



RESORT OWNERS GROUP



DEVELOPERS GUIDE

A BETTER WAY TO *Own & Enjoy* RESORT HOMES





THE BEST OF RESORT HOME OWNERSHIP HAS ARRIVED

welcome developers

Resort Owners Group (ROG) is a market innovator in the resort home industry creating a global brand of managed resort homes through independent developers. ROG has the perfect platform "The ROG Model", for developers wanting a complete fractional sales & marketing solution.

From pre-sales setup, through sales and marketing and post sales asset management, ROG allows developers to focus on being developers and makes their resort homes more saleable.

"The ROG model" offers an unparalleled variety of ownership options including Fractional Ownership, Whole Ownership, ROG Residence Club and ROG's newest option, BuyWithFriends.

Fractional Ownership

Whole Ownership

ROG Residence Club

BuyWithFriends Ownership

ROG has many industry leading alliances that help to assure your projects success.

Industry Leading Alliances



(Official resort home brand)

GROUP RCI

(Global exchange benefits)

HiFX
INTELLIGENT CURRENCY SERVICES

(Foreign exchange savings)

LeisureLink
Building Your Bookings

(Global rental portal)

Holland+Knight

(North American legal closings)

A BETTER WAY TO *Own & Enjoy* RESORT HOMES

ResortOwnersGroup.com 1 866 869-6377

ROG MODEL

"SNAPSHOT OF SERVICES FOR DEVELOPERS"

PRE SELL PHASE

FRACTIONAL MODEL

- Legal Structure - 1/8 or 1/4 or 1/6 or 1/10 or 1/12
- Calendar Structure - Floating or Variable or Fixed or Flexible
- Asset Management Structure - Bill Payments, Bill Collections, Rent Management Rent Collection, Exchange Management (Home Location, Non Home, Globally)
- Resale Management Structure
- Repair, Reserve, Replace
- Inventory Control
- Exchange Networks: ROG, Group RCI and R2R

SELLING PHASE

MARKETING

- Videos, Website, Branding, Brochures, Handouts
- Pricing and Resale Strategy
- Trade Shows and Event Strategies
- Media and PR Strategies
- Training
- Realtor Program

SALES

- Inventory Control Sheets
- Partially Sold Units
- Financing For Buyers
- Fly and Buys
- Golf Event Sales
- Closings
- Title Issues
- Escrow Issues

POST SELL PHASE

ASSET MANAGEMENT

- Bills, Collections, Reporting, Payouts, Pool or No pool

USAGE MANAGEMENT

- 1-866-8OWNERS For All Owner Needs

EXCHANGE MANAGEMENT

- Group RCI, R2R & ROG

RENTAL MANAGEMENT

- Developer, LeisureLink, CPGA & Alliances





DRAFT “LETTER OF INTENT” (LOI) TO AN ROG DEVELOPER PARTNER

Dear Developer,

Re: Letter of Intent (LOI) Letter Agreement (Agreement) between Resort Owners Group (ROG) and _____ for the provision by ROG to _____ of fractional ownership of sales, marketing and management services for the _____ resort project owned and developed by _____:

Below is the agreement between Resort Owners Group (ROG) and _____ to License the ROG Model of Fractional Ownership.

The ROG Model for Developers

ROG has developed a complete resort home ownership **platform** (The ROG Model) that makes resort

homes more affordable, more usable and ultimately more saleable. Over \$3M and several years has been invested in the ROG Model's sales, marketing, management systems, alliances and legal structures for two reasons:

1. So **consumers** get the highest valued ownership model in the industry, with a more fluid and liquid long term resale structure.
2. So **developers** throughout the world can access The ROG Model of ownership (License) for their resort projects, thereby accelerating their sales, increase their profits and allow them to focus on being quality developers.

The ROG Model is considered by many industry leaders to be the premier ownership model for consumers wanting to “own and enjoy” resort homes in a more affordable fashion, and is considered a well structured solution for independent quality developers.

The ROG Model is a complete end to end turnkey solution for developers. It provides a host of professionally designed features, benefits and services that took years to develop and that can save developers significant time, money and headaches if they want to offer fractional ownership at their

project. ROG services include the complete fractional ownership solution, consulting, marketing, direct and indirect sales, post sales asset management and resales of fractional interest's long term. In other words, solutions that can help developers sell resort homes, faster, with more profit and with less risk and less cost.

All ROG developer partners, realtor partners and purchasers, become part of a larger global network through ROG's rentable, exchangeable and resalable resort homes. ROG has a growing list of marketing and sales partners that have joined ROG and are assisting in marketing developer sites that are using The ROG Model of Ownership.

ROG Model Benefits for Developers and Purchasers:

Increased Product Offering - ROG'S *Expanded Offerings Ideally Structured for the Economic Times*

- ROG'S **fractional ownership** model makes resort homes available at lower price points, and creates a broader range of price points making them more affordable and more saleable,
- ROG'S **whole ownership** model is for pre-retirees and investors looking for rental income (optional) or want several months of the season with the management and global exchange benefits that ROG provides,
- ROG'S proprietary **BuyWithFriends and BuyWithFriends.com** ownership model (which is the latest industry innovation, created by ROG as the perfect combination of whole and fractional ownership) allows likeminded buyers to save thousands on their fractional purchase when buying a whole unit while receiving the added flexibility of whole ownership,
- ROG'S unique usage model expands the markets to target and expands market segments of potential buyers, not currently available under present whole ownership offerings,
- Developers now have much more to offer purchasers than just whole ownership which appeals to a wider audience as the popularity of fractional ownership soars.

Increased Untapped Sales Channels – ROG'S *Usage, Exchange and Trading Features Expands Channels*

- ROG's Model has unique usage features, like the "stacking" feature, for multiple home usages during the same week (s) and has become a very attractive feature

home usages during the same week (3) and has become a very attractive feature with business owners. It opens up the broader untapped selling channel of small and medium size business,

- ROG'S Exchange benefits enables the same "stacking and racking" features to be realized at all the ROG developer locations because all sales run off the same calendar, whether it's a 1/8th, 2/8th, 4/8th or 8/8th sale,
- ROG's trade up or trade down sales feature expands the sales options and increases the target audience to sell to.

Increased Exposure - ROG'S *National & Global Channel Partner Outreach*

ROG provides a platform and ROG is not a developer. ROG delivers branded national partners that have embraced and approved the quality and value proposition in The ROG Model, partnerships not achievable by any one developer.

- CPGA marketing relationship as "Official Resort Home of the CPGA"
- Group RCI global exchange and marketing relationship
- HiFX foreign exchange savings
- Chamber of Commerce's marketing relationship

- Several other direct sales and marketing channel partners

Increased Sales Velocity - ROG'S *Direct, Indirect and Developer Sales Channels*

- ROG trains developer's sales reps, the local realtors, and can deliver national selling channels providing direct sales support and the best marketing materials in the industry.

