

COOPERS PARK CORPORATION
(the “Corporation”)

Management’s Discussion and Analysis of Operations
for the three and six months ended June 30, 2010

This document is dated August 19, 2010

Introduction

This discussion and analysis should be read in conjunction with the unaudited consolidated financial statements of the Corporation for the six months ended June 30, 2010 and the notes thereto. The unaudited consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles (“GAAP”). This discussion and analysis is prepared as of August 19, 2010.

Forward-Looking Information

This discussion and analysis may contain forward-looking information within the meaning of applicable securities laws in Canada relating to the Corporation. The words “anticipate”, “believe”, “estimate”, “expect” and similar expressions, as they relate to the Corporation or its management, are intended to identify forward-looking information, although not all forward looking information may be identified by these words. This forward-looking information relates, inter alia, to sufficiency of working capital, construction costs and interest rate risk. The forward-looking information is based upon assumptions made by management and upon information available to the Corporation. Such statements reflect the current views of the Corporation with respect to future events and are subject to certain risks, uncertainties and assumptions. These and other risk factors that may affect the actual results achieved by the Corporation are contained in this discussion and analysis. Many factors could cause the actual results, performance or achievements of the Corporation to differ from any current expectations that may be expressed or implied in such forward-looking information and these differences may be material. All forward-looking information in this discussion and analysis is qualified entirely by this cautionary statement and, except as may be required by applicable law, the Corporation undertakes no obligation to revise or update any forward-looking information as a result of new information or future events or otherwise after the date hereof.

Formation of the Corporation and Commencement of Business

The Corporation did not own any material assets or carry on any business prior to January 21, 2005. On January 21, 2005, the Corporation entered in an agreement (the “Purchase Agreement”) to purchase certain building sites (“Building Sites”) from an affiliate of One West Holdings Ltd (formerly named Concord Pacific Group Inc.) (“One West”) at Concord Pacific Place in Vancouver, British Columbia. The principal terms of the Purchase Agreement are summarized in the Information Circulars of the Corporation for its years ended December 31, 2006 and 2007.

Completion of Purchase of Building Sites

On January 25, 2008, the Corporation completed the purchase of one of the Building Sites (“Building Site 6A”). The final purchase price for Building Site 6A was \$15,997,731 after taking into account the increase in the purchase price by the percentage increase in the stipulated market based housing price index in accordance to the Purchase Agreement.

On February 2, 2009, the Corporation completed the purchase of the remaining Building Sites (“Building Site 6BD”). The final purchase price for Building Site 6BD was \$49,680,473 after taking into account the increase in the purchase price by the percentage increase in the stipulated market based housing price index in accordance to the Purchase Agreement.

Vision, Core Business and Strategy

Before the reorganization of the Corporation in January 2005, the Corporation’s wholly owned subsidiary, Coopers Park Real Estate Development Corporation (formerly called “Infowave Software, Inc”) was an early stage information technology company.

The Corporation, through its subsidiaries has completed the construction and sales of all 331 units in the three residential condominium buildings – built on Building Sites acquired from One West, namely Coopers Pointe (86 units), Mariner (133 units) and Flagship (112 units). In August 2006, the Corporation acquired certain preferred shares of D-Wave Systems Inc., a privately held technology company, from One West. Additional preferred shares of the same company were acquired in September 2008.

In June 2007, the Corporation acquired certain preferred shares of Sutus Inc., a private technology company.

In May 2009 the Corporation made a credit facility (the “Loan”) available to Park Place Towers Limited Partnership and Park Place Towers 12.5 Limited Partnership (collectively, “Park Place”) in the total amount of \$20 million (the “Advance”) plus approved cost over-runs (the “Cost Over-run Advance”) and accrued interest. The Loan is to fund certain costs of Park Place in respect of the development of a multi-family residential condominium project consisting of approximately 700 residential condominium units in two 36 storey towers under construction in Surrey, British Columbia (the “Project”). The interest rate on the Loan is 19.5% per annum compounded monthly with a maturity date of December 31, 2011. The Loan is secured by a fixed and specific mortgage of the Project (on which approximately 700 condominium units are planned to be constructed) and six unsold units in the building of 345 condominium units adjacent to the Project. The Loan ranks subordinate to financing from Canadian chartered banks or other institutional lenders for the costs to be incurred in the completion of the construction of the Project but in priority to the security for the \$47 million loan to the original developer of the Project. One West owns Park Place through affiliates. At June 30, 2010, \$20 million of the Loan has been advanced and \$4,286,132 interest was accrued.

