

THIRD AMENDMENT TO DISCLOSURE STATEMENT

(Amending the Disclosure Statement dated September 27, 2018 as amended by a First Amendment to Disclosure Statement dated June 27, 2019 and a Second Amendment to Disclosure Statement dated October 11, 2019.)

This Third Amendment to Disclosure Statement is dated July 14, 2020.



PHASE 1B

DEVELOPER

580049 B.C. LTD.

SUNSTONE RIDGE DEVELOPMENTS LTD.

Address for Service and Business Address

1200 – 200 Burrard Street
Vancouver, B.C.
V7X 1T2

Real Estate Brokerage

Whistler Real Estate Company Ltd.
17-4308 Main Street
Whistler, B.C.
V0N 1B4

The Developer reserves the right to use its own employees to market the subdivision lots being offered for sale pursuant to this Disclosure Statement. Any employees of the Developer who market the offered subdivision lots on behalf of the Developer may not be licensed under the *Real Estate Services Act* (British Columbia) and are not acting on behalf of the purchasers.

This Disclosure Statement has been filed with the Superintendent of Real Estate, but neither the Superintendent, nor any other authority of the government of the Province of British Columbia, has determined the merits of any statement contained in the Disclosure Statement, or whether the Disclosure Statement contains a misrepresentation or otherwise fails to comply with the requirements of the *Real Estate Development Marketing Act*. It is the responsibility of the developer to disclose plainly all material facts, without misrepresentation.

This Third Amendment to Disclosure Statement amends the Disclosure Statement dated September 27, 2018, as amended by a First Amendment to Disclosure Statement dated June 27, 2019 and a Second Amendment to Disclosure Statement dated October 11, 2019 (collectively, the "**Disclosure Statement**") with respect to an offering by Sunstone Ridge Developments Ltd. and 580049 B.C. Ltd. (together, the "**Developer**") for the sale of certain subdivision lots located in the Village of Pemberton, British Columbia in a development known as "Sunstone Pemberton, Phase 1B". All capitalized terms used herein shall have the meanings given to them in the Disclosure Statement, unless expressly defined herein.

The Disclosure Statement is hereby amended as follows:

1. The cover page is amended by deleting the Developer's address for service and business address in its entirety and replacing it with "1200 – 200 Burrard Street, Vancouver, BC V7X 1T2".
2. Section 1.3 is amended by deleting the words "701 – 1155 Robson Street, Vancouver, B.C. V6E 1B5" in their entirety and replacing them with the words "1200 – 200 Burrard Street, Vancouver, BC V7X 1T2".

3. Section 2.1 is amended by deleting the second paragraph in its entirety and replacing it with the following:

"The Developer has subdivided the Lands into twenty-four (24) lots (the "**Lots**") under Plan EPP96420 which has been fully registered with the Land Title Office, a copy of which is attached as Exhibit "A"."

4. Section 3.1(g) is deleted in its entirety and replaced with the following:

"Access: Access to the Development is by municipal road. The Developer has completed all curb and gutter work and has posted a bond with the Village to secure performance of any outstanding work."

5. Section 4.1 is deleted in its entirety and replaced with the following:

"The Lands are legally described as follows:

Parcel Identifier: 030-259-053
Lot B District Lot 211 Lillooet District Plan EPP74427

(the "**Lands**")

A portion of the Lands has subsequently been subdivided into the Lots, which are legally described as follows:

Lots 1 – 24
District Lot 211 Lillooet District Plan EPP96240"

6. Section 4.3 is deleted in its entirety and replaced with the following:

"The Lots are subject to the following existing encumbrances and legal notations, except as noted below:

(a) There are no legal notations registered against titles to the Lots.

(b) Encumbrances:

i. Undersurface Rights KD99112

This is a charge in favour of The Crown in Right of British Columbia under section 50 of the *Land Act* which reserves the rights to all mines and minerals, including all gas and petroleum, located under Lot 12 District Lot 211 Lillooet District Plan EPP96240 ("**Lot 12**") and restricts the use or extraction of these mines and minerals by the owner of Lot 12.

ii. Mortgage CA5505723

This is a mortgage granted by 580 in favour of Feran Investments Ltd. (as to a 46.666% interest), Cook Place Apts. Ltd. (as to a 26.667% interest) and W. Biro Construction Ltd. (as to a 26.667% interest) (collectively, the "**Lenders' Charge**"). The Lenders' Charge will be discharged, insofar as it relates to any particular Lot, within a reasonable amount of time following the completion of the sale of such Lot.

iii. Statutory Right of Way CA7789517 and Priority Agreement CA7789518

This statutory right of way is granted in favour of Sunstone with respect to Lot 12 which allows Sunstone the right to access Lot 12 for the purposes of installing, inspecting and repairing certain water and sewer works on Lot 12. Priority Agreement CA7789518 grants Statutory Right of Way CA7789517 priority over the Lenders' Charge.

iv. Easement CA7789523 and Priority Agreement CA7789524

This easement is granted over Lot 12 in favour of Lot 11 District Lot 211 Lillooet District Plan EPP96240 ("**Lot 11**") to allow the owner of Lot 11 access to Lot 12 for the purposes of installing, inspecting and repairing certain storm and sanitary works. Priority Agreement CA7789524 grants Easement CA7789523 priority over the Lenders' Charge.

