434	58,536	64,464	75,902	68,668	49,621	32,779	471,370
Net Payments	23,595	19,227	13,213	13,412	15,535	29,080	33,434	58,536	64,464	75,902	68,668	49,621	464,686
Ending Balance	96,369	92,856	90,555	90,178	101,222	105,576	130,679	136,606	148,044	140,810	121,763	104,922	104,922
Net Source (Use) of Cash	(1,868)	(3,513)	(2,301)	(377)	11,045	4,354	25,103	5,927	11,438	(7,234)	(19,047)	(16,842)	6,684

Pre November 10, 2014 Trade Accounts													
Beginning Balance	175,099	175,099	175,099	175,099	175,099	175,099	175,099	175,099	-	-	-	-	175,099
Net Additions	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Payments	-	-	-	-	-	-	-	175,099	-	-	-	-	175,099
Ending Balance	175,099	175,099	175,099	175,099	175,099	175,099	175,099	-	-	-	-	-	-
Net Source (Use) of Cash	-	-	-	-	-	-	-	(175,099)	-	-	-	-	(175,099)

Pretty Estate Resort Ltd.
Projection for Monthly Cash Flow from Operations
for the 12 Month Period Ending October 31, 2016

2015-2016 Financial Forecast

	Nov 2015	Dec 2015	Jan 2016	Feb 2016	Mar 2016	Apr 2016	May 2016	June 2016	July 2016	Aug 2016	Sept 2016	Oct 2016	TOTAL
Current Liability Accounts (Continued)													
Current Crown Claims													
Beginning Balance	5,930	16,537	18,263	16,124	20,286	22,675	27,141	43,612	52,791	61,393	62,400	46,574	5,930
Additions	21,862	18,263	16,124	20,286	22,675	27,141	43,612	52,791	61,393	62,400	46,574	32,195	425,316
Payments	11,256	16,537	18,263	16,124	20,286	22,675	27,141	43,612	52,791	61,393	62,400	46,574	399,051
Ending Balance	16,537	18,263	16,124	20,286	22,675	27,141	43,612	52,791	61,393	62,400	46,574	32,195	32,195
Net Source (Use) of Cash	10,607	1,726	(2,139)	4,162	2,389	4,466	16,471	9,179	8,601	1,008	(15,827)	(14,378)	(26,265)
Customer Deposits													
Beginning Balance	12,911	13,911	11,711	13,211	17,211	22,211	24,211	25,211	22,211	19,211	16,211	16,211	12,911
Additions	2,000		2,500	4,000	5,000	6,000	7,000	7,000	7,000	7,000	5,000	2,000	54,500
Redemptions	1,000	2,200	1,000			4,000	6,000	10,000	10,000	10,000	5,000	3,000	52,200
Ending Balance	13,911	11,711	13,211	17,211	22,211	24,211	25,211	22,211	19,211	16,211	16,211	15,211	15,211
Net Source (Use) of Cash	1,000	(2,200)	1,500	4,000	5,000	2,000	1,000	(3,000)	(3,000)	(3,000)	-	(1,000)	2,300
Gift Certificates													
Beginning Balance	70,643	71,143	84,143	80,143	79,143	77,143	78,143	75,143	78,143	72,143	69,143	67,143	70,643
Additions	1,000	15,000	1,000	1,000	1,000	5,000	2,000	10,000	2,000	2,000	1,000	1,000	42,000
Redemptions	500	2,000	5,000	2,000	3,000	4,000	5,000	7,000	8,000	5,000	3,000	1,000	45,500
Ending Balance	71,143	84,143	80,143	79,143	77,143	78,143	75,143	78,143	72,143	69,143	67,143	67,143	67,143
Net Source (Use) of Cash	500	13,000	(4,000)	(1,000)	(2,000)	1,000	(3,000)	3,000	(6,000)	(3,000)	(2,000)	-	3,500
Restructuring Professionals													
Beginning Balance													
Operations Restructuring / Management	26,119	20,000	17,000	13,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	26,119
CCAA Monitor	131,087	166,087	206,087	231,087	246,087	261,087	291,087	301,087	-	-	-	-	131,087
Restructuring Legal	88,747	118,747	148,747	163,747	178,747	198,747	218,747	253,747	-	-	-	-	88,747
	245,954	304,835	371,835	407,835	436,835	471,835	521,835	566,835	12,000	12,000	12,000	12,000	245,954
Monthly Charges													
Operations Restructuring / Management	20,000	17,000	13,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	158,000
CCAA Monitor	35,000	40,000	25,000	15,000	15,000	30,000	10,000	25,000	-	-	-	-	195,000
Restructuring Legal	30,000	30,000	15,000	15,000	20,000	20,000	35,000	10,000	-	-	-	-	175,000
	85,000	87,000	53,000	42,000	47,000	62,000	57,000	47,000	12,000	12,000	12,000	12,000	528,000
Payments													
Operations Restructuring / Management	26,119	20,000	17,000	13,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	172,119
CCAA Monitor	-	-	-	-	-	-	-	326,087	-	-	-	-	326,087
Restructuring Legal	-	-	-	-	-	-	-	263,747	-	-	-	-	263,747
	26,119	20,000	17,000	13,000	12,000	12,000	12,000	601,835	12,000	12,000	12,000	12,000	761,954
Ending Balance	304,835	371,835	407,835	436,835	471,835	521,835	566,835	12,000	12,000	12,000	12,000	12,000	12,000
Net Source (Use) of Cash	58,881	67,000	36,000	29,000	35,000	50,000	45,000	(554,835)	-	-	-	-	(233,954)
Chris Lepine - Retirement Package													
Beginning Balance	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	-	-	-	-	50,000
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-
Redemptions	-	-	-	-	-	-	-	50,000	-	-	-	-	50,000
Ending Balance	50,000	50,000	50,000	50,000	50,000	50,000	50,000	-	-	-	-	-	-
Net Source (Use) of Cash	-	-	-	-	-	-	-	(50,000)	-	-	-	-	50,000