In May 2010, the Corporation subscribed to 1,000 units of Class A limited partnership units of Vanedge Capital 1 Limited Partnership for a subscription price of \$1,000,000 as a limited partner representing about 1% of that class of limited partnership units and paid the first capital call of \$50,000 towards the subscription price. Subsequent to June 30, 2010, the Company subscribed an additional 1,000 units of Class A limited partnership units for a subscription price of \$1,000,000 and paid the first capital call of \$50,000 towards the subscription price. The limited

partnership has been formed to invest in a portfolio of equities or to acquire existing debts as an equity investment of high-technology companies.

At June 30, 2010 the Corporation held \$94,618,044 of cash and marketable securities. The total liabilities of the Corporation at that date amounted to \$1,304,177.

In the future, the Corporation may engage in other opportunities in the real estate and technology sectors, depending upon market conditions and available financing.

Critical Accounting Policies and Estimates

This discussion and analysis is made with reference to the Corporation's unaudited consolidated financial statements for the six months ended June 30, 2010 (the "reporting period"), the end of the second quarterly reporting period of the Corporation. The unaudited consolidated financial statements of the Corporation were prepared in accordance with GAAP. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of our financial statements, and the reported amount of revenues and expenses during the period. These estimates are based on our historical experience and various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the reported amounts of revenues and expenses, and the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results could differ from these estimates.

The Corporation has identified the accounting policies and estimates outlined below as critical to an understanding of the Corporation's business operations and our results of operations. The impact and any associated risks related to these policies and estimates on the Corporation's business operations are discussed throughout this discussion and analysis.

The Corporation's Audit Committee reviews the Corporation's accounting policies and all annual and interim filings, and recommends adoption of our annual and interim financial statements to our Board of Directors.

The Corporation's critical accounting policies and estimates are as follows:

Future accounting changes

Business Combinations

In January 2009, the CICA issued Handbook Section 1582, *Business Combinations*, to replace existing Section 1581 of the same title. The new section amends the standard for accounting for business combinations and contains requirements that are the same as those in International Financial Reporting Standards (IFRS) 3, *Business Combinations*. This standard is effective for fiscal years beginning on or after January 1, 2011.

Consolidated Financial Statements and Non-controlling Interest

In January 2009, the CICA issued Handbook Section 1601, *Consolidated Financial Statements*, and 1602, *Non-controlling Interests*, to replace existing Handbook Section 1600, *Consolidated Financial Statements*, and establish a new section for accounting for non-controlling interest in a subsidiary subsequent to a business combination. The new standards contain requirements that are the same as those in IFRS 3, *Business Combinations*, and International Accounting Standard 27, *Consolidated and Separate Financial Statements*. These standards are effective for fiscal years beginning on or after January 1, 2011.

International Financial Reporting Standards

Publicly accountable enterprises will prepare interim and annual financial statements in accordance with International Financial Reporting Standards (IFRS) for fiscal years beginning on or after January 1, 2011. The Corporation will issue consolidated financial statements in accordance to IFRS commencing in the first quarter ended March 31, 2011, with comparative information. See “Implementation of International Financial Reporting Standards”.

Properties

Properties under development are recorded at the lower of cost and their estimated net realizable value. Cost includes all expenditures incurred in connection with the acquisition, development, and construction of these properties. These expenditures consist of all direct costs, interest on debt incurred to finance the acquisition, development and construction, and certain general and administrative expenses that are directly attributable to the properties until receipt of the occupancy permit. Thereafter, all costs other than direct costs are expensed as incurred. Incidental revenue specifically relating to such properties earned during the holding, development and construction phases is treated as a reduction in cost.

The Corporation records an impairment provision where the carrying value of a particular property exceeds its estimated net realizable value.

Management’s estimates of the net realizable value of its properties are based on the best available information at the time of assessment. Costs are inherently subject to fluctuation and unforeseen costs or expenses could be incurred in the holding, development and construction processes. The costs associated with the Corporation’s projects could be significantly increased by events outside the Corporation’s control, including increases in interest rates and increases in development and construction costs. The Corporation’s anticipated revenues from its properties are based on the sales of units of each project at estimated prices that are subject to market forces. There can be no assurance that the various assumptions will be realized or that the properties will not be adversely affected by unforeseen economic factors, resulting in a diminution in the anticipated value of the Corporation’s projects.

Revenue recognition

Revenue from the sales of condominium units is recorded when title transfers to the purchasers, they are entitled to occupancy, there is persuasive evidence of an arrangement for the sales of the property, the proceeds are fixed and determinable and collection of the sales proceeds is reasonably assured.

Cost of properties sold

Cost of properties sold is determined using the net yield method whereby the cost of properties sold for the period is a pro-rated amount of the total estimated capitalized costs for the project based on sales for the period versus projected sales for the entire project.

