

THE PACIFIC

BY GROSVENOR

1380 – 1382 HORNBY STREET, VANCOUVER, BRITISH COLUMBIA SECOND DISCLOSURE STATEMENT AMENDMENT

April 27, 2018

This second disclosure statement amendment (the “**Second Disclosure Statement Amendment**”) relates to an offering by Hornby Pacific Limited Partnership, by its general partner, Hornby Pacific GP Limited (the “**Beneficial Owner**”) and Hornby BT Holdings Limited (the “**Registered Owner**”) (the Beneficial Owner and the Registered Owner are together, the “**Developer**”) for the sale of certain residential strata lots and one commercial strata lot located in Vancouver, British Columbia, in a development known as “The Pacific by Grosvenor” (the “**Development**”). This Second Disclosure Statement Amendment amends an original disclosure statement dated November 15, 2017, as amended by a disclosure statement amendment dated November 23, 2017 (together, the “**Original Disclosure Statement**”).

DEVELOPER

Name: Hornby Pacific Limited Partnership and
Hornby BT Holdings Limited

Business Address: Suite 2000 – 1040 West Georgia Street
Vancouver, British Columbia V6E 4H1

Address for Service: Suite 1800 – 510 West Georgia Street
Vancouver, British Columbia V6B 0M3

MARKETING OF THE DEVELOPMENT

The Development will be marketed by the following real estate brokerage firm, acting on behalf of the Developer:

Name: Rennie Marketing Systems

Business Address: 51 East Pender Street
Vancouver, British Columbia V6A 1S9

The Developer reserves the right to market the Strata Lots (as defined in the Original Disclosure Statement) itself or to engage other third party real estate brokerage firms. Any employees, directors or officers of the Developer who market the Strata Lots on behalf of the Developer are not licensed under the *Real Estate Services Act* (British Columbia) and are not acting on behalf of the purchaser.

This Disclosure Statement relates to a development property that is not yet completed. Please refer to Section 7.2 for information on the purchase agreement. That information has been drawn to the attention of _____

_____ [insert purchaser's name], who has confirmed that fact by initialling 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.

REAL ESTATE DEVELOPMENT MARKETING ACT REQUIREMENTS

Policy Statement 6 issued by the Superintendent of Real Estate pursuant to the *Real Estate Development Marketing Act* requires that a developer must not market a development unit unless the developer has made adequate arrangements to ensure payment of the cost of utilities and other services associated with the development unit.

The Superintendent of Real Estate will accept for filing disclosure statements before a satisfactory financing commitment has been obtained and the developer may market the development units, but only on complying with the following terms and conditions:

- (a) The estimated date for obtaining a satisfactory financing commitment, as disclosed in the disclosure statement, is 9 months or less from the date the developer filed the disclosure statement with the Superintendent;
- (b) The developer markets the proposed development units under the disclosure statement for a period of no more than 9 months from the date the disclosure statement was filed with the Superintendent, unless an amendment to the 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 the particulars of a satisfactory financing commitment; or
 - (ii) upon the expiry of the 9 month period, immediately cease marketing 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 property 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 development unit offered for sale or lease before the purchaser's receipt of an amendment to the disclosure statement that sets out particulars of a satisfactory financing commitment, contains 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 the 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

- (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.**

Please see Sections 6.2, 7.1 and 7.2 in the Original Disclosure Statement in respect of the above requirements.

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The Original Disclosure Statement is hereby amended as follows:

1. by deleting the *Real Estate Development Marketing Act* (British Columbia) requirements for Policy Statement 5, being the two pages which immediately follow the second cover page of the Original Disclosure Statement;

2. by deleting the last paragraph of Section 3.4(b) and replacing it with:

“The Amenities will be on those portions of Levels 2 and 3 of the Development that are identified as “Amenity”, “Play Area” and “Amenity Terrace” (on Sheet 11 of the Preliminary Strata Plan) and “Gym” (on Sheet 12 of the Preliminary Strata Plan).”;

3. by deleting the following from Section 4.3(a)(i):

“Heritage Designation By-Law, Vancouver Charter Section 593, See BW307522 (Part derived from Lot 17 Block 111 Plan 210). This is a record of Bylaw No. 8879 enacted by the Council of Vancouver on June 22, 2004”,

and replacing it with the following:

