

This is the form of material change report required under section 85(1) of the *Securities Act* and section 151 of the *Securities Rules*.

FORM 53-901F
(Previously From 27)

**MATERIAL CHANGE REPORT UNDER
SECTION 85(1) OF THE SECURITIES ACT (BRITISH COLUMBIA)**

This form is intended as a guideline. A letter or other document may be used if the substantive requirements of this are complied with.

Every report required to be filed under section 85(1) of the *Securities Act* (the "Act") shall be sent to the British Columbia Securities Commission (the "Commission") in an envelope addressed to the Commission and marked "Continuous Disclosure".

WHERE THIS REPORT IS FILED ON A CONFIDENTIAL BASIS PUT AT THE BEGINNING OF THE REPORT IN BLOCK CAPITALS "CONFIDENTIAL - SECTION 85", AND EVERYTHING THAT IS REQUIRED TO BE FILED SHALL BE PLACED IN AN ENVELOPE ADDRESSED TO THE SECRETARY OF THE COMMISSION MARKED "CONFIDENTIAL".

1 Reporting Issuer

Waterfornt Capital Corporation
2489 Bellevue Avenue
West Vancouver, British Columbia V7V 1E1

Telephone (604) 922-2030

(the "Issuer")

2 Date of Material Change

January 14, 2005

3 Press Release

Issued in Vancouver, under Section 85 (1) of the Act, on January 14, 2005 and disseminated through the facilities of Market News, Stockwatch and Wallstreet.

4 Summary of Material Change

The Issuer announces the closure of a private placement.

5 Full Description of Material Change

The Issuer reports that the TSX Venture Exchange has accepted the Company's filing in connection with the sale of three units of the Company's limited partnership interest in a commercial property. Two of the limited partnership units have been sold to Criterion Capital Corporation (a company owned by a former director) at a price of \$55,000 per unit and one unit has been sold to TTA Financial Corporation (an arms length party) at a price of \$55,000. No securities have been issued as part of this transaction.

6 Reliance on Section 85(2) of the Act

Not applicable

7 Omitted Information

No information has been intentionally omitted from this form.

8 Senior Officers

Bruce E. Morley, President, Sharon Constable, Vice President, Administration and Secretary

Further information may be obtained from Bruce E. Morley, President and a director of the Issuer
2489 Bellevue Avenue, West Vancouver, British Columbia, V7V 1E1, (604) 922-2030

9 Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at West Vancouver, British Columbia, this 14th day of January, 2005.

WATERFRONT CAPITAL CORPORATION

Signed: "Sharon Constable"

Signature

Vice President and Secretary
(Official capacity - please print)

Sharon Constable
*(Please print here name of individual whose signature appears
above, if different from name of vendor or agent printed above)*

THIS IS THE FORM OF A MATERIAL CHANGE REPORT REQUIRED UNDER SECTION 85(1) OF THE SECURITIES ACT (BRITISH COLUMBIA)