Increased Rental Traffic for the Site - ROG'S *Global Rental Marketing Alliances*

- ROG delivers rental alliances like the CPGA/PGA to drive traffic to the developer's site, increasing occupancies for purchasers, while providing prospects to the developer for future up selling to ownership,
- ROG also can deliver relationships with Group RCI and Leisurelink including Endless Vacations the leading non-hotel rental company and Leisurelink an online rental engine that specializes in delivering rental traffic to resort homes,
- ROG's Fractional & BuyWithFriends model ensures hot beds and more site visitors from owners and their friends as renters, which is a positive industry trend in fractional ownership projects

Increased Sales in the Longer Term – ROG *Helps Developers Build Successful Projects*

- Through busier site traffic ROG's model creates a more successful project, happier customers and better resales
- ROG delivers branded partners often not achievable by one developer that creates national exposure

ROG Model Services Provided:

Resort Owners Group provides developers with a number of services under The ROG Model of fractional services that have been broken out into three distinct and critical Phases in the fractional cycle:

Phase I	Fractional PRE SALE SETUP Services for the ROG Model
Phase II	Fractional MARKETING & SALES Services under the ROG Model
Phase III	Fractional ASSET MANAGEMENT Services under the ROG Model

Phase I – Fractional PRE SALES SETUP Services for the ROG Model

- **ROG MODEL FRACTIONAL SETUP SERVICES:**
 - ROG works with the DEVELOPER'S legal team on local and state filings to provide ROG's complete legal and operating framework for operating the ROG Model of fractional ownership at THE PROJECT,
 - Assist DEVELOPER's counsel, integrating ROG's legal documentation and if need be, can introduce Holland and Knight to the DEVELOPER (Holland and Knight is an industry leader to the resort industry, and are familiar with the ROG Model of legal documentation being used and are available to accelerate the process),
 - We would be pleased to have them provide a quote if you would like to compare costs or simply assist DEVELOPER'S counsel,
 - ROG consults on all aspects of the sales of the ROG Model at DEVELOPER'S SITE,
 - The ROG Model can operate as a Fractional Model or as a Private Residence Club for DEVELOPERS and ROG will assist on choosing a suitable private label name.
 - Schedule A attached summarizes the fractional agreements used in the ROG Model

- Schedule A attached summarizes the fractional agreements used in the ROG Model.
- **PRE - MARKETING CONSULTING SERVICES:**
 - ROG consults on unit pricing, unit operating cost schedule, unit sizes, unit layouts and FF&E requirements, and developers can leverage many of ROG's current templates,
 - ROG provides recommendations on rollout sales strategies, both fractionally and as whole units, including timing on new releases of additional homes or condos as the DEVELOPER sees fit and the market dictates,
 - ROG's base model is the sale of 1/8th fractions, however experience has shown that 50% of buyers will purchase more than 1/8th including 2/8th, 4/8th and 8/8ths,
 - ROG's Model provides sales of the whole home as well through ROG's BuyWithFriends whole option, and ROG recommends marketing the buywithfriends strategy as a socially friendlier version of whole ownership,
 - ROG provides developers with access to ROG's fractional inventory pricing schedules, inventory control sheets and numerous other templates developed to market the units,
- ROG will consult on and provide access to the ROG Model's fractional marketing strategies and target markets, in various areas agreed to, including Canada, US, Central America, Europe and Asia.

- **CALENDAR USAGE SYSTEM:**

- The ROG Model calendar system is simple, unique, and flexible and manages and enables the full spectrum of the ROG Model ownership and sales options, including 1/8th, 2/8th, 4/8th, 8/8th (whole) and Buywithfriends scenarios,
- The ROG calendar has a highly effective rotating structure that is divided into 10 groups of 5 weeks (Note: The least desirable two weeks of the year are for care and maintenance).
- ROG's calendar uniquely minimizes the NAR (National Association of Realtors study 2007) issue of resort homes sitting empty 314 days per year and maximizes the usage and exchange benefits for purchasers, while enhancing the ability to attract rental partnerships to rent at ROG's developer partner sites,
- ROG's rotating, fixed and exchangeable calendar provides that a 1/8th purchaser selects a package of five weeks (8 x 5 weeks) with two groups of five weeks forming the common "exchangeable weeks" that ROG utilizes to run the network benefits,
- The exchangeable weeks enable many of the reciprocal usage benefits; exchange features and becomes the asset management benefit to run the ROG Model. The exchangeable weeks are used to assist in marketing and promotional events and become compensation for providing asset management services during the life of the fractional ownership agreement.

- **GLOBAL EXCHANGE PARTNER:**

- ROG will facilitate at the direct cost to DEVELOPER one of ROG's leading global exchange network partners for entry into their global exchange network.
- ROG manages the exchange relationship and all usage schedules through the ROG calendar,
- ROG has an alliance with the world's leading exchange company, Group RCI and the Registry Collection that has over 30,000 properties in more than 100 countries.
- ROG will arrange a site visit shortly after the start of the agreement,
- The ROG Model will administer the reciprocal week's usage benefits for all buyers at all other ROG Locations and within the larger Registry Collection exchange network.

- **UNIQUE GUARANTEES:**

- ROG can provide consulting advice on offering any additional ROG guarantees that can be made available for incentive campaigns etc. (like ROG's trade up guarantee).
- ROG has a piece of mind guarantee that if a 1/8th buyer fails to make their payments as prescribed for in the operating agreements then ROG steps into their shoes and takes over the payments so other fractional owners are unaffected.

- **FINANCING ASSISTANCE**

- ROG will provide financing contacts where possible that know and understand the ROG Model of ownership and are active in financing fractional real estate.