v. Statutory Right of Way CA7243289 and Priority Agreement CA7243291

This statutory right of way is granted in favour of BC Hydro and permits access to the Lots in order to install, operate, maintain, replace, upgrade and repair electrical utilities on and under the Lots. Priority Agreement CA7243291 grants Statutory Right of Way CA7243289 priority over the Lenders' Charge.

vi. Statutory Right of Way CA7243290 and Priority Agreement CA7243292

This statutory right of way is granted in favour of Telus and permits Telus to access the Lots in order to place, operate, repair, maintain and remove on and under the Lots one or more cables for telecommunications, data transmission, power and grounding, underground ducts, below-ground equipment enclosures and related work and additional ancillary rights to access, repair and service such works. Priority Agreement CA7243292 grants Statutory Right of Way CA7243290 priority over the Lenders' Charge.

vii. Easement CA7789525 and Priority Agreement CA7789526

This nuisance easement is granted in favour of the owner of Lot 8 District Lot 211 Lillooet District Plan EPP96240 (the "**Festival Lands**") located adjacent to the Lots to allow an outdoor music festival from time to time on the Festival Lands.

The owner of the Lots is granting such easement and rights in relation to any noise, vibration, dust, lights or other actions or occurrences which may cause a nuisance in relation to any outdoor performance or festival which may be carried out on the Festival Lands. The owner further agrees not to make any claim or take any action against the owner of the Festival Lands in regards to the items listed in such easement. Priority Agreement CA7789526 grants Easement CA7789525 priority over the Lenders' Charge.

- viii. Restrictive Covenant CA7789527, Priority Agreement CA7789528, Covenant CA7789529 and Priority Agreement CA7789530

This restrictive covenant is granted in favour of the British Columbia Railway Company ("**BCRC**") in which the owner of the Lots acknowledges that there are railway lands adjacent to or abutting the Lots (the "**Railway Lands**"). The owner of the Lots agrees not to use the Lots in any way that would adversely affect the lateral support or the stability of the slope between the Lots and the Railway Lands, nor the existing grades or the drainage patterns on or effecting the Railway Lands. The owner of the Lots also agrees not to object to the Railway Lands being used for railway purposes or to any noise and vibration or any other effect associated with such use. The owner of the Lots covenants to indemnify and save harmless BCRC in relation to any of the items listed in this restrictive covenant. Such restrictive covenant and covenant are to be assumed by way of written agreement by any subsequent owner of one or more of the Lots, which written agreement must be delivered to BCRC once fully executed. Priority Agreement CA7789528 and Priority Agreement CA7789530 grant Restrictive Covenant CA7789527 and Covenant CA7789529 priority over the Lenders' Charge.

- ix. Statutory Building Scheme CA7789587

This statutory building scheme is the Statutory Building Scheme referenced in section 2.3 herein and is attached as Exhibit "B" hereto."

7. Section 7.1 is amended by deleting the words "Kaplan & Waddell" in their entirety and replacing them with the words "Bell Alliance LLP".
8. Section 7.2(c)(ii) is amended by deleting the words "or from filing of the Final Plan" in their entirety.
9. Exhibit "D" – Contract of Purchase and Sale is deleted in its entirety and replaced with Exhibit "D" – Contract of Purchase and Sale, attached hereto.

Deemed Reliance

Section 22 of the *Real Estate Development Marketing Act* provides that every purchaser who is entitled to receive this Disclosure Statement is deemed to have relied on any false or misleading statement of a material fact contained in this Disclosure Statement, if any, and any omission to state a material fact. The Developer, its directors and any person who has signed or authorized the filing of this Disclosure Statement are liable to compensate the purchaser for any misrepresentation, subject to any defences available under Section 22 of the Act.

Developer's Declaration

The foregoing statements disclose, without representation, all material facts relating to the Development referred to above, as required by the *Real Estate Development Marketing Act* of British Columbia, as of July 14, 2020.

SUNSTONE RIDGE DEVELOPMENTS LTD., by
its authorized signatories:

Per: 
Authorized Signatory

Per: _____
Authorized Signatory

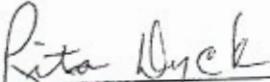
The Directors of Sunstone Ridge Developments
Ltd. in their personal capacity:

JAMES DALES

JEREMY TURNER

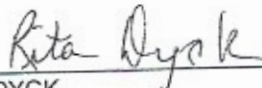
580049 B.C. LTD., by its authorized signatories:

Per: 
Authorized Signatory

Per: 
Authorized Signatory

The Directors of 580049 B.C. Ltd. in their
personal capacity:


WERNER BIRO


RITA DYCK


Deemed Reliance

Section 22 of the *Real Estate Development Marketing Act* provides that every purchaser who is entitled to receive this Disclosure Statement is deemed to have relied on any false or misleading statement of a material fact contained in this Disclosure Statement, if any, and any omission to state a material fact. The Developer, its directors and any person who has signed or authorized the filing of this Disclosure Statement are liable to compensate the purchaser for any misrepresentation, subject to any defences available under Section 22 of the Act.

