

DISCLOSURE STATEMENT OF

CARDERO

BY BOSA PROPERTIES

620 Cardero Street, Vancouver, British Columbia

DEVELOPER: Bosa Properties (Cardero) Inc.;
1072705 B.C. Ltd. and 1072719 B.C. Ltd.

ADDRESS FOR SERVICE IN
BRITISH COLUMBIA: 1101 – 838 West Hastings Street
Vancouver, B.C. V6C 0A6

BUSINESS ADDRESS OF
DEVELOPER: 1201 – 838 West Hastings Street
Vancouver, B.C. V6C 0A6

REAL ESTATE BROKERAGE: The Developer, in its sole discretion, retains the right from time to time during the marketing of the Development, to market the Development itself or to retain such other real estate brokerage, agent or agents as the Developer deems advisable in order to assist the Developer in marketing the Development. If the Developer chooses to market the Development using its own employees, such employees may or may not be licensed under the *Real Estate Services Act* and will not be acting on behalf of purchasers. At this time the Developer's real estate brokerage is:

Bosa Properties Realty Inc.
1200 – 838 West Hastings Street
Vancouver, B.C. V6C 0A6

DATE OF DISCLOSURE STATEMENT: August 18, 2016

This Disclosure Statement relates to a development property that is not yet completed. Please refer to Section 7.2 of this Disclosure Statement for information on the purchase agreement. That information has been drawn to the attention of: _____ [print name of Purchaser] who has confirmed that fact by initialing in the space provided here _____.

DISCLAIMER

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.

Prepared by
DIRK C.A. DE VUYST & ASSOCIATES LAW CORPORATION
1101 – 838 West Hastings Street
Vancouver, B.C. V6C 0A6



BC CONDOS.NET



RIGHT OF RESCISSION

Under section 21 of the *Real Estate Development Marketing Act*, the purchaser or lessee of a development unit may rescind (cancel) the contract of purchase and sale or contract to lease by serving written notice on the Developer or the Developer's brokerage, within 7 days after the later of the date the contract was entered into or the date the purchaser or lessee received a copy of this Disclosure Statement.

A purchaser may serve a notice of rescission by delivering a signed copy of the notice in person or by registered mail to

- (a) the Developer at the address shown in the disclosure statement received by the purchaser,
- (b) the Developer at the address shown in the purchaser's purchase agreement,
- (c) the Developer's brokerage, if any, at the address shown in the disclosure statement received by the purchaser, or
- (d) the Developer's brokerage, if any, at the address shown in the purchaser's purchase agreement.

The Developer must promptly place purchasers' deposits with a brokerage, lawyer or notary public who must place the deposits in a trust account in a savings institution in British Columbia. If a purchaser rescinds their purchase agreement in accordance with the Act and regulations, the Developer or the Developer's trustee must promptly return the deposit to the purchaser.



MARKETING PURSUANT TO POLICY STATEMENTS 5 AND 6

SALE OF STRATA LOTS PRIOR TO ISSUANCE OF BUILDING PERMIT

(Real Estate Development Marketing Act, Policy Statement 5 Early Marketing-Development Approval)

- (a) The estimated date for the issuance of a building permit for the Development is 9 months or less from the date this disclosure statement was filed with the Superintendent of Real Estate.
- (b) The Developer will market the proposed strata lots under this Disclosure Statement for a period of no more than 9 months from the date this disclosure statement was filed with the Superintendent of Real Estate, unless an amendment to this disclosure statement that sets out particulars of the issued building permit is filed with the Superintendent during that period. The Developer must also either:
 - (i) prior to the expiry of the 9 month period, file with the superintendent an amendment to the disclosure statement that sets out particulars of the issued building permit; or
 - (ii) upon the expiry of the 9 month period, immediately cease market the Development and confirm in a written undertaking to the superintendent that all marketing of the development has ceased and will not resume until after the necessary amendment has been filed, failing which a cease marketing or other order may be issued by the superintendent to the Developer without further notice.

Additionally, the Developer must provide written notice without delay to the Superintendent if, during the 9 month period, all units in the Development being marketed under this Policy Statement are sold or the Developer has decided not to proceed with the Development;

- (c) Any purchase agreement used by the Developer, with respect to any strata lot offered for sale or lease before the purchaser's receipt of an amendment to the disclosure statement that sets out particulars of the issued building permit, will contain the following provisions:
 - (i) The purchaser may cancel the purchase agreement for a period of seven days after receipt of an amendment to the disclosure statement that sets out particulars of the issued building permit if the layout or size of the applicable strata lot, the construction of a major common facility, including a recreation centre or clubhouse, or the general layout of the development, is materially changed by the issuance of the building permit;
 - (ii) If an amendment to the disclosure statement that sets out particulars of an issued building permit is not received by the purchaser within 12 months after the initial disclosure statement was filed, the purchaser may at the purchaser's option cancel the purchase agreement at any time after the end of that 12 month period until the required amendment is received by the purchaser, at which time the purchaser may cancel the purchase agreement for a period of seven days after receipt of that amendment only if the layout or size of the applicable strata lot, the construction of a major common facility, including a recreation centre or clubhouse, or the general layout of the development, is materially changed by the issuance of the building permit;
 - (iii) The amount of the deposit to be paid by a purchaser who has not yet received an amendment to the disclosure statement sets out particulars of an issued building permit is no more than 10% of the purchase price; and
 - (iv) All deposits paid by a purchaser, including interest earned if applicable, will be returned promptly to the purchaser upon notice of cancellation from the purchaser.



SALE OF STRATA LOTS PRIOR TO OBTAINING A SATISFACTORY FINANCING COMMITMENT
(Real Estate Development Marketing Act, Policy Statement 6 – Adequate Arrangements – Utilities and Services)

- (a) The estimated date for obtaining a satisfactory financing commitment for the Development is 9 months or less from the date the Developer filed this Disclosure Statement with the Superintendent;
- (b) The Developer will market the proposed strata lots under this Disclosure Statement for a period of no more than 9 months from the date this disclosure statement was filed with the Superintendent, unless an amendment to this Disclosure Statement that sets out particulars of a satisfactory financing commitment is filed with the Superintendent during that period. The Developer must also either:
 - (i) prior to the expiry of the 9 month period, file with the superintendent an amendment to the disclosure statement that sets out particulars of the issued building permit; or
 - (ii) upon the expiry of the 9 month period, immediately cease market the Development and confirm in a written undertaking to the superintendent that all marketing of the development has ceased and will not resume until after the necessary amendment has been filed, failing which a cease marketing or other order may be issued by the superintendent to the Developer without further notice.

Additionally, the Developer must provide written notice without delay to the Superintendent if, during the 9 month period, all units in Development being marketed under this Policy Statement are sold or the Developer has decided not to proceed with the Development;

- (c) Any purchase agreement used by the Developer, with respect to any strata lots offered for sale or lease before the purchaser's receipt of an amendment to the disclosure statement that sets out particulars of the Developer's financing commitment, will contain the following terms:
 - (i) If an amendment to the disclosure statement that sets out particulars of a satisfactory financing commitment is not received by the purchaser within 12 months after the initial disclosure statement was filed, the purchaser may at his or her option cancel the purchase agreement at any time after the end of that 12 month period until the required amendment is received by the purchaser;
 - (ii) The amount of deposit to be paid by a purchaser who has not yet received an amendment to the disclosure statement that sets out particulars of a satisfactory financing commitment is no more than 10% of the purchase price;
 - (iii) All deposits paid by a purchaser, including interest earned if applicable, will be returned promptly to the purchaser upon notice of cancellation from the purchaser; and
 - (iv) If the Developer has obtained a satisfactory financing commitment, the Developer
 - (v) is deemed to have made adequate arrangements for the purpose of installing utilities and other services associated with the strata lots.



TABLE OF CONTENTS

	DEFINITIONS AND EXHIBITS.....	6
	Definitions.....	6
	List of Exhibits.....	10
1.	DEVELOPER.....	10
2.	GENERAL DESCRIPTION.....	14
2.1.1	General Description of the Project	14
2.1.2	General Description of the Development.....	15
2.2	Permitted Use	17
2.3	Phases.....	17
3.	STRATA INFORMATION	18
3.1	Unit Entitlement.....	18
3.2	Voting Rights	18
3.3	Common Property and Facilities.....	18
3.4	Limited Common Property.....	19
3.5	Bylaws.....	20
3.6(A)	Parking	21
3.6(B)	Bosa Volt Charging Stations (BVCSs)	22
3.6(C)	Storage Lockers.....	23
3.7	Furnishings and Equipment.....	23
3.8(A)	Budget.....	23
3.8(B)	Developer's Contribution to Contingency Reserve Fund	24
3.8(C)	Allocation of Expenses Among Strata Lot Owners	24
3.9(A)	Utilities	25
3.9(B)	Separately Assessed Utilities	25
3.9(C)	Communication Utilities.....	25
3.9(D)	Neighbourhood Energy System	25
3.9(E)	Services to the Lands.....	26
3.10	Strata Management Contract.....	26
3.11	Insurance.....	26
3.12	Rental Disclosure Statement.....	27
4.	TITLE AND LEGAL MATTERS.....	27
4.1	Legal Description.....	27
4.2	Ownership.....	28
4.3	Existing Encumbrances and Legal Notations.....	28
4.4	Proposed Encumbrances	32
4.5	Outstanding or Contingent Liabilities	32
4.6	Environmental Matters	33
5.	CONSTRUCTION	33
5.1	Construction Date.....	33
5.2	Warranties	33
5.3	Previously Occupied Building.....	34
6.	APPROVALS AND FINANCES.....	34
6.1	Development Approval	34
6.2	Construction Financing.....	35
7.	MISCELLANEOUS	35
7.1	Deposits.....	35
7.2	Agreement of Purchase and Sale.....	36
7.3	Developer's Commitments.....	41
7.4	Other Material Facts	42



List of Exhibits

EXHIBIT "A"	Proposed Strata Plan
EXHIBIT "B"	Proposed Form V – Schedule of Unit Entitlement
EXHIBIT "C"	Estimated Interim Operating Budget
EXHIBIT "D"	Estimated Monthly Maintenance Fees per Strata Lot
EXHIBIT "E"	Proposed Form Y – Owner Developer's Notice of Different Bylaws
EXHIBIT "F"	Form of Parking Facility/Storage Lease and Bosa Volt Charging Station License Agreement sometimes called the Master Parking/Storage Agreement
EXHIBIT "G"	Form of Partial Assignment of Master Parking/Storage Agreement
EXHIBIT "H"	Strata Property Act Form J – Rental Disclosure Statement
EXHIBIT "I"	Handling Deposits – sections 18 and 19 of <i>Real Estate Development Marketing Act</i>
EXHIBIT "J"	Form of Agreement of Purchase and Sale
EXHIBIT "K"	Form of Management Agreement
EXHIBIT "L"	Form of Roof Lease
EXHIBIT "M"	Copy of City of Vancouver Zoning CD-1 (633) – Bylaw No. 3575
EXHIBIT "N"	Form of Addendum entitled Addendum/Amendment to Agreement of Purchase and Sale – Bolt Volt Charging Station
EXHIBIT "O"	Neighbourhood Energy System Encumbrances – Part 1
EXHIBIT "P"	Neighbourhood Energy System Encumbrances – Part 2

DEFINITIONS AND EXHIBITS

Definitions:

In this disclosure statement:

"Act" or "Strata Property Act" means the *Strata Property Act, S.B.C. 1998, Chapter 43, as amended*;

"Additional Mortgage" has the meaning ascribed to it in Section 4.4(b) of this Disclosure Statement;

"Air Space Subdivision Approval" means the approval of the Air Space Subdivision Plan by the Approving Officer;

"Air Space Subdivision Plan" means the air space subdivision plan to be filed at the Land Title Office pursuant to which the Lands will be subdivided to create the Remainder Parcel and the Office/Retail Air Space Parcel;

"Amenity Lounge" means a Common Property interior lounge at the Development accessible exclusively to residents of the Residential Component and featuring living and dining furniture and kitchen facilities;

"Approving Officer" means the approving officer under the *Land Title Act* for the City of Vancouver;

"BC Strata Legislation" has the meaning set forth in Section 3.11 of this Disclosure Statement;

"Bosa Properties-Cardero" means Bosa Properties (Cardero) Inc., a corporation formed under the laws of the Province of British Columbia and incorporated under number BC0944999;

"BosaVolt Charging Station" or "BVCS" means the electrical charging station device selected by the Developer and used to charge Compatible Electric Automotive Vehicles;



"BosaFresh" means a purpose-built refrigeration facility that provides temperature-controlled storage of grocery deliveries for occupants of the Development;

"BosaSpace" means the supply and installation of special, customized furniture designed to make a Strata Lot more useable and adaptable;

"Budget" means the estimated interim operating budget prepared by the Developer for the Development and attached hereto as **Exhibit "C"**;

"Bylaws" means the bylaws as described in Section 3.6 of this Disclosure Statement;

"Cardero Amenities" has the meaning set forth in Section 2.1.2(d) of this Disclosure Statement;

"Cardero Public Walkway" has the meaning set forth in Section 4.3(b) of this Disclosure Statement in respect of Statutory Right of Way CA5312589;

"City" means the City of Vancouver;

"Common Property" has the meaning set forth in Section 3.4 of this Disclosure Statement;

"Compatible Electric Automotive Vehicle" or "CEAV" means a four wheeled electric passenger automobile, having two or more doors that does not require an external ventilation system to prevent the accumulation of hazardous gases when charging indoors and is otherwise compatible with specifications of the BVCS, selected and installed in a parking stall by the Developer or its successors;

"Concierge Services" means the concierge services as described in Section 2.1.2(h);

"Construction Mortgage" has the meaning given in Section 6.2 of this Disclosure Statement;

"Crown Provincial" means Her Majesty the Queen in right of the Province of British Columbia;

"Developer" means, collectively, Bosa Properties-Cardero and the Nominees;

"Development" means the Residential Component of the Project to be constructed on the Lands, and then subdivided by way of the Air Space Subdivision Plan into the Remainder Parcel and then further subdivided into the Strata Lots by way of the Strata Plan, as further described in Section 2.1.1 of this Disclosure Statement, which is the subject matter of this Disclosure Statement;

"Easement and Cost Sharing Agreement" means that respective agreement or agreements to be approved by the Developer and the City wherein reciprocal rights of support and access are granted and cost sharing obligations with respect to repair, replacement, maintenance, management of any facilities and equipment in common are allocated between the Remainder Parcel (to be further subdivided by the Strata Plan) and the Office/Retail Air Space Parcel, together with such other easements, covenants and equitable charges as may be necessary or desirable for the construction, function and maintenance of the Residential Component and the Office/Retail Component and the respective lands thereof as integrated developments, including the sharing of support structures, utilities, life safety systems, and the any shared access improvements, in order to obtain the Air Space Subdivision Approval;

"Environmental Encumbrances" means Covenant BJ119298 and Covenant CA5312628 which are summarized in Section 4.3(b) of this Disclosure Statement;

"Environmental Requirements" has the meaning given in Section 4.6 of this Disclosure Statement;

"Fitness Centre" means a Common Property fitness centre at the Development accessible exclusively to residents of the Residential Component and featuring cardio exercise equipment, a gym area and other related features;

"JV Agreement" means the amended and restated joint venture agreement dated for reference June 5, 2013 between Tripoint Property Limited Partnership, Bosa Properties (Cardero) Inc. [formerly Bosa Properties (1575 West Georgia) Inc.] and Bosa Properties Inc., which among other things sets out the terms and conditions under which Arpeg Holdings Ltd., an affiliate of Tripoint Property Limited Partnership, will sell and transfer the beneficial interest in the Remainder Parcel to Bosa Properties (Cardero) Inc.;

"Lands" means those certain lands and premises situate within the City of Vancouver municipally described as 1575-1577 West Georgia Street and 620 Cardero Street, and legally described as:

Parcel Identifier 029-884-667
Lot A Block 42 District Lot 185 Group 1 New Westminster District and
of Part of the Public Harbour of Burrard Inlet Plan EPP62321,

as further described in Section 4.1;

"Land Title Office" means the New Westminster Land Title Office;

"Master Parking/Storage Agreement" means the Parking Facility and Storage Lease and Bosa Volt Charging Station License Agreement attached hereto as **Exhibit "F"**;

"Neighbourhood Energy System(s)" or **"NES"** has the meaning set forth in Section 7.4(d) of this Disclosure Statement;

"Neighborhood Energy System Encumbrances" means Statutory Right of Way CA5312601, Covenant CA5312604, Statutory Right of Way CA5312607, Covenant CA5312613, all of which are summarized in Section 4.3(b) of this Disclosure Statement, and copies of which are attached hereto as **Exhibit "O"** and **Exhibit "P"**;

"Nominees" means together, 1072705 B.C. Ltd., a company incorporated under the laws of British Columbia under incorporation number BC1072705, and 1072719 B.C. Ltd., a company incorporated under the laws of British Columbia under incorporation number BC1072719;

"Office/Retail Air Space Parcel" means the air space parcel containing the Office/Retail Component and related parking stalls, to be created upon registration of the Air Space Subdivision Plan in the Land Title Office, including all rights, benefits, encumbrances and burdens that run with or are appurtenant thereto, including those created in conjunction with the Air Space Subdivision Approval;

"Office/Retail Component" means approximately 45,000 gross square feet of office space, approximately 4,400 gross square feet of retail space, together with associated parking stalls and common property, for potential retail, commercial and/or office use;

"Option to Purchase" means the Option to Purchase in favour of Bosa Properties-Cardero that is registered on title to the Lands under Land Title Office registration number CA5312690 which grants Bosa Properties-Cardero the right to purchase the future Remainder Parcel;

"Outdoor Patio, BBQ and Recreation Area" means an exterior amenity space at the Development accessible exclusively to residents of the Residential Component and which is intended to include BBQ cooking facilities, a recreation area and living and dining patio furniture;



"Partial Assignment of the Master Parking/Storage Agreement" has the meaning set forth in Section 3.6(B) of this Disclosure Statement;

"Project" means, together, the Residential Component (being the Development) and the Office/Retail Component;

"Public Art" has the meaning set forth in Section 4.3(b) of this Disclosure Statement in respect of Covenant CA5312616;

"Real Estate Development Marketing Act" means the *Real Estate Development Marketing Act* S.B.C. 2004, Chapter 41;

"Regulation" means the Strata Property Regulation, B.C. Reg. 158/2015, as amended;

"Remainder Parcel" means the parcel of land containing the Development, to be created upon registration of the Air Space Subdivision Plan in the Land Title Office, including all rights, benefits, encumbrances and burdens that run with or are appurtenant thereto, including those created in conjunction with the Air Space Subdivision Approval;

"Residential Component" means the Development consisting of the residential component of the Project being approximately 119 strata lots and associated common property and parking stalls, all of which is the subject matter of this Disclosure Statement;

"Section 218 Statutory Right of Way" means a statutory right of way entered into by the Developer pursuant to section 218 of the *Land Title Act*, R.S.B.C. 1996, c. 250, as amended;

"Section 219 Covenant" means a covenant entered into by the Developer pursuant to Section 219 of the *Land Title Act*, R.S.B.C. 1996, c. 250, as amended;

"Standard Bylaws" means the "Standard Bylaws" pursuant to the *Strata Property Act*;

"Strata Corporation" means the strata corporation in respect of the Development, formed upon filing in the Land Title Office of the Strata Plan for the subdivision of the Remainder Parcel;

"Strata Lots" means the approximately 119 residential strata lots created upon the filing in the Land Title Office of the Strata Plan that subdivides the Remainder Parcel and **"Strata Lot"** means any one of them;

"Strata Plan" means the proposed strata plan to subdivide the Remainder Parcel into the Strata Lots attached hereto as **Exhibit "A"**. For clarity, the Strata Plan is a *draft* strata plan and the final strata plan filed at the Land Title Office may differ;

"Strata Property Act" or "Act" means the *Strata Property Act*, S.B.C. 1998, Chapter 43, as amended;

"Strata Corporation" means the strata corporation formed upon the filing in the Land Title Office of the strata plan for the subdivision of the Remainder Parcel into 119 strata lots; and

"Urban Agriculture Beds" means Common Property herb and vegetable and garden plots at the Development available for use exclusively by residents of the Residential Component.



Statutory Definitions

Words and phrases defined in the *Strata Property Act* and used in this Disclosure Statement have the meanings given in the *Strata Property Act* unless inconsistent with the subject matter or context.

List of Exhibits

The exhibits attached to this disclosure statement are:

EXHIBIT "A"	Proposed Strata Plan
EXHIBIT "B"	Proposed Form V – Schedule of Unit Entitlement
EXHIBIT "C"	Estimated Interim Operating Budget
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EXHIBIT "P"	Neighbourhood Energy System Encumbrances – Part 2

1. DEVELOPER

- 1.1.1 (a) Name: Bosa Properties (Cardero) Inc.
[formerly named Bosa Properties (1575 West Georgia) Inc.]
- Jurisdiction of Incorporation: British Columbia
- Date of Incorporation: July 5, 2012
- Incorporation Number: BC0944999
- (b) Name: 1072705 B.C. Ltd.
- Jurisdiction of Incorporation: British Columbia
- Date of Incorporation: April 20, 2016
- Incorporation Number: BC1072705
- (b) Name: 1072719 B.C. Ltd.
- Jurisdiction of Registration: British Columbia
- Date of Registration: April 20, 2016



Registration Number: BC1072719

1.2 Purpose and Assets

The Developer, Bosa Properties (Cardero) Inc., previously named Bosa Properties (1575 West Georgia) Inc., was formed under the laws of the Province of British Columbia and specifically incorporated for the purposes of purchasing the Remainder Parcel (as further described in Section 4.2), constructing the Development and marketing the Strata Lots. It has no assets other than its interest in the JV Agreement and the Option to Purchase and rights thereunder to obtain beneficial title to the Remainder Parcel.

The Developer, 1072705 B.C. Ltd., was formed under the laws of the Province of British Columbia and specifically incorporated as one of two nominees to hold the registered title to the Lands in trust for the beneficial owner of the Lands, Arpeg Holdings Ltd. 1072705 B.C. Ltd. holds an undivided 113/10009 interest in the registered title to the Lands and has no other assets other than its registered interest in and to the Lands as aforesaid.

The Developer, 1072719 B.C. Ltd., was formed under the laws of the Province of British Columbia and specifically incorporated as the other of the two nominees to hold the registered title to the Lands in trust for the beneficial owner of the Lands, Arpeg Holdings Ltd. 1072719 B.C. Ltd. holds an undivided 887/1000 interest in the registered title to the Lands and has no other assets other than its registered interest in and to the Lands as aforesaid.

1.3 Registered and Records Office Address

The address of the registered and records office for Bosa Properties-Cardero is 1101 – 838 West Hastings Street, Vancouver, B.C. V6C 0A6.

The address of the registered and records office for the Nominees is 1100 – One Bentall Centre, 505 Burrard Street, Vancouver, B.C., V7X 1M5.

1.4 Directors and Officers

The Directors of Bosa Properties-Cardero are Colin Bosa and Dale Bosa.

Colin Bosa is President of Bosa Properties-Cardero and Dale Bosa is Secretary of Bosa Properties-Cardero.

The Directors of the Nominees are Barbara Bell, Christopher Mathisen and Drew Ratcliffe.

Christopher Mathisen is the President of both of the Nominees, Barbara Bell is Secretary of both of the Nominees and Drew Ratcliffe is Treasurer of both of the Nominees.

1.5 Developer, Directors and Officers Disclosure of Experience

1.5.1 The following is a description of the nature and extent of the experience that the Developer and its officers and directors have in the real estate development industry and related industries:

- (a) Apart from the Development as described in Section 2 of this Disclosure Statement, Bosa Properties-Cardero has not undertaken any other real estate developments.

While Bosa Properties-Cardero was formed specifically for the purpose of acquiring the Remainder Parcel and constructing the Development, companies and other legal entities

affiliated with Bosa Properties-Cardero have in excess of forty years experience in construction and developing industrial, commercial and residential property throughout British Columbia.

- (b) Dale Bosa is a director of Bosa Properties-Cardero. Dale has been actively involved in the real estate development industry since 1991. He has been a director in development companies that have developed, constructed and sold over 6000 residential strata lots in primarily concrete high-rise projects in the Lower Mainland of British Columbia.
- (c) Colin Bosa is a director of Bosa Properties-Cardero. Colin has been actively involved in the real estate development industry since 1993. He has been a director in development companies that have developed, constructed and sold over 5,500 residential strata lots in primarily concrete high-rise projects in the Lower Mainland of British Columbia.
- (d) Barbara Bell is a director of both of the Nominees. Barbara has been actively involved in the real estate industry for over ten years, with specialized experience in property management and operations coordination.
- (e) Christopher Mathisen is a director of both of the Nominees. Chris has been actively involved in the real estate industry for over 30 years, with specialized experience in real estate investments, property management, and residential subdivisions.
- (f) Drew Ratcliffe is a director of both of the Nominees. Drew has over 15 years of experience in real estate related business development and financial investment analysis and management, as well as residential construction and financial modelling.

1.5.2 Developer's Knowledge of Penalties or Sanctions

To the best of the Developer's knowledge, none of the Developer, any principal holder of the Developer, or any director or officer of the Developer or principal holder, within 10 years before the date of the Developer's declaration attached to this Disclosure Statement, has been subject to any penalties or sanctions imposed by a court or regulatory authority, relating to the sale, lease, promotion or management of real estate or securities, or to lending money secured by a mortgage of land, or to arranging, administering or dealing in mortgages of land, or to theft or fraud.

1.5.3 Disclosure of Knowledge of Insolvency

To the best of the Developer's knowledge, none of the Developer, any principal holder of the Developer, or any director or officer of the Developer or principal holder, within the five years before the date of the Developer's declaration attached to this Disclosure Statement, was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation related to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold the assets of that person.

1.5.4 To the best of the Developer's knowledge, none of the directors, officers or principal holders of the Developer, or any director or officer of a principal holder, within the five years prior to the date of the Developer's declaration attached to this Disclosure Statement, has been a director, officer or principal holder of any other developer that, while that person was acting in that capacity, that other developer:

- (a) was subject to any penalties or sanctions imposed by a court or a regulatory authority relating to the sale, lease, promotion, or management of real estate or securities or to lending money secured by a mortgage of land, or to arranging, administering or dealing in the mortgages of land or to theft or fraud; or



- (b) was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with the creditors or had a receiver, receiver-manager or trustee appointed to hold its assets.

1.6 Conflicts of Interest

- (a) Construction Lender

One or more principal holders or other entities affiliated with Bosa Properties-Cardero, such as Provident Financial Corporation, may provide construction loans to the Developer to permit construction of the Development and such loans may be secured by mortgages registered against title to the Lands or other security, including the mortgages to be granted to Provident Financial Corporation or such other lender affiliated with the Developer.

- (b) Project Management

Project management services in respect of the construction of the Development may be provided by Bosa Properties Inc. or Axiom Builders Inc. (either entity, the “**Project Manager**”). If retained by Bosa Properties-Cardero, the Project Manager shall receive compensation from Bosa Properties-Cardero for providing such project management services pursuant to a multi-party project agreement with Bosa Properties-Cardero. The Project Manager is a British Columbia company and is related to Bosa Properties-Cardero and its principals.

- (c) Construction

Construction of the Development will be completed by Axiom Builders Inc. Axiom Builders Inc. is a British Columbia company that is affiliated with Bosa Properties-Cardero and its principals.

- (d) Parking Stalls and Storage Lockers

All of the parking stalls in the underground parking levels and storage lockers at the Development will be leased by the Developer to Bosa Properties (Cardero Parking) Inc., a company affiliated with the Developer, pursuant to a lease referred to herein as the Master Parking/Storage Agreement. In accordance with the terms of the agreements of purchase and sale between purchasers and the Developer, the Developer will cause Bosa Properties (Cardero Parking) Inc. to grant a partial assignment of the Master Parking/Storage Agreement to purchasers in respect of their particular parking stalls and storage lockers. Further information regarding parking stalls and storage lockers at the Development is set forth in Sections 3.7(A) to 3.8, inclusive, of this Disclosure Statement.

- (e) Roof of the Development

The Developer intends to grant a lease of a portion of the roof areas to Arpeg Holdings Ltd., the intended beneficial owner of the Retail/Office Air Space Parcel and intended occupant of a portion of the office space within the Office/Retail Component. Further information regarding such lease is set forth in Section 4.4(e) of this Disclosure Statement.

- 1.7 The disclosure and information set out in Sections 1.5 and 1.6 of this Disclosure Statement is being provided in compliance with the *Real Estate Development Marketing Act* only. The offering made pursuant to this Disclosure Statement is being made solely by the Developer. Without limiting or affecting the liability provisions under Section 22 of the *Real Estate Development Marketing Act*, no director, officer or principal holder of the Developer nor any director or officer of any principal holder



of the Developer nor any entity affiliated with the Developer is participating in the offering contained in this Disclosure Statement in any way.

- 1.8 For the purposes of Sections 1.5, 1.6 and 1.7, "**principal holder**" means any person holding directly or indirectly more than 10% of any class of voting securities of any entity comprising the Developer.

2. GENERAL DESCRIPTION

2.1.1 General Description of the Project

The Development will be constructed on a portion of the Lands, which are currently municipally described as 1575-1577 West Georgia Street and 620 Cardero Street, Vancouver, British Columbia. While the civic address of the Development is currently anticipated to be 620 Cardero Street, Vancouver, British Columbia, the civic address of the Development may change as it will be finalized by the City at a later date and is subject to the discretion of the City.

The Developer intends to subdivide the Lands by filing the Air Space Subdivision Plan at the Land Title Office, to create the Remainder Parcel, which will contain the Development, and the Office/Retail Air Space Parcel, which will contain the Office/Retail Component, as further described in this Section.

As further described in Section 4.2 of this Disclosure Statement, Bosa Properties-Cardero will become the owner of the Remainder Parcel prior to the filing of the final Strata Plan at the Land Title Office.

It is intended that the Project will contain:

- (1) The Development. The Development will be situated within the Remainder Parcel and will consist of the Residential Component. Following subdivision of the Lands by way of the Air Space Subdivision Plan, the Developer will subdivide the Remainder Parcel by way of the Strata Plan into approximately 119 residential strata lots and common property. **The Development is exclusively the subject matter of this Disclosure Statement;** and
- (2) The Office/Retail Component. The Office/Retail Component of the Project consists of approximately 45,000 gross square feet of office space, approximately 4,400 gross square feet of retail space and associated parking stalls, for potential retail, commercial and/or office use. The Developer will construct the Office/Retail Component together with the Development and then subdivide the Office/Retail Component from the Lands by way of the Air Space Subdivision Plan whereby the Office/Retail Component will fall within the Office/Retail Air Space Parcel.

The Development and the Office/Retail Component are together, the "**Project**".

It is intended that the Project will be contained within one steel reinforced poured concrete building (the "**Building**") comprising a 26 storey concrete high rise, with the retail premises of the Office/Retail Component situate at the ground level of the Building, the office premises of the Office/Retail Component situate on the first three upper levels of the Building, followed by the residential premises of the Development on the remaining 21 upper levels of the Building within which the Strata Lots will be located.

Notwithstanding anything to the contrary contained herein, the Office/Retail Component is **not** part of the Development which is the subject matter of this Disclosure Statement and any statements in this Disclosure Statement in respect of the Office/Retail Component are for information only. The Developer reserves the right, in its sole discretion, to make changes to the Office/Retail Component, or to not proceed with the Office/Retail Component.

It is intended that the Project will include a parking facility of six underground levels of parking stalls serving the Development and the Office/Retail Component, with approximately 155 parking stalls situated within the Remainder Parcel serving the Development, as further described in Section 3.6 of this Disclosure Statement.

2.1.2 General Description of the Development

The development to which this Disclosure Statement relates is the Development and is known as "**Cardero**" and will consist of approximately 119 proposed residential Strata Lots. An owner of a Strata Lot will own a proportionate share of the common property and common assets of the Strata Corporation as a tenant-in-common in accordance with the unit entitlement of the owner's Strata Lot. As set out above, the Development will be contained in the Remainder Parcel of the Lands and is intended to consist of 119 strata lots as set out in the draft Strata Plan attached hereto as **Exhibit "A"** as follows:

(a)	Strata Lots:	
(i)	Number of Strata Lots:	119
(ii)	Type of Strata Lots:	
	1 bedroom	37
	2 bedroom	42
	3 bedroom	40
	TOTAL STRATA LOTS	119

On completion of construction of the Development, the Developer will file a final Strata Plan with the Land Title Office. The number, size, lot lines, locations, areas and dimensions of the Strata Lots, Common Property and Limited Common Property may differ from that shown on the draft Strata Plan attached hereto as **Exhibit "A"** and in any sales or marketing materials. As a consequence of any such changes, the Unit Entitlement (as defined in Section 3.1 hereof) figures in respect of any of the Strata Lots may be adjusted from time to time until the final Strata Plan is filed in the Land Title Office.

Moreover, the Developer reserves the right to change the suite and strata lot numbers assigned to any of the Strata Lots, to amend the size and number of Strata Lots, to combine two or more strata lots into a single strata lot or to subdivide a single Strata Lot into two or more Strata Lots, to add or subtract levels to and from the Building, to renumber the floors of the Building, all without notice, compensation or consent from the Strata Corporation and the purchasers of the Strata Lots. Further to the foregoing, the Developer may, in its sole discretion, among other changes, convert approximately twelve (12) "'03 type" three bedroom suites into two (2) – one bedroom and/or two bedroom suites/strata lots. This could affect the numbering of a purchaser's chosen strata lot on the Strata Plan.

(b) The Development will contain and/or provide its occupants with the following facilities / amenities / building features:

- Concierge Services;
- BosaFresh;
- Amenity Lounge;
- Ground-floor lobby area;
- Outdoor Patio, BBQ and Recreation Area;
- Fitness Centre;
- Urban Agricultural Beds; and
- BosaVolt Charging Stations (in accordance with the Addendum/Amendment to Agreement of Purchase and Sale – Bosa Volt Charging Station, attached hereto as **Exhibit "N"**),

(collectively, the "**Cardero Amenities**").



The Cardero Amenities will be Common Property and/or a common asset of the Strata Corporation. For clarity, owners and occupants of the Office/Retail Component will **not** be permitted to use or access the Cardero Amenities.

(e) Common Assets

- (i) Manager's Residence: It is not currently contemplated that Development will contain a manager's suite/residence, nor a guest suite.
- (ii) Any equipment, furniture or furnishings supplied to or installed in the Development (including any leases for any such equipment, furniture or furnishings) by the Developer will become common assets of the Strata Corporation. Without limiting the generality of the foregoing, pursuant to the terms of the Master Parking/Storage Agreement attached hereto as **Exhibit "F"**, title to the BosaVolt Charging Stations will be conveyed by the Developer to the Strata Corporation whereupon they will become common assets of the Strata Corporation.

(f) Proposed Strata Plan

The proposed Strata Plan is attached as **Exhibit "A"**. The proposed Strata Plan shows the layout of the Development and the dimensions and/or areas of the Strata Lots, limited common property, and common property. The Strata Plan is a draft strata plan and there may be variations in the areas and dimensions of the finished Strata Lots from those shown on the proposed Strata Plan.

The Developer reserves the right to increase or decrease the number, type and/or size of the Strata Lots from that shown on the proposed Strata Plan attached hereto as **Exhibit "A"**. As a consequence of any such changes, the suite and strata lot numbers assigned to any of the Strata Lots and the Unit Entitlement (as defined in Section 3.1 hereof) figures in respect of any of the Strata Lots may be adjusted from time to time until the final strata plan for the Development is filed in the Land Title Office.

(g) Shared Facilities / Amenities

The Cardero Amenities are for the exclusive use of residents of the Development and the Cardero Amenities are not shared with owners or occupants of the Office/Retail Component. For clarity, owners and occupants of the Office/Retail Component will **not** be permitted to use or access the Cardero Amenities. Furthermore, the Residential Component will have its own independent and exclusive ground floor entrance and lobby area.

There may be certain facilities at the Project shared between the Residential Component and the Office/Retail Component such as mechanical rooms, electrical rooms, garbage and recycling facilities, loading docks, etc. ("**Shared Facilities**"). The costs for Shared Facilities will be equitably allocated between the owners of the Residential Component and the Office/Retail Component in accordance with the terms of the Easement and Cost Sharing Agreement. The amounts set forth in the budget attached hereto as **Exhibit "C"** reflect the current anticipated equitable cost sharing in the Easement and Cost Sharing Agreement, but such allocations are subject to change and the terms of the Easement and Cost Sharing Agreement will be applicable.



(h) Concierge

The Development will include concierge services ("**Concierge Services**") exclusive to residents of the Residential Component. The Budget contemplates that the Concierge Services will operate at the Development for 24 hours per day, seven days per week. It is intended that the concierge desk will be located at the entrance lobby of the Residential Component. Notwithstanding the foregoing, the operating hours of the Concierge Services and the location of the concierge desk are subject to change at the discretion of the Developer.

Upon completion of the Development, the Developer will cause the Strata Corporation to obtain the Concierge Services for the Strata Lot owners. The Strata Corporation will, in its discretion, either enter into a contract with a company providing such concierge services or will hire such individuals directly, or if applicable the Strata Corporation will assume any such agreement for Concierge Services entered into by the Developer.

For clarity, owners and occupants of the Office/Retail Component will **not** be permitted to use or access the Concierge Services.

2.2 Permitted Use

The zoning applicable to the Development is CD-1 (633). The text of the applicable Zoning Bylaw No. 3575 (as amended) is attached hereto as **Exhibit "M"**.

The intended usage of the Strata Lots is residential. The use and any restriction on use of the Strata Lots within the Development is governed by the zoning bylaws of the City, the existing charges and encumbrances described in Section 4.3 of this Disclosure Statement, the proposed charges and encumbrances described in Section 4.4, the *Strata Property Act* and the proposed bylaws of the Strata Corporation.

The zoning of the Lands also permits certain office, retail and commercial uses as set forth in the text of the applicable zoning bylaw, but none of the Strata Lots are intended or advertised by the Developer for such uses.

Further information concerning zoning and related matters for this Project may be obtained from the City of Vancouver Development and Building Services Centre, located at Ground Floor, 515 West 10th Avenue, Vancouver, British Columbia, V5Y 1V4, or through the following website:

<http://vancouver.ca/home-property-development/map-of-zoning-districts.aspx>,

or through e-mail at csg.enquiry.centre@vancouver.ca,

or by telephone at 604-873-7611.

2.3 Phasing

The entire Development will be constructed at once and is **not** part of a phased development as defined under Part 13 of the *Strata Property Act*.



3. STRATA INFORMATION

3.1 Unit Entitlement

In Section 1(1) of the *Strata Property Act* "unit entitlement" of a strata lot is defined as meaning the number indicated in the Schedule of Unit Entitlement established under Section 246 of the *Strata Property Act* and that is used in calculations to determine the strata lot's share of:

- (a) the common property and common assets, and
- (b) the common expenses and liabilities of the Strata Corporation.

Pursuant to Section 246(3) of the *Strata Property Act*, the unit entitlement of each Strata Lot will be calculated by the habitable area, in square meters, of the Strata Lot, as determined by a British Columbia land surveyor, rounded to the nearest whole number. Section 14.2 of the Regulation defines "habitable area" as meaning the area of a residential strata lot which can be lived in, but does not include patios, balconies, garages, parking stalls, or storage areas other than closet space. The proposed Form V Schedule of Unit Entitlement is attached as **Exhibit "B"**, and is based on the draft Strata Plan attached as **Exhibit "A"**. The actual unit entitlement will be as shown on the final Form V Schedule of Unit Entitlement filed with the Land Title Office concurrently with the deposit of the final Strata Plan after completion of construction and may vary from the figures shown in **Exhibit "B"**.

3.2.1 Voting Rights

As the Development contains only residential strata lots, each strata lot will have one (1) vote at meetings of the Strata Corporation.

3.3 Common Property and Facilities

The common property includes any part of the Development shown on the Strata Plan that is not part of a Strata Lot (the "**Common Property**"). The Common Property may include, if shown on the Strata Plan, such things as: roofs, external walls, parking stalls and structures, landscaped areas, cooling towers, a generator, storage lockers, electrical rooms and electrical equipment, garbage bin area, mail box area, recycling room, vehicular and pedestrian access routes, amenity space, party room, fitness center, lounge, etc. The Common Property, as set out in the final Strata Plan may differ from the Common Property indicated on the draft Strata Plan attached as **Exhibit "A"** hereto and the Developer reserves the right to increase or decrease the size of the Common Property, change the location of or otherwise modify the Common Property, all without compensation, notice to or consent from the Strata Corporation or purchasers of the Strata Lots.

Each of the owners of the Strata Lots will be entitled to a proportionate share of the Common Property and other assets of the Strata Corporation, which the owners of the Strata Lots will own as tenants-in-common.

While the parking stalls and storage lockers at the Development will be a part of the Common Property of the Development, such parking stalls and storage lockers will be leased by the Developer to Bosa Properties (Cardero Parking) Inc. In accordance with the terms of the agreements of purchase and sale between purchasers and the Developer, the Developer will cause Bosa Properties (Cardero Parking) Inc. to grant partial assignment of the Master Agreement to purchasers in respect of their particular parking stalls and storage lockers. Further information regarding parking stalls and storage lockers at the Development is set forth in Sections 3.7(A) to 3.8 of this Disclosure Statement.



Additionally, while the roof of the Development will be a part of the Common Property of the Development, certain portions of the roof will be leased by the Developer to an affiliated entity of the Developer. Further information regarding the lease of certain portions of the roof at the Development is set forth in Section 4.4(e) of this Disclosure Statement.

Each purchaser's entitlement to the Common Property is subject to the bylaws of the Strata Corporation, any designations of Common Property as Limited Common Property, and any licenses, easements, leases, rights-of-way or covenants described in this Disclosure Statement which are granted by the Developer prior to registration of the final Strata Plan and/or by the Strata Corporation once the final Strata Plan is registered in the Land Title Office and the Strata Corporation is formed.

The Developer will purchase furnishings and equipment for certain Common Property at the Development, including for the:

- Building entrance lobby area for the Residential Component;
- the Outdoor Patio, BBQ and Recreation Area, and other outdoor areas at the Development;
- the Amenity Lounge; and
- the Fitness Centre.

Such items will not be encumbered except to the extent of any mortgage in the Land Title Office and any general security agreement filed under the Personal Property Security Act. Any filings under the *Personal Property Security Act* (British Columbia) will be released upon payment in full of the Construction Financing obtained by the Developer.

3.4 Limited Common Property

Limited Common Property is an area within the Common Property that may be used exclusively by one or more Strata Lot owners and such owners are responsible for maintaining and repairing the Limited Common Property which they use, except such maintenance and repair for which the Strata Corporation is responsible as required under the *Strata Property Act*;

The Developer may designate Limited Common Property as shown on the proposed Strata Plan attached hereto as **Exhibit "A"** upon tendering the Strata Plan for registration.

Typically, open balconies, roof decks or patio areas, as the case may be, of each Strata Lot in the Development may be designated as Limited Common Property. Reference should be made to **Exhibit "A"** as may be amended from time to time.

Without limiting the generality of the foregoing, the Developer may, prior to the filing of the final strata plan in the Land Title Office, designate:

- (a) certain areas in the mechanical or electrical rooms located within the Development as Limited Common Property for the use of certain strata lots as determined by the Developer in order to accommodate the installation of mechanical systems which are for the sole use of certain Strata Lots; and
- (b) certain areas located at the penthouse levels of the Development as Limited Common Property for one or more of the penthouse strata lots in order to accommodate access to such areas, the installation of mechanical systems which are for the sole use of one or more of the penthouse strata lots and for other private uses such as air conditioning, storage, fire pits, barbeques, outdoor gas heaters, wine cellar, electric and/or communications room or other like private uses appurtenant to one or more of the penthouse strata lots.

The actual areas of limited common property may vary, including without limitation, in size and shape, from the areas shown on the draft Strata Plan attached as **Exhibit "A"** when the final strata plan is filed in the Land Title Office, and the Developer reserves the right to increase or decrease the size of the limited common property, change the location of or otherwise modify the limited common property, all without compensation, notice to or consent from the Strata Corporation or purchasers of the Strata Lots. The Developer reserves the right to vary limited common property at the Development without notice or compensation to, or consent from, the purchasers. Designations of Limited Common Property may only be removed in accordance with Sections 75 or 257 of the *Strata Property Act*. Those sections provide that a resolution approving the removal must be passed by a unanimous vote at an annual or special general meeting of the Strata Corporation.

Each owner of a Strata Lot must repair and maintain all of the Limited Common Property appurtenant to its Strata Lot, but the duty to repair and maintain does not include repair and maintenance of the following (which are the responsibility of the Strata Corporation):

- (1) repair and maintenance that in the ordinary course of events occurs less than once a year;
- (2) the structure of a building;
- (3) the exterior of a building;
- (4) chimneys, stairs, balconies and other things attached to the exterior of a building;
- (5) doors, windows and skylights (including the casings, the frames and the sills of such doors, windows and skylights) on the exterior of a building or that front on the common property (including, without limitation, the entrance doors to strata lots); and
- (6) fences, railings and similar structures that enclose patios, balconies and yards.

3.5 Bylaws

The bylaws of the Strata Corporation will be the Standard Bylaws as amended by the proposed Form Y, Owner Developer's Notice of Different Bylaws attached as **Exhibit "E"**.

The amendments to the Standard Bylaws set forth in **Exhibit "E"** restrict the number of pets permitted in a Strata Lot to: (i) a reasonable number of fish or other small aquatic animals; (ii) a reasonable number of small caged animals; (iii) up to two caged birds; (iv) up to two dogs; and (v) up to two cats. (See Section 1 of **Exhibit "E"** for further information)

The amendments restrict the ability of owners to advertise the re-sale of Strata Lots at the Development to a designated directory board or directory tree at the Development (this restriction does not apply to the Developer). (See Section 3 of **Exhibit "E"** for further information).

The *Strata Property Act* Schedule of Standard Bylaws also includes certain restrictions on pets and the use of Strata Lots. More specifically:

- paragraph 3(3) of the Schedule of Standard Bylaws provides that owners, tenants or occupants of the Development must ensure that all animals are leashed or otherwise secured when on the Common Property of the Development or land that is a common asset of the Strata Corporation;
- paragraph 3(1) of the Schedule of Standard Bylaws provides that owners, tenants, occupants or visitors of the Development must not use a Strata Lot, the Common Property or common assets of the Strata Corporation in any way that: causes nuisance or hazard to another person; unreasonable noise; unreasonable interference with rights of others to use and enjoy the Common Property, the

common assets of the Strata Corporation and their respective Strata Lots; is illegal; or is contrary to the purpose for which the Strata Lot or Common Property is intended as shown expressly or by implication on or by the Strata Plan;

- paragraph 3(2) of the Schedule of Standard Bylaws provides that owners, tenants, occupants or visitors of the Development must not cause damage other than reasonable wear and tear to the Common Property, common assets of the Strata Corporation or those parts of a Strata Lot which the Strata Corporation must repair and maintain pursuant to the bylaws of the Strata Corporation and Section 149 of the *Strata Property Act*; and
- paragraph 5(1) of the Schedule of Standard Bylaws provides that owners must obtain the written approval of the Strata Corporation before making an alteration to a Strata Lot that involves: the structure or exterior of the building; chimneys, stairs, balconies or other things attached to the exterior of the building; doors, windows, skylights on the exterior of the building, or that front on the Common Property; fences, railings or similar structures that enclose a patio, balcony or yard; the Common Property located within the boundaries of a Strata Lot; and those parts of a Strata Lot which the Strata Corporation must insure pursuant to Section 149 of the *Strata Property Act*.

3.6(A) Parking

It is intended that the Project will include a parking facility of six underground levels of parking stalls serving the Development and the Office/Retail Component. Parking stalls and storage lockers for residents of the Development will be located in such underground parking facility. All of the residential parking stalls and storage lockers in the Development will be leased by the Developer to Bosa Properties (Cardero Parking) Inc. pursuant to a lease (the **"Parking Facility and Storage Lease and Bosa Volt Charging Station Agreement"**) which is also referred to as the **"Master Parking/Storage Agreement"**) granted prior to the filing of the final strata plan and the creation of the Strata Corporation. The underground parking facility of the Development is expected to include approximately 155 parking stalls, the details of which are approximately as follows:

151	Resident Parking Stalls (includes five disability-accessible stalls)
<u>4</u>	<u>Visitor Parking Stalls (includes two disability-accessible stalls)</u>
155	Total Parking Stalls

Upon the deposit for registration of the Strata Plan of the Development, the underground parking facility thereof will be designated as common property and/or limited common property as shown on the Strata Plan which will be subject the Master Parking/Storage Agreement. A copy of the Master Parking/Storage Agreement is attached hereto as **Exhibit "F"**. Notwithstanding the foregoing, the Developer reserves the right to modify the Master Parking/Storage Agreement in its sole discretion prior to the filing of the final strata plan at the Land Title Office. The Developer reserves the right to vary the number of and location of parking stalls and parking levels in the underground parking facility at the Development.

If in accordance with the terms of their agreement of purchase and sale, purchasers of a particular Strata Lot are entitled to one or more parking stall(s) or storage space(s), the Developer will cause Bosa Properties (Cardero Parking) Inc. to grant a partial assignment of the Master Parking/Storage Agreement pertaining to the applicable number of parking stalls and storage lockers to the purchaser of a Strata Lot in locations that the Developer determines in its sole discretion. For clarity, not all Strata Lots will be allocated a parking stall, and not all Strata Lots will be allocated a storage locker. The form of the partial assignment to a purchaser will be substantially in the form attached hereto as **Exhibit "G"**. The size, shape and location of such parking stalls and storage lockers will be determined by the Developer in its sole discretion without notice to, compensation to or consent from the purchasers.



Parking stalls at the Development may be allocated by the Developer for the exclusive use of owners of the Strata Lots by the Developer, causing Bosa Properties (Cardero Parking) Inc. to grant a partial assignment of the Master Parking/Storage Agreement to such owner. Such assignments will be for such consideration and on such terms as may be established by the Developer from time to time.

Once all of the applicable parking stalls have been assigned, the Strata Corporation may request that the owners pass a resolution requiring a 3/4 vote to designate each of the assigned parking stalls as limited common property of the owner of the Strata Lot who, at such time, is entitled to exclusive use of such parking.

The Developer will grant a partial assignment of parking stalls that may be designated disability-accessible to the Strata Corporation so that the use thereof amongst the owners, having validly issued disability passes, will be managed by the Strata Corporation.

The Developer reserves the right to alter the configuration and size of the parking facility serving the Development, to increase or decrease the size and number of parking stalls and storage lockers serving the development, without notice to, compensation from, or consent of the Strata Corporation or purchasers of Strata Lots.

3.6(B) Bosa Volt Charging Stations ("BVCSs")

It is intended that BVCSs may be installed in certain of the parking stalls located within the underground parking facility of the Development in order to facilitate the Strata Lot owners' use and charging of electric cars. However, due to mechanical and electrical constraints, it will not be possible to install a BVCS in each and every of such parking stalls. As a result, a purchaser, who wishes to have a BVCS installed in the parking stall that is appurtenant to the Strata Lot being purchased by that purchaser, and to acquire an exclusive right to use such BVCS, will be required to execute the addendum entitled "Addendum/Amendment to Agreement of Purchase and Sale – Bosa Volt Charging Station" which sets out the cost, terms and conditions of the agreement between the Developer, as vendor, and the purchaser in connection with the installation of the BVCS. Such cost, terms and conditions are determined by the Developer in its sole discretion. The form of such Addendum/Amendment to Agreement of Purchase and Sale – Bosa Volt Charging Station shall be substantially in the form attached hereto as **Exhibit "N"**.

All rights to use the BVCSs will be transferred by the Developer to Bosa Properties (Cardero Parking) Inc. pursuant to the Master Parking/Storage Agreement.

The Developer will cause Bosa Properties (Cardero Parking) Inc. to grant a partial assignment of the Master Parking/Storage Agreement pertaining to a BVCS to a purchaser who has contracted to have a BVCS installed in the Parking Stall assigned to such purchaser and will be subject to the Master Parking/Storage Agreement. The Partial Assignment of Parking Facility/Storage Locker Lease and Bosa Volt Charging Station License Agreement (the "**Partial Assignment of the Master Parking/Storage Agreement**") will be substantially in the form attached hereto as **Exhibit "G"**.

If a Purchaser purchases the right to use a BVCS as aforesaid, the right will arise by way of contractual license and not by way of lease or any other interest in land and the right to use the BVCS and the parking stall in which it is situated will not be able to be assigned separately.

Upon the subdivision of the Development by means of the Strata Plan to create a strata development, the BVCSs will, when transferred to the Strata Corporation in accordance with the terms of the Master Parking/Storage Agreement, become a common asset of the Strata Corporation, but will be subject to the terms of the exclusive contractual licenses to use in favour of a purchaser and its assignee(s) as set forth in the Master Parking/Storage Agreement.



Notwithstanding the foregoing, the Developer will retain a right of access to the underground parking facility and the electrical power outlets and supply panels of the Development for the purpose of installing BVCS during the term of the Master Parking/Storage Agreement.

The Developer will, pursuant to Section 120 of the *Strata Property Act*, file in the Land Title Office a bylaw to make it clear that the costs associated with the BVCS as set forth in Section 4.05(c) of the Master Parking/Storage Agreement payable by a purchaser of a strata lot will be deemed to be user fees payable by such Strata Lot owner to the Strata Corporation and failure to pay same may result in a lien being filed by the Strata Corporation against such strata lot and/or may result in denial of access to the BVCS.

3.6(C) Storage Lockers

The Development will contain approximately 109 storage lockers within the underground parking facility of the Development which will be allocated to purchasers by the Developer at the Developer's discretion.

All of the storage areas to be constructed in the Development will be leased by the Developer to Bosa Properties (Cardero Parking) Inc. pursuant to the Master Parking/Storage Agreement. Upon deposit for registration of the Strata Plan of the Development, the storage lockers will be designated as Common Property as shown on the Strata Plan, which will be subject to the Master Parking/Storage Agreement (a copy of which is attached hereto as **Exhibit "F"**).

If in accordance with the terms of their agreement of purchase and sale, purchasers of a particular Strata Lot are entitled to one or more storage locker(s), the Developer will cause Bosa Properties (Cardero Parking) Inc. to grant a partial assignment of the said lease pertaining to the storage lockers, if applicable in respect of the Strata Lots. The form of partial assignment is attached hereto as **Exhibit "G"**. Such assignments will be for such consideration and on such terms as may be established by the Developer from time to time. Once all the applicable storage lockers have been assigned, the Strata Corporation may request that the owners pass a resolution requiring a 3/4 vote to designate each of the assigned storage lockers as limited common property of the owner of the Strata Lot who, at such time, is entitled to exclusive use of such storage locker, if applicable.

3.7 Furnishings and Equipment

The following furnishings and equipment will be included in the purchase of each Strata Lot:

- | | |
|----------------------|----------------------|
| (a) Refrigerator | (e) Dishwasher |
| (b) Electric Oven | (f) Washer and Dryer |
| (c) Electric Cooktop | (g) Window Coverings |
| (d) Hoodfan | |

The Developer may select certain one-bedroom units at the Development to receive one or more elements of BosaSpace. The Developer in its sole discretion will determine such one-bedroom units and the BosaSpace elements to be installed therein.

3.8(A) Budget

An estimated budget of operating expenses for a typical full year of the Strata Corporation is attached as **Exhibit "C"** hereto. All items not listed in the interim budget that is attached hereto as **Exhibit "C"** are the responsibility of the owners in respect of the particular Strata Lot they own, including without limitation, all utilities consumed or used within the Strata Lot.

The estimated monthly assessment for each of the Strata Lots within the Development during the initial operating year is set out in **Exhibit "D"** hereto. The actual monthly assessments will be calculated upon the finalization of the unit entitlement as described in Section 3.1 above.

3.8(B) Developer's Contribution to Contingency Reserve Fund

Under Section 12 of the *Strata Property Act*, the Developer must establish a contingency reserve fund by making a minimum contribution to that fund at the time of the first conveyance of a Strata Lot to a purchaser. The minimum contribution to the fund by the Developer is 5% of the estimated operating expenses set out in the Strata Corporation's interim budget if the first conveyance of a Strata Lot to a purchaser occurs no later than one year after the deposit of the Strata Plan. The amount anticipated to be contributed by the Developer to the contingency reserve fund is \$40,410.00, which is greater than 5% the statutory minimum amount.

In accordance with the *Strata Property Act* and Regulations thereto, as amended from time to time, (collectively, "**BC Strata Legislation**") it may be necessary for the Strata Corporation to obtain a depreciation report estimating the repair and replacement cost for major items in the Strata Corporation and the expected life of those items as detailed in BC Strata Legislation. Purchasers should consult BC Strata Legislation for more information on the obligations of strata corporations to obtain depreciation reports.

3.8(C) Allocation of Expenses Among Strata Lot Owners:

The Developer will pay the actual expenses of the Strata Corporation that accrue in the period up to the last day of the month in which the first conveyance of a Strata Lot to a purchaser occurs, as required by Section 7 of the *Strata Property Act*. Under Section 14(1) of the *Strata Property Act*, the Strata Corporation must pay the expenses that accrue in the period beginning the first day of the month following the month in which the first conveyance of a Strata Lot to a purchaser occurs until the date the first annual budget takes effect. During that period, the Strata Lot owners must pay to the Strata Corporation, each month, their monthly share of estimated operating expenses of the Strata Corporation and contribution to the contingency reserve fund as set out in the interim budget. If the expenses accrued by the Strata Corporation for that period are greater than the operating expenses estimated in the interim budget, the Developer will pay the difference to the Strata Corporation within eight weeks after the first annual general meeting, as required by Section 14(4) of the *Strata Property Act*. In addition to paying that difference in operating expenses, Section 14(5) of the *Strata Property Act* provides that if expenses are 10% or more greater than the operating expenses estimated in the interim budget, the Developer must pay to the Strata Corporation an additional amount calculated according to the Regulation. Section 3.1(1) of the Regulation provides that the additional amount is calculated as follows:

- (a) if the accrued expenses are at least 10% greater but less than 20% greater than the estimated operating expenses, the additional amount is the amount payable under Section 14(4) of the *Strata Property Act* multiplied by two;
- (b) if the accrued expenses are at least 20% greater than the estimated operating expenses, the additional amount is the amount payable under Section 14(4) of the *Strata Property Act* multiplied by three.