Phase II - Fractional MARKETING Services under the ROG Model

MARKETING

ROG provides extensive fractional marketing and selling solutions through all phases of the sales and marketing program. ROG assists with the local realtors during the entire sales cycle when using the ROG Model. ROG makes a substantial financial commitment and dedicates marketing personnel to the project, spending marketing dollars, a marketing support team, marketing materials, training tools, brochures, videos, ROG's website, attending multiple trade shows, golf charity events, marketing through alliance partners and numerous other marketing activities to assist the DEVELOPER'S sales and

marketing team during the entire fractional sales and marketing cycle of the project. Here is a list of several of the services during Phase II:

- **TRAIN & HIRE:**

- **TRAINING** - ROG will train the developer's team, local realtors on the ROG Model. Training is an ongoing process during the entire selling of the project and ROG has created templates that can be leveraged
- **TRAINING BOOT CAMP** - ROG will kick start the training at a training Boot Camp
- **HIRE** – ROG can assist developer and help to expand the developer's sales team

- **MARKETING LEVERAGE:**

- **TOOLS** - ROG has extensive training tools plus Corporate Brochures, fractional videos, fractional brochures, fractional buyers guides, ROG's website, ROG's website marketing alliances and links, as well as ROG's Golf Event marketing tools,
- **COPIES** - ROG will provide a minimum supply of 100 copies of ROG's Corporate Brochures, fractional videos, fractional brochures, fractional buyers guides and will provide access to ROG's digital assets and templates where needed, charging only the incremental direct print costs for any larger quantities,
- **PROJECT BROCHURE** - ROG has developed a compelling combined project brochure, ROG brochure and Fractional brochure that ROG can be created with the assistance of the DEVELOPER'S marketing team.
- **TRADE SHOW** - ROG has participated in over 12 fractional and consumer trade shows in Canada, US and UK and will provide expertise and consulting on the strategy and materials required. ROG will be involved in several shows in 2009 and will be actively marketing at those events,
- **MISC** - ROG will provide consulting feedback on additional marketing strategies and campaigns as required.

- **SALES**

- **LEAD GENERATION** _ ROG drives leads and prospects to purchase through licensed agents and drives rental bookings for renting units as well. ROG is not a rental manager. Through the rental manager value is created by using ROG rental alliances and the tools that ROG has created:

- ROG's CPGA marketing alliance - with 3,500 golf pros and 1,000,000 golfers they represent at over 1,300 golf clubs across Canada
- ROG's powerful Golf Tournament Charity Program (GTCP) leverages the inventory of 800 villa weeks that ROG currently manages at the famed 3000 acre PGA Village resort in S. Florida. ROG has completed over 90 GTCP events with average leads generated of 100 leads per event. ROG anticipates over 100 events in 2009 alone.
- ROG's Group RCI global alliance will commence in early 2009 and will feature ROG projects in their resort rental network (one of the world's largest non-hotel rental management groups),
- ROG's extensive trade show marketing strategy includes multiple shows annually in Canada, US and Europe,
- ROG's website and web marketing links and alliances is expanding and with groups like Golf Fitness magazine, Hotel Interactive, OPP UK, HiFX, Leisure Link and Chambers of Commerce ROG will be marketing DEVELOPER sites,
- Our direct sales alliances can be activated both onsite and offsite to compliment the developers' sales team. A realtor affiliate network is growing and will exceed 20,000 in 2009,
- Our existing database of prospects.

Phase III - Fractional ASSET MANAGEMENT Services under the ROG Model

Now starts the long asset management cycle where the ROG Model provides complete post sales asset management services for the developer as well as the purchasers. ROG's fractional mark-up and the rentable exchangeable weeks allows ROG services to continue asset managing the purchasers usage, exchanges and financial reporting during the life of the project:

- **DURING and POST SALE**

- Assist on sales closings & banking administration
- Collection and bill payments on behalf of the fractional owners
- Quarterly communication to all owners
- Semi annual reporting to all owners
- Supervision of the property management issues for owners
- Supervision of the rental management for owners
- Supervision of the repair & maintenance issues for owners
- Usage management at the home location

- Usage exchange management to other ROG locations
- Usage exchange management with ROG'S exchange partners
- Rental alliance management helping to drive rental traffic to the site and owners

- Resale management of all fractional resale's
- Developers will have an established property management agreement in place and will be required to arrange an established rental manager to facilitate onsite check in, cleaning of the homes and keying entry for purchasers.
- Developer & ROG will develop the operating budget under the ROG model that will incorporate all the developer's costs, unit operating costs and ROG's admin cost.

Costs and Timing

ROG has developed an affordable turnkey solution described above, that can save hundreds of thousands of dollars on legal, marketing, sales and operational costs throughout the life of offering a complete Fractional Ownership solution. ROG has developed an affordable fee structure that makes it effortless and inexpensive to adopt the turnkey ROG Model. An effective sales performance commission will be established by the DEVELOPER and ROG and will allow several channels to actively get behind the selling of the DEVELOPER'S site.

DEVELOPER will provide the following consideration for the provision of the services set out above:

1. **INITIAL SETUP RETAINER** - \$_____ USD to ROG as a small one-time fee to cover ROG's costs and time to have one or more senior management visit and inspect the site, review all DEVELOPER materials and consult during an initial one to two day visit. Activities contemplated in the agreement will be discussed at this time (Retainer is non refundable and varies based on travel time and location). ***Fee – to be agreed upon, Timing – to be agreed upon.***
2. **CONSULTING RETAINER (MONTHLY)** – During the very detailed and critical setup and consulting period, ROG charges an affordable monthly retainer paid at the beginning of each month. ***Fee – to be agreed upon, Timing – to be agreed upon.***
3. **LICENSE FEE PER UNIT** – For managing, licensing the ROG Model and administering the program, during the life of the fractional agreements, the DEVELOPER and ROG agree on a per unit licensing fee equal to a flat dollar amount on the sale of each fractional interest. The license fee is made possible through the incremental fractional mark-ups that are built into the fractional

selling price above what topics and issues relating to local adaptation of the ROG Models: legal structure, calendar system, unit styles, unit floor plans, unit pricing, unit budgets, creative collateral, timing releases and numerous other topics relating to all aspects of the sales and marketing fractional platform will be agreed upon at this time.

4. **SALES** - Through a licensed broker network that ROG can introduce, a sales referral/commission will be paid on sales referred through the agents marketing efforts. In addition, ROG agents leads purchase direct from the developer (not using the ROG Model), the agent will receive a referral commission.
5. The agreement shall continue until the fractional sales development is completed except that If a minimum of ____1/8th interests have not been sold using the ROG Model by Dec 31, 2009, either party will have rights to exit the agreement after which the ROG Model will not be used in the selling of the resort homes.
6. Any additional expenses will be approved in advance by the DEVELOPER.

Other Matters

- The DEVELOPER agrees that ROG will be the exclusive provider of fractional ownership of sales marketing and management services with respect to the vacation property project described in this Agreement during the time that this Agreement is in force.

- Each of ROG and DEVELOPER acknowledge that it will be receiving confidential information from the other concerning the ROG model and its implementation and concerning the project and they agree that they will maintain the confidential information received by each of them respectively in strict confidence and will use it only for the purposes of performing their respective obligations under this Agreement. Upon termination of the Agreement, all confidential information will be returned to the other party.
- In the event that a party breaches any of the material provisions of this Agreement and fail to cure the breach within thirty (30) days of the delivery of written notice by the other party to that effect, or in the event a party becomes insolvent or makes an assignment for the benefit of its creditors or a receiver, trustee or a liquidation agent is appointed or a petition in bankruptcy seeking re-organization arrangement or readjustment of debts is made, then the other party may terminate this Agreement by giving notice.
- This Agreement shall not be construed so as to create a partnership, joint venture or common enterprise between ROG and the DEVELOPER.
- Neither party shall be liable for the debts or obligations of the other and each party shall limit its activities pursuant to this Agreement to that of the functions and services set out herein.
- This Agreement may be amended or modified at any time by the parties but only pursuant to an instrument in writing signed by both of them.
- This Agreement shall not be assigned in whole or in part without the prior written consent of the other party.
- Each party will do or cause to be done such further acts or deliver cause to be delivered such additional documents, agreements and assurances as may reasonably be required

in order to carry into effect the provisions of this Agreement.