Warranty costs

Estimated future warranty costs are accrued and charged to cost of properties sold in the period in which revenues are recognized from the sales of properties. The recognized amount of future warranty costs is based on the management’s best information and judgment and is based in part upon the Corporation’s historical experience. The inherent uncertainty associated with real estate development makes it reasonably possible that future conditions

may materially affect the amount of any warranty obligations. An increase in the provision for warranty costs, with a corresponding charge to earnings, is recorded in the period in which management estimates that additional warranty obligations are likely.

Financial instruments

Cash and cash equivalents and cash held in trust are designated as held-for-trading and are measured at fair value at each balance sheet with changes reflected in net earnings.

Amounts receivable and loan receivable are classified as loans and receivable and are measured at amortized cost using the effective interest rate method.

Management actively reviews its loan receivable for impairment when there is an event or change in circumstances that indicates impairment in value. Impairment is present when there has been deterioration in the credit quality of the borrower to the extent that management has reasonable doubt as to the timely collection of the principal and interest. An impairment loss is recognized based on the excess of the carrying amount over the estimated realizable amount. The estimated realizable amount should be measured by discounting the expected future cash flows at the original effective interest rate inherent in the loans. When the amount and timing of future cash flows cannot be estimated with reasonable reliability, estimated realizable amounts may be measured as either (i) the fair value of any underlying security, net of any realization costs and any amounts legally required to be paid to the borrowers, or (ii) the observable market prices for the loans. The valuation of the amount is highly subjective and is based upon assumptions regarding market conditions that could differ materially from actual results in future periods.

Investments in private technology companies with no active market are treated as available-for-sale when no retraction provisions by the holder exist. Investments classified as available-for-sale are measured at cost. Any writedown due to impairment of the investment is reflected in net earnings.

Accounts payable and accrued liabilities are classified as other financial liabilities and are measured at amortized cost using effective interest rate method.

Income taxes

The Corporation applies the asset and liability method of accounting for income taxes. Under this method, current income taxes are recognized for the estimated income taxes payable for the current period. Future income tax assets and liabilities are recognized in the current period for temporary differences between the tax and accounting bases of assets and liabilities as well as for the benefit of losses available to be carried forward to future years for tax purposes. Future income tax assets and liabilities are measured using substantively enacted tax rates and laws expected to apply in the years in which those temporary differences are expected to be recovered and settled. The effect of a change in tax rates on future income tax assets and liabilities is recognized in operations in the period that includes the substantive enactment date. A valuation allowance is recognized to the extent it is more likely than not that future income tax assets will not be realized.

Management has estimated the income tax provision and future income tax balances in accordance with its interpretation of the various income tax laws and regulations. It is possible, due to the complexity inherent in estimating income taxes, that the tax provision and future tax balances could change.

Selected Financial Information

The following financial data has been prepared in accordance with GAAP.

	June 30, 2010 \$	December 31, 2009 \$	December 31, 2008 \$
Total assets	124,983,862	130,641,028	118,314,289
Net earnings and comprehensive earnings for the year	5,656,143	56,883,135	47,143,681

Revenues and earnings for the reporting period are discussed in detail in the following sections.

Total assets at the end of the reporting period consisted of:

	June 30, 2010 \$	December 31, 2009 \$	December 31, 2008 \$
Properties			
Land	17,820,927	17,820,927	17,820,927
Development costs	120,372,292	120,247,790	117,993,921
Interest	8,153,676	8,153,676	8,153,676
Cost of properties sold	(145,489,434)	(141,254,710)	(77,980,199)
	857,461	4,967,683	65,988,325
Cash and cash equivalents	94,618,044	103,890,793	8,117,045
Cash held in trust	-	-	31,306,657
Investments	958,786	908,786	908,786
Amounts receivable and prepaid expenses	1,081,205	172,623	31,476
Mortgage receivable	2,850,234	-	-
Loan receivable	24,286,132	19,738,143	-
Future income taxes	332,000	963,000	11,962,000
	124,983,862	130,641,028	118,314,289

Properties as at June 30, 2010 consists of parking and storage units held by the Corporation and are available for sales. The sales of all condominium units had been completed by June 30, 2010.

