Okanagan Hills Development Corp. / The Golf Club At The Rise Ltd.

Estimated Cash Flow - Bi-Weekly
Nov 2008 to Sept 2009

COMBINED DETAILS	Note	Forecast 7-Nov-08	Forecast 21-Nov-08	Forecast 5-Dec-08	Forecast 19-Dec-08	Forecast 2-Jan-09	Forecast 16-Jan-09	Forecast 30-Jan-09	Forecast 13-Feb-09	Forecast 27-Feb-09	Forecast 13-Mar-09	Forecast 27-Mar-09
Opening book balance (Note 1)		-	11,958	(69,799)	100,861	10,497	(230,479)	(341,652)	(516,081)	(621,647)	(845,482)	(994,041)
HSBC - Golf Course at the Rise - Cnd		4,236	-	-	-	-	-	-	-	-	-	-
HSBC - Golf Course at the Rise - USD		-	-	-	-	-	-	-	-	-	-	-
HSBC - Golf Course LC with Liquor Board		7,000	-	-	-	-	-	-	-	-	-	-
HSBC - Vinyerd Homes @ The Rise		8,527	-	-	-	-	-	-	-	-	-	-
HSBC- New Home Warranties LC		41,026	-	-	-	-	-	-	-	-	-	-
HSBC - OHDC General		300	-	-	-	-	-	-	-	-	-	-
HSBC - OHDC Customer Compliance Deposits		3,000	-	-	-	-	-	-	-	-	-	-
HSBC - OHDC City of Vernon LC		400,090	-	-	-	-	-	-	-	-	-	-
HSBC - Bella Vista Services Ltd (Strata Maint)		8,797	-	-	-	-	-	-	-	-	-	-
HSBC - Bella Vista Landscaping (Inactive)		16	-	-	-	-	-	-	-	-	-	-
HSBC - 0752500 BC Ltd Strata Corp		45	-	-	-	-	-	-	-	-	-	-
HSBC - 0752508 BC Ltd Stata Corp		45	-	-	-	-	-	-	-	-	-	-
HSBC - OHDC Joint Lien Holdback with BMR		-	-	-	-	-	-	-	-	-	-	-
HSBC - OHDC Joint Lien Holdback with Acres		200	-	-	-	-	-	-	-	-	-	-
Less Restricted Funds		(455,203)	-	-	-	-	-	-	-	-	-	-
Total		16,079	-	-	-	-	-	-	-	-	-	-
Receipts												
House Sales (Net of Commissions)		79,000	106,000	-	67,000	-	-	-	-	1,285,300	-	-
Lot Sales (Net of Commisions)	(1)	-	-	340,680	-	-	-	-	-	-	-	-
GST Refunds		-	-	15,000	-	14,000	-	-	-	-	-	-
Golf Club Revenue	(2)	-	-	-	-	-	-	-	-	-	-	-
Interest Income		-	-	-	-	-	-	-	-	-	-	-
Legal Settlement Receipt		-	-	145,000	-	-	-	-	-	-	-	-
Other Transfers		-	-	-	-	-	-	-	-	-	-	-
Total receipts		79,000	106,000	500,680	67,000	14,000	-	-	-	1,285,300	-	-
Essential Payments												
OHDC Payroll		35,746	26,000	25,000	31,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000
Golf Payroll		19,509	22,271	13,200	12,000	39,916	13,605	13,605	14,728	14,728	31,966	31,966
GWL Benefits		-	-	4,470	-	3,300	-	-	3,500	-	3,500	-
CCRA, BC PST & WCB Payments		-	17,550	12,000	-	-	3,200	3,900	-	-	-	-
Monitor, Legal & DIP Financing Fees		-	60,000	70,000	12,000	100,000	-	20,000	-	20,000	-	20,000
Total Essential Payments		55,255	125,821	124,670	55,000	171,216	44,805	65,505	46,228	62,728	63,466	79,966
Operating Costs												
		-	-	-	-	-	-	-	-	-	-	-
Bank Charges		-	-	450	-	600	-	600	-	600	-	-
Computer & System Support		-	-	1,100	3,600	4,100	-	1,300	1,000	1,100	1,000	-
Insurance & New Home Warrnatee		-	4,292	-	4,417	125	6,292	125	2,000	4,417	2,000	4,417
Office Supplies		-	800	800	4,000	800	800	800	800	800	800	1,000
Postage & Courier		-	-	2,250	-	2,250	-	2,250	-	-	2,250	-
Property Taxes		-	-	-	-	-	-	-	-	-	-	-
Strata Fees		-	-	3,000	3,480	3,000	-	3,000	-	3,000	-	3,000
Telephone		4,333	700	3,400	-	3,400	-	3,400	-	700	2,700	4,500
Utilities - DC		-	-	800	810	800	-	800	-	-	800	-
Utilities - Showhomes		2,060	-	3,350	-	1,200	-	1,200	-	1,200	-	-
Vehicle Fuel & Repairs		-	800	1,500	4,000	700	-	700	-	400	300	400
Travel, Meals & Other Admin		11,566	-	5,000	5,000	5,000	-	-	5,000	-	5,000	-