- ROG can provide a Conversion option to some or all of the existing owners at the DEVELOPERS discretion if it is deemed beneficial to the ongoing selling success of the unsold fractional interests. The details of conversions can be discussed once the terms above are agreed to.

We are very excited to have the opportunity to participate and ROG looks forward to a successful project sell_out.

2009 is going to be a banner year and the timing has never been better to be launching a great fractional ownership model strategy.

If the foregoing meets with your approval please so indicate by signing below.

Best Regards,

Resort Owners Group Ltd.

BY: _____

Gary W. Carter, CEO

Agreed and accepted this _____ day of _____, 2008.

BY: _____

President

Schedule A

☐ **Background**

☐ **Background**

ROG has invested over \$500,000 on all the required legal agreements to run the ROG model in various jurisdictions in Canada, USA and can efficiently adapt the structure to accommodate for the local requirements in other countries working with the local council for the developer and their site.

☐ **Fractional Agreement of Purchase and Sale**

This document outlines the basic sales agreement including:

- Unit and fractional package number being purchase,
- Beneficial Ownership Agreement
- Price
- Fees

☐ **Co_ownership Agreement**

This document outlines the details of the fractional agreement and introduces all the relevant fractional definitions and obligations of the owner and the Operator (ROG);

- Rules and regulations
- Operations
- Usage
- Operating weeks
- Rotation of Calendar
- Banking
- Default

- Trustee
- Termination
- Ownership percentage

☐ **Calendar**

The calendar details the weeks being provided to purchaser.

☐ **Land trust Agreement**

When a property is owned by the Trust and not directly transferred to the owner, the land trust agreement outlines who the trustee is and what their role and obligations are to the owners.

☐ **Power of Attorney**

ROG, as asset manager, acts on behalf of all 8 interests to ensure the operation of the unit is possible for items such as;

- Bill paying
- Banking

- Condo association liaison and voting
- Furniture replacement, etc

☐ **Occupancy License Agreement**

This agreement allows the operator access to the units during the operator weeks.

☐ **Additional Schedules**

- Description of Items
- Standard Features and Specifications
- Floor Plan
- Site Map



NOW, IT'S YOUR TURN *assets & memories*

You're not in the market for a managed resort home by chance! You've worked hard for it and you deserve it! You deserve everything that owning your own resort home offers. The memories. The quality time. The pride. The relaxation. But what got in the way? The high cost, the lack of flexibility, the hassle factor? Wouldn't it be nice if there were a better way to own resort real estate without all the barriers? Well now there is!

Our one of a kind ownership model breaks down the barriers and makes owning a resort home affordable, flexible and in general, sensible. Read this guide and understand how ROG can provide you with the biggest advantages and how we can tailor your purchase to your lifestyle;

- More affordable than you ever thought possible;
- 100% real estate ownership with all the headaches removed;
- The industry's most flexible model for sharing usage and for exchanging globally;
- A more liquid model with ROG's unique trade-up and trade-down options; and
- Rental alliances around the world are joining the ROG model to rent your home when idle.

This is your chance for building memories. There'll never be a better time.

THE EVOLUTION OF RESORT HOME OWNERSHIP

the evolution

TIME

OWNERSHIP TYPE



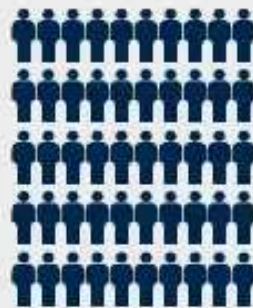
THE ROG MODEL



NUMBER OF OWNERS



1



25-50



4-13



1-8

BENEFITS

- good investment
- pride of real estate ownership

- lifestyle benefits
- exchange benefits
- managed benefits

- pride of real estate ownership
- lifestyle benefits
- exchange benefits
- managed benefits

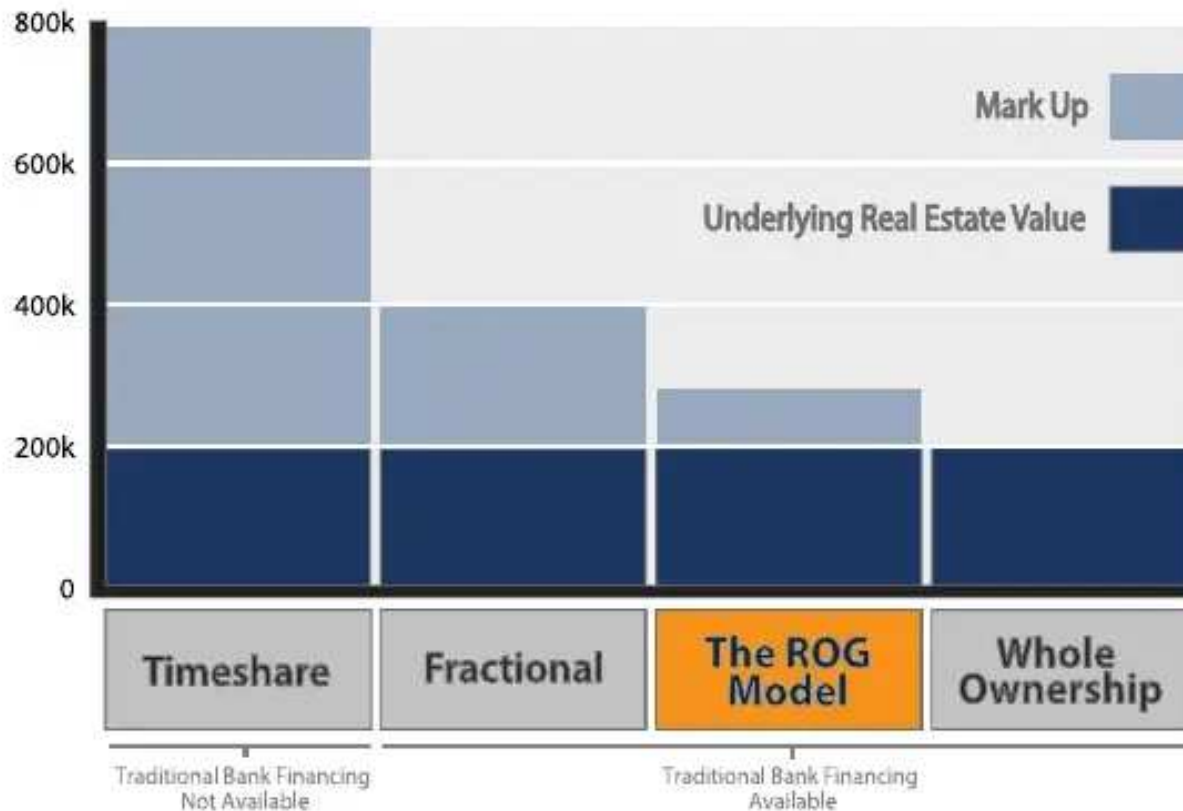
- pride of real estate ownership
- lifestyle benefits