Pretty Estate Resort Ltd.
Projection for Monthly Cash Flow from Operations
for the 12 Month Period Ending October 31, 2016

2015-2016 Financial Forecast	Nov 2015	Dec 2015	Jan 2016	Feb 2016	Mar 2016	Apr 2016	May 2016	June 2016	July 2016	Aug 2016	Sept 2016	Oct 2016	TOTAL
Equipment Leases - Monthly Payments													
Golf Carts 2010							1,680	1,680	1,680	1,680	1,680	1,680	10,080
RCAP - Eclipse Hybrid Mower							1,906	1,906	1,906	1,906	1,906	1,906	11,434
2014 Golf Carts							5,000	5,000	5,000	5,000	5,000	5,000	30,000
2014 UT Vehicles & Rakes							2,000	2,000	2,000	2,000	2,000	2,000	12,000
Hot Tub Lease	100	100	100	100	100	100	100	100	100	100	100	100	1,196
Squirrel	554	554	554	554	554	554	554	554	554	554	554	554	6,654
2016 Golf Carts							5,000	5,000	5,000	5,000	5,000	5,000	30,000
	654	654	654	654	654	654	16,240	16,240	16,240	16,240	16,240	16,240	101,364
Car Loans - Monthly Payments													
Cadillac SRX 2012mod	827	827	827	827	827	1,240	827	827	827	827	1,240	827	10,750
2012 Ford Ranger	381	572	381	381	381	381	572	381	381	381	381	381	4,951
	1,208	1,399	1,208	1,208	1,208	1,621	1,399	1,208	1,208	1,208	1,621	1,208	15,701
Loan Payable Charlotte Faulkner													
Beginning Balance	104,813	104,813	104,813	104,813	104,813	104,813	104,813	104,813	-	-	-	-	104,813
Additional Advances													-
Repayments									104,813				104,813
Ending Balance	104,813	104,813	104,813	104,813	104,813	104,813	104,813	-	-	-	-	-	-
Net Source (Use) of Cash	-	-	-	-	-	-	-	(104,813)	-	-	-	-	104,813
Shareholder Loans (Betty-Anne Faulkner / 0700256 BC Ltd.)													
S/H Loan Elizabeth Faulkner	1,793,833												
Long Term due to S/H	179,169												
S/H Loan to 0700256 BC Ltd.	2,489,242												
Beginning Balance	4,462,244	4,462,244	4,462,244	4,462,244	4,462,244	4,462,244	4,462,244	4,462,244	4,462,244	4,462,244	4,462,244	4,462,244	4,462,244
Additional Advances													-
Repayments													-
Ending Balance	4,462,244	4,462,244	4,462,244	4,462,244	4,462,244	4,462,244	4,462,244	4,462,244	4,462,244	4,462,244	4,462,244	4,462,244	4,462,244
Net Source (Use) of Cash	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditures and Replacements													
Breezeway Insulation	2,000	1,000											3,000
Pumphouse Structural Repair				5,000	10,000	5,000							20,000
Rooms Upgrade (Mattresses, Blinds. Easy Chairs)						15,000	5,000						20,000
Rooms Window replacement (broken seals)								5,000	5,000				10,000
Eagles Nest (10th Hole), completion								10,000					10,000
Replace Nov 2015 Storm Damage		5,000	5,000	5,000	5,000								20,000
Computer System Upgrades						20,000							20,000
Buy-out 2012 Golf Cart Lease		22,000											22,000
Golf Rental / Service Equipment						2,500	10,000	2,500					15,000
Golf - Cart Path Repairs						5,000	10,000	5,000					20,000
Golf - On Course Drainage Issues						5,000	5,000	5,000	5,000				20,000
Replace Kitchen Equipment					2,000		5,000						7,000
Swimming Pool Liner							30,000						30,000
F&B Tables, Chairs, Equipment, Tent, lighting, signage						8,000	5,000	5,000	2,500				20,500
Dock Improvement / Repairs							5,000	5,000	5,000	5,000	5,000		20,000
Softgoods Replacement (cushions, practise net, etc.)						2,500	5,000	5,000					12,500
	2,000	28,000	5,000	10,000	17,000	63,000	85,000	32,500	17,500	5,000	5,000	-	270,000

Exhibit 1.0 (a)

Pretty Estates Ltd.
 Projection for Monthly Capital Improvements and Replacements
 for the 12 Month Period Ending October 31, 2016

2015-2016 Financial Forecast	Nov 2015	Dec 2015	Jan 2016	Feb 2016	Mar 2016	Apr 2016	May 2016	June 2016	July 2016	Aug 2016	Sept 2016	Oct 2016	TOTAL
Capital Improvements and Replacements													
Breezeway Insulation	2,000	1,000											3,000
Pumphouse Structural Repair				5,000	10,000	5,000							20,000
Rooms Upgrade (Mattresses, Blinds, Easy Chairs)						15,000	5,000						20,000
Rooms Window replacement (broken seals)								5,000	5,000				10,000
Eagles Nest (10th Hole), completion							10,000						10,000
Replace Nov 2015 Storm Damage		5,000	5,000	5,000	5,000								20,000
Computer System Upgrades						20,000							20,000
Buy-out 2012 Golf Cart Lease		22,000											22,000
Golf Rental / Service Equipment						2,500	10,000	2,500					15,000
Golf - Cart Path Repairs						5,000	10,000	5,000					20,000
Golf - On Course Drainage Issues						5,000	5,000	5,000	5,000				20,000
Replace Kitchen Equipment					2,000		5,000						7,000
Swimming Pool Liner							30,000						30,000
F&B Tables, Chairs, Equipment, Tent, lighting, signage						8,000	5,000	5,000	2,500				20,500
Dock Improvement / Repairs								5,000	5,000	5,000	5,000		20,000
Softgoods Replacement (cushions, practise net, etc.)						2,500	5,000	5,000					12,500
	2,000	28,000	5,000	10,000	17,000	63,000	85,000	32,500	17,500	5,000	5,000	-	270,000

Capital Improvements and Replacements are based on requirements deemed necessary to continue the operations as planned and include items such as certain improvements required to specific buildings, the buy-out of the 2012 golf cart lease, storm recovery costs, improvements required in guest rooms (mattresses, window treatments, soft seating), improvements required to cart paths and golf course drainage, and equipment requirements for food & beverage areas.

