FORM 27

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

MATERIAL CHANGE REPORT UNDER SECTION 118(1) OF THE SECURITIES ACT (ALBERTA)

MATERIAL CHANGE REPORT UNDER SECTION 74 OF THE SECURITIES ACT (ONTARIO)

ITEM 1 Reporting Issuer

CPAC (Care) Holdings Ltd.
(the "Company")
1147 Homer Street
Vancouver, B.C.
V6B 5T5

Telephone: (604) 688-2220

ITEM 2 Date of Material Change

March 10, 2000

ITEM 3 Press Release

March 10, 2000
Vancouver, British Columbia

ITEM 4 Summary of Material Change

The Company announced that it has completed the acquisition of Carlton Lodge and Private Hospital now named CPAC (Carlton Gardens) Inc. adding 153 fully government-funded beds to its portfolio. The acquisition cost of $12 million was paid for by TD Bank with CMHC insured first mortgage of $7 million at an interest rate of 6.78% and $2.75 million at an interest rate of 7.25% per annum and a cash payment for the balance, which was paid from working capital.

The Company also announces completion of the third tranche of the convertible debenture offering with net proceeds of $226,500.

ITEM 5 Full Description of Material Change

See attached Schedule "A"

ITEM 6 Reliance on Section 85(2) of the Act

N/A

ITEM 7 Omitted Information

N/A

ITEM 8 Senior Officers

Joanne Yan
Vice-President and Secretary

ITEM 9 Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at Vancouver, B.C. this 27th day of March, 2000.

"Joanne Yan"

Joanne Yan,
Vice-President and Secretary

SCHEDULE "A"

CPAC (CARE) HOLDINGS LTD.

News Release

Vancouver, B.C. March 10, 2000. Further to the News Release of December 22, 1999, we are pleased to announce that the Company has completed the acquisition of Carlton Lodge and Private Hospital now named CPAC (Carlton Gardens) Inc. in Burnaby in the Simon Fraser Health Region. This will add 153 fully government-funded beds, operating at full capacity, to our portfolio and will increase the gross Revenue of the Company by approximately $7 million per annum. The acquisition cost of $12 million was paid for by TD Bank with CMHC insured first mortgage of $7 million at an interest rate of 6.78% and $2.75 million at an interest rate of 7.25% per annum and a cash payment for the balance. The cash portion of the purchase price was paid from the Company's working capital.

With the addition of this newly acquired Carlton Gardens, the Company now has 593 beds/units in operation, 210 beds/units under construction and approximately 600 beds/units in planning stage.

The Company also announces that the 3rd tranche of the Convertible Debenture Offering with net proceeds of $226,500 has been completed.

The Company intends to further strengthen its portfolio of properties through the acquisition of existing facilities; the development of new communities; and continuing to research innovative, governmental and private sector Retirement Community methodologies from around the world, and effectively adapt our development and operational long-range plans accordingly. This ability to respond quickly to well-thought-out and practical changes in the industry, combined with our development, operational and marketing acumen has led us to the point that we are well positioned to meet the demands of today's vibrant seniors and the continuing, urgent need for high-quality long-term care facilities.

ON BEHALF OF THE BOARD OF DIRECTORS OF
CPAC (CARE) HOLDINGS LTD.

"Joanne Yan"

Joanne Yan
Director