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

August 4, 2000

ITEM 3 Press Release

August 4, 2000
Vancouver, British Columbia

ITEM 4 Summary of Material Change

The Company announced that it has entered into a letter of intent with Rieding Projects Ltd., Benchmark Group of Companies and Langley Memorial Hospital Foundation wherein a partnership will be formed with intentions to pursue a multi-level care facility on lands currently held by Langley Memorial Hospital Foundation in the township of Langley.

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 14th day of August, 2000.

"Joanne Yan"

Joanne Yan,
Vice-President and Secretary

SCHEDULE "A"

CPAC (CARE) HOLDINGS LTD.

News Release

CPAC (Care) Holdings signs Letter of Intent with Langley Memorial Hospital Foundation

Vancouver, B.C. - August 4th, 2000 – The Company is pleased to announce the signing of a Letter of Intent between the Company (50% interest), Rieding Projects Ltd. (25% interest), and the Benchmark Group of Companies (25% interest) (together jointly and severally called the Developer and General Partner) and the Langley Memorial Hospital Foundation (LMHF, the Limited Partner).

Based on current and anticipated community health care needs and facilities, the Partnership intends to pursue a multi-level care, or "Aging in Place", facility on lands currently held by LMHF, in the Township of Langley.

"LMHF's participation in this venture, combined with the strength of our development team, brings us one step closer to our stated objective of becoming the premier developer/operator of exceptional multi-level care seniors facilities in Western Canada," says Don Ho, President and CEO of CPAC.

Upon signing this Letter of Intent, the Developer agrees to pay a non-refundable deposit of $75,000 (the "Rezoning Fund") into the trust account of LMHF's lawyer to fund costs as they are incurred.

Upon completion of subdivision and rezoning process, the project is projected to consist of three phases - 150 licensed care beds; 175 Congregate care suites, and 94 Independent Living Condominiums or a combination of different lifestyle accommodations in response to the market needs - to be developed and operated following the direction set by the success of the Company's flagship facility "Crescent Gardens".

As its 50 percent contribution to the Partnership, LMHF intends to transfer approximately 8 acres of land to the Partnership at $ 425,000 per acres, on a phased basis, in return for a 50 percent interest in the Partnership and the income from the proposed development.

In turn, the Developer will make cash equity payment contribution equivalent to the value of the land vended into the partnership by CMHF subject to the granting of funding by the Health Region for 150 Multi Level Care beds

"Based on occupancy levels of our current operations, and record-breaking pre-opening sales and leases for Langley Gardens, our expectations for this latest development partnership are justifiably high," adds Ho.

CPAC is strengthening its portfolio of properties through the acquisition of existing facilities and the development of new communities. The Company's 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 a position of strength from which 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
Vice President / Director

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