Generator, Fuel, Security, Other		-	-	500	13,500	700	8,000	400	-	400	-	400
Professional & Consulting Fees		-	1,250	11,250	6,250	6,250	15,000	30,700	15,000	15,000	17,500	15,000
Marketing		-	5,000	10,000	8,100	10,000	10,000	25,000	12,500	7,000	14,107	5,000
Total Operating Costs		17,959	12,842	43,400	53,157	38,925	40,092	78,275	36,300	34,817	46,457	33,717
Existing Lease & Finance Costs												
		-	-	-	-	-	-	-	-	-	-	-
Leases - Office Equipment		-	4,900	3,200	5,050	5,700	-	5,700	-	650	5,050	650
Vehicle & Equipment Leases		1,250	2,117	1,250	3,442	-	3,442	-	3,442	-	2,172	1,270
80% Sale Proceeds to Arres ($650k int accrued/mo)	(3)	-	-	314,000	-	-	-	-	-	1,284,240	-	-
No Payments to BDC ($38k accrued monthly)	(4)	-	-	-	-	-	-	-	-	-	-	-
Loan payments to HSBC on Beachhouse		-	-	6,700	-	6,700	-	6,700	-	-	6,700	-
Total Existing Lease & Finance Costs		1,250	7,017	325,150	8,492	12,400	3,442	12,400	3,442	1,284,890	13,922	1,920
Discretionary Payments												
Compliance Deposits & Hydro Seeding	(5)	-	10,000	10,000	6,500	-	10,000	10,000	10,000	-	10,000	10,000
Janitorial & Security		-	-	850	-	850	1,000	850	1,000	850	1,000	850
Home Deficiencies & SH 20 Lien	(6)	1,211	17,510	20,000	17,550	10,000	-	-	-	112,000	-	10,000
Golf, Food & Beverage Supplies		-	-	-	-	-	-	-	-	-	-	72,100
Turf Maintenance & Course Repairs		-	-	2,000	5,000	-	3,000	1,250	-	4,250	2,000	6,000
Contingencies (10% Essentials, Operating & Leases)		7,446	14,568	17,252	11,665	21,584	8,834	14,148	8,597	9,800	11,714	11,560
Total Discretionary Payments		8,658	42,078	50,102	40,715	32,434	22,834	26,248	19,597	126,900	24,714	110,510
TOTAL CASH PAYMENTS					157,364	254,976	111,173	174,429	105,567	1,509,136	148,559	226,113
NET CASH FLOW		(4,121)	(81,758)	(42,642)	(90,364)	(240,976)	(111,173)	(174,429)	(105,567)	(223,836)	(148,559)	(226,113)
TRANSFERS, Net		-	-	-	-	-	-	-	-	-	-	-
Closing book balance		11,958	(69,799)	(112,441)	10,497	(230,479)	(341,652)	(516,081)	(621,647)	(845,482)	(994,041)	(1,220,155)

COMBINED DETAILS	Forecast 10-Apr-09	Forecast 24-Apr-09	Forecast 8-May-09	Forecast 22-May-09	Forecast 5-Jun-09	Forecast 19-Jun-09	Forecast 3-Jul-09	Forecast 17-Jul-09	Forecast 31-Jul-09	Forecast 14-Aug-09	Forecast 28-Aug-09	Forecast 11-Sep-09	Forecast 25-Sep-09	Forecast Actual to End
Opening book balance (Note 1)	(1,220,155)	(1,457,309)	(1,678,347)	(1,808,044)	(1,794,171)	(1,860,984)	(1,771,183)	(2,162,202)	(2,089,931)	(2,068,228)	(2,107,401)	(2,062,248)	(2,167,250)	16,079
HSBC - Golf Course at the Rise - Cnd	-	-	-	-	-	-	-	-	-	-	-	-	-	
HSBC - Golf Course at the Rise - USD	-	-	-	-	-	-	-	-	-	-	-	-	-	
HSBC - Golf Course LC with Liquor Board	-	-	-	-	-	-	-	-	-	-	-	-	-	
HSBC - Vinyerd Homes @ The Rise	-	-	-	-	-	-	-	-	-	-	-	-	-	
HSBC- New Home Warranties LC	-	-	-	-	-	-	-	-	-	-	-	-	-	
HSBC - OHDC General	-	-	-	-	-	-	-	-	-	-	-	-	-	
HSBC - OHDC Customer Compliance Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	
HSBC - OHDC City of Vernon LC	-	-	-	-	-	-	-	-	-	-	-	-	-	
HSBC - Bella Vista Services Ltd (Strata Maint)	-	-	-	-	-	-	-	-	-	-	-	-	-	
HSBC - Bella Vista Landscaping (Inactive)	-	-	-	-	-	-	-	-	-	-	-	-	-	
HSBC - 0752500 BC Ltd Strata Corp	-	-	-	-	-	-	-	-	-	-	-	-	-	
