

EXHIBIT "B"

FORM 35 – DECLARATION OF STATUTORY BUILDING SCHEME

LAND TITLE ACT

FORM 35

(Section 220(1))

DECLARATION OF BUILDING SCHEME

NATURE OF INTEREST: CHARGE: BUILDING SCHEME AND PRIORITY OF
BUILDING SCHEME OVER MORTGAGE
NO. CA5505723

HEREWITH FEE OF: \$ _____

Address of person entitled to apply to register this building scheme: _____

580049 B.C. LTD. (Incorporation No. BC0580049), of 215 – 8171 Cook Road, Richmond, British Columbia V6Y 3T8

Full name, address, telephone number of person presenting application: MARK V. LEWIS, Bennett Jones LLP, Suite 2200, 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9 604-891-7500

(File No. 79855.2)

SIGNATURE OF SOLICITOR

We, 580049 B.C. LTD. (Incorporation No. BC0580049), a company incorporated under the laws of British Columbia under No. BC0580049, having an office at 215 – 8171 Cook Road, Richmond, British Columbia V6Y 3T8 declare that:

1. We are the registered owner in fee simple of the following land (herein called the "**Lots**"):

No Parcel Identifier Number
Lots 1-24, District Lot 211, Lillooet District Plan EPP _____
2. We hereby create a building scheme relating to the Lots.
3. A sale of any of the Lots is subject to the restrictions enumerated in the schedule attached or annexed hereto.
4. The restrictions shall be for the benefit of all the Lots.

Officer Signature(s)

Execution Date

Party(ies) Signature(s)

Name: _____

Y	M	D

580049 B.C. LTD., by its authorized signatories

Name: _____

Name: _____

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

CONSENT AND PRIORITY AGREEMENT OF CHARGEHOLDER

We, Feran Investments Ltd (as to a 46.666% interest) with postal address 106 – 1656 Martin Drive, Surrey, British Columbia, V4A 6E7, Cook Place Apts. Ltd. (as to a 26.667% interest) with postal address 215 – 8171 Cook Road, Richmond, British Columbia V6Y 3T8 and W. Biro Construction Ltd. (as to a 26.667% interest) with postal address 215 – 8171 Cook Road, Richmond, British Columbia V6Y 3T8, collectively the holders of Mortgage No. CA5505723, consent to the registration of the above Declaration of Building Scheme and agree that it shall have priority over our charges.

Officer Signature(s)

Execution Date

Chargeholder(s) Signatures(s)

Name: _____

Y	M	D

FERAN INVESTMENTS LTD., by its authorized signatories

Name: _____

Name: _____

Officer Signature(s)

Execution Date

Chargeholder(s) Signatures(s)

Name: _____

Y	M	D

COOK PLACE APTS. LTD., by its authorized signatories

Name: _____

Name: _____

Officer Signature(s)

Execution Date

Chargeholder(s) Signatures(s)

Name: _____

Y	M	D

W. BIRO CONSTRUCTION LTD., by its authorized signatories

Name: _____

Name: _____

- NOTE:
1. The consent and grant of priority of chargeholders may be in separate counterparts of Form 35.
 2. The execution of all declaring or consenting parties must be witnessed in accordance with Part 5 of the *Land Title Act*.
 3. The type and registration number of the charge must be typed or printed immediately below the signature of the owner of the charge.

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

SCHEDULE OF RESTRICTIONS

SUNSTONE PEMBERTON – PHASE 1B

1. Unless specifically permitted in writing by the Administrator (as hereinafter defined), no person will commence any improvements of any sort (collectively or individually herein referred to as "**Improvements**"), including without limitation, any:
 - (a) excavation or removal of any fill, trees or ground cover;
 - (b) application for development approval or a building permit;
 - (c) construction of any buildings or other improvements of whatsoever nature; or
 - (d) landscape treatment,on any of the Lots without first:
 - (i) submitting such plans and specifications for the Improvements (the "**Plans and Specifications**") to the Administrator, or an approving agent designated by the Administrator from time to time (the "**Designate**"), of the prior written approval by the Administrator (or Designate);
 - (ii) submitting the name of a qualified building contractor pre-approved by and included on a list of building contractors provided by the Administrator to be engaged as the principal builder of the Improvements (the "**Building Contractor**") to the Administrator, for the prior written approval by the Administrator (or Designate) in its sole discretion; and
 - (iii) complying with the provisions set out herein and obtaining all approvals contemplated hereunder from the Administrator.

Any Plans and Specifications submitted for approval shall be in a form and content satisfactory to the Administrator (or the Designate). The Administrator (or the Designate) shall receive and consider the Plans and Specifications in a timely manner and either grant or reject approval of such Plans and Specifications, or make recommendations for alterations of such Plans and Specifications, provided always that the Administrator (or the Designate) shall not act arbitrarily.