Under Section 13 of the *Strata Property Act*, the Developer must:

- (a) prepare an interim budget for the Strata Corporation for the 12 month period beginning the first day of the month following the month in which the first conveyance of a Strata Lot to a purchaser occurs; and

- (b) deliver a copy of the interim budget to each prospective purchaser of a Strata Lot before the prospective purchaser enters into an agreement of purchase and sale.

Under Section 13(2) of the *Strata Property Act*, the interim budget must include:

- (a) the estimated operating expenses of the Strata Corporation for the 12 month period;
- (b) the contribution to the contingency reserve fund for the 12 month period, which must be at least 5% of the estimated operating expenses; and
- (c) each Strata Lot's monthly share of the estimated operating expenses and contribution to the contingency reserve fund, calculated in accordance with Section 99 of the Act.

3.9(A) Utilities

The aggregate cost of the following utilities and maintenance items are paid by the Strata Corporation and the cost will be prorated to the owners of the Strata Lots in accordance with the unit entitlement of the Strata Lots and included in the monthly assessments: natural gas, garbage removal, utilities servicing the common property, the cost of maintaining sidewalks, the grounds, parking areas and any other common property. Some of the foregoing utilities and maintenance items will be equitably shared costs between the Residential Component and the Office/Retail Component, and will be allocated pursuant to the Easement and Cost Sharing Agreement. The amounts set forth in the budget attached hereto as **Exhibit "C"** reflect the current anticipated equitable cost sharing allocations between the Residential Component and the Office/Retail Component to be set forth in the Easement and Cost Sharing Agreement, but such allocations are subject to change and the terms of the Easement and Cost Sharing Agreement will be applicable.

3.9(B) Separately Assessed Utilities

The Strata Corporation is responsible for paying the cost of utilities and other services for the common property as part of their monthly assessments in accordance with unit entitlement. With the exception of the utilities set out in Section 3.9(A), each Strata Lot owner is responsible for paying the cost of utilities and other services for their Strata Lot, including all utilities in respect of electricity, heat, hot water, natural gas, telephone, cablevision and internet services consumed or used within the Strata Lot.

3.9(C) Communication Utilities

The Developer intends to enter into "access agreements" with Shaw Cable and/or Telus Communications or a competitor thereof in order to allow the occupants of the Development to receive communication services, should they wish to subscribe for them from such companies.

Each purchaser will be responsible for individual Strata Lot hookup with communications and utilities suppliers and the cost of such services.

3.9(D) Neighbourhood Energy System

The City has required that the Development be constructed in a manner that enables the Development's heat and hot water utility supply system be converted to a Neighbourhood Energy System at some time in the future when the infrastructure and neighbourhood utility provider becomes available in reasonable proximity to the Development. This conversion of the Development's heat and hot water system and their connection to the NES is mandatory. Please refer to Section 7.4(b) for more information.



3.9(E) Services to the Lands

The Development is located inside a municipality and will be serviced with water, electricity, sewerage, natural gas, fire protection, telephone service, cablevision service and vehicular access.

3.10 Strata Management Contracts

(a) Strata Management Company

The Developer intends to enter into a management contract with Macdonald Realty Property Management, in substantially the form attached hereto as **Exhibit "K"**, for the provision for strata management services to the Strata Corporation. The selected property management company must be licensed as required by British Columbia law.

(b) Relationship to Developer

The Developer will not be affiliated with the strata management company.

(c) Termination

Section 24 of the *Strata Property Act* provides that such a strata management contract ends, regardless of any provision of the contract to the contrary, on the earlier of:

- (i) the date that is four weeks after the date of the second annual general meeting,
- (ii) the termination date contained in the contract or agreed to by the Strata Corporation and the management company; and
- (iii) the cancellation date established in accordance with Section 39 of the *Strata Property Act*.

Section 39 of the *Strata Property Act* provides that a contract for the provision of strata management services may be cancelled, without liability or penalty, despite any provision of the contract to the contrary,

- (1) by the Strata Corporation on two months' notice if the cancellation is first approved by a resolution passed by a $\frac{3}{4}$ vote at an annual or special general meeting, or
- (2) by the management company on two months' notice.

3.11 Insurance

Strata Corporation Coverage:

Upon filing of the Strata Plan in the Land Title Office, the Developer will obtain insurance in the name of the Strata Corporation as required by the Strata Property Act. Under Section 149 of the *Strata Property Act*, the Strata Corporation must maintain full replacement value property insurance on:

- (a) common property;
- (b) common assets;
- (c) buildings shown on the Strata Plan; and

- (d) fixtures built or installed on a Strata Lot by the Developer as part of the original construction.

Fixtures are defined in Section 9.1(1) of the Regulation as items attached to a building, including floor and wall coverings and electrical and plumbing fixtures, but does not include, if they can be removed without damage to the building, refrigerators, stoves, dishwashers, microwaves, washers, dryers or other similar items.

This property insurance must insure against major perils, which are defined in section 9.1(2) of the Regulation as fire, lightning, smoke, windstorm, hail, explosion, water escape, strikes, riots or civil commotion, impact by aircraft and vehicles, vandalism, and malicious acts. The Developer will also obtain for the Strata Corporation liability insurance to insure the Strata Corporation against liability for property damage and bodily injury. This insurance will be for a minimum amount of \$2,000,000 as required by Section 9.2 of the Regulation.

Purchasers of Strata Lots should arrange their own liability insurance and insurance on the contents of their own Strata Lots and insurance on improvements made to a strata lot by the purchaser and not the Developer and any other property not covered under the Strata Corporation policy.

Earthquake Insurance

The Developer intends to maintain earthquake insurance coverage during construction of the Development. Upon filing of the Strata Plan in the Land Title Office, it is intended that the insurance that the Developer will obtain in the name of the Strata Corporation will include earthquake coverage. Earthquake coverage is not required under the *Strata Property Act*, the *Strata Property Act Regulation*, or the bylaws of the Strata Corporation.

3.12 Rental Disclosure Statement

Under Section 139 of the *Strata Property Act*, a developer who rents or intends to rent one or more residential strata lots must file with the Superintendent of Real Estate before the first strata lot is offered for sale to a purchaser, a Rental Disclosure Statement in the prescribed Form J under the Regulation and give a copy of that statement to each prospective purchaser before the prospective purchaser enters into an agreement of purchase and sale. A Rental Disclosure Statement containing this information has been filed by the Developer with the Superintendent of Real Estate in the form attached as **Exhibit "H"**.

4. TITLE AND LEGAL MATTERS

4.1 Legal Description

The Strata Lots offered for sale by the Developer pursuant to this Disclosure Statement will be located on lands (the "**Lands**") civically known as 1575-1577 West Georgia Street and 620 Cardero Street, in the City of Vancouver, British Columbia, and legally described as:

Parcel Identifier 029-884-667
Lot A Block 42 District Lot 185 Group 1 New Westminster District and Part of the Public
Harbour of Burrard Inlet Plan EPP62321,

which will later be subdivided by way of the Air Space Subdivision Plan to create the Office/Retail Air Space Parcel and the Remainder Parcel, with the Development constructed within the Remainder Parcel and further subdivided by way of the Strata Plan into the Strata Lots.



While the civic address of the Development is currently anticipated to be 620 Cardero Street, Vancouver, British Columbia, the civic address of the Development may change as it will be finalized by the City at a later date and is subject to the discretion of the City.

4.2 Ownership

The Nominees are the registered owners of the Lands as nominee, agent and bare trustee for the beneficial owner, Arpeg Holdings Ltd., and pursuant to the JV Agreement and the Option to Purchase, Bosa Properties-Cardero has the right to obtain beneficial ownership of the Remainder Parcel wherein the Development will be constructed and will exercise such right prior to the filing of the final strata plan for the Development. Pursuant to the JV Agreement and the Option to Purchase, prior to the filing of the final strata plan for the Development, Arpeg Holdings Ltd. will sell and transfer the beneficial interest in the Remainder Parcel to Bosa Properties-Cardero within which the Development will be constructed and will form part of the Remainder Parcel.

4.3 Existing Encumbrances and Legal Notations

Title to the Lands is subject to the legal notations and encumbrances set out below:

- (a) the legal notations shown on title to the Lands, namely:
 - i. **Notice of Interest, Builders Lien Act (s.3(2)), See CA5312578.** This is a notice to contractors performing work or supplying materials to the Lands pursuant to the *Builder's Lien Act* (British Columbia);
 - ii. Hereto is **Annexed Easement BH339084** over Lot 1 Plan 14048 and Lot 2 Plan 14074 Part Dedicated Road on Plan LMP19026 Part Formerly Lot 3 Plan LMP12354 Except Part in Plan LMP31912 – this legal notation will be discharged prior to the issuance of occupancy permits for the Development; and
 - iii. Hereto is **Annexed Easement BH339085** over Lot 3 and 4 Plan 12354 Part Formerly Lot 1 Plan 14048 Except Part in Plan 18091 and LMP19026 and Part Formerly Lot 2 Plan 14074 – this legal notation will be discharged prior to the issuance of occupancy permits for the Development.
- (b) the encumbrances registered against title:
 - i. **Easement and Indemnity Agreement 535281M** in favour of the City – this encumbrance will be discharged prior to the issuance of occupancy permits for the Development;
 - ii. **Undersurface Rights 543680M** in favour of Canadian Pacific Limited – this encumbrance provides that any subsurface minerals at the Lands are the property of Canadian Pacific Limited and is essentially obsolete;
 - iii. **Covenant BG374266** in favour of the City – this encumbrance is a Section 219 Covenant which provides that construction upon the Lands must incorporate certain flood mitigation measures due to the Lands' proximity to Burrard Inlet;
 - iv. **Covenant BG374321** in favour of the City – this encumbrance will be discharged prior to the issuance of occupancy permits for the Development;
 - v. **Covenant BG374323** in favour of the City – this encumbrance will be discharged prior to the issuance of occupancy permits for the Development;

- vi. **Statutory Right of Way BG374329** in favour of the City – this encumbrance will be discharged prior to the issuance of occupancy permits for the Development;
- vii. **Easement BH339084** in favour of the City – this encumbrance will be discharged prior to the issuance of occupancy permits for the Development;
- viii. **Easement BH339085** in favour of the City – this encumbrance will be discharged prior to the issuance of occupancy permits for the Development;
- ix. **Covenant BJ119298** in favour of the City – this encumbrance is a Section 219 Covenant which provides that any redevelopment of the Lands must be in accordance with a remediation plan by a licensed environmental consultant whereby the Lands will be remediated of certain levels of toxic substances and waste in accordance with the requirements of the Ministry of Environment of the Province of British Columbia;
- x. **Statutory Right of Way BK146517** in favour of British Columbia Hydro and Power Authority (BC Hydro) – this Statutory Right of Way permits BC Hydro to access a portion of the Lands whereon BC Hydro has certain works, equipment and facilities (and the right to add further works, equipment and facilities) to operate, maintain, repair, replace, protect, construct and install such works, equipment and facilities;
- xi. **Mortgage CA3165287** in favour of Bosa Properties-Cardero, as extended by **Mortgage CA5311916** – this encumbrance will be discharged prior to the issuance of occupancy permits for the Development;
- xii. **Mortgage CA5311437** in favour of Canadian Imperial Bank of Commerce (CIBC), as extended by **Mortgage CA5311917** – this encumbrance will be discharged by the Developer from proceeds of the Construction Mortgage;
- xiii. **Assignment of Rents CA5311438** in favour of Canadian Imperial Bank of Commerce (CIBC), as extended by **Assignment of Rents CA5311918** – to be discharged by the Developer from proceeds of the Construction Mortgage;
- xiv. **Statutory Right of Way CA5312579** in favour of the City – this encumbrance is a Section 218 Statutory Right of Way in the City's standard form which provides that the City may access the Lands to inspect the Developer's works on the Lands which are required by the City in connection with the construction of the Development including but limited to certain road works, services, facilities, utilities, structures, landscaping, etc.;
- xv. **Covenant CA5312582** in favour of the City – this encumbrance is a Section 219 Covenant in the City's standard form which provides that the owner of the Lands will not permit any construction on the Lands unless and until the owner has delivered to the City a Letter of Credit to guarantee that the owner completes certain City requirements at the Lands in connection with its redevelopment as discussed herein, including but not limited to certain roadworks, landscaping, retaining walls, sidewalks, curbs, gutters and pathways. This Covenant is related to agreement referred to by the City as a "Services Agreement";
- xvi. **Covenant CA5312585** in favour of the City – this encumbrance is a Section 219 Covenant in the City's standard form which provides that the owner of the Lands will not apply to the City for occupancy permits unless and until the owner has completed certain roadworks and landscaping, as required by the City;



- xvii. **Statutory Right of Way CA5312589** in favour of the City – this encumbrance is a Section 218 Statutory Right of Way in the City's standard form which provides that once the Project is completed the public may have access to a pedestrian walkway / bicycle path on the Lands which runs along Cardero Street between West Georgia Street and West Hastings Street (the "**Cardero Public Walkway**");
- xviii. **Covenant CA5312592** in favour of the City – this encumbrance is a Section 219 Covenant in the City's standard form which provides that the Developer will construct the Cardero Public Walkway in accordance with the City's requirements;
- xix. **Covenant CA5312595** in favour of the City – this encumbrance is a Section 219 Covenant in the City's standard form which provides that the owner of the Lands will be responsible for, among other things, keeping the Cardero Public Walkway clear, well lit, and in a good state of repair;
- xx. **Equitable Charge CA5312598** in favour of the City – this encumbrance is an equitable charge in the City's standard form which provides that the owner grants an equitable charge to the City in respect of the owner's obligations under Statutory Right of Way CA5312589, Covenant CA5312592 and Covenant CA5312595;
- xxi. **Statutory Right of Way CA5312601** – this encumbrance is a Section 218 Statutory Right of Way in the City's standard form which provides the City the right to access the Lands to inspect the existing heat and hot water and related energy systems, equipment and facilities on the Lands for the purposes of determining their useful remaining life and the potential connectability of the Development to a Neighbourhood Energy System. A copy of this Statutory Right of Way is attached hereto as **Exhibit "O"**;
- xxii. **Covenant CA5312604** in favour of the City – this encumbrance is a Section 219 Covenant in the City's standard form which provides that in accordance with the terms of this Covenant the owner of the Lands will cooperate with the City and the Neighbourhood Energy System utility provider to connect the heat and hot water system for the Development to the Neighbourhood Energy System. A copy of this Covenant is attached hereto as **Exhibit "O"**;
- xxiii. **Statutory Right of Way CA5312607** in favour of the City – this encumbrance is a Section 218 Statutory Right of Way in the City's standard form which provides that the City has the right to access the Lands to install, construct, operate, repair and maintain the Neighbourhood Energy System equipment and facilities within the Neighbourhood Energy System utility room at the Project, and the City may assign this Statutory Right of Way to any utility provider approved by the British Columbia Utilities Commission and who may take assignment of a Section 218 Statutory Right of Way in accordance with the provisions of the *Land Title Act* (British Columbia). A copy of this Statutory Right of Way is attached hereto as **Exhibit "P"** ;
- xxiv. **Statutory Right of Way CA5312610** in favour of the City – this encumbrance is a Section 218 Statutory Right of Way in the City's standard form which provides that the City has the right to access to the Lands to install, construct, operate, repair and maintain the Neighbourhood Energy System piping, conduits and other infrastructure located on the Lands from time to time, and the City may assign this Statutory Right of Way to any utility provider approved by the British Columbia Utilities Commission and who may take assignment of a Section 218 Statutory Right of Way in accordance with the



provisions of the *Land Title Act* (British Columbia). A copy of this Statutory Right of Way is attached hereto as **Exhibit "P"** ;

- xxv. **Covenant CA5312613** in favour of the City – this encumbrance is a Section 219 Covenant in the City's standard form which provides that the owner of the Lands will not permit the Neighbourhood Energy System equipment room to be used or occupied except in accordance with the terms of this Covenant, and the owner of the Lands will further not interfere, damage, impair or obstruct the equipment, facilities and infrastructure of the Neighbourhood Energy System. A copy of this Covenant is attached hereto as **Exhibit "P"** ;
- xxvi. **Covenant CA5312616** in favour of the City – this encumbrance is a Section 219 Covenant in the City's standard form which provides that in connection with the Developer's redevelopment of the Lands the owner of the Lands will contribute to the provision of public art (the "**Public Art**") in accordance with the City's Public Art Policy and will not seek a development permit for the Lands unless and until the owner of the Lands has satisfied the City in respect of such public art related obligations;
- xxvii. **Covenant CA5312619** in favour of the City – this encumbrance is a Section 219 Covenant in the City's standard form which provides that the owner of the Lands will repair, maintain, keep safe and not relocate nor remove the Public Art;
- xxviii. **Statutory Right of Way CA5312622** in favour of the City – this encumbrance is a Section 218 Statutory Right of Way in the City's standard form which provides that the City may enter upon the Lands for the purposes of inspecting the Public Art;
- xxix. **Statutory Right of Way CA5312625** in favour of the City – this encumbrance is a Section 218 Statutory Right of Way in the City's standard form which provides that the City may enter upon the Lands for the purposes of preventing the migration of any hazardous materials from the Lands to the adjacent City roadways;
- xxx. **Covenant CA5312628** in favour of the City – this encumbrance is a Section 219 Covenant in the City's standard form which provides that the owner of the Lands will not obtain an occupancy permit for the redevelopment of the Lands unless and until the City has received a Compliance Certificate from Ministry of Environment in respect of the remediation of the Lands and other related matters in accordance with the City's requirements;
- xxxi. **Equitable Charge CA5312631** in favour of the City – this encumbrance is an equitable charge in the City's standard form which provides that the owner grants an equitable charge to the City in respect of the owner's obligations under Statutory Right of Way CA5312625 and Covenant CA5312628;
- xxxii. **Lease CA5312688** in favour of Tripoint Property GP Ltd. and Bosa Properties-Cardero – this encumbrance will be discharged prior to the issuance of occupancy permits for the Development;
- xxxiii. **Option to Purchase CA5312689** in favour of Bosa Properties-Cardero – this encumbrance will be discharged prior to the issuance of occupancy permits for the Development;



- xxxiv. **Mortgage of Lease CA5312771** and associated **Assignment of Rents CA5312772** in favour of Canadian Imperial Bank of Commerce (CIBC) – this encumbrance will be discharged by the Developer from proceeds of the Construction Mortgage; and
- xxxv. **Mortgage of Option to Purchase CA5312773** in favour of Canadian Imperial Bank of Commerce (CIBC) – this encumbrance will be discharged by the Developer from proceeds of the Construction Mortgage.

4.4 Proposed Encumbrances

The Developer proposes to register the following encumbrances against title to the Strata Lots, the Common Property and the Lands, or any of them:

- (a) The Developer will grant the Construction Mortgage as well as collateral security thereto which will be partially discharged on a per strata lot basis to accommodate sales to purchasers of Strata Lots;
- (b) The Developer, in its discretion, may grant an additional mortgage or mortgages ("**Additional Mortgages**") subordinate to the Construction Mortgage. The Developer may also grant additional general security agreements subordinate to the general security agreement referred to in Section 6.2. If the Developer grants Additional Mortgages or additional general security agreements, such Additional Mortgages and additional general security agreements will be discharged on a per strata lot basis to accommodate sales to purchasers of Strata Lots;
- (c) The Developer may grant deposit protection security including a mortgage, assignment of rents, general security agreement and other documents collateral thereto granted by the registered owner to an insurance company issuing a deposit protection contract to permit release of purchaser's deposits for use in constructing the Project;
- (d) The Developer will grant the Easement and Cost Sharing Agreement;
- (e) The Developer will grant a lease of certain portions of the roof areas of the Development for communications purposes to a company affiliated with the Developer, which lease will be in the form attached hereto as **Exhibit "L"**;
- (f) The Developer will grant a right of access to the underground parking facility and the electrical power outlets and supply panels at the Development for the purpose of installing BVCS during the term of the Master Parking/Storage Agreement; and
- (g) The Developer may register other rights of way, easements, restrictive covenants, Section 218 Statutory Rights of Way, Section 219 Covenants, dedications, and other rights or restrictions which the Developer considers necessary or desirable in connection with the Development and/or which are required by the City, BC Hydro, Fortis BC, Shaw Cable, Telus, television, cablevision, and telecommunications suppliers; or any government authority or public or private utility.

4.5 Outstanding or Contingent Litigation or Liabilities

There is no outstanding or contingent litigation or liability in respect of the Development or the Lands or against the Developer that may affect the Strata Corporation or Strata Lot owners except as follows:
Nil.

4.6 Environmental Matters

The Lands are located near Burrard Inlet and accordingly are susceptible to flooding. To mitigate the Development's risk of flooding, the Project will be constructed using flood prevention measures as required by the City and as partially set forth in Covenant BG374266 which is discussed in Section 4.3(b) of this Disclosure Statement.

The soil and subsoil of the Lands contain environmental contaminants and the Developer will comply with the Environmental Encumbrances and all existing environmental laws in removing or treating any environmental contaminants found in or on the Lands and remediating the Lands as required by the Ministry of Environment (the "**Environmental Requirements**").

5.0 CONSTRUCTION

5.1 Construction Date

The estimated date range for commencement of construction of the Development is between November 1, 2016 and January 31, 2016.

The estimated date range for completion of construction of the Development is between September 1, 2019 and November 30, 2019.

Purchasers should note that these dates are estimates only and the actual date for completion of construction may vary based on construction factors or market conditions and the actual completion of the purchase and sale of a Strata Lot is subject to the provisions of the applicable agreement of purchase and sale for such Strata Lots. For clarity, the actual date for commencement of construction may fall before or after the estimated date range for commencement of construction as set out in this Section 5.1, which thereby may accelerate or delay the estimated date for completion of construction.

5.2 Warranties

Construction Warranties

The labour and materials warranties for the Development and the individual Strata Lots are set out below and will be covered by insurance provided by National Home Warranty. These following warranties comply with the requirements of the Home Owner Protection Act and are the only warranties provided by the Developer:

Time Limits on Coverage: 2-5-10

The minimum coverage for every policy of home warranty insurance includes:

2-year materials and labour warranty.

In the first 12 months, for all new homes other than the common property, common facilities and other assets of a strata corporation, coverage is for any defect in materials and labour, and for a violation of the Building Code*.

In the first 15 months, for the common property, common facilities and other assets of a strata corporation, coverage is for any defect in materials and labour, and for a violation of the Building Code.



In the first 24 months for all new homes including the common property, common facilities and other assets of a strata corporation, coverage is for any defect in materials and labour supplied for the electrical, plumbing, heating, ventilation and air conditioning and distribution systems, any defect in materials and labour supplied for the exterior cladding, caulking, windows and doors that may lead to detachment or material damage to the new home, any defect in materials and labour which renders the new home unfit to live, and for a violation of the Building Code.

*Non-compliance with the Building Code is considered a defect covered by home warranty insurance if the non-compliance constitutes an unreasonable health or safety risk, or has resulted in, or is likely to cause, material damage to the new home.

5-year building envelope warranty

The minimum coverage for the building envelope warranty is 5 years for defects in the building envelope of a new home including a defect that permits unintended water penetration such that it causes, or is likely to cause, material damage to the new home.

Note: In evaluating a building envelope claim warranty providers will require evidence of actual water penetration or evidence that the water penetration is substantially likely to occur within the 5 year period if the defect is not repaired.

10-year building structural defects warranty

The minimum coverage for the structural defects warranty is 10 years for any defect in materials and labour that results in the failure of a load bearing part of the new home, and any defect which causes structural damage that materially and adversely affects the use of the new home for residential occupancy.

For the common property, the commencement date is concurrent with the first commencement date for a Strata Lot in each separate multi-unit building comprising the Strata Plan. A condition of the warranty coverage is that the warranty holder be permitted access to the Development and obtain readings from measuring devices.

5.3 Previously Occupied Building

The Development will be newly constructed and will not include any buildings that have been previously occupied.

6. APPROVALS & FINANCES

6.1 Development Approval

On July 26, 2016, the City approved two bylaws to permit the development of the Project. Firstly, a bylaw to amend Coal Harbour Official Development Plan Bylaw No. 6754 to remove the Lands from the area governed by the Coal Harbour Official Community Development Plan, and secondly a bylaw to amend Zoning and Development Bylaw No. 3575 to rezone the Lands to a CD-1 zoning.

A building permit for the Development has not yet been issued by the City. The estimated date for issuance of a building permit is December 1, 2016. An amendment to this Disclosure Statement setting out the particulars of the issuance of a building permit for the Development will be filed with the



Superintendent of Real Estate and a copy of such amendment will be delivered to each purchaser after the building permit has been issued.

6.2 Construction Financing

The Developer has not yet obtained a financing commitment for construction of the Development. The Developer will arrange adequate financing for construction of the Development (including payment of the cost of utilities and other services associated with the Development (the **"Construction Financing"**) and intends to do so by way of a construction loan that the Developer intends to obtain from an institutional or private lender. The estimated date for the Developer to obtain an adequate financing commitment is November 1, 2016.

As security for the Construction Financing, it is intended that the Developer will grant a first mortgage and assignment of rents (collectively, the **"First Mortgage"**) and such mortgage and assignment of rents will be registered in the LTO. Such First Mortgage and assignment of rents is together defined as the **"Construction Mortgage"**. As additional security for the construction financing a general security agreement will be registered in the British Columbia Personal Property Registry.

The Construction Mortgage, together with the general security agreements and any Additional Mortgage(s) will be released on a per strata lot basis upon payment of all or a portion of the gross sale proceeds for each Strata Lot as required by the Construction Mortgagee, less any holdbacks required pursuant to Section 88 of the *Strata Property Act* provided the Developer assigns to the Construction Mortgagee such holdback monies and such holdback monies are retained, during the period of the holdback, in a solicitor's trust account.

7. MISCELLANEOUS

7.1 Deposits

All deposits and other moneys received from purchasers of the Strata Lots will be held in trust in the manner required by the *Real Estate Development Marketing Act* by the Developer's conveyancing lawyers, Spagnuolo & Company Real Estate Lawyers, #300 – 906 Roderick Avenue, Coquitlam, B.C. A copy of Section 18 (handling deposits) of the *Real Estate Development Marketing Act* is attached as **Exhibit "I"**.

Release of Deposit to Developer if Purchaser Defaults In Paying Subsequent Deposit

Under Section 18(4) of the *Real Estate Development Marketing Act* a trustee holding a deposit from a purchaser must release the deposit to the Developer if the Developer certifies in writing that:

- (a) the period under Section 21 (rights of rescission) of the *Real Estate Development Marketing Act* has expired;
- (b) the purchaser has failed to pay a subsequent deposit when required by the purchase agreement under which the deposit held by the trustee was paid;
- (c) under the terms of the purchase agreement, if the purchaser fails to pay a subsequent deposit when required, the developer may elect to cancel the purchase agreement and, if the developer elects to cancel the purchase agreement, the amount of the deposit is forfeited to the Developer; and
- (d) the Developer has elected to cancel the purchase agreement.



Deposit Protection Contract under Real Estate Development Marketing Act

Under Section 19 of the *Real Estate Development Marketing Act* (a copy of which section is attached as **Exhibit "I"**), a developer who desires to use for the developer's own purposes a deposit the developer has placed with a trustee under Section 18 of the *Real Estate Development Marketing Act* may, by entering into a deposit protection contract in relation to that deposit, obtain the deposit from that trustee and use that deposit only for the developer's own purposes. Section 10 of the *Real Estate Development Marketing Regulation* provides that if a developer enters into a deposit protection contract, the developer must provide notice of the deposit protection contract to a purchaser by including the following information in the disclosure statement:

- the name and business address of the insurer;
- the name of the developer who entered into the deposit protection contract;
- the date on which the insurance takes effect; and
- the name of the trustee.

The Developer may enter into such a deposit protection contract and, if it does, the Developer will comply with the *Real Estate Development Marketing Act* and Section 10 of the *Real Estate Development Marketing Regulation*. The deposit protection contract is contemplated by Section 12.0 of the form of agreement of purchase and sale attached hereto as **Exhibit "J"**.

7.2 Agreement of Purchase and Sale

(1) Form of Agreement of Purchase and Sale

The form of agreement of purchase and sale that the Developer will use for the sale of the Strata Lots is attached as **Exhibit "J"**, unless otherwise agreed to by the purchaser and the Developer;

(2) Termination / Extension of Time

(a) Pursuant to Section 4.1 of the Agreement of Purchase and Sale, the completion date of the Purchase and Sale of the Strata Lot will be on the date selected by the Vendor (the "**Completion Date**") and set out in a notice (the "**Completion Notice**") given by the Vendor or the Vendor's Conveyancers to the Purchaser or the Purchaser's Solicitors at any time after:

- (i) the Vendor has received oral or written permission from the municipality or the city, as the case may be, to occupy the Strata Lot, as opposed to any common property within the Development, regardless of whether or not such permission is temporary conditional or final; and
- (ii) a separate title to the Strata Lot has been issued by the applicable Land Title Office.

If the Completion Date has not occurred by December 15, 2020 (the "**Outside Date**") then the Purchaser or the Vendor shall have the right to cancel this Agreement by giving ten (10) business days written notice to the other party, provided that such notice is given and has expired before the last to occur of:

- (i) the date permission is given by a municipality or city to occupy the Strata Lot; and
- (ii) the date the Strata Plan creating the Strata Lot is submitted for filing in the Land Title Office.

If the Vendor or Purchaser exercises the said right, the Deposit and any interest accrued thereon will be paid to the Purchaser in accordance with Section 3.2(c) hereof.

The Completion Date will be established by the Vendor in accordance with this Section 4.1 notwithstanding that the estimated date for completion of construction of the Development as set out in this Disclosure Statement or any amendment thereto (the "**Estimated Construction Completion Date**") is an estimate only and may vary based on time gained or lost during the construction process. For greater certainty, the actual Completion Date, as established by the date set forth in the Completion Notice, may occur before, on or after the Estimated Construction Completion Date.

The form of agreement of purchase and sale provides that the purchaser:

- (i) agrees to complete the purchase of the Strata Lot on the Completion Date as set out in the Completion Notice regardless of the amount of time between the Completion Date and the Estimated Construction Date;
- (ii) acknowledges and agrees that the decision to enter into and to perform the terms of this Agreement is not predicated upon whether or not the actual Completion Date occurs before, at or after the Estimated Construction Date; and
- (iii) acknowledges and agrees that a Completion Date occurring before, at or after the Estimated Construction Completion Date will not affect the value, price or use of the Strata to the Purchaser.

If the Vendor or Purchaser exercises the said right of cancellation, the Deposit and any interest accrued thereon will be paid to the Purchaser in accordance with Section 3.2(c) of this Disclosure Statement.

- (b) Pursuant to Section 4.2 of the Agreement of Purchase and Sale, if the Vendor is delayed from completing the construction of the Strata Lot or obtaining permission to occupy the Strata Lot or from depositing the Strata Plan for registration in the Land Title Office, as a result of fire, explosion or accident, however caused, act or omission of any governmental authority, strike, lockout, inability to obtain or delay in obtaining labour, materials or equipment, flood, adverse site or soil conditions, act of God, inclement weather, delay or failure by carriers or contractors, unavailability of supplies or materials, breakage or other casualty, climate conditions, interference of the Purchaser or any other event beyond the control of the Vendor, then the time within which the Vendor must do anything hereunder and the Outside Date referred to in Section 4.1 of the Agreement of Purchase and Sale will be extended for a period equivalent to such period of delay.
- (c) Pursuant to Section 5.2 of the Agreement of Purchase and Sale, the Purchaser acknowledges that the total expected area of the Strata Lot ("Expected Area") as shown on the Strata Plan (and the room measurements as shown in any advertising



material) are approximate only and may vary from the total actual area ("**Actual Area**") as shown on the final strata plan registered in the applicable Land Title Office. If the proportion by which the Actual Area varies from the Expected Area (the "Variance") is less than $\pm 3\%$, there will be no adjustment to the Purchase Price to reflect same. If the Variance exceeds $\pm 3\%$, the Purchase Price will be increased or decreased, as the case may be, by the "Adjustment Factor" (as hereinafter defined) per square foot in respect of that part of the Variance that exceeds $\pm 3\%$. If the Variance exceeds $\pm 10\%$, the Purchaser may by written notice cancel this Agreement of Purchase and Sale, whereupon the Purchaser will be entitled to repayment of the Deposit as provided in Section 3.2 of the Agreement of Purchase and Sale unless the Variance is positive by virtue of the Actual Area exceeding the Expected Area and the Vendor waives the adjustment to the Purchase Price in which event the Purchaser will complete the transaction of purchase and sale on the Completion Date. In this paragraph, "Adjustment Factor" means the price per square foot determined by dividing the Purchase Price noted in Section 1.0 of the Agreement of Purchase and Sale by the Expected Area.

- (d) Pursuant to Section 6.3 of the Agreement of Purchase and Sale, the Strata Lot shall be at the risk of the Vendor until and including the day preceding the Completion Date and at the risk of the Purchaser from and including the Completion Date.
- (e) Pursuant to Section 9.1 of the Agreement of Purchase and Sale, the Developer's obligation to sell the Strata Lots to purchasers will be subject to the following conditions:
 - (i) that the Developer has entered into contracts of purchase and sale with other purchasers for the sale of not less than eighty (80) of the Strata Lots on or before August 1, 2017. This condition is for the sole benefit of the Developer and may be waived by it at any time prior to the said date; and
 - (ii) that prior to the date the Developer files the amendment to this Disclosure Statement setting out that:
 - 1. the particulars of an issued building permit for the Development or the date the Developer is required to do so pursuant to paragraph (c)(ii) of Policy Statement 5;
 - 2. the particulars of the satisfactory financing arranged by the Vendor or the date the Developer is required to do so pursuant to paragraph (c)(i) of Policy Statement 6, whichever is earlier; and
 - 3. the Developer is satisfied, in its sole discretion, with the costs of construction and the economic feasibility of proceeding with the Development.

These conditions are for the sole benefit of the Developer and may be waived by it at any time prior to the said date.
- (f) Pursuant to Section 10.1 of the Agreement of Purchase and Sale, time will be of the essence of the Agreement of Purchase and Sale and unless all payments on account of the Purchase Price, together with adjustments thereto as provided herein and all other amounts payable by the Purchaser hereunder are paid when due, then the Vendor may, at the Vendor's option:



- (i) terminate the Agreement of Purchase and Sale and in such event the Deposit together with all accrued interest thereon will be absolutely forfeited to the Vendor on account of damages (being the minimum amount of damages the parties agree the Vendor is expected to suffer as a result of such termination), without prejudice to the Vendor's other remedies, including a right to recover any additional damages; or
- (ii) elect to extend the time for completion and complete the transaction contemplated by the Agreement of Purchase and Sale, 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 at the rate of 3% per annum above the annual rate of interest designated by the Vendor's principal bank as its "prime rate", as that rate changes from time to time, such interest to be calculated daily from the date upon which such payment and amounts were due to the date upon which such payment and amounts are paid.

If from time to time the Purchaser's default continues beyond the last extended date for completion established pursuant to Section 9.1 (b) of the Agreement of Purchase and Sale, the Vendor may thereafter elect to terminate this Agreement pursuant to Section 9.1 (a) of the Agreement of Purchase and Sale or permit a further extension pursuant to Section 9.1 (b) of the Agreement of Purchase and Sale.

- (g) Pursuant to Section 10.2 of the Agreement of Purchase and Sale, notwithstanding anything contained in the Agreement of Purchase and Sale to the contrary, if the Purchaser's obligation to purchase the Strata Lot is subject to one or more conditions then the conditions shall be set out in an Addendum attached to the Agreement of Purchase and Sale and if such conditions exist then the Vendor may, on written notice delivered to the Purchaser require the Purchaser to either satisfy or waive the satisfaction of all conditions by delivering written notice within twenty-four (24) hours from the time the Vendor gives notice to the Purchaser. If such written waiver is not received within such time, then the Agreement of Purchase and Sale shall terminate and the Deposit together with all accrued interest thereon (if any) less the Stakeholder's reasonable administration fee shall be refunded to Purchaser.
- (h) Pursuant to Section 11.1(a) of the Agreement of Purchase and sale, the Purchaser may cancel the Agreement of Purchase and Sale for a period of seven days after receipt of an amendment to the Disclosure Statement that sets out particulars of the issued building permit if the layout or size of the applicable strata lot, the construction of a major common facility, including a recreation centre or clubhouse, or the general layout of the Development, is materially changed by the issuance of the building permit.
- (i) Pursuant to Section 11.1(b) of the Agreement of Purchase and Sale, if an amendment to this Disclosure Statement that sets out particulars of an issued building permit is not received by the Purchaser within 12 months after the date that this Disclosure Statement was filed, the Purchaser may at the Purchaser's option cancel the Agreement of Purchase and Sale at any time after the end of that 12 month period until the required amendment is received by the Purchaser, at which time the Purchaser may cancel the Agreement of Purchase and Sale for a period of seven days after receipt of that amendment only if the layout or size of the applicable strata lot, the construction of a major common facility or the general layout of the Development, is materially changed by the issuance of the building permit.



- (j) Pursuant to Section 11.2(a) of the Agreement of Purchase and Sale, if an amendment to this Disclosure Statement that sets out particulars of a satisfactory financing commitment is not received by the Purchaser within 12 months after the date that this Disclosure Statement was filed, the Purchaser may at his or her option cancel the Agreement of Purchase and Sale at any time after the end of that 12 month period until the required amendment is received by the Purchaser.

(3) Assignment

Pursuant to Section 7.1 of the Agreement of Purchase and Sale, the Purchaser may only assign the Purchaser's interest in the Strata Lot or in the Agreement of Purchase and Sale or direct the transfer of the Strata Lot to any other or additional party with the written consent of the Vendor and unless the Vendor so consents the Vendor shall not be required to convey the Strata Lot to anyone other than the Purchaser named therein. If with the consent of the Vendor, the Purchaser assigns the Purchaser's interest in the Strata Lot or the Agreement of Purchase and Sale or directs the transfer of the Strata Lot to any other or additional party, the Purchaser will pay to the Vendor a handling charge in the amount of three percent (3%) of the Purchase Price referred to in Section 1.01 of the Agreement of Purchase and Sale (plus GST) to compensate the Vendor for legal and administrative costs in connection with such assignment or direction except that such handling charge will be reduced to Five Hundred Dollars (\$500.00) plus GST if the assignee is the Purchaser's spouse, parent, child, grandparent or grandchild. No assignment by the Purchaser of the Purchaser's interest in the Strata Lot or the Agreement of Purchase and Sale or direction of transfer to any other person shall have the effect of releasing the Purchaser from any of the Purchaser's obligations or liabilities under the Agreement of Purchase and Sale.

Any purchaser seeking the Vendor's consent to an assignment must give the Vendor at least fourteen (14) days written notice of such request prior to submitting the written form of assignment agreement for the Vendor's consideration.

The Vendor will not consider any request for consent if:

- (a) made prior to one hundred eighty (180) days after the date of the Agreement of Purchase and Sale;
- (b) made after that date which is sixty (60) days prior to the Estimated Completion Date as set forth in Section 4.1 of the Agreement of Purchase and Sale;
- (c) the Vendor has previously consented to an assignment by the Purchaser; or
- (d) the Purchaser has not complied with the marketing restrictions set out in Section 8.0 of the Agreement of Purchase and Sale.

No assignment by the Purchaser of the Purchaser's interest in the Strata Lot or the Agreement of Purchase and Sale or direction of transfer to any other person shall have the effect of releasing the Purchaser from any of the Purchaser's obligations or liabilities under the Agreement of Purchase and Sale.

(4) Interest on Deposit Monies

- (a) If the Purchaser completes the purchase of the Strata Lot on the terms and conditions herein contained, then the Deposit shall form part of and be applied to the Purchase Price and be paid by the Stakeholder to the Vendor. Any interest earned thereon shall not be applied to the Purchase Price and be paid to the Vendor (less the Stakeholder's reasonable administration fee);



- (b) If the Purchaser does not give proper notice to the Vendor pursuant to Sections 4.1 or 5.2 of the Agreement of Purchase and Sale and the Purchaser fails to complete the purchase of the Strata Lot on the terms and conditions herein contained, then the Deposit together with interest accrued thereon (less the Stakeholder's reasonable administration fee) shall be paid by the Stakeholder to the Vendor forthwith;
- (c) If the Purchaser gives proper notice to the Vendor pursuant to Sections 4.1 or 5.2 of the Agreement of Purchase and Sale, then the Deposit together with interest accrued thereon (less the Stakeholder's reasonable administrative fee) shall be paid by the Stakeholder to the Purchaser and the Purchaser shall have no further claim against the Vendor;
- (d) If the Purchaser does not give notice pursuant to Sections 4.1 or 5.2 of the Agreement of Purchase and Sale and the Vendor fails to complete the sale of the Strata Lot on the terms and conditions herein contained, then the Deposit together with interest accrued thereon (less the Stakeholder's reasonable administrative fee) shall be paid by the Stakeholder to the Purchaser and the Purchaser shall have no further claim against the Vendor; and
- (e) If the Purchaser delivers to the Vendor a notice of termination of the Agreement of Purchase and Sale pursuant to Sections 11.0(a) and 11.0(b) thereof or the Vendor terminates the Agreement of Purchase and Sale pursuant to Section 9.1 thereof, then forthwith upon receipt of such notice, the Deposit shall be paid by the Stakeholder to the Purchaser and the Purchaser shall have no further claim against the Vendor. The interest accrued on the Deposit will be paid to the Vendor.

(5) Limited Offerings.

The Developer may, in its sole discretion, from time to time and at any time elect to offer purchase incentives to purchasers for certain Strata Lots.

One such incentive that the Developer may offer is its "Lease Back Program" to purchasers of Eligible Strata Lots (as defined hereinafter) sold unconditionally and will, after completion of the purchase of an Eligible Strata Lot, enter into a tenancy agreement (the "**Tenancy Agreement**") with the purchaser of such Eligible Strata Lot (the "**Eligible Purchaser**") whereby the Developer, as tenant, will rent the Eligible Strata Lot from the Eligible Purchaser, as landlord.

For the purposes of this offering, "Eligible Strata Lots" are those "Cardero" Strata Lots that may be designated by the Developer at its sales centre from time to time as being eligible for the offering.

7.3 Developer's Commitments

At this time the Developer does not intend to offer its Lease Back Program to purchasers of the Strata Lots, but in the event the Developer elects to offer its Lease Back Program at some time in the future, then the Developer will make a commitment to make payments, as tenant, to the Eligible Purchaser, who has rented its Eligible Strata Lot to the Developer pursuant to the Developer's Lease Back Program as described in Section 7.2(6) of this Disclosure Statement. If the Developer does at some time in the future offer its Lease Back Program, the Developer will not post any security to meet its commitments under such program. As such, there may exist a risk that the Developer may not satisfy the aforementioned post completion financial commitment in whole or in part and purchasers relying on that commitment are accordingly cautioned as to the existence of this risk.



7.4 Other Material Facts

(a) Other Material Contracts

When appropriate to do so, as determined by the Developer in its sole discretion, the Developer may enter into, or to cause the Strata Corporation to enter into or to assume, some or all of the following agreements:

- (1) the strata management agreement contemplated in Section 3.14 of this Disclosure Statement;
- (2) a lease agreement on behalf of the Strata Corporation for the lease of an entry phone system and the video surveillance system in which event the monthly lease costs will be shown in the Budget attached hereto as **Exhibit "C"**;
- (3) a lease of certain portions of the roof areas of the Development for communications purposes substantially on the terms and conditions attached hereto as **Exhibit "L"**;
- (4) maintenance and rental agreement or agreements with respect to certain Common Property equipment;
- (5) fire alarm system monitoring agreement;
- (6) agreements with and easements in favour of the adjacent land owners;
- (7) any unregistered agreements required by the City in order to approve all development, building and occupancy permits required in respect of the Project;
- (8) any agreements set out in Sections 4.3 and 4.4 of this Disclosure Statement;
- (9) marketing license agreement as described in Section 7.4(b) of this Disclosure Statement;
- (10) crane swing license, easement agreement and/or a reciprocal easement/shoring agreement with respect to the construction of adjacent developments;
- (11) an agreement for the assumption of the Developer's covenants under the Neighbourhood Energy System Encumbrances and any related agreements;
- (12) agreements the Developer believes are for the benefit of the Strata Corporation and Development in general.

Most of these agreements would be entered into before the first conveyance of a Strata Lot to a purchaser. The estimated amounts payable by the Strata Corporation under these agreements are not included in the Budget attached at **Exhibit "C"**.

(c) Proximity to Burrard Inlet

The Project is located near the Burrard Inlet and accordingly the Development is susceptible to flooding so the City has required that the Development be constructed in accordance with certain flood mitigation measures, as further discussed in the summary of Covenant BG374266 in Sections 4.6 and 4.3(b) of this Disclosure Statement.



(a) Neighbourhood Energy System

The City has initiated the "Neighbourhood Energy Strategy" whereby the City has the goal of developing shared energy infrastructure platforms to provide heating and/or cooling for multiple buildings in dense urban areas called "Neighbourhood Energy Systems" or "NES". NES provide economies of scale necessary to make use of a variety of renewable energy resources and address growing concerns about climate protection, energy security and economic resiliency. Additionally, NES generally benefit from the ability to utilize low operating cost energy sources such as sewage heat and cost savings to homeowners by avoiding the costs associated with boiler maintenance and replacement. As part of the Neighbourhood Energy Strategy, the City has required that the Development be constructed in a manner that enables the Development's heat and hot water utility supply system be converted to a Neighbourhood Energy System at some time in the future when the infrastructure and neighbourhood utility provider becomes available in reasonable proximity to the Development. This conversion of the Development's heat and hot water system and their connection to the NES is mandatory. Accordingly, the owner of the Lands has entered into the Neighborhood Energy System Encumbrances to comply with the City's requirements and facilitate such conversion. The Neighbourhood Energy System Encumbrances will run with the Lands, will be assumed by the Strata Corporation and become the responsibility of purchasers and the Strata Corporation. Copies of the Neighbourhood Energy System Encumbrances are attached as **Exhibit "O"** and **Exhibit "P"** of this Disclosure Statement.

For more information regarding NES generally or the Neighbourhood Energy System Encumbrances, purchasers may contact the City Sustainability Department at sustainability@vancouver.ca, or the City Green Building Program at 604-871-6542, or review information regarding NES on the following City website: <http://vancouver.ca/green-vancouver/neighbourhood-energy-strategy.aspx>

(e) BosaSpace

The Developer may select certain one-bedroom units at the Development to receive one or more elements of BosaSpace. The Developer in its sole discretion, will determine such one-bedroom units and the BosaSpace elements to be installed therein.

(f) Marketing License Agreement

Following the deposit of the Strata Plan in the Land Title Office, the Developer may cause the Strata Corporation to enter into a marketing license agreement with the Developer whereby the Strata Corporation will permit the Developer and its marketing agents to conduct the activities and utilize the facilities described in Section 7.4(g) of this Disclosure Statement.

(g) Continuing Sales and Marketing Program

Following the deposit of the Strata Plan in the Land Title Office, the Developer and their marketing agents will be entitled to carry out, for such period as the Developer determines to be necessary or desirable in connection with the marketing of the Development, marketing sales activities within the Common Property and any Strata Lots owned or leased by the developer, including without limitation, maintaining display suites for the Development, other display area, parking areas and signage and permitting public access to same. In addition, the Developer may conduct tours of the Development from time to time with prospective purchasers and hold events and other activities within the Development in connection with the marketing and sales activities. One or more of these rights are included in the proposed Form Y - Owner Developers Notice of Different Bylaws attached hereto as **Exhibit "E"**. The



Developer will act reasonably in exercising such rights and use reasonable efforts to minimize any unreasonable interference with the use or enjoyment of the Common Property or any other Strata Lots by existing owners.

(g) Shared Costs with Owners of the Office/Retail Air Space Parcel

Owners of the Strata Lots and owners of the Office/Retail Air Space Parcel will share certain expenses in respect of operating, maintaining and repairing the Project on an equitable basis as will be set forth in the Easement and Cost Sharing Agreement. Such expenses may include for example costs associated with landscaping, window washing, repairing parking gates, maintaining drive aisles, etc. The terms upon which such expenses are shared and the allocation of such expenses are set out in the Easement and Cost Sharing Agreement. The amounts set forth in the budget attached hereto as **Exhibit "C"** reflects the current anticipated equitable cost sharing allocation in the Easement and Cost Sharing Agreement, but such allocations are subject to change and the terms of the Easement and Cost Sharing Agreement will be applicable.

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 *Real Estate Development Marketing Act*.



CAUTION

The Developer, directors of a corporate developer, and any other person required by the Superintendent to sign this Disclosure Statement are advised to read the provisions of and be fully aware of their obligations under Part 2 of the *Real Estate Development Marketing Act* before signing this statement, as a person who fails to comply with the requirements of Part 2 of the *Real Estate Services Act* may, on conviction, be liable:

- a) in the case of a corporation, to a fine of not more than \$100,000.00, and
- b) in the case of an individual, to either a fine of not more than \$100,000.00, or to imprisonment for not more than 5 years less one day.

DECLARATION

The foregoing statements disclose without misrepresentation, all material facts relating to the Development referred to above as required by the *Real Estate Development Marketing Act* of British Columbia as of August 18, 2016.

SIGNED this 18 day of August, 2016.

BOSA PROPERTIES (CARDERO) INC.

Per:

Authorized Signatory

)
)
)
)
)
)
)

Colin Bosa, Director

Dale Bosa, Director

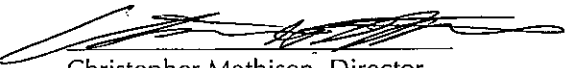
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1072705 B.C. Ltd.

Per: 
Authorized Signatory

) 
) Barbara Bell, Director
)

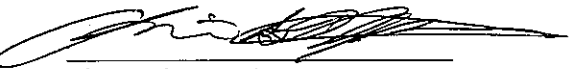
) 
) Christopher Mathisen, Director
)

) 
) Drew Ratcliffe, Director
)

1072719 B.C. Ltd.

Per: 
Authorized Signatory

) 
) Barbara Bell, Director
)

) 
) Christopher Mathisen, Director
)

) 
) Drew Ratcliffe, Director
)



SOLICITOR'S CERTIFICATE

IN THE MATTER OF the *Real Estate Development Marketing Act* and the Disclosure Statement of:

BOSA PROPERTIES (CARDERO) INC.;
1072705 B.C. Ltd.; and 1072719 B.C. Ltd.

for property situate at 620 Cardero Street, Vancouver,
B.C. legally described as:

Parcel Identifier 029-884-667
Lot A Block 42 District Lot 185 Group 1 New
Westminster District and of Part of the Public
Harbour of Burrard Inlet Plan EPP62321,

and the project to be constructed thereon to be known
as "Cardero"

I, DIRK C.A. DE VUYST, Solicitor, a member of the Law Society of British Columbia, having read over the above described Disclosure Statement dated the 18th day of August, 2016, made any required investigations in public offices and reviewed same with the Developer therein named, hereby certify that the facts contained in Sections 4.1, 4.2 and 4.3 of the Disclosure Statement are correct.

DATED at Vancouver, British Columbia this 18th day of August, 2016,



Dirk C.A. De Vuyst



EXHIBIT "A"
PROPOSED STRATA PLAN

(See Next Page)



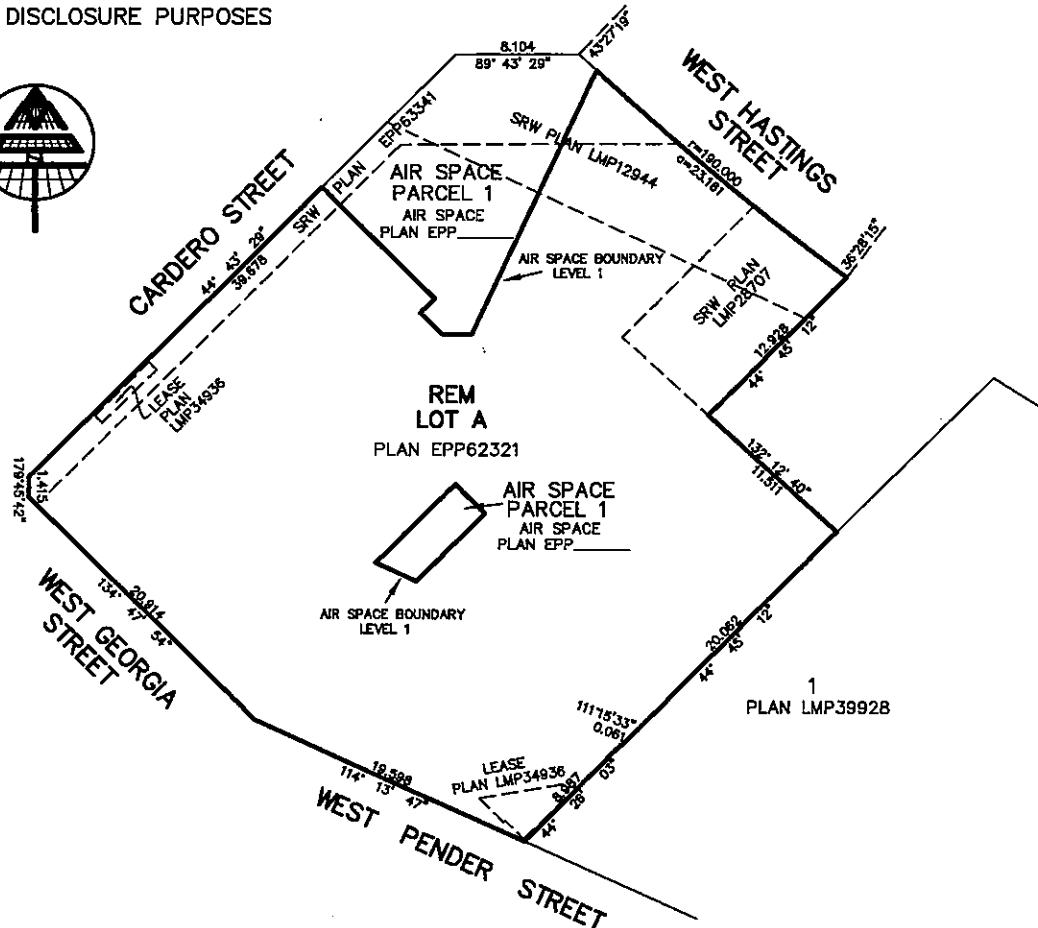
PROPOSED STRATA PLAN OF
LOT A BLK 42 DL 185 GP 1 NWD
PLAN EPP62321 EXCEPT: PORTION SHOWN
ON AIR SPACE PLAN EPP_____

SHEET 1 OF 27 SHEETS

STRATA PLAN EPS _____

BCGS 92G.025

FOR DISCLOSURE PURPOSES



SCALE 1:300



LEGEND

- ALL DIMENSIONS ARE IN METRES.
- C.P. INDICATES COMMON PROPERTY
- L.C.P. INDICATES LIMITED COMMON PROPERTY
- S.L. INDICATES STRATA LOT
- PT. INDICATES PART
- m² INDICATES SQUARE METRES
- RD INDICATES ROOF DECK
- B INDICATES BALCONY
- M INDICATES MECHANICAL - C.P.
- ELEC INDICATES ELECTRICAL ROOM/CLOSET - C.P.
- (#701) INDICATES PROPOSED UNIT NUMBER

GRID BEARINGS AND LOT DIMENSIONS ARE SUBJECT TO FINAL LEGAL FIELD SURVEYS.

ALL NUMERICAL EQUIVALENTS ARE BASED ON DIMENSIONS FROM ARCHITECTS DRAWING.

FINAL NUMERICAL VALUES IN THE STRATA PLAN WILL BE BASED ON AS CONSTRUCTED DIMENSIONS.

ALL PROPOSED PHYSICAL IMPROVEMENTS SHOWN ARE FROM ARCHITECTS DRAWING, FINAL LOCATION AND OR CONSTRUCTION DETAILS ARE SUBJECT TO CHANGE.

AUGUST 3, 2016

NOTES

AREA CALCULATIONS ARE APPROXIMATE BASED ON ARCHITECTS DIMENSIONS.

BALCONIES AND ROOF DECKS ARE LIMITED COMMON PROPERTY FOR THE USE OF THE STRATA LOT INDICATED. (EX. B-45, RD-117)

STRATA LOT BOUNDARIES ARE MEASURED TO THE COMMON PROPERTY SIDE OF WALLS AND/OR THE EXTERNAL GLASS LINE BETWEEN STRATA LOTS AND COMMON PROPERTY AND TO THE CENTRELINE OF WALLS BETWEEN ADJACENT STRATA LOTS SUBJECT TO THE FOLLOWING:

WHERE THERE ARE STRUCTURAL WALLS THAT COMPRISE SOME PORTION OF THE BOUNDARIES BETWEEN TWO ADJACENT STRATA LOTS AND WHERE THOSE BOUNDARIES ARE BETWEEN STRATA LOTS AND COMMON PROPERTY; FOR THE PURPOSES OF DETERMINING THE LOCATIONS OF THOSE STRATA LOT BOUNDARIES WITHIN THOSE PARTICULAR WALLS, ONLY A PORTION OF THE WIDTH OF THE SPECIFIC WALLS, EQUIVALENT TO THE WIDTH OF THE ADJACENT EXTERNAL FRAMED WALL, ARE INCLUDED IN THE STRATA LOT AREAS.

WHERE WALLS DELINEATE PARTS OF THE BOUNDARIES BETWEEN TWO ADJACENT STRATA LOTS, THE CENTRE-LINES OF THE WALLS SHALL DEFINE THE COMMON BOUNDARIES BETWEEN THE STRATA LOTS.

ALL IMPROVEMENTS SHOWN ARE SOME FORM OF COMMON PROPERTY UNLESS INDICATED AS PART OF STRATA LOT.