Exhibit 1.0 (b)

Pretty Estates Ltd.

**Notes to the Projection for Monthly Cash Flow from Operations
for the 12 Month Period Ending October 31, 2016**

- 1 The purpose of this Cash Flow Projection is to demonstrate the monthly liquidity requirements for Pretty Estates Ltd. (the "Company") during the 12 month period ending October 31, 2016.
- 2 (a) The Cash Flow Projection is based on the assumption that the Company will continue to operate in the normal course, but under CCAA Protection, except where otherwise stated, in accordance with the operating budget prepared by Inntegrated Hospitality Management Ltd., dated November 23, 2015.

(b) The cash flow projection assumes that:
 - a new investor / purchaser will be approved by the court by January 31, 2016;
 - the transaction will close before April 30, 2016; and
 - the restructuring plan will be approved by the court and all of the pre CCAA creditors will be settled, with the stay of proceedings lifted, and the monitor discharged by June 30, 2016.
- (c) Revenues are based on the Company's estimate of future sales forecast and are highly seasonal in nature (e.g. golf rounds drop significantly during the fall and winter months), and dependent on weather conditions.
- 3 (a) The cash flow projections assume that all recurring obligations for hourly and salaried payroll, regular purchases from trade creditors, utilities, and other operating costs are paid in the normal course of operations.

(b) The cash flow projections assume that all recurring Crown Claims including payroll source deductions and employment taxes, hotel tax, and federal and provincial and sales taxes, are paid monthly in arrears, in the normal course of operations.

(c) Customer deposits will be drawn down as certain guest events are held and the related revenue is earned (e.g. weddings); new customer deposits for events are maintained in a separate bank account and are not comingled with general operating funds.
- 4 The cash flow projections assume that all recurring obligations for lease payments, automobile loans, and interest to secured creditors, are paid in the normal course of operations.
- 5 Capital Improvements and Replacements are based on requirements deemed necessary to continue the operations as planned and include items such as certain improvements required to specific buildings, the buy-out of the 2012 golf cart lease, storm recovery costs, improvements required in guest rooms (mattresses, window treatments, soft seating), improvements required to cart paths and golf course drainage, and equipment requirements for food & beverage areas.
- 6 The Company will continue to make interest payments on secured debt but will not pay mortgage principal during the restructuring.
- 7 The cash flow projection assumes that certain secured creditors and the pre November 10, 2014 unsecured creditors are paid out in accordance with the approved plan of reorganization in June 2016 out of proceeds advanced from a new investor / purchaser.

Pretty Estates Ltd.
Notes to the Projection for Monthly Cash Flow from Operations
for the 12 Month Period Ending October 31, 2016

8

Professional fees include the estimated fees for the monitor and legal counsel, as well as operations management fees, all of which assume a co-operative CCAA process. The cash flow projection assumes that professional fees related to legal and monitor services will be accrued and only paid in June 2016 out of proceeds advanced from a new investor / purchaser; however the professional fees related to the management of the operations will be paid monthly in the normal course. As at October 31, 2015 the unpaid legal and monitor accounts total \$219,835, the balances of unpaid professional fees are projected to grow to approximately \$590,000 before they will be settled from proceeds advanced from a new investor / purchaser.

This cash flow projection is based on currently-available information and estimates which may prove to be incorrect. All projections involve risks, variables, and uncertainties; the actual operating results may differ from the projection. Consequently, no guarantee or other form of assurance is provided or implied as to the achievability of this cash flow projection.

Royalty Fees	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%					
Training	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%					
Travel—Meals and Entertainment	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%					
Travel—Other	20	0.1%	20	0.1%	20	0.1%	20	0.1%	20	0.1%	20	0.1%	20	0.0%	20	0.0%	20	0.0%	20	0.0%	240	0.1%				
Uniform Costs	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%					
Uniform Laundry	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%					
Total Other Expenses	2,098	8.3%	2,108	7.7%	2,364	9.2%	2,069	8.2%	2,255	7.7%	1,716	8.4%	2,421	7.2%	2,559	5.8%	2,804	5.1%	3,098	4.9%	2,696	6.1%	2,343	7.9%	28,529	6.7%
Total Expenses	7,599	29.9%	7,495	27.2%	7,751	30.2%	7,228	28.7%	9,485	32.4%	9,018	44.3%	12,856	38.3%	13,450	30.5%	14,378	26.0%	14,672	23.0%	14,157	31.9%	11,648	39.3%	129,736	30.6%
Departmental Profit	17,811	70.1%	20,025	72.8%	17,889	69.8%	17,912	71.3%	19,786	67.6%	11,322	55.7%	20,724	61.7%	30,680	69.5%	40,942	74.0%	49,188	77.0%	30,228	68.1%	17,953	60.7%	294,459	69.4%