Results of Operations

Summary of quarterly results

The Corporation's operating results in each of the eight completed quarters are summarized as follows:

	2010		2009				2008	
	\$		\$				\$	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Property sales	7,248,059	2,060,411	10,126,124	22,637,419	40,939,267	66,170,132	114,024,692	4,826,515
Cost of properties sold	3,396,295	838,429	4,012,136	11,148,667	18,980,686	29,133,022	49,854,316	2,611,750
	3,851,764	1,221,982	6,113,988	11,488,752	21,958,581	37,037,110	64,170,376	2,214,765
Expenses	303,882	156,220	245,133	439,538	1,248,514	434,915	139,796	300,966
Write down of investments	-	-	-	-	-	-	(129,769)	-
Other income	2,156,898	1,165,601	1,122,892	1,288,894	2,617,136	884,882	4,388	7,224
Earnings (loss) before income taxes	5,704,780	2,231,363	6,991,747	12,338,108	23,327,203	37,487,077	63,905,199	1,921,023
Provision for (recovery of) income taxes								
Current	1,179,000	470,000	410,000	1,983,000	4,483,000	5,386,000	-	-
Future	182,000	449,000	955,000	1,634,000	2,418,000	5,992,000	20,480,000	595,000
Net earnings and comprehensive earnings	4,343,780	1,312,363	5,626,747	8,721,108	16,426,203	26,109,077	43,425,199	1,326,023
Basic and diluted earnings per share	0.05	0.02	0.07	0.11	0.20	0.32	0.54	0.02

Operating results for the current reporting period for the last three years

During the six months ended June 30, 2010, the Corporation continued to complete the sales of condominium units and advanced funds to Park Place for the Project in Surrey, British Columbia. The Corporation's operating results for the reporting period for the last three years are summarized as follows:

	For the Three Months Ended June 30		
	2010	2009	2008
	\$	\$	\$
Property sales	7,248,059	40,939,267	58,574
Cost of properties sold	3,396,295	18,980,686	29,714
	3,851,764	21,958,581	28,860
Expenses			
General and administrative	119,130	363,024	164,700
Legal and professional	9,923	61,535	41,568
Sales and marketing	174,829	823,955	6,996
	303,882	1,248,514	213,264
Other income	2,156,898	2,617,136	6,789
Earnings before income taxes	5,704,780	23,327,203	(177,615)
Provision for (recovery of) income taxes			
Current	1,179,000	4,483,000	130,000
Future	182,000	2,418,000	(591,000)
	1,361,000	6,901,000	461,000
Net earnings and comprehensive earnings for the year	4,343,780	16,426,203	283,385
Basic and diluted earnings per share	0.05	0.20	-

Operating results for the current reporting period for the last three years (continued)

	For the Six Months Ended June 30		
	2010	2009	2008
	\$	\$	\$
Property sales	9,308,470	107,109,399	7,502,178
Cost of properties sold	4,234,724	48,113,708	3,713,306
	5,073,746	58,995,691	3,788,872
Expenses			
General and administrative	255,596	734,984	272,934
Legal and professional	14,608	66,492	89,207
Sales and marketing	189,898	881,953	125,544
	460,102	1,683,429	487,685
Other income	3,322,499	3,502,018	55,272
Earnings before income taxes	7,936,143	60,814,280	3,356,459
Provision for (recovery of) income taxes			
Current	1,649,000	9,869,000	130,000
Future	631,000	8,410,000	834,000
	2,280,000	18,279,000	964,000
Net earnings and comprehensive earnings for the year	5,656,143	42,535,280	2,392,459
Basic and diluted earnings per share	0.07	0.53	0.03

Operating results for the current reporting period for the last three years (continued)

Results of operations attributed to the completion of sales of condominium units vary from period to period depending upon the number of condominium units that are sold and for which revenue is recognized in any period. The breakdown of revenue and the number of condominium units for each of the buildings for the three and six months ended June 30, 2010 are listed in the table below.

	Coopers Pointe	Mariner	Flagship	Total
No. of condominium units sold (current reporting period)				
For the three months ended				
June 30, 2008	-	-	-	-
June 30, 2009	1	13	21	35
June 30, 2010	-	-	4	4
For the six months ended				
June 30, 2008	9	-	-	9
June 30, 2009	1	39	54	94
June 30, 2010	-	1	5	6
No. of condominium sold (cumulative)	86	133	112	331
Sales revenue (current reporting period)				
For the three months ended				
June 30, 2008	58,574	-	-	58,574
June 30, 2009	838,019	12,685,208	27,416,040	40,939,267
June 30, 2010	-	14,000	7,234,059	7,248,059
For the six months ended				
June 30, 2008	7,502,178	-	-	7,502,178
June 30, 2009	838,019	33,331,579	72,939,801	107,109,399
June 30, 2010	-	783,524	8,524,946	9,308,470
Sales revenue (cumulative)	63,631,147	110,151,342	146,935,772	320,718,261

Sales revenue was generated from the completion of the sales of condominium units constructed by the Corporation and are recognized in accordance to the revenue recognition policy as discussed in the section on Critical Accounting Policies and Estimates. Revenue is recognized only when title transfers to the purchasers, they are entitled to occupancy, there is persuasive evidence of an arrangement for the sales of the property, the proceeds are fixed and determinable and collection of the sales proceeds is reasonably assured.