ALL PROPOSED PHYSICAL IMPROVEMENTS SHOWN ARE FROM ARCHITECTS DRAWING, FINAL LOCATION AND OR CONSTRUCTION DETAILS ARE SUBJECT TO CHANGE.

NAME OF DEVELOPMENT:
1575 WEST GEORGIA

CIVIC ADDRESS:
1575 WEST GEORGIA STREET
VANCOUVER, B.C.

MATSON PECK & TOPLISS
SURVEYORS & ENGINEERS
#320 - 11120 HORSESHOE WAY
RICHMOND, B.C., V7A 5H7
PH: 604-270-9331
FAX: 604-270-4137
CADFILE: 17328-DISCLOSURE-1

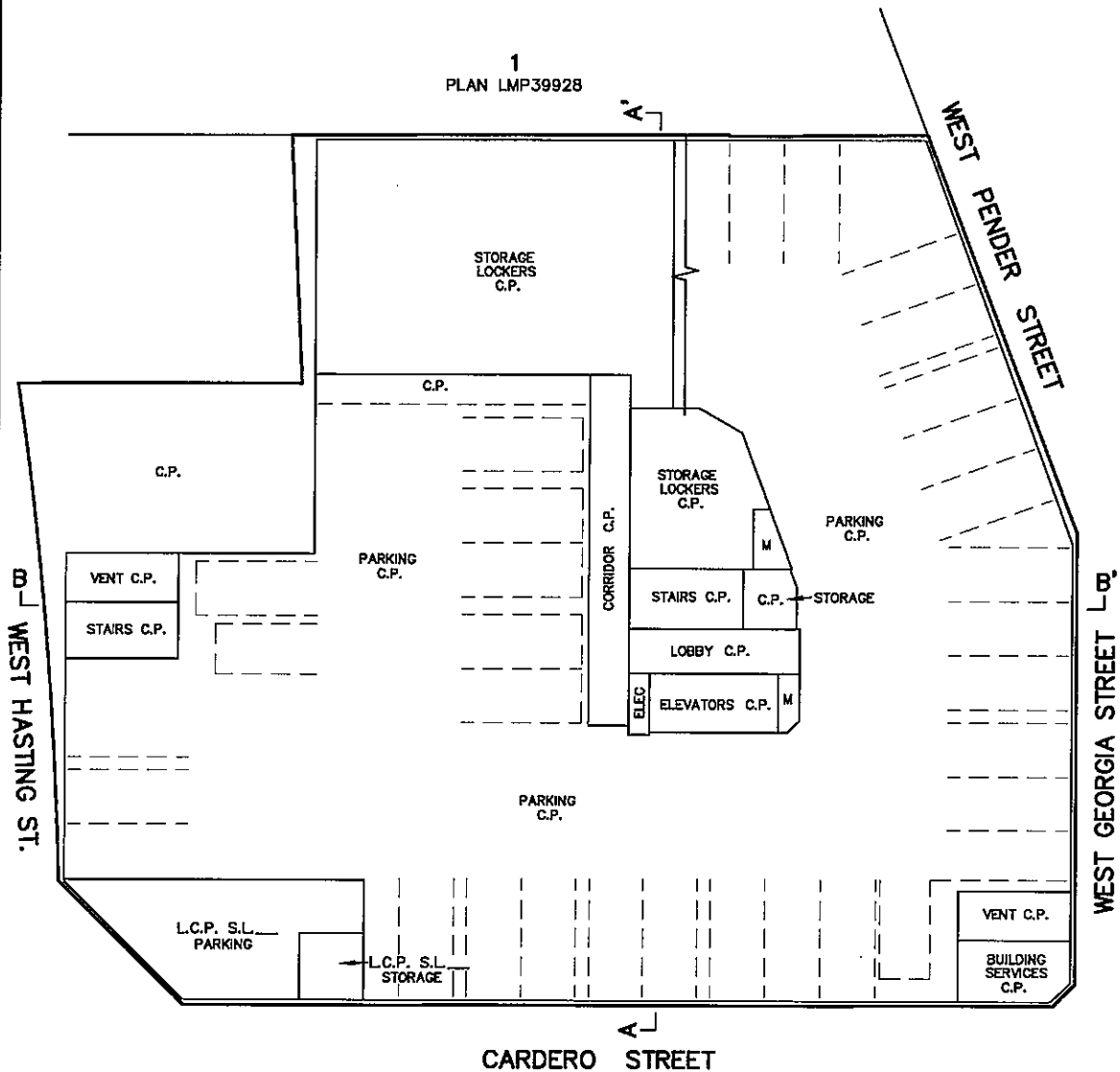
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PARKING LEVEL P6

SHEET 2 OF 27 SHEETS

SCALE 1:200

STRATA PLAN EPS



MATSON PECK & TOPLISS
SURVEYORS & ENGINEERS
#320 - 11120 HORSESHOE WAY
RICHMOND, B.C., V7A 5H7
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PARKING LEVEL P5

SHEET 3 OF 27 SHEETS

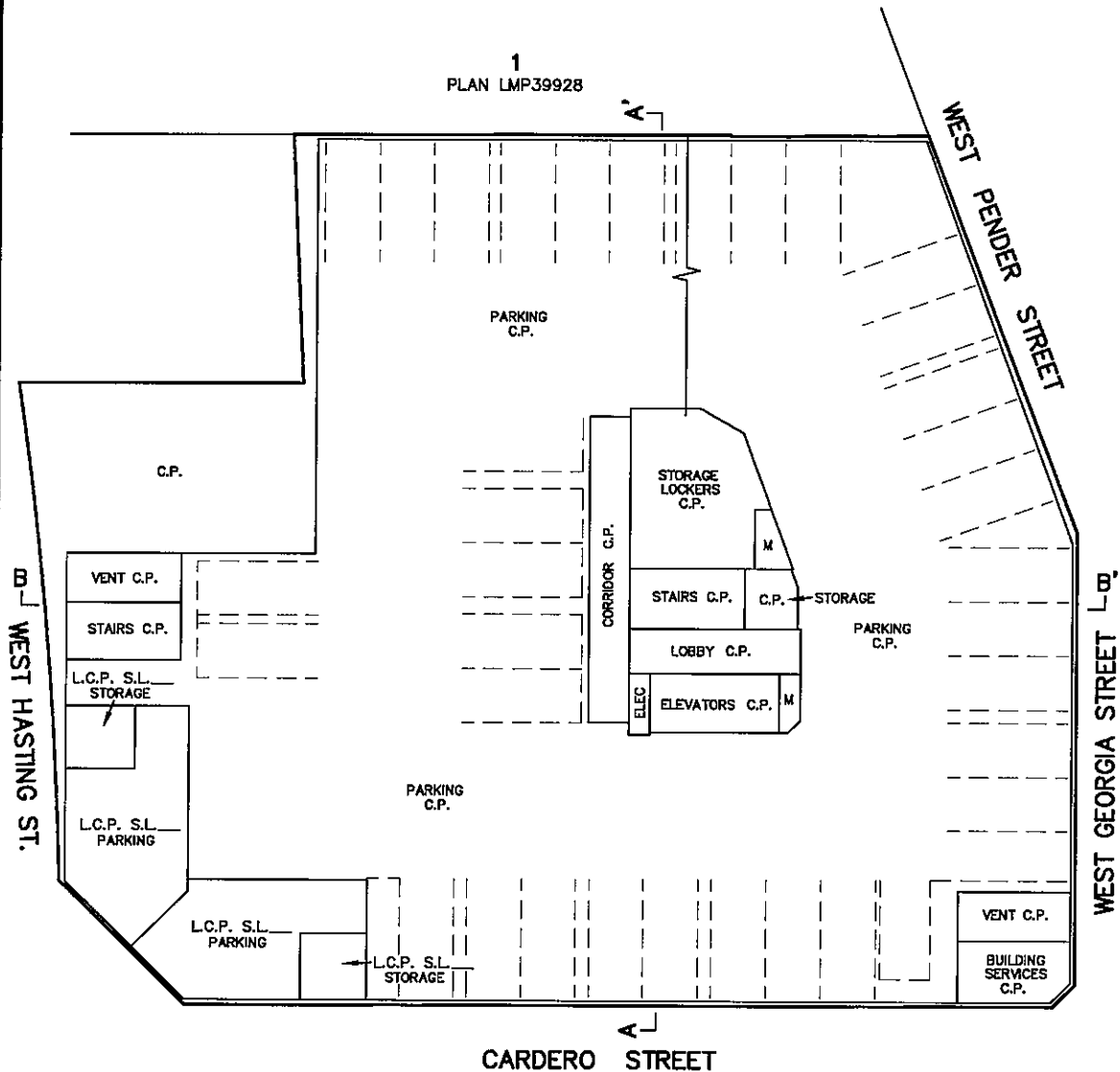
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STRATA PLAN EPS_____



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SURVEYORS & ENGINEERS
#320 - 11120 HORSESHOE WAY
RICHMOND, B.C., V7A 5H7
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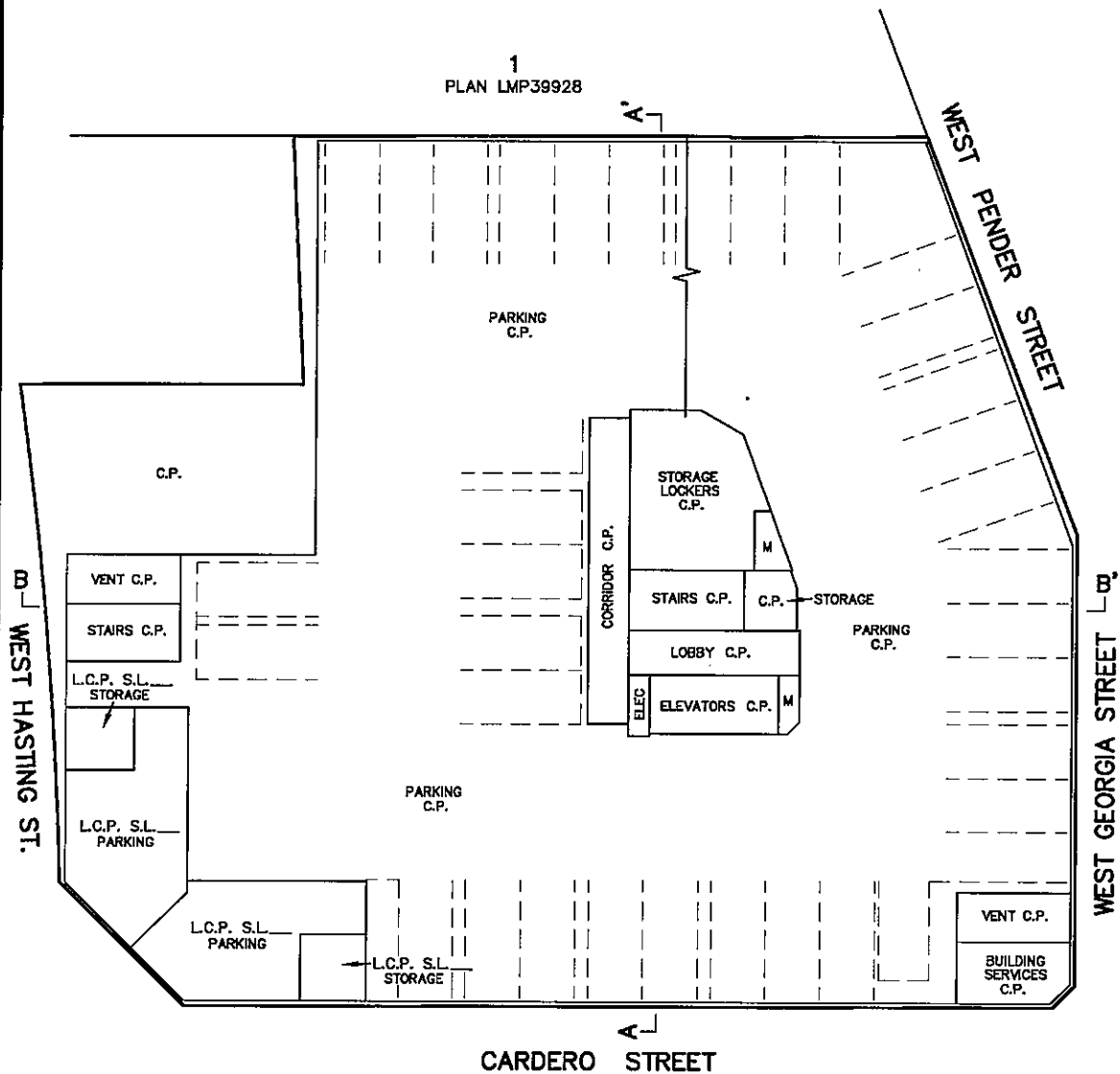
PARKING LEVEL P4

SHEET 4 OF 27 SHEETS

SCALE 1:200



STRATA PLAN EPS



MATSON PECK & TOPLISS

SURVEYORS & ENGINEERS

#320 - 11120 HORSESHOE WAY

RICHMOND, B.C., V7A 5H7

CADFILE: 17328-DISCLOSURE-2

V-16-17328-DISCLOSURE

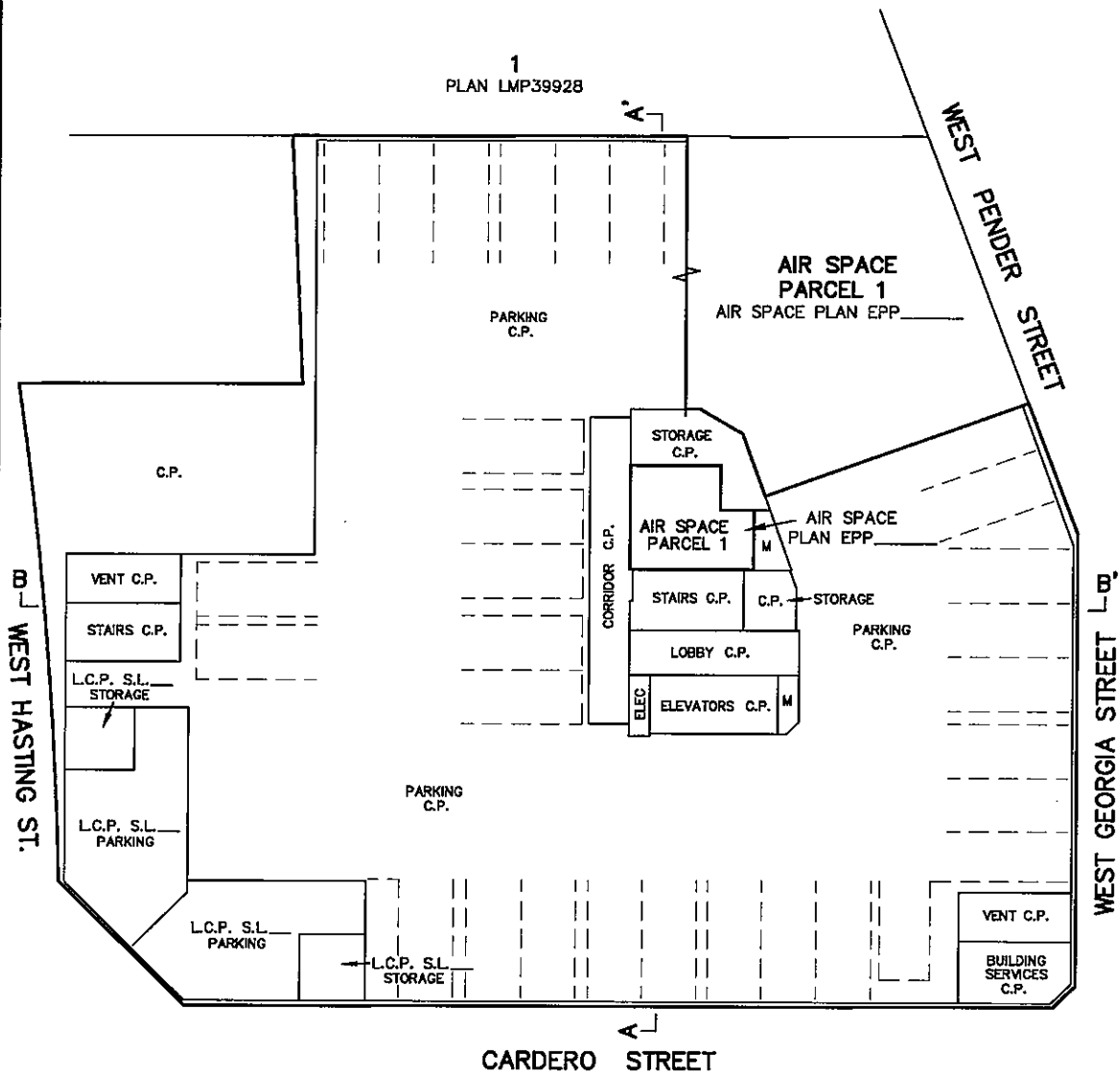


BCCONDOS.NET



SHEET 5 OF 27 SHEETS

STRATA PLAN EPS_____



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SURVEYORS & ENGINEERS
#320 - 11120 HORSESHOE WAY
RICHMOND, B.C., V7A 5H7
CADFILE: 17328-DISCLOSURE-2
V-16-17328-DISCLOSURE

PARKING LEVEL P2

SHEET 6 OF 27 SHEETS

SCALE 1:200



STRATA PLAN EPS _____



1
PLAN LMP39928

A

WEST PENDER STREET

AIR SPACE
PARCEL 1
AIR SPACE PLAN EPP _____

TEL/DATA
C.P. C.P. CABLE/
SECURITY

SERVICE
C.P.

STAIRS C.P. C.P. STORAGE
LOBBY C.P.
ELEC ELEVATORS C.P. M

AIR SPACE
PARCEL 1
AIR SPACE PLAN EPP _____

B WEST HASTING ST.

BUILDING
SERVICES
C.P.

C.P.

CARDERO STREET

VENT C.P.

BUILDING
SERVICES
C.P.

B WEST GEORGIA STREET

C.P.

MATSON PECK & TOPLISS
SURVEYORS & ENGINEERS
#320 - 11120 HORSESHOE WAY
RICHMOND, B.C., V7A 5H7
CADFILE: 17328-DISCLOSURE-2

V-16-17328-DISCLOSURE



BC CONDOS.NET

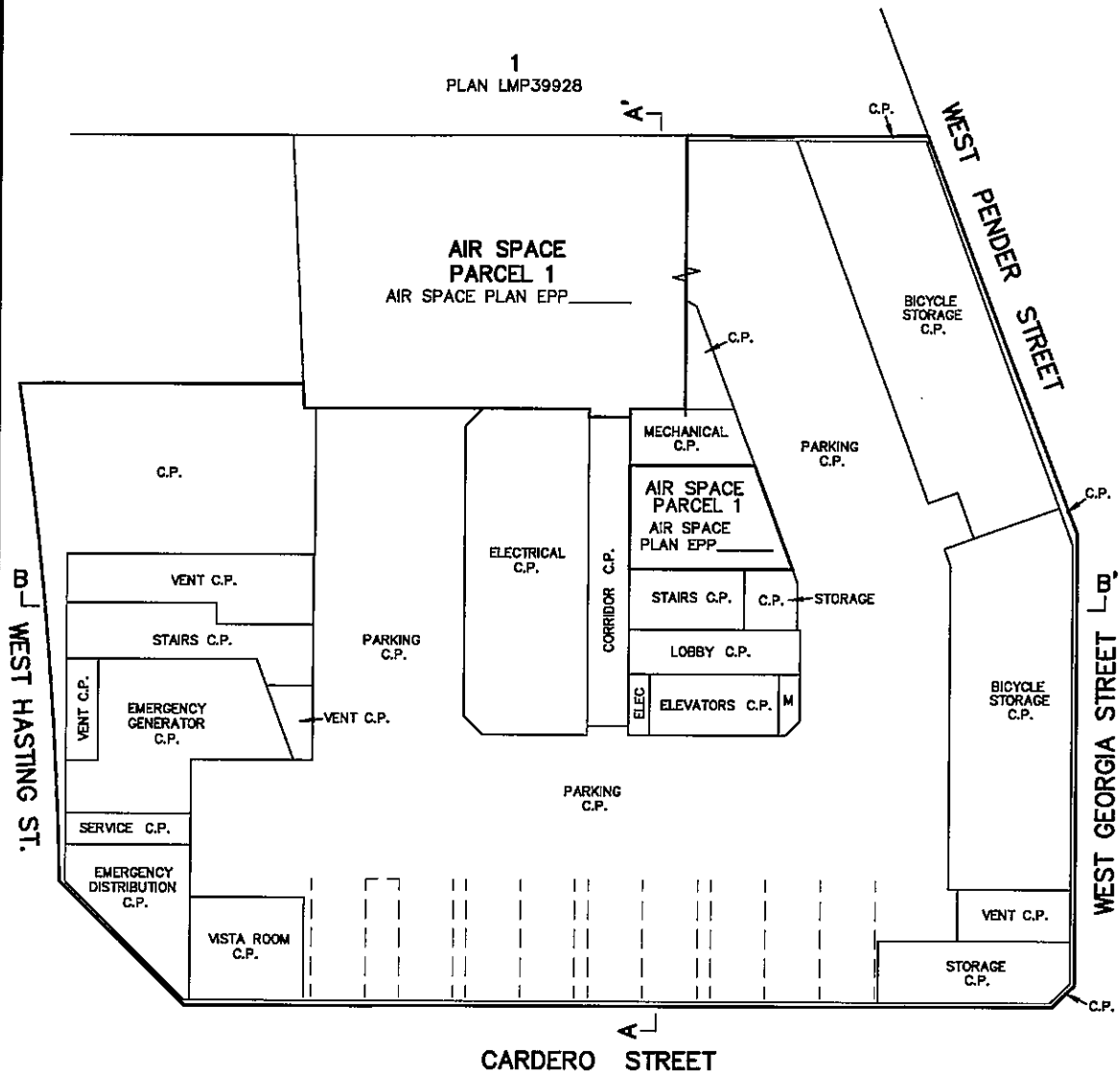


PARKING LEVEL P1

SHEET 7 OF 27 SHEETS

SCALE 1:200

STRATA PLAN EPS



MATSON PECK & TOPLISS
 SURVEYORS & ENGINEERS
 #320 - 11120 HORSESHOE WAY
 RICHMOND, B.C., V7A 5H7
 CADFILE: 17328-DISCLOSURE-2
 V-16-17328-DISCLOSURE



B C C O N D O S . N E T

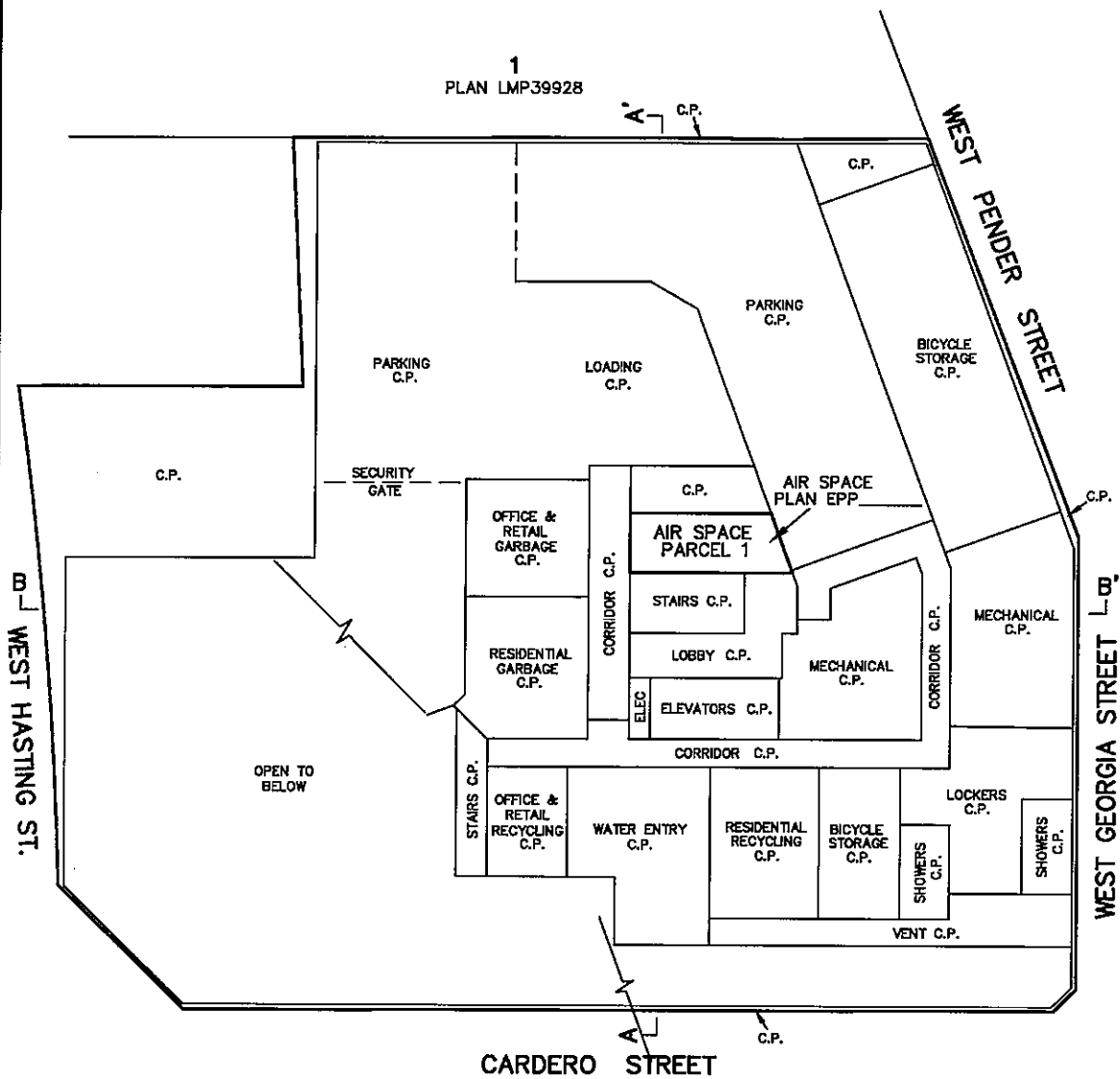


LEVEL P1 MEZZANINE

SHEET 8 OF 27 SHEETS

SCALE 1:200

STRATA PLAN EPS



MATSON PECK & TOPLISS
SURVEYORS & ENGINEERS
#320 - 11120 HORSESHOE WAY
RICHMOND, B.C., V7A 5H7
CADFILE: 17328-DISCLOSURE-2

V-16-17328-DISCLOSURE



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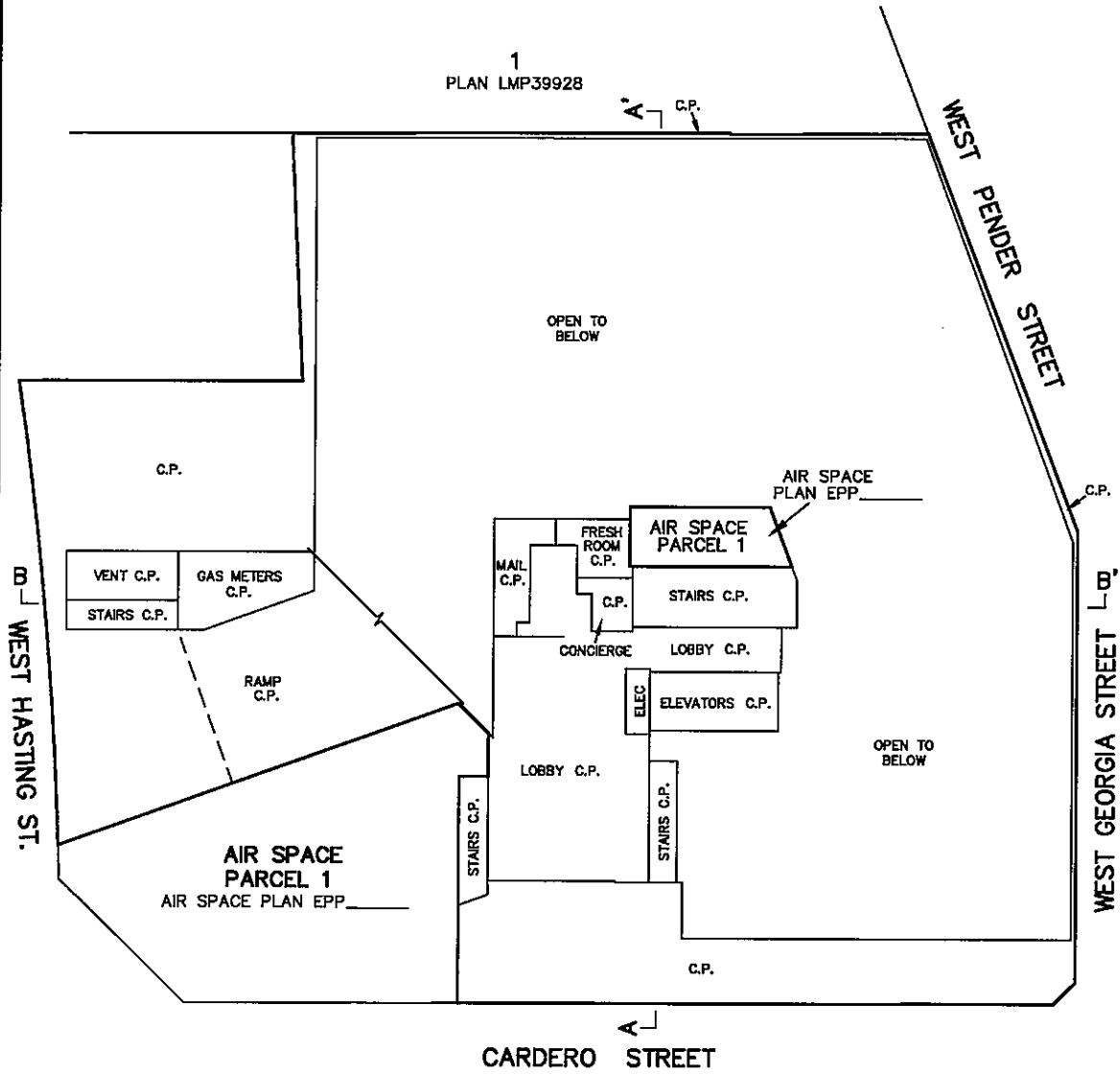


LEVEL 1

SHEET 9 OF 27 SHEETS

SCALE 1:200

STRATA PLAN EPS_____



MATSON PECK & TOPLISS
SURVEYORS & ENGINEERS
#320 - 11120 HORSESHOE WAY
RICHMOND, B.C., V7A 5H7
CADFILE: 17328-DISCLOSURE-2

V-16-17328-DISCLOSURE



BCCONDOS.NET



LEVEL 2

SHEET 10 OF 27 SHEETS

SCALE 1:200

STRATA PLAN EPS _____



1
PLAN LMP39928

WEST PENDER STREET

AIR SPACE
PARCEL 1
AIR SPACE PLAN EPP _____

WEST HASTING ST.

WEST GEORGIA STREET

ELEVATORS C.P.

OPEN TO
BELOW

CARDERO STREET

MATSON PECK & TOPLISS
SURVEYORS & ENGINEERS
#320 - 11120 HORSESHOE WAY
RICHMOND, B.C., V7A 5H7
CADFILE: 17328-DISCLOSURE-2

V-16-17328-DISCLOSURE



BC CONDOS.NET



LEVELS 3 to 5

SHEET 11 OF 27 SHEETS

SCALE 1:200



STRATA PLAN EPS_____



1
PLAN LMP39928

A

WEST PENDER STREET

AIR SPACE
PARCEL 1
AIR SPACE PLAN EPP_____

ELEVATORS C.P.

WEST HASTING ST.

WEST GEORGIA STREET

A
CARDERO STREET

MATSON PECK & TOPLISS
SURVEYORS & ENGINEERS
#320 - 11120 HORSESHOE WAY
RICHMOND, B.C., V7A 5H7
CADFILE: 17328-DISCLOSURE-2

V-16-17328-DISCLOSURE



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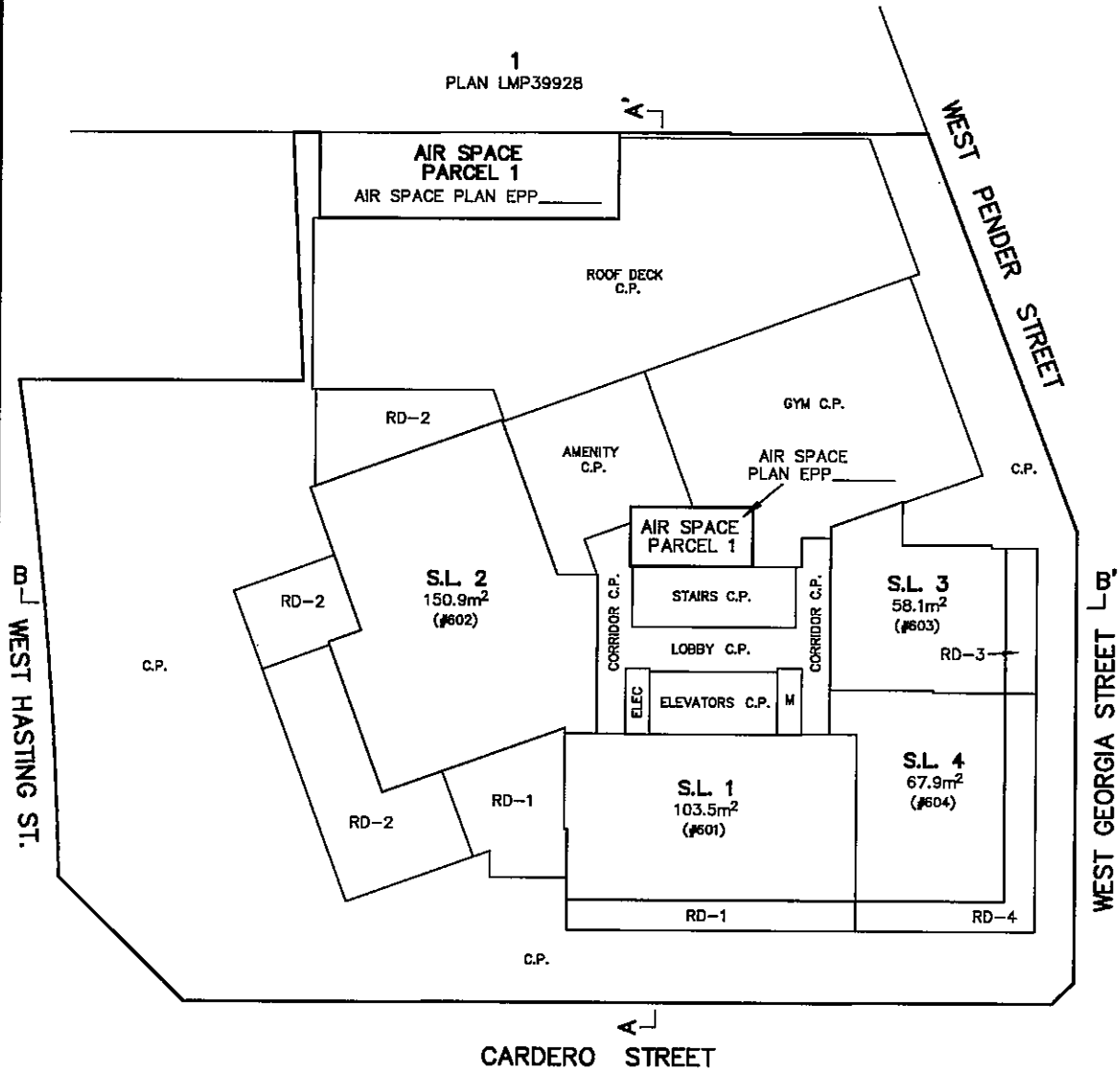


LEVEL 6

SHEET 12 OF 27 SHEETS

SCALE 1:200

STRATA PLAN EPS _____



MATSON PECK & TOPLISS
SURVEYORS & ENGINEERS
#320 - 11120 HORSESHOE WAY
RICHMOND, B.C., V7A 5H7
CADFILE: 17328-DISCLOSURE-2

V-16-17328-DISCLOSURE



BCCONDOS.NET



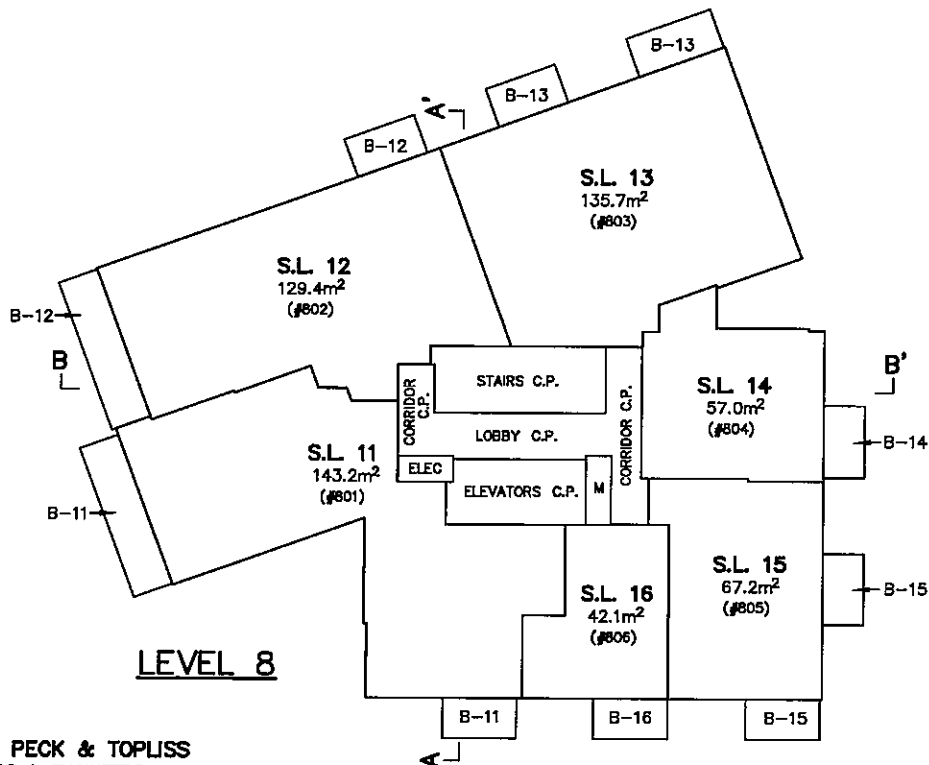
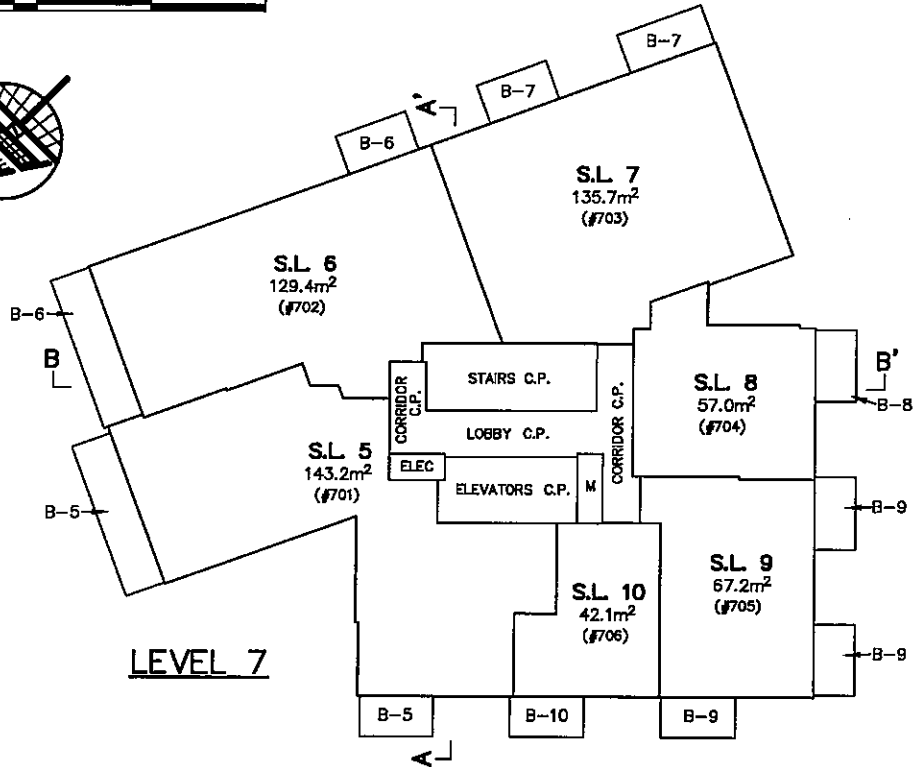
PLANS — LEVELS 7 & 8

SHEET 13 OF 27 SHEETS

SCALE 1:200



STRATA PLAN EPS_____



MATSON PECK & TOPLISS
 SURVEYORS & ENGINEERS
 #320 — 11120 HORSESHOE WAY
 RICHMOND, B.C., V7A 5H7
 CADFILE: 17328-DISCLOSURE-2
 V-16-17328-DISCLOSURE



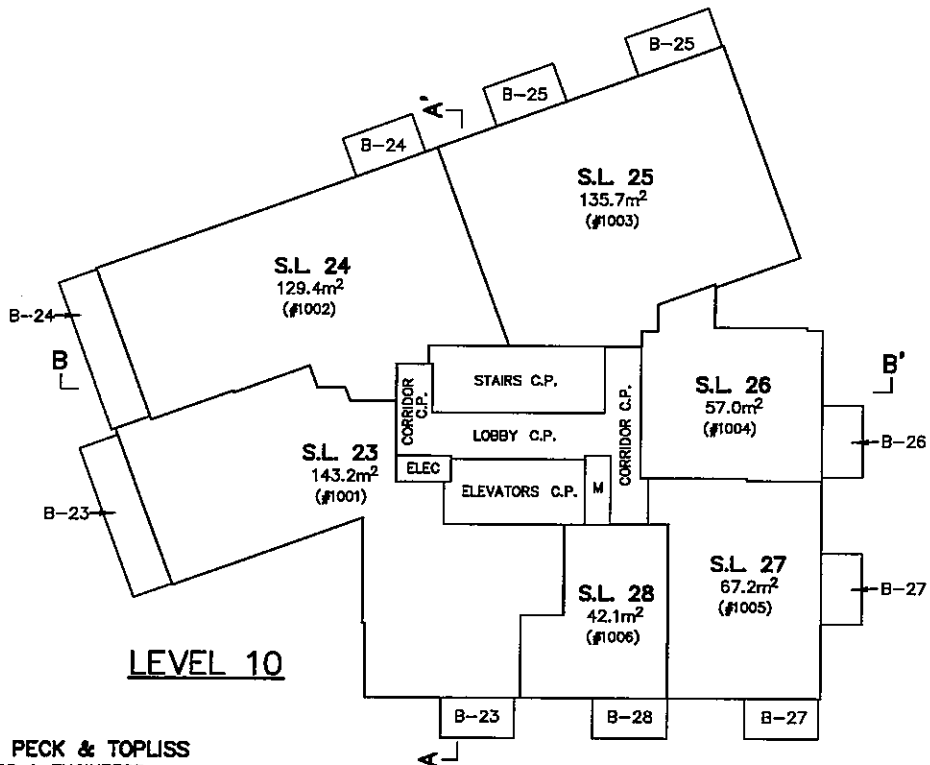
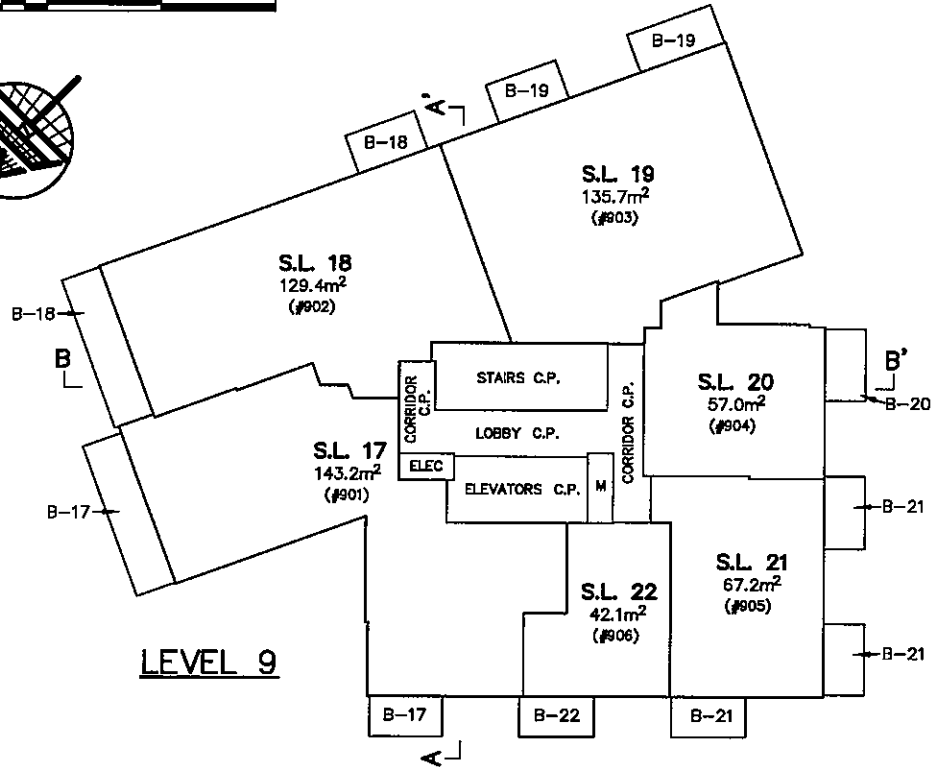
PLANS – LEVELS 9 & 10

SHEET 14 OF 27 SHEETS

SCALE 1:200



STRATA PLAN EPS_____



MATSON PECK & TOPLISS
 SURVEYORS & ENGINEERS
 #320 – 11120 HORSESHOE WAY
 RICHMOND, B.C., V7A 5H7
 CADFILE: 17328-DISCLOSURE-2

V-16-17328-DISCLOSURE



BCCONDOS.NET



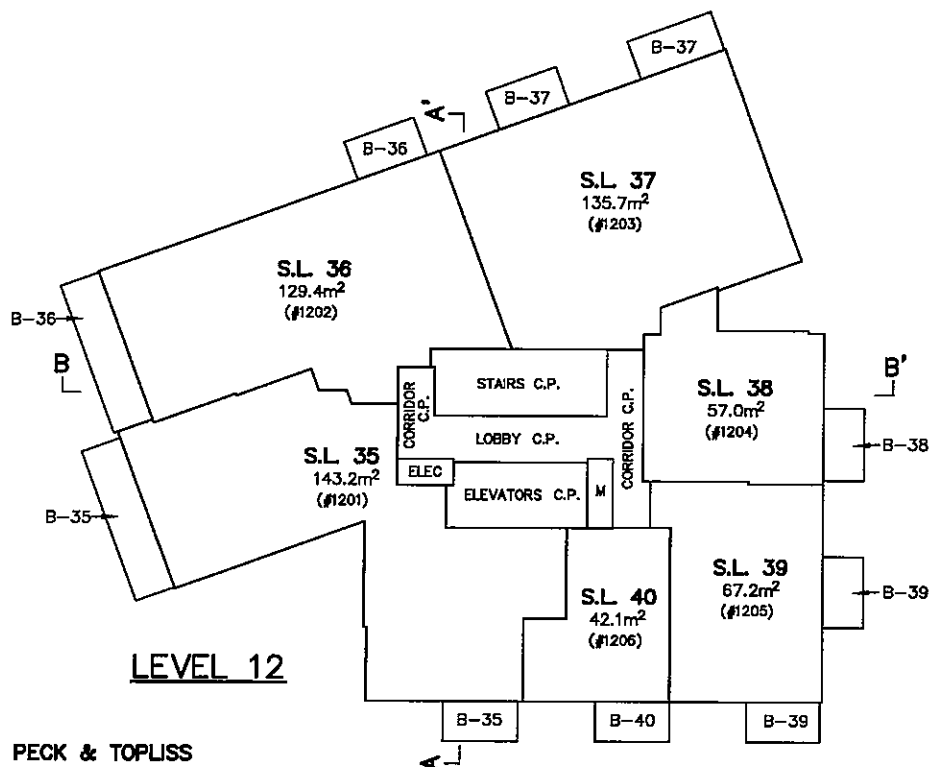
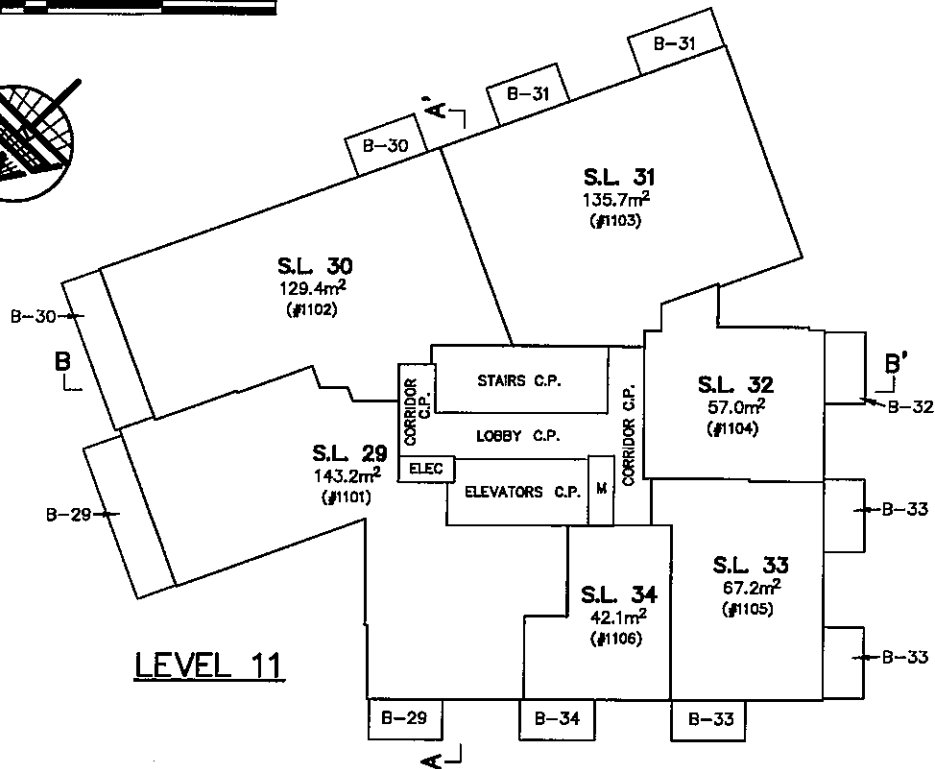
PLANS – LEVELS 11 & 12

SHEET 15 OF 27 SHEETS

SCALE 1:200



STRATA PLAN EPS_____



MATSON PECK & TOPLISS
 SURVEYORS & ENGINEERS
 #320 – 11120 HORSESHOE WAY
 RICHMOND, B.C., V7A 5H7
 CADFILE: 17328-DISCLOSURE-2

V-16-17328-DISCLOSURE



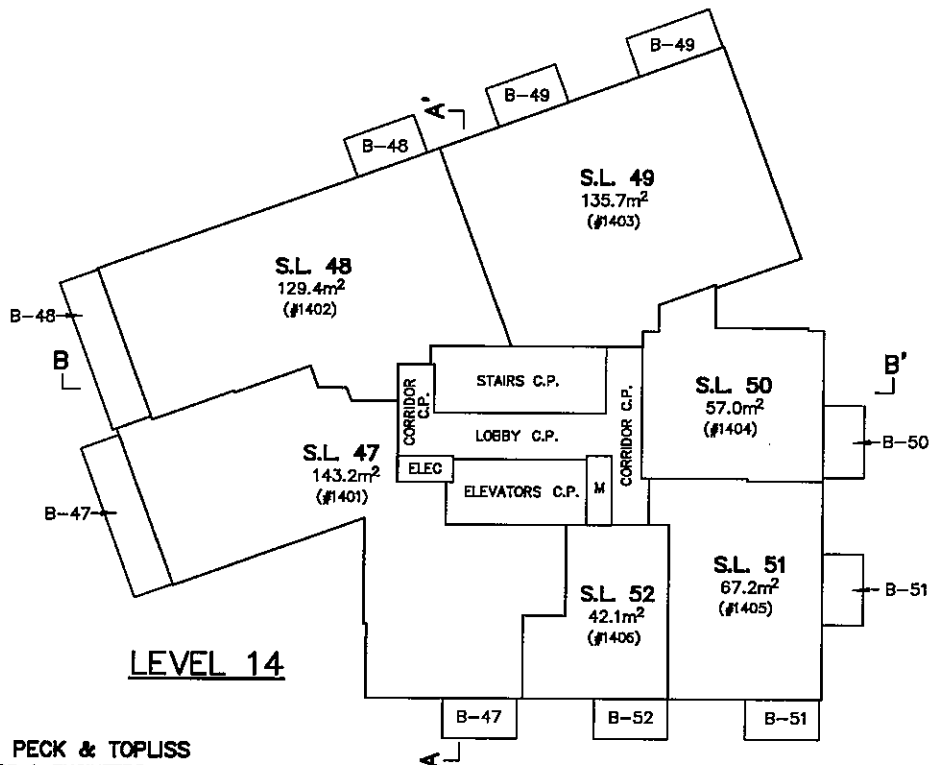
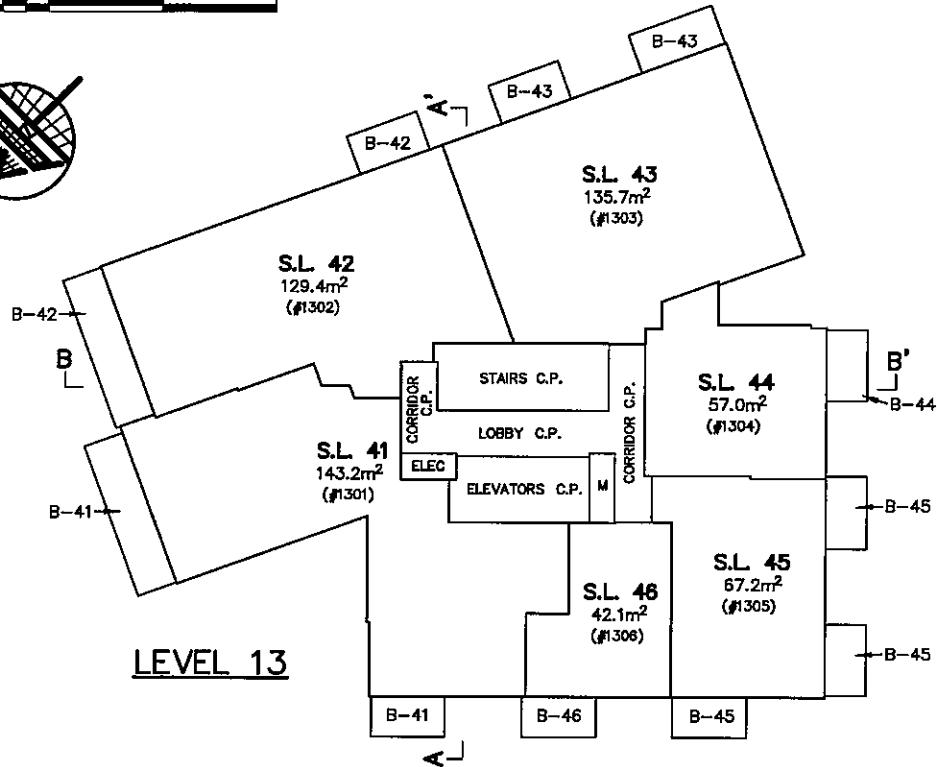
PLANS – LEVELS 13 & 14

SHEET 16 OF 27 SHEETS

SCALE 1:200



STRATA PLAN EPS_____



MATSON PECK & TOPLISS
 SURVEYORS & ENGINEERS
 #320 – 11120 HORSESHOE WAY
 RICHMOND, B.C., V7A 5H7
 CADFILE: 17328-DISCLOSURE-2
 V-16-17328-DISCLOSURE