Dues and Subscriptions	200	0.3%	350	0.8%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	550	0.0%						
Entertainment—In-House	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	65	0.0%	65	0.0%	65	0.0%	65	0.0%	65	0.0%	390	0.0%						
Equipment Rental	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%						
Flatware	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	600	1.1%	-	0.0%	200	0.1%	-	0.0%	200	0.1%	-	0.0%	1,000	0.1%				
Glassware	-	0.0%	325	0.8%	-	0.0%	200	0.5%	-	0.0%	800	1.4%	-	0.0%	400	0.2%	-	0.0%	-	0.0%	-	0.0%	1,725	0.1%				
Ice	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%				
Kitchen Fuel	920	1.6%	743	1.8%	591	1.8%	591	1.5%	650	1.3%	969	1.7%	1,681	1.2%	1,696	0.9%	1,998	0.9%	2,242	0.9%	1,527	1.0%	1,067	1.2%	14,675	1.1%		
Kitchen Smallwares	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%		
Laundry and Dry Cleaning	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%		
Licenses and Permits	4,000	6.8%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	4,000	0.3%		
Linen	500	0.9%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	1,000	1.8%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	1,500	0.1%		
Management Fees	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%		
Menus and Beverage Lists	-	0.0%	-	0.0%	-	0.0%	-	0.0%	100	0.2%	2,500	4.4%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	2,600	0.2%		
Miscellaneous	250	0.4%	200	0.5%	200	0.6%	250	0.6%	325	0.7%	450	0.8%	475	0.3%	650	0.3%	750	0.3%	675	0.3%	600	0.4%	200	0.2%	5,025	0.4%		
Music and Entertainment	28	0.0%	28	0.1%	28	0.1%	28	0.1%	28	0.1%	28	0.0%	28	0.0%	28	0.0%	28	0.0%	28	0.0%	28	0.0%	28	0.0%	28	0.0%	336	0.0%
Operating Supplies	610	1.0%	371	0.9%	296	0.9%	296	0.7%	1,375	2.8%	524	0.9%	881	0.6%	848	0.4%	999	0.4%	1,121	0.5%	764	0.5%	533	0.6%	8,617	0.6%		
Paper and Plastics	300	0.5%	325	0.8%	259	0.8%	259	0.7%	285	0.6%	424	0.7%	736	0.5%	742	0.4%	874	0.4%	981	0.4%	668	0.4%	467	0.5%	6,318	0.5%		
Postage and Overnight Delivery Charges	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%		
Printing and Stationery	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%		
Reservations	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%		
Royalty Fees	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%		
Training	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	35	0.1%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	35	0.0%		
Travel—Meals and Entertainment	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	120	0.2%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	120	0.0%		
Travel—Other	200	0.3%	200	0.5%	200	0.6%	200	0.5%	200	0.4%	200	0.4%	200	0.1%	200	0.1%	200	0.1%	200	0.1%	200	0.1%	200	0.2%	2,400	0.2%		
Uniform Costs	-	0.0%	-	0.0%	-	0.0%	-	0.0%	500	1.0%	700	1.2%	750	0.5%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	1,950	0.1%		
Uniform Laundry	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	50	0.1%	50	0.0%		
Utensils	-	0.0%	-	0.0%	-	0.0%	-	0.0%	250	0.5%	250	0.4%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	500	0.0%		
Total Other Expenses	7,926	13.5%	3,114	7.6%	1,947	5.8%	2,211	5.6%	5,418	11.0%	10,771	19.1%	6,085	4.2%	5,759	3.0%	7,355	3.1%	7,164	2.9%	5,522	3.5%	3,708	4.0%	66,980	5.0%		
Total Expenses	37,982	64.8%	31,146	75.5%	29,718	88.3%	29,866	75.3%	33,591	68.1%	39,908	70.6%	50,453	35.0%	61,181	32.3%	73,721	31.5%	72,298	29.8%	54,928	35.0%	40,500	43.8%	555,291	41.5%		
Departmental Profit	1,448	2.5%	(3,128)	(7.6%)	(6,992)	(20.8%)	(3,243)	(8.2%)	(833)	(1.7%)	-1,808	-3.2%	50,041	34.7%	73,521	38.9%	94,328	40.3%	102,014	42.0%	57,185	36.5%	24,133	26.1%	386,665	28.9%		

Kitchen Fuel	920	1.7%	743	2.4%	591	2.5%	591	2.4%	650	1.7%	969	2.3%	1,681	1.7%	1,696	1.6%	1,998	1.7%	2,242	1.7%	1,527	1.8%	1,067	1.6%	14,675	1.8%		
Kitchen Smallwares		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%		
Laundry and Dry Cleaning		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%		
Licenses and Permits	4,000	7.5%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	4,000	0.5%		
Linen		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%		
Management Fees		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%		
Menus and Beverage Lists		0.0%		0.0%		0.0%		0.0%		0.0%		2,500	5.9%		0.0%			0.0%		0.0%		0.0%		0.0%	2,500	0.3%		
Miscellaneous	250	0.5%	200	0.7%	200	0.8%	250	1.0%	325	0.9%	450	1.1%	475	0.5%	650	0.6%	750	0.6%	675	0.5%	600	0.7%	200	0.3%	5,025	0.6%		
Music and Entertainment	28	0.1%	28	0.1%	28	0.1%	28	0.1%	28	0.1%	28	0.1%	28	0.0%	28	0.0%	28	0.0%	28	0.0%	28	0.0%	28	0.0%	28	0.0%	336	0.0%
Operating Supplies	610	1.1%	371	1.2%	296	1.2%	296	1.2%	325	0.9%	484	1.1%	841	0.8%	848	0.8%	999	0.8%	1,121	0.9%	764	0.9%	533	0.8%	7,487	0.9%		
Paper and Plastics	300	0.6%	325	1.1%	259	1.1%	259	1.0%	285	0.7%	424	1.0%	736	0.7%	742	0.7%	874	0.7%	981	0.8%	668	0.8%	467	0.7%	6,318	0.8%		
Postage and Overnight Delivery Charges		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%		
Printing and Stationery		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%		
Reservations		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%		
Royalty Fees		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%		
Training		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%		
Travel—Meals and Entertainment		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%		
Travel—Other	200	0.4%	200	0.7%	200	0.8%	200	0.8%	200	0.5%	200	0.5%	200	0.2%	200	0.2%	200	0.2%	200	0.2%	200	0.2%	200	0.3%	2,400	0.3%		
Uniform Costs		0.0%		0.0%		0.0%		0.0%		0.0%	700	1.6%	750	0.7%		0.0%		0.0%		0.0%		0.0%		0.0%	1,450	0.2%		
Uniform Laundry		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%		
Utensils		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%		
Total Other Expenses	7,226	13.5%	3,114	10.3%	1,947	8.1%	2,211	8.9%	2,268	6.0%	7,426	17.5%	5,930	5.8%	5,594	5.3%	7,190	6.1%	6,999	5.4%	5,407	6.4%	3,593	5.4%	58,905	7.2%		
Total Expenses	32,383	60.4%	25,323	83.5%	24,156	101.0%	23,716	96.0%	24,477	64.3%	30,383	71.6%	37,643	37.0%	41,905	39.6%	49,573	41.7%	48,282	37.5%	36,768	43.6%	30,906	46.8%	405,515	49.6%		
Departmental Profit	3,487	6.5%	(5,034)	(16.6%)	(8,151)	(34.1%)	(7,177)	(29.0%)	976	2.6%	(2,006)	(4.7%)	30,317	29.8%	28,909	27.3%	29,811	25.1%	37,754	29.3%	19,584	23.2%	13,250	20.1%	141,719	17.3%		