During the three and six months ended June 30, 2010, the Corporation had completed the sales of 4 (2009 - 35) and 6 (2009 - 94) condominium units and realized sales revenue of \$7,248,059 (2009 - \$40,939,267) and \$9,308,470 (2009 - \$107,109,399) respectively.

The cost of properties sold (including the cost of land) during the three and six months ended June 30, 2010 was \$3,396,295 (2009 - \$18,980,686) and \$4,234,724 (2009 - \$48,113,708) respectively. The cost of the land was calculated based on the historical book values to One West of \$3,812,959 for Building Site 6A and \$14,007,968 for Building Site 6BD. These amounts were capitalized to properties during the year ended December 31, 2007 and 2008 respectively. The balance of the purchase price of \$12,184,772 (less income taxes of \$4,050,000) for Building Site 6A and \$35,672,505 (less income taxes of \$10,814,000) for Building Site 6BD were charged to retained earnings due to the land purchase being a related party transaction during the years ended December 31, 2007 and 2008 respectively.

During the three and six months ended June 30, 2010, the Corporation has made a Cost Over-run Advanced of \$8,581,831 (2009 - \$nil) and \$8,581,831 (2009 - \$nil) respectively to Park Place in addition to the \$20,000,000 Advance. The \$8,581,831 Cost Over-run Advance was repaid in full by the June 30, 2010. At June 30, 2010, the principal balance of the Loan was \$20,000,000 (December 31, 2009 - \$17,738,000).

During the three and six months ended June 30, 2010, the Corporation earned interest income of \$1,298,672 (2009 - \$283,998) and \$2,285,989 (2009 - \$283,998) respectively on this loan. The amounts are included in interest income.

Operating expenses for the three and six months ended June 30, 2010 amounted to \$303,882 (2009 - \$1,248,514) and \$460,102 (2009 - \$1,683,429) respectively.

- Under an agreement with Concord Pacific Developments Inc. (CPDI), a wholly owned subsidiary of One West (the "Administration Agreement"), all administrative services required by the Corporation in the conduct of its business are provided by CPDI. The Corporation and CPDI have agreed that the amount of \$19,828 per month represents a reasonable estimate of the amount of the costs incurred by CPDI in providing these services, and is the monthly amount payable by the Corporation to CPDI for these services. The Corporation and CPDI agreed to amend the fixed monthly charge to \$15,310 from February 2010 through January 2011.
- For the three and six months ended June 30, 2010, the Corporation incurred legal and professional fees of \$9,923 (2009 - \$61,535) and \$14,608 (2009 - \$66,492), audit and accounting fees of \$21,500 (2009 - \$10,099) and \$52,927 (2009 - \$29,731) and directors' fee of \$15,000 (2009 - \$14,500) and \$22,500 (2009 - \$22,000) respectively.
- For the three and six months ended June 30, 2010, the Corporation had incurred \$174,829 (2009 - \$823,955) and \$189,898 (2009 - \$881,953) sales and marketing expenses.
- For the three and six months ended June 30, 2010, the Corporation has incurred \$13,398 (2009 - \$236,081) and \$31,469 (2009 - \$506,246) for maintenance fee and property tax on units it held as inventory. The amount was lower in the current reporting period as more units were sold in the same reporting periods in 2009.
- For the three and six months ended June 30, 2010, the Corporation did not incur any separately identifiable general and administrative expense other than the amount of \$23,302 (2009 - \$42,860) and \$52,322 (2009 - \$58,039) respectively that was incurred in respect of insurance, office stationery, telephone, annual general meeting, and other miscellaneous expenses.

In addition to the revenue from the sales of condominium units, the Corporation has other income of \$2,156,898 (2009 - \$2,617,136) and \$3,322,499 (2009 - \$3,502,018) for the three and six months ended June 30, 2010. The items of other income are as follows.

- Interest income of \$1,298,672 (2009 - \$283,998) and 2,285,989 (2009 - \$283,998) attributable to the loan to Park Place.
- Interest income of \$179,843 (2009 - \$101,980) and \$358,127 (2009 - \$143,774) from cash and cash equivalents held at banks.
- Vendor take back mortgage interest income of \$234 (2009 - \$nil) and \$234 (2009 - \$nil) for the three and six months ended June 30, 2010 respectively.
- Sales deposits and interest earned forfeited by purchasers of pre-sold units who were unable to complete the sales of the condominium units of \$677,519 (2009 - \$2,229,958) and \$677,519 (2009 - \$3,069,972) respectively. Other miscellaneous income of \$630 (2009 - \$1,200) and \$630 (2009 - \$4,274) for the three and six months ended June 30, 2010 respectively.