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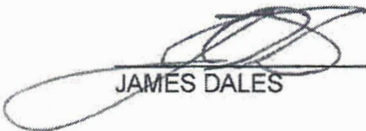
SUNSTONE RIDGE DEVELOPMENTS LTD., by
its authorized signatories:

Per: 


Authorized Signatory

Per: _____
Authorized Signatory

The Directors of Sunstone Ridge Developments
Ltd. in their personal capacity:



JAMES DALES



JEREMY TURNER

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

Per: _____
Authorized Signatory

Per: _____
Authorized Signatory

The Directors of 580049 B.C. Ltd. in their
personal capacity:

WERNER BIRO

RITA DYCK

EXHIBIT "D"

CONTRACT OF PURCHASE AND SALE



PHASE 1B

CONTRACT OF PURCHASE AND SALE
(the "Contract")

Prepared By: _____ Date of Purchaser's Offer mm/dd/year: _____

Agent: _____ (the "Agent")

TO: **SUNSTONE RIDGE DEVELOPMENTS LTD.**
(the "Vendor")

I/we,

Name: _____
(First, Initial, Last)

Name: _____
(First, Initial, Last)

Address:

Address:

City: _____

City: _____

Province: _____ Postal Code: _____

Province: _____ Postal Code: _____

Tel (Res): _____

Tel (Res): _____

Tel (Bus): _____

Tel (Bus): _____

Tel (Mobile): _____

Tel (Mobile): _____

Fax: _____

Fax: _____

E-mail: _____

E-mail: _____

SIN: _____

SIN: _____

(collectively, the "**Purchaser**"), offer to purchase lot _____ (the "**Lot**") civically described as _____, and shown in the subdivision plan (the "**Plan**") attached as Exhibit "A" to the Disclosure Statement (as hereafter defined) for the development known as "Sunstone Pemberton, Phase 1B" (the "**Development**"), located in the Village of Pemberton, BC, at the purchase price and subject to the terms and conditions contained herein.

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DEPOSITS AND PURCHASE PRICE

The purchase price (the "**Purchase Price**") for the Lot is the sum of _____ Dollars (Canadian) \$_____ payable as follows:

- 1. DEPOSIT (the "**Deposit**") equal to five percent (5%) of the Purchase Price, payable on that date which is the later of 7 days following the date on which this offer is accepted by the Vendor (the "**Acceptance Date**") or, if the Contract contains Purchaser's Conditions, then upon the satisfaction, removal or waiver of the Purchaser's conditions as set out in the Purchaser's Conditions Addendum forming a part of and attached to this Contract (the "**Purchaser's Conditions**"); and \$_____
- 2. The balance (the "**Balance**") upon completion: \$_____

The Purchaser certifies that she/he is a resident of _____ (insert Country) under the *Income Tax Act* (Canada).

The Purchase Price does not include sales tax (including without limitation goods and services tax or any other sales or value added tax applicable to the Purchase Price, as applicable) ("**Sales Tax**"), which must be added to the Purchase Price and paid in full to the Vendor by the Purchaser on the Completion Date.

THE TERMS AND CONDITIONS ATTACHED ARE PART OF THIS CONTRACT. READ THEM CAREFULLY BEFORE YOU SIGN THIS CONTRACT.

This offer to purchase will be open for acceptance by the Vendor until _____ o'clock _____m. on _____, 202__ (unless withdrawn in writing with notification to the Vendor of such revocation prior to notification of its acceptance), and upon acceptance of the offer, by the Vendor accepting in writing and notifying the Purchaser of such acceptance, there will be a binding Contract on the terms and conditions set out below.

IN WITNESS WHEREOF the Purchaser has executed this Contract this ____ day of _____, 202__.

(Witness)

(Purchaser)

(Witness)

(Purchaser)

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ACCEPTED BY THE VENDOR AT _____ o'clock ____m. this _____ day of _____, 202__.

SUNSTONE RIDGE DEVELOPMENTS LTD.,
by its authorized signatory:

Per: _____
(Authorized Signatory)

The Purchaser hereby acknowledges having received on or before the date of this Contract, and having had an opportunity to read a copy of, the Consolidated Disclosure Statement for the Development dated July 14, 2020 and including all amendments thereto, if any, filed up to the date of this Contract (collectively, the "**Disclosure Statement**").

The Purchaser acknowledges that it has read and understands the terms of the statutory building scheme and design guidelines applicable to the Development.

I/We hereby confirm that I/we have read this Contract and the terms and conditions attached hereto, and further confirm that other than the warranties and representations and terms and conditions contained herein and in the Disclosure Statement, **THERE HAVE BEEN NO OTHER REPRESENTATIONS OR WARRANTIES MADE BY THE VENDOR OR ITS AGENTS, EITHER VERBALLY OR THROUGH ANY BROCHURES OR MARKETING MATERIALS FOR THE DEVELOPMENT WITH RESPECT TO THE LOT OR THE DEVELOPMENT AND THERE ARE NO OTHER AGREEMENTS, TERMS, OR CONDITIONS, REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE LOT OR THE DEVELOPMENT OTHER THAN AS EXPRESSLY SET FORTH IN THIS CONTRACT.**

(Witness)

(Purchaser)

(Witness)

(Purchaser)

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PHASE 1B

TERMS AND CONDITIONS ATTACHED TO CONTRACT OF PURCHASE AND SALE

**ARTICLE 1
OFFER, DESCRIPTION OF LOT**

1.1 The Purchaser hereby offers, and if this offer is accepted by the Vendor, agrees to purchase from the Vendor, the Lot at the Purchase Price and upon and subject to the terms and conditions set forth below. The Purchaser acknowledges that he or she or it is purchasing a subdivision lot that does not have any improvements constructed upon it, except as set out in the Disclosure Statement.