Equipment Rental	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Flatware	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Glassware	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Ice	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Kitchen Fuel	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Kitchen Smallwares	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Laundry and Dry Cleaning	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Licenses and Permits	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Linen	500 #DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	500	1.0%			
Management Fees	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Menus and Beverage Lists	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Miscellaneous	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Music and Entertainment	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Operating Supplies	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Paper and Plastics	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Postage and Overnight Delivery Charges	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Printing and Stationery	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Reservations	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Royalty Fees	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Training	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Travel—Meals and Entertainment	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Travel—Other	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Uniform Costs	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Uniform Laundry	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Utensils	#DIV/0!	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Total Other Expenses	500 #DIV/0!	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	500	1.0%		
Total Expenses	500 #DIV/0!	528	14.7%	660	14.7%	1,320	13.2%	528	14.7%	528	14.7%	660	14.7%	528	14.7%	660	14.7%	528	14.7%	528	14.7%	660	14.7%	7,628	15.4%
Departmental Profit	- 500 #DIV/0!	1,824	50.7%	2,279	50.7%	5,212	52.1%	1,824	50.7%	1,824	50.7%	2,279	50.7%	1,824	50.7%	2,279	50.7%	1,824	50.7%	1,824	50.7%	2,279	50.7%	24,771	49.9%

Cleaning Supplies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%					
Cluster Services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%					
Commissions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%					
Complimentary Services and Gifts	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%					
Contract Services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%					
Corporate Office Reimbursables	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%					
Decorations	200	4.0%	0.0%	0.0%	0.0%	0.0%	500	6.5%	500	4.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1,200	0.3%					
Dishwashing Supplies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	50	0.5%	50	0.1%	100	0.1%	100	0.1%	100	0.1%	50	0.1%	0.0%	450	0.1%			
Dues and Subscriptions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%				
Entertainment—In-House	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	65	0.2%	65	0.1%	65	0.1%	65	0.1%	65	0.1%	65	0.3%	390	0.1%		
Equipment Rental	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%				
Flatware	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	200	1.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	200	0.0%			
Glassware	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	400	3.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	400	0.1%			
Ice	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Kitchen Fuel	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Kitchen Smallwares	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Laundry and Dry Cleaning	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Licenses and Permits	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Linen	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1,000	9.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1,000	0.2%			
Management Fees	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Menus and Beverage Lists	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100	1.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100	0.0%			
Miscellaneous	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1,050	0.2%			
Music and Entertainment	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Operating Supplies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1,050	13.6%	40	0.4%	40	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1,130	0.2%			
Paper and Plastics	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Postage and Overnight Delivery Charges	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Printing and Stationery	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Reservations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Royalty Fees	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Training	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	35	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	35	0.0%			
Travel—Meals and Entertainment	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	120	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	120	0.0%			
Travel—Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	0.0%			
Uniform Costs	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	500	6.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	500	0.1%			
Uniform Laundry	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	50	0.2%	50	0.0%		
Utensils	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	250	3.2%	250	2.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	500	0.1%			
Total Other Expenses	200	4.0%	-	0.0%	-	0.0%	-	0.0%	3,150	40.9%	3,345	31.8%	155	0.4%	165	0.2%	165	0.1%	165	0.1%	115	0.2%	115	0.5%	8,625	1.8%
Total Expenses	5,099	100.8%	5,295	72.5%	4,902	93.9%	4,830	97.7%	8,586	111.6%	8,997	85.7%	12,150	32.1%	18,748	23.5%	23,488	21.2%	23,488	21.2%	17,632	25.6%	8,933	40.7%	143,198	30.4%
Departmental Profit	(1,404)	(27.8%)	131	1.8%	(1,046)	(20.0%)	(1,157)	(23.4%)	(2,952)	(38.4%)	(786)	(7.5%)	20,045	52.9%	46,189	58.0%	65,837	59.5%	65,837	59.5%	37,877	55.0%	9,003	41.1%	236,525	50.3%

