Statement of Net Revenue of the

RENTAL POOL - LE JOHANNSEN AND LE DESLAURIERS

Year ended October 31, 2019

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INDEPENDENT AUDITORS' REPORT

To the owners of units of Le Johannsen and Le Deslauriers

Opinion

We have audited the accompanying statement of net revenue of Rental Pool - Le Johannsen and Le Deslauriers (the "Entity") for the year ended October 31, 2019, and notes, comprising a summary of significant accounting policies (hereinafter referred to as the "statement of net revenue"). The statement of net revenue has been prepared by management in accordance with the financial reporting provisions in paragraph 4.1.2 of the Master Rental Pool Agreement dated November 1, 2002.

In our opinion, the statement of net revenue of Rental Pool - Le Johannsen and Le Deslauriers for the year ended October 31, 2019 is prepared, in all material respects, in accordance with the financial reporting provisions in paragraph 4.1.2 of the Master Rental Pool Agreement dated November 1, 2002.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the ***"Auditors' Responsibilities for the Audit of the Statement of Net Revenue"*** section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the statement of net revenue of the Rental Pool and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Financial Reporting Framework

Without modifying our opinion, we draw attention to Note 2 to the statement of net revenue, which describes the basis of accounting. The statement of net revenue is prepared to provide information to the owners of units of Le Johannsen and Le Deslauriers. As a result, the statement of net revenue may not be suitable for another purpose. Our report is intended solely for the owners of units of Le Johannsen and Le Deslauriers and should not be used by parties other than the owners of units of Le Johannsen and Le Deslauriers.

Responsibilities of Management for the Statement of Net Revenue

Management is responsible for the preparation of the statement of net revenue in accordance with the financial reporting provisions in paragraph 4.1.2 of the Master Rental Pool Agreement dated November 1, 2002; this includes determining that the basis of accounting is an acceptable basis for the preparation of the statement of net revenue in the circumstances, and for such internal control as management determines is necessary to enable the preparation of a statement of net revenue that is free from material misstatement, whether due to fraud or error.

In preparing the statement of net revenue, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Statement of Net Revenue

Our objectives are to obtain reasonable assurance about whether the statement of net revenue as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the statement of net revenue.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the statement of net revenue, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP*

Montréal, Canada

February 19, 2020

*CPA auditor, CA, public accountancy permit No. A115894

RENTAL POOL - LE JOHANNSEN AND LE DESLAURIERS

Statement of Net Revenue

Year ended October 31, 2019, with comparative information for 2018

	2019	2018
Rental revenue	$ 2,924,083	$ 3,086,184
Cancellation fees and parking revenues and premium internet	137,824	150,500
Gross rental pool revenue	3,061,907	3,236,684
Less:		
Credit card charges	60,166	57,847
Agents' commissions	256,409	282,299
Adjusted gross revenue	2,745,332	2,896,538
Less:		
50% share of revenue to Mont Tremblant Resorts and Company, Limited Partnership	1,372,666	1,448,269
Net revenue	$ 1,372,666	$ 1,448,269
Allocation of net revenue to owners:		
Occupancy fees	$ 285,375	$ 311,551
Revenue	1,087,291	1,136,718
	$ 1,372,666	$ 1,448,269

See accompanying notes to the statement of net revenue.

Approved by:

Station Mont Tremblant

Marie-Josée Leroux, CPA, CA

Station Mont Tremblant

Marie-Ève Benoit, CPA, CGA

1. Nature of project:

Le Johannsen and Le Deslauriers are two resort hotel condominium projects developed by Johannsen-Deslauriers, Limited Partnership, a limited partnership formed under the laws of Québec. The rental pool began its operations on October 28, 2002.

Le Johannsen and Le Deslauriers are two buildings containing, among others, a total of 136 units, each unit consisting of one condominium apartment. As at October 31, 2019, 87 units (92 units as at October 31, 2018) were participating in the rental pool.

Mont Tremblant Resorts and Company, Limited Partnership is the administrator of the Rental Pool - Le Johannsen and Le Deslauriers.

2. Basis of accounting:

The financial reporting provisions in paragraph 5.7 of the Master Rental Pool Agreement dated November 1, 2002 require the statement of net revenue to be prepared using an accrual basis accounting.

3. Significant accounting policies and interpretation:

(a) Revenue recognition:

Gross rental pool revenues mean all revenues attributable to or payable for rental of the units and from rental of the meeting space, but shall exclude any sales or rentals of ancillary goods or services, such as movie rentals, telephone income, internet, and value-added packages offered to the user of the units which include, but are not limited to, revenue from the use of the gondola during the summer period, certain activities available and offered on the resort and access to the Aquaclub. Gross sales shall not include any Tremblant Resort Association ("TRA") royalty which will be added to the rent charged by the rental pool operator.

Net rental pool revenue for any day means 50% of the net amount of the gross rental pool revenue less agents' commissions and credit card charges.

(b) Distribution of net rental pool revenue to owners:

Net rental pool revenue is allocated to the owners, on a daily basis, as follows:

(i)	Net rental pool revenue minus occupancy fees for all units during such day.	x	Unit factor of such unit divided by the sum of all unit factors of all units in the rental pool on such day.

(ii) Occupancy fees attributable to the unit for such day.

4. OMAPS:

Operating expenses included in the rental price of the rooms but billed to the owners as a deduction from rental revenue ("OMAPS") amounted to $111,504 as at October 31, 2019 (2018 - $157,673) and are detailed below:

	2019	2018
Aquaclub	$ 72,562	$ 104,331
Internet	–	1,126
Lift - First tracks and Summer	38,942	52,216
	$ 111,504	$ 157,673