“Heritage Designation By-Law, Vancouver Charter Section 593, See BW307522 (Part derived from Lot 17 Block 111 Plan 210), Modified by CA6551264. This is a record of Bylaw No. 8879 enacted by the Council of Vancouver on June 22, 2004, and modified by amending Bylaw No. 11926 enacted on October 17, 2017”;

4. by deleting Section 4.3(a)(ii) in its entirety and replacing it with “[Intentionally Deleted].”;

5. by inserting a new Section 4.3(a)(vi) immediately after Section 4.3(a)(v) as follows:

“(vi) Hereto is Annexed Easement CA6447231 over the Common Property, Strata Plan LMS1554. This notation indicates that the Lands have the benefit of Easement CA6447231 granted over the lands located adjacent to the Lands, specifically the common property of Strata Plan LMS1554 (the “**LMS1554 Lands**”), for the purpose of constructing and installing certain earth anchor systems and soil works to shore up the excavation which will be undertaken on the Lands and to underpin and otherwise support the LMS1554 Lands and the improvements thereon, and also for the purposes of entering and using the LMS1554 Lands to make surveys, tests and examinations in connection with such excavation, shoring and underpinning work.”;

6. by deleting Sections 4.3(b)(ii), 4.3(b)(iii), 4.3(b)(vi), 4.3(b)(vii), 4.3(b)(viii), 4.3(b)(x), 4.3(b)(xii), 4.3(b)(xiv), 4.3(b)(xvi), 4.3(b)(xviii), 4.3(b)(xx), 4.3(b)(xxii), 4.3(b)(xxiv), 4.3(b)(xxvi), 4.3(b)(xxviii), 4.3(b)(xxx), 4.3(b)(xxxii), 4.3(b)(xxxiv), 4.3(b)(xxxvi), 4.3(b)(xxxviii), 4.3(b)(xl), 4.3(b)(xlii), 4.3(b)(xliv), 4.3(b)(xlvi), 4.3(b)(xlviii), 4.3(b)(l) and 4.3(b)(li) in their entirety and replacing each of them with “[Intentionally Deleted].”;

7. by deleting the first two sentences in Section 5.1 and replacing them with:

“Construction of the Development commenced on April 3, 2018. The estimated date range for completion of construction of the Development is May 15, 2021 to August 14, 2021.”;

8. by deleting the second sentence of the first paragraph of Section 6.1 in its entirety and replacing it with the following:

“All of the conditions under the Prior to Letter have been satisfied and the City has issued Development Permit DP-2017-00305.”;

9. by deleting the second paragraph of Section 6.1 in its entirety and replacing it with the following:

“Building Permit BP-2017-03246 was issued by the City on March 29, 2018 permitting construction of the Development.”;

10. by deleting the following from Section 7.2(b):

“Pursuant to Section 7.1 of Schedule A to the Purchase Agreement:

- (a) The Purchaser may cancel the Purchase Agreement for a period of seven (7) 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 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 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, at which time the Purchaser may cancel the Purchase Agreement for a period of seven (7) days after receipt of that amendment only if the layout or size of the 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) 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 pursuant to Section 7.1.”,

and replacing it with “[Intentionally Deleted]”;

11. by deleting sheet 11 of the preliminary strata plan attached as Exhibit A to the Original Disclosure Statement and replacing it with the strata plan sheet numbered 11 included in the Exhibit A attached hereto;
12. by deleting the phrase “Disclosure Statement for the Development dated November 15, 2017, as amended by the First Disclosure Statement Amendment dated November 23,

2017 and including all further amendments thereto, if any” from the second and third lines of the first paragraph of the fifth page of the Form of Purchase Agreement for Residential Strata Lots attached as Exhibit H to the Original Disclosure Statement and replacing it with the following:

“Disclosure Statement for the Development dated November 15, 2017, as amended by the First Disclosure Statement Amendment dated November 23, 2017 and the Second Disclosure Statement Amendment dated April 27, 2018 and including all further amendments thereto, if any”;

13. by deleting the phrase “Disclosure Statement for the Development dated November 15, 2017, as amended by the First Disclosure Statement Amendment dated November 23, 2017 and including all further amendments thereto, if any” from the second and third lines of the first paragraph of the fourth page of the Form of Purchase Agreement for Commercial Strata Lot attached as Exhibit I to the Original Disclosure Statement and replacing it with the following:

“Disclosure Statement for the Development dated November 15, 2017, as amended by the First Disclosure Statement Amendment dated November 23, 2017 and the Second Disclosure Statement Amendment dated April 27, 2018 and including all further amendments thereto, if any”;

14. by deleting Section 7.1 of Schedule A of the Form of Purchase Agreement for Residential Strata Lots attached as Exhibit H to the Original Disclosure Statement and replacing it with “[Intentionally Deleted]”; and
15. by deleting Section 7.1 of Schedule A of the Form of Purchase Agreement for Commercial Strata Lots attached as Exhibit I to the Original Disclosure Statement and replacing it with “[Intentionally Deleted]”.