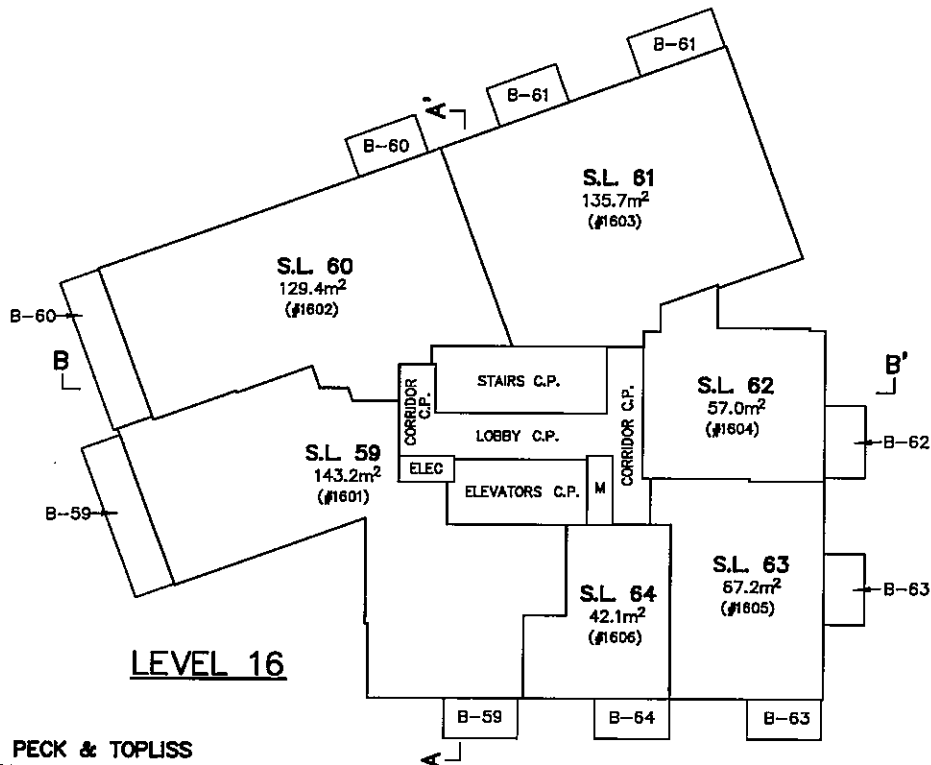
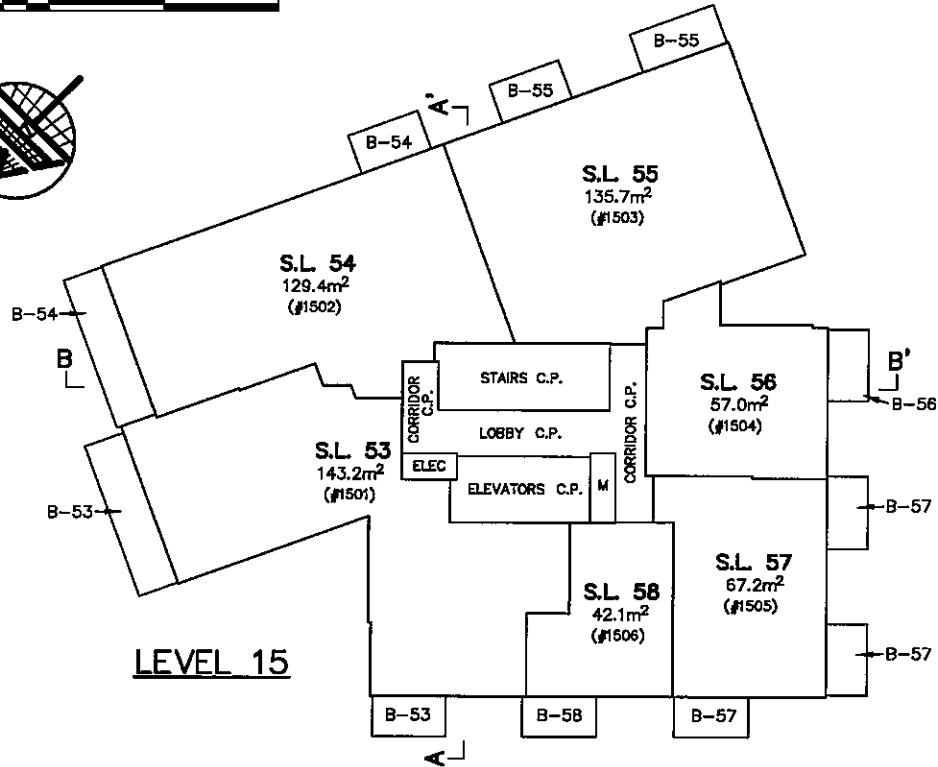
PLANS – LEVELS 15 & 16

SHEET 17 OF 27 SHEETS

SCALE 1:200



STRATA PLAN EPS _____



MATSON PECK & TOPLISS
 SURVEYORS & ENGINEERS
 #320 – 11120 HORSESHOE WAY
 RICHMOND, B.C., V7A 5H7
 CADFILE: 17328-DISCLOSURE-2
 V-16-17328-DISCLOSURE



BC CONDOS.NET



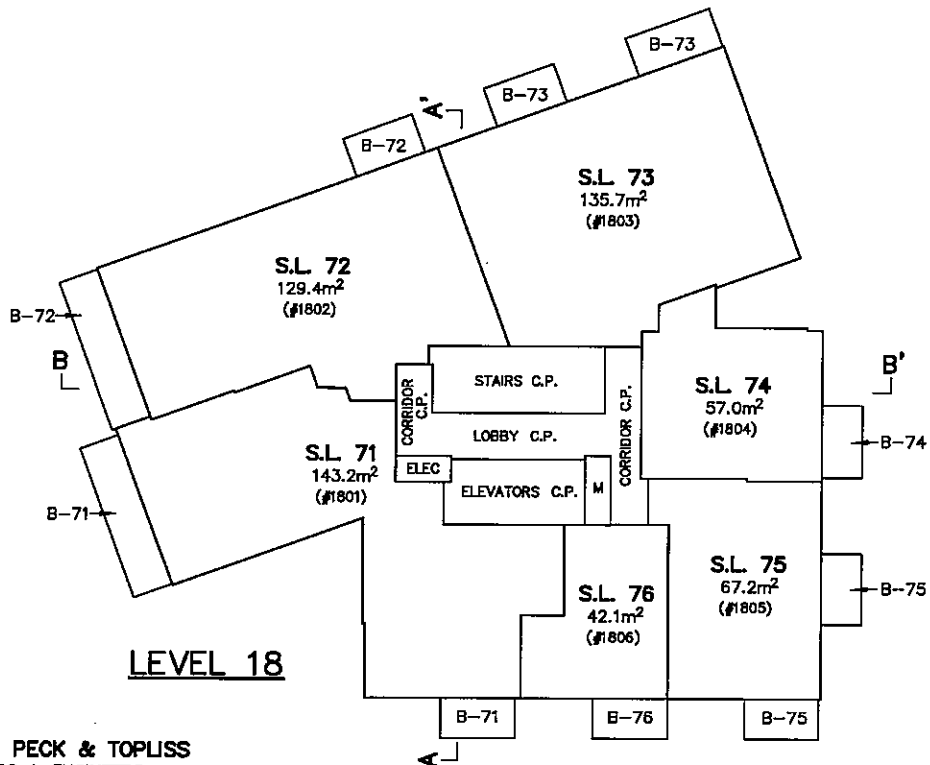
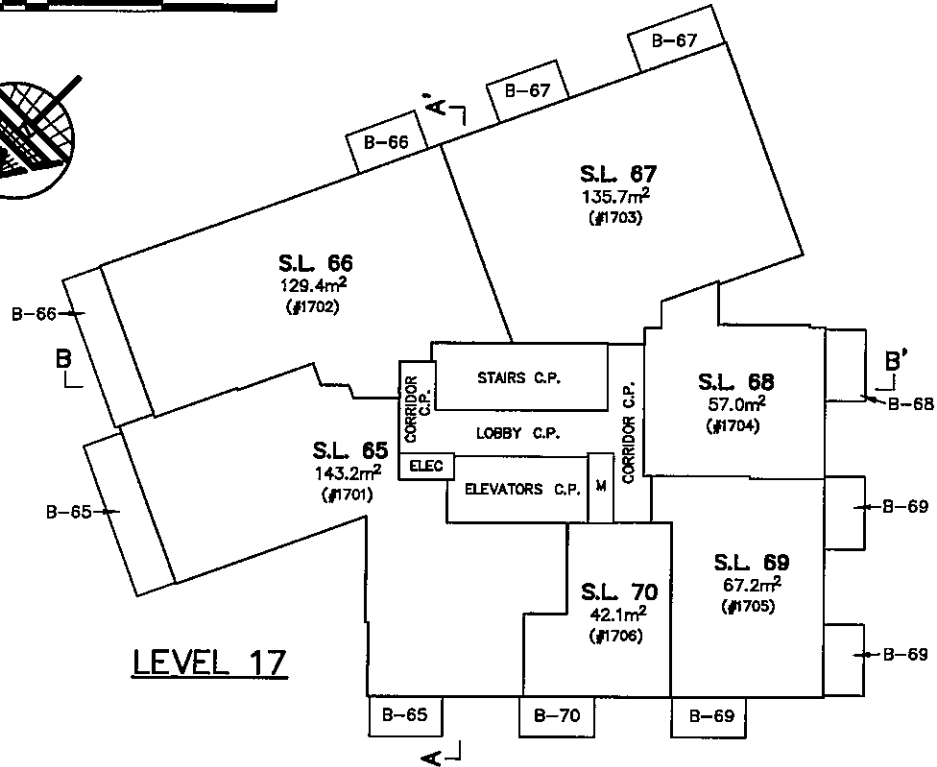
PLANS – LEVELS 17 & 18

SHEET 18 OF 27 SHEETS

SCALE 1:200



STRATA PLAN EPS_____



MATSON PECK & TOPLISS
 SURVEYORS & ENGINEERS
 #320 – 11120 HORSESHOE WAY
 RICHMOND, B.C., V7A 5H7
 CADFILE: 17328-DISCLOSURE-2

V-16-17328-DISCLOSURE



BCCONDOS.NET



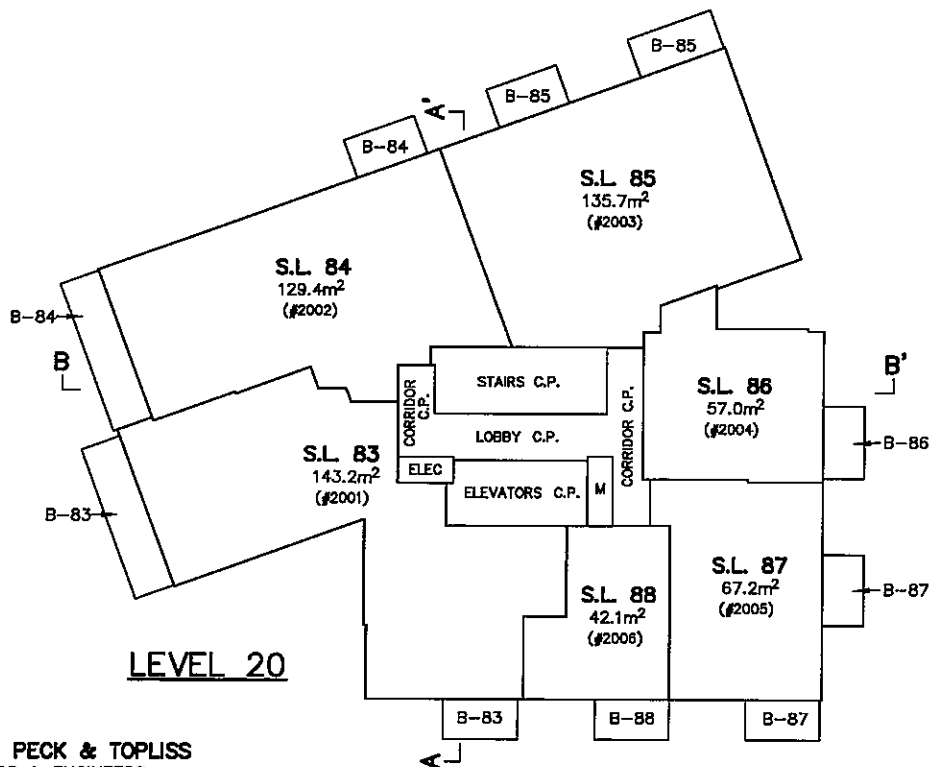
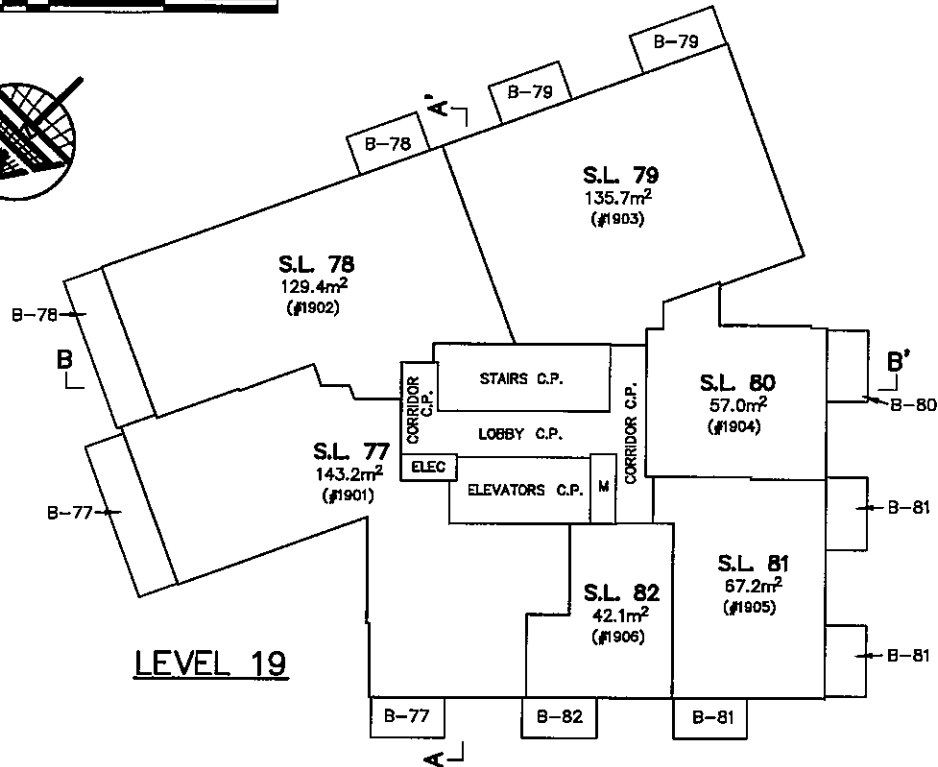
PLANS – LEVELS 19 & 20

SHEET 19 OF 27 SHEETS

SCALE 1:200



STRATA PLAN EPS_____



MATSON PECK & TOPLISS
 SURVEYORS & ENGINEERS
 #320 – 11120 HORSESHOE WAY
 RICHMOND, B.C., V7A 5H7
 CADFILE: 17328-DISCLOSURE-2

V-16-17328-DISCLOSURE



B C C O N D O S . N E T



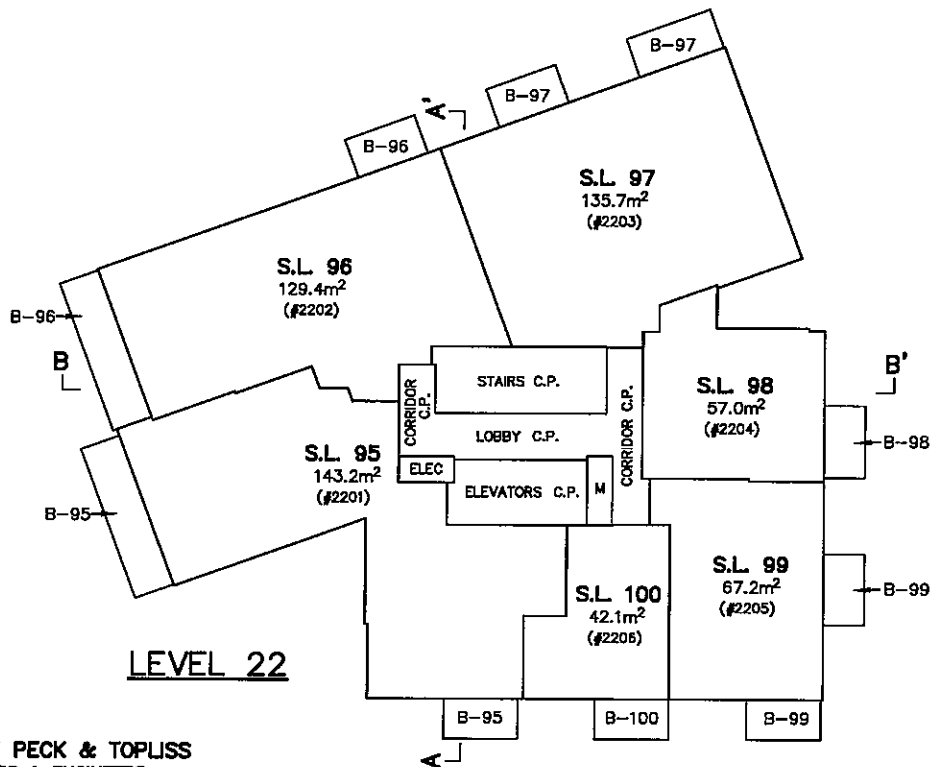
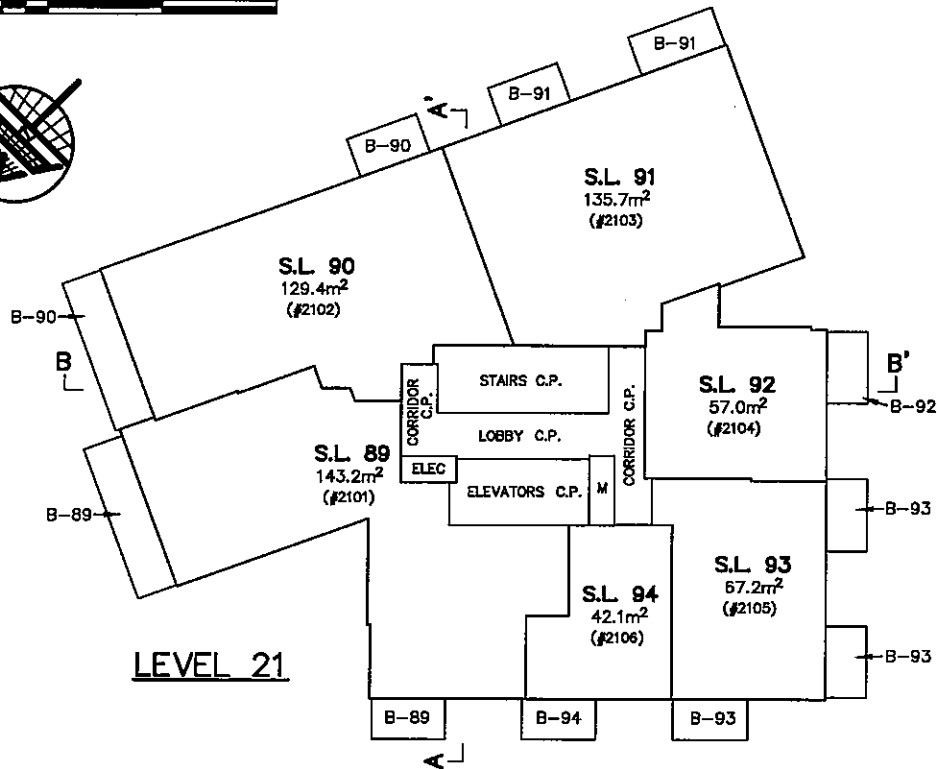
PLANS - LEVELS 21 & 22

SHEET 20 OF 27 SHEETS

SCALE 1:200



STRATA PLAN EPS_____



MATSON PECK & TOPLISS
 SURVEYORS & ENGINEERS
 #320 - 11120 HORSESHOE WAY
 RICHMOND, B.C., V7A 5H7
 CADFILE: 17328-DISCLOSURE-2
 V-16-17328-DISCLOSURE



BCCONDOS.NET



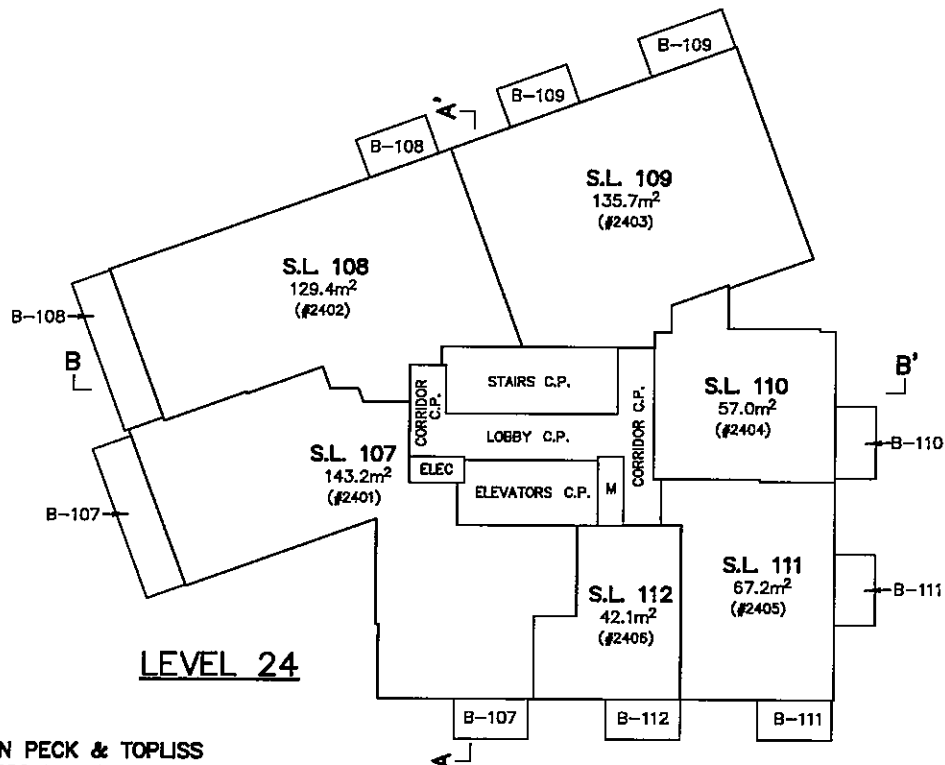
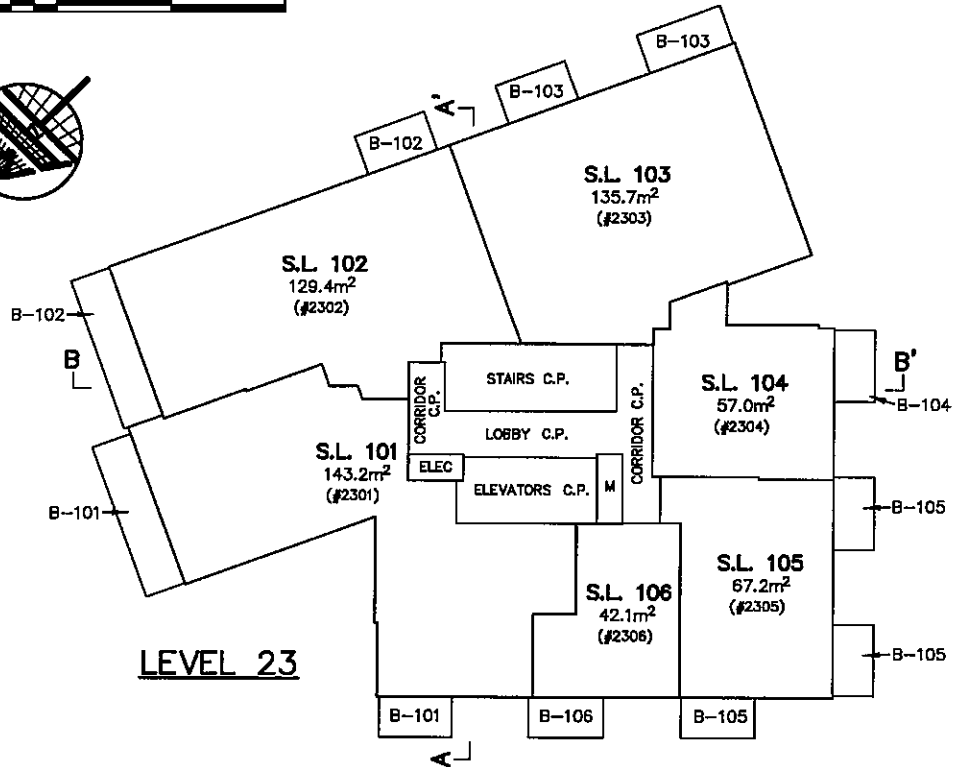
PLANS – LEVELS 23 & 24

SHEET 21 OF 27 SHEETS

SCALE 1:200



STRATA PLAN EPS_____



MATSON PECK & TOPLISS
 SURVEYORS & ENGINEERS
 #320 – 11120 HORSESHOE WAY
 RICHMOND, B.C., V7A 5H7
 CADFILE: 17328-DISCLOSURE-2
 V-16-17328-DISCLOSURE



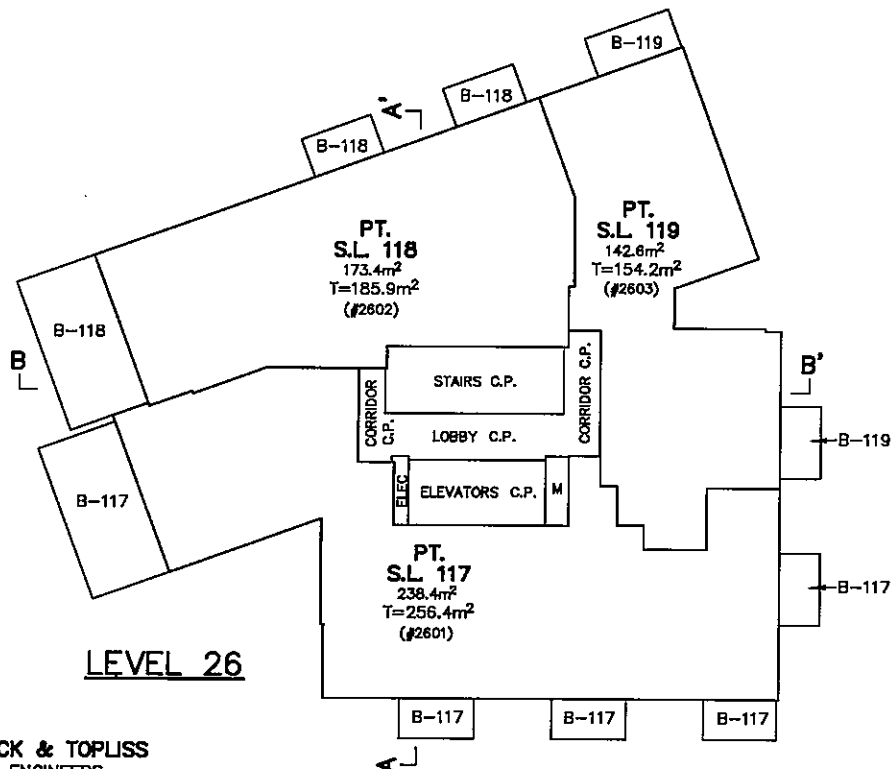
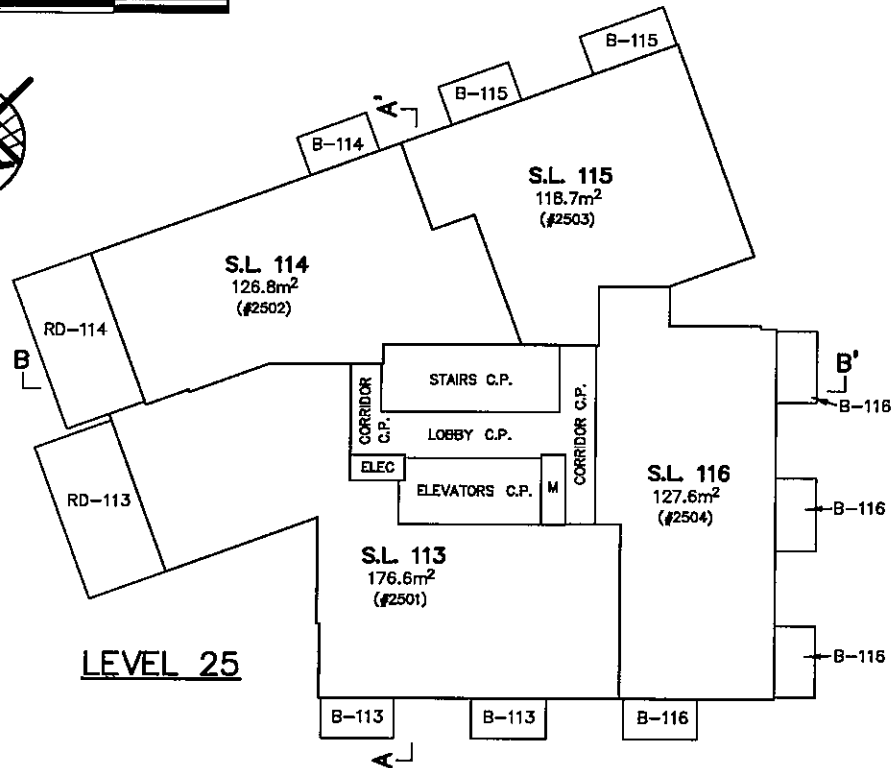
PLANS – LEVELS 25 & 26

SHEET 22 OF 27 SHEETS

SCALE 1:200



STRATA PLAN EPS_____



MATSON PECK & TOPLISS
 SURVEYORS & ENGINEERS
 #320 - 11120 HORSESHOE WAY
 RICHMOND, B.C., V7A 5H7
 CADFILE: 17328-DISCLOSURE-2

V-16-17328-DISCLOSURE



BC CONDOS.NET



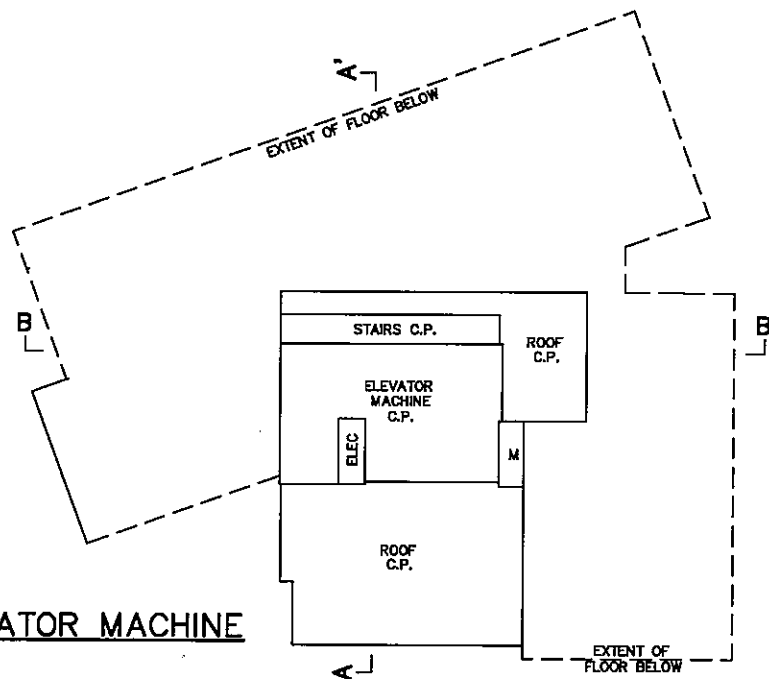
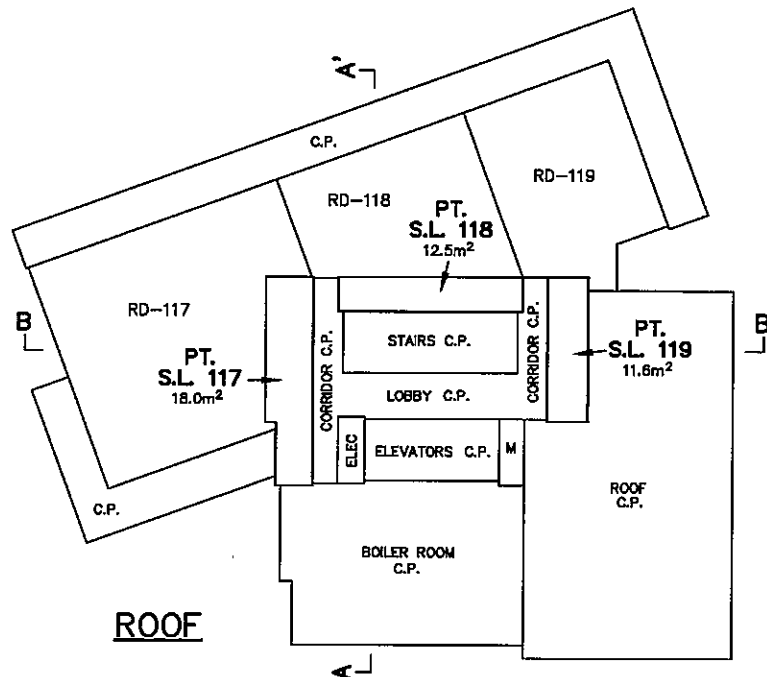
PLANS — ROOF & ELEVATOR MACHINE

SHEET 23 OF 27 SHEETS

SCALE 1:200



STRATA PLAN EPS_____



MATSON PECK & TOPLISS
 SURVEYORS & ENGINEERS
 #320 - 11120 HORSESHOE WAY
 RICHMOND, B.C., V7A 5H7
 CADFILE: 17328-DISCLOSURE-2

V-16-17328-DISCLOSURE



BC CONDOS.NET



SECTION A - A'

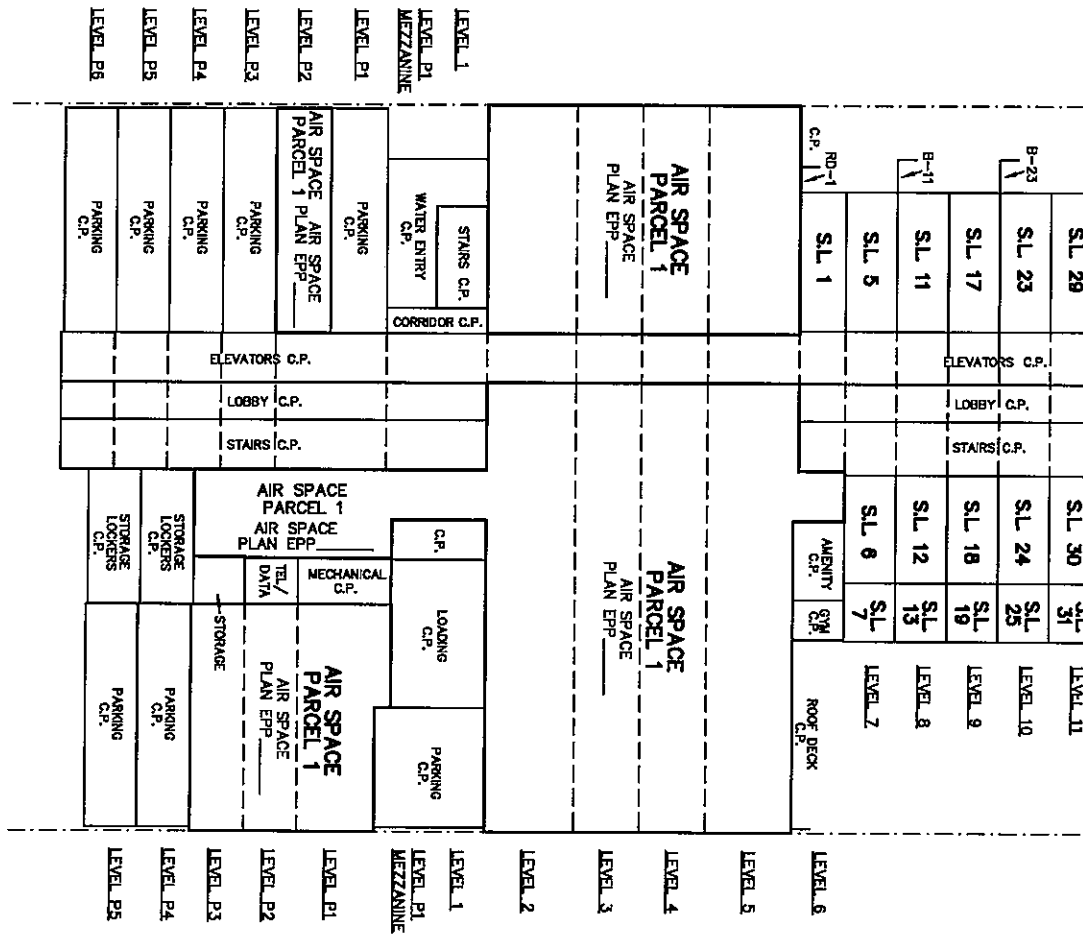
SHEET 24 OF 27 SHEETS

SCALE 1:250



STRATA PLAN EPS

MATCHLINE
SHEET 25



MATCHLINE
SHEET 25

MATSON PECK & TOPLISS
SURVEYORS & ENGINEERS
#320 - 11120 HORSESHOE WAY
RICHMOND, B.C., V7A 5H7
CADFILE: 17328-DISCLOSURE-3

V-16-17328-DISCLOSURE

SECTION A - A'

SHEET 25 OF 27 SHEETS

SCALE 1:250



STRATA PLAN EPS

MATCHLINE
SHEET 24

PROPERTY LINE									
ROOF C.P.			ELEVATOR C.P. MACHINE		STAIRS C.P.		ROOF C.P.		
BOILER ROOM C.P.					RD-118		C.P.		
PT. SL 117					PT. SL 118				
B-117	SL 113		SL 114		SL 118		LEVEL 26		
			SL 115		SL 116				
B-107	SL 107		SL 108		SL 109		LEVEL 24		
			SL 109		SL 110				
B-95	SL 101		SL 102		SL 103		LEVEL 23		
			SL 103		SL 104				
B-83	SL 95		SL 96		SL 97		LEVEL 22		
			SL 97		SL 98				
B-71	SL 89		SL 90		SL 91		LEVEL 21		
			SL 91		SL 92				
B-59	SL 83		SL 84		SL 85		LEVEL 20		
			SL 85		SL 86				
B-47	SL 77		SL 78		SL 79		LEVEL 19		
			SL 79		SL 80				
B-35	SL 71		SL 72		SL 73		LEVEL 18		
			SL 73		SL 74				
B-23	SL 65		SL 66		SL 67		LEVEL 17		
			SL 67		SL 68				
B-11	SL 59		SL 60		SL 61		LEVEL 16		
			SL 61		SL 62				
B-11	SL 53		SL 54		SL 55		LEVEL 15		
			SL 55		SL 56				
B-11	SL 47		SL 48		SL 49		LEVEL 14		
			SL 49		SL 50				
B-11	SL 41		SL 42		SL 43		LEVEL 13		
			SL 43		SL 44				
B-11	SL 35		SL 36		SL 37		LEVEL 12		
			SL 37		SL 38				
B-11	SL 29		SL 30		SL 31		LEVEL 11		
			SL 31		SL 32				
B-11	SL 23		SL 24		SL 25		LEVEL 10		
			SL 25		SL 26				
B-11	SL 17		SL 18		SL 19		LEVEL 9		
			SL 19		SL 20				
B-11	SL 11		SL 12		SL 13		LEVEL 8		
			SL 13		SL 14				
PROPERTY LINE									

SECTION B - B'

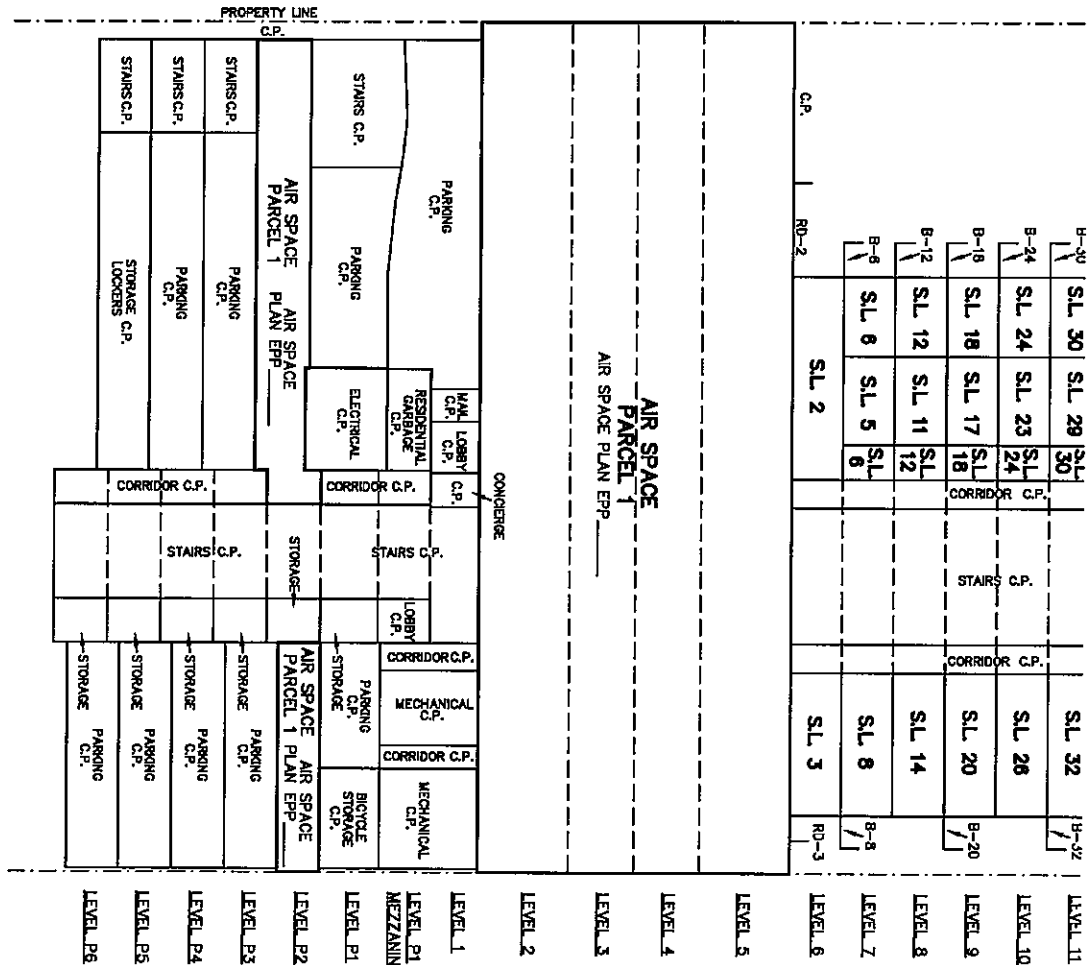
SHEET 26 OF 27 SHEETS

SCALE 1:250



STRATA PLAN EPS

MATCHLINE
SHEET 27



MATSON PECK & TOPLISS
SURVEYORS & ENGINEERS
#320 - 11120 HORSESHOE WAY
RICHMOND, B.C., V7A 5H7
CADFILE: 17328-DISCLOSURE-3

V-16-17328-DISCLOSURE

SHEET 27 OF 27 SHEETS

STRATA PLAN EPS_____



MATCHLINE
SHEET 26

PROPERTY LINE

		PT. S.L. 117		ELEVATOR C.F. MACHINE C.F.		PT. S.L. 119		ROOF C.F.		ROOF
		RD-117						RD-117		
		PT. S.L. 118	PT. S.L. 117					PT. S.L. 119		
RD-118	S.L. 118							S.L. 116		LEVEL 26
RD-114	S.L. 114		S.L. 113					S.L. 116		LEVEL 25
B-108	S.L. 108	S.L. 107	S.L. 108					S.L. 110		LEVEL 24
B-102	S.L. 102	S.L. 101	S.L. 102					S.L. 104		LEVEL 23
B-96	S.L. 96	S.L. 95	S.L. 96					S.L. 98		LEVEL 22
B-90	S.L. 90	S.L. 89	S.L. 90					S.L. 92		LEVEL 21
B-84	S.L. 84	S.L. 83	S.L. 84					S.L. 86		LEVEL 20
B-78	S.L. 78	S.L. 77	S.L. 78					S.L. 80		LEVEL 19
B-72	S.L. 72	S.L. 71	S.L. 72					S.L. 74		LEVEL 18
B-66	S.L. 66	S.L. 65	S.L. 66					S.L. 68		LEVEL 17
B-60	S.L. 60	S.L. 59	S.L. 60					S.L. 62		LEVEL 16
B-54	S.L. 54	S.L. 53	S.L. 54					S.L. 56		LEVEL 15
B-48	S.L. 48	S.L. 47	S.L. 48					S.L. 50		LEVEL 14
B-42	S.L. 42	S.L. 41	S.L. 42					S.L. 44		LEVEL 13
B-36	S.L. 36	S.L. 35	S.L. 36					S.L. 38		LEVEL 12
B-30	S.L. 30	S.L. 29	S.L. 30					S.L. 32		LEVEL 11
B-24	S.L. 24	S.L. 23	S.L. 24					S.L. 26		LEVEL 10
B-18	S.L. 18	S.L. 17	S.L. 18					S.L. 20		LEVEL 9
B-12	S.L. 12	S.L. 11	S.L. 12					S.L. 14		LEVEL 8

MATCHLINE
SHEET 28

MATSON PECK & TOPLISS
SURVEYORS & ENGINEERS
#320 - 11120 HORSESHOE WAY
RICHMOND, B.C., V7A 5H7
CADFILE: 17328-DISCLOSURE-3

V-16-17328-DISCLOSURE

EXHIBIT "B"

PROPOSED FORM V – SCHEDULE OF UNIT ENTITLEMENT

(See Next Page)



**PROPOSED
Strata Property Act
Form V
SCHEDULE OF UNIT ENTITLEMENT**

(Section 245 (a), 246, 264)

Re: Proposed Strata Plan
Being a Proposed Strata Plan of Lot A Block 42 District Lot 185 Group 1 NWD Plan EPP62321
Except: Portion Shown on Air Space Plan EPP _____

P.I.D. _ _ _ _ _

STRATA PLAN CONSISTING ENTIRELY OF RESIDENTIAL STRATA LOTS

The unit entitlement for each residential strata lot is one of the following (check appropriate box), as set out in the following table:

- ☒ (a) the habitable area of the strata lot, in square metres, rounded to the nearest whole number as determined by a British Columbia land surveyor as set out in section 246 (3) (a) (i) of the *Strata Property Act*.

Certificate of British Columbia Land Surveyor

I, _____,
a British Columbia land surveyor, certify that the following table
reflects the habitable area of each residential strata lot.

Date: _____ (month, day, year).

Signature

OR

- ☐ (b) a whole number that is the same for all of the residential strata lots as set out in section 246 (3) (a) (ii) of the *Strata Property Act*.

OR

- ☐ (c) a number that is approved by the Superintendent of Real Estate in accordance with section 246 (3) (a) (iii) of the *Strata Property Act*.

Signature of Superintendent of Real Estate

Strata Lot No.	Sheet No.	Habitable Area in m ²	Unit Entitlement	%* of Total Unit Entitlement
1	12	103.5	104	0.88%
2	12	150.9	151	1.27%
3	12	58.1	58	0.49%
4	12	67.9	68	0.57%
5	13	143.2	143	1.21%
6	13	129.4	129	1.09%
7	13	135.7	136	1.15%
8	13	57.0	57	0.48%
9	13	67.2	67	0.56%
10	13	42.1	42	0.35%
11	13	143.2	143	1.21%
12	13	129.4	129	1.09%
13	13	135.7	136	1.15%
14	13	57.0	57	0.48%
15	13	67.2	67	0.56%
16	13	42.1	42	0.35%
17	14	143.2	143	1.21%
18	14	129.4	129	1.09%
19	14	135.7	136	1.15%
20	14	57.0	57	0.48%
21	14	67.2	67	0.56%
22	14	42.1	42	0.35%
23	14	143.2	143	1.21%
24	14	129.4	129	1.09%
25	14	135.7	136	1.15%
26	14	57.0	57	0.48%
27	14	67.2	67	0.56%
28	14	42.1	42	0.35%
29	15	143.2	143	1.21%
30	15	129.4	129	1.09%
31	15	135.7	136	1.15%
32	15	57.0	57	0.48%
33	15	67.2	67	0.56%
34	15	42.1	42	0.35%
35	15	143.2	143	1.21%
36	15	129.4	129	1.09%
37	15	135.7	136	1.15%
38	15	57.0	57	0.48%
39	15	67.2	67	0.56%
40	15	42.1	42	0.35%
41	16	143.2	143	1.21%
42	16	129.4	129	1.09%
43	16	135.7	136	1.15%
44	16	57.0	57	0.48%



Strata Lot No.	Sheet No.	Habitable Area in m ²	Unit Entitlement	%* of Total Unit Entitlement
45	16	67.2	67	0.56%
46	16	42.1	42	0.35%
47	16	143.2	143	1.21%
48	16	129.4	129	1.09%
49	16	135.7	136	1.15%
50	16	57.0	57	0.48%
51	16	67.2	67	0.56%
52	16	42.1	42	0.35%
53	17	143.2	143	1.21%
54	17	129.4	129	1.09%
55	17	135.7	136	1.15%
56	17	57.0	57	0.48%
57	17	67.2	67	0.56%
58	17	42.1	42	0.35%
59	17	143.2	143	1.21%
60	17	129.4	129	1.09%
61	17	135.7	136	1.15%
62	17	57.0	57	0.48%
63	17	67.2	67	0.56%
64	17	42.1	42	0.35%
65	18	143.2	143	1.21%
66	18	129.4	129	1.09%
67	18	135.7	136	1.15%
68	18	57.0	57	0.48%
69	18	67.2	67	0.56%
70	18	42.1	42	0.35%
71	18	143.2	143	1.21%
72	18	129.4	129	1.09%
73	18	135.7	136	1.15%
74	18	57.0	57	0.48%
75	18	67.2	67	0.56%
76	18	42.1	42	0.35%
77	19	143.2	143	1.21%
78	19	129.4	129	1.09%
79	19	135.7	136	1.15%
80	19	57.0	57	0.48%
81	19	67.2	67	0.56%
82	19	42.1	42	0.35%
83	19	143.2	143	1.21%
84	19	129.4	129	1.09%
85	19	135.7	136	1.15%
86	19	57.0	57	0.48%
87	19	67.2	67	0.56%
88	19	42.1	42	0.35%



Strata Lot No.	Sheet No.	Habitable Area in m ²	Unit Entitlement	%* of Total Unit Entitlement
89	20	143.2	143	1.21%
90	20	129.4	129	1.09%
91	20	135.7	136	1.15%
92	20	57.0	57	0.48%
93	20	67.2	67	0.56%
94	20	42.1	42	0.35%
95	20	143.2	143	1.21%
96	20	129.4	129	1.09%
97	20	135.7	136	1.15%
98	20	57.0	57	0.48%
99	20	67.2	67	0.56%
100	20	42.1	42	0.35%
101	21	143.2	143	1.21%
102	21	129.4	129	1.09%
103	21	135.7	136	1.15%
104	21	57.0	57	0.48%
105	21	67.2	67	0.56%
106	21	42.1	42	0.35%
107	21	143.2	143	1.21%
108	21	129.4	129	1.09%
109	21	135.7	136	1.15%
110	21	57.0	57	0.48%
111	21	67.2	67	0.56%
112	21	42.1	42	0.35%
113	22	176.6	177	1.49%
114	22	126.8	127	1.07%
115	22	118.7	119	1.00%
116	22	127.6	128	1.08%
117	22 & 23	256.4	256	2.16%
118	22 & 23	185.9	186	1.57%
119	22 & 23	154.2	154	1.30%
Total number of strata lots: 119			Total Unit Entitlement: 11860	

* expression of percentage is for informational purposes only and has no legal effect

Date: (month, day, year)

.....
Signature of Owner Developer

EXHIBIT "C"

ESTIMATED INTERIM OPERATING BUDGET

(See Next Page)



Cardero
Interim Budget

INCOME	
Maintenance Fees	848,610.00
Move In/Out Fee	-
TOTAL	848,610.00
Other Income	
Interest Income	0.00
Other Income	0.00
Second Parking Licence Fee	0.00
Parking Income	0.00
Key Card Income	0.00
Late Fees / Fines	0.00
Administration Charge	0.00
TOTAL OTHER INCOME	0.00
TOTAL INCOME	848,610.00
EXPENSES	
Operating Expenses	
Janitorial	50,000.00
Repair & Improvements	12,000.00
Supplies and Equipment	2,400.00
Windows Cleaning	12,000.00
Power washing	1,000.00
Painting supplies	1,000.00
Carpet Cleaning	2,000.00
Management Fees	42,000.00
Audit	5,000.00
Insurance	115,000.00
Enterphone Lease	0.00
Telephone & Cable & Internet	5,000.00
Concierge Payroll	208,000.00
Concierge Expenses	3,000.00
Access Cards	1,000.00
Concierge Desk Supplies and Expenses	1,500.00
Security	6,000.00
HVAC	30,000.00
Steam Heating	75,000.00
Chiller	6,000.00
Building Envelope Inspection	6,000.00
Warranty Review	7,500.00
Amenity Room	1,200.00
Elevator Maintenance	24,000.00
Garage Door	2,500.00



Cardero
Interim Budget

Drainage Repairs	1,500.00
Signage	2,500.00
Pest Control	1,200.00
Water/Sewer	45,000.00
Electricity Common Area	55,000.00
Gas	12,000.00
Snow Removal	2,500.00
Locks & Keys	2,500.00
Emergency System Maintenance	1,500.00
Fire System Inspection	10,000.00
Fire Prevention	1,000.00
Emergency Generator Maintenance	5,000.00
Alarm Monitoring	1,500.00
Landscaping	12,000.00
Water Feature	6,000.00
Waste Removal	20,000.00
Administrative	2,500.00
Bank Charges	2,500.00
Legal Fees	2,500.00
Parking Lot Maintenance	2,400.00
SUBTOTAL EXPENSES	808,200.00
Contingency Reserve Fund	40,410.00
TOTAL EXPENSES	848,610.00



EXHIBIT "D"

ESTIMATED MONTHLY MAINTENANCE FEES PER STRATA LOT

(See Next Page)



Cardero - Interim Strata Fees

Strata Lot No.	Unit #	Habitable Area in m ²	Unit Entitlement	%* of Total Unit Entitlement**	Monthly Fees	Annual Fees
1	601	103.5	104	0.88%	\$ 620.12	\$ 7,441.44
2	602	150.9	151	1.27%	\$ 900.37	\$ 10,804.39
3	603	58.1	58	0.49%	\$ 345.84	\$ 4,150.03
4	604	67.9	68	0.57%	\$ 405.46	\$ 4,865.55
5	701	143.2	143	1.21%	\$ 852.66	\$ 10,231.98
6	702	129.4	129	1.09%	\$ 769.19	\$ 9,230.24
7	703	135.7	136	1.15%	\$ 810.93	\$ 9,731.11
8	704	57.0	57	0.48%	\$ 339.87	\$ 4,078.48
9	705	67.2	67	0.56%	\$ 399.50	\$ 4,794.00
10	706	42.1	42	0.35%	\$ 250.43	\$ 3,005.20
11	801	143.2	143	1.21%	\$ 852.66	\$ 10,231.98
12	802	129.4	129	1.09%	\$ 769.19	\$ 9,230.24
13	803	135.7	136	1.15%	\$ 810.93	\$ 9,731.11
14	804	57.0	57	0.48%	\$ 339.87	\$ 4,078.48
15	805	67.2	67	0.56%	\$ 399.50	\$ 4,794.00
16	806	42.1	42	0.35%	\$ 250.43	\$ 3,005.20
17	901	143.2	143	1.21%	\$ 852.66	\$ 10,231.98
18	902	129.4	129	1.09%	\$ 769.19	\$ 9,230.24
19	903	135.7	136	1.15%	\$ 810.93	\$ 9,731.11
20	904	57.0	57	0.48%	\$ 339.87	\$ 4,078.48
21	905	67.2	67	0.56%	\$ 399.50	\$ 4,794.00
22	906	42.1	42	0.35%	\$ 250.43	\$ 3,005.20
23	1001	143.2	143	1.21%	\$ 852.66	\$ 10,231.98
24	1002	129.4	129	1.09%	\$ 769.19	\$ 9,230.24
25	1003	135.7	136	1.15%	\$ 810.93	\$ 9,731.11
26	1004	57.0	57	0.48%	\$ 339.87	\$ 4,078.48
27	1005	67.2	67	0.56%	\$ 399.50	\$ 4,794.00
28	1006	42.1	42	0.35%	\$ 250.43	\$ 3,005.20
29	1101	143.2	143	1.21%	\$ 852.66	\$ 10,231.98
30	1102	129.4	129	1.09%	\$ 769.19	\$ 9,230.24
31	1103	135.7	136	1.15%	\$ 810.93	\$ 9,731.11
32	1104	57.0	57	0.48%	\$ 339.87	\$ 4,078.48
33	1105	67.2	67	0.56%	\$ 399.50	\$ 4,794.00
34	1106	42.1	42	0.35%	\$ 250.43	\$ 3,005.20
35	1201	143.2	143	1.21%	\$ 852.66	\$ 10,231.98
36	1202	129.4	129	1.09%	\$ 769.19	\$ 9,230.24
37	1203	135.7	136	1.15%	\$ 810.93	\$ 9,731.11
38	1204	57.0	57	0.48%	\$ 339.87	\$ 4,078.48
39	1205	67.2	67	0.56%	\$ 399.50	\$ 4,794.00
40	1206	42.1	42	0.35%	\$ 250.43	\$ 3,005.20
41	1301	143.2	143	1.21%	\$ 852.66	\$ 10,231.98
42	1302	129.4	129	1.09%	\$ 769.19	\$ 9,230.24
43	1303	135.7	136	1.15%	\$ 810.93	\$ 9,731.11



Strata Lot No.	Unit #	Habitable Area in m ²	Unit Entitlement	%* of Total Unit Entitlement**	Monthly Fees	Annual Fees
44	1304	57.0	57	0.48%	\$ 339.87	\$ 4,078.48
45	1305	67.2	67	0.56%	\$ 399.50	\$ 4,794.00
46	1306	42.1	42	0.35%	\$ 250.43	\$ 3,005.20
47	1401	143.2	143	1.21%	\$ 852.66	\$ 10,231.98
48	1402	129.4	129	1.09%	\$ 769.19	\$ 9,230.24
49	1403	135.7	136	1.15%	\$ 810.93	\$ 9,731.11
50	1404	57.0	57	0.48%	\$ 339.87	\$ 4,078.48
51	1405	67.2	67	0.56%	\$ 399.50	\$ 4,794.00
52	1406	42.1	42	0.35%	\$ 250.43	\$ 3,005.20
53	1501	143.2	143	1.21%	\$ 852.66	\$ 10,231.98
54	1502	129.4	129	1.09%	\$ 769.19	\$ 9,230.24
55	1503	135.7	136	1.15%	\$ 810.93	\$ 9,731.11
56	1504	57.0	57	0.48%	\$ 339.87	\$ 4,078.48
57	1505	67.2	67	0.56%	\$ 399.50	\$ 4,794.00
58	1506	42.1	42	0.35%	\$ 250.43	\$ 3,005.20
59	1601	143.2	143	1.21%	\$ 852.66	\$ 10,231.98
60	1602	129.4	129	1.09%	\$ 769.19	\$ 9,230.24
61	1603	135.7	136	1.15%	\$ 810.93	\$ 9,731.11
62	1604	57.0	57	0.48%	\$ 339.87	\$ 4,078.48
63	1605	67.2	67	0.56%	\$ 399.50	\$ 4,794.00
64	1606	42.1	42	0.35%	\$ 250.43	\$ 3,005.20
65	1701	143.2	143	1.21%	\$ 852.66	\$ 10,231.98
66	1702	129.4	129	1.09%	\$ 769.19	\$ 9,230.24
67	1703	135.7	136	1.15%	\$ 810.93	\$ 9,731.11
68	1704	57.0	57	0.48%	\$ 339.87	\$ 4,078.48
69	1705	67.2	67	0.56%	\$ 399.50	\$ 4,794.00
70	1706	42.1	42	0.35%	\$ 250.43	\$ 3,005.20
71	1801	143.2	143	1.21%	\$ 852.66	\$ 10,231.98
72	1802	129.4	129	1.09%	\$ 769.19	\$ 9,230.24
73	1803	135.7	136	1.15%	\$ 810.93	\$ 9,731.11
74	1804	57.0	57	0.48%	\$ 339.87	\$ 4,078.48
75	1805	67.2	67	0.56%	\$ 399.50	\$ 4,794.00
76	1806	42.1	42	0.35%	\$ 250.43	\$ 3,005.20
77	1901	143.2	143	1.21%	\$ 852.66	\$ 10,231.98
78	1902	129.4	129	1.09%	\$ 769.19	\$ 9,230.24
79	1903	135.7	136	1.15%	\$ 810.93	\$ 9,731.11
80	1904	57.0	57	0.48%	\$ 339.87	\$ 4,078.48
81	1905	67.2	67	0.56%	\$ 399.50	\$ 4,794.00
82	1906	42.1	42	0.35%	\$ 250.43	\$ 3,005.20
83	2001	143.2	143	1.21%	\$ 852.66	\$ 10,231.98
84	2002	129.4	129	1.09%	\$ 769.19	\$ 9,230.24
85	2003	135.7	136	1.15%	\$ 810.93	\$ 9,731.11
86	2004	57.0	57	0.48%	\$ 339.87	\$ 4,078.48
87	2005	67.2	67	0.56%	\$ 399.50	\$ 4,794.00
88	2006	42.1	42	0.35%	\$ 250.43	\$ 3,005.20



Strata Lot No.	Unit #	Habitable Area in m ²	Unit Entitlement	%* of Total Unit Entitlement**	Monthly Fees	Annual Fees
89	2101	143.2	143	1.21%	\$ 852.66	\$ 10,231.98
90	2102	129.4	129	1.09%	\$ 769.19	\$ 9,230.24
91	2103	135.7	136	1.15%	\$ 810.93	\$ 9,731.11
92	2104	57.0	57	0.48%	\$ 339.87	\$ 4,078.48
93	2105	67.2	67	0.56%	\$ 399.50	\$ 4,794.00
94	2106	42.1	42	0.35%	\$ 250.43	\$ 3,005.20
95	2201	143.2	143	1.21%	\$ 852.66	\$ 10,231.98
96	2202	129.4	129	1.09%	\$ 769.19	\$ 9,230.24
97	2203	135.7	136	1.15%	\$ 810.93	\$ 9,731.11
98	2204	57.0	57	0.48%	\$ 339.87	\$ 4,078.48
99	2205	67.2	67	0.56%	\$ 399.50	\$ 4,794.00
100	2206	42.1	42	0.35%	\$ 250.43	\$ 3,005.20
101	2301	143.2	143	1.21%	\$ 852.66	\$ 10,231.98
102	2302	129.4	129	1.09%	\$ 769.19	\$ 9,230.24
103	2303	135.7	136	1.15%	\$ 810.93	\$ 9,731.11
104	2304	57.0	57	0.48%	\$ 339.87	\$ 4,078.48
105	2305	67.2	67	0.56%	\$ 399.50	\$ 4,794.00
106	2306	42.1	42	0.35%	\$ 250.43	\$ 3,005.20
107	2401	143.2	143	1.21%	\$ 852.66	\$ 10,231.98
108	2402	129.4	129	1.09%	\$ 769.19	\$ 9,230.24
109	2403	135.7	136	1.15%	\$ 810.93	\$ 9,731.11
110	2404	57.0	57	0.48%	\$ 339.87	\$ 4,078.48
111	2405	67.2	67	0.56%	\$ 399.50	\$ 4,794.00
112	2406	42.1	42	0.35%	\$ 250.43	\$ 3,005.20
113	2501	176.6	177	1.49%	\$ 1,055.40	\$ 12,664.75
114	2502	126.8	127	1.07%	\$ 757.26	\$ 9,087.14
115	2503	118.7	119	1.00%	\$ 709.56	\$ 8,514.72
116	2504	127.6	128	1.08%	\$ 763.22	\$ 9,158.69
117	2601	256.4	256	2.16%	\$ 1,526.45	\$ 18,317.38
118	2602	185.9	186	1.57%	\$ 1,109.06	\$ 13,308.72
119	2603	154.2	154	1.30%	\$ 918.25	\$ 11,019.05
Total Number of Lots:		119	Total Unit Entitlement: 11,860	100%	\$ 70,717.50	\$ 848,610.00



EXHIBIT "E"

PROPOSED FORM Y – OWNER DEVELOPER'S NOTICE OF DIFFERENT BYLAWS

(See Next Page)



Strata Property Act

PROPOSED FORM Y

OWNER DEVELOPER'S NOTICE OF DIFFERENT BY-LAWS

(Section 245 (d), Regulations section 14.6(2))

Re: Strata Plan _____, being a strata plan of:

Parcel Identifier _____ Legal Description _____

The following or attached by-laws differ from the Standard Bylaws to the *Strata Property Act*, permitted by section 120 of the Act:

SEE SCHEDULE "A" HERETO

Date: _____

1072719 B.C. LTD.

Owner/Developer, as Sole Member of Strata Council

Per: _____

Print Name: _____



SCHEDULE "A"

Bylaws that differ from the Standard Bylaws to the *Strata Property Act*

The Bylaws as attached to the *Strata Property Act* are amended by:

1. deleting section 3(4) thereof and substituting the following therefor:

3(4) An owner, tenant or occupant must not keep any pets on a strata lot other than one or more of the following (unless a special permit is obtained from the Strata Council):

- (a) a reasonable number of fish or other small aquarium animals;
- (b) a reasonable number of small caged animals;
- (c) up to two caged birds;
- (d) up to two dogs; and
- (e) up to two cats.