Cleaning Supplies	24	0.1%	9	0.0%	16	0.2%	43	0.1%	73	0.1%	98	0.1%	160	0.1%	183	0.1%	208	0.1%	203	0.1%	129	0.1%	108	0.1%	1,250	0.1%	
Cluster Services		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%	
Complimentary Services and Gifts		0.0%	250	1.1%		0.0%	100	0.3%	100	0.2%	200	0.2%	250	0.1%	250	0.1%	250	0.1%	250	0.1%	250	0.2%		0.0%	1,900	0.2%	
Contract Services		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	50	0.0%	50	0.0%	50	0.0%	50	0.0%		0.0%		0.0%	200	0.0%	
Corporate Office Reimbursables		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%	
Decorations		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%	
Dues and Subscriptions		0.0%		0.0%	1,800	16.7%	450	1.3%		0.0%	100	0.1%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	2,350	0.2%	
Entertainment—In-House	40	0.2%	40	0.2%	40	0.4%	40	0.1%	40	0.1%	40	0.0%	40	0.0%	40	0.0%	40	0.0%	40	0.0%	40	0.0%	40	0.0%	480	0.0%	
Equipment Rental	400	2.1%		0.0%		0.0%		0.0%		0.0%	3,000	3.2%	3,000	1.9%	3,000	1.6%	3,000	1.4%	3,000	1.5%	3,000	2.2%		0.0%	18,400	1.5%	
Fertilizer	500	2.7%	-	0.0%	-	0.0%	-	0.0%	2,000	3.9%	12,000	12.8%	3,000	1.9%	10,000	5.3%	4,500	2.2%	3,500	1.7%	3,500	2.6%	1,200	1.4%	40,200	3.3%	
Fungicide	1,600	8.5%	1,000	4.3%	2,100	19.5%	2,500	7.1%	2,000	3.9%	1,500	1.6%	2,000	1.3%	2,000	1.1%	2,000	1.0%	1,200	0.6%	1,200	0.9%	1,200	1.4%	20,300	1.7%	
Gasoline and Lubricants	100	0.5%		0.0%		0.0%		0.0%	1,000	1.9%	2,500	2.7%	2,500	1.6%	2,500	1.3%	2,500	1.2%	2,500	1.2%	2,500	1.9%	1,000	1.1%	17,100	1.4%	
Grounds Maintenance and Landscaping	-	0.0%	-	0.0%	80	0.7%	30	0.1%	-	0.0%		0.0%	800	0.5%	1,000	0.5%	70	0.0%		0.0%	120	0.1%		0.0%	2,100	0.2%	
Irrigation	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	900	1.0%	900	0.6%	900	0.5%	900	0.4%	900	0.4%	900	0.7%	900	1.0%	6,300	0.5%	
Laundry and Dry Cleaning		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%	
Licenses and Permits		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%	
Linen		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%	
Management Fees		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%	
Miscellaneous		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%	
Operating Supplies		0.0%		0.0%		0.0%		0.0%	145	0.3%	375	0.4%	13,200	8.4%	145	0.1%	200	0.1%	145	0.1%	200	0.1%	145	0.2%	14,555	1.2%	
Pesticide		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%	
Printing and Stationery	24	0.1%	9	0.0%	16	0.2%	43	0.1%	73	0.1%	98	0.1%	160	0.1%	183	0.1%	208	0.1%	203	0.1%	129	0.1%	108	0.1%	1,250	0.1%	
Reservations		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%	
Royalty Fees		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%	
Sand		0.0%		0.0%		0.0%		0.0%		0.0%	1,700	1.8%		0.0%		0.0%		0.0%	1,000	0.5%		1,700	1.3%		0.0%	4,400	0.4%
Seed		0.0%		0.0%		0.0%		0.0%		0.0%	750	0.8%	500	0.3%	500	0.3%		0.0%		0.0%	750	0.6%		0.0%	2,500	0.2%	
Tournament Expenses		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%	
Training		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%	
Transportation		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%	
Travel—Meals and Entertainment		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%	
Travel—Other	800	4.3%	500	2.1%	500	4.6%	500	1.4%	500	1.0%	500	0.5%	500	0.3%		0.0%		0.0%		0.0%		0.0%		0.0%	3,800	0.3%	
Uniform Costs		0.0%		0.0%		0.0%		0.0%		0.0%	2,000	2.1%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	2,000	0.2%	
Uniform Laundry		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	-	0.0%	
Vehicle Repairs and Maintenance	1,500	8.0%		0.0%		0.0%	1,000	2.9%	1,000	1.9%	2,000	2.1%	2,000	1.3%	2,000	1.1%	2,000	1.0%	2,000	1.0%	2,000	1.5%	1,000	1.1%	16,500	1.4%	
Water		0.0%		0.0%		0.0%		0.0%		0.0%		0.0%	1,000	0.6%	1,500	0.8%	1,000	0.5%		0.0%		0.0%		0.0%	3,500	0.3%	
Total Other Expenses	4,988	26.5%	1,808	7.7%	4,553	42.3%	4,705	13.4%	6,930	13.4%	27,760	29.7%	30,060	19.1%	24,250	12.9%	16,925	8.2%	14,990	7.5%	16,418	12.3%	5,700	6.4%	159,085	13.2%	
Total Expenses	29,305	155.8%	12,104	51.7%	11,939	110.8%	20,050	57.2%	30,049	58.2%	65,014	69.6%	73,584	46.7%	71,844	38.2%	65,509	31.6%	62,804	31.4%	62,196	46.4%	43,174	48.7%	547,570	45.3%	
Departmental Profit	(11,855)	(63.0%)	8,804	37.6%	(2,092)	(19.4%)	12,794	36.5%	17,848	34.6%	23,438	25.1%	71,966	45.7%	105,864	56.3%	131,187	63.3%	126,777	63.4%	61,805	46.2%	39,985	45.1%	586,519	48.5%	

Payroll Processing														-
Postage and Overnight Delivery Charges	250	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Professional Fees														-
Provision for Doubtful Accounts														-
Security														-
Settlement Costs														-
Staff Transportation														-
Training														-
Travel—Meals and Entertainment														-
Travel—Other	450	450	450	450	450	450	450	450	450	450	450	450	450	5,400
Uniform Costs														-
Uniform Laundry														-
Total Other Expenses	5,700	8,118	5,400	5,400	6,250	7,338	14,171	10,050	12,250	13,350	10,050	8,538	106,615	
Total Expenses	26,260	28,678	25,960	33,590	23,540	24,628	31,515	27,394	29,594	30,694	27,394	25,882	335,130	

Exhibit 2.6

Pretty Estate Resort Ltd.
 Projection for Monthly Information and Telecommunications Systems Operating Expenses
 for the 12 Month Period Ending October 31, 2016