1.2 The Lot is legally described as:

PID: _____

Lot ____ District Lot 211 Lillooet District Plan EPP96240

**ARTICLE 2
PURCHASE PRICE, DEPOSIT AND PAYMENT**

2.1 The Purchaser shall pay the Purchase Price to the Vendor as follows:

- (a) the Deposit equal to five percent (5%) of the Purchase Price, payable on that date which is the later of 7 days following the Acceptance Date or if the Contract contains Purchaser's Conditions, then upon the satisfaction, removal or waiver of the Purchaser's Conditions (the "**Deposit**");
- (b) the Deposit shall be paid by the Purchaser, within the time provided in this Contract, by way of personal cheque, certified cheque or bank draft made payable to the solicitors for the Vendor, Bell Alliance LLP, (the "**Vendor's Solicitors**") and delivered to the Agent. All deposits are to be held in trust by the Vendor's Solicitors, or any other deposit trustee designated from time to time by the Vendor in its discretion, in accordance with the *Real Estate Development Marketing Act* (British Columbia) and all amendments thereto. If the Purchaser fails to pay the Deposit as required by this Contract, the provisions of paragraph 7.1 shall apply; and
- (c) the Balance of the Purchase Price, as adjusted pursuant to paragraphs 5.1 and 5.4 and all Tax (as defined below), shall be paid by the Purchaser to the order of the Vendor or as the Vendor shall direct on the Completion Date by way of certified cheque or bank draft delivered to the Vendor's solicitor at the expense of the Purchaser.

2.2 Subject to paragraph 2.3, the Deposit shall be dealt with as follows:

- (a) at such time as the Deposit, or any portion thereof, is delivered, if the Deposit exceeds \$10,000.00 and the Completion Date is in excess of 32 days from the date of execution of this Contract by the parties, the Vendor shall cause the Deposit to be deposited in an interest-bearing trust account with a Canadian chartered bank or trust company authorized to carry on business in British Columbia with interest, if any, to accrue to the benefit of the Vendor except as otherwise expressly provided herein;
- (b) if the Purchaser completes the purchase of the Lot on the terms and conditions herein contained, then the interest earned on the Deposit, if any, shall be paid to the Vendor after the Completion Date and the Deposit shall be paid to the Vendor and applied to the Purchase Price on the Completion Date;
- (c) in all circumstances where the Purchaser has provided a cheque for the Deposit, or any portion thereof, which is returned for insufficient funds or defective for any reason whatsoever, the Vendor or the Vendor's Solicitors will be entitled to charge the Purchaser an administration fee in the sum of \$150.00 which the Purchaser shall pay on the Completion Date;

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- (d) if the Purchaser's Conditions (if any) are not waived, removed or satisfied by the Purchaser within the times required, then the Initial Deposit shall be paid to the Purchaser, any interest accrued thereon shall be paid to the Vendor, and this Contract shall terminate and be of no further force or effect;

2.3 The Vendor and the Purchaser hereby irrevocably authorize the Vendor's Solicitors:

- (a) to deal with the Deposit and all interest earned thereon in accordance with the provisions of paragraph 2.2 hereof, notwithstanding the provisions of sections 28 and 29 of the *Real Estate Services Act* (British Columbia);
- (b) to interplead the Deposit and all interest thereon, at the expense of the party ultimately determined to be entitled to such funds, should any dispute arise regarding the obligations of the Vendor's Solicitors with respect to the Deposit; and
- (c) to transfer the Deposit to any other deposit trustee designated from time to time by the Vendor in its discretion in accordance with the *Real Estate Development Marketing Act* (British Columbia) and all amendments thereto.

**ARTICLE 3
COMPLETION AND POSSESSION DATES**

3.1 The completion of the purchase and sale of the Lot is _____ (herein called the "**Completion Date**").

3.2 *Intentionally deleted.*

3.3 If the Purchase Price and all other amounts payable by the Purchaser to the Vendor under the Contract have been paid in full, then the Purchaser may have possession of the Lot on the day following the Completion Date (the "**Possession Date**").

**ARTICLE 4
CONSTRUCTION AND WARRANTY**

4.1 The Vendor has completed the installation of water, sanitary sewer and storm sewer services, and ducts for the provision of hydro, cablevision and telephone services (or equivalent) to the lot lines of each Lot by the Completion Date subject to Article 3. The Purchase Price does not include any improvements on the Lot.

4.2 If the Vendor is delayed from completing the installation of utilities and services to the Lot as a result of fire, explosion or accident, howsoever caused, act of any government authority, strike, lockout, inability to obtain or delay in obtaining labour, materials or equipment, flood, act of God, delay or failure by carriers or contractors, unavailability of supplies or materials, breakage or other casualty, climatic conditions, interference of the Purchaser, or any other event beyond the control of the Vendor, then the Completion Date will be extended for a period equivalent to such period of delay.

4.3 The Purchaser acknowledges that there are no construction, manufacturer or other warranties, conditions, or guarantees, whether collateral, implied by law (statutory or otherwise), provided by the Vendor in connection with the Lot.

4.4 The Purchaser acknowledges that the area of the Lot as shown on the Plan and filed in the Land Title Office may vary from the figures shown on any proposed plans and in the marketing material for the Development.