2. deleting Bylaw 30 in its entirety and substituting the following therefor:

Display lot

30(1) An owner developer who has an unsold strata lot may carry on sales and leasing functions that relate to its sale or lease, including without limitation:

- (a) the posting and erecting in and about the common property of interior and exterior signs, placards, flags, notices and other things and structures for marketing; and
- (b) parking on common property which is proximate to a display strata lot or to an unsold strata lot for the owner developer's staff and representatives, purchasers and prospective purchasers and tenants, and other invitees of the owner developer.

30(2) An owner developer may use a strata lot that the owner developer owns or rents, as a display lot for the sale of other strata lots in the strata plan.

30(3) Until all strata lots are sold, the owner developer, and its employees, agents, contractors, workers, suppliers and other invitees will have the full, free, and uninterrupted right and license to enter upon and cross over the common property, with or without vehicles, equipment, and machinery, for the purposes of access to and from the lands and for the purposes described in Bylaw 30(1) above. The owner developer will be responsible for any damage caused to the common property by such entry on and use of the common property.



3. adding the following as Bylaw 31

Advertising Re-Sale

31 Unless the council otherwise gives its prior written consent, advertising for the re-sale or rental of a strata lot, except such strata lots that are owned by the owner developer, is only permitted on a directory board or directory tree which will be supplied, located and maintained by the council. This Bylaw 31 is subject to Bylaw 30 and nothing in this Bylaw 31 affects the rights of the owner developer under Bylaw 30.

4. adding the following as Bylaw 33

Parking, Storage Lockers and Bosa Volt Charging Station

33 For the purposes of this Bylaw 33, the following terms have the following meanings:

“Assignment Agreement” means the assignment agreement between Bosa Properties (Cardero Parking) Inc. (as Assignor) and the purchaser/owner of a strata lot (as Assignee) whereby the Assignor assigns to the Assignee its partial interest in the Master Agreement;

“Master Agreement” means the Parking Facility/Storage Locker Lease and Bosa Volt Charging Station License Agreement between 1072719 B.C. Ltd. and Bosa Properties (Cardero Parking) Inc. pertaining to the exclusive right to lease/use a Stall and/or Storage Locker (if applicable) and/or a BVCS (if applicable) for the balance of the Term (as defined in the Master Agreement).

Except as otherwise set out in the Disclosure Statement, each owner of a strata lot will, pursuant to the Assignment Agreement be entitled to:

- (a) the exclusive use of the Stall or Stalls as specified in the Assignment Agreement.
- (b) provided a BVCS has been installed in a Stall, a license to use a BVCS in connection with such Stall subject always to the terms and conditions contained within the Master Agreement as assigned by the Assignment Agreement.
- (c) the exclusive use of the Storage Locker as specified in the Assignment Agreement (if any)

As soon as each Stall within the parking facility has been assigned by Bosa Properties (Cardero Parking) Inc. to an owner of a strata lot, and upon formation of the strata corporation, the Strata Corporation will request that the owners of the strata lots pass a resolution requiring a 3/4 vote at the next general meeting of the strata corporation to designate each of the Stalls as the limited common property of the owner who, at such time, is entitled to the exclusive use of such parking stall.

Notwithstanding any designation of the Stalls as limited common property as aforesaid, such designation of limited common property will not apply to a BVCS installed in a Stall. It



being understood that upon the Strata Corporation passing a resolution pursuant to Section 82 of the *Strata Property Act* and upon transfer of title to the BVCSs by 1072719 B.C. Ltd. to the Strata Corporation, the BVCSs will become common assets of the Strata Corporation subject to the contractual license to use contained in the Master Agreement.

Upon its formation, the Strata Corporation will be solely responsible for the control, management and administration of the Stalls, the Storage Lockers and the BVCSs, including, without limiting the generality of the foregoing, payment of the costs of maintaining, repairing and replacing the BVCSs and the utility consumed by a BVCS (measured by separate electrical meter installed at the time a BVCS is installed), all as set forth in the Master Agreement. However, all costs relating to a BVCS and paid by the Strata Corporation are repayable by the owner of the strata lot whose Stall contains the BVCS. The Strata Corporation will charge back all costs related to a BVCS against the account of the owner of the strata lot whose Stall contains a BVCS and such costs so charged will be deemed to be user fees in respect thereof, which user fees will be in addition to strata fees levied in connection with common property costs, and failure to pay such user fees within thirty (30) days of demand for payment thereof by the Strata Corporation may result in a lien against the strata lot and/or denial of use of the BVCS situate within such Stall.

A strata lot owner may only assign its rights to use the Stall(s) or the Storage Locker (if applicable) or the BVCS (if applicable) to the Strata Corporation, to a purchaser of a strata lot or to another owner of a strata lot provided that in the case of the BVCS, such purchaser or other owner is also purchasing the right to use the Stall in which the BVCS is situate.

A strata lot owner may permit another owner of a strata lot within the Strata Corporation to charge a Compatible Electric Automotive Vehicle using the BVCS situate within his Stall and retain whatever consideration such other owner pays the BVCS strata lot owner provided always that such other owner complies with the bylaws, rules and regulations of the Strata Corporation in connection with the use of the BVCS.

5. adding the following as Section 34:

34 Notwithstanding section 48(3) of the Act, if within ½ hour from the time appointed for an annual or special general meeting a quorum is not present, the meeting shall be terminated if the meeting was convened upon the requisition of members; but in any other case, the meeting shall stand adjourned for a further ½ hour from the time appointed and, if within one hour from the time appointed a quorum is not present for the meeting, the eligible voters present in person or by proxy shall constitute a quorum.



EXHIBIT "F"

**FORM OF PARKING FACILITY/STORAGE LEASE AND BOSA VOLT CHARGING
STATION LICENSE AGREEMENT (THE MASTER PARKING/STORAGE AGREEMENT)**

(See Next Page)



**PARKING FACILITY/STORAGE LOCKER LEASE AND
BOSA VOLT CHARGING STATION LICENSE AGREEMENT
("Master Agreement")**

THIS AGREEMENT made effective as of the _____ day of _____, 20____,

BETWEEN:

1072719 B.C. LTD. a body corporate duly incorporated under the laws of the Province of British Columbia, having an office at 1201 – 838 West Hastings Street, Vancouver, B.C. V6C 0A6

(hereinafter the "**Owner**")

AND:

BOSA PROPERTIES (CARDERO PARKING) INC., a body corporate duly incorporated under the laws of the Province of British Columbia, having an office at 1201 – 838 West Hastings Street, Vancouver, B.C. V6C 0A6

(hereinafter the "**Tenant**")

WITNESSES THAT WHEREAS:

- A. Owner is the registered owner or is entitled to become the registered owner of certain lands and premises located in the City of New Westminster, British Columbia, legally described:

Parcel Identifier:

Legal Description:

(the "**Lands**");

- B. Owner has agreed to:

- (a) lease to Tenant all of the parking stalls (the "**Stalls**") in the underground parking facility;
- (b) lease to Tenant all of the storage areas (the "**Storage Lockers**")

to be located on the Lands and shown as "Parking" and "Storage", respectively, on the plan (the "**Plan**") prepared by _____, British Columbia land surveyors, a reduced copy of which is attached hereto as Schedule "A" as may be amended by such surveyor from time to time, all on the terms and conditions set out in this Agreement and with the right of Tenant to grant partial assignments of this Agreement pertaining to particular Stalls and the Storage Lockers; and



- (c) grant to Tenant a contractual license to use the Bosa Volt Charging Stations (as hereinafter defined) which may be installed by Owner in one or more of the Stalls and title to which will ultimately be conveyed by Owner to the Strata Corporation in accordance with, but subject to, the terms of this Agreement;
- C. After entering into this Agreement, Owner proposes to subdivide the Lands by means of strata plan (the "**Strata Plan**") pursuant to the *Strata Property Act* (British Columbia) (the "**SP Act**") to create a strata development (the "Strata Development"). The Bosa Volt Charging Stations will, when transferred to the Strata Corporation, become common assets of the Strata Corporation, but will be subject to the terms of the exclusive contractual license to use in favour of Tenant and its assignee(s) as set forth in Article 4 hereof;
- D. The Strata Plan will designate the Stalls and Storage Lockers as common property of the strata corporation (the "**Strata Corporation**") formed upon the deposit for registration of the Strata Plan in the Land Title Office; and
- E. Each of the parties to this Agreement, including their respective successors and assigns, agrees that title to the common property of the Strata Corporation will be encumbered by the lease contained herein and the Bosa Volt Charging Stations will, upon transfer of title by Owner to the Strata Corporation, become common assets of the Strata Corporation subject to the contractual license to use contained in this Agreement in favour of Tenant.

NOW THEREFORE this Agreement witnesses that, in consideration of the premises and the sum of \$10.00 of lawful money of Canada now paid by Tenant to Owner, the receipt and sufficiency of which is hereby acknowledged by Owner and will not be denied, and in the consideration of the mutual promises and agreements set forth in this Lease, the parties agree each with the other as follows:

ARTICLE 1

DEFINITIONS

- 1.0 In this Agreement, the following terms have the following meanings unless the context requires otherwise:
 - (a) "**Bosa Volt Charging Stations**" or "**BVCS**" means the electrical charging station device selected by the developer of the lands and used to charge Compatible Electric Automotive Vehicles (as hereinafter defined) that will allow the electrical charging of Compatible Electric Automotive Vehicles; and
 - (b) "**Compatible Electric Automotive Vehicle**" or "**CEAV**" means a four (4) wheeled electric passenger automobile, having (2) or more doors or such other automobile which may be approved by the Owner from time to time that does not require an external ventilation system to prevent the accumulation of hazardous gases when charging indoors and is otherwise compatible with the specifications of the BVCS selected and installed by Owner or its successors in a Stall.



ARTICLE 2
PARKING FACILITY/STORAGE LOCKER LEASE
GRANT AND TERM

2.01 Grant

Owner hereby leases to Tenant for the Term (as defined in section 2.02) all of the Stalls and Storage Lockers. Owner and Tenant agree that Owner may cause to be prepared a more detailed plan of the Stalls and the Storage Lockers in which event such more detailed plan will be substituted for the Plan and all references herein to the "Plan" will be references to such more detailed plan.

2.02 Term

The term (the "**Term**") of the lease contained herein shall commence on the date first above written and terminate on the earlier of:

- (a) the _____ day of _____, 2_____;
- (b) the date the Strata Corporation is dissolved; and
- (c) the date the Strata Corporation files a notice of destruction in prescribed form with the registrar of the applicable Land Title Office following the destruction or deemed destruction of the building(s) in which the Stalls and Storage Lockers are located.

For the purposes of this provision, the amalgamation of the Strata Corporation with another strata corporation will not be considered a dissolution of the Strata Corporation. Possession of the Stalls and Storage Lockers will be given to Tenant by Owner fourteen (14) day prior to the date of filing of the Strata Plan in the Land Title Office. Prior thereto, Tenant will have no right to enter the Lands or otherwise obtain possession of the Stalls and Storage Lockers.

However, Tenant may partially assign its rights hereunder pursuant to and in accordance with the provisions of Article 6 hereof. Until the underground parking facility, containing the Stalls and Storage Lockers, is built and possession of the Stalls and the Storage Lockers is given to Tenant, the lease contained herein will be construed to be a binding agreement to lease the Stalls and Storage Lockers between Owner and Tenant and thereafter a binding lease between Owner and Tenant.

2.03 Rent

The parties to this Agreement acknowledge that, except for the amounts payable by Tenant pursuant to Article 4 in connection with the BVCS contractual license, the sum of \$10.00 now paid by Tenant to Owner will be the only payment required to be paid to Owner by Tenant in respect of the lease contained herein.



ARTICLE 3
SUBDIVISION BY STRATA PLAN

3.01 Strata Plan

This Agreement and the covenants and obligations of Owner under this Agreement run with and bind the Lands, and upon the subdivision of the Lands by means of the Strata Plan, such covenants and obligations shall be automatically assumed by the Strata Corporation as the representative of the owners of strata lots (the "Strata Lots") within the Strata Development, at which time Owner will be absolutely released from any obligations or liabilities hereunder.

3.02 Common Property

This Agreement is intended to apply only to a portion of the common property that will be created upon the deposit for registration of the Strata Plan and not at any time to burden any strata lot.

ARTICLE 4
CONTRACTUAL LICENSE TO USE BVCS

4.01 Provided Owner has installed a BVCS in a Stall, then the following license to use a BVCS in connection with such Stall shall apply.

4.02 In consideration of payment of the sum of One Hundred Dollars (\$100.00) by Tenant (the receipt of which is hereby acknowledged by Owner), Owner hereby gives Tenant a contractual license to use the BVCS (if any) installed by Owner within the particular Stall leased to Tenant under the lease contained herein for the same period equal to the Term. The parties acknowledge and agree that Tenant's rights to use the BVCS arise by way of contractual license and not by way of lease or any other interest in land.

4.03 Owner's Covenants

Owner covenants and agrees with Tenant as follows:

- (a) to repair, maintain and replace the BVCS as a prudent owner would do, reasonable wear and tear and damage by insurable hazard excepted;
- (b) to supply or cause to be supplied electricity for the reasonable use of the BVCS; PROVIDED ALWAYS that nothing herein shall be deemed to be an undertaking, covenant or assurance by Owner to provide a continuous supply of electricity to the BVCS for the benefit of Tenant. Owner will not be liable to Tenant in damages or otherwise for any interruption or failure to the supply of electricity to the BVCS regardless of the cause or duration of such interruption, but Owner will make reasonable efforts with the utility provider to endeavour to have electricity restored to the BVCS; and
- (c) to insure the BVCS against such perils as a reasonably prudent owner would do and to name Tenant as an additional named insured.



- 4.04 Tenant and Owner agree that ownership of the BVCS and any conduits or other attachments thereto are the property of Owner and Tenant has no interest therein except the right to use same as provided for this Agreement.

4.05 Tenant's Covenants

Tenant covenants with Owner as follows:

- (a) to ensure that the BVCS is used only to charge a CEAV and to use the BVCS safely and carefully as a prudent owner would do and only in accordance with Owner's and/or the manufacturer's instructions and to promptly report to Owner or Owner's designated agent for such purpose, any malfunction of or damage to the BVCS;
- (b) not to alter, modify, attempt to repair or otherwise tamper with the BVCS;
- (c) to forthwith reimburse Owner upon presentation of Owner's invoice for all costs of maintaining, repairing, replacing and insuring the BVCS; it being understood and agreed that upon assumption by the Strata Corporation of this Agreement pursuant to Section 4.06 hereof, such costs will be deemed to be strata user fees payable by Tenant or the purchaser of a Strata Lot within the Strata Development to whom Tenant has partially assigned its rights hereunder pursuant to Section 6.01 hereof;
- (d) to promptly pay, as and when due to the provider of same, for all electricity consumed by the BVCS;
- (e) to indemnify and hold Owner harmless and to defend Owner, the Strata Corporation and the Strata Lot owners, their respective agents and employees from and against all claims brought or threatened with respect to the use of the BVCS by Tenant or by those who Tenant, in accordance with the terms of this Agreement, permits to use the BVCS.

4.06 Transfer of Title to BVCS and Assumption by the Strata Corporation

It is in the best interests of the Strata Corporation and the purchasers of the individual Strata Lots that the BVCS be ultimately owned and the ongoing maintenance, repair and replacement of the BVCS be controlled by the Strata Corporation.

NOW THEREFORE:

- (a) upon the subdivision of the Lands by means of the Strata Plan and creation thereby of the Strata Corporation, the Owner will transfer title to all BVCS to the Strata Corporation via a bill of sale absolute, but such transfer will be made subject to the rights of Tenant as set forth in this Agreement. Owner, exercising its power pursuant to Section 5 of the *SP Act* and being satisfied that it has fulfilled its duties under Section 6 of the *SP Act*, will cause the Strata Corporation to enter into an assumption agreement in connection with the obligations of Owner hereunder whereupon Owner will be released from its obligations to Tenant hereunder and any subsequent purchaser of a Strata Lot.



- (b) Notwithstanding the foregoing, the Owner will retain a right of access to the underground parking facility and the electrical power outlets and supply panels of the Development for the purpose of installing BVCSs during the Term of this Agreement.
- (c) Owner, as developer, will pursuant to Section 120 of the *SP Act*, file in the Land Title Office a bylaw to make it clear that the costs associated with the BVCS as set forth in Section 4.05(c) hereof payable by a purchaser of a strata lot will be deemed to be strata user fees payable by such Strata Lot owner to the Strata Corporation and lienable as such.

ARTICLE 5

MAINTENANCE AND ENCUMBRANCES

5.01 Maintenance.

Owner confirms that until the deposit for registration of the Strata Plan, Owner shall be solely responsible for the control, management and administration of the Stalls, the Storage Lockers and the BVCSs but thereafter, pursuant to Sections 3.01 and 4.06 of this Agreement, the Strata Corporation shall assume Owner's obligations hereunder and the Strata Corporation may pass bylaws or make rules and regulations with respect to the Stalls, the Storage Lockers and the BVCS as long as such by bylaws, rules or regulations do not materially interfere with the rights of Tenant or any subsequent assignee under this Agreement.

5.02 Alterations

Tenant, its successors and permitted assigns, are not entitled to alter, or to perform any repairs of any sort whatsoever to the Stalls, the Storage Lockers or BVCSs. Any such alterations or repairs are the sole responsibility of Owner prior to the registration of the Strata Plan, and thereafter of the Strata Corporation as provided herein.

5.03 Subordination.

Tenant agrees to subordinate its interest pursuant to this Agreement to any financial encumbrance registered by Owner against the Lands.

5.04 No Right to Encumber

Tenant, its successors and permitted assigns, are not entitled to mortgage, charge, pledge or otherwise encumber their interest in any Stall, Storage Locker or the BVCS as security to any person.



ARTICLE 6
ASSIGNMENT

6.01 Partial Assignments

Tenant may partially assign this Agreement and its rights under this Agreement pertaining to particular Stalls or Storage Lockers or the BVCSs (if applicable) to purchasers of Strata Lots within the Strata Development or to the Strata Corporation. Any such assignment will be for such consideration as Tenant may, in its sole discretion determine, which consideration may be retained by Tenant for its own benefit. Any partial assignment by Tenant, or by any subsequent assignee, of this Agreement and its rights under this Agreement pertaining to a particular Stall and any BVCS (if applicable) or Storage Locker:

- (a) will be absolute, and the assignee and its guests, lessees, successors and permitted assigns will be entitled to the use and enjoyment of the Stall and/or Storage Locker and BVCS (if applicable) so assigned for the balance of the Term;
- (b) will be an assignment of rights to which an assignee will only be entitled to for so long as such assignee owns a Strata Lot within the Strata Development unless the assignment is to the Strata Corporation;
- (c) may only be assigned to an owner or purchaser of a Strata Lot within the Strata Development or to the Strata Corporation; and
- (d) will not be effective until written notice of such assignment (together with a copy of such assignment if available) is delivered by the assignee to the Strata Corporation, subject to Section 6.02 of this Agreement.

6.02 Automatic Assignment

If a holder of an interest in a Stall and/or Storage Locker or a BVCS (if applicable) sells all of his or her interest in a Strata Lot within the Strata Development to which such Stall and/or Storage Locker and/or a BVCS is at such time appurtenant as shown on the register maintained under Section 6.06 without concurrently executing an assignment of such Stall and/or Storage Locker or the BVCS (if applicable) to another owner or purchaser of a Strata Lot within the Strata Development, then the interest of such holder in such Stall and/or Storage Locker or the BVCS (if applicable) will automatically be assigned to and assumed by the purchaser of such strata lot without execution of partial assignment of this Agreement with respect to such Stall and/or Storage Locker or BVCS (if applicable) or delivery of notice of such partial assignment to the Strata Corporation.

6.03 Consent

The consent of the Strata Corporation will not be required for any partial assignment of this Agreement. The Strata Corporation will not interfere with or attempt to interrupt or terminate the rights of an assignee under any such assignment except as expressly agreed by such assignee.



6.04 Form of Partial Assignments

Subject to section 6.02, all partial assignments of this Agreement shall be substantially in the form attached hereto as Schedule "B". No such partial assignment shall be registrable by an assignee in a Land Title Office.

6.05 Release of Assignors

Upon the assignment to an assignee of a partial assignment of this Agreement pertaining to a particular Stall and/or Storage Locker and/or the BVCS (if applicable), Tenant and any subsequent assignor of an interest in such Stall and/or Storage Locker and/or the BVCS (if applicable) will be automatically and absolutely released from any obligations or liabilities under this Agreement pertaining to such Stall and/or Storage Locker and/or the BVCS (if applicable).

6.06 Register of Partial Assignments

Owner, and after the registration of the Strata Plan, the Strata Corporation, will maintain a register of all Stalls, Storage Lockers and BVCS (if applicable) and will record on such register each partial assignment of this Agreement, indicating:

- (a) the number of the Stall assigned and the number of the Storage Locker assigned and the serial number of the BVCS assigned (if applicable); it being understood that the rights to use the BVCS and the Stall in which it is situate cannot be assigned separately and must be assigned together;
- (b) the date of assignment;
- (c) the name and address of the assignee; and
- (d) the number of the Strata Lot within the Strata Development owned by the assignee to which such Stall and/or Storage Locker and/or BVCS (if applicable) is at the time appurtenant, unless the assignee is the Strata Corporation in which event the Stall and/or Storage Locker need not be appurtenant to a Strata Lot.

Upon request by any owner or prospective purchaser of a Strata Lot within the Strata Development, the Strata Corporation will provide a certificate within 7 days of receipt of such request, certifying the name and address of the owner to whom a particular Stall and/or Storage Locker and/or BVCS (if applicable) is assigned and the number of the Strata Lot within the Strata Development to which such Stall, Storage Locker and/or BVCS (if applicable) is at the time appurtenant. The Strata Corporation may require a fee of not more than \$20.00, or a greater amount reasonably prescribed by the bylaws of the Strata Corporation, from the person requesting such certificate. Upon the Strata Corporation becoming aware of a partial assignment pertaining to a particular Stall and/or Storage Locker and/or BVCS (if applicable) under Section 6.01 or 6.02 the Strata Corporation will amend the register accordingly.



ARTICLE 7
MISCELLANEOUS

7.01 Form of Agreement

If required by Owner or Tenant, each of the parties hereto agree to amend the form of this Agreement to meet the requirements of the Registrar of Land Titles or of any governmental or public authority or as otherwise necessary to confirm unto Tenant the rights granted in this Agreement.

7.02 Definition

Any term defined in the recitals to this Agreement will have the same meaning throughout this Agreement unless otherwise redefined.

5.03 Enurement

This Agreement shall enure to the benefit of and be binding upon each of the parties hereto and their respective successors and permitted assigns.

IN WITNESS WHEREOF the parties executed this Agreement by their respective duly authorized officers effective the day and years first above written.

1071719 B.C. LTD.
as Owner

Authorized Signatory

BOSA PROPERTIES (CARDERO PARKING) INC.
as Tenant

Authorized Signatory



SCHEDULE "A"*

PLAN OF PARKING AND STORAGE

(See Next Page)

*Schedule "A" is not available at the time of filing the Disclosure Statement



SCHEDULE "B"*

**FORM OF PARTIAL ASSIGNMENT OF PARKING FACILITY/STORAGE LEASE AND
BOSA VOLT CHARGING STATION LICENSE AGREEMENT**

(See Next Page)



**PARTIAL ASSIGNMENT OF PARKING FACILITY/STORAGE LOCKER LEASE
AND BOSA VOLT CHARGING STATION LICENSE AGREEMENT**

C A R D E R O

BETWEEN: **Bosa Properties (Cardero Parking) Inc.** (the "Assignor")

AND: _____ (the "Assignee")

RE: (1) Parking stall(s) No(s). _____ (and _____) (the "Stall(s)");

(2) Storage Locker No. _____ (the "Storage Locker")

as shown on the plan attached as Exhibit "A" to this Assignment; and

(3) If the Assignee has entered into an agreement with the Owner (as hereinafter defined) for the installation of and the right to use a Bosa Volt Charging Station ("BVCS") within the stall(s), then this Assignment Agreement shall apply to such BVCS.

WHEREAS pursuant to the Lease as hereinafter defined, the Assignor is the lessee of the Stall and/or the Storage Locker and the Assignee is either The Owners, Strata Plan No. _____ (the "Strata Corporation") or the registered owner or purchaser of strata lot _____ (the "Strata Lot") in Cardero.

In consideration of the covenants and agreements set forth in this Assignment, the parties agree with each other as follows:

1.0 Partial Assignment of Lease. The Assignor hereby assigns to the Assignee its partial interest in the lease (the "Lease") contained within the Parking Facility/Storage Locker Lease and Bosa Volt Charging Station License Agreement (the "Master Agreement") made effective the _____ day of _____, 20____ between 1072719 B.C. Ltd., as "Owner" and Bosa Properties (Cardero Parking) Inc. as "Lessee", pertaining to the exclusive right to lease the Stall and/or the Storage Locker for the balance of the Term (as defined in the Lease). Except as otherwise set forth in the Master Parking/Storage Agreement, this Assignment will not be effective until the Assignee has given a copy of this Assignment to the Owners, Strata Plan No. _____ (the "Strata Corporation"). Capitalized words and phrases herein have the same meaning as given to those capitalized words and phrases in the Master Agreement.

2.0 Assignment Contingent Upon Strata Lot Ownership. Unless the Assignee is the Strata Corporation, the Assignee, its successors, permitted assigns, heirs, executors or administrators shall only be entitled to the rights with respect to the Stall, the Storage Locker and the BVCS for as long as the Assignee owns the Strata Lot.

3.0 Compliance. The Assignee agrees to use the Stall, the Storage Locker and the BVCS in accordance with the bylaws, rules and regulations of the Strata Corporation enacted from time to time, but only to the extent such bylaws, rules and regulations do not materially interfere with the Assignee's rights under this Assignment.

4.0 Assumption of Liabilities. If the Assignee has entered into an agreement with the Owner for the installation of a BVCS within the Stall(s) and for the exclusive use of same then the following sections shall apply:



- 4.01 The Assignor hereby assigns to the Assignee its partial interest in the license to use the BVCS which license is contained within the Master Agreement;
- 4.02 The Assignee acknowledges that it has read the Master Agreement and it covenants and agrees with the Assignor and the Owner to observe and perform all the terms of the Master Agreement on the part of the Assignee to be observed and performed as they relate to the Stall(s), the Storage Locker and the BVCS including, without limiting the generality of the foregoing, payment of the costs of maintaining, repairing and replacing the BVCS and the utilities consumed by the BVCS all as set forth in the Master Agreement. The Assignee further acknowledges that such costs will be considered to be strata user fees payable by the Licensee as owner of the Strata Lot and non-payment thereof may result in a lien against and the sale of the Strata Lot.
- 4.03 The Assignee covenants and agrees with the Assignor to use the BVCS in accordance with the requirements set forth in the Master Agreement and the bylaws, rules and regulations of the Strata Corporation enacted from time to time, but only to the extent such bylaws, rules and regulations do not materially interfere with the Assignee's rights under this Agreement.
- 4.04 The Assignee may only assign its rights to use the Stall(s) or the Storage Locker or the BVCS to the Strata Corporation, a purchaser of a Strata Lot or to another owner of a Strata Lot provided that in the case of the BVCS, such purchaser or other owner is also purchasing the right to use the Stall in which the BVCS is situate.
- 4.05 The Assignee may permit another owner of a strata lot within the Strata Corporation to charge a Compatible Electric Automotive Vehicle using the BVCS situate within its Stall and retain whatever consideration such other owner pays the Assignee provided always that such other owner complies with the bylaws, rules and regulations of the Strata Corporation in connection with the use of the BVCS.
- 5.0 Acknowledgment. The Assignee acknowledges having received and read a copy of the Master Agreement containing the lease and the license to use the BVCS and agrees to be fully bound by its terms.
- 6.0 Enurement. This Assignment shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

The parties have executed this Assignment effective as of the ____ day of _____, 20____.

Assignor:

Assignee:

**BOSA PROPERTIES
(CARDERO PARKING) INC.**

Per: _____



EXHIBIT "G"

PARTIAL ASSIGNMENT OF MASTER PARKING/STORAGE AGREEMENT

(See Next Page)



**PARTIAL ASSIGNMENT OF PARKING FACILITY/STORAGE LOCKER LEASE
AND BOSA VOLT CHARGING STATION LICENSE AGREEMENT**

C A R D E R O

BETWEEN: **Bosa Properties (Cardero Parking) Inc.** (the "Assignor")

AND: _____ (the "Assignee")

RE: (1) Parking stall(s) No(s). _____ (and _____) (the "Stall(s)");

(2) Storage Locker No. _____ (the "Storage Locker")

as shown on the plan attached as Exhibit "A" to this Assignment; and

(3) If the Assignee has entered into an agreement with the Owner (as hereinafter defined) for the installation of and the right to use a Bosa Volt Charging Station ("BVCS") within the stall(s), then this Assignment Agreement shall apply to such BVCS.

WHEREAS pursuant to the Lease as hereinafter defined, the Assignor is the lessee of the Stall and/or the Storage Locker and the Assignee is either The Owners, Strata Plan No. _____ (the "Strata Corporation") or the registered owner or purchaser of strata lot _____ (the "Strata Lot") in Cardero.

In consideration of the covenants and agreements set forth in this Assignment, the parties agree with each other as follows:

1.0 Partial Assignment of Lease. The Assignor hereby assigns to the Assignee its partial interest in the lease (the "Lease") contained within the Parking Facility/Storage Locker Lease and Bosa Volt Charging Station License Agreement (the "Master Agreement") made effective the _____ day of _____, 20____ between 1072719 B.C. Ltd., as "Owner" and Bosa Properties (Cardero Parking) Inc. as "Lessee", pertaining to the exclusive right to lease the Stall and/or the Storage Locker for the balance of the Term (as defined in the Lease). Except as otherwise set forth in the Master Parking/Storage Agreement, this Assignment will not be effective until the Assignee has given a copy of this Assignment to the Owners, Strata Plan No. _____ (the "Strata Corporation"). Capitalized words and phrases herein have the same meaning as given to those capitalized words and phrases in the Master Agreement.

2.0 Assignment Contingent Upon Strata Lot Ownership. Unless the Assignee is the Strata Corporation, the Assignee, its successors, permitted assigns, heirs, executors or administrators shall only be entitled to the rights with respect to the Stall, the Storage Locker and the BVCS for as long as the Assignee owns the Strata Lot.

3.0 Compliance. The Assignee agrees to use the Stall, the Storage Locker and the BVCS in accordance with the bylaws, rules and regulations of the Strata Corporation enacted from time to time, but only to the extent such bylaws, rules and regulations do not materially interfere with the Assignee's rights under this Assignment.

4.0 Assumption of Liabilities. If the Assignee has entered into an agreement with the Owner for the installation of a BVCS within the Stall(s) and for the exclusive use of same then the following sections shall apply:



- 4.01 The Assignor hereby assigns to the Assignee its partial interest in the license to use the BVCS which license is contained within the Master Agreement;
- 4.02 The Assignee acknowledges that it has read the Master Agreement and it covenants and agrees with the Assignor and the Owner to observe and perform all the terms of the Master Agreement on the part of the Assignee to be observed and performed as they relate to the Stall(s), the Storage Locker and the BVCS including, without limiting the generality of the foregoing, payment of the costs of maintaining, repairing and replacing the BVCS and the utilities consumed by the BVCS all as set forth in the Master Agreement. The Assignee further acknowledges that such costs will be considered to be strata user fees payable by the Licensee as owner of the Strata Lot and non-payment thereof may result in a lien against and the sale of the Strata Lot.
- 4.03 The Assignee covenants and agrees with the Assignor to use the BVCS in accordance with the requirements set forth in the Master Agreement and the bylaws, rules and regulations of the Strata Corporation enacted from time to time, but only to the extent such bylaws, rules and regulations do not materially interfere with the Assignee's rights under this Agreement.
- 4.04 The Assignee may only assign its rights to use the Stall(s) or the Storage Locker or the BVCS to the Strata Corporation, a purchaser of a Strata Lot or to another owner of a Strata Lot provided that in the case of the BVCS, such purchaser or other owner is also purchasing the right to use the Stall in which the BVCS is situate.
- 4.05 The Assignee may permit another owner of a strata lot within the Strata Corporation to charge a Compatible Electric Automotive Vehicle using the BVCS situate within its Stall and retain whatever consideration such other owner pays the Assignee provided always that such other owner complies with the bylaws, rules and regulations of the Strata Corporation in connection with the use of the BVCS.

5.0 Acknowledgment. The Assignee acknowledges having received and read a copy of the Master Agreement containing the lease and the license to use the BVCS and agrees to be fully bound by its terms.

6.0 Enurement. This Assignment shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

The parties have executed this Assignment effective as of the ____ day of _____, 20____.

Assignor:

Assignee:

**BOSA PROPERTIES
(CARDERO PARKING) INC.**

Per: _____



EXHIBIT "H"

STRATA PROPERTY ACT FORM J – RENTAL DISCLOSURE STATEMENT

(See Next Page)



Strata Property Act
Form J
[am. B.C. Reg 312/2009, s. 8.]

RENTAL DISCLOSURE STATEMENT
(Section 139)

Re: Strata Plan.....[the registration number of the strata plan] or
Parcel Identifier 029-884-667
Lot A Block 42 District Lot 185 Group 1 New Westminster District and
Part of the Public Harbour of Burrard Inlet Plan EPP62321.

This Rental Disclosure Statement is [Check whichever box is correct and provide any required information.]

- [x] the first Rental Disclosure Statement filed in relation to the above-noted strata plan
[] a changed Rental Disclosure Statement filed under section 139 (4) of the *Strata Property Act*, and the original
Rental Disclosure Statement filed in relation to the above-noted strata plan was filed on [dd/mm/yyyy]

- 1 The development described above includes one hundred nineteen (119) residential strata lots.
- 2 The residential strata lots described below are rented out by the owner developer as of the date of this statement and the owner developer intends to rent out each strata lot until the date set out opposite its description

Description of Strata Lot [strata lot number as shown on the strata plan]	Date Rental Period Expires [specify a date—"indefinitely" or timing related to an event is not acceptable]*
None	Not Applicable

*Section 143 (2) of the *Strata Property Act* provides that, if this Rental Disclosure Statement is filed after December 31, 2009, a bylaw that prohibits or limits will not apply to a strata lot described in this table until the date set out in the table opposite the description of the strata lot, whether or not the strata lot is conveyed before that date.

- 3 In addition to the number of residential strata lots rented out by the owner developer as of the date of this statement, the owner developer reserves the right to rent out a further one hundred nineteen (119) residential strata lots, as described below, until the date set out opposite each strata lot's description.

[Describe all strata lots intended to be rented out by the owner developer.]

Description of Strata Lot [strata lot number as shown on the strata plan]	Date Rental Period Expires [specify a date—"indefinitely" or timing related to an event is not acceptable]*
Strata Lots 1 to 119 inclusive	January 31, 2216

*Section 143 (2) of the *Strata Property Act* provides that, if this Rental Disclosure is filed after December 31, 2009, a bylaw that prohibits or limits rentals will not apply to a strata lot described in this table until the date set out in the table opposite the description of the strata lot, whether or not the strata lot is conveyed before that date.

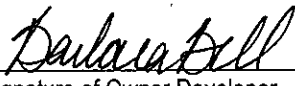
- 4 There is no bylaw of the strata corporation that restricts the rental of strata lots.

OR

~~There is a bylaw of the strata corporation that restricts the rental of strata lots, the text of which is attached to and forms part of this statement.~~

[Strike out sentence which does not apply.]

Dated with effect: August 18, 2016


Signature of Owner Developer –
1072705 B.C. Ltd.


Signature of Owner Developer –
1072719 B.C. Ltd.

EXHIBIT "I"

**HANDLING DEPOSITS – COPY OF SECTIONS 18 AND 19 OF
*REAL ESTATE DEVELOPMENT MARKETING ACT***

(See Next Page)



REAL ESTATE DEVELOPMENT MARKETING ACT

[SBC 2004] CHAPTER 41

Division 5 — Deposits

Handling deposits

18 (1) A developer who receives a deposit from a purchaser in relation to a development unit must promptly place the deposit with a brokerage, lawyer, notary public or prescribed person who must hold the deposit as trustee in a trust account in a savings institution in British Columbia.

(2) A trustee under subsection (1) holds the deposit for the developer and the purchaser and not as an agent for either of them and must not release the deposit from trust except as follows:

- (a) if the money was paid into the trust account in error;
- (b) to the purchaser with the written consent of the purchaser and the developer;
- (c) in accordance with subsection (3) or (4);
- (d) in accordance with section 19 *[developer use of deposit]* of this Act;
- (e) in accordance with section 21 *[rights of rescission]* of this Act;
- (f) in accordance with section 32 *[unclaimed money held in trust]* of the *Real Estate Services Act*;
- (g) in accordance with section 33 *[payment of trust funds into court]* of the *Real Estate Services Act*;
- (h) in accordance with a court order;
- (i) in accordance with the regulations under this Act.



(3) A trustee under subsection (1) must release the deposit to the developer if the developer certifies in writing that

- (a) the purchaser who paid the deposit has no right to rescission under section 21 *[rights of rescission]*,
- (b) if required, the subdivision plan, strata plan or other plan has been deposited in the appropriate land title office,
- (c) the approvals required for the lawful occupation of the development unit have been obtained, and
- (d) as applicable,
 - (i) if all or part of the purchaser's interest in the development unit is registrable in a land title office, the interest has been registered in the appropriate land title office and an instrument evidencing the registration has been delivered to the purchaser, or
 - (ii) if all or part of the purchaser's interest in the development unit is not registrable in a land title office, an instrument evidencing the interest of the purchaser has been delivered to the purchaser.

(4) A trustee under subsection (1) must release the deposit to the developer if the developer certifies in writing that

- (a) the purchaser who paid the deposit has no right to rescission under section 21 *[rights of rescission]*,
- (b) the purchaser has failed to pay a subsequent deposit or the balance of the purchase price when required by the purchase agreement under which the deposit held by the trustee was paid,
- (c) under the terms of the purchase agreement, if the purchaser fails to pay a subsequent deposit or the balance of the purchase price when required, the developer may elect to cancel the purchase agreement and, if the developer elects to cancel the purchase agreement, the amount of the deposit is forfeited to the developer, and
- (d) the developer has elected to cancel the purchase agreement.



(5) For the purposes of subsection (2) (f) and (g), the provisions of the *Real Estate Services Act* referred to in that subsection apply to a trustee as if the trustee were a brokerage.

(6) Payment to a person in accordance subsection (2) (b), (c), (d) or (e) discharges the trustee from liability for the deposit in the amount paid out.

Developer use of deposit

19 (1) In this section:

"deposit protection contract" has the same meaning as in section 142 (1) of the *Insurance Act*;

"developer's own purposes" means purposes related to the development property that includes the development unit in relation to which the deposit under section 18 (1) [*handling deposits*] was paid, including, without limitation, the construction and marketing of that development property.

(2) A developer who desires to use for the developer's own purposes a deposit the developer has placed with a trustee under section 18 (1), must enter into a deposit protection contract in relation to that deposit and provide notice of the deposit protection contract to the purchaser in accordance with the regulations.

(3) A trustee must pay a deposit held under section 18 (1) to a developer who has entered into a deposit protection contract in relation to the deposit on receiving

(a) from an insurer the original or a true copy of the deposit protection contract, and

(b) from the developer a certification, in writing, that the purchaser who paid the deposit has no right to rescission under section 21 [*rights of rescission*].

(4) If a deposit is paid under subsection (3), the developer may use that deposit only for the developer's own purposes.



EXHIBIT "J"

FORM OF AGREEMENT OF PURCHASE AND SALE

(See Next Page)



SUITE # _____ SL # _____

SALESPERSON _____

CARDERO

BY BOSA PROPERTIES

Date: _____, 2016

Agreement of Purchase and Sale PART 1

VENDOR:

Bosa Properties (Cardero) Inc.,
1072705 B.C. Ltd. and 1072719 B.C. Ltd.
1201 – 838 West Hastings Street, Vancouver, B.C. V6C 0A6

PURCHASER(S):

(Circle one) Mr. Miss Ms. Mrs.

Full Name: _____

Occupation: _____

Address: _____

City: _____ Province: _____

Postal Code: _____

Tel: _____ Bus: _____

Fax: _____ S.I.N. _____

E-Mail: _____

(Circle one) Mr. Miss Ms. Mrs.

Full Name: _____

Occupation: _____

Address: _____

City: _____ Province: _____

Postal Code: _____

Tel: _____ Bus: _____

Fax: _____ S.I.N. _____

E-Mail: _____

Unless otherwise defined herein, all terms used in this Agreement of Purchase and Sale will have the meaning ascribed to such terms in the Disclosure Statement (hereinafter defined).

I/WE THE ABOVE PURCHASER(S) HEREBY OFFER to purchase Suite # _____, 620 Cardero Street*, Vancouver, B.C., being Strata Lot _____ (the "Strata Lot") as more specifically described in the preliminary strata plan (the "Strata Plan") attached as an exhibit to the Disclosure Statement at the price and on the terms and conditions contained herein. *Please note that the civic address of the Development is subject to change pending final determination by the City of Vancouver.

1.01 PURCHASE PRICE AND DEPOSITS

The purchase price excluding GST (the "Purchase Price") for the Strata Lot payable in lawful money of Canada is as follows:

\$ _____

- a) a deposit (the "Initial Deposit") of Fifty Thousand Dollars (\$50,000) upon presentation of this Offer to the Vendor, increased to 10% of the Purchase Price on or before the expiry of the Rescission Period referred to on Page 2 of the Disclosure Statement

\$ _____

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- b) a further deposit (the "**Second Deposit**") of 5% of the Purchase Price on the later of: (i) ninety (90) days after the date of this Agreement of Purchase and Sale; and (ii) within seven (7) days of receipt by the Purchaser of the amendment to Disclosure Statement referred to in Paragraph 11.0 of Part 2 of this Agreement of Purchase and Sale; \$ _____
- c) a further deposit (the "**Third Deposit**") of 5% of the Purchase Price within six (6) months of receipt by the Purchaser of the amendment to Disclosure Statement referred to in Paragraph 11.0 of Part 2 of this Agreement of Purchase and Sale; \$ _____
- d) a further deposit (the "**Fourth Deposit**") of 5% of the Purchase Price within twelve (12) months of receipt by the Purchaser of the amendment to Disclosure Statement referred to in Paragraph 11.0 of Part 2 of this Agreement of Purchase and Sale; \$ _____
- e) the balance of the Purchase Price, subject to adjustments described herein (the "**Balance**") shall be paid on the Completion Date (as hereinafter defined). \$ _____

1.02 The Purchase Price includes the following equipment, appliances and furnishings:

- (a) Refrigerator (d) hood fan (g) window coverings
(b) electric cooktop (e) dishwasher
(c) electric oven (f) washer and dryer

1.03 Colour Scheme – either ☐ **Dark** ☐ **Grey** or ☐ **Light** (check one)

Note: Purchaser must select colour scheme by written notice to the Vendor given within sixty (60) days of the date of this Agreement of Purchase and Sale otherwise the Vendor will make such colour selection which shall be final.

1.05 Possession and Adjustment Dates: See Paragraph 4 of Part 2 attached hereto.

The Purchaser hereby acknowledges to the Vendor and to its agent, Bosa Properties Realty Inc. (the "**Listing Agent**"), that he/she/they:

- ☐ has/have an agency relationship with _____ as agent/brokerage (the "**Selling Agent**") and _____ as their salesperson and is relying on its Selling Agent for advice in connection with this Agreement and the purchase of the Strata Lot.
- ☐ has/have no agency relationship.

The Purchaser further acknowledges to the Vendor and to the Listing Agent that the Vendor and/or the Listing Agent has disclosed to the Purchaser the agency relationship between the Listing Agent and the Vendor and that while fully representing the Vendor as its agent, the Listing Agent will assist the Purchaser in the following areas: (i) preparation of this Offer; (ii) answering the Purchaser's questions with respect to this Offer; and (iii) presenting this Offer to the Vendor.

THE TERMS AND CONDITIONS ATTACHED HERETO AS PART 2 FORM PART OF THIS AGREEMENT. READ THEM CAREFULLY BEFORE YOU SIGN.

This Offer to Purchase and Agreement of Purchase and Sale will be open for acceptance by the Vendor up to and including _____, 2016 and is irrevocable prior to that time and upon acceptance by the Vendor will be a binding agreement for the purchase and sale of the Strata Lot on the terms and conditions herein.

THE PURCHASER HAS EXECUTED THIS AGREEMENT on _____, 2016.

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SUITE # _____ SL # _____

Witness

Purchaser

Witness

Purchaser

THIS AGREEMENT OF PURCHASE AND SALE is accepted by the Vendor on _____, 2016.

BOSA PROPERTIES (CARDERO) INC.

Per: _____
Authorized Signatory

1072705 B.C. LTD.

Per: _____
Authorized Signatory

1072719 B.C. LTD.

Per: _____
Authorized Signatory

VENDOR'S ACKNOWLEDGEMENT OF RECEIPT OF DEPOSIT

RECEIPT OF \$ _____ IS HEREBY ACKNOWLEDGED BY THE VENDOR AS DEPOSIT
MONIES PAID BY THE PURCHASER.



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PURCHASER'S ACKNOWLEDGEMENT OF RECEIPT OF DISCLOSURE STATEMENT AND ALL AMENDMENTS

The Purchaser hereby acknowledges having received on the _____ day of _____, 2016 and having had an opportunity to read a copy of the Disclosure Statement dated August 18, 2016 and all other amendments thereto, if any, (collectively the "**Disclosure Statement**"). The Purchaser acknowledges to the Vendor that this Agreement shall constitute a receipt by the Purchaser of the Disclosure Statement.

The Purchaser hereby confirms that he/she/they has/have read this Agreement of Purchase and Sale including the attached Part 2 and further confirms that other than the warranties and representations and the terms and conditions contained in writing herein and in the Disclosure Statement, NO REPRESENTATIONS, WARRANTIES, TERMS AND CONDITIONS MADE BY ANY PERSON OR AGENT SHALL BE BINDING UPON THE VENDOR.

*Witness*_____
*Purchaser*_____
*Witness*_____
Purchaser

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CARDERO

BY BOSA PROPERTIES

Agreement of Purchase and Sale PART 2

1. AGREEMENT

If this Offer is accepted by the Vendor, the Purchaser agrees to purchase from the Vendor by way of conveyance the strata lot (the "**Strata Lot**") described in Section 2.1 at the price and upon the terms set forth below subject to:

- (a) the exceptions listed in Section 23 of the *Land Title Act* (British Columbia);
- (b) the charges and encumbrances described in the Disclosure Statement; and
- (c) claims of builders liens where the Vendor's conveyancer (as identified in paragraph 13 of this Agreement of Purchase and Sale, the "**Vendor's Conveyancer**") has undertaken to remove same pursuant to paragraph 6.1 hereof.

(collectively, the "**Permitted Encumbrances**").

2. DESCRIPTION OF STRATA LOT

- 2.1 The Strata Lot is part of the building (the "**Development**") to be constructed on the Lands and constructed as shown on the preliminary strata plan (the "**Preliminary Strata Plan**") attached to the Disclosure Statement. The Purchaser acknowledges that the Strata Lot includes the items listed in paragraph 1.02 of Part 1. Fixtures, fittings and furnishings will be those as viewed by the Purchaser on or before the date the Purchaser executed this Agreement. Display suite furnishings, decoration features and fixtures demonstrated in the model suite(s) are not included and specifically, without limitation, not included are hanging dining and living room light fixtures, built-in wall shelving, decorator wall coverings or wall treatments and draperies. Paint colour will be as viewed by the Purchaser on the colour boards displayed. Further, the Purchaser acknowledges that the ceiling height in the display suite(s) may be higher than the actual ceiling height in the Strata Lot as constructed.

3. PURCHASE PRICE, DEPOSIT AND PAYMENT

- 3.1 The Purchaser will pay the Purchase Price to the Vendor as follows:

- (a) subject to the provisions of paragraph 12.0 hereof, the deposit monies in the amounts set out in paragraph 1.0 of Part 1 shall be paid by the Purchaser to the Vendor's appointed agent for holding deposits as identified in paragraph 13 hereof (the "**Stakeholder**") as directed by the Vendor. If the estimated interest to be earned will exceed the Stakeholder's administration costs, the Stakeholder will invest the deposit monies in an interest bearing trust account with a Canadian chartered bank, trust company or credit union with interest to accrue to the credit of the Vendor, except as otherwise expressly provided herein;
- (b) notwithstanding any other provisions of this Agreement of Purchase and Sale, the Purchaser will not be required to pay the Second, Third and Fourth Deposit unless the Purchaser has been in receipt of the Amendment to the Disclosure Statement referred to in paragraph 11.0 hereof; and
- (c) the balance of the Purchase Price (the "**Balance**") plus or minus adjustments pursuant to paragraphs 4.3 and 5.2 hereof shall be paid by the Purchaser to the Vendor's Conveyancer on the Completion Date by way of certified trust cheque or bank draft in accordance with the provisions of paragraph 6.1 hereof.

- 3.2 Subject to paragraph 3.3 and paragraph 12.0 hereof, the Deposit shall be dealt with as follows:

- (a) if the Purchaser completes the purchase of the Strata Lot on the terms and conditions herein contained, then the Deposit shall form part of and be applied to the Purchase Price and be paid by the Stakeholder to the Vendor. Any interest earned thereon (less the Stakeholder's reasonable administration fee) shall be paid to the Vendor;
- (b) if the Purchaser does not give proper notice to the Vendor pursuant to paragraphs 4.1 or 5.2 hereof and the Purchaser fails to complete the purchase of the Strata Lot on the terms and conditions herein contained, then the Deposit together with interest accrued thereon (less the Stakeholder's reasonable administration fee) shall be paid by the Stakeholder to the Vendor forthwith;

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- (c) if the Purchaser gives proper notice to the Vendor pursuant to paragraph 4.1 or 5.2 hereof, then the Deposit together with all interest accrued thereon (less the Stakeholder's reasonable administrative fee) shall be paid by the Stakeholder to the Purchaser and the Purchaser shall have no further claim against the Vendor;
 - (d) if the Purchaser does not give notice pursuant to paragraphs 4.1 or 5.2 hereof and the Vendor fails to complete the sale of the Strata Lot on the terms and conditions herein contained, then the Deposit together with all accrued interest thereon (less the Stakeholder's reasonable administrative fee) shall be paid by the Stakeholder to the Purchaser; and
 - (e) if the Purchaser delivers to the Vendor a notice of termination of this Agreement pursuant to paragraphs 11.0(a) and 11.0(b) hereof or the Vendor terminates this Agreement pursuant to paragraph 9.1 hereof, then forthwith upon receipt of such notice, the Deposit, together with all interest, shall be paid by the Stakeholder to the Purchaser and the Purchaser shall have no further claim against the Vendor.
- 3.3 Notwithstanding the provisions of paragraph 3.2 hereof, if the Purchaser is a non-resident of Canada as defined under the *Income Tax Act* (Canada), the Stakeholder may remit directly to the Receiver General for Canada such non-resident withholding tax in respect of interest earned on the Deposit as may be required where the Purchaser is entitled to payment of the interest earned.
- 3.4 The Vendor and the Purchaser hereby irrevocably authorize the Stakeholder:
- (a) to deal with the Deposit and all interest earned thereon in accordance with the provisions hereof, notwithstanding the provisions of Section 18 of the *Real Estate Development Marketing Act* of British Columbia, and
 - (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 Stakeholder with respect to the Deposit.
- 3.5 Lien Holdback. That portion, if any, of the Purchase Price required by law to be held back by the Purchaser in respect of builders' lien claims (the "**Lien Holdback**") shall be paid on the Completion Date to the Vendor's Conveyancer in trust. The Lien Holdback shall be held in trust pursuant to the *Strata Property Act* (British Columbia) and *Builders Lien Act* (British Columbia) (or successor statutes) solely in respect of lien claims registered in the applicable Land Title Office (the "**Land Title Office**") in connection with work done at the request of the Vendor. The Vendor's Conveyancer is authorized to invest the Lien Holdback in an interest bearing trust account and to pay to the Vendor on the 55th day after the Strata Lot is conveyed to the Purchaser the Lien Holdback plus interest, if any, accrued thereon, less the amount of any builders' lien claims filed against the Strata Lot of which the Purchaser or the solicitor or notary public for the Purchaser (the "**Purchaser's Solicitors**") notifies the Vendor's Conveyancer in writing by 4:00 p.m. on that day. The Purchaser hereby authorizes the Vendor to bring any legal proceedings required to clear title to the Strata Lot of any lien claims filed with respect to the Strata Lot, including payment of the lien holdback funds into Court if desired by the Vendor.
- 3.6 Goods and Services Tax ("GST") and GST New Housing Rebate. The parties agree that the amount of the Purchase Price does not include the GST levied under the *Excise Tax Act* (Canada) or any other applicable value added tax. Subject to paragraph 3.6 (c) below, the Vendor agrees to credit to the Purchaser the full amount of the GST new housing rebate (the "**Rebate**") provided that:
- (a) the Purchaser qualifies for the Rebate;
 - (b) the Purchaser provides to the Vendor, at or prior to the time of closing with:
 - (i) an executed copy of the approved government rebate form (the "**GST New Housing Rebate Form**") from time to time prescribed for purposes of the Rebate;
 - (ii) a sworn statutory declaration stating that:
 - (A) at the time the Purchaser becomes liable under the Purchase Agreement, the Purchaser is acquiring the Strata Lot for use as the primary place of residence of, and
 - (B) after completion of the transaction, the first person to occupy the Strata Lot as a place of residence under an arrangement for that purpose will be the Purchaser or a "relation" (as that term is defined for purposes of section 254 of the *Excise Tax Act* (Canada) of the Purchaser;
 - (C) together with such other statements required by the Federal and Provincial governments in order to qualify the Purchaser for the Rebate;

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- (iii) an assignment of the Rebate to the Vendor, in form satisfactory to the Vendor; and
- (iv) any other documents reasonably required by the Vendor in connection with crediting of the Rebate.