The Corporation recorded a recovery of future income taxes of \$20,827,000 in 2007 based on the opinion received from legal counsel in April 2008 to the effect that it is more likely than not that these losses can be used by the Corporation to reduce its calculation of net income for income tax purpose. All of such non-capital losses of the Corporation for income tax purposes have been applied to the earnings before taxes of the Corporation during the years ended December 31, 2007 to December 31, 2009. There are certain risks associated with the deductibility of non-capital losses. See "Risk Management".

Net earnings and comprehensive earnings for the three and six months ended June 30, 2010 were \$4,343,780 (2009 - \$16,426,203) and \$5,656,143 and (2009 - \$42,535,280) respectively.

The basic and diluted earnings per share for the three and six months ended June 30, 2010 were \$0.05 (2009 - \$0.20) and \$0.07 (2009 - \$0.53) respectively.

GAAP requires the Corporation to calculate its earnings using the historical book value of Building Sites 6A and 6BD to One West. Had earnings for the reporting period been calculated on the basis of the purchase price paid by the Corporation for Building Sites 6A and 6BD for \$15,997,731 in 2007 and \$49,680,473 in 2008 respectively, net earnings and comprehensive earnings for the three and six months ended June 30, 2010 would have been \$3,596,857 (2009 - \$12,246,746) and \$4,719,280 (2009 - \$31,994,879) and earnings per share would have been \$0.04 (2009 - \$0.15) and \$0.06 (2009 - \$0.40) respectively.

Share Capital

Details of securities issued during the reporting period are outlined below.

- There were no options granted during the reporting period.
- Authorized and issued share capital of the Corporation are as follows:
Authorized: An unlimited number of voting common shares and non-voting common shares
Issued:

	Voting common shares	Non-voting common shares	Amount \$
Balance – June 30, 2010 and 2009	846,953	80,141,453	13,500,001

There have been no changes in share capital since June 30, 2010 to the date of this Management's Discussion and Analysis.

Financial Position

Construction Financing

The Corporation repaid all construction loans by December 31, 2008.

Liquidity and capital resources

The Corporation had a working capital of \$96,108,006 as at June 30, 2010 (December 31, 2009 - working capital of \$90,308,630). The Corporation has cash on hand of \$94,618,044 as at June 30, 2010 (December 31, 2009 - \$103,890,793).

Related Party Transactions

Purchase of the Building Sites

The Corporation has purchased the Building Sites pursuant to the Purchase Agreement from One West. See "Formation of the Corporation and Commencement of Business". The shares of One West are controlled by certain members of the family of Terence Hui, a director, President and significant shareholders of the Corporation. Details of the amount paid under the Purchase Agreement are contained elsewhere in this document.

Agreements

The Corporation has no employees and accordingly has entered into various agreements with related parties. Each of these agreements has been approved by a resolution passed by the holders of the voting common shares of the Corporation. This resolution was passed by these shareholders as part of the reorganization of the affairs of the Corporation on January 21, 2005.

Construction Management Agreement

The Corporation has entered into a construction management agreement with Centreville Construction Ltd. (“Centreville”), a wholly owned subsidiary of One West. In exchange for managing the development and construction of the properties under development, Centreville receives a fee equal to 3% of Construction Costs (the “Costs”), as defined in the agreement. The fee is payable monthly based on the Costs incurred in the immediately preceding month. During the three and six months ended June 30, 2010, construction management fees of \$3,200 (2009 - \$nil) and \$6,900 (2009 - \$142,000) respectively were charged by Centreville and have been capitalized to properties. Included in accounts payable and accrued liabilities is \$78,812 (December 31, 2009 - \$53,586) owing to Centreville.

Marketing and Sales Agreement

The Corporation has entered into a marketing and sales agreement with Prompton Real Estate Services Inc. (“Prompton”), a company owned by Joseph (Chi Ho) Hui, a brother of Terence Hui. In exchange for managing all of the sales and marketing activities related to the Corporation’s properties, Prompton receives a fee equal to 3% of the gross revenue from sales of units in the developments. The fee is payable monthly based on sales agreements entered into in the month by the Corporation with third parties. During the three and six months ended June 30, 2010, marketing and sales commissions of \$174,829 (2009 - \$703,955) and \$189,898 (2009 - \$761,953) respectively were charged by Prompton. Included in accounts payable and accrued liabilities is \$104,655 (December 31, 2009 - \$52,908) owing to Prompton.