4.5 The dimensions, lot lines and location of the lots in the Development are set out in the Plan and may vary from what is depicted on any proposed plan. The areas and dimensions of the lots in the Development set out on the sales brochures or other marketing materials, which are based on proposed plans, are provided for information purposes only and are not represented as being the actual final areas and dimensions of the lots in the Development. In the event of any discrepancy as between the area, size, dimensions, location and/or configuration of the lots between any proposed plans and the Plan, the latter shall prevail.

4.6 The Purchaser acknowledges that the Vendor may from time to time, in its sole discretion, make any changes to the Lot or the Development, as may be required by any governmental authority; and all without notice or compensation to or consent from the Purchaser.

4.7 The Purchaser acknowledges and agrees that the Purchaser has no right to request and the Vendor is not obligated to make any customized changes to the Lot.

**ARTICLE 5
CONVEYANCE, RISK AND ADJUSTMENT**

5.1 The Purchaser will cause his or her solicitor to prepare and deliver to the Vendor for execution at least five days prior to the Completion Date, the Vendor's statement of adjustments and a Form A Transfer (the "**Transfer**") of the Lot. Provided the balance of the Purchase Price or satisfactory provision for its payment to the Vendor has been made, the Vendor will execute (or cause to be executed) and deliver such Transfer and the Vendor's statement of adjustments to the Purchaser's

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solicitor prior to the Completion Date on the condition that forthwith upon the Purchaser's solicitor obtaining a post-filing index search from the Land Title Office indicating that in the ordinary course of Land Title Office procedure the Purchaser will become the registered owner of the Lot subject only to the Permitted Encumbrances (and the Vendor's financing to be discharged), the Purchaser's solicitor, will cause the Balance to be paid on the Completion Date in accordance with section 5.2 hereof. In this Contract, "**Permitted Encumbrances**" means subsisting conditions, provisos, restrictions, exceptions and reservations, including royalties, contained in the original Crown grant or contained in any other grant or disposition from the Crown, registered or pending restrictive covenants and rights-of-way in favour of utilities and public authorities and owners of adjoining lands, covenants in favour of the Village of Pemberton under the *Land Title Act* (British Columbia), the charges and encumbrances listed in the Disclosure Statement, and except as otherwise set out herein. The Purchaser acknowledges that the Transfer will be executed by the registered owner of the Lot (being 580049 British Columbia Ltd.) and not the Vendor, and the Purchaser agrees to accept the Transfer signed by 580049 British Columbia Ltd. in satisfaction of section 6 of the *Property Law Act* (British Columbia).

- 5.2 On the Completion Date, the Purchaser must deliver by courier the balance of the Purchase Price to the Vendor or the Vendor's Solicitors, as directed by the Vendor, in the form of a single certified solicitor's or notary's trust cheque drawn on one of the five largest Canadian chartered banks, HSBC Bank Canada, Vancouver City Savings Credit Union or Coast Capital Credit Union. The Purchaser shall bear all certification and courier charges in connection with the delivery of the balance of the Purchase Price. The Purchaser acknowledges and agrees that it is the Purchaser's responsibility to ensure that the Transfer and all other Purchaser conveyance documentation are submitted to the Land Title Office in a timely manner on the Completion Date to ensure that the Vendor receives the balance of the Purchase Price on the Completion Date. Notwithstanding anything else contained in this Contract, the Purchaser acknowledges, agrees and accepts that the Vendor will not deliver to the Purchaser possession of the Lot prior to the Vendor receiving the Purchase Price and being able to deposit same into an interest-bearing account.
- 5.3 The Purchaser will pay all costs in connection with the sale and purchase of the Lot (including property transfer tax and any federal and provincial sales, goods and services, value added or other tax required to be paid by the Purchaser in connection with the purchase and sale of the Lot and the equipment and appliances included with the Lot), other than the costs of the Vendor incurred in clearing title to the Lot. Without limiting the generality of the foregoing, the Purchaser agrees that the Purchase Price does not include any goods and services tax, transition tax, harmonized sales tax or any other sales or value added tax applicable to the Purchase Price, as applicable (collectively, "**Tax**") and that, if and to the extent required under all applicable laws including, without limitation, the *Excise Tax Act* (Canada) and any other legislation in lieu thereof, or in addition thereto, the Purchaser will remit to the Vendor on the Completion Date any and all Tax that may be payable in respect of the transaction contemplated herein, and the Vendor agrees that it will remit such funds or otherwise account for such funds to Canada Revenue Agency or any other applicable authority (collectively, "**CRA**") in accordance with its obligations under applicable laws. The Purchaser covenants and agrees that it is the Purchaser's sole responsibility to apply for any Tax rebates that may be applicable or available and the Vendor will not credit the Purchaser with any rebates of any kind or nature which may be available from CRA. The Vendor makes no covenant, representation or warranty that any Tax rebates are applicable to the transaction contemplated herein, however, the Vendor will use reasonable commercial efforts to execute and complete any forms reasonably requested by the Purchaser to assist the Purchaser in obtaining any applicable Tax rebates, all at the Purchaser's sole cost and expense. The Purchaser will assume all taxes (including, without limitation, Sales Tax), rates, local improvement assessments, water rates, utilities, property transfer tax and social service tax payable in respect of any personal property included in the Purchase Price. All other adjustments both incoming and outgoing of whatever nature in respect of the Lot shall be made, as of the Completion Date (the "**Adjustment Date**"). If the amount of any such adjustments have been levied in respect of a parcel greater in area than the Lot, then the portion thereof which shall be allocated to the Lot shall be determined by prorating the total amount of such taxes, rates or assessments (or estimates of some) among all of the lots in the Development as reasonably determined by the Vendor.
- 5.4 The Lot and all other items included in the purchase and sale will be and remain at the risk of the Vendor until 12:01 a.m. on the Completion Date and thereafter will be at the risk of the Purchaser. In the event of material loss or damage to the Lot, which in the Vendor's opinion, acting reasonably, would set back construction of the services to be provided to the Lot by more than six months if the Vendor did choose to rebuild, occurring before the Possession Date by reason of fire, tempest, lightning, earthquake, flood, act of God or explosion, either party may, at its option, by written notice to the other party cancel this Contract and thereupon the Purchaser will be entitled to repayment of the Deposit, any interest accrued thereon shall be paid to the Vendor, and neither the Vendor nor the Purchaser shall have any further obligation hereunder. If neither party elects to cancel this Contract as aforesaid, then the Purchaser will complete the purchase of the Lot on the Completion Date and the amount of any insurance proceeds in respect of the material loss or damage to the Lot occurring prior to the passing of risk and not applied by the Vendor or the insurer to the cost of repairs (as the case may be, depending on whether the Vendor or the insurer has conduct of carrying out such repairs) will be assigned by the Vendor to the Purchaser. All other remedies and claims of the Purchaser in the event of such damage are hereby waived.
- 5.5 If the Vendor has existing financial charges to be cleared from title, the Vendor, while still required to clear such charges, then may wait to pay and discharge existing financial charges until immediately after receipt of the Purchase Price but, in this event, the Purchaser may pay the Purchase Price to the Vendor's Solicitors in trust, on undertakings to pay and arrange for the discharge of the financial charges. The Purchaser agrees that the Vendor will not be required to provide any discharges of security on personal property registered in the Personal Property Registry (British Columbia) until the loans secured by such financing charges have been repaid in full by the Vendor.
- 5.6 If the Purchaser is relying upon a new mortgage to finance the Purchase Price, then the Purchaser while still required to pay the Purchase Price on Completion Date, may wait to pay the Purchase Price to the Vendor until after the Transfer and