Reduction and Disallowance of Rebate Claim. The Vendor reserves the right to refuse to credit all or any portion of the Rebate claimed by the Purchaser if the Vendor has reason to believe that the Purchaser is not entitled to the Rebate or that the Rebate amount claimed by the Purchaser exceeds the Rebate to which the Purchaser is entitled. By delivering an executed copy of the GST New Housing Rebate Form to the Vendor, the Purchaser warrants to the Vendor that the Purchaser is eligible for the Rebate claimed in such form in respect of the transaction contemplated by the Purchase Agreement. In the event that the Vendor credits a Rebate to the Purchaser and Canada Revenue Agency, disallows all or any part of the Rebate claim, the Purchaser will immediately, upon receiving a written demand from the Vendor, reimburse such disallowed amount to the Vendor together with any interest, penalty or other amount payable by the Vendor as a result of such disallowance, plus interest thereon at the rate provided in section 10.1(b) the Purchase Agreement from the date of demand up to the date of payment.

In the event the Purchaser has signed an addendum entitled Addendum/Amendment Agreement-GST, such addendum will supersede and replace this paragraph 3.6.

4. COMPLETION, POSSESSION AND ADJUSTMENT DATES

- 4.1 The completion date of the purchase and sale of the Strata Lot will be on the date selected by the Vendor (the "**Completion Date**") and set out in a notice (the "**Completion Notice**") given by the Vendor or Vendor's Conveyancer to the Purchaser or the Purchaser's Solicitors at any time after:
- (a) the Vendor has received oral or written permission from the applicable municipality or the city, as the case may be, to occupy the Strata Lot, as opposed to any common property within the Development, regardless of whether or not such permission is temporary, conditional or final; and
 - (b) a separate title to the Strata Lot has been issued by the applicable Land Titles Office.

If the Completion Date has not occurred by December 15, 2020 (the "**Outside Date**") then the Purchaser or the Vendor shall have the right to cancel this Agreement by giving ten (10) business days written notice to the other party, provided that such notice is given and expires before the last to occur of: (i) the date permission is given by a municipality or city to occupy the Strata Lot; and (ii) the date the Strata Plan creating the Strata Lot is submitted for filing in the Land Title Office.

If the Vendor or Purchaser exercises the said right, the Deposit and any interest accrued thereon will be paid to the Purchaser in accordance with paragraph 3.2(c) hereof.

The Purchaser acknowledges and agrees that the Completion Date will be established by the Vendor in accordance with this section 4.1 notwithstanding that the estimated date for completion of construction for the Development as set out in the Disclosure Statement or any amendment thereto (the "**Estimated Construction Completion Date**") is an estimate only and may vary based on time gained or lost during the construction process. For greater certainty, the Purchaser acknowledges and agrees that the actual Completion Date, as established by the date set forth in the Completion Notice, may occur before, on or after the Estimated Construction Completion Date.

The Purchaser hereby:

- (a) agrees to complete the purchase of the Strata Lot on the Completion Date as set out in the Completion Notice regardless of the amount of time between the Completion Date and the Estimated Construction Completion Date;
 - (b) acknowledges and agrees that its decision to enter into and to perform the terms of this Agreement is not predicated upon whether or not the actual Completion Date occurs before, at or after the Estimated Construction Completion Date; and
 - (c) acknowledges and agrees that a Completion Date occurring before, at or after the Estimated Construction Completion Date will not affect the value, price or use of the Strata Lot to the Purchaser.
- 4.2 If the Vendor is delayed from completing the construction of the Strata Lot as a result of fire, explosion or accident, however caused, act of any governmental authority, strike, lockout, inability to obtain or delay in obtaining labour, materials or equipment or flood, act of God, inclement weather, delay or failure by carriers or contractors, unavailability of supplies or materials, breakage or other casualty, interference of the Purchaser or any other event beyond the control of the Vendor, then the time within which the Vendor must do anything

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hereunder and the Outside Date referred to in paragraph 4.1 will be extended for a period equivalent to such period of delay.

4.3 Adjustments

The Purchaser will assume all taxes, rates, local improvement assessments, water rates and scavenging rates, assessments of the strata corporation of which the Strata Lot forms part, and all other adjustments both incoming and outgoing of whatever nature in respect of the Strata Lot shall be made, as of the Completion Date. If the amount of any such taxes, rates or assessments has been levied in respect of a parcel greater than the Strata Lot, the portion thereof that shall be allocated to the Strata Lot shall be determined by the Vendor by prorating the total amount among all of the Strata Lots in the Development on the basis of the applicable unit entitlement.

4.4 Possession

Provided the Vendor's Conveyancer has received the balance of the Purchase Price and all other amounts payable by the Purchaser to the Vendor in respect of the Strata Lot on the Completion Date, the Purchaser shall have possession of the Strata Lot on the day immediately following the Completion Date.

5.0 CONSTRUCTION

5.1 The Strata Lot is as shown on the Preliminary Strata Plan attached to the Disclosure Statement given to the Purchaser. The Vendor may make alterations to the features and layout of the Strata Lot, including, without limiting the generality of the foregoing, alterations required to accommodate structural elements, electrical, plumbing and mechanical systems within the Development without compensation to the Purchaser. The Vendor also reserves the right to amend the strata plan by, inter alia, increasing or decreasing the number of strata lots. Such changes may change the numbering of the Strata Lot on the Strata Plan and/or change the civic address of the Strata Lot. No such change will create a right of rescission in favour of the Purchaser or give rise to a claim for damages or compensation as against the Vendor.

5.2 The Purchaser acknowledges that the total expected area of the Strata Lot ("**Expected Area**") as shown on the Preliminary Strata Plan (and the room measurements as shown in any advertising material) are approximate only and may vary from the total actual area ("**Actual Area**") as shown on the final strata plan registered in the applicable Land Title Office. If the proportion by which the Actual Area varies from the Expected Area (the "**Variance**") is less than $\pm 3\%$, there will be no adjustment to the Purchase Price to reflect same. If the Variance exceeds $\pm 3\%$, the Purchase Price will be increased or decreased, as the case may be, by the "**Adjustment Factor**" (as hereinafter defined) per square foot in respect of that part of the Variance which exceeds $\pm 3\%$. If the Variance exceeds $\pm 10\%$, the Purchaser may by written notice cancel this Contract, whereupon the Purchaser will be entitled to repayment of the Deposit as provided in paragraph 3.2 hereof unless the Variance is positive by virtue of the Actual Area exceeding the Expected Area and the Vendor waives the adjustment to the Purchase Price in which event the Purchaser will complete the transaction of purchase and sale on the Completion Date. In this paragraph "**Adjustment Factor**" means the price per square foot determined by dividing the Purchase Price noted in paragraph 1.0 by the Expected Area.

5.3 The Purchaser acknowledges and agrees that the Purchaser will accept any parking stall(s) and any storage locker(s) assigned to the Purchaser by the Vendor on an "as is" basis and will have no claim against the Vendor in respect of any variation in the size, shape or convenience of location of such parking stall(s) and storage locker(s) or any partial obstruction of such parking stall(s) and storage locker(s).

5.4 If required by the Purchaser, the Purchaser and a representative of the Vendor shall inspect the Strata Lot at a reasonable time designated by the Vendor prior to the Completion Date. At the conclusion of such inspection, a conclusive list of any defects or deficiencies shall be prepared and the parties may agree upon the dates by which corrections are to occur. While the corrections are still outstanding, there will be no holdbacks of any portion of the Purchase Price and the Completion Date shall not be extended. The parties shall sign the list and the Purchaser shall be deemed to have accepted the physical condition of the Strata Lot subject only to the listed corrections.

5.5 The Vendor reserves the right to alter the common property of the Development at any time and from time to time, if, in its sole opinion, such alteration or alterations improve the structural integrity of the Development, its mechanical systems, its ability to withstand water penetration or its esthetics.

6.0 CONVEYANCE, RISK, PERMITTED ENCUMBRANCES

6.1 Conveyance

It shall be the Purchaser's responsibility to prepare the documents necessary to complete this transaction and the Purchaser shall deliver to the Vendor a Freehold Transfer, in registrable form, and a Statement of

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Adjustments at least three (3) days prior to the Completion Date. The Purchaser will be responsible for obtaining a Form F Certificate of Full Payment as required under the *Strata Property Act*.

The Vendor and Purchaser agree that on the Completion Date, the Vendor will transfer or, if not registered in its name, cause the title holder to transfer title to the Strata Lot to the Purchaser free and clear of all registered liens, mortgages, charges and encumbrances of any nature whatsoever save and except Permitted Encumbrances and on or before the Completion Date, the Vendor will have taken whatever steps are necessary in order to obtain or make arrangements for any release or discharge of any registered liens, mortgages, charges and encumbrances save and except the Permitted Encumbrances. The Purchaser agrees to accept such title and acknowledges and agrees that the Vendor will be using the purchase monies received from the Purchaser to obtain a partial discharge of any construction mortgage and security collateral thereto. The Purchaser's Solicitors will pay the balance of the adjusted Purchase Price on the Completion Date by way of certified trust cheque or bank draft made payable and delivered at the Purchaser's expense to the Vendor's Solicitor in trust on their undertaking to pay and discharge the aforesaid charges from title to the Strata Lot and, in the case of a claim of builders lien, on his undertaking to cause same to be discharged within thirty (30) days after the Completion Date. If the Purchaser is relying upon a new mortgage to finance the Purchase Price, the Purchaser, while still required to pay the balance of the adjusted Purchase Price on the Completion Date, may wait to pay same until after the Transfer and new mortgage documents have been lodged for registration at the applicable Land Title Office but only if before such lodging against title to the Strata Lot, the Purchaser has:

- (a) deposited in trust with the Purchaser's Solicitors the cash balance of the Purchase Price not being financed by the mortgage;
- (b) fulfilled all the new mortgagee's conditions for funding except lodging for registration; and
- (c) made available to the Vendor's Solicitor an undertaking given by the Purchaser's Solicitors to pay on the Completion Date the balance of the adjusted Purchase Price upon the lodging of the Transfer and the new mortgage documents and the advance by the new mortgagee of the mortgage proceeds.

6.2 The Purchaser will pay all costs (including the Purchaser's Solicitors's fees and disbursements) in connection with the completion of the sale (including any federal and provincial sales, goods and service tax (GST), value-added, property transfer or other tax (other than income tax) required to be paid by the Vendor or the Purchaser in connection with the purchase and sale of the Strata Lot and the equipment and appliances included within the Strata Lot other than the costs of the Vendor incurred in clearing title to the Strata Lot of financial encumbrances and the legal fees of the Vendor.

6.3 The Strata Lot shall be at the risk of the Vendor until and including the date preceding the Completion Date and at the risk of the Purchaser from and including the Completion Date.

7.0 ASSIGNMENT BY PURCHASER

7.1 Assignment

The Purchaser may only assign the Purchaser's interest in the Strata Lot or in this Agreement or direct the transfer of the Strata Lot to any other or additional party with the written consent of the Vendor, which consent may be arbitrarily withheld by the Vendor and, unless the Vendor so consents, the Vendor shall not be required to convey the Strata Lot to anyone other than the Purchaser named herein. If, with the consent of the Vendor, the Purchaser assigns the Purchaser's interest in the Strata Lot or this Agreement or directs the transfer of the Strata Lot to any other or additional party, the Purchaser will pay to the Vendor an administration and handling charge in the amount of three percent (3%) of the Purchase Price referred to in 1.01 plus GST and any other applicable taxes to compensate the Vendor for legal and administrative costs in connection with such assignment or direction except that such handling charge will be reduced to Five Hundred Dollars (\$500.00) plus GST and any other applicable taxes if the assignee is the Purchaser's spouse, parent, child, grandparent or grandchild.

Any purchaser seeking the Vendor's consent to an assignment must give the Vendor at least fourteen (14) days written notice of such request prior to submitting the written form of assignment agreement for the Vendor's consideration and approval which approval may be arbitrarily withheld.

The Vendor will not consider any request for consent if:

- (a) made prior to the later of: (a) three hundred sixty five (365) days after the date of this Agreement, or (b) the payment of the Fourth Deposit pursuant to Section 1.01 hereof;
- (b) made after that date which is sixty (60) days prior to the Completion Date as set forth in paragraph 4.1 of the Purchase Agreement;
- (c) the Vendor has previously consented to an assignment by the Purchaser; or

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(d) the Purchaser has not complied with the marketing restrictions set out in paragraph 8.1 hereof.

No assignment by the Purchaser of the Purchaser's interest in the Strata Lot or this Agreement or direction of transfer to any other person shall have the effect of releasing the Purchaser from any of the Purchaser's obligations or liabilities hereunder.

8.0 MARKETING

8.1 The Purchaser will not advertise or solicit offers from the public with respect to the resale of the Strata Lot by the Purchaser before the Completion Date without the express written consent of the Vendor, which consent may be arbitrarily withheld.

8.2 The Purchaser agrees that after completion of the conveyance contemplated by this Offer to Purchase and Agreement of Sale he/she shall allow the Vendor (whether by resolution of the Strata Corporation or otherwise) to:

- (a) maintain professional signage on the common property of the Strata Corporation for the purposes of offering the balance of the Vendor's Strata Lots for sale; and
- (b) show the common property of the Strata Corporation to prospective purchasers for the purposes of offering the balance of the Vendor's Strata Lots for sale.

9.0 VENDOR'S CONDITIONS

9.1 In consideration of the sum of One Dollar (\$1.00) paid by the Vendor to the Purchaser (the receipt and sufficiency of which is hereby acknowledged and will not be denied by the Purchaser), the Purchaser agrees that the obligation of the Vendor to sell the Strata Lot is subject to the following conditions:

- (a) that the Vendor has entered into agreements of purchase and sale on terms acceptable to it with other purchasers for the sale of not less than eighty (80) strata lots within the Development on or before August 1, 2017;
- (b) that prior to the date the Developer files the amendment to this Disclosure Statement setting out:
 - (i) the particulars of an issued building permit for the Development or the date the Developer is required to do so pursuant to paragraph (c)(ii) of Policy Statement 5;
 - (ii) the particulars of the satisfactory financing arranged by the Vendor or the date the Developer is required to do so pursuant to paragraph (c)(i) of Policy Statement 6, whichever is earlier;
 - (iii) the Developer is satisfied, in its sole discretion, with the costs of construction and the economic feasibility of proceeding with the Development.

These conditions are for the sole benefit of the Vendor and, if both of them have not been satisfied and if the Vendor has given the Purchaser written notice, by that date which is nine (9) months from the date the building permit is issued, that the Vendor does not waive these conditions, then this Agreement shall be of no further force and effect and the Vendor will return the Deposit to the Purchaser. If the Vendor does not give such written notice to the Purchaser then these conditions will be deemed to have been waived by the Vendor.

The Purchaser agrees not to revoke its accepted offer to purchase while this Agreement remains subject to any of the foregoing Vendor's conditions.

10.0 MISCELLANEOUS

10.1 Time of Essence. Time will be of the essence hereof and unless all payments on account of the Purchase Price, together with adjustments thereto as provided herein and all other amounts payable by the Purchaser hereunder are paid when due, then the Vendor may, at the Vendor's option:

- (a) terminate this Agreement and in such event the Deposit together with all accrued interest thereon will be absolutely forfeited to the Vendor on account of damages (being the minimum amount of damages the parties agree the Vendor is expected to suffer as a result of such termination), without prejudice to the Vendor's other remedies, including a right to recover any additional damages; or
- (b) elect to extend the time for completion and complete the transaction contemplated by this Agreement, 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 3% per annum above the annual rate of interest designated by the Vendor's principal bank as its "prime rate", as that rate changes from time to time, such interest to be calculated daily from the date upon which such payment and amounts were due to the date upon which such payment and amounts are paid.

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If from time to time the Purchaser's default continues beyond the last extended date for completion established pursuant to subsection (b) the Vendor may thereafter elect to terminate this Agreement pursuant to subsection (a) or permit a further extension pursuant to subsection (b).

10.2 Condition Removal

Notwithstanding anything herein contained to the contrary if the Purchaser's obligation to purchase the Strata Lot is subject to one or more conditions then the conditions shall be set out in an Addendum attached hereto and if such conditions exist then the Vendor may, on written notice delivered to the Purchaser require the Purchaser to either satisfy or waive the satisfaction of all conditions by delivering written notice within twenty-four (24) hours from the time the Vendor gives notice to the Purchaser. If such written waiver is not received within such time, then this Agreement shall terminate and the Deposit together with all accrued interest thereon (if any) less the Stakeholder's reasonable administration fee shall be promptly refunded to Purchaser.

10.3 Notices and Tender. Any notice to be given to the Purchaser, including any amendment to the Disclosure Statement, will be well and sufficiently given if deposited in any postal receptacle in Canada addressed to the Purchaser at the Purchaser's address or the Purchaser's Solicitors at their offices and sent by regular mail, postage prepaid, or if delivered by hand or if transmitted by telecopy or electronic mail ("e-mail") to the Purchaser's Solicitors at their office or to the Purchaser. The Purchaser does hereby expressly consent to the delivery by e-mail of any notices and documents, including any amendment to the Disclosure Statement. Such notice shall be deemed to have been received if so delivered or transmitted by telecopy or by e-mail, when delivered or transmitted and if mailed, on the second business day (exclusive of Saturdays, Sundays and statutory holidays) after such mailing. The address and telecopy number or e-mail address (if any) for the Purchaser will be as set out above or such other address or telecopy number or e-mail address the Purchaser has last notified the Vendor in writing. Any documents to be tendered on the Purchaser may be tendered on the Purchaser or the Purchaser's Solicitors. Any notice to be given to the Vendor may be given to the Vendor or the Vendor's Conveyancer in the same manner, and shall be deemed to have been received, as provided for in the preceding provisions of this section, mutatis mutandis. Any documents or money to be tendered on the Vendor shall be tendered by way of certified funds or bank draft and shall be delivered at the Purchaser's expense to the Vendor or the Vendor's Conveyancer.

10.4 Governing Law. This Offer, the contract of purchase and sale resulting from the acceptance of this Offer and all matters arising hereunder will be construed in accordance with and governed by the laws of British Columbia which will be deemed to be the proper law hereof, and the courts of British Columbia will have the exclusive jurisdiction to entertain and determine all claims and disputes arising out of or in any way connected with this Offer and the validity, existence and enforceability hereof.

10.5 Purchaser Comprising More Than One Party. If the Purchaser is comprised of more than one party, then the obligations of the Purchaser hereunder will be the joint and several obligations of each party comprising the Purchaser and any notice given to one of such parties shall be deemed to have been given at the same time to each other such party.

10.6 Execution of Counterparts and Delivery of Telecopied Agreement. This Agreement may be executed by the parties in counterparts or transmitted by telecopy, or both, and if so executed and delivered, or if so transmitted, or if so executed and transmitted, this Agreement will be for all purposes as effective as if the parties had executed and delivered to one another a single original agreement.

10.6.1 Electronic Signatures: Pursuant to the *Electronic Transactions Act*, the parties agree that any offer, counter offer and/or acceptance in connection with the parties entering into this Offer to Purchase and Agreement of Purchase and Sale and all communications, acknowledgments and receipts in connection therewith or contemplated hereunder and in connection with compliance with the *Real Estate Development Marketing Act* may be in electronic form and satisfied by an electronic signature.

10.6.2 Personal Information. The Purchaser and the Vendor hereby consent to the collection, use and disclosure by the Vendor, the Vendor's agents, solicitors, affiliates and service providers of personal information about the Purchaser and the Vendor for all purposes consistent with the transaction contemplated herein including: (a) to complete the transaction contemplated by this Agreement; (b) 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; c) to facilitate the management of the Development; (d) 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; (e) 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 (f) to disclose such personal information to the Vendors affiliates,

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assignees, business partners, bankers, lawyers, accountants and other advisors and consultant in furtherance of the foregoing purposes.

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.

- 10.7 Residency of Vendor. The Vendor represents and warrants to the Purchaser that it is a resident of Canada within the meaning of the *Income Tax Act* of Canada.
- 10.8 Urea Formaldehyde. To the best of the Vendor's knowledge, the Strata Lot is free of urea formaldehyde foam insulation.
- 10.9 Contractual Rights. This Offer and the agreement that results from its acceptance creates contractual rights only and not any interest in land and is not registrable in any land title office.
- 10.10 Further Assurances. 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.
- 10.11 References. All references to any party, whether a party to this Contract or not, will be read with such changes in number and gender as the context or reference requires.

11.0 ISSUANCE OF BUILDING PERMIT/FINANCING

11.1 Issuance of Building Permit

- (a) The Purchaser may cancel this Agreement of Purchase and Sale for a period of seven days after receipt of an amendment to the Disclosure Statement that sets out particulars of the issued building permit if the layout or size of the applicable strata lot, the construction of a major common facility, including a recreation centre or clubhouse, or the general layout of the Development, is materially changed by the issuance of the building permit.
- (b) If an amendment to the Disclosure Statement that sets out particulars of an issued building permit is not received by the Purchaser within 12 months after the initial disclosure statement was filed, the purchaser may at the purchaser's option cancel this Agreement of Purchase and Sale at any time after the end of that 12 month period until the required amendment is received by the Purchaser, at which time the Purchaser may cancel this Agreement of Purchase and Sale for a period of seven days after receipt of that amendment only if the layout or size of the applicable strata lot, the construction of a major common facility, including a recreation centre or clubhouse, or the general layout of the Development, is materially changed by the issuance of the building permit.
- (c) The amount of the deposit to be paid by a purchaser who has not yet received an amendment to the disclosure statement sets out particulars of an issued building permit is no more than 10% of the purchase price.
- (d) All deposits paid by the Purchaser, including interest earned if applicable, will be returned promptly to the Purchaser upon notice of cancellation from the Purchaser.

11.2 Issuance of Financing Commitment

- (a) If an amendment to the Disclosure Statement that sets out particulars of a satisfactory financing commitment is not received by the Purchaser within 12 months after the initial Disclosure Statement was filed, the Purchaser may at his or her option cancel the Agreement of Purchase and Sale at any time after the end of that 12 month period until the required amendment is received by the Purchaser;
- (b) The amount of deposit to be paid by a purchaser who has not yet received an amendment to the disclosure statement that sets out particulars of a satisfactory financing commitment is no more than 10% of the purchase price; and
- (c) All deposits paid by the Purchaser, including interest earned if applicable, will be returned promptly to the Purchaser upon notice of cancellation from the Purchaser.

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12.0 DEPOSIT PROTECTION CONTRACT UNDER REAL ESTATE DEVELOPMENT MARKETING ACT

Under section 19 of the *Real Estate Development Marketing Act*, a developer who desires to use for the developer's own purposes a deposit the developer has placed with a trustee under section 18 of the *Real Estate Development Marketing Act* may, by entering into a deposit protection contract in relation to that deposit, obtain the deposit from that trustee and use that deposit only for the developer's own purposes. Section 10 the Real Estate Development Marketing Regulation provides that if a developer enters into a deposit protection contract, the developer must provide notice of the deposit protection contract to a purchaser including the following information in the disclosure statement: (i) the name and business address of the insurer; (ii) the name of the developer who entered into the deposit protection contract; and the date on which the insurance takes effect.

13.0 STAKEHOLDER AND VENDOR'S CONVEYANCER

- 13.1 For the purposes of this Agreement of Purchase and Sale, the "Stakeholder" and the "Vendor's Conveyancer" shall be:

Spagnuolo & Company Real Estate Lawyers
#300 – 906 Roderick Avenue
Coquitlam, B.C. V3K 1R1
Phone: 604-527-4242
Fax: 604-527-8976

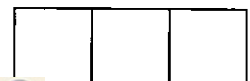


EXHIBIT "K"
FORM OF MANAGEMENT AGREEMENT

(See Next Page)





AGENCY AGREEMENT

THIS AGREEMENT dated for reference as of July 12, 2016.

BETWEEN:

THE OWNERS, STRATA PLAN TBA (CARDERO)
a Strata Corporation constituted under the laws of British
Columbia and having its address at 1575 Georgia Street,
Vancouver, B.C. V6G 2T1

(hereinafter called the “**Strata Corporation**”)

OF THE FIRST PART

AND:

MACDONALD COMMERCIAL REAL ESTATE SERVICES LTD.
a company incorporated under the laws of the Province of British
Columbia with offices at 1827 West 5th Avenue,
Vancouver, B.C. V6J 1P5

(hereinafter called the “**Agent**”)

OF THE SECOND PART

WHEREAS:

- A. The Strata Corporation is responsible for the control, management, maintenance and administration of the common property and common assets of the Strata Corporation and all personnel, operations, business and all things and activities comprising or associated with or carried on in the Strata Plan.
- B. The Agent has agreed to provide certain services to the Strata Corporation.
- C. The Strata Corporation has agreed to contract with the Agent for the purposes of providing services described herein.

INITIALS	
AGENT	STRATA

© This Agency Agreement is copyrighted by
S.P.A. Strata Property Agents of B.C.
June, 2007

WITNESS THEREFORE that in consideration of the sum of Ten (\$10.00) Dollars now paid by each party to the other (the receipt and sufficiency whereof is by each hereby acknowledged) and in consideration of the mutual promises contained herein, the parties agree, one with the other, as follows:

Definitions

1. In this Agreement, the following terms shall have the following meanings:
 - 1.1 “**Act**” means the *Strata Property Act* and amendments thereto and any regulations adopted pursuant to the Act;
 - 1.2 “**Agent**” means the strata property agency brokerage described on page 1 hereof;
 - 1.3 “**Agent’s Fees**” means the fees payable to the Agent pursuant to Section 5.2 of this Agreement;
 - 1.4 “**Agreement**” means this agreement, including Schedule A, Schedule B, any other schedules attached hereto, and any amendments thereto;
 - 1.5 “**Bylaws**” means the bylaws adopted by the Strata Corporation and in effect from time to time;
 - 1.6 “**Laws**” means all applicable restrictive covenants, zoning ordinances and building codes, health, environmental and safety laws and regulations, and other federal, provincial and other laws, statutes, ordinances, rules, regulations, orders and court decisions;
 - 1.7 “**Meetings**” means all meetings of the Strata Corporation and Strata Council, including the annual general meeting, special general meeting, committee meetings, arbitrations and mediation hearings, court hearings, or other meetings requiring the Agent’s attendance pursuant to this Agreement;
 - 1.8 “**Owners**” means all owners of strata lots included in the Strata Plan;
 - 1.9 “**RESA**” means the *Real Estate Services Act* and amendments thereto and any regulations or rules adopted pursuant to the *Real Estate Services Act*;
 - 1.10 “**Rules**” means the rules made pursuant to section 125 of the Act from time to time;
 - 1.11 “**Strata Corporation**” means the strata corporation described on page 1 hereof;
 - 1.12 “**Strata Council**” means the strata council of the Strata Corporation; and
 - 1.13 “**Strata Plan**” means the strata plan filed in the Land Title Office that created the Strata Corporation.

INITIALS	
AGENT	STRATA

Exclusive Appointment

2. Commencing on the Commencement Date set out in item 1 of Schedule A attached hereto, the Strata Corporation hereby appoints the Agent as its sole and exclusive Agent to provide strata agency services to the Strata Corporation upon the terms and conditions herein contained, and the Agent agrees to serve the Strata Corporation in that capacity in a faithful, diligent and honest manner, subject to the direction of the Strata Council and the terms of this Agreement.

Agent's Agreement

3. The Agent hereby covenants and agrees with the Strata Corporation as follows:

General

- 3.1 Agent Services - To furnish the services of the Agent as agent for the Strata Corporation in assisting the Strata Council in managing the affairs of the Strata Corporation;
- 3.2 Administration - To assist in the administration of the common property and common assets of the Strata Corporation under the direction of the Strata Council;
- 3.3 Strata Corporation's Performance - To assist the Strata Council with the performance of all obligations required to be performed by the Strata Corporation pursuant to agreements entered into between the Strata Corporation and any other person, firm or corporation in respect of the affairs of the Strata Corporation;
- 3.4 Staffing - To provide sufficient staff at the Agent's expense in order to provide the Agent's services hereunder. The Agent may designate a representative of the Agent to be the principal contact person between the Agent and the Strata Corporation;

Financial

- 3.5 Strata Fees - To receive and record in a timely fashion all strata fees, special levies, user fees, contributions to the contingency reserve fund, and other revenues and amounts due to the Strata Corporation;
- 3.6 Unpaid Strata Fees - To demand and attempt to recover from the Owners, all strata fees, contingency reserve fees, special levies or user fees and any and all other monies from time to time payable by such Owners to the Strata Corporation in any lawful manner howsoever and to make and agree to all just and reasonable abatements, payments and allowances in respect thereof;
- 3.7 Non-Payment of Strata Fees - To take legal action at the expense of the Strata Corporation for and in the name of the Strata Corporation, to effect the collection of unpaid monthly strata fees, special levies, user fees, contributions to the

INITIALS	
AGENT	STRATA



contingency reserve fund and any other monies due to the Strata Corporation and to sign, file and deliver certificates of liens, receipts, certificates, or acknowledgements, all at the direction of the Strata Council;

- 3.8 Annual Budget – To assist the Strata Council in budgeting the Strata Corporation revenue and expenditures and in determining the appropriate amount of contribution to be paid by each Owner towards operating expenses and the contingency reserve fund as required by the Act and in this regard to furnish annually, an estimate of revenues and expenses;
- 3.9 Accounting Statement – To provide the Strata Council with a monthly accounting statement of receipts, disbursements, expenses and charges;
- 3.10 Bank Statement – To provide the Strata Council with a copy of each monthly bank statement for each trust account within thirty (30) days of issuance of such bank statement, consistent with the terms of RESA, the Act and the Bylaws;
- 3.11 Expenditures – To sign cheques and to otherwise pay from the Strata Corporation's funds in a timely fashion, all charges, expenses and outgoings whatsoever payable by, or chargeable to the Strata Corporation provided funds are available to make such payments and the Strata Council's authorization is provided where required;
- 3.12 Payroll Accounts – To provide payroll accounting for Strata Corporation employees, if necessary, either directly or through a third party service provider and to charge a fee for such services in the amount set forth in item 2 of Schedule A;
- 3.13 Strata Corporation's Monies – To deposit all receipts of the Strata Corporation into the appropriate trust account or accounts in accordance with the provisions of RESA, such trust accounts to be separate from the Agent's corporate accounts and deposited with an institution qualified to engage in the credit union, banking or trust business, and to withdraw funds from or transfer funds between such accounts as may be appropriate. The Agent may transfer such monies between accounts and pooled trust accounts as permitted by RESA and may invest the Strata Corporation's funds as appropriate and as permitted under RESA and section 95 of the Act;

Trust Accounts

- 3.14 Maintenance of Trust Accounts – To maintain at least one separate trust account in the name of the Strata Corporation, as further specified in item 3 of Schedule A attached hereto;
- 3.15 Contingency Reserve/Special Levy Trust Accounts – If the Agent is to hold contingency reserve money or special levy money as specified in item 3 of

INITIALS	
AGENT	STRATA

Schedule A, to maintain at least one separate trust account for both the contingency reserve money and the special levy money or one or more separate trust accounts for each;

- 3.16 Statutory Review of Books – To keep full and detailed books and to make the books available for the annual review of books maintained by the Agent as required by the Real Estate Council of BC pursuant to RESA and to charge the fee specified in item 1 of Schedule B, whether or not the Strata Corporation's books are in fact reviewed in whole or in part, pursuant to the statutory review;
- 3.17 Strata Corporation's Audit – To keep full and detailed books and if directed by the Strata Corporation, to arrange for an outside accountant to conduct an audit of the Strata Corporation's books, at the Strata Corporation's cost;
- 3.18 Signing Authority – To ensure that the signing authority of the Agent for the operating fund trust account and/or pooled trust accounts includes at least one managing broker of the Agent. If contingency reserve and/or special levy trust accounts are maintained, two signing authorities shall be required for any transfer of funds, which signing authority may be any two of the following: a managing broker, a licensee, director, officer or accountant of the Agent;

Meetings

- 3.19 Meetings – To arrange for a representative of the Agent to attend at a mutually agreed time and date, up to the number of Meetings per year set forth in item 4 of Schedule A attached hereto. It being understood however, that the Agent's attendance over and above the number of Meetings specified in item 4 of Schedule A, or attending at any Meeting of a duration longer than the number of hours specified in item 5 of Schedule A, shall be mutually agreed upon by the parties and the Agent shall be entitled to charge the additional fees shown in Sections 5.2(b) or 5.2(c) as applicable;

Strata Council

- 3.20 Strata Council – To consult with and confer fully and freely with the Strata Council (in person at Meetings, or by telephone or email) on behalf of the Strata Corporation in the performance of any of the Strata Council's duties and to act upon the resolutions of the Strata Council in so far as such resolutions do not conflict with the Act, RESA, any Laws, the Bylaws, the Rules or a direction given by the Strata Corporation. The receipt by the Agent of written authorization of the Strata Council is sufficient authority for the Agent to so act;
- 3.21 Assistance to Strata Council – To advise the Strata Council on the Act, and to advise the Strata Council of generally accepted practises throughout the strata agency industry. Such interpretation of the Act to be used by the Strata Council as a guide and shall not be regarded as legal advice;

INITIALS	
AGENT	STRATA

Records

- 3.22 Records - To keep full and detailed records of the transactions of the Strata Corporation and to retain the records required to be maintained by section 35 of the Act, including the owner registry (save and except any of the prescribed documents not provided to the Agent by the Strata Corporation and any other documents listed in Schedule B), if applicable, for such time as required by RESA or the Act, and to make available for inspection at the request of the Strata Corporation, all of the Strata Corporation's documents, accounts and records which the Agent may have and to charge an hourly fee in the amount specified in item 6 of Schedule A for the supervision of the inspection of such records. Any such material shall be made available to any Owner, after first receiving reasonable notice from the Owner in accordance with the Act, of their intention to inspect the records at the office of the Agent;
- 3.23 Use and Disclosure of Strata Corporation Information and Personal Information of Owners – To collect, use and disclose information respecting the Strata Corporation, including personal information respecting any Owner for any and all purposes related to the management, maintenance and administration of the Strata Corporation and for such other purposes as are appropriate in connection with the performance of the duties of the Agent respecting the affairs of the Strata Corporation, including the provision of documentation and information as required by the Act to facilitate the sale of any strata lot which shall include its distribution to the Owner's real estate licensees, potential purchasers, purchasers and their conveyancers, governmental authorities, Owners' mortgagees or other authorized requestors in accordance with the Act;
- 3.24 Owner/Tenant's Registry – To maintain a registry of all Owners and tenanted strata lots;
- 3.25 Minutes – At the request of the Strata Council, to prepare minutes for Meetings at which the Agent is in attendance, and provide the minutes of Strata Council meetings and annual and special general meetings of the Strata Corporation pursuant to the terms and conditions of this Agreement and as prescribed by the Act;
- 3.26 Correspondence and Forms – To receive and respond to all correspondence as directed by the Strata Council and to sign, file and deliver statutory forms including certificates, receipts, or acknowledgements, all at the direction of the Strata Council;

INITIALS	
AGENT	STRATA

Bylaws and Rules

- 3.27 Bylaws and Rules – To familiarize itself with RESA, the Act and the Strata Corporation's Bylaws and Rules;
- 3.28 Bylaw and Rules Enforcement – To assist with the enforcement of the Bylaws and Rules and, if so directed by the Strata Council, take appropriate action including legal action to enforce or stop any breach or infraction of the Bylaws and Rules, at the expense of the Strata Corporation;
- 3.29 Fines – To provide notice of fines upon the levying of fines by the Strata Council and provide follow up correspondence and initiate legal action as is necessary, at the direction and expense of the Strata Corporation;
- 3.30 Liens – To prepare, sign, file and remove liens against delinquent Owners in accordance with the Act and to provide follow up correspondence and initiate legal action as necessary, all at the direction and expense of the Strata Corporation. The Agent may charge a fee for the administration involved or the collection of receivables as specified in item 2 of Schedule B and charge back such fee to the Owner;

Insurance

- 3.31 Property Insurance – Upon the direction of the Strata Council, to secure annual updates to the insurance appraisal for the Strata Plan and to renew insurance policies as they expire pursuant to the Act. All insurance appraisal costs and premium costs shall be expenses of the Strata Corporation;
- 3.32 E&O Insurance – Upon the direction of the Strata Council, to assist the Strata Corporation to place and maintain, at the expense of the Strata Corporation, Strata Council Errors & Omissions Insurance;
- 3.33 Liability Insurance – To assist the Strata Corporation to place and maintain, at the expense of the Strata Corporation, Comprehensive General Liability Insurance having a minimum coverage in the amount of \$5,000,000.00 or such greater amount as may be directed by the Strata Council. Such insurance policy shall list the Agent as additional insured and shall be applicable to any indemnification of the Agent by the Strata Corporation as required under this Agreement;
- 3.34 Insurance Coverage – To assist the Strata Corporation to place and maintain adequate property, liability, equipment breakdown and other insurance required from time to time and have a qualified insurance agent review the insurance coverage of the Strata Corporation at least every year. The Agent shall at the direction and cost of the Strata Corporation arrange for an insurance appraisal. The Agent shall not be liable for any negligence of any such insurance agent or the insurance appraiser;

INITIALS	
AGENT	STRATA

- 3.35 Availability of Insurance – When assisting the Strata Corporation in obtaining the insurance described in Sections 3.31 to 3.34, the Agent shall attempt to obtain such insurance on commercially reasonable terms. The Agent shall have no liability to the Strata Corporation or the Owners if such insurance is not available at all or if it is not available on commercially reasonable terms and the Strata Council elects not to maintain any or all such insurance;
- 3.36 Agent's Insurance – The Agent shall maintain such insurance as is required by RESA;

Maintenance and Services

- 3.37 Contractors and Employees – To co-ordinate the work of contractors, suppliers or employees and whenever directed by the Strata Council or the Agent deems it advisable or necessary, the Agent shall hire or discharge contractors, suppliers or employees, and it is agreed and understood that all such employees and independent contractors shall be deemed to be employees and independent contractors of the Strata Corporation and not of the Agent, and paid by the Strata Corporation and not the Agent and that the Agent shall not be responsible for the acts, defaults or negligence of such employees or independent contractors if reasonable care has been exercised in their recommendation, appointment and retention;
- 3.38 Contracts – To make and sign contracts in the name of the Strata Corporation, in respect to the common property and common assets, for electricity, gas, fuel, water, telephone, janitorial services, window cleaning, landscaping, garbage disposal, vermin extermination and other services or such of them as the Strata Council shall deem advisable, and to monitor and negotiate renewal or replacement of such contracts;
- 3.39 Supplies – Subject to the limits expressed by the Strata Council, to place orders for and purchase, in the name of the Strata Corporation, all such equipment, tools, appliances, materials and supplies as is necessary to equip properly and maintain the common property and common assets of the Strata Corporation;
- 3.40 Emergency Services – To use commercially reasonable efforts to maintain a 24-hour emergency contact service such that the Strata Council or Owners can contact the Agent with respect to matters affecting life or property damage, however the Strata Corporation acknowledges that such services may not be available in the event of a major regional emergency;
- 3.41 Limitation on Expenditures – The Agent agrees to obtain the approval of the Strata Council of the Strata Corporation to all expenditures in accordance with the Act and the Bylaws, other than: (a) expenses contained in the approved annual budget; (b) recurring operating charges; or (c) emergency repairs in excess of the maximum amount established by the Bylaws, if such expenditures are necessary

INITIALS	
AGENT	STRATA

in the opinion of the Agent to protect the common property and common assets of the Strata Corporation from damage or to maintain common services to occupants of any one or more strata lots;

Proceedings

- 3.42 Legal Proceedings – To assist in resolution of disputes involving the Strata Corporation as directed by the Strata Council, by recourse to the appropriate authority, including legal proceedings, arbitration, mediation, small claims court, internal appeals and residential tenancy disputes;
- 3.43 Legal Counsel – Any provision in this Agreement allowing the Agent to take legal action on behalf of the Strata Corporation shall mean, where appropriate or required, taking legal action through the Strata Corporation's legal counsel;
- 3.44 Owner's Defaults – To sign and give notices to Owners of any defaults in any obligations of such Owners to repair or to maintain their strata lots or limited common property in a timely fashion;
- 3.45 Compliance with Notices or Orders – To notify the Strata Council of any notices or orders of any competent public authority requiring repairs to be done in respect of the common property and common assets, or any part thereof, and to notify the Owners of individual strata lots that they must in a like manner comply with such notices or orders in regard to their own individual strata lots;
- 3.46 Compliance with Laws – To take such action on behalf of the Strata Corporation as the Strata Council may direct, as may be necessary to comply promptly with any and all orders or requirements affecting the Strata Corporation made by any governmental body or agency having authority or orders of any Fire Marshall, or board of fire underwriters or similar body;

Other

- 3.47 Sale of Strata Lots – To provide and sign documentation as required by the Act to facilitate the sale, financing or other dealings with any strata lot at the cost of the Owner or the proposed purchaser or lender. The Agent shall be entitled to retain the fees and disbursements it charges such Owners, proposed purchasers, lenders, real estate licensees, lawyers or notaries; and
- 3.48 Fees, Rebates or Discounts – Not to collect or charge any undisclosed fee, rebate or discount, and if any such fee, rebate or discount should be received by the Agent that fee, rebate or discount will be held in trust for and credited to the account of the Strata Corporation.

INITIALS	
AGENT	STRATA

Agent's Authorization

4. The Agent shall be deemed the Agent of the Strata Corporation and to enable the Agent to effectively perform its services under this Agreement the Strata Corporation hereby appoints the Agent as its agent to perform the services set out in Section 3 hereof and to execute all documents and contracts for and on behalf of the Strata Corporation, as directed by the Strata Council, and to commence legal proceedings at the expense of the Strata Corporation as directed by the Strata Council and to perform all other duties provided for in this Agreement.

Strata Corporation's Agreement

5. The Strata Corporation covenants and agrees:

5.1 Indemnity – To save the Agent harmless from any and all claims, damages, costs and liability incurred in connection with the services provided to the Strata Corporation and, without limiting the generality of the foregoing, to indemnify and save the Agent harmless from all claims, damages, costs and liability whatsoever incurred by the Agent in performing its responsibilities hereunder and to protect the Agent against any and all such claims, damages, costs, and liability in the same manner and to the same extent as the Strata Corporation, unless such claim, damage, cost or liability is caused by the gross negligence or wilful misconduct of the Agent;

5.2 Agent's Fees – To pay to the Agent the following fees:

- (a) a fee in advance each and every month during the term of this Agreement, in the amount and on the day specified in item 7 of Schedule A;
- (b) an additional fee in the amount specified in item 8 of Schedule A, for each additional Meeting over the number specified in Section 3.19 and item 4 of Schedule A;
- (c) an additional hourly fee in the amount specified in item 9 of Schedule A, for each hour of attendance at any Meeting longer than the hours specified in Section 3.19 and item 5 of Schedule A;
- (d) an additional fee for appearing as a witness, or assisting with litigation support, special projects and/or major renovations, as determined by the size and nature of the special project and/or major renovations and as may be agreed between the Strata Corporation and the Agent or in the amount determined pursuant to Schedule B, if attached and initialled by both parties;
- (e) an additional fee in the amount specified in item 10 of Schedule A, per strata lot for each month of depositing and processing of special levies;

INITIALS	
AGENT	STRATA



- (f) such additional fees as are provided for in Schedule B, or as may be agreed upon in writing from time to time;
- 5.3 Payment of Agent's Fees – The Strata Corporation hereby authorises the Agent to deduct the Agent's Fees and disbursements from the strata fees, special levies, assessments, user fees and any other monies collected by the Agent pursuant to Section 3;
- 5.4 Shortfall – That if the bills, accounts or expenses paid by the Agent pursuant to Section 3 hereof in any calendar month exceed the strata fees and other monies collected in such month by the Agent or if the Strata Corporation does not otherwise have sufficient funds to pay such bills, accounts or expenses, to pay the Agent the amount of such excess promptly upon request, which may include transfer of funds from the Contingency Reserve Fund where permitted under the Act. The Agent shall have no obligation to advance funds to the Strata Corporation for any purpose whatsoever;
- 5.5 Costs – To pay promptly the Agent's costs of printing, duplicating, mailing, postage, long distance telephone charges, courier or other service charges directly attributed to the Strata Corporation as per the attached item 5 of Schedule B attached hereto;
- 5.6 Transfer Documentation – To direct and compensate the Agent in accordance with the Act for all transfer of title and ancillary documents for owners;
- 5.7 Exclusivity – That the Strata Corporation, during the Term of this Agreement and for two (2) years after the termination hereof, will not engage or contract directly or indirectly with any present or past employee of the Agent, to perform services the same as or similar to the services the employee performed for the Agent unless agreed to in writing by the Agent;
- 5.8 Documentation – To provide the Agent with all documents and records available to the Strata Corporation, which may be reasonably required by the Agent to properly assist in connection with the services provided by the Agent to the Strata Corporation; and
- 5.9 Bylaws and Rules – To provide to the Agent a copy of the Bylaws and Rules of the Strata Corporation and to promptly notify the Agent of any amendments or additions thereto.

INITIALS	
AGENT	STRATA



No Set Off

6. That the Strata Corporation shall not be entitled to set off against the Agent's Fees or any other monies payable to the Agent under this Agreement, any uncollected strata fees, special levies or user fees or other monies owed the Strata Corporation.

Agent to Receive Instructions from Strata Council

7. The Strata Corporation hereby authorizes its Strata Council to deal with the Agent. It is agreed and understood that the Agent at all times shall be entitled to rely on and to act upon the instructions or directions received from the Strata Council, and where appropriate or circumstances require, the President or other members of the Strata Council. Without limiting the generality of the foregoing, the Agent may from time to time request instructions or directions in writing signed on behalf of the Strata Corporation by at least two members of the Strata Council, or a formal resolution of the Strata Council after a properly convened meeting of the Strata Council. The foregoing shall constitute the full and sufficient authority for the Agent to act in accordance with such instruction or directions. The Strata Council agrees to provide timely response to requests from the Agent for directions, instructions and information.

Financial Statements

8. That the Strata Council agrees to review each statement of receipts and disbursements referred to in Section 3.9, and within thirty (30) days from the date of provision of such statements to the Strata Council, to notify the Agent, in writing, of any alleged mistake or error on the part of the Agent in paying any bill, account or expense on behalf of the Strata Corporation. If the Agent receives no such notification within thirty (30) days of provision of such statements to the Strata Council, the statement shall be deemed to be conclusive and binding and the Agent shall be free from any and all claims in respect of such statement.

Assignment by Agent

9. The Agent may assign all of its interest in this Agreement and its rights hereunder to any other strata property brokerage subject to Strata Council approval and provided such assignee is a licensed strata property agent and covenants with the Strata Corporation to observe and perform the obligations of the Agent hereunder.

No Waiver

10. If a party to this Agreement breaches or defaults in its performance under this Agreement and the other party, expressly or implied, waives such default that waiver shall not be deemed or construed to be a waiver to any future breach or default in the performance of such defaulting party's obligations under this Agreement.

INITIALS	
AGENT	STRATA

Severance

11. That in the event that any provision of this Agreement, or any part thereof, shall be found to be invalid the remainder of this Agreement shall be binding on the parties hereto and shall be construed that the invalid provision or part thereof had been deleted from this Agreement.

Successors and Assigns

12. This Agreement shall enure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns.

Amendments in Writing

13. Any amendment to this Agreement shall be effective only if it is in writing and is duly signed by the parties.

Duration and Termination

14. This Agreement shall commence and become effective on the date set forth in item 1 of Schedule A, and shall continue for an indefinite term until terminated in accordance with this Section. This Agreement shall terminate upon the occurrence of any of the following events:
 - 14.1 Two months after receipt by the Agent of a notice of a resolution passed by a $\frac{3}{4}$ vote approved by the Owners, terminating this Agreement;
 - 14.2 Two months after receipt by the Strata Corporation of a notice from the Agent, terminating this Agreement;
 - 14.3 Immediately, through the bankruptcy of the Agent; or
 - 14.4 Immediately, through the insolvency or fraud of the Agent.

After Termination

15. Upon the termination of this Agreement, all obligations of the Agent shall cease except as otherwise expressly provided in RESA, and the Strata Corporation shall pay to the Agent any monies due to it under this Agreement and the Agent shall pay to the Strata Corporation all monies held by it in trust for the Strata Corporation. Further, the Agent shall transfer all records maintained for the Strata Corporation to the Strata Corporation or its agent as may be directed by the Strata Council, upon payment of any outstanding fees to the Agent. The Agent shall be entitled to retain the original financial records for such period as is required for the Agent to comply with RESA, but the Agent shall provide the Strata Corporation with copies of the financial records, at the Strata Corporation's expense as provided in Schedule B.

INITIALS	
AGENT	STRATA



Holdback

16. Upon termination of this Agreement, the Strata Corporation shall continue to be responsible for the payment of any and all bills, accounts, and expenses incurred by the Agent within the authority of this Agreement to be paid by the Agent after such termination. The Agent shall be entitled to retain, for thirty (30) days after the date of such termination, a holdback of the monies (the "Holdback") to pay such bills, accounts and expenses or any of them. If a Holdback is not retained by the Agent or is insufficient, the Strata Corporation agrees to reimburse the Agent promptly upon demand for any and all such bills, accounts and expenses paid by the Agent after the termination of this Agreement.

No Partnership

17. The relationship of the Agent to the Strata Corporation shall be that of agent and principal and this Agreement shall not under any circumstances constitute or be deemed to constitute the Agent or any of its employees, officers or authorized representatives, the legal representative, tenant, partner or employee of the Strata Corporation.

Personal Information

18. The Strata Corporation hereby consents to the collection, use and disclosure by the Agent of information about the Strata Corporation and personal information about the Owners, for all purposes consistent with the matters contemplated herein.

Disclosure of Conflicts

19. If at any time, the Agent determines it is in a conflict of interest with the Strata Corporation, the Agent shall give written notice of such conflict to Strata Council as soon as reasonably possible. The Strata Corporation hereby acknowledges and consents to the Agent acting for other strata corporations.

Disclosure of Payments

20. If at any time, the Agent anticipates receiving or receives, directly or indirectly, any form of payment or other compensation from an Owner or someone other than the Strata Corporation as a result of recommending an insurance broker, or any other person providing other products or services, the Agent shall disclose the details thereof to the Strata Corporation in writing, including the source of such payments, the amount or likely amount of the payment and all other relevant facts relating to such provision of real estate services.

Charges for Documents

21. The Agent, without further specific disclosure to the Strata Corporation, shall be entitled to charge and retain fees (which fees may include a disbursement component) for the following

INITIALS	
AGENT	STRATA



- 21.1 the provision of Form B (and all attachments) and Form F and other statutory form as required by the *Strata Property Act*;
- 21.2 the provision of copies of minutes, Bylaws, Rules, strata plans, engineering reports, financial statements and similar documents of the Strata Corporation when requested by Owners (other than the original distribution of same) or any other person authorized to receive such documents;

and any and all priority fees charged for the priority provision of such documents in accordance with the fees specified in the attached Schedules.

IN WITNESS WHEREOF this Agreement has been executed by the parties hereto as of the date first above written,

EXECUTED ON BEHALF OF **THE**)
OWNERS, STRATA PLAN TBA)
(CARDERO) by its authorized signatories:)
)
 _____)
 Strata Council Member)
)
 _____)
 Strata Council Member)

EXECUTED ON BEHALF OF **MACDONALD**)
COMMERCIAL REAL ESTATE SERVICES LTD.)
)
 _____)
 by its authorized signatories:)
)
 _____)
 Authorized Signatory)
)
 _____)
 Authorized Signatory)

INITIALS	
AGENT	STRATA

SCHEDULE A

- | | |
|--------------------------|---|
| 1. Section 2 | Commencement Date: |
| 2. Section 3.12 | Monthly Fee for providing payroll services for Strata staff (if applicable): \$25.00 (plus applicable taxes) per staff member |
| 3. Section 3.14 and 3.15 | <p>The Agent shall maintain the following trust accounts on behalf of the Strata Corporation (check if applicable):</p> <p><input checked="" type="checkbox"/> Operating fund trust account</p> <p><input checked="" type="checkbox"/> Contingency reserve trust account</p> <p><input checked="" type="checkbox"/> Special levy trust account</p> <p><input type="checkbox"/> Other: _____</p> |
| 4. Section 3.19 | Maximum Number of Meetings: Eleven (11) Strata Council Meetings, One (1) Budget Meeting and One (1) AGM per annum |
| 5. Section 3.19 | Maximum Hours per Meeting: Two (2) Hours |
| 6. Section 3.22 | Hourly fees for supervision of inspection of records: \$150.00 (plus applicable taxes) |
| 7. Section 5.2(a) | Monthly Agents' Fee: \$3,500.00 (plus applicable taxes.) payable on the 1 st day of each month |
| 8. Section 5.2(b) | An additional fee for each Meeting over the maximum number: \$250.00 (plus applicable taxes) |
| 9. Section 5.2(c) | Hourly rate for attendance at each Meeting over specified number of hours: \$150.00 (plus applicable taxes) |
| 10. Section 5.2(e) | An additional fee of \$2.00 (plus applicable taxes) per strata lot for each month of depositing and processing of special levies: with a minimum fee of \$100.00 (plus applicable taxes) |

INITIALS	
AGENT	STRATA



SCHEDULE B

Special Terms and Amendments

1. Section 3.16 Annual fee for the statutory review of books (if applicable):
\$400.00 (plus applicable taxes)
2. Section 3.30 Fee for administration of lien receivables: **\$400.00** (plus applicable taxes)
3. Section 5.2(d) Additional fees: **\$150.00 per hour** (plus applicable taxes)

Litigation Support (Section 3.42): **\$150.00 per hour** (plus applicable taxes)

Special Projects: 2% for projects 1 million and above
2.5% for projects \$500,000 to \$999,999
3% for projects \$200,000 to 499,999
3.5% for projects \$60,000 to \$199,999
All plus applicable taxes

Major Renovations: 2% for projects 1 million and above
2.5% for projects \$500,000 to \$999,999
3% for projects \$200,000 to 499,999
3.5% for projects \$60,000 to \$199,999
All plus applicable taxes
4. Section 5.2(f) Additional fees:
5. Section 5.5 Printing Costs: **At Cost**

Mailing Costs: **At Cost**

Long Distance Telephone Charges: **At Cost**

INITIALS	
AGENT	STRATA

Courier Costs: **At Cost**

Other Service Charges: NSF at **\$25.00** each and Pre-Authorized Debit Services **at cost**

Storage Charges: **Not applicable**

Fee for processing Concierge invoices where Concierge submits timesheets: \$20 per person per month (plus applicable taxes)

6. Section 15 Cost photocopying: \$0.25 per page (plus applicable taxes)

7. Special Terms Form B (Information Certificate) Fee: **\$35.00** (plus applicable taxes), plus \$0.25 per copy of the Certificate and related attachments for each Certificate as provided for in the Strata Property Act, issued by the Agent on behalf of the Strata Corporation. A surcharge may be charged as determined by the Agent for provisions of the Certificate earlier than required by the Strata Property Act.

Form F (Certificate of Payment) **\$15.00** (plus applicable taxes) for each Certificate of Payment as provided for in the Strata Property Act, issued by the Agent on behalf of the Strata Corporation. A surcharge may be charged as determined by the Agent for provisions of the Certificate earlier than required by the Strata Property Act.

Interest on all amounts owing to the Agent and outstanding for greater than 15 days shall accrue interest charges at the rate of **18% per annum** (semi-annual compounding) calculated from the date of the invoice thereof.

INITIALS	
AGENT	STRATA

SCHEDULE C

CONFLICT OF INTEREST WHEN PROVIDING CONCURRENT REPRESENTATION TO STRATA CORPORATION AND OWNERS

*If the Agent chooses the Owner as its principal client, the following section **MUST** be added as Schedule C to the Agency Agreement to comply with the Real Estate Council's Rules*

Primary (Owner) and Non-Primary Client (Strata Corporation)

Strata property agents often provide strata management services to strata corporations and property rental services or trading services to owners of strata lots in the strata corporation. As such there may be conflicts as between such owners and the Strata Corporation.

