

SCHEDULE “B”

NO. _____
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 THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57

AND

**IN THE MATTER OF OKANAGAN HILLS DEVELOPMENT CORPORATION,
VINEYARD HOMES AT THE RISE LTD., THE GOLF CLUB AT THE RISE LTD. and Y-
K PROJECTS LTD.**

PETITIONERS

ORDER AUTHORIZING DIP LOAN

BEFORE THE HONOURABLE
MADAM JUSTICE DICKSON

_____, THE ____ DAY OF
DECEMBER, 2008

THIS APPLICATION coming on for hearing at Vancouver, British Columbia on this day, and on hearing John R. Sandrelli and Christopher J. Ramsay, counsel for the Petitioners, and those counsel listed in **Schedule “A”** attached hereto; AND ON READING the pleadings and other materials filed herein; AND pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C., 1985 c. C-36, as amended (the “CCAA”), and Rules 3, 10, 12, 13(1), 13(6), 14 and 44 of the Rules of Court and the equitable and inherent jurisdiction of this Honourable Court:

1. THIS COURT ORDERS AND DECLARES that the Petitioners are hereby authorized and empowered, with the consent of the Monitor, to obtain and borrow under a credit facility (the “DIP Facility”) from Regal RV Resorts, Inc. (the “DIP Lender”) in order to finance the Petitioners’ working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed \$2,500,000 unless permitted by further Order of this Court.

2. THIS COURT ORDERS that the DIP Facility shall be on the terms and subject to the conditions set forth in the commitment letter between the Petitioners and the DIP Lender dated as of December 12, 2008 (the "Commitment Letter"), filed as Exhibit "A " to the Affidavit #1 of Leona Snider.

3. THIS COURT ORDERS that the Petitioners are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "DIP Documents"), as are contemplated by the Commitment Letter or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Petitioners are hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the Commitment Letter and the DIP Documents as and when the same become due and are to be performed, notwithstanding any other provision of the Initial Order.

4. THIS COURT ORDERS that the DIP Lender shall be entitled to the benefits of, and is hereby granted, a charge (the "DIP Lender's Charge") on the Property, which charge shall not exceed the aggregate amount owed to the DIP Lender under the DIP Documents. The DIP Lender's Charge shall have the priority set out in Paragraphs 38 and 40 of the Initial Order.

5. THIS COURT ORDERS that, notwithstanding any other provision of this Order or the Initial Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the DIP Documents;
- (b) upon the occurrence of an event of default under the DIP Documents or the DIP Lender's Charge, the DIP Lender, upon ten (10) days' notice to the Petitioners and the Monitor, may exercise any and all of its rights and remedies against the Petitioners or the Property under or pursuant to the Commitment Letter, DIP Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Petitioners and set off and/or consolidate any amounts owing by the DIP Lender to the Petitioners against the obligations of the Petitioners to the DIP Lender under the Commitment Letter, the DIP Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to

this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Petitioners and for the appointment of a trustee in bankruptcy of the Petitioners and, for greater certainty, upon the occurrence of an event of default under the terms of the DIP Documents, the DIP Lender shall be entitled to seize and retain proceeds from the sale of the Property and the cash flow of the Petitioners to repay amounts owing to the DIP Lender in accordance with the DIP Documents and the DIP Lender's Charge, but subject to the priorities as set out in paragraphs 38 and 40 of the Initial Order; and

- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Petitioners or the Property.

6. THIS COURT ORDERS AND DECLARES that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Petitioners under the CCAA, or any proposal filed by the Petitioners under the BIA.

7. Endorsement of this Order by counsel appearing on this application is hereby dispensed with.

BY THE COURT

DEPUTY DISTRICT REGISTRAR

APPROVED AS TO FORM:

JOHN R. SANDRELLI
Counsel for the Petitioners

SCHEDULE "A"

LIST OF COUNSEL APPEARING

Counsel	Appearing for:
John R. Sandrelli	Petitioners