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the new mortgage documents have been lodged for registration in the Land Title Office, but only, if before such lodging, the Purchaser has:

- (a) made available for tender to the Vendor that portion of the Purchase Price not secured by the new mortgage;
- (b) fulfilled all of the new mortgagee's conditions for funding except lodging the mortgage for registration; and
- (c) made available to the Vendor, the Purchaser's solicitor's undertaking to pay the Purchase Price upon the lodging of the Transfer and new mortgage documents and the advance by the mortgagee of the mortgage proceeds.

**ARTICLE 6
ASSIGNMENT AND RESALE BY PURCHASER**

6.1 The Purchaser may not assign, market, list or sell his interest in the Lot or in this Contract without (a) the prior written approval of the Vendor of any such marketing or listing material, if applicable; and (b) the written consent of the Vendor, such consent not to be unreasonably withheld, and unless the Vendor so consents, the Vendor shall not be required to convey the Lot to anyone other than the Purchaser named herein. For the purposes of this section, the Vendor is deemed to have reasonably withheld its consent to an assignment if at the time of the Purchaser's request for the Vendor's consent there are Lots in the Development that the Vendor has not yet sold. If the Purchaser assigns or sells his interest in the Lot or in this Contract pursuant to the provisions of this paragraph 6.1, the Vendor will charge an administration fee equal to the greater of (i) 1% of the Purchase Price; and (ii) 25% of the increase in value between the original purchase price and the assignment price, as consideration for agreeing to the assignment of the Purchaser's interest in the Lot or in this Contract and for agreeing to convey the Lot to anyone other than the Purchaser, provided that the administration fee shall not be payable in the event of an assignment to an immediate family member or a privately held corporation controlled by the Purchaser. For the purposes of this section, "immediate family member" is defined as, and is limited to, a sibling, parent, grandparent, child, grandchild or spouse of the Purchaser. Following such assignment, the assignor will continue to remain liable to perform all obligations of the Purchaser under this Contract. If the Purchaser is a corporation or partnership, then a change in the controlling interest of such an entity shall be deemed to be an assignment under this Contract.

A "controlling interest" of an entity shall mean in this Contract the beneficial or legal ownership directly or indirectly of more than 50% of the voting securities or other ownership interests of such entity.

The Purchaser shall promptly deliver to the Vendor all information:

- (a) reasonably requested by the Vendor, regarding either the assignor or the assignee, in connection with a request by the Purchaser for the Vendor's consent to approve an assignment of this Contract including, but not limited to, information regarding:
 - (i) the identity of the parties;
 - (ii) the contact and business information of the parties; and
 - (iii) any information required under section 20.5 of the *Real Estate Development Marketing Act* (British Columbia).
- (b) required by any level of government (with respect to either the assignor or the assignee) for the Vendor to deliver thereto in connection with an assignment of this Contract.

The Purchaser acknowledges and agrees that, notwithstanding anything else contained in this paragraph 6.1, the Vendor is under no obligation to consent to any assignment of this Contract, including without limitation by way of adding a person to this Contract as an additional purchaser, if the Purchaser has not complied in full with the requirements of this paragraph 6.1.