In accordance with the Rules of the Real Estate Council of British Columbia, the Agent hereby declares that the owners it is providing rental management or trading service to are the Agent's "primary clients" and the Agent will provide full representation to such owners and the Agent shall provide limited representation to the Strata Corporation. As such, the Agent will not be able to:

- (a) act in the Strata Corporation's best interests, if those interests conflict with the interests of a primary client;
- (b) act in accordance with the Strata Corporation's instructions, if acting in accordance with those instructions would lead the Agent to breach any of the Agent's obligations to a primary client;
- (c) maintain the confidentiality of information about the Strata Corporation; or
- (d) disclose to the Strata Corporation any confidential information about the primary client.

INITIALS	
AGENT	STRATA



EXHIBIT "L"
FORM OF ROOF LEASE

(See Next Page)



ROOF LEASE

THIS AGREEMENT made as of the _____ day of _____, 20____,

BETWEEN:

1072719 B.C. LTD. a British Columbia company having an office at 1201 – 838 West Hastings Street, Vancouver, B.C. V6C 0A6

(the "**Owner**")

AND:

ARPEG HOLDINGS LTD., a British Columbia company having an office at 73 East Hastings Street, Vancouver, B.C. V6A 1M9

(the "**Tenant**")

WITNESSES THAT WHEREAS the Owner is the registered owner of certain lands and premises located in Vancouver, British Columbia, and legally described as:

Parcel Identifier _____ Legal Description _____

(the "**Property**");

WITNESSES THAT WHEREAS:

- A. The Owner wishes to grant the Tenant a lease of all of the roof and the roof decks of the building to be constructed on the Property or such lesser area as the Tenant may, in its discretion, decide to use, up to a maximum height as permitted by law above the level of such roof areas (referred to as the "**Roof Area**"), which Roof Area is shown cross-hatched on the plan prepared by _____, Surveyors and Engineers, a reduced size copy of which is attached hereto as **Schedule "A"** as may be amended by them from time to time (the "**Plan**");
- B. Upon completion of the development of the Property, the Owner proposes to subdivide the Property by means of a strata plan (the "**Strata Plan**") pursuant to the *Strata Property Act* (British Columbia) to create a strata development (the "**Strata Development**");
- C. The Strata Plan will designate the Roof Area as common property of the strata corporation (the "**Strata Corporation**") formed upon the deposit for registration of the Strata Plan in the appropriate Land Title Office; and



D. Each of the parties to this Lease agrees that title to the common property of the Strata Corporation will be encumbered by this Lease.

NOW THEREFORE in consideration of the premises and the sum of \$100.00 of lawful money of Canada now paid by the Tenant to the Owner, the receipt and sufficiency of which is hereby acknowledged by the Owner and will not be denied, and in consideration of the mutual promises and agreements set forth in the Lease, the parties agree each with the other as follows:

ARTICLE 1

GRANT AND TERM

1.1 Grant: The Owner hereby leases to the Tenant for the Term (as defined in Section 1.3) all of the Roof Area.

1.2 Use of Common Property: The Tenant's exclusive use of the Roof Area includes the non-exclusive right of the Tenant, its employees, agents and other persons having business with the Tenant, in common with the Owner, to the use of that portion of the common property of the Strata Corporation as is reasonably required by the Tenant in connection with the exclusive use and/or occupation of the Roof Area in accordance with the terms and conditions of this Lease.

1.3 Term: The term (the "**Term**") of this Lease shall commence on the day and year first above written, i.e. _____ (the "**Commencement Date**") and terminate on the earlier of:

- (a) one hundred (100) years from the Commencement Date;
- (b) the date the Strata Corporation is dissolved; or
- (c) the date the Strata Corporation files a notice of destruction in prescribed form with the Registrar of the appropriate Land Title Office following the destruction or deemed destruction of the building in which the Roof Area is located.

1.4 Rent: The parties of this Lease acknowledge that the sum of \$100.00 now paid by the Tenant to the Owner will be the only payment required to be paid to the Owner, its successors and assigns, including, without limitation, the Strata Corporation by either the Tenant or any sublessee, licensee or any assignee of an interest in this Lease for the use and enjoyment of the Roof Area.

ARTICLE 2

SUBDIVISION BY STRATA PLAN

2.1 Strata Plan: This Lease and the covenants and obligations of the Owner under this Lease run with and bind the Property, and upon the subdivision of the Property by means of the Strata Plan such covenants and obligations shall:

- (a) continue to run with and bind the common property; and



- (b) be automatically assumed by the Strata Corporation as the representative of the owners of strata lots within the Strata Development,

at which time the Owner will be absolutely released from any obligations or liabilities hereunder.

2.2 Common Property. Upon subdivision of the Property by the Strata Plan, this Lease is intended to burden only that portion of the common property containing the Roof Area and not at any time to burden the title to any individual strata lot.

ARTICLE 3

MAINTENANCE AND ENCUMBRANCES

3.1 Maintenance: The Owner confirms that until the deposit for registration of the Strata Plan, the Owner shall be solely responsible for the control, management and administration of the Roof Area but thereafter, pursuant to Section 2 of this Lease, the Strata Corporation will assume full responsibility for the control, management and administration of the Roof Area as common property in accordance with the provisions of the *Strata Property Act* (British Columbia) and may pass bylaws or make rules and regulations with respect to the Roof Area so long as such bylaws, rules or regulations do not interfere with the rights of the Tenant or any sublessee, licensee or any subsequent assignee under this Lease.

3.2 Alterations: Subject to the provisions of paragraph 3.5 hereof, the Tenant is not entitled to alter, or to perform any repairs of any sort whatsoever to the Roof Area. Any such alterations or repairs are the sole responsibility and obligation of the Owner prior to the registration of the Strata Plan, and thereafter the sole responsibility and obligation of the Strata Corporation.

3.3 Subordination: The Tenant agrees to subordinate its interest pursuant to this Lease to any financial encumbrance registered by the Owner against title to the Property.

3.4 No Right to Encumber: The Tenant, its successors and permitted assigns, are not entitled to mortgage, charge, pledge or otherwise grant their interest in the Roof Area as security to any person.

3.5 Use: The Tenant its sub-tenants, licensees or assignees may use the Roof Area for any lawful purpose including without limiting the generality of the foregoing for the purposes of installing, operating, maintaining and replacing from time to time such equipment, equipment enclosures, antennas, antenna mounts, antenna support structures, satellite dishes and support structures, apparatus, fixtures, attachments and connections for the transmission, emission and/or reception of communication or other signals (collectively its "Equipment").

3.6 Easement: The owner hereby grants to the Tenant for the benefit of the Tenant and its servants, agents, contractors and suppliers an easement over the Land for:

- (a) ingress and egress over the Lands, with or without tools and equipment at any time and from time to time for the purposes set out in paragraph 3.5 and for the

purposes necessary or incidental to the exercise and enjoyment of the rights granted herein; and

- (b) installing, operating and maintaining such Equipment as may be necessary for the exercise and enjoyment of the rights granted herein.

ARTICLE 4

ASSIGNMENT

4.1 Assignments: The Tenant may, at its sole discretion, sublease or license the use of all or any portion of the Roof Area or assign this Lease and its rights under the Lease in whole or in part. Any such sublease, license or assignment will be for such consideration as the Tenant may in its sole discretion determine, which consideration may be retained by the Tenant for its own benefit. Any sublease, license or assignment by the Tenant, or by any subsequent sublessee, licensee or assignee, of this Lease and its rights under this Lease will be absolute, and the assignee and its lessees, successors and permitted assigns will be entitled to the use and enjoyment of the Roof Area so assigned for the balance of the Term.

4.2 Consents: The consent of the Owner or the Strata Corporation will not be required for any sublease, license or assignment of this Lease or the Roof Area. The Owner or the Strata Corporation will not interfere with or attempt to interrupt or terminate the rights of any sublessee, licensee or assignee under any such sublease, license or assignment except as expressly agreed by such sublessee, licensee or assignee.

4.3 Release of Assignors: Upon the sublease, license or assignment of this Lease, in whole or in part, the Tenant and any subsequent assignor will be automatically and absolutely released from any obligations or liabilities under this Lease pertaining to the Roof Area or the relevant portions of the Roof Area.

ARTICLE 5

MISCELLANEOUS

5.1 Form of Agreement: Each of the parties hereto agree to amend the form of this Lease to meet the requirements of the Registrar of the Land Title Office or of any governmental or public authority or as otherwise necessary to confirm unto the parties the rights granted in this Lease.

5.2 Arbitration: In the event of any dispute or disagreement arising out of this Lease, or the interpretation of any provision hereof, the parties hereto agree that such dispute or disagreement will be resolved by arbitration pursuant to the British Columbia *Arbitration Act*, as amended from time to time, or any legislation substituted therefore. Provided that it is understood and agreed that this Section 5.2 is not intended to, nor is it to be construed as preventing the parties hereto, or either of them, from seeking injunctive relief from the courts for damages for breach in appropriate cases.

5.3 Definitions: Any term defined in the recitals of this Lease will have the same meaning throughout this Lease.



5.4 Severability: If any provision or a portion of a provision of this Lease is found to be illegal or unenforceable, then such provision or portion will be severed from this Lease and this Lease will be deemed to be so amended and this Lease will continue in full force and effect subject only to such amendment.

5.5 Enurement: This Lease shall enure to the benefit of and be binding upon each of the parties hereto and their respective successors and permitted assigns.

IN WITNESS WHEREOF the parties hereto have executed the Form C General Instrument and Form D attached hereto and forming part hereof as at the date set out therein.



SCHEDULE "A" *

Roof Area Plan

[see plan on next page]

*Schedule "A" is not available at the time of filing the Disclosure Statement



EXHIBIT "M"

COPY OF CITY OF VANCOUVER ZONING BYLAW

(See Next Page)



EXPLANATION

**A By-law to amend the Zoning and Development By-law
Re: 1575-1577 West Georgia Street
and 620 Cardero Street**

Following Public Hearing on February 23, 2016 and decision and discussion at a March 8, 2016 Regular Council meeting, Council gave conditional approval to the rezoning of the site at 1575-1577 West Georgia Street and 620 Cardero Street. The Director of Planning has advised that all prior to conditions have been met, and enactment of the attached By-law will implement Council's resolution.

Director of Legal Services
July 26, 2016

{00437264v5}



1575-1577 West Georgia Street
and 620 Cardero Street

ABF

BY-LAW NO. _____

**A By-law to amend
Zoning and Development By-law No. 3575
to rezone an area to CD-1**

THE COUNCIL OF THE CITY OF VANCOUVER, in public meeting, enacts as follows:

Zoning District Plan Amendment

1. This By-law amends the Zoning District Plan attached as Schedule D to By-law No. 3575, and amends or substitutes the boundaries and districts shown on it, according to the amendments, substitutions, explanatory legends, notations, and references shown on the plan marginally numbered Z-699 (a) attached as Schedule A to this By-law, and incorporates Schedule A into Schedule D, to By-law No. 3575.

Uses

2.1 The description of the area shown within the heavy black outline on Schedule A is CD-1 (633).

2.2 Subject to approval by Council of the form of development, to all conditions, guidelines and policies adopted by Council, and to the conditions set out in the By-law or in a development permit, the only uses permitted and the only uses for which the Director of Planning or Development Permit Board will issue development permits are:

- (a) Cultural and Recreational Uses, limited to Artist Studio - Class A, Arts and Culture Indoor Event, Community Centre or Neighbourhood House and Fitness Centre;
- (b) Dwelling Uses, limited to Dwelling Units in conjunction with any of the uses listed in this By-law;
- (c) Institutional Uses, limited to Child Day Care Facility;
- (d) Office Uses, limited to Financial Institution, General Office, Health Care Office and Health Enhancement Centre;
- (e) Retail Uses, limited to Furniture or Appliance Store, Grocery or Drug Store, Liquor Store, Neighbourhood Grocery Store, Public Bike Share, and Retail Store;
- (f) Service Uses, limited to Animal Clinic, Auction Hall, Barber Shop or Beauty Salon, Beauty and Wellness Centre, Catering Establishment, Laboratory, Laundromat or Dry Cleaning Establishment, Neighbourhood Public House, Photofinishing or Photography Studio, Print Shop, Repair Shop - Class B,



Restaurant - Class 1, School - Arts or Self-Improvement, School - Vocational or Trade; and

- (g) Accessory Use customarily ancillary to any use permitted by this section.

Conditions of use

3.1 The design and lay-out of at least 25 % of the dwelling units must:

- (a) be suitable for family housing;
- (b) include two or more bedrooms; and
- (c) comply with Council's "High Density Housing for Families with Children Guidelines".

Floor area and density

4.1 Computation of floor space ratio must assume that the site consists of 1,698.6 m², being the site size at the time of the application for the rezoning evidenced by this By-law, and before any dedications.

4.2 The floor space ratio for all uses combined must not exceed 10.59.

4.3 The floor space ratio for Dwelling Uses must not exceed 7.86, except that the use of 213.7 m² of floor area located above grade must be limited to mechanical space.

4.4 Computation of floor area must include all floors, including earthen floor, above and below ground level, having a minimum ceiling height of 1.2 m, measured to the extreme outer limits of the building.

4.5 Computation of floor area must exclude:

- (a) open residential balconies or sundecks and any other appurtenances which, in the opinion of the Director of Planning, are similar to the foregoing, except that:
 - (i) the total area of all such exclusions must not exceed 12 % of the residential floor area, and
 - (ii) the balconies must not be enclosed for the life of the building;
- (b) patios and roof gardens, if the Director of Planning first approves the design of sunroofs and walls;
- (c) where floors are used for off-street parking and loading, the taking on or discharging of passengers, bicycle storage, heating and mechanical equipment, or uses which, in the opinion of the Director of Planning, are similar to the foregoing, those floors or portions thereof so used, which are at or below the

base surface, except that the maximum exclusion for a parking space must not exceed 7.3 m in length; and

- (d) all residential storage area above or below base surface, except that if the residential storage area above base surface exceeds 3.7 m² per dwelling unit, there will be no exclusion for any of the residential storage area above base surface for that unit.

4.6 Computation of floor area may exclude, at the discretion of the Director of Planning or Development Permit Board, amenity areas except that the exclusion must not exceed the lesser of 20% of the permitted floor area or 929 m².

4.7 The use of floor area excluded under section 4.5 or section 4.6 must not include any use other than that which justified the exclusion.

Building height

5.1 The building height, measured from base surface, must not exceed 82.6 m, except that the building must not protrude into the approved view corridors, as set out in the City of Vancouver View Protection Guidelines.

5.2 Despite the provisions of section 5.1 and of section 10.11 of the Zoning and Development By-law, the Director of Planning may permit a greater height than otherwise permitted for mechanical appurtenances such as elevator machine rooms, mechanical screens, or for access and infrastructure required to maintain green roofs, urban agriculture, or roof-mounted energy technologies including solar panels and wind turbines, if the Director of Planning first considers:

- (a) their siting and sizing in relation to views, overlook, shadowing, and noise impacts; and
- (b) all applicable policies and guidelines adopted by Council;

and the Director of Planning must not permit any structure above a maximum height of 85.3 m.

Horizontal angle of daylight

6.1 Each habitable room must have at least one window on an exterior wall of a building.

6.2 The location of each such exterior window must allow a plane or planes extending from the window and formed by an angle of 50 degrees, or two angles with a sum of 70 degrees, to encounter no obstruction over a distance of 24.0 m.

6.3 Measurement of the plane or planes referred to in section 6.2 must be horizontally from the centre of the bottom of each window.



6.4 The Director of Planning or Development Permit Board may relax the horizontal angle of daylight requirement if:

- (a) the Director of Planning or Development Permit Board first considers all applicable policies and guidelines adopted by Council; and
- (b) the minimum distance of the unobstructed view is not less than 3.7 m.

6.5 An obstruction referred to in section 6.2 means:

- (a) any part of the same building including permitted projections; or
- (b) the largest building permitted under the zoning on any site adjoining CD-1 (633).

6.6 A habitable room referred to in section 6.1 does not include:

- (a) a bathroom; or
- (b) a kitchen whose floor area is the lesser of:
 - i) 10% or less of the total floor area of the dwelling unit, or
 - ii) 9.3 m².

Acoustics

7. All development permit applications require evidence in the form of a report and recommendations prepared by a person trained in acoustics and current techniques of noise measurement, demonstrating that the noise levels in those portions of dwelling units listed below do not exceed the noise level set opposite such portions. For the purposes of this section, the noise level is the A-weighted 24-hour equivalent (Leq) sound level and is defined simply as noise level in decibels.

Portions of dwelling units	Noise levels (Decibels)
Bedrooms	35
Living, dining, recreation rooms	40
Kitchen, bathrooms, hallways	45

Severability

8. A decision by a court that any part of this By-law is illegal, void, or unenforceable severs that part from this By-law, and is not to affect the balance of this By-law.

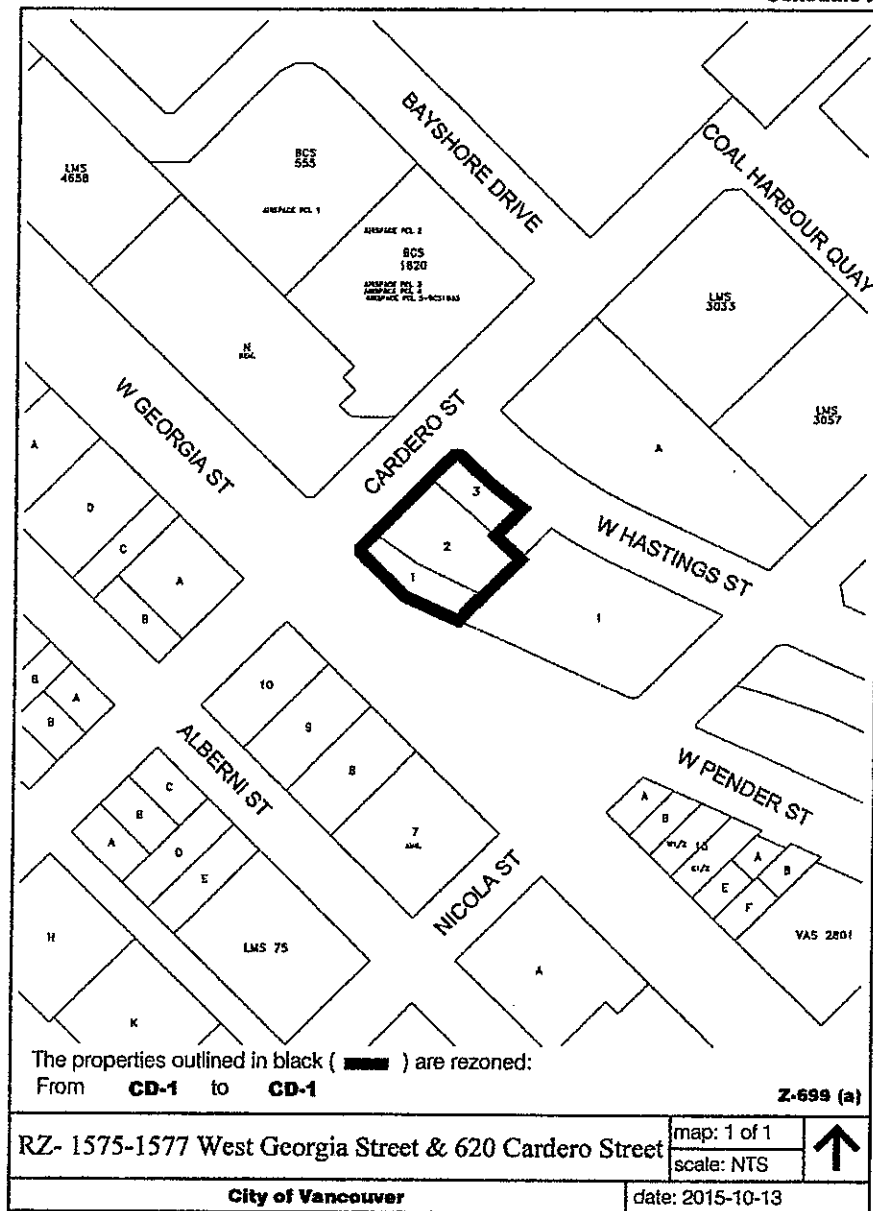
Force and effect

9. This By-law is to come into force and take effect on the date of its enactment.

ENACTED by Council this day of , 2016

Mayor

City Clerk



EXPLANATION

**A By-law to amend CD-1 (312) and CD-1 (336)
Re: 1575-1577 West Georgia Street
and 620 Cardero Street**

Following Public Hearing on February 23, 2016 and decision and discussion at a March 8, 2016 Regular Council meeting, Council resolved to amend CD-1 (312) and CD-1 (336) 1575-1577 West Georgia Street and 620 Cardero Street. The Director of Planning has advised that there are no prior to conditions, and enactment of the attached By-law will implement Council's resolution.

Director of Legal Services
July 26, 2016

{00437318v5}



Zoning & Development By-law amending by-law
Regarding CD-1 (312) and CD-1 (336)
1575-1577 West Georgia Street
and 620 Cardero Street

XBF

BY-LAW NO. _____

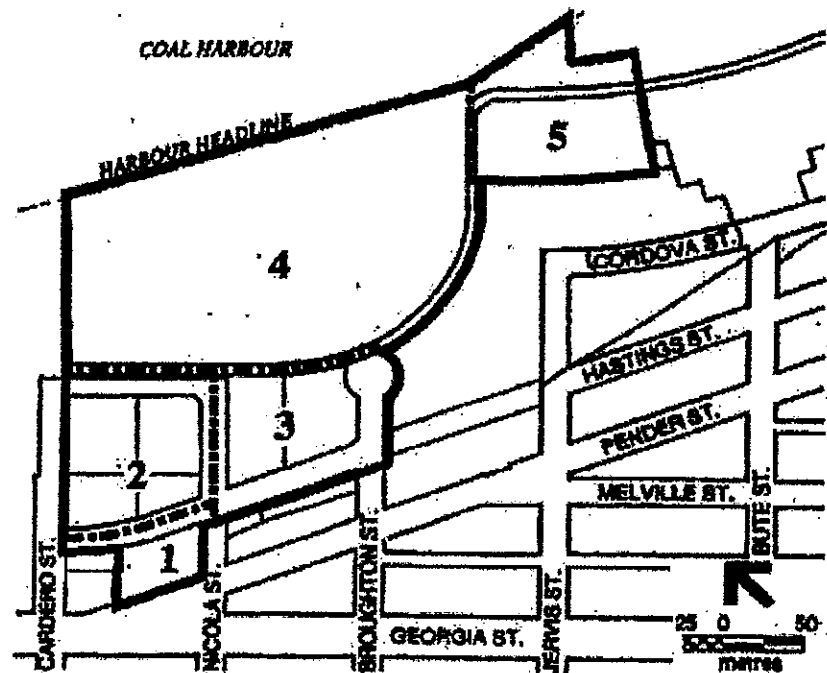
**A By-law to amend the Zoning & Development By-law regarding
CD-1 (312) and CD-1 (336)**

THE COUNCIL OF THE CITY OF VANCOUVER, in public meeting, enacts as follows:

1. This By-law amends the indicated provisions of Zoning & Development By-law 3575.
2. Council repeals the regulations that govern the CD-1 (336) zoning district and deletes the CD-1 (336) zoning district.
3. Council amends the Zoning District Plan attached as Schedule D to By-law No. 3575, and amends or substitutes the boundaries and districts shown on it, according to the amendments, substitutions, explanatory legends, notations, and references shown on the plan marginally numbered Z-699 (b) attached as Schedule A to this By-law, and incorporates Schedule A into Schedule D, to By-law No. 3575.
4. In the regulations that govern the CD-1 (312) zoning district, Council:
 - (a) strikes out Diagram 1 and substitutes the following:



“



”

; and

- (b) strikes out map 1 and map 2 of Schedule A and substitutes the plan marginally numbered Z-699 (b) attached as Schedule A to this By-law.

5. A decision by a court that any part of this By-law is illegal, void, or unenforceable severs that part from this By-law, and is not to affect the balance of this By-law.

6. A decision by a court that any part of this By-law is illegal, void, or unenforceable severs that part from this By-law, and is not to affect the balance of this By-law.
This By-law is to come into force and take effect on the date of its enactment.

ENACTED by Council this day of , 2016

Mayor

City Clerk



Schedule A

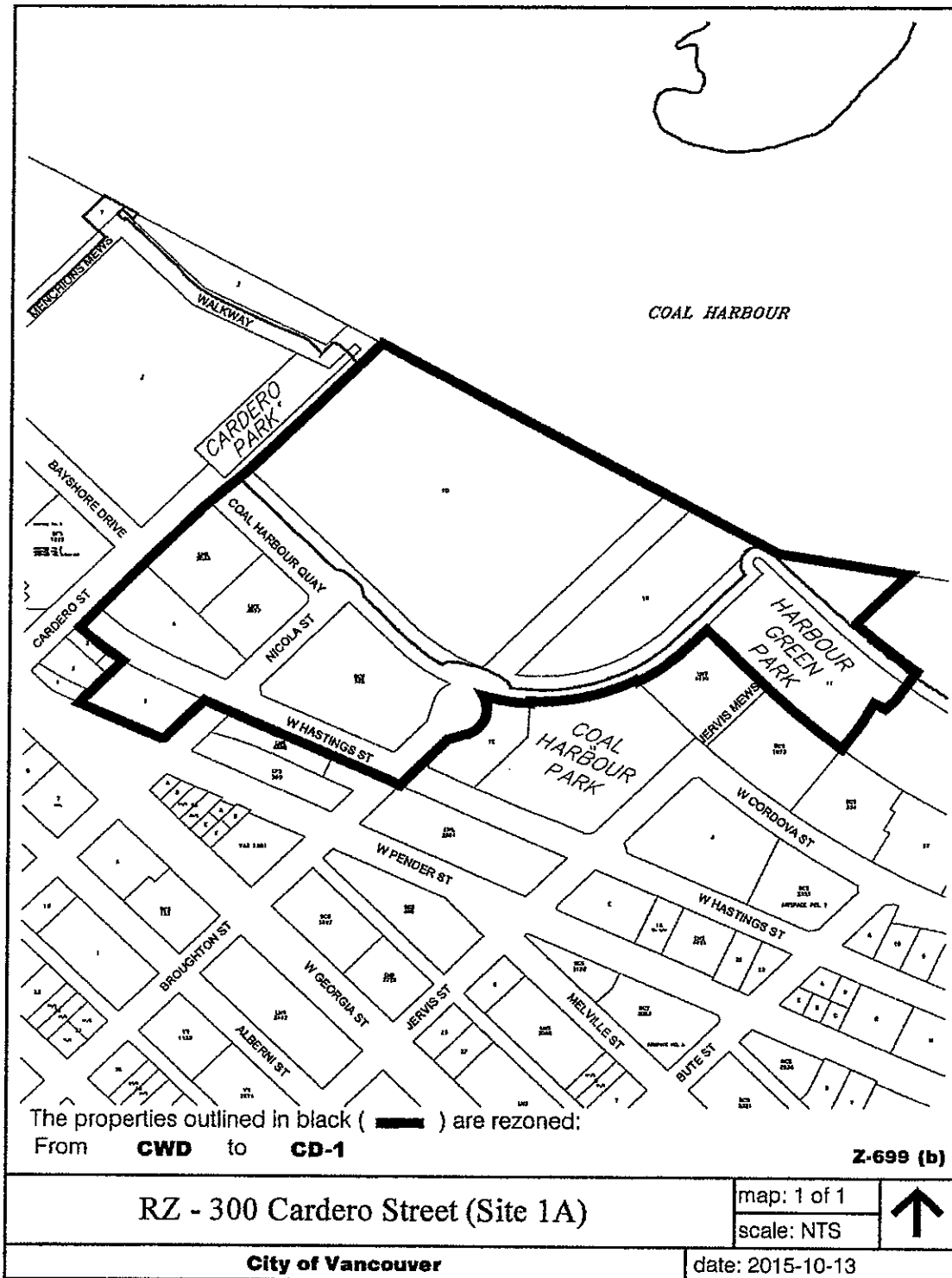


EXHIBIT "N"

**FORM OF ADDENDUM / AMENDMENT TO AGREEMENT OF PURCHASE AND
SALE RE: BOSA VOLT CHARGING STATION**

(See Next Page)



CARDERO

BY BOSA PROPERTIES

ADDENDUM / AMENDMENT TO AGREEMENT OF PURCHASE AND SALE – BOSA VOLT CHARGING STATION (the “BVCS”)

Date: _____, 2016

Further to the Agreement of Purchase and Sale (the “Purchase Agreement”) dated _____, 2016 and made between BOSA PROPERTIES (CARDERO) INC., 1072705 B.C. Ltd. and 1072719 B.C. Ltd., collectively as Vendor, and _____ as Purchaser with respect to the proposed Strata Lot _____ (the “Strata Lot”) also known as Suite _____, 620 Cardero Street, Vancouver, B.C. (or an alternative address determined by the City of Vancouver) constructed or being constructed on lands legally described as: Parcel Identifier 029-884-667, Lot A Block 42 District Lot 185 Group 1 New Westminster District and Part of the Public Harbour of Burrard Inlet Plan EPP 62321, as may be subdivided, the undersigned agree as follows:

1. The Vendor is agreeable to installing the BVCS within the Stall at the Purchaser's cost and on the terms and conditions contained herein.
2. The Purchaser acknowledges to the Vendor that it has read and understands the terms of the Parking Facility/ Storage Locker Lease and Bosa Volt Charging Station License Agreement (the “Master Agreement”) relating, inter alia, to the BVCS. A copy of the Master Agreement is attached to the Disclosure Statement delivered to the Purchaser by the Vendor.
3. In consideration of the payment of Six Thousand (\$6,000.00) Dollars (the “BVCS Licensing Fee”) by the Purchaser in the manner hereinafter provided, the Vendor agrees to install the BVCS within the Stall leased to the Purchaser. The Purchaser shall, on or before the Completion Date established by the Vendor for the purchase and sale of the Strata Lot to the Purchaser, execute and deliver to the Vendor a Partial Assignment of the Master Agreement.
4. Concurrently with the execution of this Addendum by the Purchaser, the Purchaser shall pay the BVCS Licensing Fee in full via certified cheque or bank draft to the Vendor's solicitors, in trust. Such payment will be held by the Vendor's solicitors as deposit monies under the Purchase Agreement and will be dealt with and governed by all of the provisions in the Purchase Agreement dealing with deposit monies including, without limitation those relating to the investment, use, application, payment, disposition and forfeiture of deposit monies.

The BVCS Licensing Fee will be shown as a debit on the Purchaser's Statement of Adjustments and the Purchaser will be responsible for payment of all applicable taxes in connection with the BVCS Licensing Fee.
5. By execution of this Addendum, the Purchaser irrevocably authorizes and directs the Vendor to proceed forthwith with the installation of the BVCS within the applicable parking stall, which BVCS will, pursuant to the Master Agreement, become a common asset of the Strata Corporation. The Purchaser authorizes the Vendor and the Vendor's Solicitors to pay the BVCS Licensing Fee, together with all applicable taxes, to the Vendor on the Completion Date.

This Addendum forms part of and is subject to the terms and conditions set out in the Purchase Agreement. The Purchase Agreement, as amended by this Addendum, remains in full force and effect, and all terms and conditions in the Purchase Agreement remain the same, except to the extent expressly amended by this Addendum.

Witness

Purchaser

Witness

Purchaser

BOSA PROPERTIES (CARDERO) INC.

1072705 B.C. LTD.

Per: _____
Authorized Signatory

Per: _____
Authorized Signatory

1072719 B.C. LTD.

Per: _____
Authorized Signatory



BC CONDOS.NET



EXHIBIT "O"

NEIGHBOURHOOD ENERGY SYSTEM ENCUMBRANCES – PART 1

(See Next Page)



LAND TITLE ACT
FORM C (Section 233) CHARGE

Jun-30-2016 16:39:50.008

CA5312601 CA5312606

GENERAL INSTRUMENT - PART 1 Province of British Columbia

PAGE 1 OF 29 PAGES

Your electronic signature is a representation that you are a subscriber as defined by the Land Title Act, RSBC 1996 c.250, and that you have applied your electronic signature in accordance with Section 168.3, and a true copy, or a copy of that true copy, is in your possession.

**Russell Gregg
Benson
1JB8KS**

Digitally signed by Russell Gregg
Benson 1JB8KS
DN: cn=CA, cn=Russell Gregg Benson
1JB8KS, o=Lawyer, ou=Verily ID at
www.jurcert.com/LKUP.cfm?
id=1JB8KS
Date: 2016.06.30 16:21:45 -0700

1. APPLICATION: (Name, address, phone number of applicant, applicant's solicitor or agent)

Alison Thornhill, TERRA LAW CORPORATION

Suite 2800 - 650 West Georgia Street

PO Box 11506

Vancouver

BC V6B 4N7

Phone 604-628-8977

Client No. 12544 Doc No. 482964

File No. 208652/441435

Document Fees: \$429.48

Deduct LTSA Fees? Yes ☒

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:

[PID]

[LEGAL DESCRIPTION]

NO PID NMBR

**LOT A BLOCK 42 DISTRICT LOT 185 GROUP 1 NEW WESTMINSTER
DISTRICT AND OF PART OF THE PUBLIC HARBOUR OF BURRARD INLET
PLAN EPP62321**

STC? YES

Related Plan Number: **EPP62321**

3. NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

SEE SCHEDULE

4. TERMS: Part 2 of this instrument consists of (select one only)

(a) ☐ Filed Standard Charge Terms D.F. No.(b) ☒ Express Charge Terms Annexed as Part 2

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument.

5. TRANSFEROR(S):

SEE SCHEDULE

6. TRANSFEREE(S): (including postal address(es) and postal code(s))

CITY OF VANCOUVER

453 WEST 12TH AVENUE

VANCOUVER

BRITISH COLUMBIA

V5Y 1V4

CANADA

7. ADDITIONAL OR MODIFIED TERMS:

n/a

8. EXECUTION(S): This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

Officer Signature(s)

Jordan E. Langlois

Barrister & Solicitor

Kornfeld LLP

1100-505 Burrard Street

Vancouver, BC V7X 1M5

Telephone: 604-331-8315

(as to both signatures)

Execution Date

Y	M	D
16	06	28

Transferor(s) Signature(s)

1072705 B.C. LTD. by its authorized signatory(ies):

Print Name: Barbara Bell

Print Name: Drew Ratcliffe

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.



LAND TITLE ACT
FORM D

EXECUTIONS CONTINUED

PAGE 2 of 29 PAGES

Officer Signature(s)

Execution Date

Transferor / Borrower / Party Signature(s)

Jordan E. Langlois
Barrister & Solicitor

Kornfeld LLP
1100-505 Burrard Street
Vancouver, BC V7X 1M5
Telephone: 604-331-8315
(as to both signatures)

Y	M	D
16	06	28

1072719 B.C. LTD. by its authorized
signatory(ies):

Print Name: Barbara Bell

Print Name: Drew Ratcliffe

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.



**LAND TITLE ACT
FORM D**

EXECUTIONS CONTINUED

PAGE 3 of 29 PAGES

Officer Signature(s)

Execution Date

Transferor / Borrower / Party Signature(s)

Damian Koo

16

06

29

Barrister & Solicitor

CITY OF VANCOUVER by its
authorized signatory(ies):

453 West 12th Avenue

Vancouver, BC V5Y 1V4

Tel: 604-873-7540

Print Name: Andrew Francis

Print 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.



**LAND TITLE ACT
FORM D**

EXECUTIONS CONTINUED

PAGE 4 of 29 PAGES

Officer Signature(s)

Execution Date

Transferor / Borrower / Party Signature(s)

Russell G. Benson
Barrister & Solicitor
Terra Law Corporation
Suite 2800 - 650 West Georgia Street
Vancouver, BC V6B 4N7
604-628-8991

Y	M	D
16	06	24

BOSA PROPERTIES (CARDERO) INC.
by its authorized signatory(ies):

Print Name: Dale Bosa

Print 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.



LAND TITLE ACT
FORM D

EXECUTIONS CONTINUED

PAGE 5 of 29 PAGES

Officer Signature(s)

C. Warren Beil

Barrister & Solicitor

Gowlings WLG (Canada) LLP
550 Burrard Street - Suite 2300
Bentall 5 - Vancouver, BC V6C 2B5
Telephone: 604-683-6498

Execution Date

Y	M	D
16	06	27

Transferor / Borrower / Party Signature(s)

CANADIAN IMPERIAL BANK OF
COMMERCE by its authorized
signatory(ies):

Print Name: Crystal Lo

Print Name: Graham Worth
Senior Manager

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.



**LAND TITLE ACT
FORM E****SCHEDULE**

PAGE 6 OF 29 PAGES

NATURE OF INTEREST**CHARGE NO.****ADDITIONAL INFORMATION**

Statutory Right of Way

Page 16, Section 2.1

NATURE OF INTEREST**CHARGE NO.****ADDITIONAL INFORMATION**

Priority Agreement

Page 28

NATURE OF INTEREST**CHARGE NO.****ADDITIONAL INFORMATION**

Priority Agreement

Page 29

NATURE OF INTEREST**CHARGE NO.****ADDITIONAL INFORMATION**

Covenant

Section 219 Covenant
Page 17, Section 3.1**NATURE OF INTEREST****CHARGE NO.****ADDITIONAL INFORMATION**

Priority Agreement

Page 28

NATURE OF INTEREST**CHARGE NO.****ADDITIONAL INFORMATION**

Priority Agreement

Page 29



**LAND TITLE ACT
FORM E**

SCHEDULE

PAGE 7 OF 29 PAGES

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM, OR GENERAL INSTRUMENT FORM.

TRANSFERORS:

1072705 B.C. LTD. (Inc. No. BC1072705)

1072719 B.C. LTD. (Inc. No. BC1072719)

BOSA PROPERTIES (CARDERO) INC. (Inc. No. BC944999) (as to Priority)

CANADIAN IMPERIAL BANK OF COMMERCE (as to Priority)



TERMS OF INSTRUMENT - PART 2
NEIGHBOURHOOD ENERGY SYSTEM CONNECTION AGREEMENT
BETWEEN
1072705 B.C. LTD. and 1072719 B.C. LTD.
AND
CITY OF VANCOUVER
FOR
1575-1577 WEST GEORGIA STREET AND
620 CARDERO STREET

DATED FOR REFERENCE: June •, 2016



TABLE OF CONTENTS

	Page		Page
ARTICLE 1 DEFINITIONS.....	11	6.1 Release and Indemnity	22
1.1 Definitions	11	6.2 Survival Of Release And Indemnities	22
1.2 Interpretation	15	ARTICLE 7 EXERCISE OF AUTHORITY	23
1.3 Headings	16	7.1 City Engineer	23
1.4 Number.....	16	ARTICLE 8 NOTICES.....	23
1.5 Governing Law	16	8.1 Notices	23
ARTICLE 2 STATUTORY RIGHT OF WAY	16	ARTICLE 9 MISCELLANEOUS	24
2.1 Grant of Statutory Right of Way	16	9.1 Air Space Parcels.....	24
ARTICLE 3 FUTURE NES CONNECTION.....	17	9.2 Severability	24
3.1 Energy Works Restriction and Permit Holds	17	9.3 Joint and Several	24
3.2 NES Connection Assessment.....	18	9.4 Registration.....	24
3.3 Required Information	18	9.5 City's Other Rights Unaffected	24
3.4 Obligation to Connect.....	18	9.6 Further Assurances.....	25
3.5 Requirements for Connection.....	19	9.7 Force Majeure	25
3.6 Discharge of Covenant	19	9.8 Assignment by City	25
3.7 If Permit Issued Inadvertently	20	9.9 No Waiver	25
ARTICLE 4 SUBDIVISION.....	20	9.10 Time of Essence.....	25
4.1 More than One Building.....	20	9.11 Owner's Representations and Warranties	26
4.2 Subdivision by Strata Plan.....	21	9.12 Agreement Runs with the Lands	26
ARTICLE 5 DEFAULT	21	9.13 Transfer of Lands.....	26
5.1 Notice on Default.....	21	9.14 No Liability.....	26
ARTICLE 6 INDEMNITIES.....	22	9.15 Enurement	27



WHEREAS:

- A. It is understood and agreed that this Agreement will be read as follows:
- (a) the Transferors, 1072705 B.C. LTD. and 1072719 B.C. LTD., are collectively called the “Owner”; and
 - (b) the Transferee, City of Vancouver, is called the “City” when referring to the corporate entity and “City of Vancouver” when referring to geographical location;
- B. The Owner is the registered of the Lands;
- C. The Owner made an application to rezone:
- (a) 1575-1577 West Georgia Street (forming part of the Lands) from CD-1 (Comprehensive Development) District (336) to a new CD-1 (Comprehensive Development) District; and
 - (b) 620 Cardero Street (forming the balance of the Lands) from CD-1 (Comprehensive Development) District (312) to a new CD-1 (Comprehensive Development) District,
- to allow for development of a 26-storey mixed-use building containing 175 market strata units, along with retail, service and office uses on the Lands and, after a public hearing to consider the said application, it was approved by City Council, in principle, subject to, among other things, fulfilment of the conditions that, prior to enactment, the Owner make arrangements to the satisfaction of the City Engineer and the Director of Legal Services to:
- (a) design and construct the heating and hot water system of the Building(s) to be connectable to a NES, in accordance with the Connectivity Standards; and
 - (b) arrange for the possible connection to a NES, once Available, in accordance with the City's policy for low-carbon neighbourhood energy systems in effect from time to time (the “Future Connection Condition”);
- D. The Owner has designed or will design the Energy Works in the Building(s) to be connectable to a NES in accordance with the Connectivity Standards;
- E. In order to secure the Future Connection Condition, the Owner has agreed to enter into this Agreement and in particular to grant:
- (a) a Statutory Right of Way to allow the City or its designates to inspect the Energy Works, assess the Energy Works for future connection to a NES, and to carry out any of the Owner's obligations with respect to the Energy Works if the Owner fails to fulfil such obligations; and

- (b) Section 219 Covenants in favour of the City in which the Owner covenants, among other things, to participate in a NES Connection Assessment and connect to a NES in the future in accordance with this Agreement;
- F. The Statutory Right of Way in this Agreement is necessary for the operation and maintenance of the City's undertaking; and
- G. Unless exempt from BCUC regulation, the Utility Provider will require a certificate of public convenience and necessity from the BCUC prior to the construction and operation of an extension of a NES to the Building(s).

CONSIDERATION

NOW THEREFORE this Agreement witnesses that for ten dollars and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged and agreed to by the parties), the parties, for themselves and their successors and assigns, hereby covenant and agree as follows:

ARTICLE 1 DEFINITIONS

1.1 Definitions

The terms defined in this Section 1.1 will have the following meanings for all purposes in this Agreement, except where specifically otherwise provided herein:

- (a) **"Available"** means when a NES with connection infrastructure located near the Building(s) is in place, or is close to completion, all as determined by the City Engineer, in his sole discretion, on a case by case basis;
- (b) **"BCUC"** means the British Columbia Utilities Commission, or such other regulatory body appointed by the Provincial Government to regulate energy utilities in British Columbia from time to time;
- (c) **"Building(s)"** means any one or more building(s) or structure(s) used, occupied or constructed on the Lands at any time following the date this Agreement is fully executed and includes any portion of such building(s) or structure(s) but does not include temporary building(s) or structure(s) on the Lands during the period of and required for the purposes of construction on the Lands;
- (d) **"City"** and **"City of Vancouver"** have the meanings ascribed to those terms in Recital A(b);
- (e) **"City Engineer"** means the chief administrator from time to time of the City's Engineering Services Department and his successors in function and their respective nominees;
- (f) **"City Personnel"** means any and all of the elected and appointed officials, and officers, employees, agents, nominees, delegates, permittees, contractors, subcontractors and volunteers of the City;

- (g) **“Connectivity Standards”** means the building design strategies and specifications enabling future NES connection as outlined in the document titled *Neighbourhood Energy Connectivity Standards - Design Guidelines*, as written at the time of Development Permit application;
- (h) **“Development Permit”** means a development permit issued by the City authorizing development on the Lands or any portion of the Lands at any time following the date this Agreement is fully executed by the parties;
- (i) **“Director of Legal Services”** means the chief administrator from time to time of the Legal Services Department of the City and her successors in function and respective nominees;
- (j) **“Economically Viable”** means that the projected energy costs to the end user of energy in the Building(s) are not greater than ten percent (10%) above the projected energy costs to the end user of using the existing Energy Works based on a 25 year levelized cost comparison that factors in:
 - (i) electricity and natural gas delivery commodity price projections, factoring in all rate riders, related fees and taxes;
 - (ii) avoided cost of operating and maintaining the existing Energy Works, where the annual maintenance costs of the Energy Works are assumed to be equivalent to two percent of the estimated replacement value of the Energy Works equipment, including all boilers, heat pumps, circulation pumps, etc.;
 - (iii) annualized efficiency of existing Energy Works;
 - (iv) costs to replace or decommission existing Energy Works equipment;
 - (v) annualized replacement cost of Energy Works equipment, which may include equipment used for baseload, peaking or backup thermal energy supply, where the useful life of Energy Works equipment is assumed to be 25 years;
 - (vi) the value of the remaining useful life of the Energy Works;
 - (vii) projected cost of low-carbon neighbourhood energy services, factoring in all connection fees, rate riders, related fees and taxes;
 - (viii) any external funding sources secured to improve the business case for connection;
 - (ix) costs of interim heating solutions, such as temporary boilers, required to service the Building(s) before it is connected to the NES; and
 - (x) such other factors as the City Engineer determines, in his sole discretion, are relevant in the circumstance;

- (k) **“Energy Transfer Station” or “ETS”** means a dedicated space housing equipment installed and operated by the Utility Provider that serves as an interface between the NES distribution system and the in-building mechanical system including necessary pipes, heat exchanges, and associated controls and energy meters for the purpose of delivering and metering heat energy to the connected Building(s);
- (l) **“Energy Works”** means the mechanical equipment and infrastructure associated with the generation of thermal energy for space and hot water heating for the Building(s), which may or may not be partially or fully centralized within one or more mechanical room(s) for multiple Buildings within a development, and part or all of which may become redundant and no longer required following NES connection;
- (m) **“Event of Force Majeure”** means acts of God or public enemy, wars (declared or undeclared), revolution, riots, insurrections, civil commotions, fires, floods, slides, epidemics, quarantine restrictions, strikes or lockouts, including illegal work stoppages or slowdowns, or stop work orders issued by a court or public authority, including the City (provided that such orders were not issued as a result of an act or omission of the Owner, or anyone employed or retained by the Owner), freight embargos or power failures, provided that any such event or circumstance reasonably constitutes a material disabling event or circumstance which is beyond the reasonable control of a party, does not arise from the neglect or default of a party, and which results in a material delay, interruption or failure by a party in carrying out its duties, covenants or obligations under this Agreement, but which does not mean or include any delay caused by the Owner’s lack of funds or financial condition (and for greater certainty, a strike or lockout, including illegal work stoppages or slowdowns, will be considered beyond the reasonable control of a party and not to arise from the neglect or default of that party, it being understood that the terms of settlement of any labour disturbance, dispute, strike or lockout will be wholly in the discretion of that party);
- (n) **“Future Connection Condition”** has the meaning set out in Recital C to this Agreement;
- (o) **“Land Title Act”** means the *Land Title Act*, R.S.B.C. 1996, c. 250;
- (p) **“Lands”** means the parcel or parcels of land situate in the City of Vancouver, Province of British Columbia, described in Item 2 of the General Instrument Part 1 and includes any parcel into which such land is consolidated or further subdivided;
- (q) **“Losses”** means all damages, losses, costs, actions, causes of action, claims, demands, builders liens, liabilities, expenses, indirect or consequential damages (including loss of profits and loss of use and damages arising out of delays);
- (r) **“LTO”** means the land title office for the jurisdiction in which the Lands are situate;

- (s) **“NES”** means a neighbourhood energy system operated by the City-designated Utility Provider that generates, distributes, meters, and transfers low carbon thermal energy from one or more sources of heat to and from connected buildings through a network of pipes and associated permanent or temporary equipment and infrastructure to provide all or a portion of the annual space and hot water heating requirements of each Building;
- (t) **“NES Connection Assessment”** means the process of assessing the potential connection of a Building or group of buildings to the NES, as further described in Section 3.2 of this Agreement;
- (u) **“Owner”** means the Transferors, 1072705 B.C. LTD. and 1072719 B.C. LTD., and includes any assigns and successors in title to the Lands or portion thereof and, if the Lands are subdivided by way of a strata plan, then **“Owner”** includes, without limitation, a strata corporation thereby created;
- (v) **“Owner’s Personnel”** means the Owner’s officers, employees, agents, contractors, subcontractors, licencees, invitees, permittees and lessees;
- (w) **“Prime Rate”** means at any time, the per annum rate of interest published by the main branch in the City of Vancouver of the Bank of Montreal, or its successor at such time, as its reference rate for setting rates of interest on loans of Canadian dollars to customers in Canada and referred to by such bank as its “prime rate”, provided however that if such bank publishes more than one such reference rate at any time, the Prime Rate will be the highest thereof, and provided further that, if a court holds that this definition of Prime Rate is vague, uncertain or otherwise defective, then the Prime Rate will be three percent greater than the per annum rate of interest established by the Bank of Canada as the rate payable on overnight loans by Schedule I Canadian Chartered Banks;
- (x) **“Rate Setting Authority”** means, as applicable, BCUC or, if the City is the Utility Provider and exempt from BCUC regulation in setting the energy rates, the City;
- (y) **“Required Information”** means, collectively:
 - (i) detailed plans and specifications of the Energy Works;
 - (ii) information on the age of the Energy Works and any other HVAC, heating or energy systems in the Building(s);
 - (iii) current and historical maintenance records for the Building(s)’ Energy Works;
 - (iv) current and historical information and billing records detailing the annual and peak heating energy demands of the Building(s) as a whole; and

- (v) such other information as the Utility Provider or the City may reasonably require for the purposes of completing the NES Connection Assessment;
- (z) **“Statutory Right of Way”** means that statutory right of way granted in favour of the City in section 2.1 herein;
- (aa) **“Triggering Event”** means:
 - (i) an application for a Triggering Permit made following the execution of this Agreement; or
 - (ii) notice from the Owner to the City, or from the City to the Owner, that the Owner or the City, respectively, wishes to complete the NES Connection Assessment;
- (bb) **“Triggering Permit”** means a:
 - (i) gas permit for the replacement, modification or upgrade of the Energy Works; or
 - (ii) plumbing permit for the replacement, modification or upgrade of the Energy Works,but for clarity does not include any replacements or modifications of the foregoing which are necessary as part of the initial construction of the Building(s) prior to completion of the construction of the Building(s);
- (cc) **“Utilities Commission Act”** means the Utilities Commission Act, R.S.B.C 1996, c. 473, and its regulations;
- (dd) **“Utility Provider”** means the owner and/or operator of the NES with all necessary approvals and, if applicable, BCUC certificates, to provide NES services in the applicable neighborhood;
- (ee) **“Vancouver”** has the meaning ascribed to that term in Recital A(b); and
- (ff) **“Vancouver Charter”** means the Vancouver Charter S.B.C., 1953 c. 55.

1.2 Interpretation

- (a) Any interest in land created hereby, including those noted in the Form C attached to and forming part of this Agreement, as being found in certain Articles, Sections, paragraphs or parts of this Agreement, will be construed, interpreted and given force in the context of those portions of this Agreement:
 - (i) that define the terms used in this Agreement;
 - (ii) that deal with the interpretation of this Agreement; and
 - (iii) that are otherwise of general application.

- (b) In this Agreement, the words “include” and “including” are to be construed as meaning “including, without limitation”.

1.3 Headings

The division of this Agreement into Articles and Sections and the insertion of headings are for the convenience of reference only and will not affect the construction or interpretation of this Agreement. The terms “this Agreement”, “hereof”, “hereunder” and similar expressions refer to this Agreement and not to any particular Article or other portion hereof and include any agreement or instrument supplemental or ancillary hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and Sections are to Articles and Sections of this Agreement.

1.4 Number

Words importing the singular number only will include the plural and vice versa, words importing the masculine gender will include the feminine and neuter genders and vice versa, and words importing persons will include individuals, partnerships, associations, trusts, unincorporated organizations and corporations and vice versa.

1.5 Governing Law

This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable in British Columbia. Any reference to a statute is to the statute and its regulations in force on the date the Form C General Instrument - Part 1 is fully executed and to subsequent amendments to or replacements of the statute or regulations.

ARTICLE 2 STATUTORY RIGHT OF WAY

2.1 Grant of Statutory Right of Way

Pursuant to Section 218 of the *Land Title Act*, the Owner hereby grants to the City the full and free right, liberty, easement and statutory right of way over the Lands at its will and pleasure at all times until the discharge of this Agreement, to permit the City, City Personnel or any designate of the City, including a Utility Provider, to enter on the Lands with workers, vehicles, equipment, tools and materials for the purposes of:

- (a) inspecting the Energy Works to assess potential connectability with the NES, including to assess the remaining useful life of the Energy Works and the Economic Viability of such connection;
- (b) carrying out any of the Owner’s obligations in accordance with ARTICLE 3; however, the City will not exercise these rights unless the Owner is in default of any of its obligations under ARTICLE 3 (and the cure period set out in section 5.1 has expired) and without first giving 30 days’ written notice to the Owner of the City’s intention to carry out such work, which notice will include a reasonable description of the Owner’s default, provided that no notice will

be required in the event of emergency or apprehended emergency, in the sole opinion of the City Engineer;

- (c) accessing the dedicated space or dedicated room which is to serve as the Energy Transfer Station, as provided for in Section 3.1(c), to carry out any of the Owner's obligations in this Agreement; and
- (d) carrying out any other work contemplated under this Agreement.

Notwithstanding the above, the City agrees that it shall not exercise its rights under section 2.1 (b), (c) or (d) to enter on the Lands, or any portion thereof, until the occurrence of a Triggering Event. The City shall, and shall instruct any City Personnel or other designates to, give reasonable advanced notice prior to exercising its rights under section 2.1(a) and use reasonable measures to minimize any disturbance to the residents of the Building(s).

The City covenants that, in exercising any rights hereunder, the City and City Personnel will use (and will cause any designate of the City, including a Utility Provider, to use) only those portions of the Lands reasonably necessary to do so.

ARTICLE 3 FUTURE NES CONNECTION

3.1 Energy Works Restriction and Permit Holds

Pursuant to Section 219 of the *Land Title Act*, in respect of the use of the Lands the Owner covenants and agrees with the City that:

- (a) upon the occurrence of a Triggering Event, the Owner shall cooperate with the City and the Utility Provider to complete the NES Connection Assessment, and shall satisfy the Owner's remaining obligations under Article 3;
- (b) if the Triggering Event is application for a Triggering Permit, then, except in the case of emergency, notwithstanding that the Owner may be otherwise entitled:
 - (i) the Owner will take no action nor cause any direct or indirect action to be taken to compel the issuance of any Triggering Permit;
 - (ii) the Owner shall not carry out any work, replacement or major repair of the Energy Works; and
 - (iii) the City will not be under any obligation to issue any Triggering Permit,until the NES Connection Assessment has been completed and a determination has been made regarding the Owner connecting to the NES; and
- (c) the Owner will make available a dedicated space equivalent to not less than 225 ft², unless otherwise approved by the City Engineer at the time of building permit issuance, to serve as an Energy Transfer Station connecting the Energy Works of all Building(s) within the development to the future NES; this space

may be a separate dedicated room or a dedicated space within the mechanical room as determined by the Owner and as approved by the City Engineer prior to issuance of a building permit.

If any work, replacement or repair of the Energy Works necessary to provide heat and hot water to the Building(s) is required prior to a NES Connection Assessment being completed and, if a NES is Available, then the Owner shall cooperate with the Utility Provider to implement reasonable temporary equipment or measures necessary to ensure the continued supply of heat and hot water to the Building(s) while the NES Connection Assessment is being completed. Without limiting the discretion of the Rate Setting Authority to set rates or the provisions of the *Utilities Commission Act*, the Owner shall not be required to pay any up-front incremental or additional costs of such temporary equipment or measures that would not have been incurred but for the Owner's obligation to complete the NES Connection Assessment.

3.2 NES Connection Assessment

The Owner shall cooperate with the City and Utility Provider to complete the NES Connection Assessment. To complete the NES Connection Assessment, all to the satisfaction of the City Engineer:

- (a) the City and the Utility Provider shall confirm if a NES is Available; and
 - (b) if a NES is Available:
 - (i) the Owner shall provide the Required Information and cooperate with the City Engineer and the Utility Provider to determine if connecting the Building(s) to the NES is Economically Viable; and
 - (ii) the parties shall determine if the Utility Provider is willing to provide energy to the Building(s) without a capital contribution from the Owner,
- (the "NES Connection Assessment").

3.3 Required Information

For the purposes of completing the NES Connection Assessment, the Owner (or, if any Building has been subdivided by strata plan, then the strata corporation created thereby) shall provide the City and the Utility Provider with the Required Information upon:

- (a) the request of the City or City Personnel; or
- (b) within 45 days of a Triggering Event.

3.4 Obligation to Connect

If, upon completion of the NES Connection Assessment:

- (a) a NES is Available;

- (b) the City Engineer determines, in his or her sole discretion, that connecting the Building(s) to the NES is Economically Viable;
- (c) the Utility Provider is willing to provide energy to the Building(s) without a capital contribution from the Owner, other than as approved by the Rate Setting Authority as part of the energy rates, and without the Utility Provider charging the Owner a one-time connection fee exceeding \$10 to recover the cost of the connection; and
- (d) unless exempt from BCUC regulation and, if required to extend the NES to the Building(s), the Utility Provider is willing to apply to the BCUC for a certificate of public convenience and necessity on the basis set out herein, and the BCUC issues a certificate of public convenience and necessity to the Utility Provider,

then, the Owner will connect to the NES upon its extension by the Utility Provider to the Building(s) in accordance with any directions provided by the BCUC, if applicable, in its issuance of the certificate of public convenience, and the City Engineer may refuse to issue any Triggering Permits. If so required, the Owner shall carry out such steps as are necessary to connect to the NES, including those set out in Section 3.5 of this Agreement, and shall not carry out any replacement, repair or upgrade of the Energy Works, unless specifically authorized by the City Engineer, in his sole discretion, subject to the applicable direction of the Rate Setting Authority.