HSBC - 0752508 BC Ltd Stata Corp	-	-	-	-	-	-	-	-	-	-	-	-	-	
HSBC - OHDC Joint Lien Holdback with BMR	-	-	-	-	-	-	-	-	-	-	-	-	-	
HSBC - OHDC Joint Lien Holdback with Acres	-	-	-	-	-	-	-	-	-	-	-	-	-	
Less Restricted Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipts														
House Sales (Net of Commissions)	-	-	-	-	-	-	-	-	-	-	-	-	-	1,469,300
Lot Sales (Net of Commisions) (1)	-	-	242,500	-	-	-	-	-	-	-	-	-	-	583,180
GST Refunds	-	-	-	-	-	-	-	-	-	-	-	-	-	29,669
Golf Club Revenue (2)	-	-	184,281	169,276	226,367	243,641	212,804	228,935	208,935	232,150	243,150	169,276	169,276	2,309,010
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-	5,689
Legal Settlement Receipt	-	-	-	-	-	-	-	-	-	-	-	-	-	175,942
Other Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	6,250
Total receipts	-	-	426,781	169,276	226,367	243,641	212,804	228,935	208,935	232,150	243,150	169,276	169,276	4,579,948
Essential Payments														
OHDC Payroll	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	678,317
Golf Payroll	48,561	48,561	57,131	67,537	68,742	68,742	68,742	69,994	69,994	70,153	70,153	67,061	67,061	1,066,658
GWL Benefits	3,500	-	3,500	-	4,100	-	4,100	-	-	4,100	-	4,100	-	41,830
CCRA, BC PST & WCB Payments	-	8,100	-	-	-	-	-	-	11,000	-	-	-	12,100	44,844
Monitor, Legal & DIP Financing Fees	-	-	20,000	-	20,000	-	20,000	-	-	20,000	-	20,000	-	272,000
Total Essential Payments	80,061	84,661	108,631	95,537	120,842	96,742	120,842	97,994	108,994	122,253	98,153	119,161	107,161	2,103,647
Operating Costs														
	-	-	-	-	-	-	-	-	-	-	-	-	-	
Bank Charges	600	900	1,400	2,500	3,000	3,800	4,300	3,450	3,450	4,100	3,600	3,100	2,600	38,772
Computer & System Support	2,100	-	2,100	-	2,100	-	2,100	-	1,000	1,100	200	1,100	200	25,672
Insurance & New Home Warrnatee	-	4,417	700	4,292	-	4,292	-	4,292	-	-	4,292	-	4,292	54,790
Office Supplies	950	925	900	900	900	900	900	900	900	900	900	900	850	29,898
Postage & Courier	2,250	-	2,250	-	2,250	-	2,250	-	-	2,250	-	2,250	-	20,250
Property Taxes	-	-	-	-	-	-	269,000	-	-	-	-	-	-	269,030
Strata Fees	-	-	3,000	-	3,000	-	3,000	-	-	3,000	-	3,000	-	32,084
Telephone	2,700	700	2,700	700	2,700	700	2,700	700	-	3,400	-	3,400	-	43,317
Utilities - DC	800	-	800	-	800	-	800	-	-	800	-	800	-	8,010
Utilities - Showhomes	1,200	-	1,200	-	1,200	-	1,200	-	-	1,200	-	1,200	-	13,293
Vehicle Fuel & Repairs	300	400	300	-	700	-	700	-	400	300	400	300	400	11,113
Travel, Meals & Other Admin	5,000	-	5,000	-	5,000	-	5,000	-	-	5,000	-	5,000	-	59,774
Generator, Fuel, Security, Other	-	-	400	-	400	-	400	-	400	-	400	-	400	29,090
Professional & Consulting Fees	10,000	10,000	10,000	10,000	12,500	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	304,852
Marketing	17,759	5,000	6,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	170,466
Total Operating Costs	43,650	22,342	36,750	23,392	39,550	24,692	307,350	24,342	21,150	37,050	24,792	36,050	23,742	1,110,369
Existing Lease & Finance Costs														
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Leases - Office Equipment	5,050	650	5,050	-	5,700	-	5,700	-	650	5,050	650	5,050	650	63,562
Vehicle & Equipment Leases	1,325	2,117	67,825	2,117	66,500	3,442	66,500	3,442	-	68,672	1,270	68,672	1,270	369,561