- exchange benefits
- managed benefits
- good investment

ROG PURCHASE CONSIDERATIONS

value of the rog model

"Mark Up" Price Above Underlying Real Estate Value



The ROG Model

It's WHOLE & FRACTIONAL OWNERSHIP combined creating THE BEST VALUE IN THE INDUSTRY!

THE SOLUTION TO CONVENTIONAL RESORT HOME OWNERSHIP

the solution

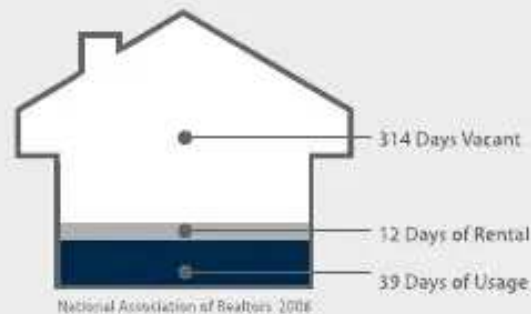
There have always been issues that may have prevented you from owning a resort home and living the resort lifestyle you desire:

- Research shows that the average resort home is empty 85% of the year;
- Rising costs have put the dream of resort home ownership out of reach for many;
- Traditional resort ownership locks you into one location, one experience;
- Managing and maintaining a resort home takes too much time and energy;
- Managing the investment takes time

THE ROG MODEL SOLVES ALL OF THE ABOVE

THE CHALLENGE:

Typical resort homes are unused for the majority of the year



THE SOLUTION:

Separate ownership & usage for advanced flexibility



OWNERSHIP

Owners own 100%. ROG owns 0%



USAGE IS SHARED

Owners use 40 weeks.

Owners provide ROG with 10 exchangeable weeks.

*ROG uses an additional 2 weeks for annual maintenance.

THE ROG MODEL CALENDAR *the calendar*

Each resort home is managed through ROG's unique usage calendar. The calendar is simple fair and easy to follow. It determines annual usage based on an owner's needs and the ownership interest chosen.

The normal calendar year consists of 52 weeks. ROG reserves 10 weeks, known as exchangeable weeks. The least desirable 2 weeks are set aside for repair and maintenance, known as maintenance weeks. The balance of the calendars 40 weeks is for the owners to use, rent or exchange, known as owner weeks.

The calendar rotates annually for both owner weeks and ROG's exchangeable weeks making the calendar both fair and equitable for all users.

ROG OWNERSHIP OPTIONS



1/8
OWNER

WEEKS OWNED
per year

5 WEEKS

EXAMPLE USAGE



1/4
OWNER

WEEKS OWNED
per year

10 WEEKS

EXAMPLE USAGE



1/2
OWNER

WEEKS OWNED
per year

20 WEEKS

EXAMPLE USAGE



WHOLE
OWNER

WEEKS OWNED
per year

40 WEEKS

EXAMPLE USAGE



THE ABSOLUTE BEST OF WHOLE AND FRACTIONAL OWNERSHIP

buywithfriends

FOUR "BUYWITHFRIENDS" OWNERSHIP OPTIONS



YOU & YOUR CHOSEN FRIENDS/FAMILY OWN 100% OF THE RESORT HOME

• Fractional ownership benefits at near whole ownership pricing.

• Conventional financing – something not common with fractional.

• Stack weeks with your friends/owners receiving multiple homes.

• 100% asset ownership without the hassle of day to day ownership.

• You know who your partners are because you chose them.

• ROG discounts the assembled price by 5% to 10% from the fractional prices because it's sold as a whole unit.

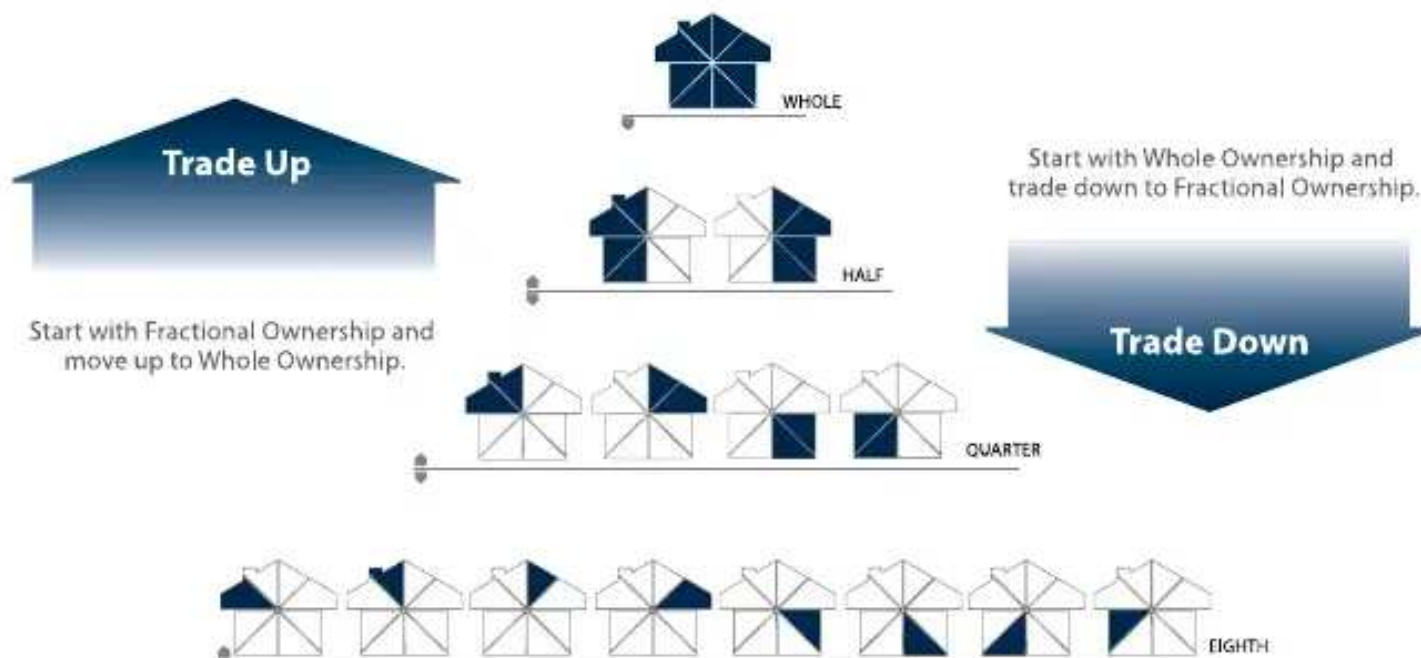
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FLEXIBILITY TO TRADE UP OR DOWN

flexible ownership

With the option to buy whole ownership or fractional ownership, ROG buyers can decide how much usage appeals to them and how much of an investment they want to make. You only buy what makes sense for you, knowing that you can easily scale your ownership up or down in the future.