If the Owner is not obliged to connect to the NES in accordance with this section, then the restrictions and the Owner's covenants set out in Section 3.1 of this Agreement shall not apply for the period of time necessary to allow the Owner to apply for the necessary permits and to complete all work authorized by such permits in respect of the replacement, repair or upgrade of the Energy Works.

3.5 Requirements for Connection

If the Owner is obliged to connect to the NES in accordance with section 3.4, then the Owner shall:

- (a) allow the Utility Provider to access, retrofit and modify the Energy Works and the Building(s) mechanical system for the purpose of connecting the Building(s) to the NES;
- (b) enter into a long-term agreement with the Utility Provider to allow for the provision of energy to the Building(s) and granting the Utility Provider access to necessary energy and mechanical systems in the Building(s); and
- (c) facilitate connection of the Building(s) to the NES within 24 months of the City Engineer directing the Owner to connect to the NES.

3.6 Discharge of Covenant

Upon the Owner connecting to the NES, the City will execute a discharge of the Section 219 Covenant in Section 3.1 and Section 218 Statutory Right of Way in Section 2.1 from title to the Lands provided that:

- (a) the City will have no obligation to execute such discharge until a written request therefor from the Owner has been received by the City, which request will include the form of discharge in registrable form;
- (b) the cost of preparation of such discharge and the cost of registration of the same in the LTO will be paid by the Owner; and
- (c) the City will have a reasonable time within which to execute such discharge and return same to the Owner for registration.

If the NES Connection Assessment is completed, but the Owner is not directed to connect to the NES at that time, then this Agreement shall remain on title to the Lands and the Section 219 Covenant and Section 218 Statutory Right of Way shall continue to run with and bind the Lands.

3.7 If Permit Issued Inadvertently

The Owner covenants and agrees that any Triggering Permit issued inadvertently or otherwise prior to the Owner complying with ARTICLE 3 may be revoked by the issuing authority at any time and further agrees that if the Owner commences any work on the Energy Works in contravention of this Agreement, the City may pursue all remedies, including, without limitation, injunctive relief.

ARTICLE 4 SUBDIVISION

4.1 More than One Building

If more than one Building is constructed on the Lands, and any of such Buildings are not supplied by the same Energy Works, then:

- (a) the rights, benefits, burdens, obligations, covenants and statutory right of way contained in this Agreement shall apply to each Building with its own Energy Works system as if a separate Agreement were entered into in respect of each such Building; and
- (b) if the Lands are subdivided at any time thereafter, then:
 - (i) the rights and benefits of this Agreement herein granted will be annexed to and run with each of the new parcels, lots, or other subdivided parcels and areas so created upon or in which a Building with Energy Works is situate; and
 - (ii) the burdens, obligations, covenants and statutory right of way contained in this Agreement will continue to charge each of the new parcels, lots, or other subdivided parcels and areas so created upon or in which a Building with Energy Works is situate.

4.2 Subdivision by Strata Plan

If the Lands, or any portion thereof, are subdivided by a strata plan, then:

- (a) the Energy Works will be located in and will form part of the common property of such strata plan and will not be located in or form a strata lot or part of a strata lot;
- (b) the Section 219 covenants and obligations therein will charge title to the strata lots and the common property comprising such strata plan and be registered against each individual strata lot and noted on the common property record;
- (c) the statutory right of way granted herein will charge title to the common property comprising such strata plan and be noted on the common property record;
- (d) the strata corporation(s) so created will perform and observe the Owner's covenants in this Agreement at the expense of the strata lot owners, provided that each strata lot owner's liability with respect thereto is limited to the owner's proportionate share of the liability for obligations of the strata corporation in accordance with the *Strata Property Act* (British Columbia); and
- (e) no part of the Energy Works will form part of or be located within any strata lot or part of any strata lot,

provided that, if the Lands are first subdivided by air space plan and then one or more of these parcels are further subdivided by strata plan, the easements and covenants registered concurrently with the air space plan may designate the owner of any air space parcel or the remainder responsible to perform and observe the Owner's covenants in this Agreement.

ARTICLE 5 DEFAULT

5.1 Notice on Default

Notwithstanding anything to the contrary contained in this Agreement, in the event that the City Engineer is of the opinion that the Owner is at any time in default of any of its obligations under this Agreement, the City Engineer will deliver written notice of such default to the Owner.

From the date of delivery of the notice described above, the Owner will have 14 days in which to remedy the default, to the satisfaction of the City Engineer, or to commence remedying the default and diligently and continuously proceed to completion with remedying the default, to the satisfaction of the City Engineer. If the Owner fails to remedy the default, then the City may remedy the default at the sole cost and expense of the Owner.

ARTICLE 6 INDEMNITIES

6.1 Release and Indemnity

The Owner hereby waives, remises, releases and discharges absolutely the City and all City Personnel, and covenants and agrees to indemnify and save harmless the City and City Personnel, from and against all Losses which may arise or accrue to the Owner or any person, firm or corporation against the City or any City Personnel or which the City or any City Personnel may pay, incur, sustain or be put to:

- (a) by reason of the City or City Personnel:
 - (i) withholding any Development Permit pursuant to the Future Connection Condition;
 - (ii) withholding any Triggering Permit pursuant to this Agreement;
 - (iii) directing or requiring the Owner to complete the NES Connection Assessment or connect the Building(s) to the NES; or
 - (iv) requiring the Owner to carry out any work pursuant to this Agreement; and
- (b) exercising any of its rights under the Section 219 covenant or statutory right of way granted to the City pursuant to this Agreement, whether or not such Losses are the result of, or relate in any way to any negligent or wilful acts or omissions on the part of the City, City Personnel or the Utility Provider or that arise out of, or would not have been incurred but for this Agreement, except for any Losses that result from any willful misconduct by the City or any City Personnel.

6.2 Survival Of Release And Indemnities

The indemnities in this ARTICLE 6 will be both personal covenants of the Owner and integral parts of the Section 219 covenant granted in this Agreement and the Owner and the City acknowledge and agree that the indemnity set forth in this Section 6.1 will apply and continue in full force and effect from the date of this Agreement notwithstanding:

- (a) completion of the Energy Works;
- (b) completion of the NES Connection Assessment;
- (c) connection to a NES;
- (d) modification of, or partial release or release of the covenants granted in this Agreement; or
- (e) termination of this Agreement.

**ARTICLE 7
EXERCISE OF AUTHORITY**

7.1 City Engineer

A power or discretion exercisable hereunder by the City Engineer may be exercised by his designate or by the City's Deputy City Engineer or his designate.

**ARTICLE 8
NOTICES**

8.1 Notices

Any notice, approval or request required or permitted to be given under this Agreement will be in writing and may be given by delivering such notice, approval or request to a representative of the party for whom it is intended, either by personal delivery or by mailing such notice, approval or request by prepaid registered mail from any post office in British Columbia and:

- (a) in the case of the Owner, addressed to it at:

Arpeg Holdings Ltd.
73 East Hastings Street
Vancouver, British Columbia V6A 1M9

with a copy to:

Bosa Properties Inc.
1201 - 838 West Hastings Street
Vancouver, British Columbia V6C 0A6

- (b) and in the case of the City, addressed to it at:

City of Vancouver
453 West 12th Avenue
Vancouver, British Columbia V5Y 1V4

Attention: City Clerk

with concurrent copies to the City Engineer and the Director of Legal Services;

or at such other address as the parties may from time to time advise by notice in writing. Any such notice, approval or request will be deemed to have been received on the date of delivery of such notice, approval or request, or the third business day next following the date of such mailing if mailed as aforesaid, provided that if mailed should there be, between mailing and the actual receipt of such notice, approval or request, a mail strike, slowdown or other labour dispute which might affect the delivery of such notice, approval or request, such notice, approval or request will only be effective if actually delivered.

**ARTICLE 9
MISCELLANEOUS**

9.1 Air Space Parcels

In the event the Lands are subdivided by air space parcel subdivision plan, the Owner covenants and agrees that it shall ensure the appropriate agreements among the various owners of the resultant parcels of the Lands regarding access to and cost-sharing, maintenance, repair, replacement and operation of the Energy Works shall be entered into, including the necessary easements to ensure that each owner of the resultant parcels of the Lands may access the Energy Works for the aforementioned purposes and an express acknowledgement of the City's rights of access hereunder. Notwithstanding the subdivision of the Lands by an air space parcel plan, the Owner acknowledges and agrees that it shall remain solely liable to perform and observe the Owner's covenants herein at the sole cost and expense of the Owner.

9.2 Severability

All the obligations and covenants contained in this Agreement are severable, so that if any one or more of the obligations or covenants are held by or declared by a court of competent jurisdiction to be void or unenforceable, the balance of the obligations and covenants will remain and be binding.

9.3 Joint and Several

If the Owner consists of more than one person, each such person will be jointly and severally liable to perform the Owner's obligations under this Agreement.

9.4 Registration

The Owner agrees to cause the registrable interests in land expressly agreed to be granted pursuant to this Agreement to be registered as first registered charges against the Lands, save only for any reservations, liens, charges or encumbrances:

- (a) contained in any grant from Her Majesty the Queen in Right of the Province of British Columbia respecting the Lands;
- (b) registered against any of the titles to the Lands at the instance of the City, whether in favour of the City or otherwise, as a condition of the Development Permit; and
- (c) which the Director of Legal Services has determined, in her sole discretion, may rank in priority to the registrable interests in land granted pursuant to this Agreement.

9.5 City's Other Rights Unaffected

Nothing contained or implied herein will derogate from the obligations of the Owner under any other agreement with the City or, if the City so elects, prejudice or affect the City's rights, powers, duties or obligations in the exercise of its functions pursuant to the *Vancouver Charter* as amended from time to time and the rights, powers, duties and



obligations of the City under all public and private statutes, by-laws, orders and regulations, which may be, if the City so elects, as fully and effectively exercised in relation to the Lands as if this Agreement had not been executed and delivered by the Owner and the City. In the event that the subject matter of this Agreement is, in the future, regulated by by-law, this Agreement shall be subordinate and may be amended, discharged or replaced by the City as required for the purposes of such bylaw.

9.6 Further Assurances

The parties to this Agreement will do such things and execute such documents and in such form as may reasonably be necessary in order to perfect the intention of this Agreement.

9.7 Force Majeure

If an Event of Force Majeure occurs or is likely to occur, the Owner will promptly notify the City of the particulars of the relevant event or circumstance and, if reasonably possible, supply supporting evidence. The Owner will use its best efforts to remove, curtail or contain the cause of the delay, interruption or failure (provided that the terms of settlement of any labour disturbance, dispute, strike or lockout will be wholly in the discretion of the Owner) and to resume, with the least possible delay, its compliance with duties, covenants and obligations under this Agreement. Neither the City nor the Owner will be liable to the other for any delay, interruption or failure in the performance of its duties, covenants, or obligations under this Agreement if caused by an Event of Force Majeure, and the date limited for the performance of such duties, covenants or obligations under this Agreement will be postponed for a period equal to the delay occasioned by such an Event of Force Majeure.

9.8 Assignment by City

The City, upon prior written notice to the Owner, may assign all or any part of this Agreement to any governmental agency or to any corporation or entity charged with the responsibility for providing such public facilities and services as are contemplated by this Agreement, including the Utility Provider; and the City may designate licensees and permittees for any and all purposes of this Agreement.

9.9 No Waiver

The Owner acknowledges and agrees that no failure on the part of the City to exercise and no delay in exercising any right under this Agreement will operate as a waiver thereof nor will any single or partial exercise by the City of any right under this Agreement preclude any other or future exercise thereof or the exercise of any other right. The remedies provided for in this Agreement will be cumulative and not exclusive of any other remedies provided by law and all remedies stipulated for the City in this Agreement will be deemed to be in addition to and not, except as herein expressly stated, restrictive of the remedies of the City at law or in equity.

9.10 Time of Essence

Time will be of the essence of this Agreement.

9.11 Owner's Representations and Warranties

The Owner represents and warrants to and covenants and agrees with the City that:

- (a) it has the full and complete power, authority and capacity to enter into, execute and deliver this Agreement and to bind all legal and beneficial interests in the title to the Lands with the interests in land created hereby;
- (b) upon execution and delivery of this Agreement and registration thereof, the interests in land created hereby will encumber all legal and beneficial interests in the title to the Lands;
- (c) this Agreement will be fully and completely binding upon the Owner in accordance with its terms and the Owner will perform all of its obligations under this Agreement in accordance with its terms; and
- (d) the foregoing representations, warranties, covenants and agreement will have force and effect notwithstanding any knowledge on the part of the City whether actual or constructive concerning the status of the Owner with regard to the Lands or any other matter whatsoever.

9.12 Agreement Runs with the Lands

This Agreement will run with the Lands and will bind the Lands and will attach thereto and run with each and every part into which the same may be subdivided or consolidated whether by strata plan, subdivision plan or otherwise.

9.13 Transfer of Lands

The Owner covenants and agrees with the City that upon any sale, transfer or conveyance of the Lands, or any portion thereof, to any person, trust, corporation, partnership or other entity, the Owner will obtain from such person, trust, corporation, partnership or entity and deliver to the City a duly executed acknowledgement of the terms of this Agreement and an assumption of the continuing obligations of the Owner pursuant to this Agreement. The creation of a strata corporation by deposit of a strata plan in respect of the Lands, or any portion thereof, is deemed to be a transfer for the purposes of this section 9.13, and the Owner will obtain from such strata corporation and deliver to the City a duly executed acknowledgement of the terms of this Agreement and an assumption of the continuing obligations of the Owner pursuant to this Agreement. Notwithstanding the foregoing, this section 9.13 will not apply to the transfer of any individual residential strata lot created by the registration of a strata plan pursuant to the *Strata Property Act* (British Columbia) with respect to the Lands or any portion thereof.

9.14 No Liability

The parties agree that neither the Owner nor any successor in title to the Lands, will be liable for breaches or non-observance or non-performance of covenants herein occurring as the same relate to the Lands after it has ceased to be the registered owner of the Lands, but the Owner, or its successors in title, as the case may be, will remain liable after ceasing to be the registered owner of the Lands for all breaches of and non-observance and non-performance of covenants herein as the same relate to the Lands that occur prior to the

Owner, or any successor in title as the case may be, ceasing to be the registered owner of the Lands.

9.15 Enurement

This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective successors, administrators and permitted assigns.

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the General Instrument - Part 1 which is attached hereto and forms part hereof.



CONSENT AND PRIORITY INSTRUMENT

In this consent and priority instrument:

- (a) **“Existing Charges”** mean the Mortgage registered under number CA3165287 extended by number CA5311916;
- (b) **“Existing Chargeholder”** means **BOSA PROPERTIES (CARDERO) INC.**;
- (c) **“New Charges”** means the Section 219 Covenant and Statutory Right of Way contained in the attached Terms of Instrument - Part 2; and
- (d) words capitalized in this instrument, not otherwise defined herein, have the meaning ascribed to them in the attached Terms of Instrument - Part 2.

For ten dollars and other good and valuable consideration, the receipt and sufficiency of which the Existing Chargeholder acknowledges, the Existing Chargeholder:

- (a) consents to the Owner granting the New Charges to the City; and
- (b) agrees with the City that the New Charges charge the Lands in priority to the Existing Charges in the same manner and to the same effect as if the Owner had granted the New Charges, and they had been registered against title to the Lands, prior to the grant or registration of the Existing Charges or the advance of any money under the Existing Charges.

To witness this consent and priority instrument, the Existing Chargeholder has caused its duly authorized signatories to sign the attached General Instrument - Part 1.



CONSENT AND PRIORITY INSTRUMENT

In this consent and priority instrument:

- (a) "Existing Charges" means the Mortgage registered under number CA5311437, extended by number CA5311917 and the Assignment of Rents registered under number CA5311438, extended by number CA5311918;
- (b) "Existing Chargeholder" means **CANADIAN IMPERIAL BANK OF COMMERCE**;
- (c) "New Charges" means the Section 219 Covenant and Statutory Right of Way contained in the attached Terms of Instrument - Part 2; and
- (d) words capitalized in this instrument, not otherwise defined herein, have the meaning ascribed to them in the attached Terms of Instrument - Part 2.

For \$10 and other good and valuable consideration, the receipt and sufficiency of which the Existing Chargeholder acknowledges, the Existing Chargeholder:

- (e) consents to the Owner granting the New Charges to the City; and
- (f) agrees with the City that the New Charges charge the Lands in priority to the Existing Charges in the same manner and to the same effect as if the Owner had granted the New Charges, and they had been registered against title to the Lands, prior to the grant or registration of the Existing Charges or the advance of any money under the Existing Charges.

To witness this consent and priority instrument, the Existing Chargeholder has caused its duly authorized signatories to sign the attached General Instrument - Part 1.

END OF DOCUMENT

EXHIBIT "P"

NEIGHBOURHOOD ENERGY SYSTEM ENCUMBRANCES – PART 2

(See Next Page)



LAND TITLE ACT
FORM C (Section 233) CHARGE
GENERAL INSTRUMENT - PART 1 Province of British Columbia

Jun-30-2016 16:39:50.009

CA5312607 CA5312615

PAGE 1 OF 24 PAGES

Your electronic signature is a representation that you are a subscriber as defined by the Land Title Act, RSBC 1996 c.250, and that you have applied your electronic signature in accordance with Section 168.3, and a true copy, or a copy of that true copy, is in your possession.

Russell Gregg
Benson
1JB8KS

Digitally signed by Russell Gregg
Benson 1JB8KS
DN: c=CA, cn=Russell Gregg Benson
1JB8KS, o=Lawyer, ou=Verify ID at
www.juricert.com/LKUP.cdm?
id=1JB8KS
Date: 2016.06.30 16:20:24 -07'00'

1. APPLICATION: (Name, address, phone number of applicant, applicant's solicitor or agent)

Alison Thornhill, TERRA LAW CORPORATION

Suite 2800 - 650 West Georgia Street

PO Box 11506

Vancouver

BC V6B 4N7

Phone 604-628-8977

Client No. 12544 Doc No. 482969

File No. 208652/441435

Document Fees: \$644.22

Deduct LTSA Fees? Yes ☒

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:

[PID]

[LEGAL DESCRIPTION]

NO PID NMBR

LOT A BLOCK 42 DISTRICT LOT 185 GROUP 1 NEW WESTMINSTER
DISTRICT AND OF PART OF THE PUBLIC HARBOUR OF BURRARD INLET
PLAN EPP62321

STC? YES

Related Plan Number: EPP62321

3. NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

SEE SCHEDULE

4. TERMS: Part 2 of this instrument consists of (select one only)

(a) ☐ Filed Standard Charge Terms D.F. No.

(b) ☒ Express Charge Terms Annexed as Part 2

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument.

5. TRANSFEROR(S):

SEE SCHEDULE

6. TRANSFEREE(S): (including postal address(es) and postal code(s))

CITY OF VANCOUVER

453 WEST 12TH AVENUE

VANCOUVER

BRITISH COLUMBIA

V5Y 1V4

CANADA

7. ADDITIONAL OR MODIFIED TERMS:

n/a

8. EXECUTION(S): This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

Officer Signature(s)

Jordan E. Langlois

Barrister & Solicitor

Kornfeld LLP

1100-505 Burrard Street

Vancouver, BC V7X 1M5

Telephone: 604-331-8315

(as to both signatures)

Execution Date		
Y	M	D
16	06	28

Transferor(s) Signature(s)

1072705 B.C. LTD. by its authorized
signatory(ies):

Print Name: Barbara Bell

Print Name: Drew Ratcliffe

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.



BC CONDOS.NET





LAND TITLE ACT
FORM D

EXECUTIONS CONTINUED

PAGE 3 of 24 PAGES

Officer Signature(s)

Damian Koo

Barrister & Solicitor

453 West 12th Avenue
Vancouver, BC V5Y 1V4
Tel: 604-873-7540

Execution Date

Y	M	D
16	06	29

Transferor / Borrower / Party Signature(s)

CITY OF VANCOUVER by its
authorized signatory(ies):

Print Name: Andrew Francis

Print 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.



**LAND TITLE ACT
FORM D**

EXECUTIONS CONTINUED

PAGE 4 of 24 PAGES

Officer Signature(s)

Russell G. Benson

Barrister & Solicitor

Terra Law Corporation
Suite 2800 - 650 West Georgia Street
Vancouver, BC V6B 4N7
604-628-8991

Execution Date

Y	M	D
16	06	24

Transferor / Borrower / Party Signature(s)

BOSA PROPERTIES (CARDERO) INC.
by its authorized signatory(ies):

Print Name: Dale Bosa

Print 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.



**LAND TITLE ACT
FORM D**

EXECUTIONS CONTINUED

PAGE 5 of 24 PAGES

Officer Signature(s)

Execution Date

Transferor / Borrower / Party Signature(s)

C. Warren Beil

Barrister & Solicitor

Gowlings WLG (Canada) LLP
550 Burrard Street - Suite 2300
Bentall 5 - Vancouver, BC V6C 2B5
Telephone: 604-683-6498

Y	M	D
16	06	27

CANADIAN IMPERIAL BANK OF
COMMERCE by its authorized
signatory(ies):

Print Name: Crystal Lo

Print Name: Graham Worth
Senior Manager

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.



**LAND TITLE ACT
FORM E****SCHEDULE**

PAGE 6 OF 24 PAGES

NATURE OF INTEREST
Statutory Right of Way**CHARGE NO.****ADDITIONAL INFORMATION**
Page 13, Section 2.1

NATURE OF INTEREST
Priority Agreement**CHARGE NO.****ADDITIONAL INFORMATION**
Page 23

NATURE OF INTEREST
Priority Agreement**CHARGE NO.****ADDITIONAL INFORMATION**
Page 24

NATURE OF INTEREST
Statutory Right of Way**CHARGE NO.****ADDITIONAL INFORMATION**
Page 15, Section 3.1

NATURE OF INTEREST
Priority Agreement**CHARGE NO.****ADDITIONAL INFORMATION**
Page 23

NATURE OF INTEREST
Priority Agreement**CHARGE NO.****ADDITIONAL INFORMATION**
Page 24

**LAND TITLE ACT
FORM E****SCHEDULE**

PAGE 7 OF 24 PAGES

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

Covenant

Section 219 Covenant
Page 16, Section 4.1

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

Priority Agreement

Page 23

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

Priority Agreement

Page 24

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION



**LAND TITLE ACT
FORM E**

SCHEDULE

PAGE 8 OF 24 PAGES

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM, OR GENERAL INSTRUMENT FORM.

TRANSFERORS:

1072705 B.C. LTD. (Inc. No. BC1072705)

1072719 B.C. LTD. (Inc. No. BC1072719)

BOSA PROPERTIES (CARDERO) INC. (Inc. No. BC944999) (as to Priority)

CANADIAN IMPERIAL BANK OF COMMERCE (as to Priority)



TERMS OF INSTRUMENT - PART 2

STATUTORY RIGHT OF WAY FOR NEIGHBOURHOOD ENERGY ROOM
SECTION 219 COVENANT

1575 - 1577 WEST GEORGIA STREET AND
620 CARDERO STREET

Introduction

- A. It is understood and agreed that this Agreement shall be read as follows:
- (1) the Transferors, 1072705 B.C. LTD. and 1072719 B.C. LTD., are collectively called the "Owner"; and
 - (2) the Transferee, City of Vancouver, is called the "City" or the "City of Vancouver" when referring to the corporate entity, and "Vancouver" when referring to geographical location;
- B. The Owner is the registered owner of the Lands;
- C. The Owner made an application to rezone:
- (1) 1575-1577 West Georgia Street (forming part of the Lands) from CD-1 (Comprehensive Development) District (336) to a new CD-1 (Comprehensive Development) District; and
 - (2) 620 Cardero Street (forming the balance of the Lands) from CD-1 (Comprehensive Development) District (312) to a new CD-1 (Comprehensive Development) District,
- D. to allow for development of a 26-storey mixed-use building containing 175 market strata units, along with retail, service and office uses (the "Rezoning") on the Lands and, after a public hearing to consider the said application, it was approved by City Council, in principle, subject to, among other things, fulfilment of the conditions that, prior to enactment, the Owner make arrangements to the satisfaction of the City Engineer and the Director of Legal Services for provision of a minimum 93 square metre location on the rezoning site to be utilized for equipment ancillary to the operation of the NES, and any associated equipment (the "Rezoning Condition");
- E. To satisfy the Rezoning Condition, the Owner has agreed to enter into this Agreement with the City and to register this Agreement on title to the Lands at the Land Title Office which grants to the City:
- (1) a Statutory Right of Way over the Lands to install, operate, maintain, inspect, repair and access the NES Equipment that will be located in the Neighbourhood Energy Room;
 - (2) a Statutory Right of Way over the Lands to install, inspect and repair the Ancillary Infrastructure; and

- (3) a Section 219 Covenant in favour of the City in which the Owner covenants, among other things, to use the Lands in accordance with this Agreement; and
- F. The Statutory Rights of Way granted herein are necessary to the operation and maintenance of the City's undertaking.

Consideration

In consideration of the payment of TWO DOLLARS (\$2.00) and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged and agreed to by the parties) the Owner and the City agree as follows:

Terms of Agreement

ARTICLE 1

DEFINITIONS

1.1 The terms defined in this Section 1.1 for all purposes of this Agreement, unless otherwise specifically provided herein, will have the meaning hereinafter specified. The defined terms are:

- (a) "Agreement" means this agreement and all schedules attached hereto;
- (b) "Ancillary Infrastructure" means the piping, conduits and other infrastructure that is installed, from time to time, on the Lands for the purpose of connecting the NES Equipment to the NES or other buildings or developments which are using energy generated by the NES and distributed via the NES Equipment;
- (c) "City Engineer" means the chief administrator from time to time of the Engineering Services Department of the City of Vancouver and his successors in function and respective nominees;
- (d) "City Personnel" means the City's officials, employees, contractors, subcontractors, agents, licensees, invitees, and permittees;
- (e) "Covenant" means the covenant under Section 219 of the *Land Title Act* which the Owner is granting to the City under Article 3;
- (f) "day" means a calendar day;
- (g) "Director of Legal Services" means the chief administrator from time to time of the Legal Services Department of the City of Vancouver and her successors in function and respective nominees;
- (h) "Lands" mean the lands and premises located in the City of Vancouver, British Columbia and legally described in Item 2 of the Form C - General Instrument - Part 1;
- (i) "*Land Title Act*" means the *Land Title Act*, R.S.B.C. 1996, c. 250, and all amendments thereto and re-enactments thereof;



- (j) "LTO" means the land title office for the jurisdiction in which the Lands are situate;
- (k) "NES" means the neighbourhood energy system to be constructed and operated by a City-designated NES utility provider that generates, distributes, meters, and transfers thermal energy from one or more sources of heat to and from connected buildings through a network of pipes and associated permanent or temporary equipment and infrastructure to provide all or a portion of the annual space and hot water heating requirements of such buildings;
- (l) "NES Equipment" means the utility equipment, such as boilers, pumps, expansion tanks, controls equipment and all other mechanical or non-mechanical equipment works required for or ancillary to the utility purposes of the NES;
- (m) "Neighbourhood Energy Room" means the minimum 93 square metres suitable site on the Lands, satisfactory to the General Manager of Engineering Services, to be used to house the NES Equipment, the approximate location of which is shown hatched and in bold black outline on the sketch plan attached as Schedule "A";
- (n) "Permitted Encumbrances" means exceptions and reservations contained in the original Crown grant and any statutory rights of way, Section 219 covenants and reservations in favour of the City and any other liens, charges or encumbrances approved in writing by the City;
- (o) "Prime Rate" means at any time, the per annum rate of interest published by the main branch in the City of Vancouver of the Bank of Montreal, or its successor at such time, as its reference rate for setting rates of interest on loans of Canadian dollars to customers in Canada and referred to by such bank as its "prime rate", provided however that if such bank publishes more than one such reference rate at any time, the Prime Rate will be the highest thereof, and provided further that, if a court holds that this definition of Prime Rate is vague, uncertain or otherwise defective, then the Prime Rate will be three percent greater than the per annum rate of interest established by the Bank of Canada as the rate payable on overnight loans by Schedule I - Canadian Chartered Banks;
- (p) "Statutory Rights of Way" means the statutory rights of way over the Lands and the Neighbourhood Energy Room which the Owner is granting to the City pursuant to Articles 2 and 3; and
- (q) "Utility Provider" means the owner and/or operator from time to time of the NES, with all necessary approvals and, if applicable, British Columbia Utilities Commission certificates, to provide energy services in the applicable neighbourhood.

1.2 Interpretation

- (a) Any interest in land created hereby, including those noted in the Form C attached to and forming part of this Agreement, as being found in certain

Articles, Sections, paragraphs or parts of this Agreement, will be construed, interpreted and given force in the context of those portions of this Agreement:

- (i) that define the terms used in this Agreement;
 - (ii) that deal with the interpretation of this Agreement; and
 - (iii) that are otherwise of general application.
- (b) In this Agreement, the words "include" and "including" are to be construed as meaning "including, without limitation".
- (c) The Schedules attached to this Agreement constitute an integral part of this Agreement.

1.3 Headings. The division of this Agreement into Articles and Sections and the insertion of headings are for the convenience of reference only and will not affect the construction or interpretation of this Agreement.

1.4 Number. Words importing the singular number only will include the plural and vice versa, words importing the masculine gender will include the feminine and neuter genders and vice versa, and words importing persons will include individuals, partnerships, associations, trusts, unincorporated organizations and corporations and vice versa.

1.5 Governing Law. This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable in British Columbia.

1.6 Reference to Statute. Any reference to a statute is to the statute and its regulations in force on the date the Form C General Instrument - Part 1 is executed by the City and to subsequent amendments to or replacements of the statute or regulations.

1.7 Time. Time will be of the essence of this Agreement. If either party expressly or impliedly waives this requirement, that party may reinstate it by delivering notice to the other party. If a time is specified in this Agreement for observing or performing any obligation, such time will be then local Vancouver, British Columbia time.

1.8 Validity of Provisions. If a Court of competent jurisdiction finds that any provision contained in this Agreement is invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability will not affect any other provisions of this Agreement which will be construed as if such invalid, illegal, or unenforceable provision had never been contained therein and such other provisions will be enforceable to the fullest extent permitted at law or at equity.

1.9 No Limitation. The word "including" when following any general statement, term or matter is not to be construed to limit such general statement, term or matter to the specific items set forth immediately following such word or to similar items whether or not non-limiting language such as "without limitation" or "but not limited to" or words of similar import are used with reference thereto, but rather such general statement, term or matter is to be construed to refer to all other items that could reasonably fall within the broadest possible scope of such general statement, term or matter.



1.10 Waiver. No consent or waiver, expressed or implied, by a party of any default by the other party in observing or performing its obligations under this Agreement will be effective unless given in writing, or be deemed or construed to be a consent or waiver of any other default. Failure on the part of either party to complain of any act or failure to act by the other party or to declare the other party in default, irrespective of how long such failure continues, will not constitute a waiver by such party of its rights under this Agreement or at law or at equity.

1.11 Remedies. Each party to this Agreement, in addition to its rights under this Agreement or at law, will be entitled to all equitable remedies including specific performance, injunction and/or declaratory relief, to enforce its rights under this Agreement. No reference to nor exercise of any specific right or remedy under this Agreement or at law or at equity by either party will prejudice, limit or preclude that party from exercising any other such right or remedy. No such right or remedy will be exclusive or dependent upon any other such right or remedy, but either party, from time to time, may exercise any one or more of such rights or remedies independently, successively, or in combination. The Owner acknowledges that specific performance, injunctive relief (mandatory or otherwise), or other equitable relief may be the only adequate remedy for a default by the Owner under this Agreement.

1.12 Further Assurances. The Owner will execute and deliver to the City, on request by the City from time to time, such further assurances and instruments as the City may require to give full force and effect to the Owner's grants and agreements under this Agreement.

1.13 Joint and Several Liability. If the Owner consists of more than one person, firm or corporation, the Owner's obligation under this Agreement will be joint and several.

1.14 References. Whenever the singular or masculine is used in this Agreement, the same will be construed as meaning the plural, feminine or body corporate or politic and vice versa where the context or the parties require.

ARTICLE 2

STATUTORY RIGHT OF WAY FOR NEIGHBOURHOOD ENERGY ROOM

2.1 Right of Way Grant. Pursuant to Section 218 of the *Land Title Act*, the Owner hereby grants to the City absolutely and in perpetuity a full, free and uninterrupted easement by way of statutory right of way over the Lands at its will and pleasure at all times until the discharge of this Agreement to enter and cross over the Lands, with or without equipment, for the purpose of:

- (a) accessing the Neighbourhood Energy Room and all NES Equipment located therein;
- (b) constructing, installing, inspecting, maintaining, repairing and replacing any of the NES Equipment, or any other ancillary equipment required for the operation of the NES Equipment;
- (c) operating the NES Equipment; and
- (d) all other things necessary or incidental to the operation of the NES Equipment or the NES,

and such rights may be exercisable by the City, its employees, contractors, permittees and agents, or the Utility Provider.

2.2 No City Obligation. Nothing in Section 2.1 implies that the City has any obligation to the Owner or to anyone else to exercise any of its rights under Section 2.1.

2.3 Limited Access. Notwithstanding the general grant of Statutory Right of Way in Section 2.1, the City covenants that, in exercising any rights hereunder, the City and City Personnel will use (and will cause any designate of the City, including a Utility Provider, to use) only those portions of the Lands reasonably necessary to do so.

2.4 Right of Way Continuance. No default by the City with respect to the Statutory Right of Way and no act or failure to act by the City in connection with the Statutory Right of Way will result or be deemed to result in the interruption, suspension, or termination of the right of way, and the Owner will refrain from seeking any judgment, order, declaration, or injunction to that effect.

2.5 City Assignment. The City may assign all or any of its rights and obligations with respect to the Statutory Right of Way, or any undivided interest in them, or grant a licence in respect of all or any of its rights, to any Utility Provider that has the capacity to accept a grant of statutory right of way under Section 218 of the *Land Title Act*.

2.6 Ownership of NES Equipment. Despite any rule of law or equity to the contrary, all NES Equipment or other equipment or infrastructure located within the Neighbourhood Energy Room shall be and shall remain the property of the Utility Provider even though they may be affixed to the Lands. The Owner acknowledges and agrees that the Utility Provider may remove all or part of such equipment from the Lands on termination of this Agreement.

2.7 Repair. The City shall repair any damage to real or personal property, buildings, structures or improvements on the Lands caused by the City or the City Personnel in exercising any of the City's rights hereunder.

2.8 Modification of Area of Statutory Right of Way. The Owner and the City agree that once the location of the Neighbourhood Energy Room has been determined to the satisfaction of the City Engineer, the areas subject to the Statutory Right of Way may, at the election of the Owner, be reduced to reflect the as-built dimensions of the Neighbourhood Energy Room, and all necessary access thereto, in which case the Owner shall, at its cost, cause a reference plan, which for certainty may be a volumetric plan (the "**Reference Plan**") to be prepared in registrable form by a B.C. Land Surveyor in good standing in the Province of British Columbia which defines the reduced boundaries for the Statutory Right of Way for the Neighbourhood Energy Room, and required access thereto (the "**Defined SRW Area**"), which Reference Plan the Owner will forward to the City for the approval of the General Manager of Engineering Services and the Director of Legal Services.

2.9 Modification of Agreement. If the Owner elects to restrict the area of the Statutory Right of Way for the Neighbourhood Energy Room as permitted by Section 2.8, then the Owner, at its cost, will prepare, in registrable form and to the satisfaction of the Director of Legal Services, a modification of, partial discharge of, or replacement for, this Agreement (the "**Modification Agreement**") which will restrict the Statutory Right of Way to the reduced boundaries defined by the Reference Plan prepared by the Owner in accordance with Section 2.8 as well as provide all such rights of access as are considered reasonably necessary for access to the Neighbourhood Energy Room and operation of the NES Equipment by the Utility

Provider. The Owner will deliver the Modification Agreement to the Director of Legal Services for execution by the City and once fully executed the Owner will take all necessary steps to register the Modification Agreement and the Reference Plan on title to the Lands in the Land Title Office in the priority required by, and to the satisfaction of, the Director of Legal Services, provided that, subject to Section 5.6, until this Agreement is modified, the Statutory Right of Way will be registered as a charge against the entirety of the Lands.

ARTICLE 3

STATUTORY RIGHT OF WAY FOR ANCILLIARY INFRASTRUCTURE

3.1 Right of Way Grant. Pursuant to Section 218 of the *Land Title Act*, the Owner hereby grants to the City the full and free right, liberty, easement and statutory right of way over the Lands at its will and pleasure at all times until the discharge of this Agreement to enter and cross over the Lands, with or without equipment, for the purpose of:

- (a) constructing, installing, or, following construction, enlarging or relocating the Ancillary Infrastructure in such location or locations on the Lands as is satisfactory to the City and the Owner, each acting reasonably, together with the right to cover the Ancillary Infrastructure with soil or any other surface or substance suitable in the circumstances as may be deemed necessary or expedient by the City or City Personnel;
- (b) inspecting, maintaining, repairing, replacing and altering the Ancillary Infrastructure together with the right to cover the Ancillary Infrastructure with soil or any other surface or substance suitable in the circumstances as may be deemed necessary or expedient by the City or City Personnel; and
- (c) doing all other things necessary or incidental to the foregoing rights in connection with the Ancillary Infrastructure,

and such rights may be exercisable by the City or the Utility Provider.

3.2 No City Obligation. Nothing in Section 3.1 implies that the City has any obligation to the Owner or to anyone else to exercise any of its rights under Section 3.1.

3.3 Limited Access. Notwithstanding the general grant of Statutory Right of Way in Section 3.1, the City covenants that, in exercising any rights hereunder, the City and City Personnel will use (and will cause any designate of the City, including a Utility Provider, to use) only those portions of the Lands reasonably necessary to do so.

3.4 Right of Way Continuance. No default by the City with respect to the Statutory Right of Way and no act or failure to act by the City in connection with the Statutory Right of Way will result or be deemed to result in the interruption, suspension, or termination of the right of way, and the Owner will refrain from seeking any judgment, order, declaration, or injunction to that effect.

3.5 City Assignment. The City may assign all or any of its rights and obligations with respect to the Statutory Right of Way, or any undivided interest in them, or grant a licence in respect of all or any of its rights, to any Utility Provider that has the capacity to accept a grant of statutory right of way under Section 218 of the *Land Title Act*.



3.6 Ownership of Ancillary Infrastructure. Despite any rule of law or equity to the contrary, all Ancillary Infrastructure located on the Lands shall be and shall remain the property of the Utility Provider even though they may be affixed to the Lands. The Owner acknowledges and agrees that the Utility Provider may remove all or part of such equipment from the Lands on termination of this Agreement.

3.7 Repair. The City shall repair any damage to real or personal property, buildings, structures or improvements on the Lands caused by the City or the City Personnel in exercising any of the City's rights hereunder.

ARTICLE 4 RESTRICTION ON USES OF THE LANDS

4.1 Section 219 Covenant over the Lands. Pursuant to Section 219 of the *Land Title Act*, the Owner covenants and agrees with the City with respect to the Lands that, notwithstanding that the Owner may be otherwise entitled, the Lands will not be used or occupied except in accordance with the following:

- (a) the Owner will not use any area of the Neighbourhood Energy Room and will not suffer or permit anyone else to use the Neighbourhood Energy Room except in accordance with the terms of this covenant;
- (b) the Owner will not use the Lands, or suffer or permit the Lands to be used, for any purpose that, in the City Engineer's opinion may interfere with the Ancillary Infrastructure or NES Equipment, damage or destroy them, impair their use or operation, obstruct access to them, create any hazard, or interfere with or interrupt use of the Neighbourhood Energy Room as contemplated herein;
- (c) the Owner will not grant any easements, statutory rights of way or other grants, leases or licences through the Neighbourhood Energy Room without the prior written approval of the City Engineer; and
- (d) the statutory rights of way, covenants and rights granted pursuant to Sections 2.1 and 3.1 of this Agreement will not be replaced, modified, abandoned, surrendered or discharged without the prior written consent of the City.

4.2 Owner's Default. If the Owner defaults in observing or performing any obligation with respect to the Statutory Rights of Way or the Section 219 Covenant in Section 4.1 herein, the Owner will rectify such default within thirty (30) days after receipt of notice from the City, except that if the Owner, by reason of the nature of the default, cannot in the opinion of the City Engineer rectify it within thirty (30) days, the Owner will have a further reasonable period to rectify so long as the Owner proceeds promptly and diligently. If the Owner fails to rectify such default within the permitted time period or if the City, in case of emergency, does not consider that it has time to deliver such notice, the City may rectify the default on the Owner's behalf. If any default by the Owner results in the need for the Owner to take positive action to rectify such default, the Owner will take such positive action as the City considers necessary, and, if the Owner fails to do so, the City may apply to court for a mandatory injunction requiring the Owner to take such action. This Section 4.2 will survive termination or release of this Agreement.

4.3 Costs. The Owner will pay to the City on demand the aggregate of the City's costs of rectifying any default of the Owner with respect to the Statutory Rights of Way or the Section 219 Covenant herein plus a sum equal to twenty (20%) percent of those costs on account of the City's overhead, and any other money the Owner may owe to the City from time to time pursuant to this Agreement. If the Owner does not pay the City within thirty (30) days after the date the Owner receives any such demand, the arrears will bear interest from the date of demand to the date of payment at the Prime Rate plus three (3%) percent per annum, calculated and compounded monthly not in advance: Provided that if a court declares or holds the Prime Rate to be void or unenforceable for any reason including uncertainty, then the rate of interest payable on amounts in arrears hereunder will be eighteen (18%) percent per annum calculated monthly not in advance, from the date due until paid. This Section 4.3 will survive termination or release of this Agreement.

4.4 Indemnity. The Owner will indemnify and save harmless the City and City Personnel from and against all liabilities, actions, statutory or other proceedings, judgments, investigations, claims, losses, loss of profits, damages, consequential damages, fines, penalties, costs, and legal costs on a solicitor and own client basis which the City may suffer or incur arising out of or in connection with:

- (a) any default by the Owner, or the Owner's tenants, officials, officers, employees, contractors, agents, licensees, invitees or permittees, in observing or performing the Owner's obligations under this Agreement;
- (b) the release by the City or City Personnel or the exercise or lack of exercise by the City or City personnel of any of its rights under this Agreement; and
- (c) any negligent acts or omissions or willful misconduct of the Owner or its employees, servants, agents, contractors and subcontractors or any negligent or wilful acts or omissions of the City or City Personnel in connection with the exercise of any of the rights, obligations or responsibilities of the Owner under this Agreement, save and except to the extent caused by the willful misconduct of the City or City Personnel.

This indemnity forms an integral part of the statutory right of way and Section 219 granted herein and will survive termination or release of this Agreement.

For greater certainty, this indemnity will not apply to any costs or expenses incurred by the City in performing its obligations under sections 2.7 and 3.7.

4.5 Release. The Owner hereby releases and discharges the City and City Personnel from and against all liabilities, actions, statutory or other proceedings, judgments, investigations, claims, losses, loss of profits, damages, consequential damages which may arise or accrue to the Owner by reason of the City or City Personnel exercising any of its rights under this Agreement whether or not such Losses are the result of, or relate, in any way, to any negligent or wilful acts or omissions on the part of the City or the City Personnel, or would not have been incurred but for this Agreement, save and except to the extent caused by the willful misconduct of the City or City Personnel. This release will survive termination or release of this Agreement. For greater certainty, this release will not relieve the City from its obligations under sections 2.7 and 3.7.

4.6 Release and Indemnity to Survive. The release and indemnity created by Sections 4.4 and 4.5 will remain effective and survive the expiration or termination of this Agreement whether by fulfilment of the covenants contained in this Agreement or otherwise.

ARTICLE 5 GENERAL PROVISIONS

5.1 Notice. Any notice, approval or request required or permitted to be given under this Agreement will be in writing and may be given by delivering such notice, approval or request to a representative of the party to whom it is intended, or by mailing such notice, approval or request by prepaid registered mail from any post office in British Columbia:

- (a) in the case of the Owner addressed to it at:

Arpeg Holdings Ltd.
73 East Hastings Street
Vancouver, British Columbia V6A 1M9

with a copy to:

Bosa Properties Inc.
1201 - 838 West Hastings Street
Vancouver, British Columbia V6C 0A6

- (b) and in the case of the City addressed to it at:

City of Vancouver
453 West 12th Avenue
Vancouver, British Columbia V5Y 1V4

Attention: City Clerk

with a copy to: the Director of Legal Services and the City Engineer,

or at such other address as the parties may from time to time advise by notice in writing. Any such notice, approval or request will be deemed to have been received on the date of delivery of such notice, approval or request or, on the third business day next following the date of such mailing if mailed as aforesaid, provided that if mailed should there be, between mailing and the actual receipt of such notice, approval or request, a mail strike, slowdown or other labour dispute which might affect the delivery of such notice, approval or request, such notice, approval or request will only be effective if actually delivered.

5.2 Registration. The City may register the Statutory Rights of Way and the Section 219 Covenant against the Owner's title to the Lands in priority to all other charges excepting only Permitted Encumbrances. The Owner will execute and deliver this Agreement to the City in form acceptable for registration, and will cause the holders of all liens, charges, and encumbrances in respect of which the City requires priority to execute and deliver to the City instruments of priority acceptable for registration and in form and substance acceptable to the City.

5.3 Joint and Several. If the Owner consists of more than one person, each such person will be jointly and severally liable to perform the Owner's obligations under this Agreement.

5.4 Effect of Grants and Agreements. The grants and agreements of the Owner in this Agreement will run with the Lands but no part of the freehold estate in the Lands will vest in the City. The Owner will not be personally liable for any default in compliance with the Owner's obligations under this Agreement which occurs after the Owner ceases to own the Lands.

5.5 Transfer of Lands. The Owner covenants and agrees with the City that upon any sale, transfer or conveyance of the Lands, or any portion thereof, to any person, trust, corporation, partnership or other entity, the Owner will obtain from such person, trust, corporation, partnership or entity and deliver to the City a duly executed acknowledgement of the terms of this Agreement and an assumption of the continuing obligations of the Owner pursuant to this Agreement. The creation of a strata corporation by deposit of a strata plan in respect of the Lands, or any portion thereof, is deemed to be a transfer for the purposes of this section 5.5, and the Owner will obtain from such strata corporation and deliver to the City a duly executed acknowledgement of the terms of this Agreement and an assumption of the continuing obligations of the Owner pursuant to this Agreement in form and content satisfactory to the Director of Legal Services. Notwithstanding the foregoing, this section 5.5 will not apply to the transfer of any individual residential strata lot created by the registration of a strata plan pursuant to the *Strata Property Act* (British Columbia) with respect to the Lands or any portion thereof.

5.6 Subdivision. If the Owner subdivides all or part of the Lands, the Statutory Rights of Way and Section 219 Covenant granted herein will continue to charge all portions of the Lands which contain any portion of the Neighbourhood Energy Room and Ancillary Infrastructure, and, upon the request of the Owner and at the Owner's cost and expense, the City will execute and deliver to the Owner a registrable discharge of the Statutory Rights of Way and Section 219 Covenant granted herein from those subdivided portions of the Lands which do not contain any portion of the Neighbourhood Energy Room or Ancillary Infrastructure.

5.7 Subdivision by Strata Plan. If the Lands, or any portion thereof, are subdivided by a strata plan, then:

- (a) the Neighbourhood Energy Room and areas containing the Ancillary Infrastructure will not become or form part of a strata lot but will form part of the common property of such strata plan;
- (b) the Section 219 covenants and obligations therein will charge title to the strata lots and the common property comprising such strata plan and be registered against each individual strata lot and noted on the common property record;
- (c) the statutory right of way granted herein will charge title to the common property comprising such strata plan and be noted on the common property record;
- (d) the strata corporation(s) so created will perform and observe the Owner's covenants in this Agreement at the expense of the strata lot owners, provided that each strata lot owner's liability with respect thereto is limited to the owner's proportionate share of the liability for obligations of the strata corporation in accordance with the *Strata Property Act* (British Columbia); and

- (e) no part of the Neighbourhood Energy Room or any areas containing the Ancillary Infrastructure will form part of or be located within an strata lot or part of any strata lot,

provided that, if the Lands are first subdivided by air space plan and then one or more of these parcels are further subdivided by strata plan, the air space parcel easements registered concurrently with the air space parcel plan may designate the owner of any air space parcel or the remainder, and thereafter the strata corporation created in respect of such parcel, responsible to perform and observe the Owner's covenants in this Agreement.

5.8 Agreement to be a First Charge. The Owner agrees to cause the registrable interests in land expressly agreed to be granted pursuant to this Agreement to be registered as first registered charges against the Lands, save only for any reservations, liens, charges or encumbrances:

- (a) contained in any grant from Her Majesty the Queen in Right of the Province of British Columbia respecting the Lands;
- (b) registered against title to the Lands at the instance of the City, whether in favour of the City or otherwise, as a condition of any rezoning or any development permit or otherwise; and
- (c) which the Director of Legal Services has determined, in her sole discretion, may rank in priority to the registrable interests in land granted pursuant to this Agreement.

5.9 City's Other Rights Unaffected. Nothing contained or implied herein will or will be deemed to derogate from the obligations of the Owner under any other agreement with the City or, if the City so elects, derogate from, prejudice or affect the City's rights, powers, duties or obligations in the exercise of its functions pursuant to the *Vancouver Charter*, as amended from time to time, or the rights, powers, duties and obligations of the City under all public and private statutes, by-laws, orders and regulations, which may be, if the City so elects, as fully and effectively exercised in relation to the Lands as if this Agreement had not been executed and delivered by the Owner and the City.

5.10 Agreement for Benefit of City. The Owner and the City hereby acknowledge, agree and declare that this Agreement is entered into for the sole purpose of benefiting the City and, in particular, acknowledge, agree and declare that this Agreement is not designed to protect or promote the interests of the Owner or any mortgagee of the Owner, or any future owner or occupier of the Lands and any improvements on the Lands or any other person or corporation whatsoever, and the City may, at its sole option, execute a release of this Agreement at any time without liability to anyone for so doing.

5.11 City Court Costs. In an action to enforce this Agreement in respect of which the Court determines that the position of the City will prevail, the City will be entitled to court costs on a solicitor-client basis.

5.12 Assignment by City. The City, upon prior written notice to the Owner, may assign all or any part of this Agreement to any governmental agency or to the Utility Provider, and the City may designate licensees and permittees for any and all purposes of this Agreement.

5.13 Discharge. Notwithstanding any assignment of this Agreement by the City to a Utility Provider, this Agreement may not be discharged by the Utility Provider or subsequent assignee without the prior written consent of the City.

5.14 Owner's Representations. The Owner represents and warrants to and covenants and agrees with the City that:

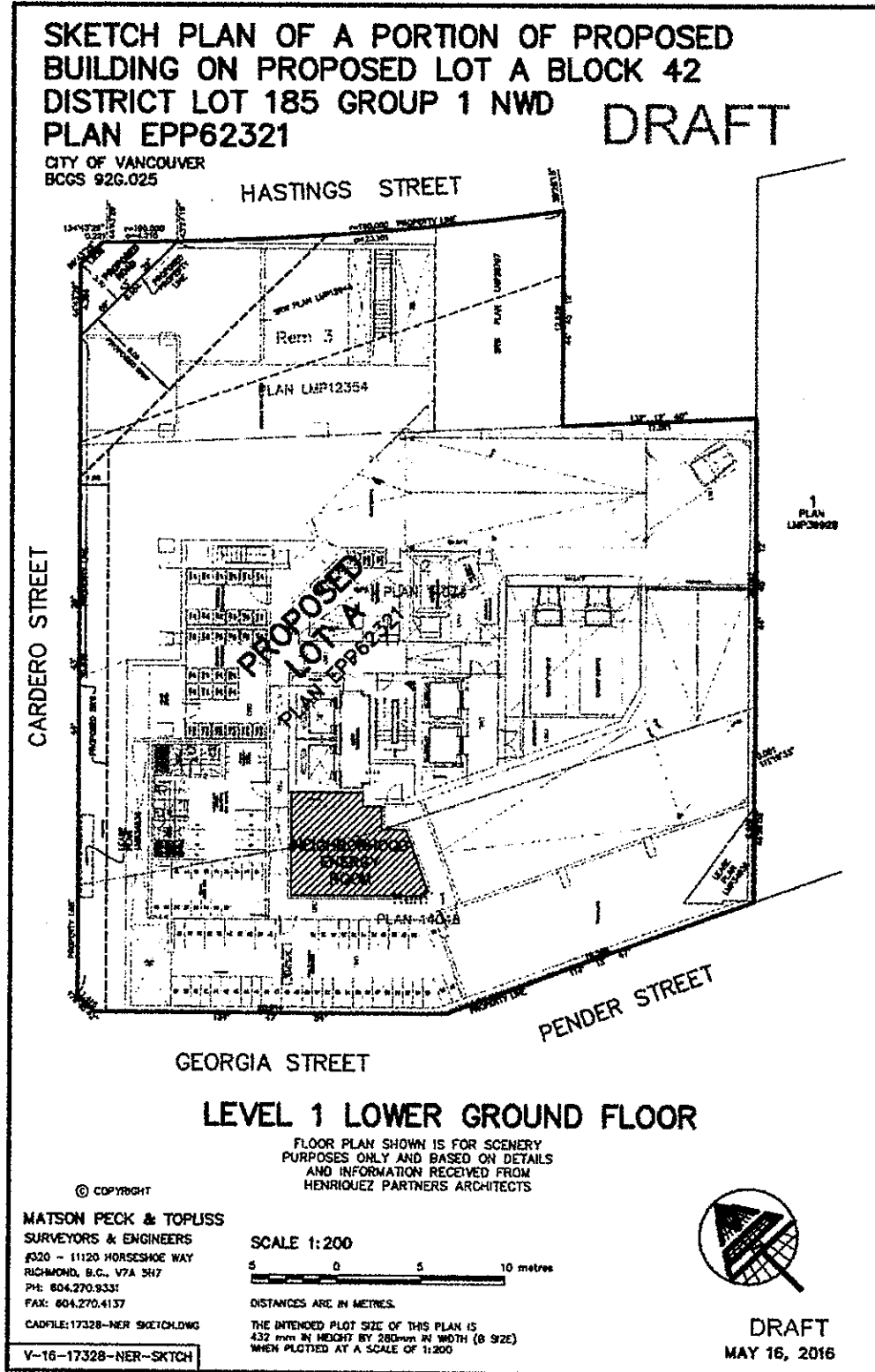
- (a) it has the full and complete power, authority and capacity to enter into, execute and deliver this Agreement and to bind all legal and beneficial interests in the title to the Lands with the interests in land created hereby;
- (b) upon execution and delivery of this Agreement and registration thereof, the interests in land created hereby will encumber all legal and beneficial interests in the title to the Lands;
- (c) this Agreement will be fully and completely binding upon the Owner in accordance with its terms and the Owner will perform all of its obligations under this Agreement in accordance with its terms; and
- (d) the foregoing representations, warranties, covenants and agreement will have force and effect notwithstanding any knowledge on the part of the City whether actual or constructive concerning the status of the Owner with regard to the Lands or any other matter whatsoever.

5.15 Entire Agreement. This Agreement represents the entire agreement between the City and the Owner regarding the matters set out in this Agreement, and supersedes all prior agreements, letters of intent or understandings about these matters.

5.16 Continuing Effect. This Agreement will enure to the benefit of and bind each of the City and its successors and assigns and the Owner and the Owner's heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF the parties have executed this Agreement on the General Instrument - Part 1 which is a part hereof.

SCHEDULE "A"
SKETCH SHOWING PROPOSED LOCATION OF NEIGHBOURHOOD ENERGY ROOM



{00487473v7}
June 22, 2016 - FINAL

SRW - Neighbourhood Energy Room
1575-1577 West Georgia Street and 620 Cardero Street

CONSENT AND PRIORITY INSTRUMENT

In this consent and priority instrument:

- (a) “Existing Charges” mean the Mortgage registered under number CA3165287 extended by number CA5311916;
- (b) “Existing Chargeholder” means **BOSA PROPERTIES (CARDERO) INC.**;
- (c) “New Charges” means the Section 219 Covenant and Statutory Right of Way contained in the attached Terms of Instrument - Part 2; and
- (d) words capitalized in this instrument, not otherwise defined herein, have the meaning ascribed to them in the attached Terms of Instrument - Part 2.

For ten dollars and other good and valuable consideration, the receipt and sufficiency of which the Existing Chargeholder acknowledges, the Existing Chargeholder:

- (a) consents to the Owner granting the New Charges to the City; and
- (b) agrees with the City that the New Charges charge the Lands in priority to the Existing Charges in the same manner and to the same effect as if the Owner had granted the New Charges, and they had been registered against title to the Lands, prior to the grant or registration of the Existing Charges or the advance of any money under the Existing Charges.

To witness this consent and priority instrument, the Existing Chargeholder has caused its duly authorized signatories to sign the attached General Instrument - Part 1.



CONSENT AND PRIORITY INSTRUMENT

In this consent and priority instrument:

- (a) "Existing Charges" means the Mortgage registered under number CA5311437, extended by number CA5311917 and the Assignment of Rents registered under number CA5311438, extended by number CA5311918;
- (b) "Existing Chargeholder" means **CANADIAN IMPERIAL BANK OF COMMERCE**;
- (c) "New Charges" means the Section 219 Covenant and Statutory Right of Way contained in the attached Terms of Instrument - Part 2; and
- (d) words capitalized in this instrument, not otherwise defined herein, have the meaning ascribed to them in the attached Terms of Instrument - Part 2.

For \$10 and other good and valuable consideration, the receipt and sufficiency of which the Existing Chargeholder acknowledges, the Existing Chargeholder:

- (e) consents to the Owner granting the New Charges to the City; and
- (f) agrees with the City that the New Charges charge the Lands in priority to the Existing Charges in the same manner and to the same effect as if the Owner had granted the New Charges, and they had been registered against title to the Lands, prior to the grant or registration of the Existing Charges or the advance of any money under the Existing Charges.

To witness this consent and priority instrument, the Existing Chargeholder has caused its duly authorized signatories to sign the attached General Instrument - Part 1.

END OF DOCUMENT

