UNIHOST CORPORATION

MATERIAL CHANGE REPORT

Section 75 of the *Securities Act* (Ontario)
Section 85 of the *Securities Act* (British Columbia)
Section 118 of the *Securities Act* (Alberta)
Section 84 of *The Securities Act, 1988* (Saskatchewan)
Section 73 of the *Securities Act* (Quebec)
Section 81 of the *Securities Act* (Nova Scotia)
Section 76 of the *Securities Act* (Newfoundland)

1. Reporting Issuer

UniHost Corporation
Suite 600
5090 Explorer Drive
Mississauga, Ontario

2. Date of Material Change

April 8, 1999

3. Publication of Material Change

A press release was issued by UniHost Corporation ("UniHost" or the "Corporation") on April 8, 1999. A copy of the press release is annexed hereto as Schedule "A".

4. Summary of Material Change

The board of directors of UniHost issued its Directors' Circular on April 8. In the Directors' Circular, the board unanimously recommended that shareholders reject the unsolicited offer made by W-Westmont Corp. ("W-Westmont") to purchase all of the outstanding common shares of the Corporation and that shareholders not tender their common shares to the offer. The UniHost board also states in the Directors' Circular that the $6 per share bid of W-Westmont is inadequate and opportunistic and therefore not in the best interests of UniHost's shareholders.

5. Full Description of Material Change

The board of directors of UniHost issued its Directors' Circular on April 8. In the Directors' Circular, the board unanimously recommended that shareholders reject the unsolicited offer made by W-Westmont to purchase all of the outstanding common shares of the Corporation and that shareholders not tender their common shares to the offer. The UniHost board also states in the Directors' Circular that the $6 per share bid of W-Westmont is inadequate and opportunistic and therefore not in the best interests of UniHost's shareholders.

In arriving at its conclusions regarding W-Westmont's offer, the board identified and considered a number of factors, including that: (i) W-Westmont's offer does not reflect UniHost's current and anticipated financial performance; (ii) W-Westmont's offer does not recognize UniHost's leading market position in the Canadian mid-price limited and full-service hospitality sector; and (iii) CIBC Wood Gundy Securities Inc. and ScotiaMcLeod Inc., the financial advisors to the UniHost board, have both provided opinions that $6 per share is inadequate, from a financial point of view, to the holders of UniHost's common shares.

The board also considered that Maurice Rollins, a director and Chairman of the board, and Van Berkom & Associates, on behalf of its clients, collectively controlling approximately 27% of the common shares of UniHost, have indicated to the board that they consider the price offered by W-Westmont to be inadequate.

The Directors' Circular discloses that UniHost has executed confidentiality and standstill agreements with a number of interested parties and discussions between the financial advisors and management and interested parties are underway in order to elicit value-maximizing alternatives. The board's financial advisors have reported that although it is early in the process they are encouraged by initial responses and that they will endeavour to conclude a transaction that provides greater shareholder value than W-Westmont's unsolicited $6.00 per share bid. The Directors' Circular also discloses that the board believes there is a reasonable prospect that the initiatives being pursued will provide a superior alternative transaction for shareholders by May 21, 1999.

6. Confidentiality of Information

This report is not being filed on a confidential basis.

7. Omitted Information

Not applicable.

8. Senior Officer

Inquiries in respect of the material change referred to herein may be made to:

Walter Prychidny
President and Chief Executive Officer
UniHost Corporation
Tel: (905) 624-7814

9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED AT Toronto, Ontario this 14th day of April, 1999.

"Walter Prychidny"

Walter Prychidny
President and Chief Executive Officer

Schedule "A"

Attention Business Editors:

UniHost Board recommends shareholders reject hostile bid

Offer is Inadequate and Opportunistic

MISSISSAUGA, ON, April 8 /CNW/ - The Board of Directors of UniHost Corporation today unanimously recommended that shareholders reject the hostile takeover bid for the Company by W-Westmont Corp.

In the Directors' Circular being sent to shareholders today, the UniHost Board says the $6 per share bid is inadequate and opportunistic and is therefore not in shareholders' best interests. The Board recommends that shareholders should not tender their shares to the bid.

The offer price is inadequate and opportunistic for several reasons, including:

- It does not reflect UniHost's current and anticipated financial performance. UniHost is well-positioned to take advantage of the strong fundamentals of the Canadian hospitality sector and to increase cash flow through revenue growth from existing operations, cost reductions completed to date, and the addition of 67 properties acquired since early 1998.

- It does not reflect UniHost's leading market position in its segments of the industry. The Company has an established presence in centres across Canada, concentrated in the strong economic markets of Ontario and Quebec. UniHost's operations are fully-integrated, leading-brand hotels generating cash flow to provide for future growth.

- CIBC Wood Gundy and ScotiaMcLeod, the financial advisors to the UniHost Board, have both provided opinions that $6 per share is inadequate, from a financial point of view, for the holders of the Common Shares.

Two of UniHost's major shareholders who together control approximately 27% of the Company -- its Chairman Maurice Rollins and Van Berkom & Associates on behalf of its clients -- have also indicated that they believe the $6 bid is inadequate. They have encouraged the Board to continue its efforts to seek higher-value alternatives for all shareholders.

In a letter to shareholders accompanying the circular, Mr. Rollins and John Vivash, Chairman of the Board's independent Special Committee, said: ''Your Board is not opposed to a sale of UniHost in whole or in part and is not taking a position to obstruct or preclude such an outcome. In fact, your Board, upon being advised of W-Westmont Corp.'s intended offer, took the necessary steps to put a sale process in place. However, it believes that $6 per Common Share is inadequate as a price for UniHost. Your Board is encouraged by the level of interest that has been received to date and is seeking to deliver a value-maximizing transaction or combination of transactions to UniHost's shareholders."

The Directors’ Circular says the Board ‘‘believes there is a reasonable prospect that the initiatives being pursued will provide a superior alternative transaction for shareholders by May 21, 1999.’’

The Board also noted that the two shareholders who sold a portion of their UniHost shares to W-Westmont on March 1 have not committed to tendering their remaining shares to the $6 bid and, under the terms of the sale agreement, their initial sale would be rewarded by any increase in the offer price. In addition, the Board said, W-Westmont’s purchase of UniHost Notes is not expected to create an obstacle to the successful completion of an alternative transaction.

UniHost Corporation, Canada’s largest fully integrated hospitality company, is involved in the ownership, management and franchising of hotels. It recently announced record operating cash flow of $37.6 million for the year ended December 31, 1998, compared with $17.6 million a year earlier. The Corporation’s common shares are traded on the Toronto Stock Exchange under the stock symbol UNH.

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For further information: please contact: Media: John Lute, Lute & Company, (416) 929-5883; Investors: Mariann Lawrie, Manager, Communications and Investor Relations, UniHost Corporation, (905) 624-7814