Administration Agreement

The Corporation has entered into an administration agreement with Concord Pacific Developments Inc. (CPDI), an affiliate of One West. In exchange for providing administrative services, CPDI will be reimbursed for all expenses, as defined in the agreement, incurred with respect to providing such services and receive a monthly fee of 3% of the amount of the expenses. The Corporation and CPDI have agreed that the monthly expenses and fee (excluding miscellaneous out-of-pocket expenses) aggregate \$19,828 and accordingly have agreed to amend the administration agreement to provide for the fixed monthly charge of \$19,828 through January 2010. The Corporation and CPDI agreed to amend the fixed monthly charge to \$15,310 from February 2010 through January 2011. The administration agreement expires in January 2015.

During the three and six months ended June 30, 2010, expenses and administration fees of \$45,930 (2009 - \$59,484) and \$96,378 (2009 - \$118,968) were charged by CPDI and have been included in general and administrative expenses.

Other Transactions

During the three and six months ended June 30, 2010, development costs of \$nil (2009 - \$23,273) and \$nil (2009 - \$30,021) respectively were charged by a company controlled by members of the family of Terence Hui and had been capitalized to properties.

Disclosure Controls and Procedures

The Corporation maintains appropriate information systems, procedures and controls to ensure that new information disclosed externally is complete, reliable and timely. The Chief Executive Officer and the Chief Financial Officer of the Corporation evaluated the effectiveness of the Corporation's disclosure controls and procedures (as defined in National Instrument 52-109, "*Certification of Disclosure in Issuers' Annual and Interim Filings*") as at June 30, 2010 and have concluded that such disclosure controls and procedures are operating effectively.

Implementation of International Financial Reporting Standards

In February 2008, the Canadian Accounting Standards Board confirmed that IFRS will replace Canada's current generally accepted accounting principles for publicly accountable profit-oriented enterprises effective January 1, 2011. The transition date of January 1, 2011 will require the restatement, for comparative purposes, of amount reported for the year ended December 31, 2010.

The Corporation will issue consolidated financial statements in accordance to IFRS commencing in the first quarter ended March 31, 2011, with comparative information. The Corporation has commenced on the following initiatives in light of the requirements to transition to IFRS.

Training and Education

Key personnel involved in the IFRS conversion have attended training courses in 2009. Specific and continued training will continue throughout 2010.

Design and Implementation

The conclusions and recommendations derived from the assessment of the impact of the IFRS will be integrated into the implementation of systems and processes changes throughout 2010 in order for the Corporation to compile IFRS compliant financial statements. The necessary changes to the Corporation's business processes and training programs will be developed concurrently with review to assess and test systems, processes, financial statements, notes, policies, and internal controls throughout 2010 for conversion on January 1, 2011.

Summary of Key Differences

The key differences identified are preliminary and are subject to changes based on further analysis and interpretation by the Corporation. IFRS is based on a conceptual framework similar to GAAP; however, significant differences exist in the recognition, measurement and disclosure.

Under the current IFRS income tax standards, it would appear that the Corporation will be required to recognize deferred income taxes.

Risk Management

The Corporation faces several areas of risk. These are summarized below, along with management's approach to mitigating these risks, where feasible.

Risks Related to the Limited Present Business Objectives of the Corporation and the Market for the Corporation's Shares

The business objectives of the Corporation are currently limited to the investment in certain corporations in the high tech industry and the making of a mezzanine real estate loan.

The Corporation has no plan at present to engage in activities other than the investment in certain corporations in the high tech industry and the making of a mezzanine real estate loan. The Corporation holds substantial cash balances and no decision has been made with respect to the investment or other disposition of these monies. Until such a decision is made, these monies are invested in short term money market instruments with various institutions. While the Corporation may engage in other activities in the future, the decision to engage in these activities will depend upon market and financial conditions and the nature of the opportunities that are available to the Corporation. Consequently, the market price of the Corporation's shares may be affected by the limited business activities of the Corporation.

The Corporation reported a recovery of future income taxes in the year ended December 31, 2007. Some of the non-capital losses of the Corporation have been utilized for income tax purposes in the years ended December 31, 2007 to 2009.

There is a risk that the non-capital losses utilized by the Corporation in the calculation of its net income for the years ended December 31, 2007 to 2009 may not be deductible for purposes of determining the taxable income of the Corporation. The Corporation received an opinion from legal counsel in April 2008 to the effect that it is more likely than not that these losses are deductible by the Corporation in the calculation of its net income for income tax purposes. This opinion is based upon counsel's interpretation of the applicable provisions of the Income Tax Act (Canada) and judicial cases interpreting that Act to that time. However, there can be no assurance that the interpretation of the Act will not change in a manner that would not permit the deduction of such losses in the determination of the net income of the Corporation.