**ARTICLE 7
MISCELLANEOUS**

7.1 Time is of the essence and, unless all payments on account of the Purchase Price, together with adjustments thereto as provided herein and all other amounts payable hereunder are paid when required, then the Vendor may at its option:

- (a) cancel this Contract by written notice to the Purchaser and in such event the amount theretofore paid by the Purchaser shall be absolutely forfeited to the Vendor on account of damages, without prejudice to the Vendor's other remedies and, notwithstanding any other provision herein, the Vendor's Solicitors are authorized to pay the amount held by them and such interest as may have accrued thereon to the Vendor upon written demand therefor by the Vendor; or
- (b) elect to complete the transaction contemplated by this Contract, in which event the Purchaser will pay to the Vendor, in addition to the Purchase Price, interest on the unpaid portion of the Purchase Price and other unpaid amounts payable hereunder at the rate of 2% per month compounded monthly (equivalent to 26.8% per annum)

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from the date upon which such portion and amounts were due to the date upon which such portion and amounts are paid.

The Vendor may so cancel this Contract at any time during the continuance of the default by the Purchaser, even if the Vendor has previously elected to complete the transaction.

7.2 The Purchaser by the execution of this Contract acknowledges and agrees that:

- (a) prior to the execution of this Contract, the Purchaser has received a copy of the Disclosure Statement and all amendments thereto, if any, and was given an opportunity to read and understand the Disclosure Statement and all amendments thereto, if any, all as required by the *Real Estate Development Marketing Act* (British Columbia);
- (b) upon taking possession of the Lot the Purchaser will be deemed to have accepted the Lot in the condition in which it is on the Completion Date;
- (c) the Purchaser hereby waives any right to receive and any Vendor's obligation to deliver a site profile pursuant to the *Environmental Management Act* (British Columbia); and
- (d) this Contract constitutes the entire agreement between the parties pertaining to the sale and purchase of the Lot and supersedes any prior agreements, negotiations and discussions, whether oral or written, of the Vendor and the Purchaser and there are no agreements, covenants, representations or warranties, express, implied, statutory, collateral or otherwise, made by the Vendor, its agents or employees, other than those contained herein.

7.3 Any notice, delivery or other communication in respect of this Contract will be in writing unless otherwise provided herein. Any notice, delivery or other communication to the Vendor will be addressed to the Vendor at its address set out on the first page of this Contract and be delivered by mail, email or fax. Any notice, delivery or other communication to the Purchaser will be addressed to the Purchaser at the Purchaser's postal or email address or fax number set out on the first page of this Contract or to the postal or email address or fax number of the Purchaser's solicitors and may be delivered by personal delivery, mail, fax or email. The Purchaser will notify the Vendor of the name and address of the Purchaser's solicitors as soon as reasonably possible and in any event well in advance of the Completion Date. Provided they are sent to the email or postal address or fax number stipulated herein for such party, notices, deliveries and other communications will be deemed to be received: (a) on the date of receipt if delivered or sent by personal delivery, fax or email, or on the next business day if delivered or sent by personal delivery, fax or email on a day that is not a business day in British Columbia; or (b) 3 business days after the date of mailing thereof. Either party may change its address for notices, deliveries and other communications by a written notice given in accordance with this provision. The Vendor shall have no duty to further verify the currency of the postal or email address or fax number of the Purchaser or the Purchaser's solicitors, as provided in any such case by the Purchaser, and unless the Purchaser advises the Vendor, in writing, of any change to the Purchaser's or the Purchaser's solicitors' postal or email address or fax number, all notices, deliveries or communications, including, for certainty, delivery of the Amendment and any other amendments to the Disclosure Statement or notice of the Completion Date, shall be deemed to have been received by the Purchaser in accordance with the provisions of this Section 7.3. The Purchaser acknowledges and agrees that the foregoing provision will affect the timing of the Purchaser's obligations to pay portions of the Deposit and to complete the transaction contemplated in this Contract and the Purchaser assumes all risk and liability associated with any failure to advise the Vendor of any change in the Purchaser's or the Purchaser's solicitors' postal or email address or fax number.

In this Contract, the Vendor's Solicitors shall be:

Bell Alliance LLP
 201 – 1367 West Broadway
 Vancouver, BC V6H 4A7
 Attention: Lisa Niro, Partner
 Tel: (604) 873-8723
 Email: lniro@bellalliance.ca

The Purchaser hereby consents to the Vendor providing or delivering the Disclosure Statement (or any portion thereof, or any amendment thereto) to the Purchaser by electronic means, including, without limitation, by email. If the Vendor provided the Disclosure Statement (or any portion thereof, or any amendment thereto) to the Purchaser by electronic means, including, without limitation, by email, then the Purchaser hereby confirms that the Purchaser consented to such provision by electronic means. The Purchaser must update the Purchaser's email address from time to time by written notice thereof to the Vendor in accordance with this section 7.3, and the Purchaser hereby irrevocably authorizes the Vendor to deliver any amendment to the Disclosure Statement to the most recent email address provided to the Vendor only. Delivery of any amendment to the Disclosure Statement by the Vendor to the Purchaser to any email address provided to the Vendor before receipt by the Vendor of notice (with the date of receipt to be determined in accordance with this section 7.3) of such updated email address will constitute full and adequate delivery and the Vendor will not be under any obligation to deliver such amendment to such updated email address. The Purchaser will, from time to time, forthwith upon receipt from the Vendor of a copy of any such amendment to the Disclosure Statement, execute and deliver to the Vendor a receipt, in a form to be provided by the Vendor, pursuant to which the Purchaser confirms that the Purchaser has received a copy of such amendment to Disclosure Statement.