	30	31	31	29	31	30	31	30	31	31	30	31	Total
	Nov 2015	Dec 2015	Jan 2016	Feb 2016	Mar 2016	Apr 2016	May 2016	June 2016	July 2016	Aug 2016	Sept 2016	Oct 2016	
Expenses													
Labor Costs and Related Expenses													
Salaries, Wages, Service Charges, Contracted Labor and Bonuses													
Salaries and Wages													
Management													-
Non-Management													-
Information Technology													-
Telecommunications													-
Sub-Total: Salaries and Wages	-	-	-	-	-	-	-	-	-	-	-	-	-
Service Charge Distribution													-
Contracted, Leased and Outsourced Labor													-
Bonuses and Incentives													-
Total Salaries, Wages, Service Charges, Contracted Labor and Bonuses	-	-	-	-	-	-	-	-	-	-	-	-	-
Payroll-Related Expenses													
Payroll Taxes													-
Supplemental Pay													-
Employee Benefits													-
Total Payroll-Related Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Labor Costs and Related Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Cost of Services													
Cost of Cell Phones	240	240	240	240	240	240	240	240	240	240	240	240	2,880
Cost of Internet Services	410	410	410	410	410	410	410	410	410	410	410	410	4,920
Cost of Local Calls	300	300	300	300	300	300	300	300	300	300	300	300	3,600
Cost of Long Distance Calls	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Other Cost of Services													-
Total Cost of Services	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	13,800
System Expenses													
Administrative and General	223	223	223	223	223	223	223	223	223	223	223	223	2,676
Centralized Information System Charges													-
Energy Management													-
Food and Beverage	135	135	135	135	135	135	135	135	135	135	135	135	1,620
Golf	120	120	120	120	120	120	409	409	409	409	409	409	3,174
Hardware													-
Health Club/Spa													-
Human Resources													-
Information Security													-
Information Systems													-
Other													-
Parking													-
Property Operation and Maintenance													-
Rooms		80	80	80	80	80	80	80	80	80	80	80	880
Sales and Marketing													-
Telecommunications	55	55	55	54	54	54	54	1,054	54	54	54	54	1,647
Total System Expenses	533	613	613	612	612	612	901	1,901	901	901	901	901	9,997

Exhibit 2.7

Pretty Estate Resort Ltd.
 Projection for Monthly Sales and Marketing
 for the 12 Month Period Ending October 31, 2016

	30	31	31	29	31	30	31	30	31	31	30	31	Total
	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Total
	2015	2015	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	
Expenses													
Labor Costs and Related Expenses													
Salaries, Wages, Service Charges, Contracted Labor and Bonuses													
Salaries and Wages													
Management													-
Non-Management													-
Sub-Total: Salaries and Wages	-	-	-	-	-	-	-	-	-	-	-	-	-
Service Charge Distribution													-
Contracted, Leased and Outsourced Labor	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	96,000
Bonuses and Incentives													-
Total Salaries, Wages, Service Charges, Contracted Labor and Bonuses	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	96,000
Payroll-Related Expenses													
Payroll Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplemental Pay	-	-	-	-	-	-	-	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Payroll-Related Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Labor Costs and Related Expenses	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	96,000
Other Expenses													
Advertising	200	1,700	300	300	1,200	1,850	400	400	400	400	300	300	7,750
Agency Fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Cluster Services													-
Collateral Material	-	100	-	450	450	350	150	150	150	200	200	250	2,450
Complimentary Services and Gifts													-
Contract Services	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate Office Reimbursables													-
Decorations													-
Direct Mail	300	300	300	250	250	250	250	250	250	250	300	300	3,250
Dues and Subscriptions	167	92	92	92	567	92	92	92	92	92	92	92	1,654
Entertainment—In-House													-
Equipment Rental													-
Familiarization Trips	-	250	650	250	250	300	600	300	300	300	300	300	3,800
Franchise and Affiliation Marketing													-
Franchise and Affiliation Fees—Royalties													-
In-House Graphics	-	-	-	1,200	-	-	-	-	-	-	-	-	1,200
Loyalty Programs													-
Media	-	-	-	-	-	1,250	1,250	-	-	-	-	-	2,500
Miscellaneous													-
Operating Supplies													-
Outside Sales Representation													-
Outside Services Market Research													-
Outside Signage	-	-	-	-	4,500	4,500	-	-	-	-	-	-	9,000
Photography / Video		800					4,000	-	-	-			4,800
Postage and Overnight Delivery Charges													-
Promotion	-	150	150	150	150	100	100	150	125	125	200	100	1,500
Trade Shows			1,500	2,500		-	-						4,000
Training													-
Travel—Meals and Entertainment	-	-	500	500	-	500	-	500	-	-	-	-	2,000
Travel—Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Uniform Laundry													-
Website	200	300	250	250	250	400	400	400	400	250	400	250	3,750
Total Other Expenses	867	3,692	3,742	5,942	7,617	9,592	7,242	2,242	1,717	1,617	1,792	1,592	47,654
Total Expenses	8,867	11,692	11,742	13,942	15,617	17,592	15,242	10,242	9,717	9,617	9,792	9,592	143,654

Exhibit 2.8

Pretty Estate Resort Ltd.
 Projection for Monthly Property Operation and Maintenance Operating Expenses
 for the 12 Month Period Ending October 31, 2016