THE INDUSTRY'S MOST FLEXIBLE USAGE BENEFITS
unique rog features



Typical ROG Calendar
2/8 Share Owner
10 Weeks

FEATURES

BENEFITS

Owners weeks are fairly spaced throughout the calendar year

Fairly distributes usage over all 4 seasons

Added usage benefits with ROG



Racking Weeks

Allows owners to extend stays when required by swapping with ROG weeks

Reduces travel costs and increases enjoyment



Exchanging Weeks

Owners can exchange weeks with ROG's Global Home Exchange Partners"

See the world in luxury at a fraction of the cost



Stacking Weeks

Owners can exchange their normal weeks for several homes during the same week

Excellent for business use, company incentives, family re-unions and guys and gals weekends

A BETTER WAY TO *Own & Enjoy* RESORT HOMES
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THREE EXCHANGE NETWORKS *exchangable locations*



ROG owners experience limitless exchange flexibility through our exchange partners

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GETTING THE MOST FROM YOUR RESORT HOME
sample 1/8th ownership

FIVE WEEKS IN THE LIFE OF A 1/8TH OWNER



Week 1
Dec 29 to Jan 5

ski vacation
at Mt. Tremblant QC



Week 11
Mar 9 to Mar 16

family gathering
in Florida



Week 21
May 18 to May 25

rent out
my week



Week 31
July 27 to Aug 3

guys golf week
in Arizona



Week 41
Oct 5 to Oct 12

exchange my week
to Mexico

THE RESORT OWNERS GROUP STORY

the rog buywithfriends story

For 12 years, Gary Carter, Founder & CEO and several friends, rented luxurious, furnished, ski chalets, golf villas, lakeside cottages & beach homes at top resort areas in Canada, the US, Caribbean, Mexico and Europe. Enjoying their favorite activities such as; golf, tennis, skiing and the beach, made for a perfect vacation in beautiful resort settings.

As busy executives and entrepreneurs they wanted the camaraderie and comforts of a resort home, versus the alternative of cramped hotel rooms. The first year the rent on the multi bedroom resort vacation home was a modest \$700/week (affordable when you considered the group was several people). A dozen years later, rental costs had escalated, with a one week rental at a Colorado ski chalet costing the group \$7,000 US. The next year in Scottsdale Arizona, the group rented a luxurious new resort home being sold by a local developer. Gary Carter approached the vacationing group of eight and suggested buying the resort home. He had worked out the details with the developer to buy the golf villa at an affordable \$160,000. It was exceptional real estate in a great destination, and the real estate market was in a low economic cycle. The plan was they would all own the real estate on title, share in the usage, and Gary agreed to manage the asset, the headaches of ownership, a usage calendar, renting out and collecting rent on any of the unused weeks, bill payments, and, report back to the group every six months. For that, the group agreed on a fair, rotating usage calendar for the annual usage, with each of the eight owners' providing Gary with 1.5 weeks of their 6.5 weeks time in exchange for eliminating the hassle of managing the entire process. Gary was one of the owners but his interests as asset manager were now directly in line with the other owners.

Clearly shared ownership made it very affordable, plus the developer had arranged conventional mortgage financing adding to the affordability. All of the owners shared the normal operating costs, with Gary managing the process.

Gary suggested that each year, they would research the hottest new ski, golf, cottage or beach destination with the best real estate potential, and the group of eight would purchase an equally attractive resort home to exchange with the previous locations. The mutual fund effect of creating an expanding list of exchangeable options would provide variety to the finest resort destinations, while still owning real estate at a fair market value with great upside.

Until that time, timeshare, which didn't seem to be true real estate ownership, was not of interest to the group. The other alternative of whole ownership with a single owner was too pricey an option for the group. In hindsight, this model is considered the first fractional ownership in the US, and was five years ahead of the first commercially sold fractional units.

The original eight owners would have first right to buy in on the second resort home but if they couldn't or didn't want to, the other owners could bring in friends or associates to expand the number of locations and new owners, using the power of the human network.

Buying great resort real estate, at a fair price, combined with a shared lifestyle investment, would create an expanding "marketing opportunity" that accesses the most powerful sales channel known to man... "word of mouth". It was the perfect ownership option; 100% real estate ownership, 100% upside, hassle free ownership, shared lifestyle benefits with friends and family, exchange privileges, and rental income to offset expenses. Six years later that original resort home had appreciated from \$160,000 to \$640,000 which was a combination of luck and timing.

Fast forward to today! The Resort Owners Group has invested \$3million in legal's, operations and alliances to grow the model globally and is the only non developer resort home ownership platform with national sales alliances, multiple resort locations and the industry's most flexible ownership options that include;

- 8/8th (ownership of the whole home by buying all 8 ownership interests),
- 4/8th (1/2 ownership),
- 2/8th (1/4 ownership), and
- 1/8th ownership (the original).

Resort Owners Group may have been a pioneer in fractional ownership, but in early 2008, ROG will launch the next evolution of fractional ownership. It's called