80% Sale Proceeds to Arres ($650k int accrued/mo) (3)	-	-	194,000	-	-	-	-	-	-	-	-	-	-	1,792,240
No Payments to BDC ($38k accrued monthly) (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan payments to HSBC on Beachhouse	6,700	-	6,700	-	6,700	-	6,700	-	6,700	-	-	6,700	-	67,000
Total Existing Lease & Finance Costs	13,075	2,767	273,575	2,117	78,900	3,442	78,900	3,442	7,350	73,722	1,920	80,422	1,920	2,292,363
Discretionary Payments														
Compliance Deposits & Hydro Seeding (5)	10,000	10,000	35,000	-	-	-	-	-	-	-	-	-	-	116,500
Janitorial & Security	1,000	850	1,000	850	1,000	850	1,000	850	1,000	850	1,000	850	1,000	19,760
Home Deficiencies & SH 20 Lien (6)	20,000	20,000	20,000	-	-	-	-	-	-	-	-	-	-	219,750
Golf, Food & Beverage Supplies	53,100	48,441	42,497	21,402	10,609	15,645	16,692	17,458	11,458	14,145	14,145	14,902	9,902	362,496
Turf Maintenance & Course Repairs	3,250	21,000	17,200	-	19,000	-	29,000	-	24,200	-	45,500	-	15,100	201,097
Contingencies (10% Essentials, Operating & Leases)	13,009	10,977	21,826	12,105	23,259	12,488	50,039	12,578	13,079	23,303	12,487	22,893	13,282	339,227
Total Discretionary Payments	100,359	111,268	137,523	34,358	53,868	28,983	96,731	30,886	49,737	38,296	73,132	38,645	39,284	1,258,830
TOTAL CASH PAYMENTS	237,154	221,039	556,478	155,403	293,161	153,860	603,823	156,664	187,231	271,323	197,997	274,278	172,186	6,755,291
NET CASH FLOW	(237,154)	(221,039)	(129,697)	13,873	(66,793)	89,781	(391,019)	72,271	21,704	(39,173)	45,153	(105,002)	(2,832)	(2,186,161)
TRANSFERS, Net	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing book balance	(1,457,309)	(1,678,347)	(1,808,044)	(1,794,171)	(1,860,984)	(1,771,183)	(2,162,202)	(2,089,931)	(2,068,228)	(2,107,401)	(2,062,248)	(2,167,250)	(2,170,082)	(2,170,082)

NOTES:

Lot Sales & Receivables	(1)	(a) Negotiations are currently underway regards the potential sale of Phase 8 - Cottages. The potential revenue and additional development costs of this can not be ascertained at this time.
		(b) There is currently an outstanding receivable of $1.5M + accrued interest which is due December 12th, 2008. There is currently a high level of uncertainty as to if and when it will be collected.
		(c) There is currently an outstanding receivable of $35K + accrued interest which was due on March 17th, 2008. There is currently a high level of uncertainty as to if and when it will be collected.
Golf Club Revenue	(2)	Sales have been included in the forecast commencing in late April / early May. Should the weather permit an earlier opening of the golf facility, an additional $90,000 could be forthcoming in mid-April.
Arres Interest Payments	(3)	No allowance has been made for the Arres interest payments currently accruing at $650K per month.
BDC Payments	(4)	No allowance has been made for the BDC principle & interest payments currently accruing at $38K per month.
Compliance Deposits	(5)	Additional deposits may become refundable but the amount, timing and refundability are uncertain at this time.
Showhome 28	(6)	We have provided for the payment of liens at the time of closing for Showhome 28, however we believe there is the potential for these liens to be removed without payment.