FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

easyhome Ltd. ("easyhome")
10239 178th Street
Edmonton, Alberta
Canada T5S 1M3

Item 2 Date of Material Change

March 4, 2005

Item 3 News Release

A news release in respect of the material change was issued on March 4, 2005 through CCN Matthews. A copy of easyhome's March 4, 2005 news release is attached as Schedule "A".

Item 4 Summary of Material Change

easyhome announced that that subject to court approval it has settled a class action lawsuit that was commenced in April, 2004 for the restitution of rent and fees charged to easyhome customers, which were alleged to have constituted interest charged in excess of the maximum rate prescribed by the *Criminal Code of Canada*.

Item 5 Full Description of Material Change

easyhome announced that subject to court approval it has settled a class action lawsuit that was commenced in April, 2004 for the restitution of rent and fees charged to easyhome customers, which were alleged to have constituted interest charged in excess of the maximum rate prescribed by the Criminal Code of Canada. The settlement is conditional upon the lawsuit being certified by the Court as a class proceeding under the Class Proceedings Act and as part of that process, the terms of settlement being approved by the Court.

Under the terms of the proposed settlement, easyhome is to pay to the Class $7.38 million in coupons which may be used to purchase easyhome merchandise, be applied to existing easyhome rental agreements or used after starting a new agreement. In addition, easyhome is to pay the legal fees and costs of the Class, in an amount approved by the Court. At this time, easyhome has not calculated the ultimate cost of the settlement as that is contingent upon how many coupons are redeemed and in what form-that is, whether used to acquire merchandise, applied against rent on existing rental agreements or applied against rent on newly activated rental agreements. However, easyhome does expect the final cost of the settlement to be less than the full settlement amount, as rates of take-up and redemption of the coupons will likely be less than 100%.

The Class members comprise all easyhome customers, outside of Quebec, who purchased merchandise under an easyhome rental agreement, either at the end of the lifetime of the rental agreement or pursuant to the early pay-out option in the rental agreement. easyhome has estimated that there are approximately 70,000 members of the Class.

A further term of the settlement is that easyhome will revise the structure of its rental agreements such that the difference between pay-out amounts and the cash price of easyhome's merchandise cannot be construed as being an interest charge in excess of the rate prescribed in the Criminal Code of Canada. easyhome is in the rental business, and maintains that its agreements do not constitute the advancement of credit so as to give rise to any rate of interest. The settlement does not constitute any admission of liability by easyhome. easyhome does not expect that the changes to its rental agreements will have any material impact on its business model.

The full text of easyhome's March 4, 2005 news release is attached as Schedule "A".

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Further information can be obtained from David Ingram, President and Chief Executive Officer at 905-272-2788 or Bill Johnson, Executive Vice President & Chief Financial Officer at 780-930-3012.

Item 9 Date of Report

March 11, 2005

Schedule "A"
Press Release

easyhome Ltd.
10239 178th Street
Edmonton, Alberta
Canada ~ T5S 1M3
ph: (780) 930-3000
fx: (780) 481-7426

TSX Symbol: **EH**

Press Release

March 4, 2005

easyhome Ltd. Announces A Settlement in Principle of Class Action

TORONTO, 4 March 2005: -- easyhome Ltd. (TSX:EH) announced today that subject to court approval it has settled a class action lawsuit that was commenced in April, 2004 for the restitution of rent and fees charged to easyhome customers, which were alleged to have constituted interest charged in excess of the maximum rate prescribed by the *Criminal Code of Canada*. The settlement is conditional upon the lawsuit being certified by the Court as a class proceeding under the *Class Proceedings Act* and as part of that process, the terms of settlement being approved by the Court.

Under the terms of the proposed settlement, easyhome is to pay to the Class $7.38 million in coupons which may be used to purchase easyhome merchandise, be applied to existing easyhome rental agreements or used after starting a new agreement. In addition, easyhome is to pay the legal fees and costs of the Class, in an amount approved by the Court. At this time, the Company has not calculated the ultimate cost of the settlement as that is contingent upon how many coupons are redeemed and in what form-that is, whether used to acquire merchandise, applied against rent on existing rental agreements or applied against rent on newly activated rental agreements. However, the company does expect the final cost of the settlement to be less than the full settlement amount, as rates of take-up and redemption of the coupons will likely be less than 100%.

The Class members comprise all easyhome customers, outside of Quebec, who purchased merchandise under an easyhome rental agreement, either at the end of the lifetime of the rental agreement or pursuant to the early pay-out option in the rental agreement. The company has estimated that there are approximately 70,000 members of the Class.

A further term of the settlement is that easyhome Ltd. will revise the structure of its rental agreements such that the difference between pay-out amounts and the cash price of the company's merchandise cannot be construed as being an interest charge in excess of the rate prescribed in the *Criminal Code of Canada*. easyhome Ltd. is in the rental business, and maintains that its agreements do not constitute the advancement of credit so as to give rise to any rate of interest. The settlement does not constitute any admission of liability by the company. easyhome Ltd. does not expect that the changes to its rental agreements will have any material impact on its business model.

David Ingram, President and CEO of easyhome, stated that "we remain convinced that we are in the merchandise rental business, and that our agreements do not include charges of any interest whatsoever. Nonetheless, it made good business sense to avoid the expense, time and distraction that this law suit created. We are very pleased to reach an early and reasonable settlement and continue forward with the Company's exciting growth plans."

The lawyers for the proposed class were Harvey T. Strosberg Q.C. and Jay Strosberg of the Windsor law firm Sutts, Strosberg LLP. easyhome was represented by Ronald G. Slaght Q.C. and Craig Martin of the Toronto law firm Lenczner Slaght Royce Smith Griffin LLP.

easyhome Ltd. is Canada's largest merchandise rental company and the fourth largest in North America, offering top quality, brand-name household furnishings, appliances and home electronic products to consumers under weekly or monthly rental agreements. easyhome Ltd. is listed on the TSX under the symbol 'EH'.

Certain information included in this news release may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different from those expressed or implied. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

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For further information contact:

Donald K. Johnson David Ingram
Chairman of the Board -or- President and Chief Executive Officer -or-
(416) 359-4119 (905) 272-2788

Bill Johnson
Executive Vice President & Chief Financial Officer
(780) 930-3012