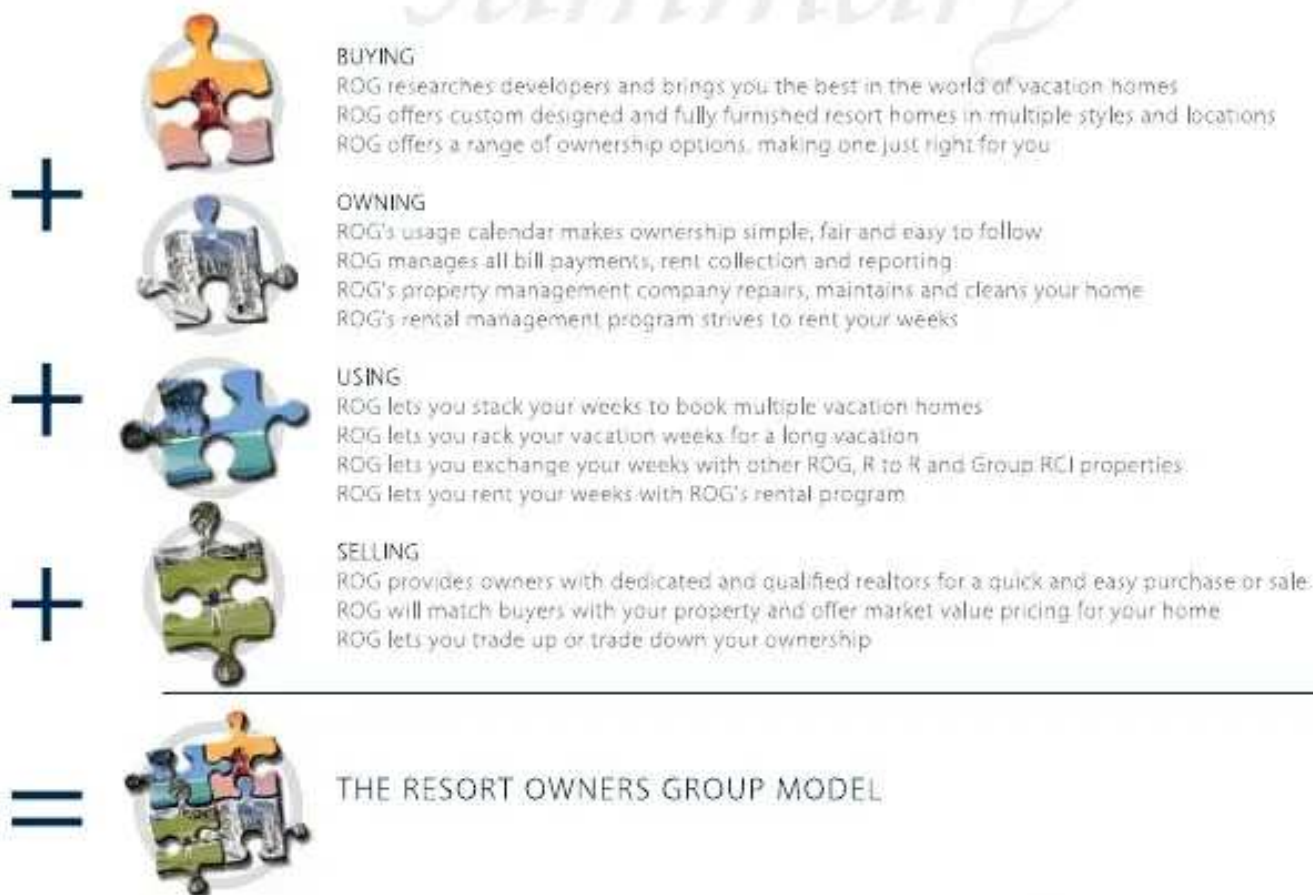
"Resort Owners Group may have the perfect model for you, with only 20% of the cost of traditional ownership. We call it "BuyWithFriends Ownership" and it's even better. The mission is to become the industry leader in selling, managing and renting a single, extraordinary ownership model for fully managed, fully rentable & fully exchangeable resort homes around the world.

A BETTER WAY TO *Own & Enjoy* RESORT HOMES

ResortOwnersGroup.com 1 866 869-6377

THE ROG MODEL

summary



Call today to experience the ROG one of a kind Ownership Model and start your journey towards owning and enjoying your very own resort home.

1 866 869-6377

OWNERSHIP FEATURES

GLOBAL RESIDENTIAL REAL ESTATE EXPLAINED

YOUR PRIMARY HOME

THE HOME YOU LIVE IN



AVERAGE ANNUAL USE



39 DAYS VACANT

326 DAYS OF USAGE

\$30 TRILLION MARKET

YOUR SECONDARY HOME

THE HOME YOU VACATION TO



- BEACH HOMES
- GOLF VILLAS
- MOUNTAIN CHALETs
- LAKESIDE COTTAGES
- DESERT HOMES

AVERAGE ANNUAL USE



39 DAYS OF USAGE
12 DAYS OF RENTAL

314 DAYS VACANT*

*NOT INCLUDING A PROPORTION OF 120-
NATIONAL ASSOCIATION OF REALTORS

\$3 TRILLION MARKET

THE BENEFITS OF "ROG" OWNERSHIP

SMALL PREMIUM, BIG BENEFITS



BENEFITS

- TITLED OWNERSHIP
- STACK, RACK & ROLL
- INTERNAL EXCHANGE
- GLOBAL EXCHANGE MEMBERSHIP
- HEADACHE-FREE ASSET MANAGEMENT
- FRACTIONAL SELL OFF OPTIONS
- CUSTOM FURNITURE PACKAGE

*ONLY MODEL AND MODEL ARE CONSIDERED TO OWNERSHIP BENEFITS

FLEXIBLE PURCHASE OPTIONS



FRACTIONAL OWNERSHIP
IS OFFERED IN INCREMENTS
OF 1/8TH INTERESTS. EACH



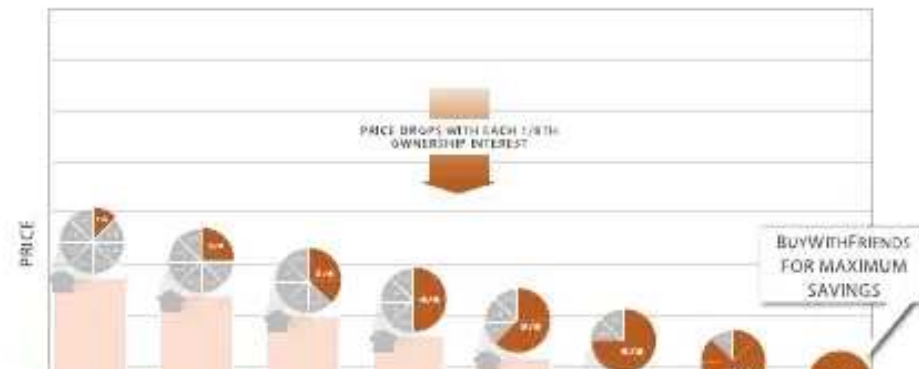
WHOLE OWNERSHIP
IS THE PURCHASE OF ALL
EIGHT INTERESTS. EACH



FIG. 1 - 1/2 EXAMPLES

BUYWITHFRIENDS
IS WHOLE OWNERSHIP
PURCHASED WITH

VALUE ENHANCED PRICING



1/8TH INTEREST RECEIVES
5 WEEKS ANNUALLY.

WHOLE OWNER RECEIVES
40 WEEKS ANNUALLY.

FAMILY/FRIENDS THAT YOU
CHOOSE. EACH OWNER
RECEIVES WEEKS EQUIVALENT
TO THEIR OWNERSHIP INTERESTS.



