FORM 51-102F3
MATERIAL CHANGE REPORT

ITEM 1 Name and Address of Company (Reporting Issuer):

Viceroy Homes Limited (the “Corporation”)
414 Croft Street East
Port Hope , Ontario L1A 4H1

ITEM 2 Date of Material Change:

August 28, 2007

ITEM 3 News Release:

A press release disclosing the material change was issued by the Corporation on August 28, 2007 via Canada NewsWire.

ITEM 4 Summary of Material Change:

The Company announced that it has been informed that Joint Stock Company Open Investments (“OPIN”) intends to make a proposal to the board of directors of the Company to take the Company private.

ITEM 5 Full Description of Material Change:

Please see the press release 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:

No information has been omitted from this material change report.

ITEM 8 Executive Officer:

For additional information with respect to this material change, the following person may be contacted:

William R. Simpson
Vice-President, Finance and Secretary-Treasurer

Tel: 905.885.8600 x. 220

ITEM 9 Date of Report:

August 29, 2007

ITEM 10 Statement of Senior Officer:

The foregoing accurately discloses the material change referred to herein.

Schedule "A"

Corporate Headquarters

VICEROY HOMES
414 CROFT STREET EAST – PORT HOPE – ONTARIO – CANADA - L1A 4H1 – (905) 885 8600 – FAX (905) 885 8362

For Immediate Release

TSX: VHL.A

VICEROY HOMES ANNOUNCES PROPOSAL TO PRIVATIZE

PORT HOPE, Ontario (August 28, 2007) - Viceroy Homes Limited (the "Company") announced today that it has been informed that Joint Stock Company Open Investments ("OPIN"), a real estate development and investment company based in Moscow, Russia, intends to make a proposal to the Board of Directors of the Company to take the Company private.

OPIN has informed the Company that it has entered into an agreement with Viceroy Construction (1984) Limited, Gaylord G. Lindal, Christopher H. Lindal and Fred Haas (collectively, the "MVS Shareholders"), the holders of all the outstanding Class B Multiple Voting Shares of Viceroy, whereby the MVS Shareholders would continue as shareholders of Viceroy after the going private transaction is completed. Among other things, the agreement provides that, subject to certain conditions including the execution of a shareholders' agreement after the approval of the plan of arrangement, they will vote their Class B Multiple Voting Shares in favour of the transaction.

As part of the proposed transaction, OPIN (through an affiliated entity) would acquire the outstanding Class A Subordinate Voting Shares of Viceroy for C$4.25 cash per share, which represents an approximately 37% premium over the C$3.10 closing price of the Class A Subordinate Voting Shares on the Toronto Stock Exchange on August 27, 2007, and an approximately 37% premium over the volume weighted average trading price over the past three months.

The Board intends to form a special committee to review any such proposal and the Company will make a further announcement at a later date.

Founded 52 years ago, Viceroy Homes is a leader in pre-engineered housing that offers high-quality building designs and materials combined with lower cost and reduced on-site construction time. Viceroy is the largest supplier of Canadian housing technology to a growing export market providing superior housing solutions for builders and developers around the world. The Company has vertically integrated manufacturing facilities located in Ontario and British Columbia. Viceroy's Class A Subordinate Voting Shares trade on the Toronto Stock Exchange under the symbol VHL.A.

For further information please contact:

William R. Simpson
Vice-President, Finance and Secretary-Treasurer
(905) 885-8600 - Ext. 220
www.viceroy.com