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7.4 Acknowledgements

- (a) The Purchaser acknowledges that the Vendor may continue to carry out construction work on the Development and other purchasers may continue to carry out construction work on other lots within the Development after the completion of the purchase of the Lot by the Purchaser. The Purchaser further accepts that such work may cause inconvenience to the use and enjoyment of the Lot.
- (b) The Purchaser shall not impede or interfere with the Vendor's or other purchasers' completion of construction on other lots within the Development. The Purchaser acknowledges that the Vendor may retain lots in the Development for use as sales and administrative offices and/or display suites for marketing purposes or otherwise.

7.5 Any tender of documents or money under this Contract may be made upon the solicitor acting for the party upon whom tender is desired and it shall be sufficient that a negotiable certified cheque in lawful money of Canada drawn on one of the five largest Canadian chartered banks, HSBC Bank Canada, Vancouver City Savings Credit Union or Coast Capital Credit Union is tendered instead of cash.

7.6 All the covenants of the Vendor in this Contract shall only continue and survive the Completion Date to and including the date upon which the adjusted Purchase Price and all other amounts payable under this Contract are paid, but not thereafter.

7.7 The parties hereto shall do all further acts and things and execute all such further assurances as may be necessary to give full effect to the intent and meaning of this Contract.

7.8 This Contract may be executed by the parties and transmitted by telecopier or other means of electronic communication capable of producing a printed copy and, if so executed and transmitted, this Contract will be for all purposes as effective as if the parties had executed and delivered to one another a single original Contract of Purchase and Sale.

7.9 This offer and the Contract which will result from its acceptance shall be exclusively governed by and construed in accordance with the laws of the Province of British Columbia.

7.10 In this Contract any reference to a party includes that party's heirs, executors, administrators, successors and assigns, singular includes plural (and vice versa) and masculine includes feminine and neuter (and vice versa).

7.11 If any term or condition of this Contract or the application thereof to any person or circumstances shall, to any extent, be held to be invalid or unenforceable, the remainder of this Contract and the application of that term or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term and condition of this Contract shall be valid and enforced to the fullest extent permitted by law.

7.12 AGENCY DISCLOSURE

The Purchaser acknowledges having received, read and understood, and having concurrently signed, the disclosure form published by the Real Estate Council of British Columbia ("RECBC") entitled "Disclosure of Representation in Trading Services".

The Vendor confirms that it has a designated agency relationship with _____ (Agency)

and _____ (Salesperson).

Purchaser's Initials

The Purchaser confirms that it:

- (a) has a designated agency relationship with _____ (Agency) and _____ (Salesperson); OR
- (b) has no designated agent.

(IMPORTANT: If the Purchaser has no designated agent, then the Purchaser acknowledges that it is and will be dealing with the Vendor's Agent as an unrepresented party. The Purchaser understands and acknowledges that the Vendor's Agent acts solely for the Vendor and does not represent or act for the Purchaser in any capacity whatsoever. The Purchaser further acknowledges having received, read and understood, and having concurrently signed, the form published by the RECBC entitled "Disclosure of Risks to Unrepresented Parties")

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7.13 **PERSONAL INFORMATION**

The Purchaser and the Vendor hereby consent to the collection, use and disclosure by the Agents and salespersons described in section 7.12, the real estate boards of which those Agents and salespersons are members and, if the Property is listed on a Multiple Listing Service®, the real estate board that operates that Multiple Listing Service®, of personal information about the Purchaser and the Vendor:

- (a) for all purposes consistent with the transaction contemplated herein including:
 - (i) to complete the transaction contemplated by this Contract;
 - (ii) to invest the Deposit as provided for herein including providing personal information to the financial institution as required for reporting interest earned on the Deposit in accordance with applicable laws;
 - (iii) to market, sell, provide and inform the Purchaser of products and services of the Vendor and its affiliates and partners, including information about future projects;
 - (iv) to comply with the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and regulations, rules and policies thereunder or relating thereto, and other applicable laws; and
 - (v) to disclose such personal information to the Vendor's affiliates, assignees, business partners, bankers, lawyers, accountants and other advisors and consultants in furtherance of any of the foregoing purposes;
- (b) if the Property is listed on a Multiple Listing Service®, for the purpose of the compilation, retention and publication by the real estate board that operates the Multiple Listing Service® and other real estate boards of any statistics including historical Multiple Listing Service® data for use by persons authorized to use the Multiple Listing Service® of that real estate board and other real estate boards;
- (c) for enforcing codes of professional conduct and ethics for members of real estate boards; and
- (d) for the purpose (and to the recipients) described in the brochure published by the British Columbia Real Estate Association entitled Working with A Real Estate Agent.

The Purchaser also agrees to provide to the Vendor, the Vendor's agents and the Vendor's Solicitors, promptly upon request, any additional personal or other information not referred to herein that is required in order to comply with the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and regulations, rules and policies thereunder or relating thereto, and the Purchaser acknowledges that the foregoing consent applies to any such personal or other information.

7.14 **Consent to Marketing Communication.** By initialing this section, the Purchaser consents to receiving commercial electronic messages, including messages about upcoming developments, special incentives, events, and market updates from the Vendor on behalf of the current and future members of the Vendor. The Purchaser acknowledges he or she or it can withdraw his or her or its consent at any time by unsubscribing by clicking on the unsubscribe link in future correspondence or by contacting the Developer.

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