2. No alterations or modifications to any Improvements shall be made without prior written approval of the Administrator (or the Designate), and the approval criteria and procedures herein and in the design guidelines then in effect shall apply to all such alterations and modifications.
3. Without limiting the generality of section 1 or section 2:
 - (a) no removal of any trees, foliage, ground-cover or other natural features will be carried out at any time on the Lots except as approved by the Administrator;

- (b) no structure of a temporary character, including mobile homes, recreational vehicles (RVs), camper trailers, tents, shacks or other outbuildings shall be used for residential purposes on a Lot; and
 - (c) no construction trailers, field offices or the like may be brought onto a Lot without the prior written approval of the Administrator (or the Designate), which approval may be withheld at the discretion of the Administrator (or the Designate). If so approved, temporary structures shall be located only in a location approved by the Administrator (or the Designate) and shall be removed within fifteen (15) days after completion of construction of the Improvements on the Lot on which the structure is located.
- 4.
- (a) After a person commences construction of any Improvements on a Lot upon complying with the requirements set out herein, such person shall not discontinue the construction of such Improvements until the same are completed in all respects in accordance with the approved Plans and Specifications.
 - (b) No owner of a Lot shall fail to substantially complete the construction of the Improvements as to their external appearance, including finished painting, and exterior landscaping, all in accordance with the approved Plans and Specifications, within the 18 month period after such owner obtains a building permit from the Village of Pemberton for the Improvements, unless the Administrator (or the Designate), in its sole discretion, provides its prior written approval for an alternative schedule for the completion of the Improvements.
 - (c) No owner will cause or permit any Improvements on his or her Lot to deteriorate or become unsightly or incompatible with the general character of the neighbourhood in which the Lot is situated, whether as a result of lack of regular and reasonable upkeep, maintenance and repair, or for any other reason whatsoever.
 - (d) No visible billboard, placard, advertising or signage of any kind will be permitted within a Lot except for signage. All signage shall be approved by the Administrator (or the Designate), in its sole discretion, prior to the installation of such signage.
 - (e) Notwithstanding subsections 4(a) and (c), a person will not be in breach of the restrictions therein if such construction is interrupted by reason of strike, lockout, labour dispute, act of God, inability to obtain labour or materials or both, enemy or hostile action, civil commotion, and fire or other casualty provided that such person takes such steps as are available to it to minimize the effect of such occurrences and diligently recommences construction after each such occurrence.
5. Following approval of the Plans and Specifications, no construction of Improvements will be commenced or carried out on the Lots:
- (a) except in accordance with the approved Plans and Specifications;

- (b) other than by the Building Contractor approved by the Administrator (or Designate), employees of such Building Contractor, or subcontractors engaged by the Building Contractor, to construct Improvements on the Lot; and
 - (c) except in compliance with all applicable laws, ordinances, rules, regulations or orders of the Province of British Columbia, the Village of Pemberton or any other governmental or municipal authorities having jurisdiction with respect thereto.
6. No person carrying out any works upon a Lot shall damage roads, sidewalks, curbs, landscape elements, gas lines, telephone lines, sewers, water lines, electrical distribution equipment or other utilities, nor shall construct Improvements (including, without limitation, driveways and fences) on a Lot that will impede or interfere with access of adjacent Lot owners to any underground services or utilities installed along the property line of two or more Lots.
7. In this Schedule of Restrictions, "**Administrator**" means:
- (a) Sunstone Ridge Developments Ltd. ("**SRD**"); or
 - (b) such other person appointed from time to time by 580 to replace SRD; or
 - (c) an assignee from time to time of 580's rights and functions hereunder who may elect to replace SRD,

and the Administrator shall have, and is hereby granted, the authority but not the obligation to enforce these restrictions on behalf of any Lot owner in such owner's name but at the Administrator's sole expense.

8. No owner will permit any damaged Improvements to remain in their damaged state unless the owner is pursuing with all due diligence reasonable steps to either repair the damaged Improvements to their pre-damaged condition or to completely remove the damaged Improvements and restore and clean up the Lot in a good and workmanlike manner forthwith after such removal.
9. No material alteration to or modification, maintenance or repair of any Improvements will be carried out unless Plans and Specifications are submitted to and approved by the Administrator in accordance with this Building Scheme and unless the owner of a Lot complies with all other provisions of this Building Scheme in respect thereof as if they were new Improvements.
10. The Administrator reserves the right to exempt any Lot remaining undisposed of at the time the exemption takes effect from all or any of the restrictions and benefits herein.
11. Any notice, demand or other communication to the Administrator in respect of this Building Scheme will be in writing and may be given to the Administrator at the address first set out above, or such other address as the Administrator may notify the owner in accordance with this section 11. Any notice, demand or other communication to any owner in respect of this Building Scheme will be in writing and may be given to the owner of the

Lot at the owner's address shown on title to the Lot according to Land Title Office records. A written notice, demand or other communication will be deemed to be received (i) when delivered, if delivered by hand, or (ii) five business days after the mailing thereof, if mailed by postage prepaid mail in a post office box in the Province of British Columbia.

12. The provisions of this Building Scheme are in addition to, and not in substitution for, any other applicable laws, bylaws, rules, regulations or orders of any applicable authority and any other contractual requirements or requirement under any encumbrance registered against title to the Lots.
13. Any owner of a Lot will have the authority to enforce any provision of this Building Scheme, but under no circumstances will any owner of a Lot, or 580 or the Administrator, have the obligation to enforce any of these restrictions. In addition to any other remedies available at law or in equity, a court of competent jurisdiction may order injunctive relief restraining any breach of any provision of this Building Scheme or mandating the performance of any act or thing in order to cure any breach of any provision of this Building Scheme.
14. No owner of a Lot will be liable for any breach of this Building Scheme in respect of any Lot to the extent that such breach arises after such person has ceased to be the owner of the Lot.
15. This Building Scheme will run with and bind each of the Lots and each and every portion thereof for the benefit of all of the owners of the Lots and will render each and every owner or occupier of the Lot at any time and from time to time subject to the restrictions hereof.
16. If any provision of this Building Scheme is found by a court of competent jurisdiction to be void or unenforceable, such provision will be severed from this Building Scheme and the remaining provisions of this Building Scheme will remain in full force and effect.
17. This Building Scheme will expire and be of no further force or effect on the date which is 80 years after the date of the registration hereof in the Land Title Office.

END OF DOCUMENT