Risk Related to the Residential Condominiums completed by the Corporation

Construction defects and other building-related claims may be asserted against the Corporation.

The Corporation agrees with buyers of condominium units in the buildings to rectify construction defects within one year of completion of the buildings, and provides insurance for longer periods. The Corporation may be liable for damages, the cost of repairs, and/or the expense of litigation surrounding possible claims.

Risks Related to the Recoverability of a Loan to Finance a Real Estate Development Project

Recoverability of the loan advanced to Park Place in time and in full with all accrued interest is dependent on the viability of the Project and Park Place's ability to develop and complete the project on time and is subject to the risks associated with economic conditions in general and

real estate industry as explained in this section on the risk related to the construction, completion and sales of residential condominiums and the residential condominium business.

The loan advanced by the Corporation to Park Place is intended for the continued development and marketing of the Project. The maturity date of the loan is December 31, 2011. The ability of Park Place to repay the loan in time and in full with all accrued interest is dependent upon it being able to seek additional financing to complete the construction of the Project and retain adequate cash to repay the Corporation for the principal and the accrued interest on the maturity date through the completion of the sales of the condominium units after it has paid off all senior debts including financing from Canadian chartered banks or other institutional lenders for the costs to be incurred in the completion of the construction of the Project.

The success and the timeliness in the development and marketing of the Project by Park Place are subject to the risks associated with the real estate industry. The inability of Park Place to complete the development and the sales of the condominium units to the purchasers on time will have a material adverse effect on the business and the results of the Corporation.

Interest rates and the unavailability of mortgage financing can adversely affect demand for residential condominium to be constructed by Park Place.

In general, housing demand is negatively impacted by increases in interest rates and housing costs and the unavailability of mortgage financing. Most buyers of residential condominiums finance their home purchases through third-party lenders providing mortgage financing. If mortgage interest rates increase and, consequently, the ability of prospective buyers to finance condominium purchases is reduced, condominium sales, gross margins and cash flow may also be adversely affected and the impact may be material.

Park Place may not be able to compete effectively against its competitors in the residential condominium and homebuilding industry.

The residential condominium and homebuilding industry is highly competitive. Developers compete for, among other things, desirable properties, financing, raw materials and skilled labour. There are a number of residential condominium developers that are active in the market area of similar condominium sales and with whom Park Place competes. In addition, there may be new entrants in the market. Park Place also competes for sales with individual resales of existing homes and with available rental housing.

Risks beyond the control of Park Place may increase costs, cause project delays and reduce consumer demand for housing, all of which would adversely affect results of operations and prospects of Park Place to which the Corporation has advanced a loan.

As builders of residential condominiums, Park Place is subject to numerous risks, many of which are beyond their control: adverse weather conditions, which could damage the buildings under construction, cause delays in completion of the buildings, or reduce consumer demand for the condominium units to be constructed in the buildings and shortages in labour or materials, which could delay completion of the buildings and cause increases in the prices for labour or materials, thereby affecting sales and profitability.

Governmental laws and regulations may increase expenses, or delay completion of real estate development projects. Real estate developers are subject to environmental laws and regulations that increase costs and delay completion of the buildings.

Park Place is also subject to a variety of local, provincial, federal and other statutes, ordinances, rules and regulations concerning the environment. Compliance to such may cause additional costs.

The business and results of operations of Park Place are variable and material. It is dependent on the availability and skill of subcontractors.

The residential condominium and home building industry has historically experienced, and in the future expects to continue to experience, variability in operating results on a quarterly and an annual basis. Factors expected to contribute to this variability include, among other things:

- the timing of zoning and other regulatory approvals;
- the timing of closings of sales and level of sales;
- the condition of the real estate market and the general economy;
- delays in construction due to acts of God, adverse weather, reduced subcontractor availability, and strikes;
- changes in prevailing interest rates and the availability of mortgage financing; and
- costs of material and labour.

Many of the factors affecting the results of Park Place are beyond their control and may be difficult to predict.

Substantially all of the construction work is done by subcontractors. Accordingly, the timing and quality of the construction of the buildings depends on the availability and skill of subcontractors. The inability to contract with skilled subcontractors at reasonable costs on a timely basis could have a material adverse effect on the business and results of operations of Park Place.

Additional Information

Additional information related to the Corporation is on SEDAR at www.sedar.com.