	30	31	31	29	31	30	31	30	31	31	30	31	Total
	Nov 2015	Dec 2015	Jan 2016	Feb 2016	Mar 2016	Apr 2016	May 2016	June 2016	July 2016	Aug 2016	Sept 2016	Oct 2016	
Wage / Day	141.29	123.43	123.43	123.43	123.43	181.70	199.57	208.14	208.14	208.14	208.14	141.29	
Expenses													
Labor Costs and Related Expenses													
Salaries, Wages, Service Charges, Contracted Labor and Bonuses													
Salaries and Wages													
Management													-
Non-Management	5,239	3,826	3,826	3,579	3,826	5,451	6,187	6,244	6,452	6,452	6,244	4,380	61,708
Sub-Total: Salaries and Wages	5,239	3,826	3,826	3,579	3,826	5,451	6,187	6,244	6,452	6,452	6,244	4,380	61,708
Service Charge Distribution													-
Contracted, Leased and Outsourced Labor													-
Bonuses and Incentives													-
Total Salaries, Wages, Service Charges, Contracted Labor and Bonuses	5,239	3,826	3,826	3,579	3,826	5,451	6,187	6,244	6,452	6,452	6,244	4,380	61,708
Payroll-Related Expenses													
Payroll Taxes	262	191	191	179	191	273	309	312	323	323	312	219	3,085
Supplemental Pay	79	57	57	54	57	82	93	94	97	97	94	66	926
Employee Benefits	183	134	134	125	134	191	217	219	226	226	219	153	2,160
Total Payroll-Related Expenses	524	383	383	358	383	545	619	624	645	645	624	438	6,171
Total Labor Costs and Related Expenses	5,763	4,209	4,209	3,937	4,209	5,996	6,805	6,869	7,098	7,098	6,869	4,818	67,879
Other Expenses													
Building	3,000			2,000			2,000		2,000		2,000		11,000
Cluster Services													13,500 - 2,500
Contract Services	300	300	300	300	300	300	300	300	300	300	300	300	3,600
Corporate Office Reimbursables													0
Dues and Subscriptions						500							500
Electrical and Mechanical Equipment													475
Elevators and Escalators													25
Engineering Supplies													39 - 39
Entertainment—In-House													0
Equipment Rental						200		200		200			600
Floor Covering													200
Furniture and Equipment	500					400	400	400	400	400			2,500
Grounds Maintenance and Landscaping													2065
Heating, Ventilation, and Air Conditioning Equipment													435
Kitchen Equipment				1,200				1,200				1,200	3,600
Laundry Equipment			300				300				300		900
Licenses and Permits							150						1195 - 295
Life/Safety	75	75	75	75	500	75	75	75	75	500	75	75	150
Light Bulbs		200		200		200		200		200		200	1,750
Miscellaneous													1674
Operating Supplies	200			200			200			200			1,200
Painting and Wallcovering			800		2,000							800	1,544 - 344
Plumbing		300				300				300			0
Swimming Pool	500					500	100	100	100	100	100		800
Training													773
Travel—Meals and Entertainment													800
Travel—Other			75			75			75			75	3,600
Uniform Costs													96
Uniform Laundry													900
Vehicle Repair		750					750				750		265
Waste Removal						2,000							900
Total Other Expenses	4,575	1,625	1,550	3,975	2,800	4,550	4,275	2,475	2,950	2,200	3,525	2,650	13,500 - 2,500
Total Expenses	10,338	5,834	5,759	7,912	7,009	10,546	11,080	9,344	10,048	9,298	10,394	7,468	105,029

Exhibit 2.9

**Pretty Estate Resort Ltd.
Projection for Monthly Utilities Operating Expenses
for the 12 Month Period Ending October 31, 2016**

	30	31	31	29	31	30	31	30	31	31	30	31	Total
	Nov 2015	Dec 2015	Jan 2016	Feb 2016	Mar 2016	Apr 2016	May 2016	June 2016	July 2016	Aug 2016	Sept 2016	Oct 2016	
Utilities													
Electricity	4,000	4,000	4,000	5,000	4,000	4,600	4,600	5,000	5,700	5,100	5,800	5,800	57,600
Gas													-
Propane	1,000	800	800	800	550	550	550	100	100	-	100	100	5,450
Water/Sewer	230	230	230	230	230	230	230	230	230	230	230	230	2,760
Steam													-
Chilled Water													-
Other Fuels													-
Contract Services													-
Total Expenses	5,230	5,030	5,030	6,030	4,780	5,380	5,380	5,330	6,030	5,330	6,130	6,130	65,810

Exhibit 2.10

Pretty Estate Resort Ltd.
 Projection for Monthly Non-Operating Income and Expenses
 for the 12 Month Period Ending October 31, 2016

	30	31	31	29	31	30	31	30	31	31	30	31	Total
	Nov 2015	Dec 2015	Jan 2016	Feb 2016	Mar 2016	Apr 2016	May 2016	June 2016	July 2016	Aug 2016	Sept 2016	Oct 2016	Total
Income													
Cost Recovery Income													0
Interest Income	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Other Income	400	400	400	400	400	400	800	800	1,500	1,550	800	1,800	9,650
Total Income	600	600	600	600	600	600	1,000	1,000	1,700	1,750	1,000	2,000	12,050
Rent													
Land and Buildings													0
Other Property and Equipment							119	119	119	119	119	119	714
Total Rent	0	0	0	0	0	0	119	119	119	119	119	119	714
Property and Other Taxes													
Business and Occupation Taxes													0
Other Taxes and Assessments													0
Personal Property Taxes													0
Real Estate Taxes	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	44,340
Total Property and Other Taxes	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	44,340
Insurance													
Building and Contents	1,626	1,626	1,626	1,626	1,626	1,626	1,626	1,626	1,626	1,626	1,626	1,626	19,512
Liability	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	15,600
Automobile	405	375	375	375	375	375	375	375	375	375	375	375	4,530
Deductible													0
Total Insurance	3,331	3,301	3,301	3,301	3,301	3,301	3,301	3,301	3,301	3,301	3,301	3,301	39,642
Other													
Cost Recovery Expense													0
Gain/Loss on Fixed Assets													0
Owner Expenses													0
Unrealized Foreign Exchange Gains or Losses													0
Total Other	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Non-Operating Income and Expenses	6,426	6,396	6,396	6,396	6,396	6,396	6,115	6,115	5,415	5,365	6,115	5,115	72,646

Appendix "C"

Outstanding professional fees as at October 31, 2015

Pretty Estates Ltd. CCAA
Schedule of Outstanding Professional Fees
As at October 31, 2015 (note 1)

Month	IHM	Lawson Lundell	G-Force	Gowlings (note 1)
Nov-14 IHM Retainer	(20,000.00)			
Aug-15		24,849.23	35,020.82	
Sep-15		27,520.43	30,510.48	
Oct-15	18,936.95	36,377.82	65,555.81	
Oct-15 IHM Special services	6,595.31			
Oct-15 IHM - 2015-16 Budget	20,586.72			
Oct-15 Gowlings LLP				78,344.32
Subtotal	<u>26,118.98</u>	<u>88,747.48</u>	<u>131,087.11</u>	<u>78,344.32</u>
TOTAL OUTSTANDING FEES AT OCT 31, 2015			<u><u>\$ 324,297.89</u></u>	

Note 1 - Gowlings account is inclusive of its work to November 5, 2015.