THE ROG MODEL ALLOWS YOU TO CHOOSE THE OWNERSHIP OPTION THAT SUITS YOU

THE PRICING FLEXIBILITY TO BUY WHAT'S RIGHT FOR YOU

Fractional Ownership is Hot and *Resort Owners Group* is Hotter!

The media continues to pour in that Fractional Ownership is the one area of the resort industry that is growing in popularity.

Below is a headline article from Europe that says it all!!



Overseas Property Professional

The voice of Resort Real Estate in Europe

January 20, 2009

FRACTIONAL PROPERTY TO 'OUTSELL FREEHOLD WITHIN FIVE YEARS'

ROG's Chronology

The following is a short chronology on how ROG has developed North America's most affordable and most flexible Resort Home ownership model - The ROG Model.

1. Beta Test

- ROG's Founder sold eight owners using The ROG Fractional Model on a golf course in Scottsdale, Arizona.
- ROG's Fractional model solved all of the hurdles and issues of Timeshare and Whole Ownership.

2. Test Phase

- After months of creative development, ROG's Founder sold 144 fractional interests at the 3,000 acre "Award Winning" PGA Village (Port St. Lucie) Florida project, using The ROG Fractional Model.
- This was done with no website, no marketing tools and none of the current alliances or partnerships that ROG has currently secured.
- The benefits of The ROG Fractional Model were so compelling that many buyers purchased all of the fractions (whole ownership with their friends and family).
- ROG currently manages and rents those homes in Florida on behalf of the buyers.

3. Alliance Building Phase in 2008

- With a rapidly declining real estate market throughout North America, ROG decided to focus less on short term sales. ROG recognized the opportunity and chose to evolve The ROG Model into a Global Fractional Ownership Platform so it could be licensed to developers. ROG's business plan was to license the platform to high

quality independent developers while continuing to enhance The ROG Model for consumers and small business owners.

- Several new features, exceptional benefits and creative whole ownership options were added to The ROG Model (See ROG's Buyers Guide).
- ROG began signing National and International alliances in 2008 with value added Resort Home partners that could see the potential to turn The ROG Model into the industry leading Fractional and Whole Ownership model.
- Having "Best of Breed" alliances would strengthen the platform's legal structures and sales channels for developers while consumers would benefit from the enhanced usage & exchange benefits, rental income potential and asset management features.
- The new features and alliances helped to align ROG's interests with developers and attracted top sales teams wanting to sell locations that were using The ROG Model.
- Unlike any other fractional platform in North America, ROG has added alliances including the CPGA in Canada (lead generation and rental alliance), Intrawest's Resort2Resort (R2R) (exchanges), Group RCI (global leader in exchange {4 million customers} and developer leads; Group RCI signed a long term alliance to market The ROG Model), Leisure Link (leading rental portal alliance signed), N5R (lead generation and marketing alliance), Holland & Knight (national leading legal firm with over 24 offices), HiFX (foreign exchange savings and lead generation alliance) and several new value added partnerships are currently pending.
- In late 2008 ROG evolved The ROG Model once again, creating the BEST of whole and the BEST of fractional ownership and registered the new BuyWithFriends (BWF) option and secured BuyWithFriends.com. BWF is whole ownership, owned fractionally, where the owners socially network their Resort Home and own the entire

fractionally, where the owners socially network their Resort Home and own the entire home fractionally with people they know and like. Buying whole can save hundreds of thousands of dollars over the equivalent fractional price, while still owning fractionally.

- BuyWithFriends was the featured cover story on the Canadian Resort Magazine. Four additional stories are pending.
- ROG's CEO spoke at three National Developer Conferences in the fall of 2008, including the Global 2nd Home Conference in LA, at the Buyers International Trade Alliance and Conference in Colorado Springs and at the Canadian Resort Investment Conference in Kelowna, BC.
- With The ROG Model complete, and dozens of developers requesting The ROG Model, ROG created the ROG Licensing Model allowing multiple developer projects, in multiple markets, to access The ROG Model at once.
- The first three of several large sales forces were also attracted to ROG late in 2008, which will allow ROG to scale in 2009. One pending global sales alliance currently has 60,000 real estate agents signed up to sell and ROG is potentially the fractional model on the global portal.

4. Growth Phase - Q4 2008:

- In October 2008, ROG licensed the ROG Model to a second great project, RABASKA. RABASKA is an award winning development located on a golf course at the #1 ski resort in Eastern North America. In December 2008, RABASKA won the Gold Award for "Best Ski Development in the World", and won Gold in Canada as the "Best Golf Development in Canada". In December 2008, ROG launched the first four homes.
- In October 2008, ROG licensed ROG's first Private Fractional Residence Club at the award winning \$1.5 Billion Borrego Springs Private Residence Club in California near San Diego. Its Golf Course was awarded "Top 5 New Golf Courses in North America" by Golf Digest Magazine. The project is set among 640,000 acres of protected state park and features a world-class spa. At the December 12-14th opening weekend launch, \$1.1 Million was sold. The forecast is \$1 Million of sales per month throughout 2009 using The ROG Model.
- In November 2008, ROG licensed and created the "Morning Star at Red" Fractional Ownership Program at Red Mountain in interior BC. Red Mountain was awarded the "6th Best Ski Area in North America" in SKI magazine. The developer is using all aspects of The ROG Model. The official Morning Star at Red launch date is January 5th 2009.
- Four of North America's premier resort projects are using the ROG Model with full reciprocal use to owners. In December 2008, eight additional projects were referred to ROG from ROG's alliances, and sources. ROG believes that several new licenses will be signed in Q1 - 2009.

5. 2009 Growth Phase:

- ROG has in excess of 30 projects totaling several billion dollars in the ROG pipeline plus, several new sales alliances and marketing deals.

ROG Revenue Model Comment:

- With developer's estimated sales per month of only a **single home**, the revenue from one site would top \$700,000 for 2009. This does not take into account revenue

generated from other sources on this site such as ROG operating fees, retained weeks or resales.

- ROG currently has four active projects with several more projects in the pipeline, and could scale the revenue model across many projects and many countries
- It becomes clear to see that with only 20M shares outstanding, how this becomes a highly profitable investment opportunity.

Finally:

- The ROG Model works **EXCELLENT** in a good market and even **BETTER** in a soft market. Clearly, The ROG Model is benefiting from the soft current market conditions as developers and consumers both look for an affordable solution....
ROG is that solution.

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FRACTIONAL PROPERTY TO 'OUTSELL FREEHOLD WITHIN FIVE YEARS'

Fractional ownership, Mintel, Ragatz Association, Northcourse Ltd,
The Best Group, RGM Fractional, Middle East, Egypt