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*.

DECLARATION

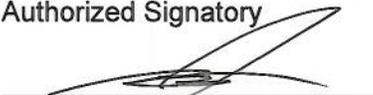
The foregoing statements disclose, without misrepresentation, all material facts relating to the Development referred to above, as required by the *Real Estate Development Marketing Act* of British Columbia, as of the 27th day of April, 2018.

HORNBY PACIFIC LIMITED PARTNERSHIP, HORNBY BT HOLDINGS LIMITED
by its general partner, **HORNBY PACIFIC GP LIMITED**

Per: 
Authorized Signatory

Per: 
Authorized Signatory

Per: 
Authorized Signatory

Per: 
Authorized Signatory

SIGNED BY ALL THE DIRECTORS OF HORNBY PACIFIC GP LIMITED IN THEIR PERSONAL CAPACITY, BEING:


James W. Patillo


Graham W. Drexel

SIGNED BY ALL THE DIRECTORS OF HORNBY BT HOLDINGS LIMITED IN THEIR PERSONAL CAPACITY, BEING:


Michael H. Beattie


Andrew J. Bibby


James W. Patillo


Graham W. Drexel

SCHEDULE A

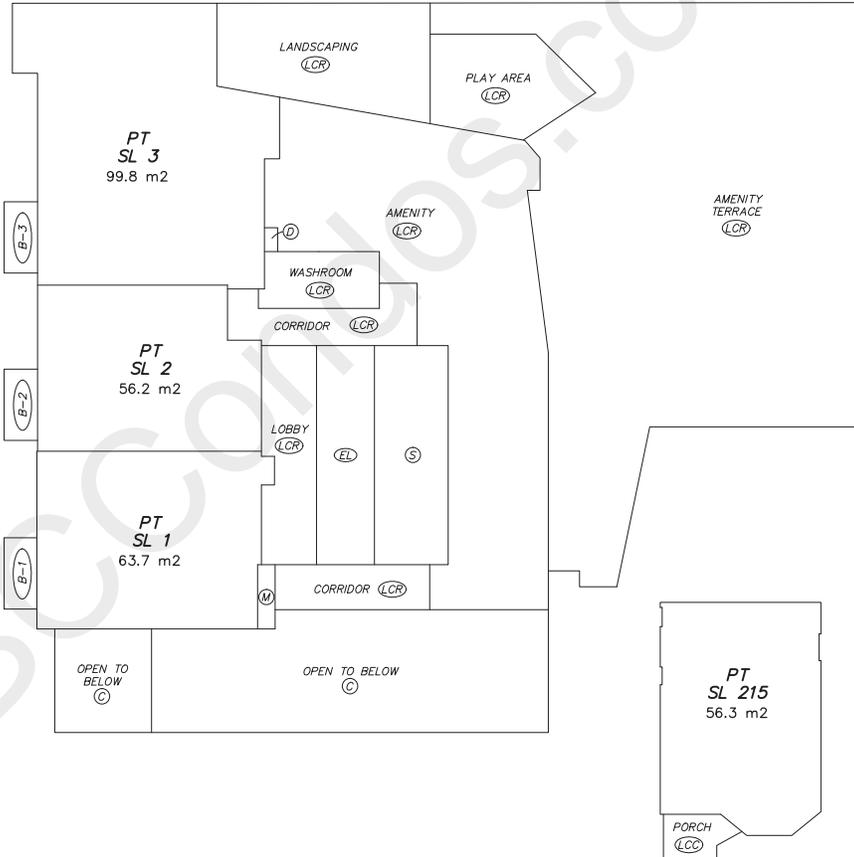
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LEVEL 2



SCALE 1:150 DISTANCES ARE IN METRES

THE INTENDED PLOT SCALE OF THIS PLAN IS 432 mm
IN WIDTH BY 559 mm IN HEIGHT (C SIZE) WHEN
PLOTTED AT A SCALE OF 1:150.



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